Congressional Record

PROCEEDINGS AND DEBATES

OF THE

THIRD SESSION OF THE SIXTY-SIXTH CONGRESS

OF

THE UNITED STATES
OF AMERICA

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Congressional Record.

PROCEEDINGS AND DEBATES OF THE SIXTY-SIXTH CONGRESS THIRD SESSION.

SENATE.

MONDAY, *December 6, 1920.*

The first Monday of December being the day prescribed by the Constitution of the United States for the annual meeting of Congress, the third session of the Sixty-sixth Congress commenced this day.

The Senate assembled in its Chamber at the Capitol.

The VICE PRESIDENT (THOMAS R. MARSHALL, of Indiana) called the Senate to order at 12 o'clock meridian.

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, at the beginning of every great spiritual enterprise we turn instinctively to Thee, for Thy guidance alone is sufficient for us. When we face the tremendous responsibilities of this hour and office we can hope to measure up to them only as Thou dost give us Thy blessing, as Thou dost direct our steps. Grant such measure of grace to Thy servants in this honorable Senate as that, with devotion to the ultimate principles of truth Thou hast revealed to us these principles in Thy Holy Word, they may faithfully and well perform the duties that are upon them and meet the responsibilities that have come to them.

Forgive our sins and fit us for the larger service of life. For Christ's sake. Amen.

CALLING OF THE ROLL.

The VICE PRESIDENT. Senators, the day and the hour provided by law and custom for the assembling of the regular session of the Congress of the United States having now arrived, the Secretary will call the roll of the Senators, to ascertain if a constitutional quorum be present.

The reading clerk (John C. Crockett) called the roll, and the following Senators answered to their names:

Ashurst	Gay	McCumber	Smith, Ariz.
Ball	Gore	McKellar	Smith, Ga.
Beckham	Gronna	McLean	Smith, Md.
Borah	Hale	McNary	Smith, S. C.
Brandegee	Harding	Moses	Smoot
Calder	Harris	Myers	Spencer
Capper	Harrison	Nelson	Stanley
Chamberlain	Henderson	New	Sterling
Colt	Johnson, Calif.	Norris	Sutherland
Culberson	Jones, Wash.	Nugent	Swanson
Cummins	Kellogg	Overman	Thomas
Curtis	Kendrick	Page	Townsend
Dial	Kenyon	Phipps	Underwood
Dillingham	Keyes	Pittman	Wadsworth
Edge	King	Pomerene	Walsh, Mass.
Elkins	Kirby	Ransdell	Walsh, Mont.
Fall	Knox	Reed	Warren
Fletcher	La Follette	Sheppard	Watson
France	Lenroot	Shields	Wolcott
Frelinghuysen	Lodge	Simmons	

The VICE PRESIDENT. Seventy-nine Senators have answered the roll call. There is a quorum present.

SENATORS FROM VIRGINIA AND ALABAMA.

Mr. SWANSON. Mr. President, I present the credentials of Hon. CARTER GLASS, who was elected a Senator at the election held on the 2d of November to fill the unexpired term of my late colleague, Hon. THOMAS S. MARTIN. Mr. GLASS is present, and I request that he may be sworn in after the credentials are read.

The VICE PRESIDENT. The Secretary will read the credentials.

The Assistant Secretary (Henry M. Rose) read the credentials, as follows:

COMMONWEALTH OF VIRGINIA:

This is to certify that at a meeting of the board of State canvassers held at the office of the secretary of the Commonwealth the fourth Monday in November, 1920, on an examination of the official abstract of votes on file in that office it was ascertained and determined that at the general election held on the first Tuesday after the first Monday in November, 1920, for United States Senator, CARTER GLASS was duly elected United States Senator from Virginia for the unexpired term prescribed by law.

Given under my hand and seal of office at Richmond this 22d day of November, 1920.

[SEAL.] B. O. JAMES,
Secretary of the Commonwealth.

The VICE PRESIDENT. The credentials will be placed on file.

Mr. UNDERWOOD. Mr. President, I present the credentials of my colleague, Mr. HEFLIN, who has been elected to fill the unexpired term of the late Senator BANKHEAD. I ask that the credentials may be read and that Mr. HEFLIN may be allowed to take the oath of office.

The VICE PRESIDENT. The Secretary will read the credentials.

The credentials were read and ordered to be placed on file, as follows:

DEPARTMENT OF STATE,
Montgomery, Ala.

In accordance with section 426 of the Code of Alabama, I, William P. Cobb, secretary of state of the State of Alabama, hereby certify that at a special election held in this State, in accordance with law, on the 2d day of November, A. D. 1920, for United States Senator to fill the unexpired term of Senator JOHN H. BANKHEAD, deceased, J. THOMAS HEFLIN was duly elected United States Senator from Alabama to fill the said unexpired term of JOHN H. BANKHEAD, deceased.

In testimony whereof I have hereunto set my hand and affixed the great seal of the State of Alabama this 18th day of November, 1920.

[SEAL.] WILLIAM P. COBB,
Secretary of State.

The VICE PRESIDENT. Is there any objection to administering the oath of office to the Senators elect? The Chair hears none. They will present themselves at the Vice President's desk.

Mr. GLASS and Mr. HEFLIN advanced to the Vice President's desk, escorted by Mr. SWANSON and Mr. UNDERWOOD, respectively, and the oath prescribed by law having been administered to them, they took their seats in the Senate.

LIST OF SENATORS.

The list of Senators by States is as follows:

Alabama—Oscar W. Underwood and J. Thomas Heflin.
Arizona—Henry F. Ashurst and Marcus A. Smith.
Arkansas—Joseph T. Robinson and William F. Kirby.
California—James D. Phelan and Hiram W. Johnson.
Colorado—Charles S. Thomas and Lawrence C. Phipps.
Connecticut—Frank B. Brandegee and George P. McLean.
Delaware—Josiah O. Wolcott and L. Heisler Ball.
Florida—Duncan U. Fletcher and Park Trammell.
Georgia—Hoke Smith and William J. Harris.
Idaho—William E. Borah and John F. Nugent.
Illinois—Lawrence Y. Sherman and Medill McCormick.
Indiana—James E. Watson and Harry S. New.
Iowa—Albert B. Cummins and William S. Kenyon.
Kansas—Charles Curtis and Arthur Capper.
Kentucky—J. C. W. Beckham and Augustus O. Stanley.
Louisiana—Joseph E. Ransdell and Edward James Gay.
Maine—Bert M. Fernald and Frederick Hale.
Maryland—John Walter Smith and Joseph I. France.
Massachusetts—Henry Cabot Lodge and David I. Walsh.
Michigan—Charles E. Townsend and Truman H. Newberry.
Minnesota—Knute Nelson and Frank B. Kellogg.
Mississippi—John Sharp Williams and Pat Harrison.
Missouri—James A. Reed and Selden P. Spencer.
Montana—Henry L. Myers and Thomas J. Walsh.
Nebraska—Gilbert M. Hitchcock and George W. Norris.
Nevada—Key Pittman and Charles B. Henderson.
New Hampshire—George H. Moses and Henry W. Keyes.
New Jersey—Joseph S. Frelinghuysen and Walter E. Edge.
New Mexico—Albert B. Fall and Andrieus A. Jones.
New York—James W. Wadsworth, jr., and William M. Calder.
North Carolina—F. M. Simmons and Lee S. Overman.
North Dakota—Porter J. McCumber and Asle J. Gronna.

Ohio—Atlee Pomerene and Warren G. Harding.
Oklahoma—Thomas P. Gore and Robert L. Owen.
Oregon—George E. Chamberlain and Charles L. McNary.
Pennsylvania—Boies Penrose and Philander C. Knox.
Rhode Island—LeBaron B. Colt and Peter G. Gerry.
South Carolina—Ellison D. Smith and Nathaniel B. Dial.
South Dakota—Thomas Sterling and Edwin S. Johnson.
Tennessee—John K. Shields and Kenneth McKellar.
Texas—Charles A. Culberson and Morris Sheppard.
Utah—Reed Smoot and William H. King.
Vermont—William P. Dillingham and Carroll S. Page.
Virginia—Claude A. Swanson and Carter Glass.
Washington—Wesley L. Jones and Miles Poindexter.
West Virginia—Howard Sutherland and Davis Elkins.
Wisconsin—Robert M. La Follette and Irvine L. Lenroot.
Wyoming—Francis E. Warren and John B. Kendrick.

NOTIFICATION TO THE HOUSE.

Mr. LODGE presented the following resolution (S. Res. 388), which was considered by unanimous consent and agreed to:

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

NOTIFICATION TO THE PRESIDENT.

Mr. LODGE submitted the following resolution (S. Res. 389), which was considered by unanimous consent and agreed to:

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to notify the President of the United States that a quorum of each House is assembled and that Congress is ready to receive any communication he may be pleased to make.

The VICE PRESIDENT appointed Mr. LODGE and Mr. UNDERWOOD as the committee on the part of the Senate under the resolution.

HOUR OF DAILY MEETING.

Mr. LODGE submitted the following resolution (S. Res. 390), which was considered by unanimous consent and agreed to:

Resolved, That the hour of daily meeting of the Senate be 12 o'clock meridian until otherwise ordered.

ADDRESS BY PRESIDENT-ELECT HARDING.

Mr. LODGE. Mr. President, before making a motion to adjourn I can not refrain from calling attention to the fact that this is a memorable occasion. For the first time in the history of the country a Member of this body has been elected President of the United States. He is here with us to-day, still a Senator, and I venture to suggest that he may be recognized by the Chair to speak informally to the Senate before he leaves his service here. [Great applause on the floor and in the galleries.]

Mr. HARDING was escorted to the Vice President's desk by the Vice President, and he addressed the Senate as follows:

Mr. President and Members of the Senate, I am grateful for this greeting on the part of the membership of this body. I am the more pleased that it affords me an opportunity to say to you rather informally some of the things in my heart which I could utter probably in no other way. I am conscious of the fact that I am here to-day under somewhat unusual circumstances, and I am not unmindful that there is a delicacy about my position which one can not escape except through some form of self-effacement which does not seem quite possible.

No Member of this body could be more reluctant to leave it than am I. I may say to the Senate that I came here with very high respect for this body, and I am leaving it with greater respect than that with which I came. If one could always direct his own political fortunes to his liking, I should have preferred my membership here to any office a citizen may hold in this Republic or elsewhere in the world. I like the freedom, the association, the patriotic sense of responsibility which abides here. I am conscious of the great place which Congress holds in this Government under our Constitution, and from my service here I am particularly sensible to the obligations of the Senate. When my responsibilities begin in the executive capacity I shall be as mindful of the Senate's responsibilities as I have been jealous for them as a Member, but I mean at the same time to be just as insistent about the responsibilities of the Executive. Our governmental good fortune does not lie in any surrender at either end of the Avenue, but in the coordination and cooperation which becomes the two in a great and truly representative popular government.

This brings me to the thought particularly in my mind. Something has been said about the senatorial oligarchy. Of course, everyone here knows that to be a bit of highly imaginative and harmless fiction. But I do recognize how essential is the helpfulness of Congress, and particularly of the Senate, in the making of a successful national administration. I want to express to-day the wish of a colleague for the confidence and the cooperation of the Members of this body in the four years which begin next March 4. I do not limit this sincere request to one side of the aisle. One can not promise agreement in all things with an opposite party which is sometimes insistently wrong; but we may find common ground in the spirit of service; and I hope, sirs, for that agreeable and courteous and ofttimes helpful relationship with the opposite side which has added to the delights of fellow service during the past six years.

We are facing no easy task. We have our full part in the readjustment of human affairs after the world tumult. We have our tasks at home; we have our part in the inevitable work of the civilized world. I am sure that the necessity of wise solution will inspire us to work together, to take common counsel, to be tolerant of one another, and to give the best which is in all of us to attain the ends which become our Republic at home and will maintain its high place among the nations of the earth.

With propriety I can not venture upon any suggestions now, even though I am speaking as a Member of this body. Three months of the present administration remain, and I would have House and Senate join cordially in making them fruitful rather than wasted months. There is so much to be done and we have already had so much of delay that I should like unanimous recognition that there are no party ends to serve, but precious days are calling for service to our common country.

I can not resist, Mr. President and Senators, the repetition of my regret that my association on this floor and in committee rooms is ending to-day. It has been a happy and a proud experience. Let me express the hope to one and all that though there comes a change in official relationship, it will not interrupt our cooperation nor deprive us of the personal fellowship which I have found to be a great compensation for the sacrifices of conscientious public service. [Applause.]

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 12 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 7, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *December 6, 1920.*

This being the day fixed by the Constitution of the United States for the annual meeting of the Congress, the House of Representatives of the Sixty-sixth Congress met in its Hall at 12 o'clock noon for its third session, and was called to order by the Speaker, Hon. FREDERICK H. GILLETT, a Representative from the State of Massachusetts.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Eternal Spirit, our Heavenly Father, infinite in Thine attributes, whose judgments are true and righteous altogether, reveal unto us more clearly Thy purposes and give us the desire, the zeal, the courage to conform our ways to Thine. Continue Thy favors unto us as a people and inspire those in authority with clear vision, high ideals, noble endeavors, that the concurrent branches of government may work together in harmony and in unison with Thee; that we may continue an ensample to all the world for true, just and equitable government. And grant that the whole family of mankind under Thy divine influence may become indeed citizens of Thy kingdom; that Thy will may be done in earth as it is in Heaven, to the glory and honor of Thy holy name, and the eternal good of mankind.

Since we last met, our Father in Heaven, two strong, pure and efficient Members of this House have passed over the Great Divide leaving the world the poorer for their going. Bless we pray Thee those that knew and loved them, especially those bound to them by the ties of kinship, with the eternal hope of the immortality of the soul, revealed in Jesus Christ our Lord. Amen.

CALL OF THE ROLL OF MEMBERS.

The SPEAKER. The Clerk will call the roll by States to ascertain the presence of a quorum.

The roll was called, and the following Members answered to their names:

ALABAMA.

John McDuffie.
Henry B. Steagall.
Fred L. Blackmon.
Lilius B. Rainey.
Edward B. Almon.
George Huddleston.
William B. Bankhead.
William B. Oliver.

ARIZONA.

Carl Hayden.

ARKANSAS.

Thaddeus H. Caraway.
William A. Oldfield.
John N. Tillman.
Otis Wingo.

Hence M. Jacoway.
Samuel M. Taylor.
William S. Goodwin.

CALIFORNIA.

Clarence F. Lea.
John E. Raker.
Charles F. Curry.
Julius Kahn.
John I. Nolan.
John A. Elston.

Henry E. Barbour.
Hugh S. Hersman.
Charles H. Randall.
Henry Z. Osborne.
William Kettner.

COLORADO.

William N. Vaile.
Charles B. Timberlake.

Guy U. Hardy.
Edward T. Taylor.

CONNECTICUT.

Augustine Lonergan.
John Q. Tilson.

Schuyler Merritt.
James P. Glynn.

DELAWARE.

Caleb R. Layton.

FLORIDA.

Frank Clark.
John H. Smithwick.

William J. Sears.

GEORGIA.

James W. Overstreet.
Frank Park.
Charles R. Crisp.
William C. Wright.
William D. Upshaw.

Gordon Lee.
Charles H. Brand.
Carl Vinson.
William C. Lankford.
William W. Larsen.

IDAHO.

Burton L. French.

Addison T. Smith.

ILLINOIS.

Martin B. Madden.
James R. Mann.
William W. Wilson.
Niels Juul.
Fred A. Britten.
Carl R. Chindblom.
Ira C. Copley.
Charles E. Fuller.
William J. Graham.
Clifford Ireland.
Frank L. Smith.
Joseph G. Cannon.

John W. Rainey.
Adolph J. Sabath.
James McAndrews.
William B. McKinley.
Henry T. Rainey.
Loren E. Wheeler.
William A. Rodenberg.
Edwin B. Brooks.
Thomas S. Williams.
Edward E. Denison.
Richard Yates.
William E. Mason.

INDIANA.

Oscar E. Bland.
James W. Dunbar.
John S. Benham.
Everett Sanders.
Richard N. Elliott.
Merrill Moores.

Albert H. Vestal.
Fred S. Purnell.
William R. Wood.
Milton Kraus.
Louis W. Fairfield.
Andrew J. Hickey.

IOWA.

Charles A. Kennedy.
Harry E. Hull.
Burton E. Sweet.
Gilbert N. Haugen.
James W. Good.
C. William Ramseyer.

Cassius C. Dowell.
Horace M. Towner.
William R. Green.
L. J. Dickinson.
William D. Boies.

KANSAS.

Daniel R. Anthony, jr.
Edward C. Little.
Philip P. Campbell.
Homer Hoch.

James G. Strong.
Hays B. White.
J. N. Tincher.
William A. Ayres.

KENTUCKY.

Alben W. Barkley.
David H. Kincheloe.
Charles F. Ogden.
Arthur B. Rouse.
James C. Cantrill.

King Swope.
William J. Fields.
John W. Langley.
John M. Robsion.

LOUISIANA.

James O'Connor.
H. Garland Dupré.
Whitmell P. Martin.
John T. Watkins.

Riley J. Wilson.
Ladislas Lazaro.
James B. Aswell.

MAINE.

Louis B. Goodall.
Wallace H. White, jr.

John A. Peters.
Ira G. Hersey.

MARYLAND.

William N. Andrews.
Carville D. Benson.
Charles P. Coady.

J. Charles Linthicum.
Sydney E. Mudd.
Frederick N. Zihlman.

MASSACHUSETTS.

Allen T. Treadway.
Frederick H. Gillett.
Calvin D. Paige.
Samuel E. Winslow.
John Jacob Rogers.
Wilfred W. Lufkin.
Michael F. Phelan.

Frederick W. Dallinger.
George Holden Tinkham.
Robert Luce.
Richard Olney.
William S. Greene.
Joseph Walsh.

MICHIGAN.

Frank E. Doremus.
Earl C. Michener.
John M. C. Smith.
Carl E. Mapes.
Patrick H. Kelley.

Louis C. Cramton.
Joseph W. Fordney.
James C. McLaughlin.
Gilbert A. Currie.
Frank D. Scott.

MINNESOTA.

Sydney Anderson.
Franklin F. Ellsworth.
Charles R. Davis.
Oscar E. Keller.
Walter H. Newton.

Harold Knutson.
Andrew J. Volstead.
William L. Carss.
Halvor Steenerson.
Thomas D. Schall.

MISSISSIPPI.

Hubert D. Stephens.
Benjamin G. Humphreys.
Thomas U. Sisson.

William W. Venable.
Percy E. Quin.

MISSOURI.

William W. Rucker.
Jacob L. Milligan.
William T. Bland.
Sam C. Major.
William L. Nelson.
Champ Clark.

Cleveland A. Newton.
Leonidas C. Dyer.
Marion E. Rhodes.
Edw. D. Hays.
Isaac V. McPherson.

MONTANA.

John M. Evans.

NEBRASKA.

C. Frank Reavis.
Albert W. Jefferis.
Robert E. Evans.

Melvin O. McLaughlin.
William E. Andrews.
Moses P. Kinkaid.

NEVADA.

Charles R. Evans.

NEW HAMPSHIRE.

Sherman E. Burroughs.

Edward H. Wason.

NEW JERSEY.

Isaac Bacharach.
Elijah C. Hutchinson.
Ernest R. Ackerman.
John R. Ramsey.
Amos H. Radcliffe.

Cornelius A. McGlennon.
Daniel F. Minahan.
Frederick R. Lehlbach.
John J. Eagan.

NEW MEXICO (AT LARGE).

Benigno C. Hernandez.

NEW YORK.

Frederick C. Hicks.
Chas. Pope Caldwell.
John MacCrate.
Frederick W. Rowe.
James P. Maher.
William E. Cleary.
David J. O'Connell.
Daniel J. Riordan.
Henry M. Goldfogle.
Christopher D. Sullivan.
Thomas F. Smith.
Herbert C. Pell.
John F. Carew.
Joseph Rowan.

Isaac Siegel.
Anthony J. Griffin.
James W. Husted.
Charles B. Ward.
Bertrand H. Snell.
Luther W. Mott.
Homer P. Snyder.
William H. Hill.
Walter W. Magee.
Alanson B. Houghton.
Archie D. Sanders.
S. Wallace Dempsey.
Clarence MacGregor.
Daniel A. Reed.

NORTH CAROLINA.

John H. Small.
Claude Kitchin.
Samuel M. Brinson.
Edward W. Pou.
Charles M. Stedman.

Hannibal L. Godwin.
Leonidas D. Robinson.
Robert L. Doughton.
Clyde R. Hoey.

NORTH DAKOTA.

George M. Young.

James H. Sinclair.

OHIO.

Nicholas Longworth.
Ambrose E. B. Stephens.
Warren Gard.
Benjamin F. Welty.
Charles J. Thompson.
Charles C. Kearns.
Simeon D. Fess.
R. Clint Cole.
Israel M. Foster.
Edwin D. Ricketts.
Clement Brumbaugh.

James T. Begg.
Martin L. Davey.
C. Ellis Moore.
Roscoe C. McCulloch.
William A. Ashbrook.
Frank Murphy.
John G. Cooper.
Charles A. Mooney.
John J. Babka.
Henry I. Emerson.

OKLAHOMA.

Everette B. Howard.
William W. Hastings.
Charles D. Carter.

Tom D. McKeown.
John W. Harreld.
Scott Ferris.

OREGON.

Willis C. Hawley.
Nicholas J. Sinnott.

Clifton N. McArthur.

PENNSYLVANIA.

William S. Vare.
George P. Darrow.
Thomas S. Butler.
Henry W. Watson.
William W. Griest.
Patrick McLane.
John J. Casey.
John Reber.
Arthur G. Dewalt.
Louis T. McFadden.
Edgar R. Kiess.
John V. Lesher.
Benjamin K. Focht.
Aaron S. Kreider.
John M. Rose.
Edward S. Brooks.

Evan J. Jones.
John H. Wilson.
Samuel A. Kendall.
Henry W. Temple.
Milton W. Shreve.
Henry J. Steele.
Nathan L. Strong.
Willis J. Hulings.
Stephen G. Porter.
M. Clyde Kelly.
John M. Morin.
Guy E. Campbell.
Thomas S. Crago.
William J. Burke.
Anderson H. Walters.

SOUTH CAROLINA.

Richard S. Whaley.
James F. Byrnes.
Fred H. Dominick.

Samuel J. Nicholls.
Edward C. Mann.

SOUTH DAKOTA.

Charles A. Christopherson.

Royal C. Johnson.

TENNESSEE.

J. Will Taylor.
John A. Moon.
Cordell Hull.
Ewin L. Davis.
Joseph W. Byrns.

Lemuel P. Padgett.
Thetus W. Sims.
Finis J. Garrett.
Hubert F. Fisher.

TEXAS.

John C. Box.	Fritz G. Lanham.
Sam Rayburn.	Lucian W. Parrish.
Hatton W. Sumners.	Carlos Bee.
Rufus Hardy.	John N. Garner.
Clay Stone Briggs.	C. B. Hudspeth.
Joe H. Eagle.	Thomas L. Blanton.
James P. Buchanan.	Marvin Jones.
Tom Connally.	

UTAH.

Milton H. Welling.	James H. Mays.

VERMONT.

Frank L. Greene.	Porter H. Dale.

VIRGINIA.

Schuyler Otis Bland.	Thomas W. Harrison.
Edward E. Holland.	R. Walton Moore.
Andrew J. Montague.	C. Bascom Slemp.
Patrick Henry Drewry.	Henry D. Flood.
James P. Woods.	

WASHINGTON.

John F. Miller.	John W. Summers.
Lindley H. Hadley.	J. Stanley Webster.
Albert Johnson.	

WEST VIRGINIA.

M. M. Neely.	Wells Goodykoontz.
Stuart F. Reed.	Leonard S. Echols.
Harry C. Woodyard.	

WISCONSIN.

Clifford E. Randall.	Florian Lampert.
Edward Voigt.	John J. Esch.
James G. Monahan.	James A. Frear.
John C. Kleczka.	Adolphus P. Nelson.

WYOMING.

Frank W. Mondell.

The SPEAKER. Three hundred and sixty Members have answered to their names. A quorum is present. Members elect desiring to take the oath of office will now come forward.

SWEARING IN OF MEMBERS.

Mr. SNELL. I ask unanimous consent that Mr. HAMILTON FISH, Jr., Representative elect from the twenty-sixth congressional district of New York, may take the oath of office at this time. He has not received his certificate, but he was elected by about 22,000 majority and there is no contest.

Mr. CLARK of Missouri. Mr. Speaker, is this a Republican Member elect?

Mr. SNELL. Yes.

Mr. CLARK of Missouri. How did he come to have so small a majority as 22,000? [Laughter.]

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. WOODS of Virginia. Mr. Speaker, Representative elect ROBER A. JAMES, of the fifth district of Virginia, whose certificate is in the hands of the Clerk, is in the Hall, and I ask that he be allowed to take the oath of office.

The SPEAKER. Those Members elect whose certificates are present do not need unanimous consent. They will present themselves.

Mr. SIEGEL. Mr. Speaker, I ask unanimous consent that Representative elect NATHAN D. PERLMAN, of New York, Representative elect from the fourteenth district of New York, the nominee of both parties, may be sworn in. There is no question about his election.

The SPEAKER. The gentleman from New York [Mr. SIEGEL] asks unanimous consent that Mr. NATHAN D. PERLMAN, of the fourteenth district of New York, who is the nominee of both parties, be allowed to take the oath of office, although his certificate is not in the hands of the Clerk. Is there objection?

There was no objection.

Mr. MacCRATE. Mr. Speaker, I make the same request on behalf of Mr. LESTER D. VOLK, Representative elect from the tenth congressional district of New York, who was elected by a majority of 13,000, and against whom there has been no protest filed.

The SPEAKER. Is there objection?

There was no objection.

Mr. HARRELD. Mr. Speaker, I ask unanimous consent that Mr. CHARLES SWINDALL, duly elected from the eighth district of Oklahoma to succeed the Hon. DICK MORGAN, by something like 10,000 majority, be allowed to take the oath of office.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent that Representative elect CHARLES SWINDALL may be sworn in at this time, although the certificate of election has not yet been received by the Clerk. Is there objection?

There was no objection.

The following Members elect presented themselves at the bar of the House and took the oath of office prescribed by law:

CLARENCE J. MCLEOD, thirteenth congressional district of Michigan.

FRANCIS F. PATTERSON, Jr., first congressional district of New Jersey.

LESTER D. VOLK, tenth congressional district of New York.

NATHAN D. PERLMAN, fourteenth congressional district of New York.

HAMILTON FISH, Jr., twenty-sixth congressional district of New York.

CHARLES SWINDALL, eighth congressional district of Oklahoma.

HARRY C. RANSLEY, third congressional district of Pennsylvania.

ROBER A. JAMES, fifth congressional district of Virginia.

COMMITTEE TO NOTIFY THE PRESIDENT.

Mr. MONDELL. Mr. Speaker, I offer the following resolution.

The SPEAKER. The gentleman from Wyoming offers a resolution which the Clerk will report.

The Clerk read as follows:

House resolution 593.

Resolved, That a committee of three Members be appointed by the Speaker, on the part of the House of Representatives, to join with the Committee on the part of the Senate, to notify the President of the United States that a quorum of each House is assembled and that Congress is ready to receive any communication that he may be pleased to make.

The resolution was agreed to, and the Speaker appointed as the committee on the part of the House, Mr. MONDELL, Mr. FORDNEY, and Mr. CLARK of Missouri.

NOTIFICATION TO THE SENATE.

Mr. GOOD. Mr. Speaker, I offer the following resolution.

The SPEAKER. The gentleman from Iowa offers a resolution which the Clerk will report.

The Clerk read as follows:

House resolution 594

Resolved, That the Clerk of the House inform the Senate that a quorum of the House of Representatives has appeared and that the House is ready to proceed with business.

The resolution was agreed to.

HOUR OF DAILY MEETING.

Mr. CAMPBELL of Kansas. Mr. Speaker, I offer the following resolution.

The Clerk read as follows:

House resolution 595.

Resolved, That until otherwise ordered the hour of daily meeting of the House of Representatives shall be 12 o'clock meridian.

The resolution was agreed to.

LEAVE TO ADDRESS THE HOUSE.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that the gentleman from California [Mr. KAHN] may be permitted to address the House for one hour after the reading of the Journal on Thursday of this week, not to interfere with privileged business.

Mr. CALDWELL. On what subject?

Mr. MADDEN. On the Japanese question.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the gentleman from California [Mr. KAHN] may address the House on Thursday next for one hour immediately after the reading of the Journal, not to interfere with privileged business. Is there objection?

There was no objection.

ELECTION OF MEMBERS TO THE COMMITTEE ON APPROPRIATIONS.

Mr. MONDELL. Mr. Speaker, by instruction of the Committee on Committees I present the names of seven Members to be elected by the House as new members of the Committee on Appropriations, to be assigned on that committee in the order indicated.

The SPEAKER. The gentleman from Wyoming moves the election of seven members of the Committee on Appropriations.

The Clerk read as follows:

To be members of the Committee on Appropriations:
MARTIN B. MADDEN, Illinois.
DANIEL R. ANTHONY, Kansas.
SIDNEY ANDERSON, Minnesota.
PATRICK H. KELLEY, Michigan.
JOHN JACOB ROGERS, Massachusetts.
JOHN A. ELSTON, California.
S. WALLACE DEMPSEY, New York.
To be assigned to the committee in the following order:
1. JAMES W. GOOD, Iowa, chairman.
2. CHARLES R. DAVIS, Minnesota.
3. MARTIN B. MADDEN, Illinois.
4. DANIEL R. ANTHONY, Kansas.
5. WILLIAM S. VARE, Pennsylvania.
6. JOSEPH G. CANNON, Illinois.
7. C. BASCOM SLEMP, Virginia.
8. SIDNEY ANDERSON, Minnesota.
9. WILLIAM R. WOOD, Indiana.
10. LOUIS C. CRAMTON, Michigan.

11. PATRICK H. KELLEY, Michigan.
12. JOHN JACOB ROGERS, Massachusetts.
13. EDWARD H. WASON, New Hampshire.
14. WALTER W. MAGEE, New York.
15. GEORGE HOLDEN TINKHAM, Massachusetts.
16. BURTON L. FRENCH, Idaho.
17. JOHN A. ELSTON, California.
18. S. WALLACE DEMPSEY, New York.
19. MILTON W. SHREVE, Pennsylvania.
20. CHARLES F. OGDEN, Kentucky.

Mr. MONDELL. Mr. Speaker, I move the election of those Members in the order named.

The motion was agreed to; and the several Members were duly elected.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States announcing the approval of bills and joint resolutions of the following titles:

On June 4, 1920:

H. R. 1024. An act authorizing the Secretary of the Interior to issue a patent to John Zimmerman for certain lands in the Colorado National Forest upon the surrender of other lands of an equal acreage also located in the Colorado National Forest, Colo.;

H. R. 2396. An act for the relief of John A. Gauley;

H. R. 3212. An act for the relief of legal representatives of George E. Payne, deceased;

H. R. 9392. An act regulating the disposition of lands formerly embraced in the grants to the Oregon & California Railroad Co. and Coos Bay Wagon Road Co.;

H. R. 9583. An act for the relief of Edward A. Purdy, postmaster of the city of Minneapolis, Minn., for postage stamps, postal-savings stamps, war-savings stamps, war-tax revenue stamps, and cash from money orders stolen from the branch post office at Minneapolis, Minn., commonly known and described as the traffic station and located at Nos. 621 and 623 First Avenue north, in said city;

H. R. 10115. An act for the relief of Harvey R. Butcher;

H. R. 13108. An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes;

H. R. 13416. An act making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1921, and for other purposes; and

H. R. 12775. An act to amend an act entitled "An act for making further and more effectual provision for the national defense, and for other purposes," approved June 3, 1916, and to establish military justice.

On June 5, 1920:

H. R. 13266. An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1921, and for other purposes;

H. R. 13870. An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1921, and for other purposes;

H. J. Res. 359. Joint resolution authorizing the Secretary of War to loan to the American Legion Post, No. 73, Vincennes, Ind., necessary cots for use at the State encampment of the American Legion to be held at Vincennes, Ind., on June 28 and 29, 1920;

H. J. Res. 336. Joint resolution authorizing the Secretary of War to loan to the Albert Sidney Johnston Camp, United Confederate Veterans, No. 1820, Fort Worth, Tex., 100 tents and cots for the use of Confederate veterans at the reunion of said camp June 24 to 27, inclusive, 1920;

H. R. 1309. An act for the relief of Perry L. Haynes;

H. R. 1827. An act for the relief of Carolyn Wheeler Kobbe;

H. R. 6198. An act authorizing payment of compensation to Swanhild Sims for personal injuries;

H. R. 9048. An act for the relief of Catherina Rea, administratrix of the estate of John Rea;

H. R. 6222. An act to remove a certain tract or lots of land in Cristobal, Canal Zone, from the operation and effect of the Executive order of the President of December 5, 1912, pursuant to the act of Congress of August 24, 1912 (37 Stat., ch. 390, p. 565); and

H. R. 11030. An act for the relief of the Woodford Bank & Trust Co., of Versailles, Ky.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed the following resolutions:

Senate resolution 389.

Resolved, That a committee consisting of two Senators be appointed to join such committee as may be appointed by the House of Representatives to wait upon the President of the United States and inform him that a quorum of each House is assembled and that Congress is ready to receive any communication he may be pleased to make.

Also,

Senate resolution 388.

Resolved, That the Secretary inform the House of Representatives that a quorum of the Senate is assembled and that the Senate is ready to proceed to business.

DEATH OF REPRESENTATIVE DICK T. MORGAN, OF OKLAHOMA.

Mr. CARTER of Oklahoma. It becomes my painful duty to inform the House of Representatives of the death of my colleague, Hon. DICK T. MORGAN, a Representative from the eighth district of the State of Oklahoma in the Sixty-sixth Congress, which occurred at Danville, Ill., on the 4th day of July, 1920.

My colleague was held in high esteem by the people of his district and by all of his colleagues here, and we all sincerely mourn his passing. At an appropriate time I shall ask the House to set aside a day for exercises in commemoration of his life and public services. For the present I offer the following resolution:

The Clerk read as follows:

House resolution 596.

Resolved, That the House has heard with profound sorrow of the death of Hon. DICK T. MORGAN, a Representative from the State of Oklahoma.

Resolved, That the Clerk communicate a copy of these resolutions to the Senate.

The resolution was agreed to.

DEATH OF REPRESENTATIVE GARLAND, OF PENNSYLVANIA.

Mr. BUTLER. Mr. Speaker, the death of a Member of this House and a personal friend puts upon me the painful duty of announcing to the House that the Hon. MAHLON M. GARLAND, a Representative at large from the State of Pennsylvania, died at his residence in Washington on the 19th of November last. He was highly esteemed by all of his colleagues here and greatly beloved by all the people living in his State. At the proper time I shall ask the House to adopt its usual method of announcing to the people the esteem which the House placed upon his character and his services. He was kind in private life and efficient in public life. I offer the following resolutions:

The Clerk read as follows:

House resolution 597.

Resolved, That the House has heard with profound sorrow of the death of Hon. MAHLON M. GARLAND, a Representative from the State of Pennsylvania.

Resolved, That the Clerk communicate a copy of these resolutions to the Senate.

The resolutions were agreed to.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. NELSON of Wisconsin, on account of illness in his family.

To Mr. ROMJUE, for 10 days, on account of sickness in his family.

To Mr. DRANE, for an indefinite period, on account of serious sickness.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, as a further mark of respect to our deceased colleagues, DICK T. MORGAN and MAHLON M. GARLAND, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 52 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 7, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1. A letter from the Superintendent of the State, War and Navy Department Building, transmitting report concerning employees of that office receiving increase of compensation; to the Committee on Appropriations.

2. A letter from the Secretary of the Navy, transmitting statement showing exchanges made during the fiscal year ended June 30, 1920, of typewriters, adding machines, and other similar labor-saving devices by the Navy Department and Naval Establishment, including the Marine Corps; to the Committee on Appropriations.

3. A letter from the Acting Secretary of Labor, transmitting statement of typewriters, adding machines, and other labor-saving devices exchanged in part payment for new machines by the Department of Labor during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

4. A letter from the Secretary of the Navy, transmitting report of average number of employees of the Navy Department

receiving the increased compensation at the rate of $240 per annum during the first four months of the fiscal year 1921; to the Committee on Appropriations.

5. A letter from the secretary of the United States Shipping Board, transmitting statement of travel performed by officers and employees of the United States Shipping Board during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

6. A letter from the Postmaster General, transmitting memorandum of allowances granted payable from the appropriation for "Unusual conditions," for the fiscal year 1920; to the Committee on Expenditures in the Post Office Department.

7. A letter from the Secretary of War, transmitting report of The Adjutant General of the Army, dated October 26, 1920, relative to the financial and other affairs of the United States Disciplinary Barracks at Fort Leavenworth, Kans., and the Pacific and Atlantic branches thereof, etc., for the fiscal year 1920; to the Committee on Military Affairs.

8. A letter from the Postmaster General, transmitting statement showing claims of postmasters for reimbursement for loss of postal, money order, and other funds and stamps resulting from burglary, fire, or other unavoidable casualty, and action thereon, fiscal year 1920; to the Committee on the Post Office and Post Roads.

9. A letter from the Assistant Secretary of Commerce, transmitting part 2 of the Annual Report of the Commissioner of Lighthouses for the fiscal year ended June 30, 1920; to the Committee on Interstate and Foreign Commerce.

10. A letter from the Secretary of Commerce, transmitting complete set of General Rules and Regulations prescribed by the Board of Supervising Inspectors, Steamboat-Inspection Service, at the meeting of January, 1920, and approved by the Secretary of Commerce; to the Committee on the Merchant Marine and Fisheries.

11. A letter from the Postmaster General, transmitting report of the finances of the Post Office Department for the preceding year; report of the amount expended in the department for the preceding fiscal year; report with reference to the increased compensation at the rate of $240 per annum to employees of the Post Office Department; to the Committee on Expenditures in the Post Office Department.

12. A letter from the Secretary of the Treasury, transmitting detailed statement of the refunds of customs duties for the fiscal year ended June 30, 1920, also volume 37 and the unbound issues of the Treasury Decisions from January 1 to July 1, 1920; to the Committee on Ways and Means.

13. A letter from the acting chairman United States Employees' Compensation Commission, transmitting report of the commission on publications printed for distribution during the fiscal year 1920; to the Committee on Printing.

14. A letter from the Secretary of War, transmitting recommendation for legislation permitting the Secretary of War to dispose of certain volumes of the "Official Records of the Union and Confederate Armies" on account of deterioration and lack of proper storage space; to the Committee on Printing.

15. A letter from the Secretary of War, transmitting statement relative to the exchange of typewriters and adding machines in part payment for new machines by the Panama Canal Commission, July 1, 1919, to June 30, 1920; to the Committee on Appropriations.

16. A letter from the Acting Postmaster General, transmitting claim of postmaster at Oxford, N. C., for credit on account of Government property lost through burglary; to the Committee on Claims.

17. A letter from the Acting Postmaster General, transmitting claim of acting postmaster at Taylorsville, Ky., for credit on account of Government property lost through burglary; to the Committee on Claims.

18. A letter from the Acting Secretary of the Navy, transmitting statement of documents and publications received and distributed by that department during the fiscal year ending June 30, 1920; to the Committee on Printing.

19. A letter from the Assistant Secretary of Labor, transmitting detailed statement of the expenditures, "Contingent expenses, Department of Labor, 1918," for the period from November 1, 1919, to June 30, 1920; "Contingent expenses, Department of Labor, 1919," for the period from November 1, 1919, to October 31, 1920; and "Contingent expenses, Department of Labor, 1920," for the period July 1, 1919, to October 31, 1920; to the Committee on Expenditures in the Department of Labor.

20. A letter from the Secretary of War, transmitting data relative to the number of employees of the Washington office of the Panama Canal receiving increased compensation at the rate of $240 per annum and the average number by grades receiving the same at each other rate, for the first four months of the present fiscal year; to the Committee on Appropriations.

21. A letter from the Postmaster General, transmitting, as chairman of the board of trustees of the Postal Savings System, annual report of the operation of the system for the fiscal year ended June 30, 1920; to the Committee on the Post Office and Post Roads.

22. A letter from the Chief of Bureau of Efficiency, transmitting report showing various publications issued by the bureau during the fiscal year 1920; to the Committee on Printing.

23. A letter from the Secretary of the Treasury, transmitting request for amended legislation so as to extend indefinitely the act to authorize the Secretary of the Treasury to fix compensation of certain laborers in the Customs Service; to the Committee on Ways and Means.

24. A letter from the commissioner of the Freedman's Savings & Trust Co., transmitting annual report for the year ended December 1, 1920; to the Committee on Expenditures in the Treasury Department.

25. A letter from the secretary of the United States Shipping Board, transmitting report giving the aggregate number of publications issued by that board and the United States Shipping Board Emergency Fleet Corporation during the fiscal year ended June 30, 1920; to the Committee on Printing.

26. A letter from the Assistant Secretary of Labor, transmitting statement of the travel performed during the fiscal year ended June 30, 1920, by officers and employees of the Department of Labor on official business from Washington, D. C., to points outside of the District of Columbia; to the Committee on Expenditures in the Department of Labor.

27. A letter from the Secretary of the Navy, transmitting detailed statements of expenditures under the contingent appropriations for the Navy Department (civil) for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Navy Department.

28. A letter from the Secretary of War, transmitting report from The Adjutant General of the Army showing distribution of War Department official documents, regulations, manuals, publications, etc., for the fiscal year 1920; to the Committee on Expenditures in the War Department.

29. A letter from the Secretary of the Navy, transmitting statement of claims for damages adjusted and recommendation for amended legislation to permit the adjusting of claims for damages for which civilian employees of the Navy Department are responsible; to the Committee on Naval Affairs.

30. A letter from the president of the United States Civil Service Commission, transmitting statement showing typewriters, adding machines, and other similar labor-saving devices exchanged for new machines during the fiscal year 1920; to the Committee on Appropriations.

31. A letter from the Secretary of War, transmitting detailed statement showing officers or employees of the War Department who have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1920; to the Committee on Expenditures in the War Department.

32. A letter from the president of the Board of Commissioners of the District of Columbia, transmitting detailed classified statement of the expenditures made from the appropriation for contingent expenses of the Government of the District of Columbia for the fiscal year ended June 30, 1920; to the Committee on Appropriations.

33. A letter from the president of the Board of Commissioners of the District of Columbia, transmitting a report of the official operations of the government for the District of Columbia for the fiscal year ended June 30, 1920; to the Committee on the District of Columbia.

34. A letter from the Secretary of War, transmitting statement showing the number, designation, and annual rate of compensation of the persons employed under the appropriation for the temporary employment of the additional force in the War Department; to the Committee on Expenditures in the War Department.

35. A letter from the Secretary of Agriculture, transmitting report of contributions on account of cooperative work with the Forest Service, and the amount refunded to depositors on account of excess deposits, national forest fund, for the fiscal year 1920; to the Committee on Expenditures in the Department of Agriculture.

36. A letter from the Public Printer, transmitting annual report of the Public Printer for the fiscal year ending June 30, 1920; to the Committee on Printing.

37. A letter from the Secretary of War, transmitting report of an inspection of the several branches of the National Home for Disabled Volunteer Soldiers, made September 2, 1920, to November 3, 1920; to the Committee on Military Affairs.

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38. A letter from the Secretary of Agriculture, transmitting a report of the place, quantity, and the price of seeds purchased, and the date of purchase, under the appropriation, "Purchase and distribution of valuable seeds, 1920"; to the Committee on Expenditures in the Department of Agriculture.

39. A letter from the Secretary of Agriculture, transmitting report required by the act 25 (Stat. L., p. 672), on the condition and character of any papers not needed or useful in the transaction of the current business of the executive departments; to the Committee on Expenditures in the Department of Agriculture.

40. A letter from the Secretary of Agriculture, transmitting report of sums allotted to the Bureau of Chemistry for compensation of or payment of expenses to officers or other persons employed by State, county, or municipal governments; to the Committee on Expenditures in the Department of Agriculture.

41. A letter from the Secretary of Agriculture, transmitting statement showing, for the first four months of the current fiscal year, the average number of employees in the Department of Agriculture receiving increased compensation at the rate of $240 per annum; to the Committee on Appropriations.

42. A letter from the Attorney General, transmitting schedule showing the aggregate number of the various publications issued by his department during the fiscal year ending June 30, 1920, the cost for printing same, the number of each distributed; to the Committee on Printing.

43. A letter from the Attorney General, transmitting report showing for the first four months of the fiscal year 1921 the average number of employees, including the Court of the United States, receiving the increase compensation at the rate of $240 per annum; to the Committee on Appropriations.

44. A letter from the Secretary of Agriculture, transmitting detailed report showing the names of all persons employed, their designations and rates of pay, in the Bureau of Animal Industry, for the suppression of contagious, infectious, or communicable diseases of domestic animals during the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Department of Agriculture.

45. A letter from the Acting Secretary of Agriculture, transmitting detailed report showing the publications received and distributed by the Department of Agriculture during the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Department of Agriculture.

46. A letter from the Secretary of War, transmitting report relative to the sale of war supplies; to the Committee on Expenditures in the War Department.

47. A letter from the Secretary of War, transmitting statement showing average number of employees of the War Department receiving increased compensation at the rate of $240 per annum and the average number by grades receiving increased compensation at each other rate; to the Committee on Appropriations.

48. A letter from the Public Printer, transmitting report of average number of employees of the Government Printing Office to receive increased compensation at the rate of $240 per annum and the average number by grades receiving the same at other rates; to the Committee on Appropriations.

49. A letter from the Secretary of the Smithsonian Institution, transmitting report regarding purchases of typewriters in which exchanges were made in part payment by the Government branches under the direction of that institution during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

50. A letter from the Secretary of the Smithsonian Institution, transmitting statement showing average number of employees who received the increased compensation at the rate of $240 per annum, and the average number by grades who received the same at each other rate; to the Committee on Appropriations.

51. A letter from the Secretary of the Smithsonian Institution, transmitting statement showing what officers or employees have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1920; to the Committee on Appropriations.

52. A letter from the Secretary of the Smithsonian Institution, transmitting report of Government publications issued during the fiscal year 1920; to the Committee on Printing.

53. A letter from the Secretary of the Smithsonian Institution, transmitting detailed statement of the expenditures for the fiscal year ended June 30, 1920, under the appropriations for "International Exchanges," "American Ethnology," the "Astrophysical Observatory," the "International Catalogue of Scientific Literature," the "National Museum," the "National Zoological Park," etc.; to the Committee on the Library.

54. A letter from the Secretary of the Treasury, transmitting statement of the proceeds of all sales of old material, condemned stores, supplies, and other public property for the fiscal year ending June 30, 1920, deposited and covered into the Treasury as miscellaneous receipts; to the Committee on Appropriations.

55. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of such routes between the Great Lakes and the Hudson River as may be considered practical by the Chief of Engineers, with a view to securing a waterway admitting ocean-going vessels to the Great Lakes (H. Doc. No. 890); to the Committee on Rivers and Harbors and ordered to be printed, with illustrations.

56. A letter from the Secretary of the Treasury, transmitting copy of a communication from the chairman Council of National Defense submitting a supplemental estimate of appropriation required by the Council of National Defense for salaries and expenses, fiscal year 1921 (H. Doc. No. 891); to the Committee on Appropriations and ordered to be printed.

57. A letter from the Secretary of the Treasury, transmitting copy of a communication from the chairman of the Interdepartmental Social Hygiene Board submitting a supplemental estimate of appropriation required by the Interdepartmental Social Hygiene Board for salaries and expenses, fiscal year 1921 (H. Doc. No. 892); to the Committee on Appropriations and ordered to be printed.

58. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by Department of Agriculture for cooperative fire protection of forested watersheds of navigable streams for the fiscal year 1922 (H. Doc. No. 893); to the Committee on Appropriations and ordered to be printed.

59. A letter from the Secretary of the Treasury, transmitting a communication from the Secretary of Agriculture submitting a supplemental estimate of appropriation for fighting and preventing forest fires during the fiscal year ending June 30, 1921 (H. Doc. No. 894); to the Committee on Appropriations and ordered to be printed.

60. A letter from the Secretary of the Treasury, transmitting a communication from the Secretary of Commerce submitting a supplemental estimate of appropriation to cover an inquiry respecting food fishes, Bureau of Fisheries, fiscal year 1922 (H. Doc. No. 895); to the Committee on Appropriations and ordered to be printed.

61. A letter from the Secretary of the Treasury, transmitting communication from the executive and disbursing officer of the Arlington Memorial Bridge Commission submitting a supplemental estimate of appropriation to enable the commission to prepare and submit a report, including plans, etc., for a memorial bridge across the Potomac River to Arlington (H. Doc. No. 896); to the Committee on Appropriations and ordered to be printed.

62. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required by the Coast Guard for payment of damages caused by collision of the Coast Guard cutter *Guthrie* with the schooner *Frank Brainerd* at Philadelphia, Pa., February 18, 1920 (H. Doc. No. 897); to the Committee on Appropriations and ordered to be printed.

63. A letter from the Secretary of the Treasury, transmitting estimate of appropriation for construction of roads and walks around the Lincoln Memorial in west Potomac Park (H. Doc. No. 898); to the Committee on Appropriations and ordered to be printed.

64. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation for cutting and removing timber and construction of a highway, Glacier National Park, Mont. (H. Doc. No. 899); to the Committee on Appropriations and ordered to be printed.

65. A letter from the Secretary of the Treasury, transmitting supplemental and deficiency estimates of appropriations required by the Post Office Department for the fiscal years 1919, 1920, and 1921 (H. Doc. No. 900); to the Committee on Appropriations and ordered to be printed.

66. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Patent Office for photolithographing, fiscal year 1921 (H. Doc. No. 901); to the Committee on Appropriations and ordered to be printed.

67. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of Mines for expenses of enforcement of the oil-leasing act of February 25, 1920, fiscal year 1921 (H. Doc. No. 902); to the Committee on Appropriations and ordered to be printed.

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REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. JOHNSON of Washington, from the Committee on Immigration and Naturalization, to which was referred the bill of the House (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, reported the same without amendment, accompanied by a report (No. 1109), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SANFORD, from the Committee on Military Affairs, to which was referred the bill of the Senate (S. 907) for the relief of John B. H. Waring, reported the same without amendment, accompanied by a report (No. 1110), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of Washington: A bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. RICKETTS: A bill (H. R. 14462) providing for the monthly payment of pensions; to the Committee on Invalid Pensions.

By Mr. WATSON: A bill (H. R. 14463) to provide revenue for the Government by increasing the duties on manufactures of asbestos, and for other purposes; to the Committee on Ways and Means.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 14464) to amend the act of Congress approved July 17, 1916, known as the Federal farm loan act; to the Committee on Banking and Currency.

By Mr. SUMMERS of Washington: A bill (H. R. 14465) to increase the import duty on wheat and wheat products; to the Committee on Ways and Means.

By Mr. EVANS of Nebraska: A bill (H. R. 14466) levying a tax upon future sales of food commodities; to the Committee on Ways and Means.

By Mr. SINNOTT: A bill (H. R. 14467) to provide for an embargo on wool, and for a retroactive duty on wool imported between December 6, 1920, and the date of the approval of this act; to the Committee on Ways and Means.

By Mr. OSBORNE: A bill (H. R. 14468) to exempt from taxation those United States Government bonds known as Liberty bonds and Victory bonds; to the Committee on Ways and Means.

By Mr. ESCH: A bill (H. R. 14469) to amend an act entitled "An act to create a Federal Power Commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto; and to repeal section 18 of the rivers and harbors appropriation act, approved August 8, 1917, and for other purposes," approved June 10, 1920; to the Select Committee on Water Power.

By Mr. RANDALL of Californa: A bill (H. R. 14470) to make the national prohibition act applicable to the Philippine Islands and other territory subject to the jurisdiction of the United States; to the Committee on the Judiciary.

Also, a bill (H. R. 14471) to amend paragraph 220, Schedule G, of the tariff act of October 3, 1913; to the Committee on Ways and Means.

By Mr. GRIGSBY: A bill (H. R. 14472) to repeal an act entitled "An act to prohibit the manufacture or sale of alcoholic liquors in the Territory of Alaska, and for other purposes," approved February 14, 1917; to the Committee on the Judiciary.

By Mr. HUTCHINSON: A bill (H. R. 14473) to relieve housing conditions by the encouragement of investments in real estate mortgages; to the Committee on Ways and Means.

By Mr. EVANS of Nebraska: A bill (H. R. 14474) to amend Schedule G, including paragraphs 186-236, both inclusive, of the tariff act of October 3, 1913, and to repeal said Schedule G, including paragraphs 186-236, both inclusive, and paragraphs 434, 435, 465, 466, 545, 557, 581, 589, 619, 622, and 644 of said act; to the Committee on Ways and Means.

By Mr. STRONG of Kansas: A bill (H. R. 14475) to provide revenue for the Government by placing import duties on wheat and flour; to the Committee on Ways and Means.

By Mr. TINCHER: A bill (H. R. 14476) to repeal paragraphs 581 and 644 of the tariff act of October 3, 1913, to reduce tariff duties and provide revenue for the Government, and for other purposes; to the Committee on Ways and Means.

By Mr. TIMBERLAKE: A bill (H. R. 14477) to maintain the forest experiment station in the State of Colorado; to the Committee on Appropriations.

By Mr. VOLSTEAD: A bill (H. R. 14478) to make the national prohibition act applicable to the Philippine Islands and other territory subject to the jurisdiction of the United States; to the Committee on the Judiciary.

By Mr. KAHN: A bill (H. R. 14479) to provide that enlisted men of the Army who are rated as specialists may count their pay as such specialists toward retirement pay; to the Committee on Military Affairs.

By Mr. BRAND: A bill (H. R. 14480) to limit the rate of interest chargeable by Federal reserve banks to 5 per cent per annum; to the Committee on Banking and Currency.

By Mr. KING: A bill (H. R. 14481) to provide for the independence of the Philippine Islands; to the Committee on Insular Affairs.

By Mr. NICHOLLS: A bill (H. R. 14482) to provide for the construction of a public building at Greer, S. C.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14483) to provide for the construction of a public building at Spartanburg, S. C.; to the Committee on Public Buildings and Grounds.

By Mr. RANDALL of California: A bill (H. R. 14484) to provide for the erection of a public building at Long Beach, Calif.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14485) to provide for the purchase of a site and the erection of a public building at Pomona, Calif.; to the Committee on Public Buildings and Grounds.

By Mr. BRUMBAUGH: A bill (H. R. 14486) for purchasing a site for the erection of a public building at Columbus, Ohio; to the Committee on Public Buildings and Grounds.

By Mr. LAMPERT: A bill (H. R. 14487) providing for the extension of the post office and public building at Fond du Lac, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. DYER: A bill (H. R. 14488) to provide that robbery of a Federal reserve bank or member bank shall constitute a felony, and for other purposes; to the Committee on the Judiciary.

By Mr. ECHOLS: A bill (H. R. 14489) providing for the appointment of an additional district judge for the southern judicial district of the State of West Virginia; to the Committee on the Judiciary.

By Mr. JONES of Texas: A bill (H. R. 14490) to transfer the Panhandle and Plains section of Texas and Oklahoma to the United States standard central time zone; to the Committee on Interstate and Foreign Commerce.

By Mr. VAILE: A bill (H. R. 14491) for the retirement of former officers of the Philippine Scouts; to the Committee on Military Affairs.

By Mr. CARAWAY: A bill (H. R. 14492) to authorize the Secretary of the Treasury to release the St. Louis & San Francisco Railway Co. from reconstructing its highway and approaches across its bridge at Memphis, Tenn.; to the Committee on Interstate and Foreign Commerce.

By Mr. DYER: A bill (H. R. 14493) for the relief of Philippine Scout officers; to the Committee on Military Affairs.

By Mr. SMITH of Idaho: A bill (H. R. 14494) to provide for the enlargement of the Federal building at Boise, Idaho; to the Committee on Public Buildings and Grounds.

By Mr. MORIN: A bill (H. R. 14495) to regulate the filling of vacancies in the corps of cadets at the United States Military Academy not otherwise provided for by existing law, and for other purposes; to the Committee on Military Affairs.

By Mr. EVANS of Montana: A bill (H. R. 14496) for the enlargement of the Federal building at Missoula, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. EVANS of Nevada: A bill (H. R. 14497) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. SIEGEL: A bill (H. R. 14498) for the apportionment of Representatives in Congress among the several States under the Fourteenth Census; to the Committee on the Census.

By Mr. HADLEY: A bill (H. R. 14499) providing for a grant of land to the State of Washington for a biological station and general research purposes; to the Committee on Military Affairs.

By Mr. MILLER: A bill (H. R. 14500) to amend section 6 of an act approved January 17, 1914, entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February 9, 1909; to the Committee on Ways and Means.

By Mr. DICKINSON of Iowa: A bill (H. R. 14654) levying a tax upon future sales of food commodities; to the Committee on Agriculture.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 14655) to provide revenue for the Government and to maintain in the

United States the production of wheat and corn and their products; to the Committee on Ways and Means.

By Mr. CARAWAY: A bill (H. R. 14656) to prevent the sale of cotton and grain in future markets; to the Committee on Agriculture.

By Mr. TINCHER: A bill (H. R. 14657) providing for the levying, collection, and payment of taxes upon contracts for the future delivery of grain, grain products, and cotton, and options for such contracts; to the Committee on Agriculture.

By Mr. EMERSON: A bill (H. R. 14658) to punish the sending through the mails printed matter that tends to stir up racial or religious hatred; to the Committee on the Post Office and Post Roads.

By Mr. TINKHAM: Resolution (H. Res. 591) authorizing the Committee on the Census to inquire respecting the extent to which citizens of the United States are denied the right to vote; to the Committee on Rules.

By Mr. CHRISTOPHERSON: Resolution (H. Res. 592) authorizing and directing the Committee on Agriculture to prepare and submit a bill providing for the stabilizing of the price of staple farm products; to the Committee on Rules.

By Mr. BLAND of Indiana: Resolution (H. Res. 598) providing for investigation of Haitian and Dominican Republics; to the Committee on Rules.

By Mr. DICKINSON of Iowa: Resolution (H. Res. 599) authorizing the appointment of a special committee for the purpose of investigating the cause of the decline and rapid fluctuation in the price of grain, live stock, and cotton; to the Committee on Rules.

By Mr. REBER: Resolution (H. Res. 600) to pay Florence B. Wells and G. W. Gilkison; to the Committee on Accounts.

By Mr. JOHNSON of Washington: Resolution (H. Res. 601) providing for the consideration of H. R. 14461; to the Committee on Rules.

By Mr. LANGLEY: Concurrent resolution (H. Con. Res. 62) defining the attitude of the United States Government with regard to the individual action of the President in connection with the affairs of Armenia; to the Committee on Foreign Affairs.

By Mr. BYRNES of South Carolina: Concurrent resolution (H. Con. Res. 63) directing the Secretary of the Treasury to cause the War Finance Corporation to exercise powers conferred upon it by Congress; to the Committee on Ways and Means.

By Mr. VOLSTEAD: Joint resolution (H. J. Res. 382) declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired; to the Committee on the Judiciary.

By Mr. BAER: Joint resolution (H. J. Res. 383) showing the opinion of Congress on the importation of wheat; to the Committee on Ways and Means.

By Mr. KIESS: Joint resolution (H. J. Res. 384) providing for the indexing of the CONGRESSIONAL RECORD by the Superintendent of Documents of the Government Printing Office; to the Committee on Printing.

By Mr. AYRES: Joint resolution (H. J. Res. 385) proposing an amendment to the Constitution of the United States providing that a majority of the United States Senate may ratify a treaty; to the Committee on the Judiciary.

By Mr. FISH: Joint resolution (H. J. Res. 386) providing for the return of an unknown American soldier to the United States; to the Committee on Military Affairs.

By Mr. KAHN: Joint resolution (H. J. Res. 387) to authorize the Secretary of War to grant revocable licenses for the quarrying and removal of stone from the Mariveles Military Reservation, Philippine Islands, for industrial purposes; to the Committee on Military Affairs.

By Mr. BEGG: Joint resolution (H. J. Res. 388) to stay judgment and the execution thereof in the Municipal Court of the District of Columbia or in the Supreme Court of the District of Columbia in any landlord and tenant action or appeal under sections 20 and 1225 of the Code of Laws for the District of Columbia for a period of six months; to the Committee on the Judiciary.

By Mr. BRAND: Joint resolution (H. J. Res. 389) to reestablish the war finance corporation act; to the Committee on Ways and Means.

By Mr. REAVIS: Joint resolution (H. J. Res. 390) to create a joint committee on the reorganization of the administrative branch of the Government; to the Committee on the Judiciary.

By Mr. HULL of Tennessee: Joint resolution (H. J. Res. 391) proposing an amendment to the Constitution of the United States; to the Committee on the Judiciary.

By Mr. TAYLOR of Colorado: Joint resolution (H. J. Res. 392) to extend the time of performance of annual assessment work on mining claims for the year 1920 to July 1, 1921; to the Committee on Mines and Mining.

By Mr. VAILE: Joint resolution (H. J. Res. 393) for the extension of time for the performance of annual assessment work on mining claims for the year 1920; to the Committee on Mines and Mining.

By Mr. HAYDEN: Joint resolution (H. J. Res. 394) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. ROUSE: Joint resolution (H. J. Res. 395) authorizing the payment of a bonus to certain postal employees and to postmasters of third and fourth class post offices during the fiscal year ending June 30, 1921, and for other purposes; to the Committee on the Post Office and Post Roads.

By the SPEAKER: Memorial of the Legislature of South Dakota, relating to an act of Congress approved July 26, 1911, providing for reciprocal trade relations with the Dominion of Canada, and urging the repeal of said act; to the Committee on Ways and Means.

Also (by request), memorial of General Assembly of the State of Louisiana of 1920, requesting the Senators and Representatives in Congress from the State of Louisiana to support the amendment to the Constitution of the United States introduced in the Senate providing that all amendments to the Federal Constitution shall be submitted to the qualified electors of the several States for their ratification or rejection; to the Committee on the Judiciary.

Also (by request), memorial of sixteenth session Legislative Assembly, State of South Dakota, urging the Congress of the United States to enact a law requiring the President of the United States, through a commission of experts fairly representing both the producing and consuming public, to fix and guarantee the prices of certain farm products, thus assuring the producer a fair and reasonable price for the products and automatically eliminating gambling and speculation therein; to the Committee on Agriculture.

Also (by request), memorial of the Legislature of the State of Louisiana, favoring the enactment of legislation to provide adequate funds for the care of ex-service men who were wounded or disabled during the late World War; to the Committee on Interstate and Foreign Commerce.

Also (by request), memorial of the Legislature of the State of South Dakota, favoring the appropriation of funds for the reimbursement of persons owning lands covered by water from Lake Andes; to the Committee on Claims.

By Mr. CHRISTOPHERSON: Memorial of the Legislature of the State of South Dakota, favoring the repeal of the act of July 26, 1911, regarding the reciprocal trade relations with Canada; to the Committee on Foreign Affairs.

Also, memorial of the Legislature of the State of South Dakota, favoring the enactment of a law by Congress of the United States requiring the President, through a commission of experts fairly representing both the producing and consuming public, to fix and guarantee the prices of certain farm products; to the Committee on Agriculture.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 14501) granting a pension to Joseph F. Ritcherdson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14502) granting a pension to Lucinda Buckles; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14503) granting a pension to Adaline C. Bellew; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14504) granting a pension to Rose Dodge; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14505) granting a pension to Ella Abolt; to the Committee on Invalid Pensions.

By Mr. BEGG: A bill (H. R. 14506) granting a pension to Hattie A. J. Tomlinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14507) granting a pension to Minnie Alldaffer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14508) granting a pension to Erwin A. Ogden; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14509) granting a pension to Mary E. Harris; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14510) granting a pension to Leah F. Ruess; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14511) granting a pension to Thomas Link; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14512) granting a pension to Mary M. Lytel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14513) granting a pension to Anna Snyder; to the Committee on Invalid Pensions.

By Mr. BRUMBAUGH: A bill (H. R. 14514) granting a pension to Burton Vincent; to the Committee on Pensions.

Also, a bill (H. R. 14515) granting a pension to Mary Nease; to the Committee on Invalid Pensions.

By Mr. BURROUGHS: A bill (H. R. 14516) granting a pension to Walter Scott Ingalls; to the Committee on Invalid Pensions.

By Mr. CARSS: A bill (H. R. 14517) granting a pension to Augusta Harrington; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 14518) granting a pension to Margaret J. Wadsworth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14519) granting a pension to Anna M. Shannon; to the Committee on Pensions.

Also, a bill (H. R. 14520) granting a pension to Nettie McMasters; to the Committee on Invalid Pensions.

By Mr. DAVIS of Tennessee: A bill (H. R. 14521) granting an increase of pension to Annie N. Sullivan; to the Committee on Pensions.

By Mr. DYER: A bill (H. R. 14522) granting a pension to Margaret McNulty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14523) granting a pension to Susie F. Woolfolk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14524) granting an increase of pension to Mabel Turton; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 14525) granting a pension to Bridget Kuhlman; to the Committee on Pensions.

Also, a bill (H. R. 14526) granting a pension to Sarah A. Thornburg; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14527) granting an increase of pension to Catharine Kinder; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 14528) granting an increase of pension to Bridget Hopkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14529) granting an increase of pension to Caroline Bartlett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14530) granting an increase of pension to Sarah E. Fisk; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14531) granting an increase of pension to Mary M. Tullock; to the Committee on Invalid Pensions.

By Mr. GLYNN: A bill (H. R. 14532) granting an increase of pension to Walter J. Hawthorne; to the Committee on Pensions.

By Mr. GOLDFOGLE: A bill (H. R. 14533) for the relief of James Frazier; to the Committee on Claims.

By Mr. GOODALL: A bill (H. R. 14534) granting a pension to Adeline R. Burroughs; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 14535) granting a pension to Ida L. Bresee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14536) granting a pension to Allen Bogart; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14537) granting a pension to Margaret S. Morrall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14538) granting a pension to Adeline F. Terry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14539) granting an increase of pension to Prudence Francisco; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14540) granting an increase of pension to Emma E. McCready; to the Committee on Pensions.

By Mr. HUDDLESTON: A bill (H. R. 14541) granting a pension to Teresa M. Strain; to the Committee on Pensions.

By Mr. KEARNS: A bill (H. R. 14542) granting a pension to John C. Butler; to the Committee on Pensions.

Also, a bill (H. R. 14543) granting an increase of pension to Ellen Day; to the Committee on Pensions.

Also, a bill (H. R. 14544) granting a pension to George Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14545) granting a pension to Amanda Huddleson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14546) granting a pension to Sanderson Adkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14547) granting a pension to Louise Nieder; to the Committee on Pensions.

Also, a bill (H. R. 14548) granting an increase of pension to Clifton Fenton; to the Committee on Pensions.

Also, a bill (H. R. 14549) granting a pension to Mary E. Gaines Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14550) granting a pension to Lewvina Hoffer; to the Committee on Invalid Pensions.

My Mr. KELLEY of Michigan: A bill (H. R. 14551) granting a pension to Sarah A. Petty; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14552) granting a pension to Elfina A. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14553) granting a pension to William Margo; to the Committee on Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14554) granting a pension to Lena Persell; to the Committee on Pensions.

Also, a bill (H. R. 14555) granting a pension to Jennie Fleming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14556) granting a pension to Cornelius N. Woodyard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14557) for the relief of William C. Burgess; to the Committee on Claims.

Also, a bill (R. R. 14558), for the relief of Walter P. King; to the Committee on Claims.

Also, a bill (H. R. 14559) for the relief of Thomas A. McInerney; to the Committee on Claims.

By Mr. KENNEDY of Rhode Island: A bill (H. R. 14560) granting a pension to Annie F. Hickey; to the Committee on Pensions.

Also, a bill (H. R. 14561) granting an increase of pension to Edward Halloran; to the Committee on Pensions.

By Mr. KIESS: A bill (H. R. 14562) granting a pension to Eunice R. Tripp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14563) granting a pension to Martha J. Colestock; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14564) granting a pension to Hiram Willson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14565) granting an increase of pension to Rebecca Zellers; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 14566) granting a pension to Parthenia Robinson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14567) granting an increase of pension to Harrison Bernard Taylor; to the Committee on Invalid Pensions.

By Mr. KRAUS: A bill (H. R. 14568) granting a pension to Nancy J. Parker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14569) granting an increase of pension to Paul L. Bahr; to the Committee on Pensions.

Also, a bill (H. R. 14570) granting an increase of pension to Charles M. Baughman; to the Committee on Pensions.

By Mr. LAMPERT: A bill (H. R. 14571) granting a pension to Esther F. Davison; to the Committee on Pensions.

Also, a bill (H. R. 14572) granting a pension to Elenore Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14573) granting a pension to Myra C. Robbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14574) granting an increase of pension to Natalia Allen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14575) for the relief of Delia Russell McNamee; to the Committee on War Claims.

By Mr. LANGLEY: A bill (H. R. 14576) granting a pension to John E. Stidham; to the Committee on Pensions.

Also, a bill (H. R. 14577) granting an increase of pension to Cornelius Meek; to the Committee on Pensions.

Also, a bill (H. R. 14578) granting a pension to Belle Sturgill; to the Committee on Pensions.

By Mr. LUCE: A bill (H. R. 14579) granting a pension to Andrew H. Rowley; to the Committee on Invalid Pensions.

By Mr. MAHER: A bill (H. R. 14580) for the relief of Anne Liebold; to the Committee on Claims.

By Mr. MILLER: A bill (H. R. 14581) granting a pension to John E. Austin; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 14582) granting a pension to Charles G. Sullivan; to the Committee on Pensions.

Also, a bill (H. R. 14583) granting a pension to Alice G. Hudson; to the Committee on Pensions.

Also, a bill (H. R. 14584) granting a pension to Lizzie E. Kizer; to the Committee on Invalid Pensions.

By Mr. McFADDEN: A bill (H. R. 14585) granting a pension to Lelia Crawford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14586) granting a pension to Ella Parsons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14587) to correct the military record of Edwin F. Chamberlin; to the Committee on Military Affairs.

By Mr. McKINLEY: A bill (H. R. 14588) granting a pension to Eliza A. Henry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14589) granting an increase of pension to Joseph A. Maguire; to the Committee on Pensions.

By Mr. NELSON of Missouri: A bill (H. R. 14590) for the relief of the Thompson-Vache Boat Co., of Bonnots Mill, Mo.; to the Committee on Claims.

By Mr. OSBORNE: A bill (H. R. 14591) granting a pension to Almira Mason; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14592) granting a pension to Rebecca Backman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14593) granting a pension to May E. Carsten; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14594) granting a pension to Susan A. McBride; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14595) granting a pension to Mary Hurley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14596) granting a pension to Ackley R. Plumstead; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14597) granting a pension to Mary M. Raush; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14598) granting a pension to Lovina Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14599) granting a pension to Mattie Rowney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14600) granting a pension to Sallie A. Moore; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14601) granting a pension to Otis B. Clark; to the Committee on Pensions.

By Mr. PARRISH: A bill (H. R. 14602) granting a pension to William A. Johnson; to the Committee on Pensions.

Also, a bill (H. R. 14603) for the relief of M. W. McCord; to the Committee on Claims.

By Mr. RAKER: A bill (H. R. 14604) for the relief of Andrew M. Dunlop; to the Committee on Claims.

By Mr. RIORDAN: A bill (H. R. 14605) for the relief of the heirs of Rocco De Muccio; to the Committee on Claims.

By Mr. ROBSION of Kentucky: A bill (H. R. 14606) granting a pension to Louisa Bailey; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14607) granting a pension to Sarah Winfield Holt; to the Committee on Pensions.

Also, a bill (H. R. 14608) granting a pension to Mahala Jane Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14609) granting a pension to Sarah E. Campbell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14610) granting a pension to Sarah Leger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14611) granting a pension to Nancy C. Patrick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14612) granting a pension to Nannie L. Baker; to the Committee on Pensions.

Also, a bill (H. R. 14613) granting a pension to Sallie Slusher; to the Committee on Pensions.

Also, a bill (H. R. 14614) granting a pension to Charles M. Green; to the Committee on Pensions.

Also, a bill (H. R. 14615) granting a pension to John Sopher; to the Committee on Pensions.

Also, a bill (H. R. 14616) granting a pension to Jack Wells; to the Committee on Pensions.

Also, a bill (H. R. 14617) granting a pension to Pearl Jones; to the Committee on Pensions.

Also, a bill (H. R. 14618) granting a pension to John A. Napier; to the Committee on Pensions.

Also, a bill (H. R. 14619) granting a pension to George D. Hendrickson; to the Committee on Pensions.

Also, a bill (H. R. 14620) granting an increase of pension to Lydia Vicars; to the Committee on Pensions.

Also, a bill (H. R. 14621) granting an increase of pension to William M. Edwards; to the Committee on Pensions.

Also, a bill (H. R. 14622) granting an increase of pension to Alice F. Parrigin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14623) granting an increase of pension to Judah Howard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14624) to correct the military record of Martin A. Jones; to the Committee on Military Affairs.

By Mr. SANDERS of New York: A bill (H. R. 14625) granting a pension to Martin Beckler; to the Committee on Pensions.

Also, a bill (H. R. 14626) granting a pension to Elizabeth Shears; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14627) granting a pension to Wilber Ferguson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14628) granting an increase of pension to Eunice C. Adams; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14629) for the relief of Jeremiah J. Murray; to the Committee on Interstate and Foreign Commerce.

By Mr. SIEGEL: A bill (H. R. 14630) granting an increase of pension to Ida Cohen; to the Committee on Pensions.

By Mr. SMITHWICK: A bill (H. R. 14631) granting a pension to Ella G. Brock; to the Committee on Pensions.

Also, a bill (H. R. 14632) granting a pension to Mary B. Preston; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14633) granting an increase of pension to Lula L. Abbott; to the Committee on Pensions.

Also, a bill (H. R. 14634) for the relief of D. L. McArthur & Co.; to the Committee on Claims.

Also, a bill (H. R. 14635) for the relief of J. W. Braxton; to the Committee on Claims.

By Mr. SNYDER: A bill (H. R. 14636) granting a pension to Mary Rooney; to the Committee on Pensions.

Also, a bill (H. R. 14637) granting a pension to Lucy Monahan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14638) granting a pension to Parthena S. Tennant; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14639) granting an increase of pension to Cynthia M. James; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14640) granting an increase of pension to Charles E. Benson; to the Committee on Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 14641) granting a pension to Philip B. Depp; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14642) granting a pension to Amanda J. S. Brockway; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14643) granting a pension to Joseph Serra; to the Committee on Pensions.

Also, a bill (H. R. 14644) granting an increase of pension to Ella C. Reynolds; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Colorado: A bill (H. R. 14645) granting a pension to Hattie E. Alexander; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14646) granting an increase of pension to Ellen G. Cassedy; to the Committee on Invalid Pensions.

By Mr. TOWNER: A bill (H. R. 14647) granting a pension to Jennie B. Spiker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14648) granting an increase of pension to Elizabeth A. Wheeler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14649) granting an increase of pension to Hosea G. Messersmith; to the Committee on Invalid pensions.

By Mr. VAILE: A bill (H. R. 14650) granting a pension to Margaret Coyle; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14651) granting a pension to Nelson E. Buckham; to the Committee on Pensions.

Also, a bill (H. R. 14652) for the relief of Dennis Sexton; to the Committee on Claims.

Also, a bill (H. R. 14653) for the relief of John Doyle, alias John Geary; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4224. By the SPEAKER: Petition from Rev. Stanislaus C. Ldebel, president Local Polish Loan Committee; Alexander T. Rogalawski; Waclaw Janucik, all of Hatfield, Mass.; and John Snarski, of Brockton, Mass., relative to the present crisis in Poland; to the Committee on Foreign Affairs.

4225. Also, petition of Michigan Society for the Relief of War Sufferers, Saginaw Branch, urging steps to bring about the withdrawal of French negro troops now in the Army of Occupation in Germany; to the Committee on Foreign Affairs.

4226. Also (by request), petition from the Federation of Hungarian Jews in America, by Samuel Buckley, president, advocating the deportation of one Charles Huszar, former premier of Hungary, an alleged emissary of the Hungarian Government and a recent arrival in the United States of America; to the Committee on Immigration and Naturalization.

4227. Also (by request), petition from the Philippine Columbian Association, composed largely of citizens of the Philippine Islands educated in American universities, protesting against the application in the Philippine Islands of the United States coastwise law; to the Committee on Insular Affairs.

4228. Also (by request), petition of the municipal councils of the Municipalities of La Carlots, Province of Occidental Negroes, and New Washington, Province of Capiz, Philippine Islands, protesting against the application of the United States coastwise law (section 21 of the merchant marine act) to the Philippine Islands; to the Committee on Insular Affairs.

4229. Also (by request), petition of the Executive Council, Territorial Civic Convention of Hawaii, urging the extension of Federal aid to roads be extended to the Territory of Hawaii; to the Committee on Roads.

4230. Also (by request), petition of the National Organization of Masters, Mates, and Pilots of America, San Francisco, Calif., urging the passage of the joint resolution for amnesty to political prisoners and to repeal the espionage law; to the Committee on the Judiciary.

4231. Also (by request), petition of Miss Sara Kohn and numerous other residents of the United States, calling attention to the present crisis in Poland; to the Committee on Foreign Affairs.

4232. Also (by request), petition of Giles Otis Pearce, of Sawtelle, Calif., relative to certain legislation; to the Committee on Military Affairs.

4233. Also (by request), petition of sundry citizens of Springfield, Mass., regarding the freedem of Lithuania; to the Committee on Foreign Affairs.

4234. Also (by request), petition of the Lithuanians of Waukegan, Ill., protesting against the Polish imperialism in their occupation of Vilna; to the Committee on Foreign Affairs.

4235. Also (by request), petition of J. C. Wright, of Washington, D. C., asking legislation granting lower car fares to school children; to the Committee on the District of Columbia.

4236. Also (by request), petition of 1,100 citizens of Pittsfield, Mass., and vicinity, in behalf of the Irish republic; to the Committee on Foreign Affairs.

4237. Also (by request), petition of the Civic Convention of the Territory of Hawaii, favoring an amendment to the Federal aid to vocational training law including the Territory in its operation; to the Committee on Education.

4238. Also (by request), petition of the Illinois Retail Dry Goods Association, of Chicago, Ill., revising the provisions in sections 204, 214, and 234 of the revenue law of the United States; to the Committee on Ways and Means.

4239. By Mr. BRIGGS: Letters from Mrs. Jessie Daniel Ames, president of the Texas League of Women Voters, indorsing the Sheppard-Towner bill for the protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4240. Also, resolution adopted by the Housewives League of Galveston, Tex., indorsing the Sheppard-Towner maternity and infancy bill (S. 3529 and H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4241. Also letter of secretary of Rural Landowners' Association of Texas, opposing the Ralston-Nolan bill, providing for Federal tax; to the Committee on Ways and Means.

4242. Also, copy of resolution passed at the fall meeting of Texas section, American Society of Civil Engineers, urging the defeat of the Smith-Towner bill (H. R. 12466) and the passage of an amendment to the Federal water-power act; to the Committee on Interstate and Foreign Commerce.

4243. Also, letter from N. T. Blackburn, of Galveston, Tex., opposing the granting of any irrigation reservoir privileges in national parks and urging amendment of water-power act to exclude leases of water power in national parks throughout the country from the operation of such law; to the Committee on Water Power.

4244. By Mr. BURDICK: Joint resolution of the city council of Providence, R. I., urging the adoption of proper legislation to make armistice day a national holiday; to the Committee on the Library.

4245. By Mr. BURROUGHS: Telegram signed by Mrs. R. L. Everett and 16 others, expressing opposition to the Sheppard-Towner bill, all signers being residents of Manchester, N. H.; to the Committee on Interstate and Foreign Commerce.

4246. Also, resolution of the Review Club, of Manchester, N. H., by Minnie L. Hartshorn, secretary, advocating the passage of the Sheppard-Towner bill (also the Smith-Towner bill); to the Committee on Interstate and Foreign Commerce.

4247. Also, resolution of the Manchester (N. H.) Shakespeare Club, advocating the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4248. Also, resolutions of the Progressive Study Club, of Manchester, N. H., by Mrs. A. C. Auerbach, secretary, advocating the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4249. Also, petition of the Woman's Club of Wolfeboro, N. H., by Mrs. Florence Clow Rollins, secretary, advocating the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4250. Also, resolution of the Woman's Club of Somersworth, Somersworth, N. H., indorsing the Sheppard-Towner bill and urging its passage by Congress; to the Committee on Interstate and Foreign Commerce.

4251. Also, resolution of Women's Christian Temperance Union of New Hampshire, indorsing the Sheppard-Towner bill and urging its passage by Congress; to the Committee on Interstate and Foreign Commerce.

4252. Also, resolution of the Dover (N. H.) Woman's Club of 260 members, indorsing the Sheppard-Towner bill and urging its passage by Congress; to the Committee on Interstate and Foreign Commerce.

4253. Also, 18 telegrams, indorsing the Sheppard-Towner bill, signed by the following persons: Dr. Benj. P. Burpee; Miss Amy Brown; Miss Moore, head nurse county hospital; Dr. Zaetae Straw; Dr. George V. Fiske; Mrs. Nellie R. Murdock, president the Magnolia Club; Dr. E. D. Miville; Dr. F. N. Rogers; A. M. Cameron, Cameron Hospital; Mary Stearns, R. N.; the Mothers' Club of First Congregational Church; Mrs. Floyd E. Williams; Dr. Emil Sylvain; Mrs. E. F. Pearlee, head nurse Stark Mills Nurse Association; Mrs. H. S. Way; H. M. Caverly, superintendent Elliot Hospital; Dr. C. O. Coburn, district nursing association, all of Manchester, N. H.; to the Committee on Interstate and Foreign Commerce.

4254. Also, resolution of Suncook (N. H.) Woman's Club, indorsing the Smith-Towner and Sheppard-Towner bills; to the Committee on Education.

4255. Also, resolution of XIV Club of Manchester, N. H., indorsing the Smith-Towner and Sheppard-Towner bills and urging their passage by Congress; to the Committee on Education.

4256. Also, resolution of the Wolfeboro (N. H.) Woman's Club, by Grace B. Landman, Sarah C. Bixby, and Bessie B. Clow, advocating the passage of the Smith-Towner bill; to the Committee on Education.

4257. Also, resolutions of the Manchester (N. H.) Shakespeare Club, by Erma B. Sawyer, secretary, advocating the passage of the Smith-Towner bill; to the Committee on Education.

4258. Also, resolution of Branch No. 44, National Association of Letter Carriers, by Jules Larivee, secretary, and Edwin M. Rogers, president, advocating legislation to provide personal and liability insurance for letter carriers and to abolish the use of motor cycles in the carrier service; to the Committee on the Post Office and Post Roads.

4259. Also, petition of Lithuanians of Manchester, N. H., and vicinity (by Frank T. Walinskas, chairman of the executive committee), urging United States Government officials to refuse to further aid Poland and to recognize the new Republic of Lithuania; to the Committee on Foreign Affairs.

4260. By Mr. CURRY of California: Petition of San Joaquin County Farm Bureau of California and the fifty-third convention of the California Fruit Growers and Farmers, favoring the passage of the French-Capper truth in fabrics bill; to the Committee on Interstate and Foreign Commerce.

4261. Also, petition of Mrs. Winifred Codman, of Fairoaks, Calif., favoring the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4262. Also, petition of the California Federation of Women's Clubs and the Sacramento High School Chapter, American Federation of Teachers, protesting against the passage of House bill 12466; to the Committee on the Public Lands.

4263. Also, petition of C. Parker Holt, treasurer of the Holt Manufacturing Co., of California, and E. L. Bickford, vice president and cashier of the First National Bank of Napa, Calif., protesting against the passage of House bill 12466; to the Committee on the Public Lands.

4264. Also, petition of the California Fruit Exchange, Sacramento, Calif., favoring the passage of House bill 12483; to the Committee on Agriculture.

4265. Also, petition of the California Fruit Distributors, favoring the adequate appropriation for the maintenance of the viticultural experimental station at Napa and Fresno Counties, Calif.; to the Committee on Agriculture.

4266. Also, petition of the Contra Costa County Farm Bureau, California, favoring the passage of House bill 11641; to the Committee on Interstate and Foreign Commerce.

4267. By Mr. ELSTON: Petition of 34 citizens of Berkeley, Calif., protesting against the passage of Senate bill 4038; to the Committee on Patents.

4268. By Mr. EMERSON: Petition of the Cleveland Federation of Women's Clubs, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4269. By Mr. HERSEY: Petition of Lura E. Brown, secretary of the Norumbega Club of Bangor, Me., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4270. Also, petition of Mabelle H. Libby, secretary of the Women's Educational and Industrial Union of Saco, Saco, Me., urging passage of the Sheppard-Towner bill to aid in the protection of maternity; to the Committee on Interstate and Foreign Commerce.

4271. By Mr. KELLEY of Michigan: Petition of Mrs. Hazel Thornton and 26 other residents of Ingham County, Mich., in favor of the Sheppard-Towner maternity and infant welfare bill; to the Committee on Interstate and Foreign Commerce.

4272. By Mr. KENNEDY of Rhode Island: Resolution of the city council, urging legislation making armistice day a national holiday; to the Committee on the Library.

4273. By Mr. McGLENNON: Petition of the Chamber of Commerce of the city of Newark, N. J., favoring the retention

of the present post-office site; to the Committee on Public Buildings and Grounds.

4274. By Mr. NELSON of Missouri: Petition from members of the Fortnightly Club, Columbia, Mo., asking for passage of the Sheppard-Towner bill (S. 3259 and H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4275. By Mr. O'CONNELL: Resolution of the New York State legislative board of the Brotherhood of Locomotive Firemen and Enginemen, favoring recognition of the Irish republic; to the Committee on Foreign Affairs.

4276. Also, petition of the Slovak League of America, relative to the partition of the Slovak parts of the Czecho-Slovak Republic; to the Committee on Foreign Affairs.

4277. Also, petition of the mayor and city council of Brockton, Mass., protesting against exorbitant coal prices; to the Committee on the Judiciary.

4278. Also, petition of A. B. Martin, of Brooklyn, N. Y., in favor of 1-cent letter postage; to the Committee on the Post Office and Post Roads.

4279. Also, petition of the Brotherhood of Painters, Decorators, and Paperhangers, of Brooklyn, N. Y., in favor of restriction of immigration; to the Committee on Immigration and Naturalization.

4280. Also, petition of the New York State Dairymen's Association, protesting against passage of Senate bill 3011; to the Committee on Agriculture.

4281. Also, petition of Messrs. Schwabach & Raphael, of New York City, relative to a revision of the income tax; to the Committee on Ways and Means.

4282. Also, resolutions of the Cleveland (Ohio) Chamber of Commerce, relative to Wall Street atrocity; to the Committee on the Judiciary.

4283. Also, petition of the National Association of Manufacturers, in favor of Nolan Patent Office bill; to the Committee on Patents.

4284. By Mr. ROGERS: Petition of the National Federation of Post Office Clerks, urging increased compensation for postal employees; to the Committee on the Post Office and Post Roads.

4285. By Mr. SHREVE: Petition of W. H. Seward, secretary Crawford County Grange, No. 26, favoring the passage of the truth in fabric bill, House bill 11641; to the Committee on Interstate and Foreign Commerce.

4286. By Mr. TAGUE: Petitions of the Sulpho-Naphthol Co., Frank W. Whitcher Co., the George Close Co., Frank E. Fitts Manufacturing & Supply Co., Brown-Wales Co., all of Boston, Mass., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4287. Also, petition of William A. L. Bazeley, commissioner and State forester, State of Massachusetts, urging appropriation to complete the gypsy-moth work; to the Committee on Appropriations.

4288. Also, petitions of C. A. Browning & Co., W. L. Montgomery & Co., Boston Wool Trade Association, George Mabbett & Sons Co., Elseman Bros., Wright Bros., Francis Willey & Co., Cordingley & Co., all of Boston, Mass., urging revision of income tax laws; to the Committee on Ways and Means.

SENATE.

TUESDAY, *December 7, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, in Thy presence there is fullness of joy. At Thy right hand there are pleasures forevermore. Whether it is in the far-off land of our dreams and hopes or amid the toil and cares of this present life, our companionship with Thee is the measure of the blessedness of our lives.

We seek Thee to-day to journey with us in the problems that confront us, giving to us the constant inspiration of Thy truth and of Thy Spirit, that we may rightly discern the way of life for this Nation. For Christ's sake. Amen.

BERT M. FERNALD, a Senator from the State of Maine, and PARK TRAMMELL, a Senator from the State of Florida, appeared in their seats to-day.

The Assistant Secretary proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. LODGE and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that a quorum of the House of Representatives has appeared, and that the House is ready to proceed with business.

The message also announced that a committee of three Members had been appointed on the part of the House of Representatives, to join with the committee on the part of the Senate, to notify the President of the United States that a quorum of each House is assembled and that Congress is ready to receive any communication that he may be pleased to make, and had appointed Mr. MONDELL, Mr. FORDNEY, and Mr. CLARK of Missouri as a committee on the part of the House.

The message further communicated to the Senate intelligence of the death of Hon. MAHLON M. GARLAND, a Representative from the State of Pennsylvania, and Hon. DICK T. MORGAN, a Representative from the State of Oklahoma, and transmitted the resolutions of the House thereon.

NOTIFICATION TO THE PRESIDENT.

Mr. LODGE and Mr. UNDERWOOD appeared, and

Mr. LODGE said: Mr. President, the committee appointed by the Senate to join a similar committee on the part of the House of Representatives to notify the President that Congress is organized and awaits a communication from him have performed that duty, and I am instructed by the President to say that he will communicate with Congress to-day.

COMMITTEE SERVICE.

Mr. UNDERWOOD. I ask that Mr. GLASS be reassigned to the committees on which he served at the last session. Having been sworn in as a new Member on yesterday, I believe that technically he will have to be reassigned to the committees. I send to the desk an order to that effect, and ask unanimous consent that it be agreed to.

There being no objection, the order was read and agreed to, as follows:

Ordered, That Mr. GLASS be assigned to service on the following standing committees of the Senate: Appropriations, Disposition of Useless Papers in the Executive Departments, District of Columbia, Expenditures in the Interior Department, and Fisheries.

Mr. UNDERWOOD. I request that Mr. HEFLIN be assigned to the committee places filled by former Senator Bankhead and later by former Senator Comer, which are now vacant. I send to the desk an order to that effect and ask for its adoption.

There being no objection, the order was read and agreed to, as follows:

Ordered, That Mr. HEFLIN be assigned to service on the following standing committees of the Senate: Civil Service and Retrenchment, Coast and Insular Survey, Commerce, Conservation of National Resources, Post Offices and Post Roads, and Transportation Routes to the Seaboard.

SENATOR FROM ALABAMA.

Mr. HEFLIN. Mr. President, I present the credentials of my colleague, Mr. UNDERWOOD, for the term beginning March 4, next.

The VICE PRESIDENT. The Secretary will read the credentials.

The credentials were read and ordered to be placed on file, as follows:

DEPARTMENT OF STATE,
Montgomery, Ala.

In accordance with section 426 of the Code of Alabama, I, Wm. P. Cobb, secretary of state of the State of Alabama, hereby certify that at the general election held in this State, in accordance with law, on the 2d day of November, A. D. 1920, for the office of United States Senator from Alabama, OSCAR W. UNDERWOOD was duly elected to fill said office.

In testimony whereof, I have hereunto set my hand and affixed the great seal of the State of Alabama, at the capitol, in the city of Montgomery, this 18th day of November, 1920.

[SEAL.] WM. P. COBB,
Secretary of State.

PETITIONS AND MEMORIALS.

Mr. FLETCHER presented a petition of the Jacksonville Wholesale Grocers' Association, of Jacksonville, Fla., praying for the enactment of legislation to prohibit common carriers from increasing interstate rates, fares, and charges without the permission of the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

He also presented a petition of sundry citizens of Live Oak, Fla., praying for the enactment of legislation to prohibit, for the purpose of canning and export from Alaska, fishing of salmon in the Yukon River, its tributaries, and adjacent waters, which was referred to the Committee on Interstate Commerce.

Mr. HENDERSON. I send to the desk a resolution adopted by the Yerington, Nev., Parent-Teachers' Association, and ask that it may lie on the table. The resolution is one indorsing the Sheppard-Towner bill for the protection of maternity and infancy, and that bill is on the calendar, reported from the Committee on Public Health and National Quarantine.

The VICE PRESIDENT. The resolution will lie on the table, as requested.

UMI

Mr. STERLING presented a resolution of the Legislature of South Dakota in favor of the enactment of legislation relating to appropriations to reimburse owners of land flooded by Government artesian wells, which was referred to the Committee on Public Lands and ordered to be printed in the RECORD, as follows:

Be it resolved by the House of Representatives of the State of South Dakota (the Senate concurring)—

Whereas the Congress of the United States in years past has appropriated money for the sinking of four 6-inch wells on the shores of Lake Andes, in the county of Charles Mix, State of South Dakota, for the purpose and object of keeping said lake filled with water to at least its normal depth, which result has been fully and successfully realized, to the great pleasure, satisfaction and enjoyment of the general public, and all persons interested, with the exception of certain landowners, whose lands abutting the shores of said lake have become flooded and covered with water; and

Whereas the owners of said flooded lands have instituted proceedings with a view of inducing Congress to appropriate money for the draining of said lake to such an extent as to reclaim their flooded lands, which if done will, to a very great extent, destroy the beauty and benefits of said lake: Therefore be it

Resolved by the Legislature of the State of South Dakota, That the Congress of the United States and our Senators and Representatives in Congress be, and hereby are, memorialized and petitioned to appropriate a reasonable amount of money to indemnify and reimburse the owners of said flooded lands, and that no action be taken or money appropriated for the draining or lowering of said lake; and be it further

Resolved, That a copy of this resolution be sent to the Congress of the United States and to our Senators and Representatives in Congress.

Mr. STERLING also presented a resolution of the Legislature of the State of South Dakota in favor of legislation to repeal the Canadian reciprocity act, which was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

Be it resolved by the Senate of the State of South Dakota (the House of Representatives concurring) convened in extraordinary session at the capitol in the city of Pierre, S. Dak.:

Whereas the Federal Government has negotiated a treaty with Canada for the purpose of promoting reciprocal trade relations with that Dominion; and

Whereas said treaty has been submitted to the Congress of the United States and was on July 26, 1911, ratified by an act entitled "An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes"; and

Whereas said treaty has never been ratified by or for the Dominion of Canada and therefore has never become effective; and

Whereas it is evident that if such treaty should be ratified by or for the Canadian Government it will become a law of the land and be detrimental to the agricultural interests of South Dakota and especially injurious to the interests of the wheat growers of the State and of the Nation: Now, therefore, be it

Resolved by the Senate of the State of South Dakota (the House of Representatives concurring), That we respectfully urge upon the Congress of the United States the need of repealing said act of Congress entitled "An act to promote reciprocal trade relations with the Dominion of Canada, and for other purposes, approved July 26, 1911," and we therefore request our Senators and Representatives in Congress to use all honorable means to secure the repeal of said act and to take whatever other action may be necessary to the end that such treaty shall never become a law by ratification thereof by or for the Government of the Dominion of Canada.

The secretary of the senate is hereby directed to transmit engrossed copies of this resolution to the Members of the United States Senate and Representatives in Congress of South Dakota, the Secretary of the Senate and Chief Clerk of the House of Representatives of the United States, and the Secretary of Agriculture of the United States.

Dated at Pierre, S. Dak., this 25th day of June, 1920.

Mr. STERLING also presented a memorial of the Legislature of South Dakota, which was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

The House of Representatives of the State of South Dakota respectfully represents to the Congress of the United States that—

Whereas it is self-evident that a civilized nation should not longer permit the price of wool, cotton, and food products to be fixed or manipulated by speculation and without regard to the cost of production; and

Whereas all other producers know in advance the approximate prices they can obtain for their products, but the farmer when he plants his crop or begins preparing his stock for market has no assurance that his products, the most important of all, being absolutely necessary for the existence of humanity, will even repay the actual cost of production and frequently these producers suffer immense losses; millions of dollars having been lost during the past year by our farmers in the preparation of cattle, hogs, and sheep for market; and

Whereas if the prices of staple farm products were stabilized by the General Government, it would add immensely to the stability and security of agriculture, and be equally beneficial to the ultimate consumer; and

Whereas it is our belief that the stabilization of such prices could be accomplished in such a manner as would require the National Government to finance only the surplus, which is usually small compared with the entire crop, but the stabilizing of this surplus would fix the price of the entire crop, and if any surplus should prove too large for profitable disposition by the Government the prices for the following year could be reduced and the prices of other products increased, thereby resulting in the increase of any crop in which a shortage may exist; and

Whereas under the present system gambling and speculation are deemed necessary to make a market, but the fluctuations are so great that frequently from 50 per cent to 100 per cent is added thereby to the price of such products after leaving the farmer's hands and before preparation for use, all of which is lost to the producer and paid for by the ultimate consumer; and

Whereas the stabilization of the prices of certain agricultural products will automatically assist to a great extent in stabilizing the cost of meat production:

Now, therefore, on behalf of the farmers and stock raisers of South Dakota and of the entire Nation, we urgently request the Congress of the United States to enact a law requiring the President of the United States, through a commission of experts fairly representing both the producing and consuming public, to fix and guarantee the prices of such farm products, thus assuring the producer a fair and reasonable price for his products and automatically eliminating gambling and speculation therein.

Certificate.

UNITED STATES OF AMERICA,
STATE OF SOUTH DAKOTA,
Secretary's Office.

I, C. A. Burkhart, secretary of state, do hereby certify that the annexed memorial, to wit, House Memorial No. 1, was duly passed by the sixteenth session of the Legislature of the State of South Dakota.

In witness whereof I have hereunto set my hand and affixed the great seal of the State of South Dakota, at the city of Pierre.

[SEAL.] C. A. BURKHART,
Secretary of State.

Mr. WARREN presented a petition adopted by Assembly No. 143, Slovak League of America, Rock Springs, Wyo., praying for the enactment of legislation for self-determination for the citizens of the Czecho-Slovak Republic, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Casper Woman's Club, of Casper, Wyo., praying for the amendment of the water-power bill, which was referred to the Committee on Commerce.

He also presented a petition of the Tri-State Wool Growers' Association, of Belle Fourche, S. Dak., praying for the enactment of legislation for the restoration of a duty upon wool, which was referred to the Committee on Finance.

He also presented a petition of the Natrona County Stock Growers' Association, of Casper, Wyo., praying for the enactment of legislation placing an embargo upon foreign rags, wools, and frozen meats, which was referred to the Committee on Finance.

He also presented a petition of the Fremont County Wool Growers' Association, of Lander, Wyo.; a petition of the Tri-State Wool Growers' Association, of Belle Fourche, S. Dak.; a petition of Natrona County Stock Growers' Association, of Casper, Wyo.; and a petition of the Albany County Sheep Growers' Association, of Laramie, Wyo., praying for the enactment of the so-called truth-in-fabric bill, which were referred to the Committee on Interstate Commerce.

Mr. HARRISON. At the instance of the junior Senator from South Dakota [Mr. JOHNSON], I present a telegram from the State Bankers' Association of South Dakota, touching live-stock products. I ask that it may be referred to the Committee on Agriculture and Forestry and printed in the RECORD.

The telegram was referred to the Committee on Agriculture and Forestry and ordered to be printed in the RECORD, as follows:

SIOUX FALLS, S. DAK., *December 4, 1920.*

Hon. ED. S. JOHNSON,
United States Senate, Washington, D. C.:

The agricultural and live-stock interests of this country are in peril. The prices have been reduced far below the cost of production. If farmers are forced to sell their grain at the present prices, many of them will be bankrupt. If the stock raisers are forced to sell their immatured stock the herds will be depleted and the stock industry jeopardized. It is the judgment of those best posted and in close touch with these interests that Congress should immediately legislate guaranteeing to the agriculturist a minimum price for his surplus crop and do this while the crop is still in his hands if such a price could be fixed for at least the cost of production, which should not be less than $1 per bushel for corn, 75 cents per bushel for oats, $2.25 per bushel for wheat, and $3 per bushel for flax at the terminals. This we think would immediately stabilize prices. This price, or a price which should be deemed fair to all, should, in our opinion, be made to cover the surplus grain on hand. At the end of the crop year there may be other plans that will save the producer from bankruptcy, but it is essential and important that something be done at once, as otherwise there is no inducement to the food producer to crop his land next year, even if he were able to do so. Such legislation as suggested, or some other plan if thought better that will get immediate relief, should meet the approval and practically the unanimous consent of Congress. In our judgment, proposed extension of credit will not meet the present crisis. Our producers will be able to partially liquidate their indebtedness if they could secure for their products the cost of production. Agriculture is the greatest and most important basic industry, and the stabilization of the price for farm products will also be of tremendous benefit to the business and industrial world. It is urged upon you as a representative of the great agricultural State of South Dakota that you use all means at your command to hasten legislation as indicated.

JOHN W. WADDEN,
President State Bankers' Association.

Mr. KNOX presented petitions of sundry citizens of the city of Chester, Delaware County, Pa., and members of the Min-

isters' Association of the city of Chester, Delaware County, Pa., praying for the relief of the people of Armenia, which were referred to the Committee on Foreign Relations.

Mr. MOSES presented a petition of the Woman's Club of Dover, N. H., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

He also presented a petition of the Woman's Club of New London, N. H., praying for the enactment of legislation for the protection of maternity and infancy, which was referred to the Committee on Public Health and National Quarantine.

Mr. COLT presented a petition of sundry citizens of Pawtucket and Central Falls, R. I., praying that full citizenship be granted to the American Indians, which was referred to the Committee on Indian Affairs.

He also introduced a petition of employees of the custodian department of the Federal building (post office) at Newport, R. I., praying for favorable action on the minimum-wage bill, etc., which was ordered to lie on the table.

He also presented a memorial of sundry Lithuanians of Providence, R. I., remonstrating against the unwarranted invasion of Lithuania by Polish outlaws and urging the recognition of the Republic of Lithuania, which was referred to the Committee on Foreign Relations.

He also presented a memorial of 20 officers and members of the Every Tuesday Club, of Kingston, R. I., remonstrating against the encroachments upon scenic beauties of the national parks for commercial purposes, etc., which was referred to the Committee on Public Lands.

Mr. NELSON presented resolutions of the Oregon Bar Association held at Eugene, Lane County, Oreg., September 3, 1920, praying for the enactment of legislation to simplify judicial procedure, which was referred to the Committee on the Judiciary.

He also presented a memorial of Charles L. Pillsbury, of Minneapolis, Minn., protesting against the exploitation of water power within national parks for commercial purposes, which was referred to the Committee on Commerce.

He also presented a petition of the Minneapolis Retail Jewelers' Club, of Minneapolis, Minn., praying for a revision of the law imposing an excise tax on jewelry, which was referrred to the Committee on Finance.

Mr. KEYES presented a petition of the Woman's Club of Somersworth, N. H., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

He also presented a petition of the Dover Woman's Club, of Dover, N. H., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

THE STEEL STRIKE OF 1919.

Mr. WALSH of Montana. Mr. President, it will be recalled that about a year ago a movement was inaugurated known as the "Interchurch movement" which eventually culminated in an association of some 30 so-called evangelical churches of the country, claiming a membership or communicants to the number of some 26,000.

A commission was appointed by this organization on industrial relations which conducted an inquiry into the steel strike of 1919. The report of that commission, of which I have here a copy, is accompanied with recommendations for Federal action, so that it is in the nature of a petition proper to be submitted under the present order of business.

I desire at this time to submit the report and ask that it be referred to the Committee on Education and Labor, with directions to communicate to the Senate such views as they may care to submit concerning the recommendations of the report.

With the permission of the Senate, I desire to call attention to some highly interesting features of the report. I read from page 4, as follows:

> The public mind completely lost sight of the real causes of the strike, which lay in hours, wages, and conditions of labor, fixed "arbitrarily," according to the head of the United States Steel Corporation, in his testimony at a senatorial investigation. It lost sight of them because it was more immediately concerned with the actual outcome of the great struggle between aggregations of employers and aggregations of workers than it was with the fundamental circumstances that made such a struggle inevitable. This investigation and report deal primarily with the causative facts—with abiding conditions in the steel industry—and only secondarily with conflicts of policies and their influence on national institutions and modes of thought.
>
> Out of the first set of undisputed facts, these may be cited in the beginning:
>
> (a) The number of those working the 12-hour day is 69,000. (Testimony of E. H. Gary, Senate investigation, vol. 1, p. 157.)
>
> (b) The number of those receiving the common labor or lowest rate of pay is 70,000. (Letters of E. H. Gary to this commission.)
>
> This means that approximately 350,000 men, women, and children are directly affected by the longest hours or the smallest pay in that part of the industry owned by the United States Steel Corporation, which fixes pay and hours without conference with the labor force.
>
> Since this corporation controls about half the industry, it is therefore a reasonably conservative estimate that the working conditions of three-quarters of a million of the Nation's population have their lives determined arbitrarily by the 12-hour day or by the lowest pay in the steel industry.

Touching the subject of hours of labor, the commission finds:

> Approximately one-half the employees were subjected to the 12-hour day. Approximately one-half of these in turn were subjected to the 7-day week.
>
> Much less than one-quarter had a working-day of less than 10 hours (60-hour week).
>
> The average week for all employees was 68.7 hours; these employees generally believed that a week of over 60 hours ceased to be a standard in other industries 15 to 20 years ago.
>
> Schedules of hours for the chief classes of steel workers were from 12 to 40 hours longer per week than in other basic industries near steel communities; the American steel average was over 20 hours longer than the British, which ran between 47 and 48 hours in 1919.
>
> * * * * * * *
>
> The only reasons for the 12-hour day, furnished by the companies, were found to be without adequate basis in fact.
>
> * * * * * * *
>
> Wages: The annual earnings of over one-third of all productive iron and steel workers were, and had been for years, below the level set by Government experts as the minimum of subsistence standard for families of five.
>
> The annual earnings of 72 per cent of all workers were, and had been for years, below the level set by Government experts as the minimum of comfort level for families of five.
>
> This second standard being the lowest which scientists are willing to term an "American standard of living," it follows that nearly three-quarters of the steel workers could not earn enough for an American standard of living.

Two other significant things:

> In western Pennsylvania the civil rights of free speech and assembly were abrogated without just cause both for individuals and labor organizations. Personal rights of strikers were violated by the State constabulary and sheriff's deputies.
>
> * * * * * * *
>
> Charges of bolshevism or of industrial radicalism in the conduct of the strike were without foundation.

The excerpts read will sufficiently characterize the document and without detaining the Senate further to acquaint it with its contents, I trust that the committee will at least recommend the publication of the report as a public document. A special reason for such action is disclosed in the following paragraph from the report:

> For the country at large the source of information about conditions in the steel industry and the progress of the strike was, of course, principally the press. The wide discrepancies between the facts now disclosed and most of the press reports at the time are the subject of exhaustive analysis elsewhere. The findings are that most newspapers, traditionally hesitant in reporting industrial matters, failed notably to acquaint the public with the facts, failed to take steps necessary to ascertain the facts, failed finally to publish adequately what was brought out by the brief investigation of the United States Senate committee.

A note, however, says:

> A notable exception to the general rule was shown by a series of articles during the strike carried by the New York World.

Mr. THOMAS. Mr. President——

The VICE PRESIDENT. Does the Senator from Montana yield to the Senator from Colorado?

Mr. WALSH of Montana. I yield to the Senator from Colorado.

Mr. THOMAS. May I ask the Senator if that report contains information as to the average salaries or the wages earned per annum by the several classes of employees?

Mr. WALSH of Montana. I do not recall that there was any average calculated, but of course the average wage is a matter of very little consequence. It is disclosed that there are a limited number of employees of the Steel Corporation and other steel companies who do, in fact, earn very large wages, sometimes running to $20 a day.

Mr. THOMAS. Does it give the minimum?

Mr. WALSH of Montana. It gives the minimum.

Mr. THOMAS. In figures?

Mr. WALSH of Montana. In figures.

Mr. THOMAS. What are they?

Mr. WALSH of Montana. I do not now recall; but there are elaborate tables.

Mr. THOMAS. My reason for asking is that I am informed that they are much larger than the average salaries of the ministers who prepared the document.

Mr. WALSH of Montana. I should not be surprised if that is correct; but the legitimate conclusion from that is that ministers are very poorly paid.

Mr. THOMAS. I do not cite it as an argument, but merely as a fact. I agree with the Senator that they are poorly paid.

Mr. WALSH of Montana. I ask that the report may be referred as heretofore requested, with instructions as stated.

Mr. KENYON. I should like to inquire of the Senator from what he has been reading? There was so much noise in the Chamber at the time that I was one of the Senators who could not hear him.

Mr. WALSH of Montana. It is the report of a commission appointed by the industrial relations department of the interchurch movement.

The VICE PRESIDENT. Is there objection to the request of the Senator from Montana?

There being no objection, the report was referred, with instructions as requested, to the Committee on Education and Labor.

FINANCING OF AGRICULTURAL OPERATIONS.

Mr. GRONNA. I am directed by the Committee on Agriculture and Forestry to report to the Senate an original joint resolution, which I ask may be read, and then I shall ask unanimous consent for its immediate consideration.

The joint resolution (S. J. Res. 212), directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country, was read the first time by its title.

Mr. GRONNA. I ask unanimous consent for the present consideration of the joint resolution.

Mr. LODGE. Mr. President, ought not that resolution go to the committee?

The VICE PRESIDENT. It is a report from a committee.

Mr. SMOOT. Mr. President, the joint resolution has not as yet been referred to the committee. I will ask the Senator from North Dakota if the joint resolution has ever before been brought to the attention of the Senate?

Mr. GRONNA. No; it has not. The joint resolution was presented to the Committee on Agriculture; the committee held rather extensive hearings upon it, a subcommittee was appointed; it was then presented to the whole committee and unanimously reported out by the whole committee.

Mr. SMOOT. In order that the record may be straight, the Senator ought to introduce the joint resolution at this time and have it referred to his committee, or to whatever committee may be appropriate, and the committee could report it back. Then the Senator could ask unanimous consent for its consideration.

Mr. NORRIS. Mr. President, will the Senator yield to me?

Mr. GRONNA. Yes.

Mr. NORRIS. The point raised by the Senator from Utah [Mr. SMOOT] was made in the committee when the resolution came up, and the committee decided that it was not necessary under the rules of the Senate to have the resolution introduced and referred to the committee if it originated in the committee. It was ordered by the committee to be reported as a committee resolution under paragraph 4 of Rule XIV of the Rules of the Senate, which provides that—

> Every bill and joint resolution reported from a committee, not having previously been read, shall be read once, and twice, if not objected to, on the same day, and placed on the calendar in the order in which the same may be reported.

Mr. SMOOT. That, I think, Mr. President, sustains the position that I have taken, namely, that it must first be presented to the Senate and then referred to the committee.

Mr. NORRIS. The rule to which I have referred does not say so.

Mr. SMOOT. I will ask the Senator what the record will show in this case? The record shows in the case of all bills and joint resolutions that they were presented to the Senate on a certain day; that they were referred to a committee upon a certain day; that they were reported from a committee upon a certain day, and were considered and disposed of upon a certain day.

The VICE PRESIDENT. The Senate may take an appeal from the ruling of the Chair and then discuss the matter if it is so desired. Clause 3 of Rule XIV provides that—

> No bill or joint resolution shall be committed or amended until it shall have been twice read, after which it may be referred to a committee.

Clause 4 of the rule provides that—

> Every bill and joint resolution reported from a committee, not having previously been read, shall be read once, and twice.

The two, construed together, must mean that the Senate intended that a regular committee of the Senate could, of its own motion, without the introduction of a bill or joint resolution, submit such a measure to the Senate. The Chair, therefore, overrules the point of order.

Mr. LODGE. Mr. President——

The VICE PRESIDENT. Is there an appeal from the decision of the Chair?

Mr. LODGE. Mr. President, I only desire to say that this joint resolution—which I have had no opportunity to examine, which I have not read, and which has not been read at the desk—apparently seeks to revive the Finance Corporation. Technically, I suppose, it may be said that we are still in a state of war; but practically the Finance Corporation has gone out of existence. The Finance Corporation was created by an act reported from the Finance Committee, which framed it. I do not know whether the Finance Committee has had this matter under consideration at all. I do not now happen to be a member of the Committee on Finance.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. LODGE. I yield to the Senator from Nebraska.

Mr. NORRIS. I should like to say to the Senator that this joint resolution does not reenact any law. It will be seen, when it is read, that it simply is a direction to a body provided and organized under the law to go ahead and perform its functions. It does not change any law; it does not attempt to change any law; and it seems to me, therefore, that it properly comes from the Committee on Agriculture, because it pertains purely and simply to an agricultural proposition.

Mr. REED. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Missouri?

Mr. LODGE. I yield; yes.

Mr. REED. I should like to ask the Senator whether the resolution is long or short?

Mr. GRONNA. It is very short.

Mr. REED. In order that we may know what we are talking about, I suggest that it might be read informally for the information of the Senate.

The VICE PRESIDENT. The Chair did not quite express the full view of the Chair. The Chair believes that he did not read quite all of the rule. It reads:

> Every bill and joint resolution reported from a committee, not having previously been read, shall be read once, and twice, if not objected to, on the same day, and placed on the calendar in the order in which the same may be reported.

Now, under another rule the first reading can take place today, and that ends it for to-day. If the Senator wants it read, that ends the action on it to-day.

Mr. REED. Mr. President, I desire to take no action which will delay the consideration of this measure, at least until I know what the measure is; but up to this time the Senate is in the dark in regard to the proposition. The Senator from North Dakota asks for the present consideration of the joint resolution. I am not willing to give unanimous consent for the present consideration of a matter when I do not know what it is, and I am asking if the joint resolution can not be read at the desk for the information of the Senate.

The VICE PRESIDENT. It will be read.

Mr. GRONNA. I ask that it be read.

The VICE PRESIDENT. The Secretary will read it.

Mr. SMITH of Georgia. Mr. President, before the reading takes place I wish to inquire whether the Chair has held that the joint resolution can properly come before the Senate as reported by the committee without having first been formally offered and referred to a committee?

The VICE PRESIDENT. The Chair has so ruled.

Mr. SMITH of Georgia. I was out for a moment.

The VICE PRESIDENT. The Secretary will read the joint resolution.

The joint resolution (S. J. Res. 212) was read, as follows:

Joint resolution directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country.

Whereas there exists in the agricultural sections of the country unprecedented and unparalleled distress on account of the inability of the farmers to dispose of the corn, wheat, cotton, live stock, and other commodities now in marketable condition at prices that will pay the cost of production; and

Whereas the people of Europe are in dire need of the agricultural products now in possession of the farmers of this country but are unable to purchase on account of existing financial conditions; and

Whereas under an act of Congress there was established the War Finance Corporation for the purpose of financing the exportation of American products to foreign markets; and

Whereas the activities of the War Finance Corporation were suspended in May, 1920, by an order of the Secretary of the Treasury; and

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market: Therefore be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated, with the view of assisting in the financing of the exportation of agricultural products to foreign markets.

Resolved, second, That the Federal Reserve Board is hereby directed to take such action as may be necessary to permit the member banks of the Federal Reserve System, in accordance with law and consistent

with sound banking, to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them by permitting the rediscounting of such notes of extension at the lowest possible rate of interest.

Mr. GRONNA. Mr. President, I now ask for the immediate consideration of the joint resolution.

Mr. LODGE. Mr. President, I think I shall have to ask that the joint resolution go over. It is a very important matter, and I think probably it ought to be enlarged if it is to pass. Many of the mills of New England are closing down because they are carrying great quantities of unsold goods; and if the Finance Corporation is to be revived for that purpose, I think the joint resolution ought to be made to cover the industries.

Mr. GRONNA. I will say to the Senator from Massachusetts that I believe it will cover them.

Mr. LODGE. I should like an opportunity to examine it. I can not tell from one reading from the desk.

Mr. GRONNA. No; I understand that.

Mr. LODGE. I should like to know what is in it. I want to help the farmers if I can.

Mr. GRONNA. The Senator has a right to object, of course. I have simply done my duty as directed by the committee. I have been asked to make every possible effort to have this joint resolution passed to-day, for the reason that in the West and in the South banks by the dozens are failing because farmers are unable to market their products. It is a real emergency, I will say to the Senator.

Mr. LODGE. Mills are closing, many of them, and thousands of workingmen and operatives are being thrown out of employment because the mills are obliged to close, as they are unable to carry further the unsold goods which they now have on hand. It seems to me this is a very large and difficult question.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from Massachusetts yield to the Senator from Georgia?

Mr. LODGE. I do.

Mr. SMITH of Georgia. Before the objection to consideration is disposed of, I desire to ask the privilege of following this joint resolution in the RECORD by a statement of Mr. Meyer, former head of the War Finance Corporation, in which he discusses the importance and the value of reestablishing it. I should like to have that statement printed in the RECORD following this joint resolution, as a matter of information to Senators.

Mr. LODGE. I have no objection to its being printed in the RECORD. I have no doubt that the Finance Corporation would be glad to be reestablished.

Mr. SMITH of Georgia. I understand, then, that the statement will be published in the RECORD.

The VICE PRESIDENT. In the absence of objection, that order will be made.

The matter referred to is as follows:

STATEMENT OF MR. EUGENE MEYER, JR., FORMERLY MANAGING DIRECTOR OF THE WAR FINANCE CORPORATION.

Mr. MEYER. Senator KENYON, I assume it is in order for me to report a little about the trip of the committee of which you are a member and of which Senator CALDER is chairman. Senator CALDER, the chairman, not being here, I was a little reluctant to have it appear in the form of a report of that trip.

Senator KENYON. Well, give your own observations.

Mr. MEYER. I was simply an attendant of the committee, having been asked by Senator CALDER to make some observations on financial matters.

Senator KENYON. Have you stated your position and official connection?

Mr. MEYER. I was formerly a director of the War Finance Corporation, from the time of its incorporation, and managing director from July 1, 1919, until June 1, 1920.

When Senator CALDER undertook to investigate reconstruction and production for the Senate committee, of which he was chairman, he asked me as to the housing situation and for some suggestions, and I pointed out that the housing situation was only one factor of a general situation in which scarcity of capital was the fundamental fact which was making the trouble, and he asked me how the housing industry could get capital, and I told him that it could not under the circumstances; he asked me how the circumstances could be changed so that it could be done. I said if we had more earning and less spending it could be done. That led to my suggestions on the whole situation, and after that I accompanied the Senator on his trip.

* * * * * * *

Mr. MEYER. The figure Mr. Scroyer presented is one which is typical of what we encountered when Senator CALDER, Senator KENYON for a part of the way, and I and some other assistants recently made a trip around the country. The conditions in Cleveland and Chicago, the first places we visited, where coal and steel and iron and coke are the principal products, were not so bad—the conditions there are not so distressing. There is some unemployment in Chicago, and it is growing, but even in the last two weeks the bottom has dropped out of the iron market. And I think there will be no exception there to the blight that has been sweeping the country the past few months. I have talked to many people in the last few months, and they have generally agreed that conditions were going to be bad, but—and then they figure out that the special business they are interested in would be exempt from trouble. And in every instance these special features to be exempted have fallen to the general tendency of prices and the congestion of markets. The characteristic feature of the situation might be described as a congestion in the circulation of business; and it is spreading in all directions.

Senator CALDER, the chairman of the committee, asked me to give a little impression of the trip, and I will do so.

Senator KENYON. Just the agricultural features of it.

Mr. MEYER. The grain and the corn and pork products were duplicated in the cattle situation which we visited in Colorado. Senator THOMAS is familiar with that. We have heard from other sections of the Northwest, where cattle and grain is the principal business, that we did not have a chance to visit. Senator KELLOGG knows it is the same in his territory.

Coming back we stopped in Kansas City, which is the center in the Mississippi Valley of the grain and cattle business, where the banking strain has been especially acute during the last few months and where the Federal reserve bank discounts reached their highest points compared with the resources of the district. They have been getting in some money and decreasing the inflation, and they find the way to decrease inflation is to move goods. A man goes to his local bank and pays off his loan and the bank can pay off the member banks and the member bank repays its loan from the Federal reserve bank. Hitting business over the head with a club will not decrease inflation, no matter how much it may be advocated. It may cause senselessness, but will not cause the kind of sound liquidation which is needed now.

We went from Kansas City to St. Louis, and a number of leading men from Memphis appeared to present southern conditions. Senator SPENCER sat with Senator CALDER, and we heard from the men from the South concerning cotton and cottonseed oil and cottonseed cake. On account of its being a one-crop territory, if one were to discriminate between extremes of hopelessness, perhaps the South has suffered more acutely than any other part of the country. I think it is not unnatural, because the South has depended upon exports more than any other activity, with the exception of the copper industry. About five-eighths of the cotton and the copper in America in the past has always gone for export.

Now, the Secretary of the Treasury, with whom I am obliged to differ, although it is unpleasant to differ with a man who has been your superior officer, is giving the total dollar values of exports as his reason for saying that there is no need for more exports, and perhaps he even intimates that there is no opportunity for additional exports. The cotton exports to Germany are 25 per cent of what they were before the war. Whatever the figures in dollars may be, the amounts are what interest the producer. The farmer does not produce dollar exports; he produces bales of cotton and bushels of wheat and products measured in pounds and tons. You may be misled by the dollar value of exports and you may be misled on the total figures. The statisticians say that the volume is 25 per cent in excess of what it used to be before the war. But I have made a little compilation of the cotton situation simply as an index. The exports from September 4 to November 27, 1920, were 1,481,450 bales, about the same as last year up to date. These 1,481,450 bales compare with the last prewar year, 1913, for the same period, when the amount was 3,837,139 bales, and the year before that it was 3,808,429 bales, and the year before that it was 3,710,514 bales, and the year before that, 1910, 10 years ago now, it was 2,915,511. These are bales of cotton which is what they produced in the South. And if we were to go into the cottonseed meal and the cottonseed cake, the exports this year are very much less in comparison.

Now, the condition, I think, is so well understood, Mr. Chairman, that with your permission and the permission of the other gentlemen here I will not go further into them. What can be done is the interesting thing.

Senator FRANCE. You have not the figures on grain?

Mr. MEYER. I have not, but I will compile them for you.

Senator FRANCE. It would be important to have them in the record.

Mr. MEYER. I suggested to the chairman that in connection with these hearings it would be interesting to have the chief of the Bureau of Domestic Trade and his chief statistician on the subject of foreign trade answer any questions that the gentlemen here are interested in. I have no organization of statisticians and engineers and typewriters at my disposal, or I would be glad to furnish it.

But it was exactly such a condition as now exists in mind that the board of directors of the War Finance Corporation, after the armistice, made a recommendation to the Secretary of the Treasury, Senator GLASS at that time, that it would be well, in view of a possible breakdown, to give authority to assist the financing of exports. And the Ways and Means Committee of the House and the Senate Finance Committee, to whom the matter was presented on a recommendation made by Secretary GLASS, passed favorably upon the recommendation, as you all know. The amendment was passed by the Congress at the end of the session as a part of the Victory loan act of March 3, 1919, four months after the armistice. It is necessary to note the date because in this universal desire to abolish the war activities it is well to know that this is not a war power. It was passed in view of the reconstruction necessities and has nothing whatever to do with the power under which the corporation had functioned during the war. All the activities connected with the war were terminated on the day of the armistice so far as the loans that were used in the prosecution of the war were concerned. Not one loan was made after that except to the railroads after the appropriation failed, and we made those on the ground that demobilization was a necessary part of the military operations. They were even threatening that the railroads would cease to operate if no funds were provided, and a way was provided which seemed to meet the approval of everybody. Those loans were all repaid when the Congress passed the appropriation. We had $1,000,000,000 given to us with unusual breadth of power. The matter was no doubt discussed by the committees in Congress that the powers were very broad. And we said they were because we did not know how or where or when we might be called upon to use them. I also said that the board has always acted judiciously and conservatively in connection with the powers conferred upon it, and we proposed to administer that power and use those recourses with that same degree of high sense of responsibility. As a matter of fact, as soon as the bill was passed a number of people thought there was some easy money to be had from the Government, and we were besieged by irresponsible applicants who could not have done much if they wanted to, and who had no adequate security to give, as required under the act. The large bankers at that time saw no need for it; the large exporters were proceeding, and exchange was still pegged by Government action, and it was only after exchange was unpegged that they began to see that this power might come in as a necessity. As a matter of fact, after March 3, after the passing of this act, the Treasury loaned to the foreign Governments $1,400,000,000, so that the purchases that went on by the foreigners were financed to a great extent by direct Treasury

aid from our Government to those Governments, in purchases of goods for military purposes, but which to a great extent they were able to use in their industries after the armistice had been declared. There were still some securities being sold from the other side by investors. After the war there was a great deal of money remitted by people in this country to their friends and families over there, and that helped our exports. Many people thought that exchange would go up in a little while, and there is a large amount of American money locked up in speculation in exchange. We brought to this country large amounts of securities of the foreign countries and towns. Switzerland and Holland and Italy, and the cities of Berne, Copenhagen, and Stockholm, and others. In that way a very large flow of our goods has been financed. There is not any use to deny that our exports are large in dollars, but our exports are very unbalanced, and it was exactly that sort of thing that I urged upon the Secretary that he might do when business was prosperous, and there was no unemployment. I pointed out that in financing exports some commodities undesirable in America would move to Europe. There were special points where, for instance, the low-grade cotton was stored, as in Memphis, to the extent of 240,000 bales. Poland and Czechoslovakia and Germany were the only countries that have bought that cotton. That did not appeal to him at the time.

We took upon ourselves the full power of discrimination in all loans; for instance, we found that the tobacco market was good last year, and we refused to finance tobacco. That was tobacco generally. A little later Senator BECKHAM and Mr. BURNES came up and told us about the black-patch tobacco area in Kentucky, where they grew perhaps 80 per cent of their crops for foreign-country markets. There was no other market for that tobacco and 80,000 farmers were involved, and we got the Secretary to consider that situation. I merely mention that because this organization could go on and help each case in its markets and do an immense amount of good for it.

At first, toward the end of the year 1919, a few large corporations began to sit up and take notice that they were unable to sell their products. Because of the exchange situation, they could not sell for cash, and a number of corporations who could give good security came to us and we financed some farm machinery and some electrical machinery and some locomotives. I think that was all.

The problem of how to finance the export of agricultural products was more difficult, because we had to get responsible agencies, and the farmer in Kansas has not the organization which enables him by good business representation and good legal representation to get from the foreign countries the securities needed to make a good loan.

Senator NORRIS. I would like to ask you there whether it would be a practical proposition, where farmers are organized like the Farmers' Union, represented by the man who preceded you, that an organization like that, representing 40,000 persons, could get assistance?

Mr. MEYER. I believe there would be a way to finance the export of farm products. I was just coming to that, Senator.

Senator NORRIS. Excuse me. Proceed.

Mr. MEYER. Both the cotton situation and the wheat situation were presented to us. We worked out a way to finance exports of cotton and wheat and condensed milk. Those are the three commodities. I want to give you a detailed concrete illustration.

Senator GORE. That is what I want to know about.

Mr. MEYER. I want to tell you all I know about it. We financed $11,500,000 of wheat to Belgium. The Belgian Government gave its treasury certificates for that wheat to the exporters; the exporter would not be able to come to us and borrow all that money; no one concern would borrow $11,000,000 to loan to Belgium, even if he was a large exporter. But what the exporter did was to arrange with a group of bankers, and this group of bankers took the obligation of the Belgian treasury and brought it to the War Finance Corporation and gave it their own notes, and unqualified obligation, with the security of the Belgian Government as additional security. Gentlemen, there will not be a dollar lost on that loan.

Senator FRANCE. They were American banks?

Mr. MEYER. Oh, absolutely. We loaned only to Americans. The bill was drawn in that way—that we loan only to American exporters or bankers, only for American products.

Representative RIDDICK. When was that loan made?

Mr. MEYER. The wheat was shipped every few months. I think the loan was made along in the spring—along in April.

Senator SWANSON. What was the length of time?

Mr. MEYER. It was payable at different dates, the Belgian treasury certificates; I think they began to mature in nine months.

Senator SWANSON. What did the $11,000,000 average?

Mr. MEYER. I think it might have averaged 12 or 15 months.

Senator GORE. What year was that?

Mr. MEYER. This year.

Senator NORRIS. What interest did the obligation draw?

Mr. MEYER. Now, Senator, I do not want to answer that without absolute knowledge, and I will answer that in the record by going to the office and asking about it. It was 6 per cent at one time, and we subsequently raised the rate to 7 per cent, or even 7½ per cent, when money became tighter.

Senator HARRISON. That is a case where the Belgian Government took the paper, or indorsed the paper?

Mr. MEYER. The security was a Belgian treasury certificate. The exporters came to the corporation and borrowed the money on that security.

Senator HARRISON. What I want to know is how it can be done with Germany.

Mr. MEYER. I don't think it can be done on an entirely satisfactory scale until we have a peace resolution. That is a matter of international law. A finance corporation came to us in March to export some goods to Germany. We expressed ourselves as directors of the War Finance Corporation as willing to do the business, provided it was in accordance with the policy of the United States Government. Our loans would not have been to Germany; they would have been loans to American bankers or American exporters who had seen fit to arrange for the credit for their business.

Senator SWANSON. They were good men and absolutely responsible?

Mr. MEYER. Absolutely. One would not want to make better loans than were proposed to us. We left the responsibility for the matter to be decided as a matter of policy by the Treasury Department, as we naturally had to under the international situation, and we never received a decision on the point, because before we received a decision we were requested to suspend all operations, and naturally that died with it.

Senator CAPPER. What date was that?

Mr. MEYER. About the middle of March was when we presented the matter.

Senator NORRIS. That is, our Treasury Department asked you to suspend all operations?

Mr. MEYER. On May 10; that is, the Secretary of the Treasury requested the War Finance Corporation to suspend.

Senator NORRIS. Since that time you have done nothing?

Mr. MEYER. No new loans were made in connection with the exports, with the exception of those which were a matter of obligation at that time.

Senator NORRIS. Did that suggestion come from the corporation?

Mr. MEYER. No, sir; I opposed the request and gave reasons why I thought we should not suspend, and why, for instance, we should move low-grade cotton and copper where the mines were mining and storing up 50 per cent of their products. I am interested in that situation—in the copper situation—and wish to make that clear, as I always do when I discuss the copper industry. I am proud of having had something to do with the industry, in building it up. What I did was to tell the Secretary I thought there should be something done to ship the copper to the countries that needed it. I told him I would not vote on it or act on it, but even if I had an interest in the industry that should not be any reason for not discussing it. I want to mention that because I always mention it when I speak of copper, because I used to act as a banker in the development of the copper properties that furnished a necessary material that helped to win the war.

Senator HARRISON. Did the Secretary give any reason for his request to suspend business or for not answering on the policy toward business with Germany?

Mr. MEYER. No; only at that time it seemed there was a little disturbance in Cologne. But the disturbance blew over in a few days. The matter was not pressed. The idea was—in fact, I do not mind saying that the Secretary, I think, would not disagree that he does not conceive it to be proper for the United States Government to make advances to bankers to export to Germany while we are still at war.

Senator GORE. Let me ask you there: Under all the conditions, if it were not for the Secretary's objection, and you had the authority now that you had then, could you finance such a proposition to Germany?

Mr. MEYER. Absolutely, if there were no objection from the State Department; if it is not against the law of the United States Government.

Senator NORRIS. You would not need any law for that, would you?

Mr. MEYER. If it is legal for American business men to do business with Germany—and it seems to be, because they are doing it—if that is legal, why shouldn't it be proper for the War Finance Corporation to loan to Germany as well as to France or to any other country? I can not see any reason.

Senator NORRIS. The only reason you are not doing it is because of the action of the Secretary?

Mr. MEYER. I want it understood that I am entirely disconnected with the corporation. I resigned; there seemed to be nothing else for me to do.

Senator CAPPER. When did you resign?

Mr. MEYER. As of June 1, 1920.

Senator KENYON. Would not the trading with the enemy act prevent that?

Mr. MEYER. If trading with the enemy is wrong, it should be stopped. It can be done by license, Senator KELLOGG says. And then, I say, if this finance for exports is available, it should be available for anyone that gets a license.

Representative TINCHER. At the time you were asked to suspend, what funds did the board have available?

Mr. MEYER. A paid-in capital stock of $500,000,000, which was invested in Government bonds and Treasury certificates when it was not being otherwise needed in loans. We had engaged in loans at that time, I think, perhaps $120,000,000 to $140,000,000. I can not remember the figure on that date.

Representative TINCHER. Leaving $350,000,000 available.

Mr. MEYER. We had on April 1, 1919, made an issue of two hundred millions of our own bonds, sold them to investors, sold them easily, and when we wanted to pay them back we had difficulty in getting them back. I would like to divert just at this point a minute because the Secretary points out that the War Finance Corporation selling bonds would be a very disastrous thing because it would compete with Treasury certificates. It is a peculiar fact, but we could not get our bonds back at the time when people were not anxious to buy Treasury securities, and long after they were paid off and interest stopped running there were a few million held. But the War Finance Corporation can sell two hundred and fifty to five hundred million of 6 per cent notes slightly under par, if they allow a selling commission to bankers and brokers, as they should.

Senator GORE. Just what date did the War Finance Corporation cease to function?

Mr. MEYER. It stopped making new advances to foreign trade May 10; some business was in process by commitment from the corporation, and that was carried out, but no new business was entertained.

Senator GORE. Could the corporation function now without a new law or resolution?

Mr. MEYER. If the Secretary of the Treasury wanted to, it could in 10 seconds.

Senator GORE. Is that so?

Mr. MEYER. Absolutely. I can give you a copy of the act here and can read you the words. It says one year after the proclamation of peace by the President. Section 21 provided that "notwithstanding the limitation of section 1 the advances provided by this section may be made until the expiration of one year after the termination of the war between the United States and the German Government as fixed by proclamation of the President."

That is the time limit. As long as you are bringing up that point, I would like to say that on May 10, in connection with the Secretary's announcement, he intimated that this May 10 period was way beyond the intention of Congress. Let me analyze that. This act was passed March 3, 1919. The President was here, as you remember. He was about to return to Paris. It was quite clear that he could not return for some weeks and that after his return if the treaty went through with all possible dispatch that could possibly have been expected, some time must elapse, bringing it along pretty well into the autumn, so that the year from the proclamation of peace by the President under the most optimistic expectations would not have been May 10, 1920. It might have been before this date, but, of course, gentlemen, when Congress passed an act because it saw certain conditions interfering with our economic relations with Europe, and with the Central Powers, as well as the rest of Europe, when it provided a special board with special resources of unusual character to assist the situation which might be distressing to our people, and made the time one year after the proclamation of peace, they did not have the date in mind; it was

a condition that they had in mind, the restoration of our economic relations.

Now, that date for making peace has been deferred far beyond the time contemplated by Congress. Probably, but with the deferring of the date has gone the deferring of the conditions, and the conditions were what Congress must have had in mind, as I should judge.

Of course, the Secretary of the Treasury has interpreted the act to an unusual degree. I wrote this law, and when I say this, I say it, gentlemen, please understand, with no spirit of egotism, but that law was written by my direction. I named every word in it, and I did it to finance American business, to give credit to foreign buyers, taking the Government out of direct loans to foreign Governments.

So that it was a bridge to get over the interval between the direct loans of this Government to foreign Governments to the time when American business men and bankers would undertake the burden of our international economic relations, to a time that was supposed to be a date after peace was made.

Senator GORE. While we were waiting for the parachute to come down?

Mr. MEYER. Exactly. The Secretary interprets the intent of Congress. The intent of Congress is only expressed in the words of the law and the testimony of those who testified before the committee and any discussion in the Congress. The Secretary, after saying what he said about the matter, stated that Mr. Meyer would explain. I think Mr. Rathbone said a few words, and possibly Mr. Leffingwell, but I was the only witness that went into the detail of that authorization which the Senate and the House of Representatives passed with an appreciation of the conditions that might confront us.

Senator HARRISON. Did you appear before the Banking and Currency Committee of the Senate, with Secretary McAdoo?

Mr. MEYER. Secretary McAdoo had nothing to do with this, because he was then no longer Secretary. He appeared regarding the original act; I did not appear. I had nothing to do with the writing of the original act, but only with the writing of the amendment to finance foreign trade. There was no reference to this in the original act.

Mr. RIDDICK. Do you suggest any amendment to this in the interest of agricultural interests?

Mr. MEYER. I would like to speak about the statement of the gentleman who referred to what I said at Kansas City. I do not believe he understood me at Kansas City. I did not mislead anybody to think that the War Finance Corporation would try to cure the world or undo the destruction of war, but it can most effectively help conditions throughout the country, including agricultural conditions. The expression of a favorable attitude on the part of the Government would in itself be a tremendous factor in restoring the confidence of the people, which is badly shaken.

Mr. TINCHER. The announcement of the intention to purchase wheat did more for the wheat market than the mere purchase of $11,000,000 worth of wheat.

Mr. MEYER. I do not think at that time it was a vital factor, because the market was fair at the time. I do not remember what the price of wheat was. We never went into the details of the prices and did not start in to regulate the business of the country through this agency. I do not understand that the Secretary of the Treasury has any authority under the law to constitute himself a regulator of prices downward or upward, although I observe he has a great deal to say on the subject. I say this with all due respect to his position. We are all in favor of deflation in an orderly way, but prices may be just as much too low as they are at other times too high.

Senator NORRIS. I think it would be a practical thing, if this War Finance Board were operating now, to look into the conditions in Germany.

Mr. MEYER. To see what business would result?

Senator NORRIS. Are the conditions there now so that a loan could be financed that would enable them to purchase from us? Would you have any funds to use?

Mr. MEYER. There is $370,000,000 on deposit in the Treasury for the War Finance Corporation. I would not like to see that money used. The Secretary has used it already for general purposes. He canceled the War Finance Corporation's holdings of Treasury certificates. He used them to reduce the debt (which is not much of a way to reduce the debt). Provided the corporation was restored, I see no reason not to believe that with its power and an expression of attitude by the Treasury Department that it is entirely receptive to applications to finance exports for Germany or Austria or Czechoslovakia; I see no reason not to believe that a great deal of perfectly safe, sound business will not be presented to the corporation that can not now be financed.

Senator NORRIS. The only thing needed to put that in operation would be the action of the Secretary of the Treasury himself, would it not?

Mr. MEYER. Absolutely.

Mr. LAZARO. From what I can understand, then, your remedy is that the Secretary shall take action immediately, and that is the only remedy that will afford the producers relief for their products sold at these low prices?

Mr. MEYER. I will agree to discuss this proposition of the War Finance Corporation, or the whole situation, but I had confined myself to the War Finance Corporation up to the present.

Senator NORRIS. I do not like to have the witness diverted. He has not claimed that was the only remedy.

Mr. LAZARO. I was asking whether he considered that the only remedy.

Mr. MEYER. I say it would be one remedy.

Mr. LAZARO. Can you think of any other remedy?

Mr. MEYER. I prefer to answer that question later, if I may. The business we were considering at the time we suspended operation amounted to $100,000,000. Naturally we wanted to issue the corporation's bonds to raise the money, but there was no occasion to do it on account of suspension. For instance, a loan of $8,000,000 was made to a group of banks in various parts in the United States for the purpose of financing cotton exports and the banks in turn had the security of a syndicate of all the important spinners of Czechoslovakia, guaranteed by the seven largest banks in Czechoslovakia, and the whole indebtedness, in turn, was guaranteed by the Government of Czechoslovakia.

Under more or less similar arrangements the War Finance Corporation financed the export of $12,000,000 of wheat to Belgium and $5,000,000 of condensed milk to various countries in Europe. At the time that it was requested by the Secretary to suspend financing exports it had applications involving the export of $17,500,000 of copper; $2,200,000 fabricated steel to Italy; $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky; $4,000,000 cotton to Czechoslovakia for a large southern exporter; $25,000,000 cotton to Czechoslovakia for a group of southern bankers; $3,000,000 for cotton to Italy by a group of bankers; $9,000,000 by a group of bankers for export of cotton to Italy; $24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States; $2,400,000 by a group of bankers for coal to Italy; $4,000,000 by a group of bankers for cotton to Italy; $4,000,000 for ships to be bought or constructed in this country for Italy; in all, $100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

These are not repetitions; they are separate applications, although they sound in some cases the same. In addition to these definite propositions, various other negotiations were under way for further extensive loans which no doubt would have materialized in large financing of exports of various kinds of American products.

Senator FRANCE. Were there any applications for credits for trade with Russia?

Mr. MEYER. No; I do not believe there was a concrete proposition; there had been discussion about it, but nobody ever came with a definite proposition.

Senator FRANCE. The Russians had cash?

Mr. MEYER. They had cash that was taken at Omsk, the title of which was somewhat in doubt.

The Secretary was able to enforce his views. We could not issue any bonds without his approval, because under the law he has the duty to approve the terms and prices as to the issuance of bonds. Of course, it is impractical to operate that board without it being harmonious. I do not believe we ever had a dissenting vote on any proposition, because whenever anybody dissented it was discussed and the views were reconciled, so practically every action was unanimous.

Senator KENYON. How would you get along if the board was revived?

Mr. MEYER. That is a question which this committee has to consider. I think you ought to have a frank talk with the Secretary about it and tell him how you feel, and ask him whether or not his feelings are so strong that if Congress acted in a way to renew the functions of this corporation to make it mandatory, or merely make it clear what was intended and desired, whether or not he would be able to cooperate and in all good faith carry out the intention of Congress. I believe the Secretary of the Treasury is a loyal officer of the Government, and I can not imagine he would give you any answer except that he would cooperate. He might not feel like being responsible, and tell you that; I do not know. He is strongly opposed to it.

Mr. TINCHER. When they stopped were the employees let out?

Mr. MEYER. Not all; there are $130,000,000 assets that have to be cared for.

Senator FRANCE. For the sake of the record, and it is important even in the days of war to keep some semblance of the truth in our public records, it should be said that the $20,000,000 of gold which were offered to the merchants of this country for goods which were to be shipped to Russia was gold in the hands of representatives of the great cooperative societies of Russia made up of the Russian peasants. That gold had been earned by those Russian peasants with the sweat of their brow from the soil of Russia and had not been taken by the Bolsheviki or anybody else at Omsk or any other place. It was money earned by the Russian farmers, just as our farmers earn it, and it was paid into the treasuries of their cooperative societies. As soon as it was refused in this country it was immediately transmitted to London, and London filled their orders.

Mr. MEYER. I did not have any reference to that particular gold. The gold that I heard of was some that was shipped over and back again. That is the only gold that I ever heard of.

Senator FRANCE. I believe my information is correct.

Mr. MEYER. As to that gold I have no doubt; but there was some gold shipped over and shipped back again, but we had no concrete proposition before us at any time.

Senator KENYON. What rate of interest did you say these bonds would have to bear to sell at par?

Mr. MEYER. The War Finance Corporation bonds?

Senator KENYON. Suppose this is revived and they issue these bonds?

Mr. MEYER. I think that under present conditions the bonds would have to be at 6 per cent, and perhaps some discount in the selling price. It would depend upon the length of the bonds. Two months ago I investigated the subject and the bankers thought a two-year 6 per cent bond might be sold at 99¾. Some thought a quarter per cent ought to be allowed to carry the expenses of sale and distribution.

The cotton applications before us were larger than any other, but that is very natural, because cotton is the principal item of export in this country, and in presenting the matter to the Senate committee I called attention to the importance of the cotton situation to the whole country as a national proposition and not purely a local southern proposition. I stated, after giving an analysis of 83 per cent of all our exports before the war:

"I believe that cotton is normally the largest single item of our exports in dollar value, but the benefit arising from the stimulation of the cotton export business is reflected in general business. Taking cotton as a foremost example, we will all recall that when cotton ceased to be exported the price fell, all of the industries which had been sellers in the South found their business cut off; there was no sale for automobiles in the winter of 1914 in the southern territory. Pianos, shoes, furniture, all products of the North, ceased to be marketable in the South because cotton could not be sold and because prices declined." There was no shipping of machinery from the North to the South in the winter of 1914, as the result of the cotton situation following the declaration of war.

I repeat this because of the importance that cotton is to the national economic situation, and it can not be overestimated. Industries that do not know they depend on cotton are intimately related to it.

Senator FRANCE. I was not combating anything you said in your general statement. As bearing out what Mr. Meyer has said, it might be interesting at this point to include these figures in the record of the portion Poland needs to-day—300,000 tons of flour, 350,000 bales of cotton, $15,000,000 worth of fertilizer and agricultural implements, and other items. Those are desperate and the immediate needs.

Senator NORRIS. Those exact figures were given to me, in corroboration of what you say, by the representative of the Polish Government, and he said that they will need those articles of food commencing about the middle of January, and that they can not live any longer unless they get something like that.

I wanted to ask you another question. I have been wondering if any of these organizations of producers of cotton, corn, or wheat, or live stock were willing to assume the risk of a sale of their product to purchasers in foreign countries, whether this board, through its knowledge of conditions, etc., would be able to lend them their material assistance, even though they did not become bound financially?

Mr. MEYER. Of course, you must simplify the machinery, because you can not lend to the farmer individually. Those organizations are not incorporated, and I should think that the cooperation of the banks, of

the banking units in the country interested, in the South in cotton, and in the grain district the local banks that are now in touch with the central banks and the Federal Reserve System could undertake a great deal of that business. For instance, in New Orleans they formed a cotton export corporation, which has been created under the Edge law. At the time the Edge law was passed great hopes were held out for export financing in that direction. They formed and expected to cooperate with the War Finance Corporation. The War Finance Corporation was suspended and they have done nothing. Mr. Hecht, president of a national bank in New Orleans, said that with a $6,000,000 cotton corporation, even with $6,000,000 paid in, they would be able to do relatively little in a big situation, such as the cotton situation, without the cooperation of the War Finance Corporation. With the cooperation of the War Finance Corporation not only the banks of the big centers but the banks of the entire country and of the smaller places would cooperate, and it would involve very little expense.

In Chicago they are going about preparing for a $100,000,000 bank. Mr. McHugh recommended the formation of that bank, and I hope a number of banks will result from the formation of that one. Mr. McHugh says it is most desirable that the War Finance Corporation should function, because he realizes that he will be able to make their corporation very much more useful in this agricultural situation.

Senator KENYON. Is anybody opposed to reviving the War Finance Board except the Secretary of the Treasury?

Mr. MEYER. Yes. I know two men in the United States—one a banker in New York and the other in St. Louis. The New York banker says that the Government should stay out of the banking business, although his closest associate, who has studied the problem a great deal, disagrees with him. The man in St. Louis says the reason it should not be revived is because no one should embarrass the administration.

Senator KENYON. Was that before election?

Mr. MEYER. Yes; it was.

Mr. RIDDICK. I understand that if the War Finance Corporation should be revived the Secretary of the Treasury would have discretion as to approval.

Mr. MEYER. It seems to me he should have that discretion.

Mr. RIDDICK. Would not some of the big corporations get the money instead of the agricultural interests in the event the War Finance Corporation should be revived?

Mr. MEYER. I do not believe there is any danger of that. Some manufacturing corporations came first, and therefore they appear to be a little larger proportionately than you might expect, because our real production in the mass is agriculture. But it was because the machinery for the agricultural interests was slower in coming into motion, and out of the one hundred million that we had definitely proposed on May 10, 1920, I think seventy-five million was for agricultural products.

Senator KENYON. What about the question that the gentleman from Nebraska raised, that the product from the farm would pass in a short time into the hands of private parties and be exploited by them, and it would be of no assistance to the farmer?

Mr. MEYER. I want to say this, that even if you find no way of reaching him directly, the farmer would be getting the benefit of the War Finance Corporation.

Senator KENYON. How long would it take to actually put this into operation if we started this week?

Mr. MEYER. The Secretary could do it in 10 seconds, but I can not tell you how long it will take Congress to act nor in what way they will act.

Senator KENYON. Nobody can do that. [Laughter.]

Mr. MEYER. One of the Senators was good enough to send a gentleman to see me regarding Poland, and he told me that the locomotives, whose financing for export that the Secretary criticized, saved the rolling stock from the Bolsheviki and enabled the Poles to get it out of the invaded territory. I think that gentleman was sent to me by Senator CURTIS.

This question is going to be raised, and I would like to tell you about it—the question of inflation and deflation. I think that orderly deflation consists in helping the orderly marketing of products. In 1914 the cotton producer was compelled to sell at a low price, and the speculator who had the money picked it up and kept it until there was a demand, and without any intention to do it, I am quite sure the Secretary in his policy is bringing about that situation now. Who can buy except the consumers and the people who are speculating? There is one seller, and that is the producer, and the speculator is going to take the stuff that is being forced on the market at an inordinately low price.

Mr. SUMNERS. If you find the corporation can not handle all the business of the farmers who already own these commodities and whose financial responsibility is not an element in the situation, should desire to have the good offices of this organization to help them find a market for their output, and themselves carry the debt, would you people under your present organization, or under a reasonable modification of your organization, be able to render a service along that line?

Mr. MEYER. That is a very interesting question, because I can recall to Senator WADSWORTH a very interesting case bearing directly upon that subject. You remember, Senator WADSWORTH, that you brought to my attention the situation of the canners in New York?

Senator WADSWORTH. I do, very well.

Mr. MEYER. The canners came down to Senator WADSWORTH and he sent them to us. Five million dollars had to be raised immediately or the tomatoes and beans and fruits and vegetables grown in unusual quantity and at unusual cost in the autumn of 1918 in New York State would be lost unless means were found to finance the canners. They were small people, but they needed a great deal of money for their business under those conditions, because labor costs were high. They did not have banking facilities, and it looked as though the crops were going to be lost, as people are now losing their crops.

It appeared very difficult for us to operate quickly and efficiently at first blush, but we went up to Syracuse and Buffalo and, I think, Rochester, and investigated the situation on the spot. We worked out a scheme for a central warehousing company and got the canners to supply $100,000 to back the warehouse up. We instituted an extremely businesslike bonded-warehouse system. We made them insure their plants and have everything properly inspected. I went to Buffalo and went to one of the biggest bankers there and said, "We are troubled about the canners' situation. They need help. Local banks are too small to meet the situation. What will you do? Will you help them?"

He said, "Oh, no; we lost money on the canning business 13 years ago." I said, "Wait a minute," and I showed him the warehouse certificate and told him what we were doing. The bank said, "That is good enough for us." And we granted $210,000; and it was all paid back in a few months.

When the sugar situation arose out in Colorado, Gov. Harding happened to be out there and we asked him to see the banks and we fixed that up out there. Many other cases we had then in mind, and I wrote to the Secretary that this was the plan in connection with the War Finance Corporation, that we were to loan the money in the manner I have described and as we had on other loans. The plan was to get the people to create paper, to create securities which would become marketable, and we would make that marketable by saying, "We will take this loan," and we did this over and over with great success.

There was $20,000,000 required for a steel plant, and we said, "Yes; we will lend it to you, but go to the bankers and get what you can, and tell them that we will take what is left," and there was nothing left. In New York State they have a very good State law to-day. There the banks are not incorporated under the Edge law, for some reason their lawyers have in mind; I do not know what it is. If the War Finance Corporation could take over obligations to the extent they were not taken by the public generally, most all of it would go to the public. That is the reason why the corporations want it; they will do more business and they will do it at a more reasonable cost. They also want the cooperation of the War Finance Corporation in foreign-trade activities, because if they finance something with a Government institution the foreign borrower has a different attitude; they will exercise a greater degree of responsibility, and of course the War Finance Corporation would study the security thoroughly.

Mr. BYRNES. There are millions of bales of cotton in the South that are laying in the open, wasting. Suppose there are a million bales of cotton in the South where the people who own cotton may carry the loan or the obligation, if we could get a million bales of cotton to move out now and the men see things beginning to move in that country, it would save the whole situation.

Mr. MEYER. That ought to be done.

Mr. BYRNES. Could your organization help move that million bales if the people in the South would take care of them and carry the obligation for a year or a year and a half?

Mr. MEYER. That is one of the situations we had in mind when we stopped, that there was a lot of cotton that was not borrowed on or to such a small extent that the cotton could be shipped and it would have been cashed in and liquidated and out of the way and out of the warehouse. Of course, they really do not need any financial help. I suppose the Cotton Export Corporation that is now being formed would be competent to do that. Of course, they will want the best security they can get. Let me tell you what we did in Czechoslovakia in cotton financing. The exporter got a group of seven banks in Czechoslovakia. All the banks guaranteed the security of the spinners' syndicate, and then they took the Government guarantee because we wanted to get their approval, so that there would be no intervention against repayment in dollars when due.

Senator KENYON. And some of that has been paid back?

Mr. MEYER. Two million was paid back on November 1, and I think a million and a half the other day.

Senator GORE. The Cotton Export Corporation, is that the New Orleans corporation you mentioned?

Mr. MEYER. I do not know what the name of the new company is.

Mr. BYRNES. The American Cotton Export Corporation.

Senator GORE. What State is it organized in?

Mr. MEYER. They are canvassing every State in the South. It was organized in South Carolina. It is fully subscribed.

Senator WADSWORTH. In the case of the canners, as I remember, you devised a scheme by which the producers were organized?

Mr. MEYER. Yes.

Senator WADSWORTH. It is not impossible that you could go a step lower and reach the agricultural producer himself, and with the cooperation of the local banks help him devise a means of standardizing his security, as you did in the case of the securities of the organizations in the case of the canners?

Mr. MEYER. Everything is possible, Senator, to people who want to do something. There is not any use in talking about how to do a thing you do not want to do. The first thing you need is to want to do it. This has to be done by people who see the situation in its serious nature and in its grave proportion and believe in it and want to do it. If we had wanted to we could have said to the Senator when he sent these canners to us, "But they can not give us any security," and what you would have said, Senator WADSWORTH, probably, would have been, "That is true; it is too bad, but that is a hardship of war."

But we wanted to do it. The first step in doing a thing is to want to do it, and then you can find a way. Of course, if you do not want to do it it is easy to find reasons why it can not be done.

Senator WADSWORTH. "It never has been done?"

Mr. MEYER. Yes. I have with me, gentlemen, thinking some of you might like to look at them, copies of the act, and I will leave those here, together with some copies of a few remarks I made at the invitation of the committee of bankers on the subject of foreign trade finance, and to those who have time to consider it I will be glad to furnish copies.

Mr. CAMPBELL. May I ask a question with respect to a change of the name of the corporation in case additional legislation would be desirable? Would it be desirable to change the name to the Peace Corporation?

Mr. MEYER. I think if there is a will to do the work the name would not stop it.

Mr. CAMPBELL. If there should be any objection to continuing the activities of the War Corporation, it might be called the restoration corporation or the peace corporation?

Mr. MEYER. Yes; I think if it had the name of the restoration corporation there might be less debate on the part of Congress, but that is a matter to which I attach little importance. Congress can make its intent known by resolution. The only amendment in the machinery that appears to me to be necessary, and could be very easily done, is an amendment by which the banks would be able to borrow from the corporation by simply an indorsement on an obligation instead of giving their own notes, because when they give their own obligations it means a lot of resolutions by the board of directors and considerable detail, and if they took it to the War Finance Corporation as they do their rediscounts to the Federal reserve banks it would be very much simpler, mechanically. Outside of that, I see very little to change as far as the mechanism of the law is concerned. If it was desired to declare the intent of Congress, it could do so by resolution. I merely offer these suggestions, having thought of them; you know very much better how to do it than I, or by changing the act so that it will state a defi-

nite date instead of one year after proclamation of peace by the President, say December 1, 1921, or such other date as the Congress might desire.

Senator NORRIS. There is one question that I would like to ask you particularly. Do you think that the law, with a Secretary of the Treasury who is not friendly to it, would be as effective as though some one were in charge of it who believed in it?

Mr. MEYER. Senator, I am not an expert on that subject. [Laughter.]

Senator NORRIS. I thought maybe you might suggest some amendment that would place it in the hands of somebody else to carry it out. You have got to leave a discretionary power.

Mr. MEYER. I am not afraid to answer any question on which I consider myself qualified by knowledge or experience, but I think perhaps that if Congress had a definite attitude on this question the best way to settle that would be in a friendly conference with the Secretary as to whether or not he desires to administer a law which he disapproves and which he might prefer not to administer; or he might very possibly and reasonably, and I can conceive that he may say that he is there to carry out the will of Congress, and do it in all good faith and do it quite as well or better than anybody else that could be chosen outside. If Congress decides that it wants the War Finance Corporation to function, I should like to see the most friendly relations between the Treasury Department and the corporation, and it is most important that it should be in harmonious administration and cooperation, because its scale of operation will be so important in the whole situation as to make it desirable to have the corporation function in entire harmony with Treasury policies.

Mr. RIDDICK. Do you not think the Secretary of the Treasury was influenced by the statements of public men that they believed that war-time legislation should be readjusted?

Mr. MEYER. I think that is not at all impossible. I may say about that that there was quite a little sentiment in more than one quarter at the time the Secretary acted in favor of closing down the War Finance Corporation.

Mr. Forgan, a member of the advisory board of the Federal Reserve System, chairman of the First National Bank of Chicago, when I asked him if he approved of the discontinuance of the corporation, said he had advised the Secretary in accordance with the Secretary's decision. I asked him, "How do you feel about it now?" and he said he did not have any feelings now. I said, "When you advised the Secretary, did you advise him for the reasons he made public, namely, that business was prosperous and unemployment negligible?" He said, "Yes." I asked him if business was prosperous now, and he said it was not, and he then admitted that he felt a change in conditions warranted a reversal in policy. The principal bankers of New Orleans declare that whatever the conditions may have been in May, the conditions now are such as to materially warrant a change in their opinion. In Omaha I consulted privately some of the principal bankers and others, and they were unanimously in favor of continuing the corporation, and in every city bankers testified before the committee, and those whom we had a chance to talk to were unanimously in favor of this action.

Mr. HEFLIN. What was the attitude of Governor Harding, of the Federal Reserve Board, toward closing it?

Mr. MEYER. I did not discuss it with him at the time.

Mr. HEFLIN. You know what his attitude was?

Mr. MEYER. I did not discuss it with him at the time, and I have not discussed it with him since. I understand that he is in accord with the Secretary, but I have no specific information; I do not know. He was a member of our board when the recommendation was made to the Secretary for this amendment by Congress. That was the only amendment to our power that we ever asked for from Congress, and we had a great many suggestions, and we objected to everything except this big situation in foreign trade, which warranted our consideration.

Mr. NORRIS. Mr. President, before the Senator from Massachusetts makes the formal objection I should like to call his attention to what the Committee on Agriculture and Forestry had in mind.

The War Finance Corporation under the law have authority, if they are rehabilitated, to do the very things that the Senator from Massachusetts suggests he would like to have them do. This joint resolution does not in any way curtail any of their authority. Under the law creating the corporation they have authority to take care of manufactured products the same as agricultural products. The committee, by reporting the joint resolution, simply called attention to the fact that they want—and that is the object of the joint resolution—not only to have the War Finance Corporation rehabilitated, but to have them take cognizance of the agricultural situation in the country. The joint resolution does not take away from the corporation the authority that they would have to handle manufactured products the same as they did handle them when they were in active operation. So that the real point is to get the War Finance Corporation rehabilitated, and they will then have all the authority that they ever had; and in this joint resolution, having rehabilitated them, we simply call attention to the awful agricultural situation.

I hope, therefore, that the Senator will not object.

Mr. FRELINGHUYSEN. Mr. President, before the Senator takes his seat I should like to ask him a question.

Mr. NORRIS. I shall be glad to answer it if I can.

Mr. FRELINGHUYSEN. Is it not true that the War Finance Corporation at the present time has appropriated a billion dollars of credit?

Mr. NORRIS. Yes; I think so. The act provided for the appropriation of a billion dollars of credit.

Mr. FRELINGHUYSEN. And is it not also true that $80,000,000 of credit has been extended through the War Finance Corporation?

Mr. NORRIS. I can not give the Senator the exact amount, but a great many millions.

Mr. FRELINGHUYSEN. Leaving about $900,000,000 of credit. Now, I should like to ask the Senator if it will not require another bond issue of nearly a billion dollars before the War Finance Corporation can get into action, and whether the Agricultural Committee has contemplated the further inflation of our bonded indebtedness by a billion dollars in putting this joint resolution through?

Mr. NORRIS. Mr. President, I shall be glad to answer the very proper question that the Senator has asked as best I can. The action desired at this time does not contemplate an appropriation. It is the opinion of the committee and of those who are actively behind the rehabilitation of the War Finance Corporation that one of the greatest influences that will be felt on the exportation of products to Europe will be the coordinating of corporations engaged in export, such as those organized under the Edge law, recently passed—the coordination and the assistance that they will have from this War Finance Corporation.

Mr. SMITH of Georgia. Mr. President——

Mr. NORRIS. The evidence before the committee disclosed that in some of the great operations in which the War Finance Corporation participated they did not use any money whatever. The simple fact that the War Finance Corporation were behind the proposition, were giving their support to it, and sometimes promised to take the bonds that the private interests themselves issued, resulted in all of the bonds being subscribed by private parties, and private capital did the whole thing. Sometimes they took some of them. So that the managing director of the corporation, Mr. Meyer, was of the opinion in the hearing that it probably would not be necessary to have any appropriation; that if any bonds were issued they would sell their own bonds, as the law provides they shall do; that in most instances they would not have to dispose of any of them, because the private corporations and individuals engaged in the exportation of products would be able, if they knew that the War Finance Corporation was behind the proposition, to finance it themselves at very reasonable rates of interest.

I can not say what it may be necessary to do, but that is my judgment on the matter—that one of the greatest effects of it all is the moral effect it will have.

Mr. SMITH of Georgia. Mr. President——

Mr. GRONNA. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. GRONNA. I will say to the Senator from Nebraska—and he will recall the statement of Mr. Meyer on yesterday—that Mr. Meyer stated specifically that it was not the intention to ask for any further issuance of bonds, nor would it be necessary. If the Senator from New Jersey and others will read the statement which has been printed—I think it has been sent to nearly every Senator, but perhaps they have been too busy to read it—they will find in the statement of Mr. Meyer practically what I am trying to state, that it is not the intention to make any appropriation, nor will it be necessary to issue any bonds.

Mr. FRELINGHUYSEN. Mr. President, may I ask the Senator where the money is coming from, then, to furnish these credits?

Mr. NORRIS. Why, it will come mostly from private parties.

Mr. GRONNA. It will come from private parties; and in the same statement Mr. Meyer gives the amount of money on hand which they have the authority to issue bonds for, if necessary, under the old act.

Mr. NORRIS. Of course, if they did not have authority to get behind any exporting proposition there would not be the incentive on the part of the private parties to go into it. Mr. Meyer gave us a great many illustrations in the way of cases where private parties were interested in the exportation of products of great value, and they were unable to finance them until the War Finance Corporation got behind them, and in many instances the War Finance Corporation never did anything else except to get behind them. When the time came it was unnecessary to use a dollar from the War Finance Corporation's appropriation to have the matter go through.

Mr. THOMAS. Will the Senator yield for a question?

Mr. NORRIS. I yield.

Mr. THOMAS. Mr. Meyer's name has been mentioned once or twice in this discussion. I assume that there was other testimony than that of Mr. Meyer's at the hearings before the committee?

Mr. NORRIS. Yes.

Mr. THOMAS. Is all the testimony available to the Senate?

Mr. NORRIS. It is if it is printed. All the testimony was taken down by a stenographer.

Mr. THOMAS. I think we ought to have the benefit of the report of all the hearings.

Mr. NORRIS. Of course, the committee ceased taking evidence only yesterday, and, as a matter of fact, all the testimony may not be printed. I can not say whether any of it has been printed, but it is to be printed.

Mr. SMITH of Georgia. I should like to answer that question.

Mr. THOMAS. It is a subject of such tremendous importance and so far-reaching in its character that I think the Senate should have at its disposal the printed hearings.

Mr. NORRIS. I agree with the Senator that that should be the case; but, on the other hand, we are confronted with the fact that time is of the very essence of this proposition.

Mr. THOMAS. We had better make haste slowly.

Mr. NORRIS. As fast as the hearings can be printed that will be done.

Mr. SMITH of Georgia. I wish to say to the Senator from Colorado [Mr. THOMAS] that a few minutes ago there was unanimous consent given to print the statement made by Mr. Meyer before the committee on yesterday. It is to go into the RECORD.

Mr. THOMAS. I am not content to base my action here upon the testimony of one man, if other hearings were had as well. I want both sides of this proposition.

Mr. SMITH of South Carolina. Mr. President——

Mr. SMITH of Georgia. I believe I have the floor for a moment. I am sure the committee can get out very speedily the other testimony if Senators want to see it.

What I wanted to say when I asked permission to interrupt the Senator from Nebraska a few minutes ago was that it was clearly presented that there was no purpose to issue any Government bonds, but that the War Finance Corporation in the past has financed its own paper, and can easily do so again.

Mr. McLEAN. I would like to ask the Senator from Nebraska if the Secretary of the Treasury appeared before the committee?

Mr. NORRIS. Yes; he did.

Mr. McLEAN. Does he favor this proposition?

Mr. NORRIS. He does not. He is opposed to it.

Mr. McLEAN. Are his reasons printed?

Mr. NORRIS. They will be printed. Mr. President, I agree with Senators that this evidence should be printed. There has been no disposition on the part of the committee not to print it. But Senators know that when evidence is taken before a committee it is two or three days before the printing can take place. I presume that this testimony is being printed with all the expedition which takes place in any other similar case. It is an extraordinary proposition, I admit, to ask that the joint resolution shall be taken up perhaps before the hearings are printed, but we are presented, we think, with an extraordinary situation.

Mr. GLASS. Mr. President——

Mr. NORRIS. I yield to the Senator from Virginia.

Mr. GLASS. I should like to direct attention to the fact that all the comments on the joint resolution have been confined to that feature of it which deals with the War Finance Corporation. There is another very much more serious aspect of the resolution, and that is its presupposition that the Federal Reserve Board has utterly neglected its duties, and substantially it is a direction to that board to change its policy altogether with reference to reserves. It proposes to put the country not upon a reserve banking system but upon an investment banking system. Therefore I think the Senate should give very serious consideration to the question before it is finally acted upon, as the Senator from Massachusetts [Mr. LODGE] suggests.

Mr. LODGE. Mr. President, I think it is perfectly obvious that the character of the joint resolution is of the most serious kind. I am not expressing any opposition to it. I realize the adversity in the great agricultural districts of the country, as I recognize it in New England, but after what has been said by the Senator from New Jersey [Mr. FRELINGHUYSEN] and the Senator from Virginia [Mr. GLASS] it is perfectly clear that such a measure as this should not be pushed through under unanimous consent without an opportunity to see the testimony, and without Senators also having an opportunity to read over the act creating the War Finance Corporation, which carries with it a charge of $500,000,000 on the Treasury of the United States. I think the joint resolution ought to go over if for no other reason, and I make objection.

The VICE PRESIDENT. The Chair has already ruled that this is the first reading, and that it must lie on the table.

Mr. LODGE. It goes over for a second reading.

The VICE PRESIDENT. It goes over for a second reading, when it will then go to the calendar, unless taken up by unanimous consent. That is all there is to it.

Mr. POMERENE. Mr. President, as this matter has been debated informally I should like to ask the Senator from Nebraska [Mr. NORRIS] a question with respect to it, if I may have his attention.

I am not sure that I heard accurately the colloquy between the Senator from Nebraska and the Senator from New Jersey [Mr. FRELINGHUYSEN], but as I understood it, the Senator from Nebraska said it would not be necessary to have another bond issue, but that the War Finance Corporation would be able to finance its own operations. I have not seen the testimony and have had no opportunity to ascertain what method would be adopted by the War Finance Corporation in aiding the movement of crops and the marketing of them. Will the Senator suggest to the Senate what plans are in mind whereby we may aid the farming element under the joint resolution?

Mr. NORRIS. Mr. President, in answer to the Senator from Ohio I will say that this corporation, of course, will be engaged in exportation of products entirely. The difficulty which now interferes with the exportation of farm products, which are so much needed in Europe, is that the people who need them are not able to pay cash, and the people who have the products must have cash. Much of it is mortgaged, and can not be moved until it is paid for.

The War Finance Corporation, as I understand it, in their past operations have not been controlled by any fixed or settled rule. They take up the question of the exportation of a product and get in touch with the people who want to buy, and perhaps a corporation is organized. It is suggested that under the Edge law there would probably be a good many corporations organized, and that the War Finance Corporation would act in coordination with them. For instance, a Government would buy wheat or cotton, and they would guarantee a firm of bankers in a foreign country, and the corporation here that was going to sell would accept that guaranty, and they would probably also get a guaranty of the War Finance Corporation.

It might be that they would put up all the money; it might be that they would put up a part of it; and it might be, as Mr. Meyer said, in case they would put up none, the fact that they were willing to guarantee it would result in a guaranty by exporters and bankers and corporations of this country, who would furnish their own money to pay for the products that would be sold abroad on time.

Mr. CUMMINS. Mr. President, I ask for the regular order.

The VICE PRESIDENT. The Senator from Iowa calls for the regular order. The introduction of bills and joint resolutions is next in order.

Mr. McKELLAR. I submit the following amendment intended to be proposed by me to the joint resolution reported from the Committee on Agriculture and Forestry by the Senator from North Dakota [Mr. GRONNA].

It is to add, after the last paragraph of the joint resolution, the following:

That factors' paper with cotton or other stable agricultural products as collateral shall be eligible for rediscount in Federal reserve banks.

The VICE PRESIDENT. The amendment will lie on the table, and be printed.

MESSAGES FROM THE PRESIDENT.

Mr. Sharkey, one of the secretaries of the President of the United States, transmitted to the Senate sundry messages in writing; and also announced that the President had, June 14, 1920, approved bills of the following numbers and titles:

S. 547. An act authorizing the enlistment of non-English-speaking citizens and aliens; and

S. 4167. An act to extend the time for the completion of the municipal bridge, approaches, and extensions or additions thereto, by the city of St. Louis, within the States of Illinois and Missouri.

PRESIDENT'S ANNUAL MESSAGE.

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read by the Secretary.

The Secretary (George A. Sanderson) read the message, as follows:

GENTLEMEN OF THE CONGRESS: When I addressed myself to performing the duty laid upon the President by the Constitution to present to you an annual report on the state of the Union, I found my thought dominated by an immortal sentence of Abraham Lincoln's,

"Let us have faith that right makes might, and in that faith let us dare to do our duty as we understand it,"—

a sentence immortal because it embodies in a form of utter simplicity and purity the essential faith of the nation, the faith in which it was conceived and the faith in which it has grown to glory and power. With that faith and the birth of a nation founded upon it came the hope into the world that a new order would prevail throughout the affairs of mankind, an order in which reason and right would take precedence of covetousness and force, and I believe that I express the wish and purpose of every thoughtful American when I say that this sentence marks for us in the plainest manner the part we should play alike in the arrangement of our domestic affairs and in our exercise of influence upon the affairs of the world. By this faith, and by this faith alone, can the world be lifted out of its present confusion and despair. It was this faith which prevailed over the wicked force of Germany. You will remember that the beginning of the end of the war came when the German people found themselves face to face with the conscience of the world and realized that right was everywhere arrayed against the wrong that their government was attempting to perpetrate. I think, therefore, that it is true to say that this was the faith which won the war. Certainly this is the faith with which our gallant men went into the field and out upon the seas to make sure of victory.

This is the mission upon which democracy came into the world. Democracy is an assertion of the right of the individual to live and to be treated justly as against any attempt on the part of any combination of individuals to make laws which will overburden him or which will destroy his equality among his fellows in the matter of right or privilege, and I think we all realize that the day has come when democracy is being put upon its final test. The old world is just now suffering from a wanton rejection of the principle of democracy and a substitution of the principle of autocracy as asserted in the name but without the authority and sanction of the multitude. This is the time of all others when democracy should prove its purity and its spiritual power to prevail. It is surely the manifest destiny of the United States to lead in the attempt to make this spirit prevail.

There are two ways in which the United States can assist to accomplish this great object: First, by offering the example within her own borders of the will and power of democracy to make and enforce laws which are unquestionably just and which are equal in their administration,—laws which secure its full right to labor and yet at the same time safeguard the integrity of property, and particularly of that property which is devoted to the development of industry and the increase of the necessary wealth of the world. Second, by standing for right and justice as towards individual nations. The law of democracy is for the protection of the weak, and the influence of every democracy in the world should be for the protection of the weak nation, the nation which is struggling towards its right and towards its proper recognition and privilege in the family of nations. The United States cannot refuse this rôle of champion without putting the stigma of rejection upon the great and devoted men who brought its government into existence and established it in the face of almost universal opposition and intrigue, even in the face of wanton force, as, for example, against the Orders in Council of Great Britain and the arbitrary Napoleonic Decrees which involved us in what we know as the War of 1812. I urge you to consider that the display of an immediate disposition on the part of the Congress to remedy any injustices or evils that may have shown themselves in our own national life will afford the most effectual offset to the forces of chaos and tyranny which are playing so disastrous a part in the fortunes of the free peoples of more than one part of the world. The United States is of necessity the sample democracy of the world, and the triumph of democracy depends upon its success.

Recovery from the disturbing and sometimes disastrous effects of the late war has been exceedingly slow on the other side of the water and has given promise, I venture to say, of early completion only in our own fortunate country; but even with us the recovery halts and is impeded at times and there are immediately serviceable acts of legislation which it seems to me we ought to attempt, to assist that recovery and prove the indestructible recuperative force of a great government of the people. One of these is to prove that a great democracy can keep house as successfully and in as businesslike a fashion as any other government. It seems to me that the first step towards proving this is to supply ourselves with a systematic method of handling our estimates and expenditures and bringing them to the point where they will not be an unnecessary strain upon our income or necessitate unreasonable taxation, in other words, a workable budget system, and I respectfully suggest that two elements are essential to such a system; namely, not only that the proposal of appropriations should be in the hands of a single body, such as a single appropriations committee in each house of the Congress, but also that this body should be brought into such cooperation with the departments of the Government and with the Treasury of the United States as would enable it to act upon a complete conspectus of the needs of the Government and the resources from which it must draw its income. I reluctantly vetoed the Budget Bill passed by the last session of the Congress because of a Constitutional objection. The house of Representatives subsequently modified the Bill in order to meet this objection. In the revised form I believe that the Bill, coupled with action already taken by the Congress to revise its rules and procedure, furnishes the foundations for an effective national budget system. I earnestly hope, therefore, that one of the first steps taken by the present session of the Congress will be to pass the Budget Bill.

The nation's finances have shown marked improvement during the past year. The total ordinary receipts of $6,694,000,000 for the fiscal year 1920 exceeded those for 1919 by $1,542,000,000, while the total net ordinary expenditures decreased from $18,514,000,000 to $6,403,000,000. The gross public debt, which reached its highest point on 31 August, 1919, when it was $26,596,000,000, had dropped on 30 November, 1920, to $24,175,000,000. There has also been a marked decrease in holdings of government war securities by the banking institutions of the country, as well as in the amount of bills held by the Federal Reserve Banks secured by government war obligations. This fortunate result has relieved the banks and left them freer to finance the needs of agriculture, industry and commerce. It has been due in large part to the reduction of the public debt, especially of the floating debt, but more particularly to the improved distribution of government securities among permanent investors. The cessation of the Government's borrowings except through short-term certificates of indebtedness has been a matter of great consequence to the people of the country at large, as well as to the holders of Liberty bonds and Victory notes, and has had an important bearing on the matter of effective credit control. The year has been characterized by the progressive withdrawal of the Treasury from the domestic credit market and from a position of dominant influence in that market. The future course will necessarily depend upon the extent to which economies are practiced and upon the burdens placed upon the Treasury, as well as upon industrial developments and the maintenance of tax receipts at a sufficiently high level.

The fundamental fact which at present dominates the Government's financial situation is that seven and a half billions of its war indebtedness mature within the next two and a half years. Of this amount, two and a half billions are floating debt and five billions Victory notes and War Savings certificates. The fiscal programme of the Government must be determined with reference to these maturities. Sound policy demands that government expenditures be reduced to the lowest amount which will permit the various services to operate efficiently and that government receipts from taxes and salvage be maintained sufficiently high to provide for current requirements, including interest and sinking fund charges on the public debt, and at the same time retire the floating debt and part of the Victory loan before maturity. With rigid economy, vigorous salvage operations and adequate revenues from taxation, a surplus of current receipts over current expenditures can be realized and should be applied to the floating debt. All branches of the Government should cooperate to see that this programme is realized.

I cannot overemphasize the necessity of economy in government appropriations and expenditures and the avoidance by the Congress of practices which take money from the Treasury by indefinite or revolving fund appropriations. The estimates for the present year show that over a billion dollars of expenditures were authorized by the last Congress in addition to the amounts shown in the usual compiled statements of appropriations. This strikingly illustrates the importance of making direct and specific appropriations. The relation between the current receipts and current expenditures of the Government during the present fiscal year, as well as during the last half of the last fiscal year, has been disturbed by the extraordinary burdens thrown upon the Treasury by the Transportation Act, in connection with the return of the railroads to private control. Over $600,000,000 has already been paid to the railroads under this Act,—$350,000,000 during the present fiscal year; and it is estimated that further payments aggregating possibly

$650,000,000 must still be made to the railroads during the current year. It is obvious that these large payments have already seriously limited the Government's progress in retiring the floating debt.

Closely connected with this, it seems to me, is the necessity for an immediate consideration of the revision of our tax laws. Simplification of the income and profits taxes has become an immediate necessity. These taxes performed an indispensable service during the war. The need for their simplification, however, is very great, in order to save the taxpayer inconvenience and expense and in order to make his liability more certain and definite. Other and more detailed recommendations with regard to taxes will no doubt be laid before you by the Secretary of the Treasury and the Commissioner of Internal Revenue.

It is my privilege to draw to the attention of Congress for very sympathetic consideration the problem of providing adequate facilities for the care and treatment of former members of the military and naval forces who are sick or disabled as the result of their participation in the war. These heroic men can never be paid in money for the service they patriotically rendered the nation. Their reward will lie rather in realization of the fact that they vindicated the rights of their country and aided in safeguarding civilization. The nation's gratitude must be effectively revealed to them by the most ample provision for their medical care and treatment as well as for their vocational training and placement. The time has come when a more complete programme can be formulated and more satisfactorily administered for their treatment and training, and I earnestly urge that the Congress give the matter its early consideration. The Secretary of the Treasury and the Board for Vocational Education will outline in their annual reports proposals covering medical care and rehabilitation which I am sure will engage your earnest study and command your most generous support.

Permit me to emphasize once more the need for action upon certain matters upon which I dwelt at some length in my message to the Second Session of the Sixty-sixth Congress: the necessity, for example, of encouraging the manufacture of dyestuffs and related chemicals; the importance of doing everything possible to promote agricultural production along economic lines, to improve agricultural marketing and to make rural life more attractive and healthful; the need for a law regulating cold storage in such a way as to limit the time during which goods may be kept in storage, prescribing the method of disposing of them if kept beyond the permitted period, and requiring goods released from storage in all cases to bear the date of their receipt. It would also be most serviceable if it were provided that all goods released from cold storage for interstate shipment should have plainly marked upon each package the selling or market price at which they went into storage, in order that the purchaser might be able to learn what profits stood between him and the producer or the wholesale dealer. Indeed, it would be very serviceable to the public if all goods destined for interstate commerce were made to carry upon every packing case whose form made it possible a plain statement of the price at which they left the hands of the producer. I respectfully call your attention, also, to the recommendations of the message referred to with regard to a federal license for all corporations engaged in interstate commerce.

In brief, the immediate legislative need of the time is the removal of all obstacles to the realization of the best ambitions of our people in their several classes of employment and the strengthening of all instrumentalities by which difficulties are to be met and removed and justice dealt out, whether by law or by some form of mediation and conciliation. I do not feel it to be my privilege at present to suggest the detailed and particular methods by which these objects may be attained, but I have faith that the inquiries of your several committees will discover the way and the method.

In response to what I believe to be the impulse of sympathy and opinion throughout the United States, I earnestly suggest that the Congress authorize the Treasury of the United States to make to the struggling Government of Armenia such a loan as was made to several of the Allied Governments during the war; and I would also suggest that it would be desirable to provide in the legislation itself that the expenditure of the money thus loaned should be under the supervision of a commission, or at least a commissioner, from the United States, in order that revolutionary tendencies within Armenia itself might not be afforded by the loan a further tempting opportunity.

Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the condition set by the Congress as precedent to a consideration of granting independence to the Islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those Islands by granting them the independence which they so honorably covet.

I have not so much laid before you a series of recommendations, gentlemen, as sought to utter a confession of faith, of the faith in which I was bred and which it is my solemn purpose to stand by until my last fighting day. I believe this to be the faith of America, the faith of the future, and of all the victories which await national action in the days to come, whether in America or elsewhere.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The VICE PRESIDENT. The message will lie on the table and be printed.

PRICE OF WHEAT (H. DOC. NO. 904).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to be printed and, with the accompanying papers, referred to the Committee on Agriculture and Forestry:

To the Senate and House of Representatives:

As required by the provisions of the act of Congress approved March 4, 1919, entitled "An act to enable the President to carry out the price guaranties made to producers of wheat of the crops of 1918 and 1919 and to protect the United States against undue enhancement of its liabilities thereunder," I transmit herewith report of the proceedings had by the Department of Agriculture under the authority of said act.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

ALASKAN ENGINEERING COMMISSION.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to be printed and, with the accompanying papers, referred to the Committee on Territories:

To the Senate and House of Representatives:

I transmit herewith for the information of the Congress the report of the Alaskan Engineering Commission covering the period from November 1, 1918, to December 31, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to be printed and, with the accompanying papers, referred to the Committee on Naval Affairs:

To the Senate and House of Representatives:

In compliance with the provisions of the act of March 3, 1915, making appropriations for the naval service for the fiscal year ending June 30, 1916, I transmit herewith the sixth annual report of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1920.

The attention of the Congress is invited to the recommendation of the National Advisory Committee for Aeronautics for the establishment of a bureau of aeronautics in the Department of Commerce for the regulation and encouragement of commercial aviation. The national aviation policy as formulated by the National Advisory Committee for Aeronautics and the constructive recommendations therein set forth for the consideration of the Congress have the hearty approval of the departments concerned as well as myself.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

ACTS OF LEGISLATURE OF PORTO RICO (S. DOC. NO. 307).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered to be printed and, with the accompanying papers, referred to the Committee on Pacific Islands, Porto Rico, and the Virgin Islands:

To the Senate and House of Representatives:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith copies of certain acts and resolutions enacted by the Ninth Legislature of Porto Rico during its third special session (Apr. 26 to May 6, 1920, inclusive).

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These acts and resolutions have not previously been transmitted to Congress and none of them has been printed.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

CIVIL SERVICE COMMISSION.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read, ordered to be printed, and, with the accompanying report, referred to the Committee on Civil Service and Retrenchment:

To the Senate and House of Representatives:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the thirty-seventh annual report of the United States Civil Service Commission for the fiscal year ended June 30, 1920.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSES:

A bill (S. 4512) granting a pension to Eva J. Moody; to the Committee on Pensions;

A bill (S. 4513) to correct the military record of John Sullivan; to the Committee on Military Affairs; and

A bill (S. 4514) to classify the salaries of postmasters in post offices of the fourth class; to the Committee on Post Offices and Post Roads.

By Mr. FRELINGHUYSEN:

A bill (S. 4515) reviving, confirming, and renewing the authority of the Central Railroad Co. of New Jersey to construct a bridge across the navigable waters of the Newark Bay, in the State of New Jersey; to the Committee on Interstate Commerce.

By Mr. SUTHERLAND:

A bill (S. 4516) providing for the appointment of an additional district judge for the southern judicial district of the State of West Virginia; to the Committee on the Judiciary;

A bill (S. 4517) granting a pension to Fannie R. Wells; to the Committee on Pensions; and

A bill (S. 4518) for the relief of Hiram Metcalf; to the Committee on Military Affairs.

By Mr. UNDERWOOD:

A bill (S. 4519) to authorize the Louisville & Nashville Railroad, its successors and assigns, to construct and maintain a bridge across the Alabama River at or near a point approximately 4 miles from the city of Montgomery, Ala.; to the Committee on Commerce.

By Mr. SPENCER:

A bill (S. 4520) granting an increase of pension to Andrew Houlihan; to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 4521) to provide for the purchase or construction of a suitable building to be used for residential and office purposes by the Vice President of the United States; to the Committee on Appropriations.

By Mr. REED:

A bill (S. 4522) to authorize the President of the United States to promote Charles Augustus Pfeffer to the grade of major in the Medical Corps of the Army of the United States, and for the relief of said Charles Augustus Pfeffer; to the Committee on Military Affairs.

By Mr. SHIELDS:

A bill (S. 4523) authorizing the President to appoint Arthur Lawrence Brown to the position and rank of first lieutenant in the United States Army (with accompanying papers); to the Committee on Military Affairs.

By Mr. PITTMAN:

A bill (S. 4524) to amend an act entitled "An act to regulate commerce," approved February 4, 1887, as amended June 29, 1906, April 13, 1908, June 18, 1910, February 17, 1917, March 2, 1917, May 29, 1917, August 10, 1917, and February 28, 1920; to the Committee on Interstate Commerce.

By Mr. CUMMINS:

A bill (S. 4525) to provide further for securing and disseminating information concerning the supply and demand for American agricultural products; to the Committee on Agriculture and Forestry.

A bill (S. 4526) to amend section 501 of the transportation act, 1920; to the Committee on Interstate Commerce.

By Mr. KING:

A bill (S. 4527) to amend an act to create a Department of Labor and an act to create a Department of Commerce and Labor, as amended; to the Committee on the Judiciary.

A bill (S. 4528) to provide for the temporary suspension of immigration, and for other purposes; to the Committee on Immigration.

By Mr. WALSH of Montana:

A bill (S. 4529) for the erection and maintenance of a dam across the Yellowstone River, in the State of Montana; to the Committee on Irrigation and Reclamation of Arid Lands.

A bill (S. 4530) to reimburse the State of Montana for expenses incurred in suppressing forest fires on Government land (with accompanying papers); to the Committee on Public Lands.

A bill (S. 4531) granting an increase of pension to George Densmore (with accompanying papers); to the Committee on Pensions.

By Mr. McCUMBER:

A bill (S. 4532) to amend the agricultural schedule of the revenue act of 1913; and

A bill (S. 4533) to prohibit for one year the importations of barley, wheat and wheat flour, rye and rye flour, oats and oat products, swine, cattle, sheep, and all other domestic live animals suitable for human food; to the Committee on Finance.

A bill (S. 4534) authorizing and directing the President of the United States to appoint a commission to investigate and report to Congress a general system for the cooperative marketing of all farm products; to the Committee on Agriculture and Forestry.

A bill (S. 4535) granting an increase of pension to Lucius O. House (with accompanying papers); and

A bill (S. 4536) granting a pension to Albert H. Irvine; to the Committee on Pensions.

By Mr. SMITH of Georgia:

A bill (S. 4537) to amend the Federal reserve act, approved December 23, 1913, by adding certain words in section 13; to the Committee on Banking and Currency.

By Mr. GAY:

A bill (S. 4538) to amend an act entitled "An act to provide revenue, and for other purposes," approved February 24, 1919; to the Committee on Finance.

By Mr. FLETCHER:

A bill (S. 4539) making it incumbent upon every person, firm, or corporation injuring or damaging, or causing injury or damage to the person or the property of another while lawfully upon a public street or highway in the District of Columbia, to prove that the injury or damage was caused solely by the negligence of the one so injured or damaged, and for other purposes (with accompanying papers); to the Committee on the Judiciary.

By Mr. KNOX (for Mr. PENROSE):

A bill (S. 4540) for the relief of Richard P. McCullough; to the Committee on Naval Affairs; and

A bill (S. 4541) to extend the time for the construction of a bridge across the Susquehanna River at Harrisburg, Pa.; to the Committee on Commerce.

By Mr. KNOX (for Mr. McCORMICK):

A bill (S. 4542) to bring about the more effective coordination of the executive departments, to create the department of public works and the department of public welfare, and for other purposes; ordered to be printed and lie on the table.

By Mr. KENYON:

A bill (S. 4543) to establish in the Cabinet the department of social welfare.

Mr. KENYON. I am a little in doubt as to what committee the bill should be referred, but I will ask that it be referred to the Committee on Education and Labor, unless there is objection.

The VICE PRESIDENT. Without objection, the bill will be so referred.

By Mr. KENYON:

A bill (S. 4544) for the relief of Fred Crego Smith and E. S. McGrew, executors of the estate of Capt. Elias L. Brownell, deceased; to the Committee on Claims.

A bill (S. 4545) for the relief of James W. Doyle, alias John Burton; to the Committee on Military Affairs.

A bill (S. 4546) granting a pension to Mary Murphy (with accompanying papers); and

A bill (S. 4547) granting an increase of pension to Louis H. Ruehle (with accompanying papers); to the Committee on Pensions.

By Mr. RANSDELL:

A bill (S. 4548) to confirm certain lands in military reservations in Louisiana to the State; to the Committee on Public Lands.

By Mr. JONES of Washington:

A bill (S. 4549) to provide for the incorporation of certain companies operating in China;

A bill (S. 4550) to make the national prohibition act applicable to the Philippine Islands and other territory subject to the jurisdiction of the United States; and

A bill (S. 4551) to enforce the provisions of the eighteenth amendment to the Constitution as to American citizens in the consular districts of the United States in certain foreign countries; to the Committee on the Judiciary.

A bill (S. 4552) granting certain lands to the State of Washington for the use of the State University, and for other purposes; to the Committee on Military Affairs.

A bill (S. 4553) to amend section 6 of an act approved January 17, 1914, entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February 9, 1909; to the Committee on Finance.

A bill (S. 4554) to amend an act entitled "An act to create a Federal Power Commission; to provide for the improvement of navigation, the development of water power, the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act approved August 8, 1917, and for other purposes," approved June 10, 1920; to the Committee on Commerce.

By Mr. SMOOT:

A bill (S. 4555) to amend section 2324 of the Revised Statutes; to the Committee on Mines and Mining.

A bill (S. 4556) to provide revenue for the Government and to stabilize the live-stock industry; and

A bill (S. 4557) to provide revenue and to maintain the wool-producing and manufacturing industries of the United States in a condition of preparedness for national requirements; to the Committee on Finance.

By Mr. THOMAS:

A bill (S. 4558) for the consolidation of forest lands in the Carson National Forest, N. Mex., and for other purposes; to the Committee on Public Lands.

By Mr. HARRIS:

A bill (S. 4559) to amend section 13 of an act known as the Federal reserve act, approved December 23, 1913, as amended; and

A bill (S. 4560) to limit rate of interest chargeable to Federal reserve banks to 5 per cent per annum; to the Committee on Banking and Currency.

By Mr. CAPPER:

A bill (S. 4561) providing for the levying, collection, and payment of taxes upon contracts for the future delivery of grain, grain products, and cotton, and options for such contracts; to the Committee on Agriculture and Forestry.

By Mr. STERLING:

A bill (S. 4562) to amend section 7 of the Federal reserve act, approved December 23, 1913, as amended; and

A bill (S. 4563) to amend sections 12, 13, and 32 of the Federal farm loan act, approved July 17, 1916, as amended; to the Committee on Banking and Currency.

By Mr. HENDERSON:

A bill (S. 4564) to amend section 2324 of the Revised Statutes; and

A bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921; to the Committee on Mines and Mining.

By Mr. McNARY:

A joint resolution (S. J. Res. 211) requesting the President to negotiate a treaty or treaties for the protection of salmon in certain parts of the Pacific Ocean; to the Committee on Foreign Relations.

By Mr. NELSON:

A joint resolution (S. J. Res. 213) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Public Lands.

By Mr. SMOOT:

A joint resolution (S. J. Res. 214) providing for the indexing of the CONGRESSIONAL RECORD by the superintendent of documents of the Government Printing Office; to the Committee on Printing.

By Mr. SMITH of Arizona:

A joint resolution (S. J. Res. 215) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. KING:

A joint resolution (S. J. Res. 216) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. CUMMINS:

A joint resolution (S. J. Res. 217) requiring certain books, documents, and records collected by the United States Food Administration containing statistical information to be delivered to the Department of Agriculture; to the Committee on Agriculture and Forestry.

By Mr. KELLOGG:

A joint resolution (S. J. Res. 218) requesting the United States Tariff Commission to investigate the subject of tariffs imposing duties on importations of farm products from foreign countries, including the subject of reciprocity with Canada and other countries, and to submit a report to Congress; to the Committee on Finance.

DEPUTY MARSHALS FOR DISTRICT OF COLUMBIA.

Mr. BALL submitted a concurrent resolution (S. Con. Res. 31) which was referred to the Committee on the District of Columbia, as follows:

Resolved by the Senate (the House of Representatives concurring), That section 188 of the Code of the District of Columbia, in so far as it relates to the compensation to be received by the deputy United States marshals in and for the District of Columbia, be, and the same is hereby, repealed. That this act take effect and be in force from and after the date of the passage.

COORDINATION OF GOVERNMENTAL ACTIVITIES.

Mr. JONES of Washington submitted a concurrent resolution (S. Con. Res. 32), which was referred to the Committee on Appropriations, as follows:

Resolved by the Senate (the House of Representatives concurring), That a joint committee of the House and Senate, to be composed of five Members of the Senate, to be appointed by the Vice President, and five Members of the House of Representatives, to be appointed by the Speaker thereof, be, and the same is hereby, created and authorized and directed to investigate the various activities of the several departments and agencies of the Government and submit reports to Congress from time to time recommending the reorganization of the various departments and agencies and the placing under one department or agency the various activities of the Government relating to the same or correlated subject matter, with a view to doing away with duplication in Government work and promoting efficiency and economy in the Government service. The committee shall submit a final report to each House of Congress on or before the first Monday of December, 1923, unless further time be given by a resolution of Congress. Said committee or any subcommittee thereof is authorized to sit during the sessions of the Senate and the House of Representatives and during any recess of the House of Representatives or the Senate or of Congress; to employ experts, clerks, stenographers, and such other assistants as may be necessary, such experts, clerks, stenographers, and assistants to be paid such compensation as said joint committee shall deem just and reasonable; to send for persons and papers and to issue subpœnas to secure their attendance and production; and to administer oaths and do whatever may be necessary to secure the information desired, and the expenses of such committee shall be paid from the contingent funds of the Senate and the House of Representatives, one-half from the contingent fund of the Senate and one-half from the contingent fund of the House of Representatives, upon vouchers to be approved by the chairman of the committee.

REORGANIZATION OF THE EXECUTIVE DEPARTMENTS.

Mr. KNOX (for Mr. McCORMICK) submitted a resolution (S. Res. 393), which was referred to the Committee on Rules, as follows:

Resolved, That there be appointed a special committee of the Senate to be composed of 10 Members, 6 to be chosen from the majority party and 4 from the minority party, to consider measures for the reorganization of the executive departments and the creation of a department of public works and a department of public welfare.

ENFORCEMENT OF IMMIGRATION LAWS.

Mr. KING submitted a resolution (S. Res. 394), which was referred to the Committee on Immigration, as follows:

Resolved by the Senate of the United States, That the Secretary of Labor is directed to report to the Senate particulars as to the expenditure of the appropriation in the deficiency appropriation act for the fiscal year 1920 of $750,000, and in the deficiency appropriation act for the fiscal year 1921 of $300,000, for the enforcement of the law against alien anarchists; and of the appropriation for the fiscal year 1920 of $100,000 and for the fiscal year 1921 of $100,000 for the deportation of aliens; and of the appropriation for the fiscal year 1921 of $2,600,000 for the enforcement of the immigration laws, including the names of all persons employed and paid out of such appropriations, or any of them, and the particular functions and duties performed and services rendered severally by such persons, and what portions, if any, of such appropriations remain unexpended at this date.

ADDITIONAL SENATE PAGES.

Mr. LODGE submitted the following resolution (S. Res. 391), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Sergeant at Arms of the Senate be, and he hereby is, authorized and directed to employ five additional pages for the Senate Chamber at $3 per day each during the third session of the Sixty-sixth Congress, to be paid from the miscellaneous items of the contingent fund of the Senate.

EMPLOYEES OF DEPARTMENT OF AGRICULTURE.

Mr. KING. Mr. President, in March last I offered a resolution asking for certain information from the Secretary of Agriculture. Tardily the Secretary has responded to the resolution. I do not think that the information furnished quite adequately answers the demands of the resolution; but, be that as it may, I ask that the report transmitted by the Secretary of Agriculture in response to the resolution be referred to the Committee on Appropriations. I think it will enable that committee to understand a little more fully the character of the service rendered by the department, and the number of employees, and to that extent aid in the preparation of the appropriation bill.

The VICE PRESIDENT. Without objection, the report will be referred to the Committee on Appropriations.

GOVERNMENT OF HAWAII.

Mr. NEW. On May 28 the bill (H. R. 13500) to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish an Hawaiian homes commission, and for other purposes, was reported to the Senate by the Committee on Territories, and is now on the calendar. Since that report was made a delegation from Hawaii has come to Washington and its members are now here asking for a hearing on the bill. I think it is proper that such a hearing be granted; and, in order that it may be granted, I move that the bill to which I have referred be recommitted to the Committee on Territories.

The motion was agreed to.

ADDRESS BY WADE H. ELLIS.

Mr. POMERENE. Mr. President, I have before me a copy of an address delivered by Hon. Wade H. Ellis before the Order of Washington, in the city of Washington, on December 4, 1920, on the subject of "Radicalism and free speech." Mr. Ellis was formerly attorney general of Ohio, and during the administration of President Taft was Assistant Attorney General of the United States. The address referred to discusses this subject with special reference to present legislation and also with special reference to the immigration problem. I ask that it may be printed as a public document.

The VICE PRESIDENT. Is there objection to the request of the Senator from Ohio?

Mr. WADSWORTH. Mr. President, may I ask if, under the ordinary procedure, such a request should not be referred to the Committee on Printing?

The VICE PRESIDENT. If there is objection, it will be referred to the Committee on Printing.

Mr. WADSWORTH. I found great difficulty in hearing the Senator from Ohio.

Mr. POMERENE. Mr. President, if that is the procedure, I have no objection to the matter being referred to the committee. I think it will be found to be an address that will be well worthy of the consideration of Senators.

Mr. WADSWORTH. I ask that it go to the Committee on Printing and take the usual course.

The VICE PRESIDENT. The request of the Senator from Ohio will be referred to the Committee on Printing.

CAMPAIGN EXPENDITURES.

Mr. KENYON. Mr. President, the Committee on Privileges and Elections were instructed under Senate resolution 357 to investigate certain campaign expenditures. That resolution was enlarged by Senate resolution 383, and under that resolution the committee were instructed to report to the Senate not later than the first Monday in December, 1920.

It has been impossible for the committee to complete their work and make their report to the Senate. I am instructed by the subcommittee—and I do so with the desire of the chairman of the Committee on Privileges and Elections—to ask unanimous consent that the Committee on Privileges and Elections and the subcommittee may have the time for making this report extended—the report, however, to be filed during the present session of the Congress—and that the authority conferred under Senate resolution 383 be extended likewise until the time the report is filed.

Mr. KING. Mr. President, may I ask the Senator a question?

Mr. KENYON. Certainly.

Mr. KING. As a member of the Committee on Privileges and Elections, and for information, I inquire of the Senator whether it is the purpose of the subcommittee to take additional testimony?

Mr. KENYON. I will say to the Senator that I think all the members of the committee were engaged in the preelection campaign, doing what they could on this referendum matter, and their time was fully taken up. Since that time we have only been able to get the committee together once, and we are in the situation of not having determined as yet what we will do, although I think there will not be a very extended further investigation. I think possibly the country is satisfied with the result of the election.

Mr. WADSWORTH. Mr. President, is the committee planning to pursue its inquiry about the $30,000,000?

Mr. KENYON. What thirty millions does the Senator refer to?

Mr. WADSWORTH. I am not sure what thirty millions it was. I simply had the figure in mind.

Mr. KENYON. It did not seem to have any effect on the result of the election; but it is absolutely impossible for us to file this report now. There may be a few matters which we shall want to follow up, but I will say to the Senator that there will be very few.

Mr. KING. Does the Senator think that an additional appropriation will be needed?

Mr. KENYON. Absolutely none; no.

Mr. KING. It will be within the appropriation heretofore made?

Mr. KENYON. Oh, yes; there will be no further expense.

The VICE PRESIDENT. Without objection, the request of the Senator from Iowa will be granted.

THE BUILDING SITUATION.

Mr. CALDER. Mr. President, I submit a Senate resolution, and ask its reference to the appropriate committee.

The resolution (S. Res. 392) was read, as follows:

Resolved, That the resolution of the Senate No. 350, agreed to April 17, 1920, authorizing a special committee of the Senate to investigate the existing situation in relation to the general construction of houses, manufacturing establishments, and buildings, and the effect thereof upon other industries and upon the public welfare, be, and the same is, hereby amended to empower said special committee to employ counsel, to be paid from the contingent fund of the Senate.

The VICE PRESIDENT. The resolution will be referred to the Committee to Audit and Control the Contingent Expenses of the Senate.

REVIVAL OF WAR FINANCE CORPORATION.

Mr. CALDER. Mr. President, I have here a concurrent resolution, which provides in its terms that it is the sense of the Senate and the House of Representatives that the Secretary of the Treasury permit the War Finance Corporation to function under the terms of the present law. I introduce this measure after a visit to the leading cities of the West and South, where I became convinced that this measure more than anything else would tend to revive the business of the country by assisting in obtaining proper credits for the foreign marketing of the products particularly of the western and southern sections of the country. I present it now and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The Secretary will read the concurrent resolution.

The concurrent resolution (S. Con. Res. 33) was read, as follows:

Whereas as a war measure the War Finance Corporation was created by the act approved April 5, 1918, to provide credits for industries and enterprises in the United States engaged in business necessary or contributory to the prosecution of the war; and

Whereas as an aid to orderly reconstruction after the signing of the armistice; by an act approved March 3, 1919, Congress amended the act creating the War Finance Corporation and empowered and authorized that corporation, in order to promote commerce with foreign countries through the extension of credits, to make advances under certain conditions to persons, firms, or corporations in the United States engaged in the business in the United States of exporting therefrom domestic products to foreign countries, this power to continue until 12 months after the termination of the war, such termination to be fixed by proclamation of the President; and

Whereas in adding these new powers to those originally vested in the War Finance Corporation Congress had in contemplation certain definite objects, namely: (a) To meet the unprecedented conditions existing in international trade by providing an outlet for great quantities of domestic products which could not be exported and sold if the foreign purchaser were required to make settlement immediately, or if such exportation had to be financed solely through ordinary banking channels; and (b) while thus promoting foreign commerce to enable producers in the United States to materially assist in supplying necessary commodities to those countries which as a result of the war could obtain adequate quantities of such commodities only upon long-time credits; and

Whereas under date of May 10, 1920, the Secretary of the Treasury, ex officio chairman of the War Finance Corporation, made public announcement that, at his request, that corporation had suspended making further advances in aid of exports except pursuant to commitments theretofore made, assigning as his reasons for this action, inter alia, that business was then prosperous, involuntary unemployment was then negligible, that foreign commerce was then developing through private enterprise, and that no necessity existed for extending further Government aid to the development of such commerce; and

Whereas it has come to the attention of Congress, through many sources, that business is not now prosperous, that involuntary unemployment is extensive and rapidly increasing, that many staple commodities in the United States have become unmarketable to such an extent that loans made against such commodities by banking institutions in the United States can not be liquidated, that the foreign commerce of the United States at this critical period can and should be increased on a sound business basis, and that this can be done with great advantage to the people of the United States if reasonable credit facilities are available to foreign purchasers, and that the fundamental purpose in amending the act approved April 5, 1918, to a great extent is being defeated by the failure of the War Finance Corporation to perform its functions: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of the Senate and the House of Representatives of the United States of America that such an emergency exists as fully to justify and to require the board of directors of the War Finance Corporation to make such advances as may be safely and reasonably made under the terms of the War Finance Corporation act, as amended, for the purpose of assisting in the development of the foreign commerce of the United States and the sale to foreign purchasers, on reasonable terms, of domestic products.

Resolved further, That copies of this resolution be sent to the President of the United States, to the Secretary of the Treasury, and to the directors of the War Finance Corporation.

Mr. CURTIS. Mr. President, I ask that the concurrent resolution go to the committee. It has not been considered by any committee at all, and there was an objection to the consideration of a similar resolution this morning.

Mr. HARRISON. Mr. President, will the Senator from Kansas yield for one moment?

Mr. CURTIS. Certainly.

Mr. HARRISON. As I understand, an order was made by the Senate at the last session of Congress that the packer bill should be made the unfinished business, beginning on Wednesday.

Mr. CURTIS. I understand that that measure will be taken up to-morrow.

Mr. HARRISON. The question covered by this concurrent resolution and embodied in the joint resolution that was objected to this morning is a matter of very great importance, and very urgent and necessary, as of course the Senator from Kansas knows.

Mr. CURTIS. I agree with the Senator, and I am in favor of legislation on the subject.

Mr. HARRISON. If we get tied up behind a bill of such magnitude as the packer legislation, it being made the unfinished business, there is no telling when we will get any legislation on this particular question, that is so important now.

Mr. CURTIS. I agree with the Senator. I am for the joint resoution offered by the Senator from North Dakota [Mr. GRONNA] and reported from the Committee on Agriculture and Forestry, and probably would support the concurrent resolution; but that joint resolution went over, and the leader on this side has requested that matters of this kind go over; so I object and ask that it be sent to the committee.

The VICE PRESIDENT. What committee shall it go to?

Mr. CALDER. May I suggest, the other resolution having been considered by the Agricultural Committee, that this one go there too?

The VICE PRESIDENT. The joint resolution has not gone anywhere. It is on the table.

Mr. CURTIS and Mr. FLETCHER addressed the Chair.

The VICE PRESIDENT. Where shall this concurrent resolution go? Let us dispose of these matters one at a time.

Mr. FLETCHER. Why not let it take the same course as the other, and go to the table?

Mr. CALDER. I ask that it lie on the table.

Mr. SMOOT. Mr. President, is this concurrent resolution reported from any committee?

Mr. CALDER. No.

Mr. SMOOT. Is an individual Senator offering it and asking for its present consideration?

Mr. CALDER. It is a concurrent resolution, but it simply states that it is the sense of the Senate that the Treasury Department should permit the War Finance Corporation to function.

Mr. SMOOT. I think, Mr. President, that it ought to go to the committee.

The VICE PRESIDENT. What committee?

Mr. SMOOT. I think it ought to go to the Finance Committee, because that is where the War Finance Corporation was created.

The VICE PRESIDENT. Is there any objection on the part of the Senator from New York?

Mr. CALDER. I simply suggested that it go to the Agricultural Committee because they were considering the subject.

Mr. SMOOT. I have not any objection to its going to the Agricultural Committee later, but it ought to go first to the committee which created the War Finance Corporation.

The VICE PRESIDENT. Let us get it somewhere. That is the important thing.

Mr. THOMAS. Mr. President, I think the concurrent resolution should go to the Committee on Finance. That is the committee which has jurisdiction of this subject.

The VICE PRESIDENT. The Chair will entertain a motion to send it there.

Mr. THOMAS. I move that it be referred to the Committee on Finance.

The motion was agreed to.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock and 40 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, December 8, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 7, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father, who art in heaven, impart unto these, Thy servants, the representatives of the people, plenteously of Thy wisdom, power and goodness, that they may meet the stupendous problems which confront them with clear minds, brave hearts, earnest endeavors, and solve them in accordance with truth, right, justice to not only our people, but to the people of all the world, that we may speedily return to the normal, that peace and righteousness may reign supreme. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

RESIGNATIONS FROM COMMITTEES.

The SPEAKER laid before the House the following communications, which were read:

DECEMBER 7, 1920.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on the Post Office and Post Roads.

Sincerely, yours,

MARTIN B. MADDEN.

—

DECEMBER 6, 1920.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Military Affairs of the House of Representatives.

Yours, very truly,

D. R. ANTHONY, Jr.

—

DECEMBER 7, 1920.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby resign from the Committee on Agriculture, to take effect immediately.

Sincerely, yours,

SYDNEY ANDERSON.

—

DECEMBER 6, 1920.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives.

DEAR SIR: I hereby tender my resignation as a member of the Committee on Indian Affairs of the House of Representatives.

Very respectfully,

J. A. ELSTON.

—

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the House Committee on Naval Affairs.

Very respectfully, yours,

PATRICK H. KELLEY, *Michigan.*

The SPEAKER. Without objection, these resignations will be accepted.

There was no objection.

WOMAN SUFFRAGE.

The SPEAKER also laid before the House a communication from the secretary of state of the State of Connecticut, inclosing a certified copy of the resolution ratifying the proposed amendment to the Constitution of the United States extending the right of suffrage to women, adopted at the special session of the General Assembly of the State of Connecticut September 21, 1920.

Also, a communication from the governor of the State of Tennessee inclosing a certificate of ratification of the nineteenth amendment to the Constitution of the United States, accompanied by resolutions and transcripts of the journals of the two houses of the General Assembly of the State of Tennessee.

RATIFICATION OF PROPOSED CONSTITUTIONAL AMENDMENTS.

The SPEAKER also laid before the House an application of the General Assembly of the State of Louisiana for the calling of a constitutional convention for the purpose of amending the Constitution of the United States so as to provide that all amendments to the Constitution of the United States shall be submitted to the qualified electors of the several States for ratification or rejection.

IMMIGRATION.

Mr. SIEGEL. Mr. Speaker, I ask unanimous consent to file minority views within two days in respect to the immigration bill (H. R. 14461) to provide for the protection of citizens of the United States by the temporary suspension of immigration, and for other purposes, which was reported yesterday.

The SPEAKER. The gentleman from New York asks unanimous consent to have two days within which to file the views of the minority on the immigration bill. Is there objection?

Mr. VAILE. Mr. Speaker, reserving the right to object, is the chairman of the Committee on Immigration in the House?

Mr. SIEGEL. I do not know.

Mr. VAILE. Then I am obliged to object for the present.

Mr. SIEGEL. Mr. Speaker, I ask unanimous consent to proceed for two minutes.

The SPEAKER. The gentleman from New York asks unanimous consent to address the House for two minutes. Is there objection?

There was no objection.

Mr. SIEGEL. Mr. Speaker, yesterday, before it had been introduced in this House, a bill affecting immigration, together with the report, were filed in the basket. For the first time in the history of the House legislation is being attempted here not in the regular way, but by what might be termed by the man on the street lynch-law methods. Lynch-law methods, whether by the mob or by a few people, who report a bill before it has been actually referred to a committee, I do not think can command the respect of the country.

Mr. RAKER. Mr. Speaker, will the gentleman yield for a question?

The SPEAKER. Does the gentleman yield?

Mr. SIEGEL. I do.

Mr. RAKER. Is it not a fact that the Committee on Immigration for at least six months held hearings upon this same subject, and did the committee not report out a bill at the Sixty-fifth Congress favorably, there being only two dissenting members?

Mr. SIEGEL. I regret to say that it is not. I regret to say that this bill is entirely a new proposition, couched in entirely new language; that it places the sole power in the Secretary of Labor to determine who shall come into this country. The bill gives him mandatory power to prevent a husband sending for his wife to come to this country without first making application to the Secretary of Labor to permit him to do so, even though she be mentally, morally, and physically fit to enter under our present immigration laws.

Mr. GARD. Mr. Speaker, if the gentleman will permit, I note that the chairman of the Committee on Immigration, the gentleman from Washington [Mr. JOHNSON], is now in the Chamber. I suggest that the gentleman from New York repeat his request.

Mr. SIEGEL. Mr. Speaker, I renew my request, to have two days within which to file minority views to the bill which was presented here yesterday, together with the report.

The SPEAKER. The gentleman from New York asks unanimous consent that he may have two days within which to file the views of the minority on the immigration bill. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, reserving the right to object, will not the gentleman from New York make his request for one day? He can write his report to-day, and it can be filed and be available here to-morrow. The gentleman could have until 12 o'clock to-night to file his report.

Mr. SIEGEL. I had no idea when I came down here yesterday that a bill, which had not been introduced in the House, was going to be reported out in the fashion it was reported out by the committee. I had an idea that we would have at least a few days in which to consider the bill, when we could give some hearings to some who might desire to be heard in opposition to it, and I might say that there are a number of people who do desire to be heard; but instead of that the bill, together with the report, is filed within two hours after the committee met yesterday morning, previous to the meeting of the Congress. Two days is a very short time within which to file minority views under the circumstances, I submit.

Mr. JOHNSON of Washington. If the gentleman will take one day, I shall not object.

Mr. SIEGEL. Mr. Speaker, I believe I am entitled to two days. I do not think this bill can come up for consideration before Thursday.

The SPEAKER. Is there objection?

Mr. JOHNSON of Washington. Mr. Speaker, will the gentleman take one day?

Mr. SIEGEL. No; I can not take one day, because I can not get my report out in one day.

Mr. JOHNSON of Washington. Then, Mr. Speaker, I object.

The SPEAKER. Objection is made.

Mr. SIEGEL. Then, Mr. Speaker, I move that I be entitled——

The SPEAKER. The time of the gentleman from New York has expired.

Mr. SIEGEL. Mr. Speaker, I ask recognition. I think it is very important that I be permitted to have two days within which to file these views.

The SPEAKER. The gentleman can proceed only by unanimous consent.

Mr. JOHNSON of Washington. Mr. Speaker, I shall withdraw the objection with the understanding that, having two days, the gentleman does not delay action on the bill.

The SPEAKER. The gentleman from Washington withdraws his objection.

Mr. RAKER. Mr. Speaker, I reserve the right further to object.

Mr. WALSH. Mr. Speaker, I demand the regular order.

The SPEAKER. Is there objection?

Mr. RAKER. I object.

The SPEAKER. The gentleman from California objects.

Mr. WALSH. I do not think we ought to start a wrangle over immigration at this time.

Mr. RAKER. Mr. Speaker, I withdraw my objection.

The SPEAKER. The gentleman from California withdraws his objection to the request of the gentleman from New York that he have two days within which to file minority views. Is there further objection?

There was no objection.

LEAVES OF ABSENCE.

By unanimous consent leave of absence was granted to—

Mr. LUHRING, for one week, at the request of his colleague, Mr. SANDERS of Indiana.

Mr. WISE, indefinitely, on account of illness.

Mr. DRANE, indefinitely, on account of the serious illness of a member of his family.

MINORITY MEMBERS, COMMITTEE ON APPROPRIATIONS.

Mr. GOOD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GOOD. Mr. Speaker, I desire to know if it is in order at this time for the minority to present the names of the minority members of the Committee on Appropriations?

The SPEAKER. It is in order.

Mr. GOOD. I would like to ask the gentleman from Missouri when it is proposed to present the minority names for the Committee on Appropriations? I am trying to arrange to make appointments on the subcommittees, and it can not be done until the minority present the names of the members.

Mr. CLARK of Missouri. Mr. Speaker, all I know about it is—[applause, the Members rising]—that yesterday morning—of course, I have nothing to do with the selection of the names except in an advisory capacity—but yesterday morning Mr. KITCHIN sent me word that they were not ready to present them. I think they will be ready to-morrow, and I will do my best to have it done.

Mr. GOOD. I thank the gentleman.

REPORT OF COMMITTEE TO WAIT UPON THE PRESIDENT.

Mr. MONDELL. Mr. Speaker, the committee appointed by the House to accompany a like committee of the Senate to wait upon the President and inform him that the Congress is in session and prepared to receive any message he might see fit to send to it, reports that that committee waited on the President and he informed it that he would transmit to-day a message in writing.

MESSAGE FROM THE PRESIDENT.

Sundry messages in writing from the President of the United States were communicated to the House of Representatives by Mr. Latta, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On June 10, 1920:

H. R. 3184. An act to create a Federal power commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto, and

to repeal section 18 of the river and harbor appropriation act approved August 8, 1917, and for other purposes.

On June 14, 1920:

H. R. 6407. An act for the relief of Michael MacGarvey;

H. R. 13962. An act to extend the time for the construction of a bridge across the Monongahela River at or near the borough of Wilson, county of Allegheny, in the Commonwealth of Pennsylvania;

H. R. 13976. An act to extend the time for the construction of a bridge across the Allegheny River at or near Sixteenth Street, in the city of Pittsburgh, county of Allegheny, in the Commonwealth of Pennsylvania;

H. R. 13977. An act to extend the time for the construction of a bridge across the Allegheny River at or near Millvale Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania; and

H. R. 13978. An act to extend the time for the construction of a bridge across the Ohio River at or near McKees Rocks Borough, in the county of Allegheny, in the Commonwealth of Pennsylvania.

ANNUAL MESSAGE OF THE PRESIDENT (H. DOC. NO. 903).

The SPEAKER. The Chair lays before the House a message from the President of the United States, which the Clerk will read.

The Clerk read the message, as follows:

GENTLEMEN OF THE CONGRESS: When I addressed myself to performing the duty laid upon the President by the Constitution to present to you an annual report on the state of the Union, I found my thought dominated by an immortal sentence of Abraham Lincoln's,

"Let us have faith that right makes might, and in that faith let us dare to do our duty as we understand it,"—

a sentence immortal because it embodies in a form of utter simplicity and purity the essential faith of the nation, the faith in which it was conceived and the faith in which it has grown to glory and power. With that faith and the birth of a nation founded upon it came the hope into the world that a new order would prevail throughout the affairs of mankind, an order in which reason and right would take precedence of covetousness and force, and I believe that I express the wish and purpose of every thoughtful American when I say that this sentence marks for us in the plainest manner the part we should play alike in the arrangement of our domestic affairs and in our exercise of influence upon the affairs of the world. By this faith, and by this faith alone, can the world be lifted out of its present confusion and despair. It was this faith which prevailed over the wicked force of Germany. You will remember that the beginning of the end of the war came when the German people found themselves face to face with the conscience of the world and realized that right was everywhere arrayed against the wrong that their government was attempting to perpetrate. I think, therefore, that it is true to say that this was the faith which won the war. Certainly this is the faith with which our gallant men went into the field and out upon the seas to make sure of victory.

This is the mission upon which democracy came into the world. Democracy is an assertion of the right of the individual to live and to be treated justly as against any attempt on the part of any combination of individuals to make laws which will overburden him or which will destroy his equality among his fellows in the matter of right or privilege, and I think we all realize that the day has come when democracy is being put upon its final test. The old world is just now suffering from a wanton rejection of the principle of democracy and a substitution of the principle of autocracy as asserted in the name but without the authority and sanction of the multitude. This is the time of all others when democracy should prove its purity and its spiritual power to prevail. It is surely the manifest destiny of the United States to lead in the attempt to make this spirit prevail.

There are two ways in which the United States can assist to accomplish this great object: First, by offering the example within her own borders of the will and power of democracy to make and enforce laws which are unquestionably just and which are equal in their administration,—laws which secure its full right to labor and yet at the same time safeguard the integrity of property, and particularly of that property which is devoted to the development of industry and the increase of the necessary wealth of the world. Second, by standing for right and justice as towards individual nations. The law of democracy is for the protection of the weak, and the influence of every democracy in the world should be for the protection of the weak nation, the nation which is struggling towards its right and towards its proper recognition and privilege in the family of nations. The United States can not refuse this rôle of champion without putting the stigma of rejection upon the great and devoted men who brought its government into existence and established it in the face of almost universal opposition and intrigue, even in the face of wanton force, as, for example, against the Orders in Council of Great Britain and the arbitrary Napoleonic Decrees which involved us in what we know as the War of 1812. I urge you to consider that the display of an immediate disposition on the part of the Congress to remedy any injustices or evils that may have shown themselves in our own national life will afford the most effectual offset to the forces of chaos and tyranny which are playing so disastrous a part in the fortunes of the free peoples of more than one part of the world. The United States is of necessity the sample democracy of the world, and the triumph of democracy depends upon its success.

Recovery from the disturbing and sometimes disastrous effects of the late war has been extremely slow on the other side of the water and has given promise, I venture to say, of early completion only in our own fortunate country; but even with us the recovery halts and is impeded at times and there are immediately serviceable acts of legislation which it seems to me we ought to attempt, to assist that recovery and prove the indestructible recuperative force of a great government of the people. One of these is to prove that a great democracy can keep house as successfully and in as businesslike a fashion as any other government. It seems to me that the first step towards proving this is to supply ourselves with a systematic method of handling our estimates and expenditures and bringing them to the point where they will not be an unnecessary strain upon our income or necessitate unreasonable taxation, in other words, a workable budget system, and I respectfully suggest that two elements are essential to such a system; namely, not only that the proposal of appropriations should be in the hands of a single body, such as a single appropriations committee in each house of the Congress, but also that this body should be brought into such cooperation with the departments of the Government and with the Treasury of the United States as would enable it to act upon a complete conspectus of the needs of the Government and the resources from which it must draw its income. I reluctantly vetoed the Budget Bill passed by the last session of the Congress because of a Constitutional objection. The House of Representatives subsequently modified the Bill in order to meet this objection. In the revised form I believe that the Bill, coupled with action already taken by the Congress to revise its rules and procedure, furnishes the foundations for an effective national budget system. I earnestly hope, therefore, that one of the first steps taken by the present session of the Congress will be to pass the Budget Bill.

The nation's finances have shown marked improvement during the past year. The total ordinary receipts of $6,694,000,000 for the fiscal year 1920 exceeded those for 1919 by $1,542,000,000, while the total net ordinary expenditures decreased from $18,514,000,000 to $6,403,000,000. The gross public debt, which reached its highest point on 31 August, 1919, when it was $26,596,000,000, had dropped on 30 November, 1920, to $24,175,000,000. There has also been a marked decrease in holdings of Government war securities by the banking institutions of the country, as well as in the amount of bills held by the Federal Reserve Banks secured by Government war obligations. This fortunate result has relieved the banks and left them freer to finance the needs of agriculture, industry, and commerce. It has been due in large part to the reduction of the public debt, especially of the floating debt, but more particularly to the improved distribution of Government securities among permanent investors. The cessation of the Government's borrowings except through short-term certificates of indebtedness has been a matter of great consequence to the people of the country at large, as well as to the holders of Liberty bonds and Victory notes, and has had an important bearing on the matter of effective credit control. The year has been characterized by the progressive withdrawal of the Treasury from the domestic credit market and from a position of dominant influence in that market. The future course will necessarily depend upon the extent to which economies are practiced and upon the burdens placed upon the Treasury, as well as upon industrial developments and the maintenance of tax receipts at a sufficiently high level.

The fundamental fact which at present dominates the Government's financial situation is that seven and a half billions of its war indebtedness mature within the next two and a half years. Of this amount, two and a half billions are floating debt and five billions Victory notes and War Savings certificates. The fiscal programme of the Government must be determined with reference to these maturities. Sound policy demands that

Government expenditures be reduced to the lowest amount which will permit the various services to operate efficiently and that Government receipts from taxes and salvage be maintained sufficiently high to provide for current requirements, including interest and sinking fund charges on the public debt, and at the same time retire the floating debt and part of the Victory loan before maturity. With rigid economy, vigorous salvage operations and adequate revenues from taxation, a surplus of current receipts over current expenditures can be realized and should be applied to the floating debt. All branches of the Government should cooperate to see that this programme is realized.

I can not overemphasize the necessity of economy in Government appropriations and expenditures and the avoidance by the Congress of practices which take money from the Treasury by indefinite or revolving fund appropriations. The estimates for the present year show that over a billion dollars of expenditures were authorized by the last Congress in addition to the amounts shown in the usual compiled statements of appropriations. This strikingly illustrates the importance of making direct and specific appropriations. The relation between the current receipts and current expenditures of the Government during the present fiscal year, as well as during the last half of the last fiscal year, has been disturbed by the extraordinary burdens thrown upon the Treasury by the Transportation Act, in connection with the return of the railroads to private control. Over $600,000,000 has already been paid to the railroads under this Act,—$350,000,000 during the present fiscal year; and it is estimated that further payments aggregating possibly $650,000,000 must still be made to the railroads during the current year. It is obvious that these large payments have already seriously limited the Government's progress in retiring the floating debt.

Closely connected with this, it seems to me, is the necessity for an immediate consideration of the revision of our tax laws. Simplification of the income and profits taxes has become an immediate necessity. These taxes performed an indispensable service during the war. The need for their simplification, however, is very great, in order to save the taxpayer inconvenience and expense and in order to make his liability more certain and definite. Other and more detailed recommendations with regard to taxes will no doubt be laid before you by the Secretary of the Treasury and the Commissioner of Internal Revenue.

It is my privilege to draw to the attention of Congress for very sympathetic consideration the problem of providing adequate facilities for the care and treatment of former members of the military and naval forces who are sick or disabled as the result of their participation in the war. These heroic men can never be paid in money for the service they patriotically rendered the nation. Their reward will lie rather in realization of the fact that they vindicated the rights of their country and aided in safeguarding civilization. The nation's gratitude must be effectively revealed to them by the most ample provision for their medical care and treatment as well as for their vocational training and placement. The time has come when a more complete programme can be formulated and more satisfactorily administered for their treatment and training, and I earnestly urge that the Congress give the matter its early consideration. The Secretary of the Treasury and the Board for Vocational Education will outline in their annual reports proposals covering medical care and rehabilitation which I am sure will engage your earnest study and command your most generous support.

Permit me to emphasize once more the need for action upon certain matters upon which I dwelt at some length in my message to the Second Session of the Sixty-sixth Congress: the necessity, for example, of encouraging the manufacture of dyestuffs and related chemicals; the importance of doing everything possible to promote agricultural production along economic lines, to improve agricultural marketing and to make rural life more attractive and healthful; the need for a law regulating cold storage in such a way as to limit the time during which goods may be kept in storage, prescribing the method of disposing of them if kept beyond the permitted period, and requiring goods released from storage in all cases to bear the date of their receipt. It would also be most serviceable if it were provided that all goods released from cold storage for interstate shipment should have plainly marked upon each package the selling or market price at which they went into storage, in order that the purchaser might be able to learn what profits stood between him and the producer or the wholesale dealer. Indeed, it would be very serviceable to the public if all goods destined for interstate commerce were made to carry upon every packing case whose form made it possible a plain statement of the price at which they left the hands of the producer. I respectfully call your attention, also, to the recommendations of the message referred to with regard to a federal license for all corporations engaged in interstate commerce.

In brief, the immediate legislative need of the time is the removal of all obstacles to the realization of the best ambitions of our people in their several classes of employment and the strengthening of all instrumentalities by which difficulties are to be met and removed and justice dealt out, whether by law or by some form of mediation and conciliation. I do not feel it to be my privilege at present to suggest the detailed and particular methods by which these objects may be attained, but I have faith that the inquiries of your several committees will discover the way and the method.

In response to what I believe to be the impulse of sympathy and opinion throughout the United States, I earnestly suggest that the Congress authorize the Treasury of the United States to make to the struggling Government of Armenia such a loan as was made to several of the Allied Governments during the war; and I would also suggest that it would be desirable to provide in the legislation itself that the expenditure of the money thus loaned should be under the supervision of a commission, or at least a commissioner, from the United States, in order that revolutionary tendencies within Armenia itself might not be afforded by the loan a further tempting opportunity.

Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the condition set by the Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet.

I have not so much laid before you a series of recommendations, gentlemen, as sought to utter a confession of faith, of the faith in which I was bred and which it is my solemn purpose to stand by until my last fighting day. I believe this to be the faith of America, the faith of the future, and of all the victories which await national action in the days to come, whether in America or elsewhere.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The message was received with applause.

Mr. MONDELL. Mr. Speaker, I move that the President's message be printed and referred to the Committee of the Whole House on the state of the Union.

The motion was agreed to.

DEMOCRATIC CAUCUS.

Mr. GARNER. Mr. Speaker, I would like to have order for just a moment. I want to ask unanimous consent for one-half a minute to make an announcement.

The SPEAKER. The gentleman from Texas asks for half a minute in which to address the House. Is there objection? [After a pause.] The Chair hears none.

Mr. GARNER. Mr. Speaker, I want to state to the Democratic side of the House that it is desired to have a Democratic caucus here immediately after the adjournment of the House to-day.

ALASKAN ENGINEERING COMMISSION.

The SPEAKER also laid before the House the following message from the President:

To the Senate and House of Representatives:

I transmit herewith for the information of the Congress the report of the Alaskan Engineering Commission, covering the period from November 1, 1918, to December 31, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The SPEAKER. The message will be referred to the Committee on the Territories.

CIVIL GOVERNMENT FOR PORTO RICO (S. DOC. NO. 307).

The SPEAKER also laid before the House the following message from the President:

To the Senate and House of Representatives:

As required by section 23 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Porto Rico, and for other purposes," I transmit herewith copies of certain acts and resolutions enacted by the Ninth

Legislature of Porto Rico during its third special session (April 26 to May 6, 1920, inclusive).

These acts and resolutions have not previously been transmitted to Congress and none of them has been printed.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The SPEAKER. The message will be referred to the Committee on Insular Affairs.

ANNUAL REPORT, CIVIL SERVICE COMMISSION (H. DOC. NO. 908).

The SPEAKER also laid before the House the following message from the President:

To the Senate and House of Representatives:

As required by the act of Congress to regulate and improve the civil service of the United States, approved January 16, 1883, I transmit herewith the thirty-seventh annual report of the United States Civil Service Commission for the fiscal year ended June 30, 1920.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The SPEAKER. Referred to the Committee on Reform in the Civil Service and ordered printed with the accompanying papers.

ANNUAL REPORT, NATIONAL ADVISORY COMMITTEE FOR AERONAUTICS (S. DOC. NO. 308).

The SPEAKER also laid before the House the following message from the President:

To the Senate and House of Representatives:

In compliance with the provisions of the act of March 3, 1915, making appropriations for the naval service for the fiscal year ending June 30, 1916, I transmit herewith the sixth annual report of the National Advisory Committee for Aeronautics for the fiscal year ended June 30, 1920.

The attention of the Congress is invited to the recommendation of the National Advisory Committee for Aeronautics for the establishment of a bureau of aeronautics in the Department of Commerce for the regulation and encouragement of commercial aviation. The national aviation policy as formulated by the National Advisory Committee for Aeronautics and the constructive recommendations therein set forth for the consideration of the Congress have the hearty approval of the departments concerned as well as myself.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The SPEAKER. Referred to the Committee on Appropriations, and ordered printed.

APPROPRIATIONS, ETC., DEPARTMENT OF STATE.

The SPEAKER also laid before the House the following message from the President:

To the House of Representatives:

I transmit herewith a statement by the Secretary of State, with accompanying papers, of appropriations, expenditures, and balances of appropriations under the control of the Department of State for the fiscal year ended June 30, 1920.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The SPEAKER. Referred to the Committee on Expenditures in the State Department.

WHEAT GUARANTY (H. DOC. NO. 904).

The SPEAKER also laid before the House the following message from the President:

To the Senate and House of Representatives:

As required by the provisions of the act of Congress approved March 4, 1919, entitled "An act to enable the President to carry out the price guaranties made to producers of wheat of the crops of 1918 and 1919 and to protect the United States against undue enhancement of its liabilities thereunder," I transmit herewith the report of the proceedings had by the Department of Agriculture under the authority of said act.

WOODROW WILSON.

THE WHITE HOUSE,
7 December, 1920.

The SPEAKER. Referred to the Committee on Agriculture, with the accompanying papers, and ordered printed.

APPOINTMENT AS CHAIRMAN OF THE COMMITTEE ON MINES AND MINING.

Mr. MONDELL. Mr. Speaker, I am authorized by the Committee on Committees to nominate MARION E. RHODES, of Missouri, as chairman of the Committee on Mines and Mining and move his election.

The SPEAKER. Without objection, the election is agreed to.

There was no objection.

IMMIGRATION.

Mr. CAMPBELL of Kansas. Mr. Speaker, it had been the intention to report a rule from the Committee on Rules this morning for the consideration of a bill limiting immigration within the next two years. Just as the committee adjourned and came into the Chamber an unanimous-consent agreement was entered into granting the minority of the Committee on Immigration two days in which to file minority views. In view of that situation on the floor of the House, I desire to announce that I shall call up the rule on Thursday morning after the reading of the Journal for the consideration of the immigration bill and shall not present it at this time.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. The chairman of the Committee on Rules gives notice that he will call up this rule on Thursday after the reading of the Journal. I believe there has been a previous order made concerning remarks to be made by the gentleman from California [Mr. KAHN].

The SPEAKER. That was subject to privileged matter, and that can be arranged between the gentleman from California and the gentleman from Kansas.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 49 minutes p. m.) the House adjourned to meet to-morrow, Wednesday, December 8, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

68. A letter from the Secretary of the Treasury, transmitting statement of the expenditures of the Coast Guard for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Treasury Department.

69. A letter from the Secretary of the Treasury, transmitting report of contingent expenses of the Treasury Department for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Treasury Department.

70. A letter from the Director United States Botanic Garden, transmitting statement of travel by employees of on official business; to the Committee on Appropriations.

71. A letter from the Secretary of the Treasury, transmitting report of exchange of typewriters, adding machines, and other labor-saving devices for the fiscal year ended June 30, 1920; to the Committee on Appropriations.

72. A letter from the Secretary of the Treasury, transmitting report in detail giving the number of the various publications issued by the Treasury Department during the fiscal year ended June 30, 1920; to the Committee on Printing.

73. A letter from the Secretary of the Interior, transmitting statement of expenditures for professional and other services for Freedmen's Hospital; to the Committee on Expenditures in the Interior Department.

74. A letter from the Secretary of the Interior, transmitting financial report of St. Elizabeths Hospital; to the Committee on Expenditures in the Treasury Department.

75. A letter from the Secretary of the Interior, transmitting report of disbursements for the fiscal year ending June 30, 1921, made in the States and Territories, regarding endowment and support of colleges for the benefit of agriculture and mechanic arts; to the Committee on Agriculture.

76. A letter from the Secretary of the Interior, transmitting statements showing for the first four months of the current fiscal year the average number of employees of the Department of the Interior, etc., receiving increased compensation at the rate of $240 per annum; to the Committee on Appropriations.

77. A letter from the Secretary of the Interior, transmitting itemized statement of expenditures made by Department of the Interior and charged to the appropriation "Contingent expenses, Department of the Interior, 1920," fiscal year ended June 30, 1920; to the Committee on Expenditures in the Interior Department.

78. A letter from the Secretary of the Department of the Interior, transmitting statement of traveling expenses of employees, office of surveyors general, General Land Office; to the Committee on Expenditures in the Interior Department.

79. A letter from the Secretary of the Interior, transmitting itemized statement of expenditures made by Department of the Interior and charged to appropriation "Repairs of buildings, Department of the Interior, 1920," for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Interior Department.

80. A letter from the Secretary of the Interior, transmitting a report showing proceeds from the "Sale of surplus and obsolete material and equipment during the fiscal year ending June 30, 1920," and from "Collections from town-site assessments during the fiscal year ended June 30, 1920"; to the Committee on Expenditures in the Interior Department.

81. A letter from the Secretary of the Interior, transmitting a report on the merits of the claim of the Indians of the Warm Springs Reservation in Oregon to additional lands; to the Committee on Indian Affairs.

82. A letter from the Secretary of the Interior, transmitting statement of receipts and expenditures on account of pay patients, Freedmen's Hospital; to the Committee on Expenditures in the Interior Department.

83. A letter from the Attorney General, transmitting statement of expenditures under appropriations for the United States Court of Customs Appeals for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Department of Justice.

84. A letter from the Secretary of Commerce, transmitting a detailed statement of publications issued by the Department of Commerce, fiscal year 1920; to the Committee on Printing.

85. A letter from the Secretary of the Interior, transmitting statement showing in detail what officers (other than special agents), inspectors, or employees who in the discharge of their regular duties are required to constantly travel) of the Department of the Interior have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

86. A letter from the Secretary of the Interior, transmitting a tentative draft of legislation necessary for the efficient operation of the National Park Service of the United States; to the Committee on the Public Lands.

87. A letter from the Postmaster General, transmitting a report of the public property in the Post Office Department on December 1, 1920; to the Committee on Expenditures in the Post Office Department.

88. A letter from the Postmaster General, transmitting statement of publications issued by Post Office Department; to the Committee on Printing.

89. A letter from the Postmaster General, transmitting claims of Edward S. Scheibe, postmaster at Cloquet, Minn., for loss of Government property by fire; to the Committee on Claims.

90. A letter from the chairman of the Interstate Commerce Commission, transmitting statement showing the travel of all officials and employees (other than special agents, inspectors, or employees who, in the discharge of their regular duties, are required to constantly travel) who have traveled on official business from Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

91. A letter from the chairman of the Interstate Commerce Commission, transmitting statement of labor-saving devices exchanged in part payment for new machines during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

92. A letter from the chairman of the Interstate Commerce Commission, transmitting report showing the number of persons employed by the commission who received increased compensation for the months of July, August, September, and October, 1920; to the Committee on Appropriations.

93. A letter from the Secretary of the Treasury, transmitting statement showing for the four months ended October 31, 1920, the average number of employees of the Treasury Department proper, and of the field service of the department, receiving increased compensation at the rate of $240 per annum; to the Committee on Appropriations.

94. A letter from the Secretary of the Treasury, transmitting report upon the efficiency of employees and condition of business of the Department of State, which was received by the Treasury Department too late for inclusion in the Book of Estimates for 1922; to the Committee on Appropriations.

95. A letter from the Secretary of the Treasury, transmitting communication from the Acting Secretary of War, furnishing statements of all moneys arising from proceeds of public property received by the War Department during the fiscal year ended June 30, 1920; to the Committee on Expenditures in the War Department.

96. A letter from the Postmaster General, transmitting statement showing in detail what officers or employees (other than special agents, inspectors, or employees who in the discharge of their regular duties are required to constantly travel) have traveled on official business from points in Washington to points outside of the District of Columbia during the fiscal year ended June 30, 1920; to the Committee on Appropriations.

97. A letter from the Secretary of the Treasury, transmitting estimate of receipts of Indian tribal funds and estimates of amounts required to be expended under the treaty stipulations and agreements for the fiscal year ending June 30, 1922; to the Committee on Indian Affairs.

98. A letter from the Secretary of the Department of the Interior, transmitting statement summarizing the work and the expenditures of the War Minerals Relief Commission to and including December 4, 1920; to the Committee on Expenditures in the Interior Department.

99. A letter from the Postmaster General, transmitting report regarding contract entered into with the Copper River & Northwestern Railway Co. in Alaska for carrying mail in Alaska; to the Committee on Expenditures in the Post Office Department.

100. A letter from the Librarian of the Library of Congress, transmitting statement of publications issued during the fiscal year 1919–20; to the Committee on Appropriations.

101. A letter from the Superintendent of the Library Building and Grounds, transmitting statement showing number of typewriting machines procured through exchange of old machines; to the Committee on Appropriations.

102. A letter from the Superintendent of the Library Building and Grounds, transmitting statement of employees receiving increased compensation at the rate of $240 per annum; to the Committee on Appropriations.

103. A letter from the Librarian of the Library of Congress, transmitting statement of travel expenses incurred during the fiscal year 1920; to the Committee on Appropriations.

104. A letter from the Librarian of the Library of Congress, transmitting statement showing the average number of employees of the Library receiving increased compensation at the rate of $240 per annum; to the Committee on Appropriations.

105. A letter from the Postmaster General, transmitting statement showing the required information regarding typewriting machines exchanged by the Post Office Department during the period from July 1, 1919, to June 30, 1920; to the Committee on Appropriations.

106. A letter from the Clerk of the House of Representatives, transmitting statement of the average number of employees of the House of Representatives, including the clerks to Members and Delegates, receiving the increased compensation at the rate of $240 per annum; to the Committee on Appropriations.

107. A letter from the Clerk of the House of Representatives, transmitting lists of reports to be made to Congress by public officers during the Sixty-sixth Congress (H. Doc. No. 880); to the Committee on Accounts and ordered to be printed.

108. A letter from the Secretary of the Treasury, transmitting detailed statement of operations to June 30, 1920, in the purchase of Liberty bonds and Victory notes issued under authority of the act approved September 24, 1917, as amended (H. Doc. No. 905); to the Committee on Ways and Means and ordered to be printed.

109. A letter from the Secretary of the Treasury, transmitting statements of expenditures under the acts approved April 24, 1917, and September 24, 1917 (first and second Liberty bond acts) (H. Doc. No. 906); to the Committee on Expenditures in the Treasury Department and ordered to be printed.

110. A letter from the Secretary of the Treasury, transmitting estimate of appropriation for defraying the expenses of collecting the revenue from customs for the fiscal year ending June 30, 1922 (H. Doc. No. 907); to the Committee on Appropriations and ordered to be printed.

111. A letter from the United States Tariff Commission, transmitting its fourth annual report covering the fiscal year 1919–20 (H. Doc. No. 908); to the Committee on Ways and Means and ordered to be printed.

112. A letter from the Clerk of the House of Representatives, transmitting report for the period from July 1, 1919, to June 30, 1920, both inclusive, showing the names of all employees of the House of Representatives, including clerks to Members; detailed statement of the items, of the manner in which the contingent fund of the House and certain specific appropriations have been expended, the several amounts drawn from the

Treasury, and the balances remaining; the quantity and cost of all stationery purchased and the amount delivered; the stock on hand, and the amounts of unexpended balances (H. Doc. No. 909); to the Committee on Accounts and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. VOLSTEAD, from the Committee on the Judiciary, to which was referred the joint resolution (H. J. Res. 382) declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired, reported the same with an amendment, accompanied by a report (No. 1111), which said bill and report were referred to the House Calendar.

Mr. KIESS, from the Committee on Printing, to which was referred the joint resolution (H. J. Res. 384) providing for the indexing of the CONGRESSIONAL RECORD by the superintendent of documents of the Government Printing Office, reported the same without amendment, accompanied by a report (No. 1112), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of South Dakota: A bill (H. R. 14659) providing for the transfer from the War Department of certain motor vehicles, apparatuses, equipment, and supplies, including uniform equipment for the use of the police and fire departments of the District of Columbia; to the Committee on Military Affairs.

By Mr. STEELE: A bill (H. R. 14660) for the public sale of post-office site on the west side of South Main Street in the city of Bethlehem, Pa.; to the Committee on Public Buildings and Grounds.

By Mr. MOTT: A bill (H. R. 14661) to amend the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913; to the Committee on Ways and Means.

By Mr. BARBOUR: A bill (H. R. 14662) to amend an act entitled "An act making appropriations to supply deficiencies in appropriations for the fiscal year 1915 and for prior years, and for other purposes," as amended March 21, 1918; to the Committee on the Public Lands.

By Mr. HERNANDEZ: A bill (H. R. 14663) to regulate the manufacture and sale of all woolen cloth and fabrics containing wool, mohair, shoddy, cotton, silk, tin, fibers, and the products thereof to be used for the purpose of wearing apparel; to the Committee on Agriculture.

By Mr. DENT: A bill (H. R. 14664) to authorize the Louisville & Nashville Railroad, its successors and assigns, to construct a bridge across the Alabama River at or near a point approximately 4 miles from the city of Montgomery, Ala.

By Mr. BLACKMON: A bill (H. R. 14665) for the purchase of a post-office site at Piedmont, Ala.; to the Committee on Public Buildings and Grounds.

By Mr. STEENERSON: A bill (H. R. 14666) to amend an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913; to the Committee on Ways and Means.

Also, a bill (H. R. 14667) to regulate grain exchanges; to the Committee on Agriculture.

By Mr. CHRISTOPHERSON: A bill (H. R. 14668) providing for the stabilization of the prices of certain farm products; to the Committee on Agriculture.

By Mr. HERNANDEZ: A bill (H. R. 14669) for the consolidation of forest lands in the Carson National Forest, N. Mex., and for other purposes; to the Committee on the Public Lands.

By Mr. WHITE of Kansas: A bill (H. R. 14670) to amend Schedule G, including paragraphs 186–236, both inclusive, of the tariff act of October 3, 1913, and to repeal said Schedule G, including paragraphs 186 to 236, both inclusive, and paragraphs 434, 435, 465, 466, 545, 557, 581, 589, 619, 622, and 644 of said act; to the Committee on Ways and Means.

By Mr. BOX: A bill (H. R. 14671) to suspend immigration and to provide for the Americanization of aliens; to the Committee on Immigration and Naturalization.

By Mr. BLACKMON: A bill (H. R. 14672) for the purchase of a post-office site at Clanton, Ala.; to the Committee on Public Buildings and Grounds.

By Mr. HAWLEY: A bill (H. R. 14673) to authorize the purchase by the city of Medford, Oreg., of certain lands formerly embraced in the grant to the Oregon & California Railroad Co. and revested in the United States by the act approved June 9, 1916; to the Committee on the Public Lands.

By Mr. ESCH: A bill (H. R. 14674) to amend section 501 of the transportation act, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. LAZARO: A bill (H. R. 14675) to confirm certain lands in the military reservation in Louisiana to the State; to the Committee on the Public Lands.

By Mr. ESCH: A bill (H. R. 14676) to provide for the establishment on the Mississippi River, in the State of Wisconsin, of a fish-rescue and fish-cultural station, to be under the direction of the Bureau of Fisheries of the Department of Commerce; to the Committee on the Merchant Marine and Fisheries.

By Mr. ROGERS: A bill (H. R. 14677) to establish in the Interior Department a bureau of veteran reestablishment, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. WELLING: Joint resolution (H. J. Res. 396) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. McDUFFIE: Resolution (H. Res. 602) for the creation of a committee on conservation of natural resources; to the Committee on Rules.

By Mr. BLANTON: Resolution (H. Res. 603) directing an investigation of the escape of Grover Cleveland Bergdoll; to the Committee on Rules.

By Mr. HARRELD: Resolution (H. Res. 604) granting a month's salary to Ray E. Kollar and Clarence W. Nichols, clerks to the late Dick T. Morgan, Member of Congress from Oklahoma; to the Committee on Accounts.

By Mr. STEENERSON: Resolution (H. Res. 605) directing the Federal Trade Commission to investigate the facts relative to alleged violations of the antitrust laws resulting from the operations of foreign Governments in the grain markets of the United States; to the Committee on the Judiciary.

By Mr. ACKERMAN: Concurrent resolution (H. Con. Res. 64) making it lawful for all firms, corporations, etc., when making their tax returns for 1920 to plead as an abatement all taxes paid during said year; to the Committee on Ways and Means.

By Mr. COADY: Memorial of the Legislature of the State of Maryland rejecting and refusing to ratify an amendment to the Constitution of the United States, proposed by Congress, to the legislatures of the several States; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 14678) for the relief of Jeanne Holmes Schoonmaker; to the Committee on Claims.

Also, a bill (H. R. 14679) for the relief of William Davies; to the Committee on Claims.

By Mr. ASHBROOK: A bill (H. R. 14680) granting an increase of pension to Albert Slusser; to the Committee on Pensions.

By Mr. BLACKMON: A bill (H. R. 14681) for the relief of William Collie Nabors; to the Committee on Claims.

Also, a bill (H. R. 14682) granting an increase of pension to Herbert S. Coheley; to the Committee on Pensions.

Also, a bill (H. R. 14683) to retire Maj. R. M. Angus as a second lieutenant; to the Committee on Military Affairs.

By Mr. BOOHER: A bill (H. R. 14684) granting a pension to Rachel Bledso; to the Committee on Pensions.

Also, a bill (H. R. 14685) granting a pension to Maria M. Reed; to the Committee on Invalid Pensions.

By Mr. BOX: A bill (H. R. 14686) for the relief of Frank William Brown and Clara Bryan Brown; to the Committee on Claims.

By Mr. BYRNS of Tennessee: A bill (H. R. 14687) granting an increase of pension to Thomas Bunion; to the Committee on Pensions.

Also, a bill (H. R. 14688) granting an increase of pension to James W. Bess; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 14689) granting a pension to Mary M. Rutherford; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 14690) for the relief of Lewis N. Prentice; to the Committee on Claims.

Also, a bill (H. R. 14691) granting an increase of pension to Kate R. Harner; to the Committee on Invalid Pensions.

By Mr. EMERSON: A bill (H. R. 14692) granting a pension to Benjamin F. De Muth; to the Committee on Pensions.

Also, a bill (H. R. 14693) granting a pension to Jay W. Ducatt; to the Committee on Pensions.

Also, a bill (H. R. 14694) granting a pension to Maggie Rogers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14695) granting a pension to Harriett A. Pearne; to the Committee on Invalid Pensions.

By Mr. ESCH: A bill (H. R. 14696) granting a pension to Gelia Thomas; to the Committee on Pensions.

Also, a bill (H. R. 14697) granting a pension to Sarah A. Blatchley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14698) for the relief of Albert E. Laxton; to the Committee on Claims.

By Mr. FORDNEY: A bill (H. R. 14699) granting a pension to Mary A. Spatch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14700) granting a pension to Isaac A. Traver; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14701) granting a pension to Hattie Miller; to the Committee on Invalid Pensions.

By Mr. GOOD: A bill (H. R. 14702) granting a pension to John A. Bye; to the Committee on Pensions.

By Mr. GOULD: A bill (H. R. 14703) granting a pension to Elizabeth Stowell; to the Committee on Invalid Pensions.

By Mr. GARD: A bill (H. R. 14704) granting a pension to Amelia Hoelscher; to the Committee on Invalid Pensions.

By Mr. GRIFFIN: A bill (H. R. 14705) granting an increase of pension to John J. Powers; to the Committee on Pensions.

By Mr. HAWLEY: A bill (H. R. 14706) granting an increase of pension to Sophia E. McKinney; to the Committee on Pensions.

By Mr. HUSTED: A bill (H. R. 14707) for the relief of Sophie Caffrey, dependent mother of Henry Sloat; to the Committee on Claims.

By Mr. KINKAID: A bill (H. R. 14708) granting a pension to Theodore F. Sherman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14709) granting a pension to Mary J. Peterson; to the Committee on Invalid Pensions.

By Mr. LEA of California: A bill (H. R. 14710) granting an increase of pension to Flora E. Tyler; to the Committee on Pensions.

Also, a bill (H. R. 14711) granting an increase of pension to Terrissa N. Hunter; to the Committee on Invalid Pensions.

By Mr. McARTHUR: A bill (H. R. 14712) granting a pension to Elizabeth Mishler; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 14713) granting a pension to Lula S. Fitzsimmons; to the Committee on Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 14714) for the relief of Daniel Glover; to the Committee on Claims.

Also, a bill (H. R. 14715) giving authority to the Secretary of War to carry out the provisions of a contract entered into with the Groton Iron Works; to the Committee on Military Affairs.

By Mr. MOTT: A bill (H. R. 14716) granting a pension to Margaret M. Agan; to the Committee on Pensions.

Also, a bill (H. R. 14717) granting a pension to Mary Lathrop; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14718) granting a pension to Ella W. Putnam; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14719) granting a pension to Clarrisa L. Frye; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14720) granting an increase of pension to Julia Godon; to the Committee on Pensions.

By Mr. PATTERSON: A bill (H. R. 14721) granting a pension to Ottello Lendeborn; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 14722) granting a pension to William D. Wheaton; to the Committee on Pensions.

Also, a bill (H. R. 14723) granting a pension to Sarah E. Holmes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14724) granting a pension to Cleo York; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14725) granting a pension to Jennie M. Pitman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14726) granting a pension to Amanda Jordan; to the Committee on Invalid Pensions.

By Mr. REAVIS: A bill (H. R. 14727) granting an increase of pension to Leando N. Muck; to the Committee on Invalid Pensions.

By Mr. ROSE: A bill (H. R. 14728) granting an increase of pension to Ursula Bayard; to the Committee on Invalid Pensions.

By Mr. SINNOTT: A bill (H. R. 14729) granting a pension to Emma M. Gardner; to the Committee on Pensions.

By Mr. STEENERSON: A bill (H. R. 14730) to correct the military record of William Roof; to the Committee on Military Affairs.

By Mr. TEMPLE: A bill (H. R. 14731) granting a pension to Sarah A. Vale; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 14732) granting a pension to Sarah S. Morse; to the Committee on Invalid Pensions.

By Mr. WATSON: A bill (H. R. 14733) granting an increase of pension to Leon Springer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14734) granting an increase of pension to Mary E. Guy; to the Committee on Invalid Pensions.

By Mr. WINGO: A bill (H. R. 14735) granting a pension to Gilly Leming; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14736) for the relief of Robert M. Shaddon; to the Committee on Military Affairs.

By Mr. WOODYARD: A bill (H. R. 14737) for the relief of the Kanawha Packet Co.; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4289. By the SPEAKER (by request): Petition of Admiral George Dewey Naval Camp, United Spanish War Veterans, of Washington, D. C., favoring an appropriation to erect a memorial for the late Admiral Dewey; to the Committee on the Library.

4290. By Mr. DARROW: Petition of the Cliveden Improvement Association, of Germantown, Pa., favoring direct election of President and Vice President of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

4291. By Mr. FULLER of Illinois: Petition of the Ragozza Club of Rockford, Ill., favoring passage of Sheppard-Towner maternity and infant-welfare bill; to the Committee on Interstate and Foreign Commerce.

4292. Also, petition of M. N. Goldsmith, of La Salle, Ill., in favor of an amendment to the income-tax law; to the Committee on Ways and Means.

4293. Also, petition of the Carus Chemical Co., of La Salle, Ill., for a tariff on permanganate of potash; to the Committee on Ways and Means.

4294. Also, petition of the Illinois District of the American Gymnastic Union, protesting against the continued occupancy of the Rhineland country by uncivilized African troops; to the Committee on Foreign Affairs.

4295. Also, petition of the Grundy County (Ill.) Farm Bureau, opposing the passage of the Nolan bill for a tax on land values; to the Committee on Ways and Means.

4296. By Mr. FESS: Resolutions by members of Roseville (Ohio) Local No. 2225, United Mine Workers of America, requesting that further prosecution and imprisonment in the United States of political offenders cease, and urging Members of Congress to support joint resolution for amnesty and repeal of espionage law; to the Committee on the Judiciary.

4297. By Mr. O'CONNELL: Petition of C. W. Bauermeister, of New York City, favoring a duty on crude magnesite and calcined magnesite; to the Committee on Ways and Means.

4298. By Mr. PETERS: Petition of the Women's City Club, of Calais, Me., in favor of Sheppard-Towner maternity and infant-welfare bill; to the Committee on Interstate and Foreign Commerce.

4299. By Mr. RAMSEYER: Petition of Poweshiek County, Iowa, urging effective operation of the Federal farm loan act; to the Committee on Banking and Currency.

4300. By Mr. ROGERS: Petition of the Holy Name Society of St. Patrick's Parish, Lowell, Mass., protesting against the passage of the Smith-Towner education bill; to the Committee on Education.

4301. By Mr. STEENERSON: Petition of a mass meeting in Thief River Falls, Minn., favoring a constitutional amendment to prohibit polygamy in the United States; to the Committee on the Judiciary.

4302. Also, petition of Local No. 1015, International Longshoremen's Association, of Two Harbors, Minn., in support of amnesty for political prisoners; to the Committee on the Judiciary.

4303. By Mr. STRONG of Pennsylvania: Petition of the Indiana County (Pa.) Sheep and Wool Growers' Association, urging enactment of House bill 11641; to the Committee on Interstate and Foreign Commerce.

4304. By Mr. TEMPLE: Petition of Local Branch No. 974, National Association of Letter Carriers, of Canonsburg, Pa., favoring readjustment of postal salaries; to the Committee on the Post Office and Post Roads.

4305. Also, petition of residents of Washington County, Pa., in favor of Sheppard-Towner maternity and infant-welfare bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

WEDNESDAY, *December 8, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we desire most of all to be worthy of the marvelous opportunity that Thou hast brought to us for service, to be worthy of all the ample provision that Thy providence and grace has made for us, so that each closing day may record a life invested in the larger service and that we may have the commendation of God upon it. Grant us to-day the vision of truth, of righteousness and of justice that we may perform our duties as in God's sight and receive the welcome of God in the quiet and peace of the eventide. For Christ's sake. Amen.

PETER G. GERRY, a Senator from the State of Rhode Island, and GILBERT M. HITCHCOCK, a Senator from the State of Nebraska, appeared in their seats to-day.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with, and the Journal was approved.

EXPENDITURES OF AMERICAN PEACE MISSION (S. DOC. NO. 330).

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was ordered to be printed and with the accompanying papers referred to the Committee on Appropriations:

To the Senate and House of Representatives:

On the 28th of August, 1919, I submited to the Congress a partial statement of the expenses of the American mission to negotiate peace, which was printed in Senate Document No. 80, Sixty-sixth Congress, first session. It now gives me pleasure to lay before the Congress, for its information, a statement of all of the expenditures of the American commission to negotiate peace for the entire period of its existence from December 1, 1918, to December 31, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
8 December, 1920.

WOMAN SUFFRAGE.

The VICE PRESIDENT laid before the Senate a certified copy of the concurrent resolution adopted by the General Assembly of the State of Connecticut, ratifying the amendment to the Constitution granting suffrage to women (S. Doc. No. 319), which was ordered printed in the RECORD and filed, as follows:

STATE OF CONNECTICUT,
SECRETARY'S OFFICE,
Hartford, Conn., October 15, 1920.

DEAR SIR: I inclose herewith a certified copy of the "concurrent resolution ratifying the proposed amendment to the Constitution of the United States on woman suffrage" adopted at the special session of the General Assembly of the State of Connecticut, September 21, 1920.

Yours, very truly,

FREDERICK L. PERRY,
Secretary.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES.

STATE OF CONNECTICUT,
GENERAL ASSEMBLY, SPECIAL SESSION,
September 21, 1920.

Concurrent resolution ratifying the proposed amendment to the Constitution of the United States on woman suffrage.

Whereas the Sixty-sixth Congress of the United States of America, in both Houses by a constitutional majority of two-thirds thereof has made the following proposition to amend the Constitution of the United States, in the following words, to wit:

Joint resolution proposing an amendment to the Constitution extending the right of suffrage to women.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as part of the Constitution when ratified by the legislatures of three-fourths of the several States:

"Article XIX.

"The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

"Congress shall have power to enforce this article by appropriate legislation."

Therefore be it

Resolved by the General Assembly of the State of Connecticut, That the said proposed amendment to the Constitution of the United States of America be and the same is hereby ratified by the General Assembly of the State of Connecticut.

Resolved, That certified copies of the foregoing preamble and resolution be forwarded by the secretary of the State of Connecticut to the President of the United States, the Secretary of State of the United States, the President of the Senate of the United States, and the Speaker of the House of Representatives of the United States.

Certified as correct by—

FREDERICK L. PERRY, *Secretary.*

State of Connecticut: Senate, adopted by roll-call vote September 21, 1920; house of representatives, passed by roll-call vote September 21, 1920.

CLIFFORD B. WILSON,
President of the Senate.
JAS. F. WALSH,
Speaker of the House.

STATE OF CONNECTICUT,
Office of the Secretary, ss:

I, Frederick L. Perry, secretary of the State of Connecticut, and keeper of the seal thereof and of the original record of the acts and resolutions of the general assembly of said State, do hereby certify that I have compared the annexed copy of the concurrent resolution ratifying the proposed amendment to the Constitution of the United States on woman suffrage with the original record of the same now remaining in this office and have found the said copy to be a correct and complete transcript thereof.

And I further certify that the said original record is a public record of the said State of Connecticut now remaining in this office.

In testimony whereof I have hereunto set my hand and affixed the seal of said State at Hartford this 15th day of October, 1920.

[SEAL.] FREDERICK L. PERRY, *Secretary.*

He also laid before the Senate a certified copy of a joint resolution adopted by the Legislature of Tennessee, ratifying the amendment to the Constitution granting suffrage to women, which was ordered printed in the RECORD and filed, as follows:

AUGUST 24, 1920.

DEAR SIR: Find inclosed certificate of ratification of the nineteenth amendment to the Constitution of the United States, accompanied by resolution and transcript of the journals of the two houses of the General Assembly of the State of Tennessee.

Very respectfully,

A. H. ROBERTS, *Governor.*

Hon. THOMAS R. MARSHALL,
President of the Senate, Washington, D. C.

EXECUTIVE CHAMBER, CAPITOL, NASHVILLE,
State of Tennessee.

I, A. H. Roberts, by virtue of the authority vested in me as governor of the State of Tennessee, and also the authority conferred upon me therein, do certify to the President of the United States; to the Secretary of State of the United States at Washington, District of Columbia; to the President of the Senate of the United States; and to the Speaker of the House of Representatives of the United States that the attached paper is a true and perfect copy of senate joint resolution No. 1, ratifying an amendment to the Constitution of the United States, declaring that the rights of the citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex, and that the Congress shall have power to enforce said article by appropriate legislation, as set out in said resolution; and that same was passed and adopted by the first extra session of the Sixty-first General Assembly of the State of Tennessee, constitutionally called to meet and convened at the capitol, in the city of Nashville, on August 9, 1920, thereby ratifying said proposed nineteenth amendment to the said Constitution of the United States of America, in manner and form appearing on the journals of the two houses of the General Assembly of the State of Tennessee, true, full, and correct transcript of all entries pertaining to which said resolution No. 1 are attached hereto and made part hereof.

In witness whereof I have hereunto signed my name as governor of the State of Tennessee, and have affixed hereto the great seal of the State of Tennessee, at the capitol, in the city of Nashville, Tenn., on this the 24th day of August, 1920, at 10.17 a. m.

[SEAL.] A. H. ROBERTS,
Governor of the State of Tennessee.

Senate joint resolution No. 1.

A joint resolution ratifying a proposed amendment to the Constitution of the United States, providing that the right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex, and providing further that Congress shall have power to enforce this article by appropriate legislation.

Whereas both Houses of the Sixty-sixth Congress of the United States of America, at its first session, by a constitutional majority of two-thirds thereof, passed a resolution submitting to the several States a proposition to amend the Constitution of the United States, a certified copy of which has been received by the governor of the State of Tennessee from the Secretary of State of the United States, as required by law, and by him transmitted to this general assembly, the same being in the following words, to wit:

Sixty-sixth Congress of the United States of America at the first session. Begun and held at the city of Washington on Monday, 19th day of May, 1919.

Joint resolution proposing an amendment to the Constitution extending the right of suffrage to women.

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following article is proposed as an amendment to the Constitution, which shall be valid to all intents and purposes as a part of the Constitution when ratified by the legislatures of three-fourths of the several States.

"Article —.

"The right of citizens of the United States to vote shall not be denied or abridged by the United States or by any State on account of sex.

"Congress shall have power to enforce this article by appropriate legislation."

F. H. GILLETT,
Speaker of the House of Representatives.

THOMAS R. MARSHALL,
Vice President of the United States and President of Senate.

Be it resolved by the Senate of the State of Tennessee, the house of representatives concurring, That said proposed amendment to the Constitution of the United States of America be, and the same is hereby, ratified by the General Assembly of the State of Tennessee.

Be it further resolved, That certified copies of the foregoing preamble and joint resolution be forwarded by the governor of the State of Tennessee to the President of the United States, to the Secretary of

State of the United States at Washington, D. C., to the President of the Senate of the United States, and to the Speaker of the House of Representatives of the United States.

I certify that the foregoing is a true copy of senate joint resolution No. 1, the original of which is now in my possession as clerk of the senate of the first extra session of the Sixty-first General Assembly of Tennessee.

W. M. CARTER, *Clerk of the Senate.*

Transcript of the senate journal of the first extra session of the sixty-first general assembly.

Senate joint resolution No. 1 relative to ratifying the nineteenth amendment to the Constitution of the United States.

Tuesday, August 10, 1920—Second day.

The senate met at 10 o'clock a. m., pursuant to adjournment, and was called to order by Mr. Speaker Todd.

The proceedings were opened with prayer by Senator Cannon.

On a call of the roll all of the senators responded to their names except Messrs. Candler, Coleman, and Rice of Shelby.

On motion the reading of the journal was dispensed with, Mr. M. H. Copenhaver presented his certificate and was administered the official oath by Mr. Speaker Todd.

Introduction of resolutions.

By Mr. Speaker Todd, senate joint resolution No. 1, relative to ratifying the nineteenth amendment to the Constitution of the United States.

Under the rule the resolution lies over.

Wednesday, August 11, 1920—Third day.

The senate met at 11 o'clock a. m., pursuant to adjournment, and was called to order by Mr. Speaker Todd.

The proceedings were opened with prayer by the chaplain, Rev. Lin Cave.

On motion, the calling of the roll was dispensed with.

On motion, the reading of the journal was dispensed with.

Mr. J. W. Murray, senator elect, presented his certificate, and was sworn in as senator by Mr. Speaker Todd.

Resolutions lying over.

Senate joint resolution No. 1, relative to ratifying nineteenth amendment.

Mr. Candler moved that the resolution be referred to the committee on judiciary.

Mr. Fuller raised the point of order that the question as to which committee the resolution should be referred to should be left entirely to the judgment of the speaker. The chair held that the point of order was not well taken and that the motion to refer was in order.

Mr. Fuller moved that the motion to refer the resolution to the judiciary committee be laid on the table, and on the call of the roll the motion prevailed by the following vote: Ayes, 14; noes, 12.

Senators voting "aye" were: Messrs. Bradley, Burkhalter, Collins, Copenhaver, Dorris, Fuller, Gwin, Harber, Haston, Houk, McMahon, Matthews, Stockard, and Wikle—14.

Senators voting "no" were: Messrs. Cameron, Candler, Coleman, Long, McFarland, Miller, Monroe, Murray, Parks, Rice of Stewart, Summers, and Whitby—12.

The resolution was referred to the committee on constitutional amendments.

Friday, August 13, 1920—Fifth day.

The senate met at 10.30 o'clock a. m., pursuant to adjournment, and was called to order by Mr. Speaker Todd. The proceedings were opened with prayer by the chaplain, Rev. R. Lin Cave.

On call of the roll, all of the senators responded to their names except Messrs. Caldwell, Clarke, Gwin, McFarland, and Monroe.

On motion, the reading of the journal was dispensed with.

Report of standing committees—Constitutional amendments.

Mr. Gwin presented the majority report, signed by Messrs. Gwin, Copenhaver, Houk, Collins, Murray, Coleman, Wikle, and Haston, on senate joint resolution No. 1, as follows:

To the speaker and members of the senate:

The committee on constitutional amendments has carefully considered senate joint resolution No. 1, and is of the opinion that the present legislature has both a legal and moral right to ratify the proposed resolution.

Full power and jurisdiction of the question is conferred upon State legislatures by the fifth article of the Federal Constitution. This power is not conferred upon some and withheld from others, but is granted to all, and any legislature may lawfully exercise the power thus expressly conferred. Therefore the provision of the constitution of Tennessee which undertakes to deny to the present legislature the right to exercise such power is clearly null and void, because in direct conflict with the United States Constitution. The attempt to deny this legislature this power is not only without legal force and effect but is clearly not binding as a moral obligation. To contend that an illegal provision of a State constitution imposes a duty or creates a moral obligation is to state a proposition that is manifestly and fundamentally wrong. The United States Constitution is the supreme law of the land, and it is, therefore, no violation of his official oath for any legislator to disregard a State constitutional inhibition that is in direct and irreconcilable conflict with the plain provision of the Federal Constitution. On the contrary, to be governed by a nugatory clause of the State constitution on a purely Federal question—and that is what the nineteenth amendment is—would be dangerously near the violation of the oath to support the Constitution of the United States. Legal opinions and common-sense arguments could be multiplied in support of this position, but these are deemed unnecessary.

In view of the fact that all the members of the senate are either Democrats or Republicans, and that both nominees and platforms of their respective parties, State and National, have unequivocally declared for the ratification of this amendment, and that its final adoption is as certain as the recurrence of the seasons, and that further fact that this senate has heretofore taken a stand in favor of woman suffrage by the enfranchisement, as far as legally possible, of the womanhood of Tennessee, we have not considered it necessary to state the many good reaons that might be urged in favor of the adoption of the amendment.

National woman suffrage by Federal amendment is at hand; it may be delayed but it can not be defeated, and we covet for Tennessee the signal honor of being the thirty-sixth and last State necessary to consummate this great reform.

Fully persuaded of its justice and confident of its passage, we earnestly recommend the adoption of the resolution.

Respectfully submitted.

L. E. GWIN, *Chairman.*
M. H. COPENHAVER.
JOHN C. HOUK.
J. W. MURRAY.
T. L. COLEMAN.
DOUGLAS WIKLE.
E. N. HASTON.

Mr. Cameron presented the minority report by Messrs. Cameron and Rice, of Stewart, as follows:

To the speaker and members of the senate:

The undersigned members of the committee make to your honorable body the following minority report and recommendations:

That the body refuse to act upon senate joint resolution, we being of opinion that the present legislature has no right nor authority to act thereon at all, and that the same should be deferred to the succeeding legislature.

We, therefore, dissent from the recommendation of the majority and recommend in lieu that no action upon the subject be taken at this special session.

Respectfully submitted.

J. W. RICE.
W. M. CAMERON.

Mr. Cameron made a motion to adopt the minority report.

Mr. Haston made a motion to table the motion to adopt the minority report.

On a call of the roll the result on the motion to table was as follows: Ayes, 23; noes, 10.

Senators voting "aye" were: Messrs. Bradley, Burkhalter, Caldwell, Carter, Coleman, Collins, Copenhaver, Dorris, Fuller, Gwin, Harber, Haston, Hill, Houk, McMahon, Matthews, Monroe, Murray, Patton, Rice of Shelby, Stockard, Wikle, and Mr. Speaker Todd—23.

Senators voting "no" were: Messrs. Cameron, Candler, Clarke, Long, McFarland, Miller, Parks, Rice of Stewart, Summers, and Whitby—10.

Mr. Haston made a motion to adopt the majority report. The motion prevailed.

Resolutions lying over.

Senate joint resolution No. 1, relative to ratifying proposed nineteenth amendment to the United States Constitution. Mr. Haston made a motion to adopt the resolution. Mr. McFarland made the point of order in writing, as follows:

Mr. SPEAKER: I make the point of order that the senate has no right or authority to act upon the proposed amendment to the Federal Constitution, under the constitution of the State of Tennessee, article No. 2, section 32.

McFARLAND.

The speaker's ruling on the above point of order is as follows:

"On the point of order made by the senator from Wilson, the speaker rules that it is not in the province of the speaker to determine or pass upon the authority or power of the senate to act under the constitution to consider this proposed amendment, but that this is a question for the body to determine."

Point of order overruled.

Mr. McFarland appealed from the ruling of the chair.

Mr. Speaker Todd called Mr. Hill to the chair, who put the question to the senate, as follows, Shall the ruling of the Chair be sustained?

Mr. Gwin made the following point of order: That discussion must be confined to the appeal from the ruling of the Chair, and that it was not in order to discuss the constitutionality of the resolution.

The Chair ruled that the point of order was well taken. On the call of the roll the Chair was sustained by the following vote: Ayes, 27; noes, 5.

Senators voting "aye" were: Messrs. Bradley, Burkhalter, Caldwell, Cameron, Carter, Clarke, Coleman, Collins, Copenhaver, Dorris, Fuller, Gwin, Harber, Haston, Hill, Houk, Long, McMahon, Matthews, Miller, Monroe, Murray, Parks, Patton, Rice of Shelby, Stokard, and Wikle—27.

Senators voting "no" were: Messrs. Candler, McFarland, Rice of Stewart, Summers, and Whitby—5.

Mr. Haston renewed his motion on the adoption of the resolution.

The motion prevailed.

On call of the roll, the resolution was adopted by the following vote: Ayes, 25; noes, 4; present, not voting, 2.

Senators voting "aye" were: Messrs. Bradley, Burkhalter, Caldwell, Carter, Coleman, Collins, Copenhaver, Dorris, Fuller, Gwin, Harber, Haston, Hill, Houk, Long, McMahon, Matthews, Monroe, Murray, Patton, Rice of Shelby, Stockard, Whitby, Wikle, and Mr. Speaker Todd—25.

Senators voting "no" were: Messrs. Candler, Parks, Rice of Stewart, and Summers—4.

Senators present and not voting were—Messrs. McFarland and Miller—2.

A motion to reconsider was laid on the table.

Explanations.

Mr. SPEAKER: I refuse to vote on the proposed Federal amendment from the fact that I am not inclined to perjure myself by violating what I consider my solemn oath.

(Signed) LON P. MCFARLAND.

Explanation of Dorris follows:

Explanation of Mr. Dorris of his vote on senate joint resolution No. 1 on the ratification of the woman suffrage amendment to the Federal Constitution.

Several months ago when it became apparent that the legislature would be called together in extra session to act upon some vital matters, it also became apparent that the nineteenth amendment to the Federal Constitution, giving women the right of suffrage, would be included.

Being in favor of woman suffrage, I set about the task of working out for myself the question as to whether I would be violating my oath to the State if I voted for the amendment at this time. In trying to arrive at a conclusion, I merely worked out the solution in my own mind, basing my opinion on this construction:

"The Constitution of the United States when adopted and ratified by the States was complete within itself, and no other instrument of any kind not adopted by the same power or ratified by the States could in any way modify or control it."

The United States Supreme Court in deciding the recent case of Hawkes *v.* Smith, among other things, said:

"It is true that the power to legislate in the enactment of the laws of the State is derived from the people of the State. But the power to

ratify a proposed amendment to the Federal Constitution has its source in the Federal Constitution. The act of ratification by the State derives its authority from the Federal Constitution to which the State and its people have alike assented."

It is held by many that the present legislature could not legally ratify the amendment without violating their oath to the constitution of Tennessee. The constitution of Tennessee, section 32, Article II, specifically states:

"No convention or general assembly of this State shall act upon any amendment of the Constitution of the United States proposed by Congress to the several States unless such convention or general assembly shall have been elected after such amendment is submitted."

When we follow the constitution of Tennessee there is only one construction that can be placed upon this point, and that is that it was clearly in the minds of the framers of the constitution of 1870 that all amendments to the Federal Constitution hereafter submitted should be ratified by the vote of the people, either by election to the general assembly or by a convention which is equivalent to a referendum by the people. This, the Supreme Court of the United States clearly set out in the Hawkes v. Smith decision, could not be done. On this point the court said:

"The constitution of Ohio, in its present form, although making provision for a referendum, vests the legislative power primarily in a general assembly consisting of a senate and house of representatives. Article II, section 1, provides:

"'The legislative power of the State shall be vested in a general assembly consisting of a senate and house of representatives, but the people shall reserve to themselves the power to propose to the general assembly laws and amendments to the Constitution, and to adopt or reject the same at the polls on a referendum vote as hereinafter provided.'

"The argument to support the power of the State to require the approval by the people of the State of the ratification of amendments to the Federal Constitution through the medium of a referendum rests upon the proposition that the Federal Constitution requires ratification by the legislative action of the States through the medium provided at the time of the proposed approval of the amendment. This argument is fallacious in this: Ratification by a State of a constitutional amendment is not an act of legislation within the proper sense of the word. It is but the expression of the assent of the State to a proposed amendment."

Therefore, when section 32, Article II, was written into the constitution of Tennessee, the framers wrote a clause that was null, void, and nonexistent.

And with this view of the question I have been able to reach the conclusion that I would not be violating my oath to the State when I cast my vote to ratify the amendment, and I therefore vote "aye."

FINLEY M. DORRIS.

Monday, August 16, 1920—Eighth day.

The senate met at 2 o'clock p. m., pursuant to adjournment, and was called to order by Mr. Speaker Todd.

The proceedings were opened with prayer by the chaplain, Rev. R. Lin Cave.

On a call of the roll, all of the senators responded to their names, except Messrs. Bradley, Fuller, and Long.

Mr. McFarland reported that Mr. Bradley was absent on account of illness.

On motion, the reading of the journal was dispensed with.

Enrolled bills—Committee on enrolled bills.

Mr. Speaker, your committee on enrolled bills beg leave to report that we have carefully examined senate joint resolution No. 1 and find same correctly engrossed and ready for transmission to the house.

SUMMERS, *Chairman.*

Transcript of the house journal of the first extra session of the sixty-first general assembly.

Monday, August 16, 1920.—Eighth day.

The house met at 2 p. m. and was called to order by Mr. Speaker Walker.

Proceedings were opened with prayer by the chaplain, Rev. R. V. Cawthon.

On a call of the roll 96 members were found to be present.

The absent member was Mr. Harris of Wilson.

On motion, the reading of the journal was dispensed with.

Message from the senate.

Mr. SPEAKER. I am directed to transmit to the house, senate joint resolution for signature of the speaker of the house, also senate joint resolution No. 1, relative to the nineteenth amendment to the Constitution.

Tuesday, August 17, 1920.—Ninth day.

The house met at 10.30 a. m. and was called to order by Mr. Speaker Walker.

Proceedings were opened with prayer by the chaplain, Rev. R. V. Cawthon.

On a call of the roll 96 members were found to be present.

The absent members were Messrs. Brooks and Rowan, who were excused, and Mr. Harris of Wilson.

On motion, the reading of the journal was dispensed with.

Resolutions lying over.

Senate joint resolution No. 1, relative to ratifying the nineteenth amendment.

Pending consideration, Mr. Overton presiding, Mr. Walker moved to adjourn until 10 a. m. to-morrow.

The motion prevailed by the following vote: Ayes, 52; noes, 44.

Representatives voting "aye" were: Messrs. Bond, Boyd, Boyer, Bratton, Burn, Carter, Carr, Cassady, Cheed, Cole, Crawford of Fayette, Dunlap, Francisco, Frogge, Gilbreath, Hall, Harvill, Hays, Hickman, Jackson, Keisling, Leath, Long, Martin of Hamilton, McCalman, McMurray, Millican, Montgomery, Moore, Norville, Oldham, Overton, Phelan, Rucker, Russell, Sharpe, Sipes, Skidmore, Smith, Story, Swift, Travis of Franklin, Turner, Vinson, Weldon, L. M. Whittaker, M. E. Whittaker, Whitfield, Wilson, Wonfenbarger, Womack, and Mr. Speaker Walker—52.

Representatives voting "no" were: Messrs. Anderson, Bell, Brooks, Canale, Crawford of Bedford, Davis, Dodson, Dowlen, Ellis, Fisher, Fitzhugh, Forsythe, Griffin, Hanover, Harris of Knox, Howard, Jeter, Johnson, Kahn, Keaton, Larson Light, Longhurst, Luther, Lynn, Martin of Washington, Miller, Morgan, Moose, Odle, Phillips of Hawkins, and Phillips of Madison, Rector, Riddick, Sheaf, Simpson of Bratley, Simpson of Humphreys, Stovall, Swink, Tarrant, Thronesbury, Travis of Henry, Tucker, and Wade—44.

Wednesday, August 18, 1920.—Tenth day.

The house met at 10 a. m. and was called to order by Mr. Speaker Walker.

The proceedings were opened with prayer by the chaplain, Rev. R. V. Cawthon.

On a call of the roll 96 members were found to be present.

The absent members were: Messrs. Brooks and Rowan, who were excused, and Harris of Wilson.

On motion the reading of the journal was dispensed with.

Unfinished business.

Senate joint resolution No. 1, relative to ratification of the nineteenth amendment.

Mr. Walker, Mr. Overton presiding, moved that the resolution be tabled.

The motion failed for the want of majority by the following vote: Ayes, 48; noes, 48.

Representatives voting "Aye" were: Messrs. Bond, Boyer, Boyd, Bratton, Burn, Carter, Cassady, Chook, Cole, Crawford of Fayette, Dunlap, Forsythe, Francisco, Frogge, Gilbreath, Hall, Harvill, Hayes, Jackson, Keisling, Long, Martin of Hamilton, McMurray, Millican, Montgomery, Moore, Norville, Oldham, Overton, Rucker, Russell, Sharpe, Sipos, Skidmore, Smith, Story, Swift, Thronesbury, Travis of Franklin, Vinson, Weldon, L. M. Whittaker, M. E. Whittaker, Whitfield, Wilson, Wolfenbarger, Womack, and Mr. Speaker Walker—48.

Representatives voting "No" were: Messrs. Anderson, Bell, Canale, Carr, Crawford of Bedford, Davis, Dodson, Dowlen, Ellis, Fisher, Fitzhugh, Foster, Griffin, Hanover, Harris of Knox, Hickman, Howard, Jeter, Johnson, Kahn, Keaton, Larson, Leath, Light, Longhurst, Luther, Lynn, Martin of Washington, McCalman, Miller, Morgan, Moose, Odle, Phelan, Phillips of Hawkins, and Phillips of Madison, Rector, Riddick, Shoaf, Simpson of Bradley, Simpson of Humphreys, Stovall, Swink, Tarrant, Travis of Henry, Tucker, Turner, and Wade—48.

Thereupon the resolution was concurred in and adopted by the following vote: Ayes, 50; noes, 46.

Representatives voting "Aye" were: Messrs. Anderson, Bell, Burn, Canale, Carr, Crawford of Bedford, Davis, Dodson, Dowlin, Ellis, Fisher, Fitzhugh, Foster, Griffin, Hanover, Harris of Knox, Hickman, Howard, Jeter, Johnson, Kahn, Keaton, Larson, Leath, Light, Longhurst, Luther, Lynn, Martin of Washington, McCalman, Miller, Morgan, Moose, Odle, Phelan, Phillips of Hawkins, Phillips of Madison, Rector, Riddick, Shoef, Simpson of Bradley, Simpson of Humphreys, Stovall, Swink, Tarrant, Travis of Henry, Tucker, Turner, Wade, and Mr. Speaker Walker—50.

Representatives voting "no" were: Messrs. Bond, Boyd, Boyer, Bratton, Carter, Cassady, Chock, Cole, Crawford of Fayette, Dunlay, Forsythe, Francisco, Frogge, Gilbreath, Hall, Harvell, Hayes, Jackson, Keisling, Long, Martin of Hamilton, McMurray, Millican, Montgomery, Moore, Norvill, Oldham, Overton, Rucker, Russell, Sharpe, Sipes, Skidmore, Smith, Story, Swift, Thronesberry, Travis of Franklin, Vincent, Weldon, L. M. Whittaker, N. E. Whittaker, Whitfield, Wilson, Wolfenberger, and Womack—46.

Explanations.

Messrs. Cassady and Hall offered explanations, which were spread at large upon the journal.

Mr. Walker (Mr. Overton presiding) changed his vote from "no" to "aye," and entered a motion on the journal to reconsider.

Saturday, August 21, 1920—Thirteenth day.

The house met at 10 a. m. Was called to order by Mr. Speaker Walker. The proceedings were opened with prayer by the chaplain, Rev. R. B. Cawthon.

Mr. Riddick moved that the call of the roll be dispensed with. The motion prevailed.

Mr. Montgomery made the point of order that no quorum was present, and demanded roll call.

On a call of the roll the following members were found to be present: Messrs. Anderson, Bell, Bond, Boyer, Brooks, Burns, Canale, Carr, Cassady, Crawford of Bedford, Davis, Dodson, Dowlin, Ellis, Fisher, Fitzhugh, Forsythe, Foster, Frogge, Griffin, Hanover, Harris of Knox, Hickman, Howard, Jeter, Johnson, Kahn, Keaton, Larson, Leath, Light, Longhurst, Luther, Lynn, Martin of Washington, Martin of Hamilton, McCallman, Miller, Montgomery, Morgan, Moose, Odle, Phelan, Phillips of Hawkins, Phillips of Madison, Rector, Riddick, Shoaf, Simpson of Bradley, Simpson of Humphreys, Stovall, Swink, Tarrant, Thronesberry, Travis of Henry, Tucker, Turner, Wade, and Mr. Speaker Walker—59.

Mr. Odle moved that the speaker prepare a list of the absentees and give same to the sergeant at arms, with the request that he go out and arrest any and all absent members and bring them into the house.

Before the motion was put Mr. Speaker Walker announced that under the rules of the house such action on his part was necessary and instructed the sergeant at arms to secure a list of the absent members, and, if possible, bring the members to the house.

On motion of Mr. Riddick, at 10.30 a. m., the house recessed for one hour.

At the expiration of the recess the house was called to order by Mr. Speaker Walker.

Mr. Riddick offered the following written motion:

"Mr. Speaker, I call from the journal the motion to reconsider senate joint resolution No. 1."

Mr. Speaker Walker ruled the motion out of order for the following reasons:

1. Because the roll call shows no quorum present. Section 2 of article 2 of the constitution of the State provides in part: "Not less than two-thirds of all the members to which each house shall be entitled shall constitute a quorum to do business, but a small number may adjourn from day to day, and may be authorized by law to compel the attendance of absent members."

2. Because the attorney general of the State has held that it was only necessary for a majority of the members present constituting a quorum to ratify the nineteenth amendment. If it requires a quorum to pass on the question of ratification, certain it is that a quorum must be present to reconsider.

3. State of Tennessee. To A. H. Roberts, governor of the State of Tennessee:

Ike B. Stevens, secretary of the State of Tennessee; A. L. Todd, speaker of the Senate of the General Assembly of the State of Tennessee; Seth Walker, speaker of the House of Representatives of the State of Tennessee; and their counselors, attorneys, solicitors, and agents, and each and every one of them, greetings:

Whereas in a certain suit instituted in part 2 of our court of chancery at Nashville by C. Runcie Clements, Rufus E. Fort, Edward Buford, Dudley Gale, James A. Yowell, A. S. Warrel, and George Washington, complainants, against A. H. Roberts, Ike B. Stevens, A. L. Todd, and Seth Walker, defendants, the complainants having obtained from Hon. F. G. Langford, judge, a fiat for a writ of injunction to issue to enjoin defendants A. H. Roberts, governor of the State of Tennessee; Ike B. Stevens, secretary of state; A. L. Todd, speaker of the Senate of the General Assembly of the State of Tennessee; Seth Walker, speaker of the House of Representatives of the General Assembly of the State of Tennessee, and each of them, from making, signing, or issuing any proclamation, declaration, resolution, or certificate declaring that the State of Tennessee has constitutionally and legally adopted the proposed nineteenth amendment to the Constitution of the United States, and from taking any official action with reference to the illegal action of the special session of the General Assembly of the State of Tennessee purporting to ratify and adopt said nineteenth amendment to the Constitution of the United States; and the complainants having executed the bond required by the said fiat:

We, therefore, in consideration of the premises aforesaid, do strictly enjoin and command you, the said A. H. Roberts, Ike B. Stevens, A. L. Todd, and Seth Walker, in their official capacities, set forth above, and all and every person before mentioned under the penalty prescribed by law of your and every of your goods, lands, tenements, to be levied to our use that you and every one of you do absolutely desist from doing any of the things above forbidden, restrain and enjoin, until hearing of this cause in our said courts of chancery.

Witness, Joseph R. West, clerk and master of our said court, at office the first Monday in April in the year of our Lord 1920, and in the 144th year of our independence.

(Signed) JOSEPH R. WEST, *Clerk and Master.*
By C. H. SWAN, *Deputy Clerk and Master.*

Mr. Riddick appealed from the decision of the Chair.

The Chair (Mr. Odle presiding) stated that the question was whether or not the Chair should be sustained in its ruling.

On a call of the roll, the house refused to sustain the decision of the Chair by the following vote: Ayes, 8; noes, 49; present and not voting, 1.

Representatives voting "aye" were: Messrs. Bond, Boyer, Cassady, Forsythe, Frogge, Martin of Hamilton, Montgomery, and Thronesberry—8.

Representatives voting "no" were: Messrs. Anderson, Bell, Brooks, Burns, Canale, Carr, Crawford of Bedford, Davis, Dodson, Dowlin, Ellis, Fisher, Fitzhugh, Foster, Griffin, Hanover, Harris of Knox, Hickman, Howard, Jeter, Johnson, Kahn, Keaton, Larson, Leath, Light, Longhurst, Luther, Lynn, Martin of Washington, McCallman, Miller, Morgan, Moose, Odle, Phelan, Phillips of Hawkins, Phillips of Madison, Rector, Riddick, Shoaf, Simpson of Bradley, Simpson of Humphreys, Stovall, Swink, Tarrant, Travis of Henry, Tucker, and Wade—49.

The representative present and not voting was Mr. Speaker Walker.

Mr. Riddick offered the following written motion:

"Mr. Speaker, I move you that the house now reconsider its action in concurring in the adoption of senate joint resolution No. 1."

Mr. Walker (Mr. Odle presiding) made the point of order that no quorum was present and demanded a roll call.

The Chair (Mr. Odle presiding) stated that he would first have a roll call on Mr. Riddick's motion and after that was disposed of would order a roll call on the demand of Mr. Walker that a quorum was not present.

Mr. Walker again demanded a roll call on the point of order that no quorum was present.

The Chair (Mr. Odle presiding) stated that there was a motion before the house and that a roll call on Mr. Walker's demand that no quorum was present would be ordered immediately after the motion of Mr. Riddick was disposed of.

Thereupon the motion of Mr. Riddick that the house reconsider its action in concurring in and adopting senate joint resolution No. 1 failed by the following vote: Ayes, 0; noes, 50; present and not voting, 9.

Representatives voting were: Messrs. Anderson, Bell, Brooks, Burns, Canale, Crawford of Bedford, Davis, Dodson, Dowlon, Ellis, Fisher, Fitzhugh, Foster, Griffin, Hanover, Harris of Knox, Hickman, Howard, Jeter, Johnson, Kahn, Keaton, Larson, Leath, Light, Longhurst, Luther, Lynn of Washington, McCallman, Miller, Morgan, Moore, Odle, Pheland, Phillips of Hawkins, Phillips of Madison, Rector, Riddick, Shoaf, Simpson of Bradley, Simpson of Humphrey, Stovall, Swink, Tarrant, Travis of Henry, Tucker, Turner, and Wade—50.

Representatives present and not voting were: Messrs. Bond, Boyer, Cassady, Forsythe, Frogge, Martin of Hamilton, Montgomery, Thronesberry, and Mr. Speaker Walker—9.

Mr. Walker (Mr. Odle presiding) made the point of order that Mr. Odle was only acting as speaker by his request and was therefore enjoined from putting any motion before the House.

Mr. Riddick offered the following written motion:

Mr. Speaker, I move you that the clerk of this house be, and he is hereby, instructed to transmit to the senate through the ordinary procedure senate joint resolution No. 1.

On a viva voce vote the Chair (Mr. Odle presiding) declared the motion carried.

On motion of Mr. Riddick the house adjourned until 3 p. m. Monday.

Mr. Speaker, I am directed to return to the senate senate joint resolution No. 1 relative to ratifying the nineteenth Federal amendment.

By the following written motion:

"Mr. Speaker, I move you that the clerk of the house be, and he is hereby, instructed to transmit to the senate through the ordinary procedure senate joint resolution No. 1."

OPERATIONS UNDER BOND ACTS (H. DOC. NO. 905).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, detailed statements of operations under the Liberty bond and Victory notes acts, which was referred to the Committee on Finance and ordered to be printed.

ADDITIONAL FORCE IN WAR DEPARTMENT (S. DOC. NO. 313).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a statement showing by bureaus and offices the number and designation of the persons employed under the appropriation for the temporary employment of the additional force in the War Department and the annual rate of compensation paid to each, which was referred to the Committee on Appropriations and ordered to be printed.

COURT OF CUSTOMS APPEALS (S. DOC. NO. 324).

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a statement of the expenditures under appropriations for the United States Court of Customs Appeals for the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations and ordered to be printed.

EMPLOYEES OF DEPARTMENT OF JUSTICE (S. DOC. NO. 334).

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a report showing for the first four months of the fiscal year 1921 the average number of employees of the department, including the courts of the United States, receiving the increased compensation at the rate of $240 per annum, which was referred to the Committee on Appropriations and ordered to be printed.

PUBLICATIONS OF THE DEPARTMENT OF JUSTICE (S. DOC. NO. 337).

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, a schedule showing the average number of publications issued by the department during the fiscal year ended June 30, 1920, their cost, etc., which was referred to the Committee on Printing and ordered to be printed.

CARRIAGE OF MAILS IN ALASKA (S. DOC. NO. 322).

The VICE PRESIDENT laid before the Senate a communication from the Postmaster General, transmitting, pursuant to law, a report of the special contract entered into with the Copper River & Northwestern Railway Co. for carrying the mails on route No. 113737, between Cordova and Kennecott, Alaska, which was ordered to be printed and referred to the Committee on Post Offices and Post Roads.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Labor, transmitting a schedule of useless papers devoid of historic value, and asking for action looking to their disposition, which was referred to the Select Committee on Disposition of Useless Papers in the Executive Departments, to be appointed by the Chair.

The VICE PRESIDENT appointed Mr. WALSH of Montana and Mr. FRANCE members of the committee on the part of the Senate.

COST OF GAS IN THE DISTRICT OF COLUMBIA (S. DOC. NO. 317).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Commerce, transmitting, pursuant to law, a report of the investigation by the Bureau of Standards as to the standard, quality, and cost of production and distribution of gas furnished the Government and private consumers in the District of Columbia, which was referred to the Committee on the District of Columbia.

REPORTS OF LIBRARIAN OF CONGRESS.

The VICE PRESIDENT laid before the Senate the Annual Report of the Librarian of Congress for the fiscal year ending June 30, 1920, which was referred to the Committee on the Library.

He also laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, statement showing number of publications issued during the fiscal year ended June 30, 1920, their cost, etc. (S. Doc. No. 336), which was referred to the Committee on Printing and ordered to be printed.

He also laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, statement showing number of employees receiving increased compensation at the rate of $240 per annum (S. Doc. No. 332), which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Librarian of Congress, transmitting, pursuant to law, statement showing travel of officers and employees during the fiscal year ended June 30, 1920 (S. Doc. No. 326), which was referred to the Committee on Appropriations and ordered to be printed.

REPORTS OF SUPERINTENDENT LIBRARY BUILDING AND GROUNDS.

The VICE PRESIDENT laid before the Senate a communication from the superintendent Library Building and Grounds, transmitting, pursuant to law, statement showing number of employees receiving increased compensation at the rate of $240 per annum (S. Doc. No. 333), which was referred to the Committee on the Library and ordered to be printed.

He also laid before the Senate a communication from the superintendent Library Building and Grounds, transmitting, pursuant to law, statement regarding purchases of typewriting

machines and exchanges made in part payment therefor for the Library of Congress during the fiscal year 1920 (S. Doc. No. 339), which was referred to the Committee on the Library and ordered to be printed.

REPORTS OF INTERSTATE COMMERCE COMMISSION.

The VICE PRESIDENT laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, a statement showing purchases of typewriters and labor-saving devices and exchanges in part payment therefor during the fiscal year ended June 30, 1920 (S. Doc. No. 340), which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, in response to Senate resolution of January 16, 1920, a report upon living conditions of trainmen who are compelled to lie over at railroad terminals (S. Doc. No. 314), which was referred to the Committee on Interstate Commerce and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, a statement showing the number of persons employed by the commission who received increased compensation during the first four months of the fiscal year ended June 30, 1920 (S. Doc. No. 331), which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, statement showing employees, their compensation, etc., under appropriation for the valuation of carriers for the fiscal year ended June 30, 1920, which was referred to the Committee on Interstate Commerce.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting, pursuant to law, statement of travel by officers and employees during the fiscal year 1920 (S. Doc. No. 328), which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting in response to Senate resolution of May 24, 1920, a report relative to assignment of freight cars (S. Doc. No. 320), which was referred to the Committee on Interstate Commerce and ordered to be printed.

He also laid before the Senate a communication from the Interstate Commerce Commission, transmitting in response to Senate resolution of June 2, 1920, a report in the matter of coal statistics (S. Doc. No. 323), which was referred to the Committee on Interstate Commerce and ordered to be printed.

REPORTS OF SHIPPING BOARD.

The VICE PRESIDENT laid before the Senate the annual report of the United States Shipping Board for the fiscal year 1920, which was referred to the Committee on Commerce and ordered to be printed.

He also laid before the Senate a communication from the United States Shipping Board, transmitting, pursuant to law, a statement of travel performed by officers and employees during the fiscal year ended June 30, 1920 (S. Doc. No. 327), which was referred to the Committee on Appropriations and ordered to be printed.

He also laid before the Senate a communication from the United States Shipping Board, transmitting, pursuant to law, report of claims arbitrated or settled by agreement from March 9, 1920, to October 15, 1920 (S. Doc. No. 316), which was referred to the Committee on Commerce and ordered to be printed.

He also laid before the Senate a communication from the United States Shipping Board, transmitting, pursuant to law, report showing the aggregate number of publications issued by the board during the fiscal year ended June 30, 1920 (S. Doc. No. 335), which was referred to the Committee on Printing and ordered to be printed.

REPORT OF TARIFF COMMISSION (H. DOC. NO. 908).

The VICE PRESIDENT laid before the Senate the report of the United States Tariff Commission for the fiscal year ended June 30, 1920, which was referred to the Committee on Finance and ordered to be printed.

CIVIL SERVICE COMMISSION.

The VICE PRESIDENT laid before the Senate a communication from the United States Civil Service Commission, transmitting, pursuant to law, statement showing the typewriters and other labor-saving devices exchanged in part payment for new machines during the fiscal year 1920 (S. Doc. No. 338), which was ordered to be printed and referred to the Committee on Appropriations.

PUBLIC UTILITIES COMMISSION.

The VICE PRESIDENT laid before the Senate the annual report of the Public Utilities Commission of the District of Columbia for the year ended December 31, 1919, which was referred to the Committee on the District of Columbia and ordered to be printed.

REPORT OF DISTRICT COMMISSIONERS.

The VICE PRESIDENT laid before the Senate the annual report of the Commissioners of the District of Columbia for the year ended June 30, 1920, which was referred to the Committee on the District of Columbia and ordered to be printed.

REPORT OF WAR FINANCE CORPORATION.

The VICE PRESIDENT laid before the Senate the report of the War Finance Corporation for the year ended November 30, 1920, which was ordered printed and referred to the Committee on Finance.

PAWNEE INDIANS V. THE UNITED STATES (S. DOC. NO. 311).

The VICE PRESIDENT laid before the Senate a communication from the assistant clerk, Court of Claims, transmitting certified copy of the findings of fact and conclusion filed by the court in the cause of The Pawnee Tribe of Indians *v.* The United States, which was referred to the Committee on Claims and ordered to be printed.

NATIONAL FOREST RESERVATION COMMISSION (S. DOC. NO. 310).

The VICE PRESIDENT laid before the Senate the report of the National Forest Reservation Commission for the fiscal year ended June 30, 1920, which was referred to the Committee on Forest Reservations and the Protection of Game, and ordered to be printed.

COMMITTEE ON PUBLIC INFORMATION (S. DOC. NO. 315).

The VICE PRESIDENT laid before the Senate a communication from the Council of National Defense, transmitting in response to Senate resolution of March 5, 1920, a report concerning papers, files, records, public property, assets, and liabilities of the Committee on Public Information, which was referred to the Committee on Printing.

REPORT OF DIRECTOR OF BOTANIC GARDEN (S. DOC. NO. 325).

The VICE PRESIDENT laid before the Senate a communication from the Director of United States Botanic Garden, transmitting, pursuant to law, a report relative to travel from Washington, D. C., on official business, which was ordered printed and referred to the Committee on the Library.

REPORT OF PUBLIC PRINTER.

The VICE PRESIDENT laid before the Senate the report of the Public Printer for the fiscal year ended June 30, 1920, which was referred to the Committee on Printing and ordered to be printed.

REPORTS OF SERGEANT AT ARMS.

The VICE PRESIDENT laid before the Senate a communication from the Sergeant at Arms of the United States Senate, transmitting, pursuant to law, full and complete account of all property in his possession and in the Senate Office Building December 6, 1920 (S. Doc. No. 329), which was ordered to lie on the table and be printed.

He also laid before the Senate a communication from the Sergeant at Arms, United States Senate, reporting the sale of condemned property and the deposit of the proceeds with the financial clerk of the United States Senate (S. Doc. No. 321), which was ordered to lie on the table and be printed.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Wisconsin certifying to the election of IRVINE L. LENROOT as a Senator from said State for the term of six years, beginning March 4, 1921, which was ordered printed in the RECORD and filed, as follows:

UNITED STATES OF AMERICA,
THE STATE OF WISCONSIN,
Executive Department.

To the President of the Senate of the United States:

This is to certify that on the 2d day of November, 1920, IRVINE L. LENROOT was duly chosen by the qualified electors of the State of Wisconsin a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

In testimony whereof I have hereunto set my hand and caused the great seal of the State of Wisconsin to be affixed. Done at the capitol, in the city of Madison, this 24th day of November, A. D. 1920.

EMANUEL S. PHILIPP,
Governor.

By the governor:
[SEAL.]

MERLIN HULL,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Connecticut, certifying to the election of FRANK B. BRANDEGEE as a Senator from said State for the term of six years beginning March 4, 1921, which was ordered printed in the RECORD and filed, as follows:

To the President of the Senate of the United States:

This is to certify that on the 2d day of November, 1920, FRANK B. BRANDEGEE was duly chosen by the qualified electors of the State of Connecticut a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness: His excellency, our governor, Marcus H. Holcomb, and our seal hereto affixed at Hartford, this 29th day of November in the year of our Lord 1920.

MARCUS H. HOLCOMB,
Governor.

By the governor:
[SEAL.]
FREDERICK PERRY,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of New Hampshire, certifying to the election of GEORGE H. MOSES as a Senator from said State for the term of six years beginning March 4, 1921, which was ordered printed in the RECORD and filed, as follows:

STATE OF NEW HAMPSHIRE,
Executive Department.

This is to certify that on the 2d day of November, 1920, GEORGE H. MOSES was duly chosen by the qualified electors of the State of New Hampshire a Senator from said State to represent said State in the Senate of the United States for the term of six years from the 4th day of March next.

Witness: His excellency, our governor, John H. Bartlett, and our seal hereto affixed at Concord, this 18th day of November, in the year of our Lord 1920.

JOHN H. BARTLETT,
Governor.

By the governor, with advice of the council.
[SEAL.]
EDWIN C. BEAN,
Secretary of State.

PETITIONS AND MEMORIALS.

The VICE PRESIDENT laid before the Senate a telegram in the nature of a petition from the cotton convention in session at Memphis, Tenn., praying for reinstatement of the War Finance Corporation, which was referred to the Committee on Finance.

He also laid before the Senate a telegram in the nature of a petition from the American Farm Bureau Federation, in annual convention at Indianapolis, Ind., praying for the enactment of legislation providing for the extensions and renewals of farmers' obligations, which was referred to the Committee on Agriculture and Forestry.

Mr. NELSON presented a petition of Superior Lodge, No. 706, of the United Brotherhood of Maintenance of Way Employees and Railway Shop Laborers, praying for the enactment of legislation to prohibit the immigration of laborers outside of the North American Continent, which was referred to the Committee on the Judiciary.

Mr. COLT presented a petition of the Fruit Hill Women's Club, of North Providence, R. I., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

Mr. CAPPER presented a petition of Local Lodge No. 576, of the National Association of Post Office Clerks, of Parsons, Kans., praying for the enactment of legislation to amend the civil-service laws so as to exempt postal clerks who have served at least 20 years from taking certain examinations, which was referred to the Committee on Civil Service and Retrenchment.

He also presented a petition of Local Lodge No. 576, of the National Association of Post Office Clerks, of Parsons, Kans., praying for the enactment of legislation to the civil-service retirement act, so as to grant certain credit in the retirement age of clerks, which was referred to the Committee on Civil Service and Retrenchment.

ADDITIONAL SENATE PAGES.

Mr. CALDER. I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate to report back favorably without amendment Senate resolution 391, submitted yesterday by the Senator from Massachusetts [Mr. LODGE]. I ask unanimous consent for its present consideration.

The resolution was considered by unanimous consent and agreed to, as follows:

Resolved, That the Sergeant at Arms of the Senate be, and he hereby is, authorized and directed to employ five additional pages for the Senate Chamber, at $3 per day each, during the third session of the Sixty-sixth Congress, to be paid from the miscellaneous items of the contingent fund of the Senate.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

A bill (S. 4566) granting an increase of pension to Anna J. Shepherd (with accompanying papers);

A bill (S. 4567) granting a pension to Mattie Florence Sinclair (with accompanying papers);

A bill (S. 4568) granting a pension to Kate Lamaster (with accompanying papers); and

A bill (S. 4569) granting a pension to Mary Ann Sheffler (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 4570) granting a pension to Caroline T. Huff; to the Committee on Pensions; and

A bill (S. 4571) to amend the United States mining laws; to the Committee on Mines and Mining.

By Mr. WADSWORTH:

A bill (S. 4572) granting to the city and county of Honolulu, Territory of Hawaii, a right of way over and across the Fort De Russy Military Reservation for the purpose of extending its sewer system; to the Committee on Military Affairs.

By Mr. HARRISON:

A bill (S. 4573) authorizing a survey of the public schools of the District of Columbia; and

A bill (S. 4574) regulating the appointment of the board of education of the District of Columbia, prescribing their duties, and for other purposes; to the Committee on the District of Columbia.

By Mr. HITCHCOCK:

A bill (S. 4575) to amend certain sections of the Federal reserve act and of the Federal farm loan act for the purpose of further encouraging the development of agriculture and the production of foodstuffs and other staple agricultural products; to the Committee on Banking and Currency.

By Mr. FRELINGHUYSEN (by request):

A bill (S. 4576) to amend the interstate commerce act by adding to the end of section 20a a new paragraph, and to repeal section 10 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914; to the Committee on Interstate Commerce.

By Mr. BORAH:

A bill (S. 4577) granting a pension to Mrs. H. A. Whittington (with accompanying papers); to the Committee on Pensions.

By Mr. LA FOLLETTE:

A bill (S. 4578) to repeal section 3 of Title I of Public No. 24, as amended by Public No. 150, Sixty-fifth Congress; to the Committee on the Judiciary.

By Mr. KING:

A joint resolution (S. J. Res. 220) to create a joint commission for the reorganization of the executive departments; to the Committee on Appropriations.

EXTENSION OF PROVISIONS OF REVENUE ACT OF 1918.

Mr. OVERMAN. I introduce a joint resolution extending certain provisions contained in the Federal revenue act of 1918, which I ask may be read at length and referred to the Committee on Finance.

The joint resolution (S. J. Res. 219) extending certain provisions contained in the Federal revenue act of 1918 was read the first time by its title and the second time at length and referred to the Committee on Finance, as follows:

Joint resolution (S. J. Res. 219) extending certain provisions contained in the Federal revenue act of 1918.

Whereas under the provisions of sections 214 (a) (12) and 234 (a) (14) the Federal revenue act of 1918 afforded relief to taxpayers suffering substantial losses in the value of inventories for the taxable year 1918 due to falling prices in 1919; and under the provisions of section 204 (b) the net losses sustained by taxpayers beginning after October 31, 1918, and ending January 1, 1920, were permitted to be deducted from the taxpayer's net income for the preceding and succeeding taxable years; and

Whereas such relief which Congress intended to give all business concerns and other industries which may sustain losses can not be availed of by such business concerns and industries which will sustain net losses during the current year: Therefore be it

Resolved, etc., That the provisions contained in said sections 214 (a) (12) and 234 (a) (14) be extended for readjustment of inventories and recomputation of taxes for subsequent years; and that section 204 (b) be extended and apply to the net losses sustained by taxpayers during any taxable year subsequent to January 1, 1920.

DON MANUEL ESTRADA CABRERA.

Mr. MOSES. I submit a resolution, with accompanying memorandum, which I ask to have printed in the RECORD and referred to the Committee on Foreign Relations.

The resolution (S. Res. 395) was referred to the Committee on Foreign Relations, with the accompanying memorandum, and ordered to be printed in the RECORD, as follows:

Senate resolution 395.

Whereas on the 14th day of April, 1920, in the city of Guatemala, there was drawn and signed in the American Legation and in the presence of the American minister certain articles of capitulation, under the terms of which the constitutional President of the Republic of Guatemala, Don Manuel Estrada Cabrera, in order to avoid bloodshed, agreed to surrender to the revolution then resisting his authority,

in consideration of which the leaders of said revolution and the provisional government established by them, of which Don Carlos Herrera was titular president, agreed to lodge Don Manuel Estrada Cabrera in the military academy, giving the most solemn and ample guaranties for his life and property;

Whereas upon the surrender of Don Manuel Estrada Cabrera, pursuant to said articles of capitulation, he was, in violation thereof, forthwith removed to the common jail and there confined in a cell used only for the imprisonment of dangerous criminals, and deprived of all legal rights and privileges, in order that the said leaders of the revolution might sack his residence and despoil him of his property in its entirety; and

Whereas there is reason to believe that the said Manuel Estrada Cabrera continues to be maltreated in every way, in violation of the solemn pledges given under the protection of the American Legation: Therefore be it

Resolved, That the Secretary of State be, and he is hereby, requested, if not incompatible with public interests, to transmit to the Senate such information as he may possess bearing upon this subject.

Memorandum.

Don Manuel Estrada Cabrera was constitutional President of the Republic of Guatemala from February 9, 1898, to April 14, 1920—22 years—during all of which period his policy of extreme friendliness toward the United States Government and Americans in general was one of its most distinguishing features. In fact, his manifest desire to work with and be guided by the United States and the advantages that he offered to Americans gained for him the hatred of many of the ultraconservative element among his countrymen, as well as the cordial dislike of many other Latin-American nations. Sometimes he was described as a traitor to his race. The proof of all this lies in the fact that the files of the State Department do not disclose a single unsatisfied diplomatic claim against the Government of Guatemala. When the United States declared war against Germany President Estrada Cabrera adopted the same course, declaring that "the attitude of the United States is the attitude of Guatemala," and so entered upon hostilities. He seized all the enormous German holdings in the country, consisting of great coffee and sugar estates, public utilities, etc., and asked the United States for a competent adviser to assist him in managing and disposing of these properties in harmony with the American alien-enemy-property legislation. The Germans, who were in Guatemala in enormous numbers, aided by the reactionary and ultraclerical element, conceived that the time had come to overthrow President Estrada Cabrera, and under the guise of the Unionista Party, which had been formed for the alleged purpose of advocating the union of the five States of Central America, began a violent campaign against him. At this time the President was quite ill of diabetes and was living in the suburbs of Guatemala City at his residence, called La Palma. Aided by the Germans on every hand, these individuals succeeded in forming an important group, who, early in the spring of this year, began open hostilities in the capital. After some bloodshed the President indicated a purpose of retiring, if his enemies would give proper guaranties; whereupon the leaders of the revolutionists, presumably at the suggestion of the American minister, Mr. Benton McMillin, and three representatives of the President met at the American Legation, where articles of capitulation were drawn up and signed, under the terms of which the President was to be allowed to lodge in the military academy, a spacious building, amply protected, and his property was to receive every safeguard and guaranty. When the capitulation actually took place he was escorted to the military academy, but was treated with every discourtesy and humiliation. At the same time the leaders of the revolution stationed troops around his former residence and sacked it of everything they could personally carry off, including the proceeds of the treasury, which had been brought there for safe-keeping, as well as his personal fortune. The total amount carried off by these men is reputed as reaching something like $15,000,000, including jewelry, cash, securities, etc. Within a few days they also proceeded to appropriate his real estate. Within a brief period, and again in violation of the articles of capitulation, the President was dragged from the military academy and taken to the city jail, where he was placed in a cell reserved for desperate criminals. Here he was held incommunicado and without the privilege of consulting his counsel, friends, or family, being served with the coarsest food, and even his false teeth taken away from him.

During all of this time there was a substantial guard of American marines in Guatemala City, at the orders of Minister McMillin, who did absolutely nothing for the protection of the President or to see that the agreement was faithfully carried out.

As the close friend of the United States and the American people, President Estrada Cabrera naturally expected that he would be permitted to leave the country, under the protection of the minister and the marines, and was bitterly disappointed when he found himself regarded with absolute indifference and practically abandoned to his enemies. Nothing has been done to relieve this situation, although the President's children have written to the Department of State and his friends have petitioned the latter to save his life, which is in imminent danger.

The new government is not sustained by the people of Guatemala, and will probably be overthrown some time this winter. It is said that there are 5,000 rifles and a large quantity of ammunition in the hands of the common people, who are liable to break out at any moment, exhibiting the same savagery that they exhibited on the occasion of the overthrow of Estrada Cabrera, when they shot and hacked to pieces with knives not less than 20 persons who had been instrumental in the previous enforcement of the laws and the maintenance of order. The situation needs real action, and the only way, apparently, to inspire the State Department to act is by calling the attention of the public to the true facts.

Already the prestige of the United States in Central America has dropped to zero, as these people are particularly susceptible to the influence of incidents like the present. Seeing the American Government utterly abandon in a crisis the man who has been its principal friend, not only in Central America but in all Latin America, they naturally ask what is the use of having the United States as a friend. The whole case is very deplorable and may be attended, in the future, by many ill results.

AMENDMENT OF THE RULES.

Mr. CURTIS. Mr. President, I desire to give notice of a motion to amend clause 1 of Rule XXVI of the Standing Rules of the Senate, which I will ask the Senate to take up on next Monday.

The VICE PRESIDENT. The notice will be read.

The Assistant Secretary read as follows:

1. All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate of the head of some one of the departments.

Mr. UNDERWOOD. It is not a report from the committee?

Mr. CURTIS. No; it is a notice of a motion to amend the rules.

Mr. UNDERWOOD. It is not proposed to take it up now?

Mr. CURTIS. No; next Monday.

INAUGURATION OF PRESIDENT ELECT.

Mr. KNOX. I submit the concurrent resolution which I send to the desk. I ask that it may be read, and then I shall ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution submitted by the Senator from Pennsylvania will be read.

The reading clerk read the resolution (S. Con. Res. 34), as follows:

Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next.

Mr. KNOX. I ask unanimous consent for the present consideration of the resolution.

The resolution was considered by unanimous consent and agreed to.

CENTRAL RAILROAD CO. OF NEW JERSEY.

Mr. FRELINGHUYSEN. I move that the Committee on Interstate Commerce be discharged from the further consideration of the bill (S. 4515) reviving, confirming, and renewing the authority of the Central Railroad Co. of New Jersey to construct a bridge across the navigable waters of the Newark Bay, in the State of New Jersey, and that the same be referred to the Committee on Commerce.

The motion was agreed to.

IMPORTATION OF AEROPLANES.

The VICE PRESIDENT. The Chair lays before the Senate for a second reading the following bill from the table.

The bill (H. R. 14368) to provide revenue, encourage domestic industries, and make provision for the national defense by the elimination, through the assessment of special duties, of unfair foreign competition in the sale of aeroplanes imported into the United States, and for other purposes, was read the second time by its title and referred to the Committee on Finance.

CAPTURED WAR DEVICES AND TROPHIES.

The VICE PRESIDENT laid before the Senate the amendments of the House to the bill (S. 643) to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia.

Mr. WADSWORTH. I move that the bill and amendments be referred to the Committee on Military Affairs.

The motion was agreed to.

FINANCING OF AGRICULTURAL OPERATIONS.

The VICE PRESIDENT. The Chair lays before the Senate for a second reading the joint resolution reported yesterday from the Committee on Agriculture and Forestry.

The joint resolution (S. J. Res. 212) directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country was read the second time by its title.

Mr. GRONNA. I ask that the joint resolution may go over until to-morrow without prejudice.

The VICE PRESIDENT. It will go to the calendar and can be taken up on motion or by unanimous consent.

Mr. SMITH of Georgia. I understand the Senator from North Dakota intends to give notice that he will move to take it up to-morrow?

Mr. GRONNA. Yes. I desire to give notice that to-morrow——

Mr. UNDERWOOD. Will the Senator allow me to interrupt him?

Mr. GRONNA. Certainly.

Mr. UNDERWOOD. I wish to call the Senator's attention to a fact that I am sure he has overlooked. By order of the Senate, fixed before the recent recess, to-morrow is set aside for eulogies on the late Senator BANKHEAD. So I ask the Senator not to interfere with that arrangement.

Mr. GRONNA. Then I give notice that on the following legislative day I shall either ask unanimous consent or move to take up the joint resolution. I hope that we may be able to dispose of it at that time. It is a very urgent measure.

MEAT-PACKING INDUSTRY—FEDERAL LIVE-STOCK COMMISSION.

The VICE PRESIDENT. The calendar under Rule VIII is in order.

Mr. GRONNA. Mr. President, I move that the unfinished business, being Senate bill 3944, be now taken up for consideration.

The VICE PRESIDENT. The question is on the motion of the Senator from North Dakota that the Senate proceed to the consideration of the unfinished business, the title of which will be stated.

The ASSISTANT SECRETARY. A bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. SMOOT. Mr. President, I am not going to object to taking the bill up at this time, for I understand the Senator from Iowa [Mr. KENYON] desires to submit some remarks upon it. I had hoped that we might take up the calendar, beginning with Order of Business No. 198, but after the conclusion of the speech of the Senator from Iowa, I understand the bill on which he intends to speak will be temporarily laid aside to-day for that purpose.

Mr. KENYON. Mr. President, if there is any matter on the calendar that is pressing, of course I do not want to stand in the way of its consideration at all. I am willing to wait until 2 o'clock, when the unfinished business will come up in regular order.

Mr. SMOOT. I think the Senator from Iowa had better proceed now, if he desires to do so, and we can take up the calendar after he concludes. I think that will be better all around.

Mr. GRONNA. So far as I am personally concerned, I will say to the Senator from Utah that I do not desire to discuss the bill to-day, but the Senator from Iowa does. I shall have no objection to laying the bill aside after the Senator from Iowa shall have concluded, in order to go on with the calendar, and, if possible, to complete it.

The VICE PRESIDENT. If there be no objection, the unfinished business will be laid before the Senate.

Mr. FLETCHER. Before that is done I desire to ask a question. Do I understand that it is not now desired to take up the calendar where its consideration was left off?

Mr. SMOOT. Not until the Senator from Iowa [Mr. KENYON] shall have concluded his speech on the unfinished business.

Mr. FLETCHER. Will the calendar then be taken up?

Mr. SMOOT. Yes.

Mr. KENYON. I have said that if there is any matter on the calendar which any Senator feels is pressing I do not want to insist on proceeding with my remarks until 2 o'clock. I am perfectly willing to wait until the unfinished business comes up regularly, but, supposing there was no other business before the Senate, we have asked that the unfinished business may now be taken up.

Mr. FLETCHER. Then, I understand that the calendar will be taken up after the Senator from Iowa shall have concluded his speech?

Mr. SMOOT. That is the understanding.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3944) to create a Federal live stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. KENYON. Mr. President, the genesis of the bill now pending before the Senate is this: The original bill bearing on this question was introduced by the Senator from Wyoming [Mr. KENDRICK]. A little later I introduced a bill on the same subject, going somewhat further than did the bill of the Senator from Wyoming, and providing for a voluntary system of markets. These bills were both before the Agricultural Committees and in connection with them very extended hearings were held. Objections, serious and having weight, were presented, which were duly considered. Out of those hearings came the pending bill, which is properly termed the Gronna bill, the Senator from North Dakota [Mr. GRONNA] being the chairman of the committee reporting the bill and participating in its consideration. I shall hereafter refer to the bill as the Gronna bill. The Senator from North Dakota would have discussed the bill this morning except for a temporary indisposition.

The greatest economic problem for the American people to consider is that of agriculture, and especially is this true at the present moment. The farmers are discouraged. There is no growth of rural population. The census returns show that approximately 51 per cent of our people are now living in the cities. The trend is all from the farms to the cities. After the Civil War approximately 75 per cent of our people lived on the farms. Farmer boys find higher wages and shorter hours in the city work, and so the great transition goes on.

Immigration coming to this country finds its centers in the cities, while farmers have difficulty in securing labor.

During the war some 23,000 new millionaires were created. No one has yet heard of a millionaire farmer being created by the war. The contract-plus systems did not apply to the farmers. They worked from early morn until late at night to produce the food essential to winning the war, and the farmers of the Middle West and of all parts of the country, in fact, now find themselves with tremendous crops and poor markets. They are facing a crisis. They can not receive for their products what it cost to produce them. Beef steers are not bringing over 60 per cent of what they brought last year. The price of hogs is the lowest for years, and cattle and hogs are being rushed to market.

In an interview a few days ago in the newspapers, Mr. Alfred Baker, head of the United States Bureau of Markets, appealed to the farmers to stem the tide of rushing cattle to the markets.

On November 19 there were close to 68,000 cattle in the stockyards at the opening, according to newspaper reports—the largest number in two years. Cattle prices broke, and it is reported in the newspapers that stock sold a dollar lower on the 18th than on the previous day's close, and had gone off from $2.50 to $3 per hundred in two weeks. Whether the figures be exact, yet it is certain that the market on cattle and other live stock is demoralized completely.

Around November 19 cattle prices were lower than they had been since 1916. Likewise—and I have heretofore referred to the fact—the farmer can not secure for his oats, his corn, his wheat, anything like what it has actually cost him to produce them.

Whether this is entirely due to economic causes, to disastrous conditions in Europe that prevent the purchase of our food supplies, or whether it is due to speculation in the products of the farmer, nevertheless it is true that the farmer believes something is wrong in general conditions. Whatever legislation can do to assist in stabilizing conditions should be done, for no country can prosper without there being prosperity among the agricultural classes.

The farmer is opening his eyes to the situation; he has come to the conclusion that he has been exploited for many years, and he proposes to organize as capital organizes and as labor organizes, and be in a powerful position to secure a fair deal, which he has not had.

Practically every effort to pound down the cost of living has been directed toward the American producer; but the people in the cities may as well realize that they will be compelled to pay for food products enough to return the farmer fair profit on his investment and fair returns for the labor of himself and his family.

The farmer was urged at the time of the war to grow more wheat. He did so and sold it at the price which the Government had established as the minimum, $2.26 per bushel. This minimum became his maximum, for the Government created a great corporation, which bought the wheat supplies at the minimum. He was urged to raise cattle and hogs to take care not only of our Army but of the starving people of Europe. He was told he would be compensated. A plan was devised by the administration by which 13 bushels of corn were to represent the value of 100 pounds of pork. The farmer went ahead and, after he had placed his 13 bushels of corn in the hog, the Government repudiated the agreement. That sent the price of hogs, a year ago, crashing toward the bottom, and it went from 23½ cents a pound down to 11½ cents. That performance cost the farmers of the country hundreds of millions of dollars.

The farmer has become tired of this kind of thing and is organizing in all of the States of the Union. The remainder of the country can not afford to give legitimate reason for the farmer feeling that he does not receive a square deal. There has been too much belief on the part of city people that the business of the farmer is to provide them something to eat. If he finds that he can not secure enough for his crop to pay for raising it, why should he not, as does the manufacturer in times of surplus, cease to produce so much after he has dis-

covered that he can secure higher prices for what he has if he does not produce such a tremendous surplus? But the farmers of the country do not want to pursue this plan. They want to produce all they can, but they want a square deal on the market place.

The distance from the producer to the consumer is entirely too great, and there are too many associations and individuals seeking toll as the product proceeds to the markets. Prices are not stable enough. The farmer who sends a carload of cattle may find between the time they leave home and the time they reach the stockyards that they have gone off enough to work a substantial injury to him and to discourage him in the future raising of cattle. All of these things tend to lessen the Nation's food supply.

Outside of these considerations is the great fundamental question that the country can not afford to allow a feeling of discontent and unrest to exist among the farmers. In every crisis of our national history it has been the farmer who has stood firm, and he will continue to stand firm. The disorganizer and the bolshevik find little ground among the farmers in which to plant their seed. It is important to the welfare and stability of the country that such a class of citizens are not led to feel that there is any agricultural oppression; that the selfishness of the urban population will cause them to attempt to use the instrumentalities of Government to their advantage and against the great rural population.

It certainly would be stupid to close our eyes to the situation and to refuse to face these problems and be willing to accord as far as law can a square deal to the producers of the country.

The purpose of the bill proposed by the committee to regulate the packing industry is along this line. The stock producers of this country and the farmers owning small numbers of cattle and hogs and sheep have been robbed, to put it mildly, of millions of dollars in the last 30 years by the combinations, pools, monopolies, control of buying, apportionment of territory, of selling, and other practices of the great packing monopoly. While this bill is intended primarily to help the producers in stabilizing markets and in creating a body before whom they can bring their complaints for quick redress, it will likewise benefit the consumers of the country in preventing some of the practices that have made it possible for the products to go down in price without any resulting benefit to the consumer.

The packers have acquired such a monopoly in certain of the food products of the American people that their business is charged with a public use and the consequent right of regulation on the part of the Government. What greater question could there be relating to public safety or public life or public health than that of preventing the food supply of the Nation from being controlled by a monopoly?

Five concerns now own or control 574 various corporations in this country and abroad. They manufacture or deal in hundreds of commodities.

The attempt to control unrelated businesses is an interesting chapter of their development, as is their endeavor to control substitutes for the food which is handled by meat packers. For instance, cattle yield oleomargarine; oleomargarine competes with butter. Therefore they go into the butter business to control the competing commodity, the principle being to control the commodities that compete with those handled in the packing business.

Secondly, where an article is bought in great quantities like bumping posts to be used in their stockyards, or railroad hardware, they go into that business, not merely to supply themselves but to supply the trade. In that way they become competitors of the concerns which before that time provided them with supplies. These things have developed an enormous business.

The peddler-car routes—now about 1,300—have been an assisting factor. The peddler car has become a traveling wholesale grocery. So that we find them now in the canning business, breakfast food, dried fruits, cottonseed oil, butter, oleomargarine, cheese, eggs, poultry, and many other lines.

Their method of trust monopoly is to bring together competing industries.

The Sherman law, the Clayton law, the Federal Trade Commission law have directed their attention to monopolies in the same lines of industry.

The bill is, of course, based upon the power to regulate commerce. Objection will, of course, be raised that the general plan is not a regulation of commerce and that it is unconstitutional. I shall speak of that later in a discussion of the law. There is little wonder that the average layman is confused when he sees other Governments, such as Canada, regulating this question, and observes that whenever the attempt is made to do anything of this kind in this country so many constitutional objections can be raised to prevent the people from being protected from those who prey upon them.

No one claims perfection for this bill. Some of its provisions may need changing. It is the result of many hearings and is proposed by the committee with the full realization of the difficulties of a bill fully meeting conditions. It does need some amendments which I shall discuss later.

These amendments—that the lawyers, at least, of the committee have agreed to and the chairman—I will suggest as I proceed.

Two propositions especially present themselves in this matter:

First. That the industry is substantially monopolized by the five great Chicago packers, acting in combination.

Second. That they have extended their activities into unrelated lines of business, particularly in the handling of commodities competing with meat, to an extent and with a rapidity that constitutes a menace to the food supply of the United States. That if unchecked these five great concerns will in a few years have a complete monopoly of the food supplies of the United States.

The Federal Trade Commission on July 3, 1918, in its letter submitting its report on the meat-packing industry to the President, and in the accompanying summary of the report, stated its principal findings in these words:

LETTER TO THE PRESIDENT.

SIR: On February 7, 1917, you directed the Federal Trade Commission to "investigate and report facts relating to the production, ownership, manufacture, storage, and distribution of foodstuffs and the products or by-products arising from or in connection with their preparation and manufacture; to ascertain the facts bearing on alleged violations of the antitrust acts, and particularly upon the question whether there are manipulations, controls, trusts, combinations, conspiracies, or restraints of trade out of harmony with the law or the public interest," to the end that "proper remedies, legislative or administrative, may be applied."

* * * * * * *

Answering directly your question as to whether or not there exist "monopolies, controls, trusts, combinations, conspiracies, or restraints of trade out of harmony with the law and the public interest," we have found conclusive evidence that warrants an unqualified affirmative. (Part I, p. 23.)

* * * * * * *

It appears that five great packing concerns of the country—Swift, Armour, Morris, Cudahy, and Wilson—have attained such a dominant position that they control at will the market in which they buy their supplies, the market in which they sell their products, and hold the fortunes of their competitors in their hands.

Not only is the business of gathering, preparing, and selling meat products in their control, but an almost countless number of by-product industries are similarly dominated; and not content with reaching out for mastery as to commodities which substitute for meat and its by-products they have invaded allied industries and even unrelated ones.

The combination has not stopped at the most minute integration, but has gone on into a stage of conglomeration, so that unrelated heterogeneous enterprises are brought under control.

As we have followed these five great corporations through their amazing and devious ramifications—followed them through important branches of industry, of commerce, and of finance—we have been able to trace back to its source the great power which has made possible their growth. We have found that it is not so much the means of production and preparation, nor the sheer momentum of great wealth, but the advantage which is obtained through a monopolistic control of the market places and means of transportation and distribution.

If these five great concerns owned no packing plants and killed no cattle and still retained control of the instruments of transportation, of marketing, and of storage, their position would not be less strong than it is.

The producer of live stock is at the mercy of these five companies because they control the market and the marketing facilities and, to some extent, the rolling stock which transports the product to the market.

The competitors of these five concerns are at their mercy because of the control of the market places, storage facilities, and the refrigerator cars for distribution.

The consumer of meat products is at the mercy of these five because both producer and competitor are helpless to bring relief. (Part I, p. 24.)

The report of the Federal Trade Commission—in six volumes—is the most complete investigation of the packers that has ever been made. The findings of the Federal Trade Commission show that there are five great meat-packing corporations in the country, which individually and collectively control the meat-packing industry of the country. There are some independents, and they are permitted to live at the sufferance of the large packers.

I shall refer to some of the ideas about the commission in this Chamber a few moments later.

These packers have it in their power to fix the price at which they will buy and the price at which they will sell. The volumes of evidence taken by the commission and taken by the Committee on Agriculture leave no doubt of the propo-

sition that there is a great combination operating smoothly and effectively. It is the growth of many years of working together in the building up of a packing industry. The different instrumentalities by which this has been accomplished need not be discussed. If it is a fact, then there is need for regulation. If it is not a fact, then there is no need of this legislation. For many years there have been the different pools bringing the packers close together and finally merging them in the National Packing Co. The Government has been attempting in the past to check the formation of these pools, and one by one they have been abandoned, simply to have a new one conceived and brought forth.

If it be a fact that these packers can control the supply of animals brought to the slaughtering places, then it is apparent that they control the market for the producer, and that in that market place there is no competitive buying. If one fact, above all others, stands out in this investigation it is that the producer is absolutely at the mercy of the packers for his market, and that market is not a competitive market. He is compelled to sell in stockyards controlled by the packers; to commission men who fear their power and are influenced, justly or unjustly, by them. They have purchased in these markets 75 to 80 per cent of the stock received, and in periods of fluctuations all receipts are bought on an established percentage. These established percentages in the various markets could not be a mere coincidence.

What I have to say is based on the hearings before our committee and also on the report of the Federal Trade Commission. If the report of the Federal Trade Commission is unworthy of belief, as has been charged on this floor, then what I have to say falls to the ground.

Of course, the report was immediately assailed from every quarter of the Nation, including the floor of the Senate. The intercorporate relations of the packers are such, reaching to banks, railroads, newspapers, and other lines of activity, that it requires but a moment to set their affairs in action, supplemented by one of the greatest lobbies in Washington that has ever appeared with reference to legislation, ably assisted by the chief arm of the lobby, the Institute of American Meat Packers, an association apparently organized for the purpose of influencing legislation.

All the old devices that were used in fighting the Borland resolution in the House and in fighting the meat-inspection act were at once brought into use in order to discredit the report of the Federal Trade Commission. Resolutions were introduced in the Senate to investigate the Federal Trade Commission as a socialistic body—a resolution which, by the way, passed nearly a year ago, as I remember it, and under which a subcommittee was appointed. This has been barren of any results. Its purpose, of course, was to discredit the Federal Trade Commission. Why does the inquiry not proceed? It is probable that it never will proceed.

Witnesses have been sent to hearings before the Senate committee and their expenses paid by the packers—a great many of them. Apparent protest from farmers has been worked up by some of the propaganda.

Cattlemen were told by some banks they would have to pay up if legislation similar to this was passed by Congress. In this way they stirred up some of the cattlemen against the legislation. They had their emissaries through the country claiming the situation as to the reduction of prices was due to the agitation over these bills. Men did that in my own State and did it in other States of the Union.

Behind the cattle loan associations there is generally money of the packer. It is apparent from the testimony of witnesses before the committee that some of the banks and cattle loan associations frightened the stockmen into opposing legislation by telling them they would have to pay their notes; that this agitation was bad for the country—all a part of the same general system and propaganda to frighten the American producer as to any legislation, and to some extent it has been successful, and just this morning I am in receipt of a telegram from my State, as other Senators are receiving them from their States, saying that this is no time for agitation; that it all hurts the producer. These telegrams come from those who are in close connection with the packers, and the packer influence will be found in practically every case. When prices were good, and we started on the investigation, we were told that it was no time to do it, because agitation would bring down the prices. Now, when the prices of cattle and hogs are as low as they could possibly get no agitation can hurt them, and it is a good time to agitate. It certainly can do no harm.

It was charged in pamphlets issued by the packers that the Federal Trade Commission had suppressed evidence; that they had not brought in all of the letters taken; and when the representatives of the packers before the Agriculture Committee were questioned as to this the discovery was made that there were about 18 letters, seeming to be of substantial importance, that were not developed by the commission.

The Federal Trade Commission, and especially Mr. Colver, have been assailed in that part of the press controlled or influenced by the packers and their satellites in the same manner that all men are assailed who try to do any real service for the public at large.

Mr. Colver can well afford to take the abuse and criticism that has been heaped upon him; likewise the other members of the commission. They have performed a difficult task—a thankless task. Some day their work will be appreciated. Some day those who now lack vision to see what the ultimate result of monopoly, greed, and avarice will be in this country will wish that they had paid some attention to the recommendations and the work of this commission. The easy road for the commission would have been to make a superficial investigation, not drawing upon their heads the wrath of the great special interests of the country, but, having been directed by the President to make the investigation, they proceeded to do it without fear and without favor. And while there may be mistakes, as there naturally would be in a work of such magnitude, the record of the commission will stand as a monument of faithful service to the people of this country. No abuse can tear it down. It will be read and studied in the days and years to come by the people upon the farms, as well as by the consumers; by all classes which have been the victims of the high-handed, monopolistic robbery of this great combination. I present and place in the RECORD a summary of the commission's findings:

SUMMARY OF FINDINGS.

Five corporations—Armour & Co., Swift & Co., Morris & Co., Wilson & Co. (Inc.), and the Cudahy Packing Co.—hereafter referred to as the Big Five or the packers, together with their subsidiaries and affiliated companies, not only have a monopolistic control over the American meat industry, but have secured control, similar in purpose if not yet in extent, over the principal substitutes for meat, such as eggs, cheese, and vegetable-oil products, and are rapidly extending their power to cover fish and nearly every kind of foodstuff.

In addition to these immense properties in the United States, the Armour, Swift, Morris, and Wilson interests, either separately or jointly, own or control more than half of the export-meat production of the Argentine, Brazil, and Uruguay, and have large investments in other surplus meat-producing countries, including Australia. Under present shipping conditions the big American packers control more than half of the meat upon which the Allies are dependent.

The monopolistic position of the Big Five is based not only upon the large proportion of the meat business which they handle, ranging from 61 to 86 per cent in the principal lines, but primarily upon their ownership, separately or jointly, of stockyards, car lines, cold-storage plants, branch houses, and the other essential facilities for the distribution of perishable foods.

The control of these five great corporations, furthermore, rests in the hands of a small group of individuals, namely, J. Ogden Armour, the Swift brothers, the Morris brothers, Thomas E. Wilson (acting under the veto of a small group of bankers), and the Cudahys. (Part I, p. 31.)

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The menace of this concentrated control of the Nation's food is increased by the fact that these five corporations and their five hundred and odd subsidiary, controlled, and affiliated companies are bound together by joint ownership, agreements, understandings, communities of interest, and family relationships.

The combination among the Big Five is not a casual agreement brought about by indirect and obscure methods, but a definite and positive conspiracy for the purpose of regulating purchases of live stock and controlling the price of meat, the terms of the conspiracy being found in certain documents which are in our possession.

There are undoubtedly rivalries in certain lines among the five corporations. Their agreements do not cover every phase of their manifold activities, nor is each of the five corporations a party to all agreements and understandings which exist. Each of the companies is free to secure advantages and profits for itself so long as it does not disturb the basic compact. Elaborate steps have been taken to disguise their real relations by maintaining a show of intense competition at the most conspicuous points of contact.

The Armour, Swift, Morris, and Wilson interests have entered into a combination with certain foreign corporations by which export shipments of beef, mutton, and other meats from the principal South American meat-producing countries are apportioned among the several companies on the basis of agreed percentages. In conjunction with this conspiracy, meetings are held for the purpose of securing the maintenance of the agreement and making such readjustments as from time to time may be desirable. The agreements restrict South American shipments to European countries and to the United States. (Part I, p. 32.)

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The power of the Big Five in the United States has been and is being unfairly and illegally used to—

Manipulate live-stock markets;
Restrict interstate and international supplies of foods;
Control the prices of dressed meats and other foods;
Defraud both the producers of food and consumers;
Crush effective competition;
Secure special privileges from railroads, stockyard companies, and municipalities; and
Profiteer.

The packers' profits in 1917 were more than four times as great as in the average year before the European war, although their sales in dollars and cents at even the inflated prices of last year had barely doubled. In the war years, 1915–16–17, four of the five packers made net profits of $178,000,000. (Part I, pp. 32, 33.)

I think this later figure is denied in part by Mr. Weld.

Here is a finding by a great commission created by the Congress that the Big Five Packers have manipulated live-stock markets; restricted interstate and international supplies of food; controlled the prices of dressed meats and other foods; defrauded the producers and consumers; crushed effective competition; secured special privileges from railroads, stockyard companies, and municipalities. And yet in the face of such an indictment of one of the great boards of the Government in response to a request for investigation by the President of the United States, Congress was expected to sit idly by and do nothing.

This charge of the commission, Mr. President, is a startling charge. It challenges the attention of the country. It challenged the attention of some Members of Congress and they proceeded, in view of these findings, to try and devise some plan to remedy them and prevent such practices in the future. Their task was not easy. Accused of being agitators, destroyers of property, creators of soviet government, and desiring to see their names in the papers.

It may be a subject of derision and joking by some Members of this body. It may be that people can sit back in smug complacency, and at luncheons and banquets and on golf links denounce the Federal Trade Commission, and laugh at the charges they have made, but it will be well for men to awaken to the fact that throughout the country, with the exception of the places where packer influences can reach, men and women have been calmly considering this report of the Federal Trade Commission. Men and women of the country believe in the Federal Trade Commission, and these men and women expect some action to be taken. It is not a joke with them.

They are not ready to believe, while not feeling harshly, that the packing combination is absolutely without guile. They hear the slogan "Let business alone," and to a great extent they believe in it. No one wants to injure honest business; no one wants to disturb the packers in carrying on honest business. But the people are not content to let alone a business that is building up a monopoly in food products, and they do not propose to be stifled by any slogan such as "Let business alone." Let business be "on the square" and it will be let alone.

Of course, such remarks from me would perhaps not be considered unusual, as I may be regarded as somewhat radical, although I try not to be. But when I produce a few words from the great conservative leader of the Senate to substantiate what I have said, my words may not appear quite so radical. The same fight was going on in 1906 in an attempt to secure a meat-inspection law. The same tactics were being employed, the same charges being made. Finally the distinguished Senator from Massachusetts [Mr. LODGE], one of the greatest Senators, of course, who ever sat in this body, uttered language which, when I read it, I could hardly believe was uttered by him. In a speech on this floor with reference to that he said, on June 20, 1906:

I believe that the American people are an honest people and that the mass of the American business men are honest men, and that is the reason why I feel as strongly as I do about this group of packers in Chicago, who discredit us all and injure our good name everywhere.

And then a little further on in the same speech:

What has been the history of that group of men who run those packing establishments? It has been a history of utter defiance of law and of public opinion. It is only the other day that they were convicted of violating the Elkins law in connection with the Burlington & Quincy road. They barely escaped another charged under the immunity decision. It is less than a year since Sulzberger—if that is the name—was fined $25,000 for a violation of the law. They have been going on for years in that way, with a coarse defiance of public opinion and of the law.

Further on in the same speech:

Mr. President, I have no sympathy whatever with the socialistic movements that are going on to take possession of all sorts of business and all so-called "public utilities," whether municipal, State, or National. I believe the movement, if successful, means the destruction of the Government, which we reverence and love and which it has taken us a hundred years to build up.

But I say, Mr. President, and I say it in all seriousness, that those packers in Chicago and those owners of the Standard Oil have done more to advance socialism and anarchism and unrest and agitation than all the socialistic agitators who stand to-day between the oceans.

That sounds almost like a Progressive speech. It is stronger language than even some Progressives would be willing to use.

So this same plan of operation has been going on through all these years.

MONOPOLISTIC POSITION IN THE MEAT INDUSTRY.

The primary need and justification of legislation to supervise and regulate the meat-packing industry as proposed in this bill is the fact, as before stated, that the business of slaughtering live stock and distributing meat at wholesale in the United States is effectively controlled by the five principal packers—Swift & Co., Armour & Co., Morris & Co., Wilson & Co. (Inc.), and the Cudahy Packing Co.—who combined have a substantial and growing monopoly in the business; that such monopoly prevents or hinders the free flow of commerce between the States, and that it is to the public interest that such obstacles to commerce be removed.

No amount of explaining by high-priced accountants; no amount of deception as to meager profits on the overturn; no legerdemain of bookkeeping can disprove the fact that is established by the report of the Federal Trade Commission, by the actual relative buying in the market places, and by the evidence in the hearings that these five packers have a practical monopoly of the meat slaughter and distribution in the United States.

There is no intention on the part of anyone to injure these packing companies. No one wants to do that. They have performed and do perform an absolutely necessary service to the public. There is need for large organizations to do this work, but can it not be carried out without combinations, monopolies, and restraints of trade among the organizations engaged in that service? The board provided under this bill would not be for the purpose of injuring the packers, but simply for the purpose of seeing that not only the packers but the producers and the consumers have a square deal in the American market places. There should be no monopolistic advantage to these few packers over the smaller companies who do local service in slaughtering and distributing the products near home.

In order to arouse opposition to any legislation the various propaganda institutions of the packers tried to create the impression that all bills introduced are intended to destroy them or to disrupt their service. It is not so. The same argument was used as to the Interstate Commerce Commission. The same argument was used as to meat inspection of the packers. It is always used by public utility institutions where they desire to prevent any regulatory legislation.

The object of this measure is to insure by Federal publicity, supervision, and regulation that these great institutions which they confessedly in the past say often violated the laws may be compelled to deal fairly and honestly with the producing public as well as with the consuming public; that they operate with a due regard for the law and the public interest; and that other companies may have a fair chance to live and develop without the fear of this great monopoly or without being subservient to its favor.

I do not propose to enter into a long analysis of the evidence supporting the conclusions of the Federal Trade Commission. There are six volumes, and after reading these six volumes if the reader is not satisfied he can follow through six more volumes of the hearings before the Senate committee and a large number of volumes of the House Agriculture Committee. I do want to follow, however, a few of the significant things as to the monopoly as to stockyards control, refrigerator cars, and methods by which the combination works.

First in importance are the statistics of the proportion which these five companies (or companies controlled by them or by the individual members of the Swift, Armour, Morris, Wilson, and Cudahy families) have in the total stockyards business of the country and in the total slaughtering business of the country, in the number of refrigerator cars that transport the meat, and in the total number of branch houses and car routes by which the interstate distribution of meats is principally carried out.

These statistics were furnished to the Federal Trade Commission by the various companies in these businesses on schedules the correctness of which had to be certified under penalty for false statement. The canvass of companies engaged in interstate commerce in these lines of business was thorough and substantially all were covered, so that there is no doubt or denial of the base on which the proportions of the five packers are computed. Furthermore, the companies classified as subsidiary to or affiliated with the five parent companies were so classified on the basis of schedules of stockholdings similarly certified.

A summary of the statistics given by the commission as respects the control of the meat industry and of facilities therein may well be introduced here. It is from Part I, pages 260–261, omitting for the present the parts of the table not relating to meat:

Summary of Big Five proportions of control in various facilities and industries.[1]

	Unit.	United States.	Big Five.	Percentage of control by Big Five.	Year or other period.
Meat group:					
Receipts of live stock at stockyards controlled by the Big Five as compared with receipts at all yards.	Head	83,058,785	[2] 47,179,033 [3] 61,113,530	[2] 56.8 [3] 77.2	1916
Beef refrigerator cars of interstate slaughterers.	Number	16,600	15,454	93.1	[4]
Live-stock cars	do	107,472	1,970	1.8	[4]
Number of branch houses operated by interstate slaughterers.	do	1,259	1,120	89.0	1916
Interstate slaughter—					
Cattle	Head	7,947,798	6,535,332	82.2	1916
Calves	do	2,160,550	1,654,942	76.6	1916
Sheep	do	12,172,263	10,518,874	86.4	1916
Swine	do	42,057,402	25,737,269	61.2	1916
All animals (estimated live weight)	Pound	18,046,582,393	13,230,127,959	73.3	1916
Interstate and wholesale local slaughter—					
Cattle	Head	8,776,858	6,535,332	74.5	1916
Calves	do	2,648,038	1,654,942	62.5	1916
Sheep	do	13,407,524	10,518,874	78.5	1916
Swine	do	45,261,837	25,737,269	56.9	1916
All animals (live weight)	Pound	19,516,899,297	13,230,127,959	67.8	1916
Lard production by interstate slaughterers.	do	1,039,568,674	785,139,302	75.5	1916
Beef exports from Argentina and Uruguay.	Quarter	[5] 6,004,372	[6] 3,446,180	57.4	1917
Average monthly stocks held by interstate slaughterers—					
Frozen beef	Pound	65,843,346	62,535,507	95.0	1916
Lard	do	83,229,965	63,043,437	75.7	1916
Pickled pork	do	312,086,845	219,887,142	70.5	1916
Dry salt pork	do	203,618,548	142,069,065	69.8	1916
Smoked ham and bacon.	do	16,692,715	10,702,402	64.1	1916
Hides	do	95,633,481	85,300,348	89.2	1916
Branch house sales of meat by interstate slaughterers—					
Fresh meats	do	3,282,236,608	3,114,387,496	94.9	[1] 1916
Cured meats	do	1,098,303,014	950,565,931	86.5	[1] 1916

[1] Except as stated otherwise in the notes the figures cover the entire United States, but in several instances cover the business of only one class of concerns, e. g., interstate slaughterers.
[2] Not counting Chicago yards as controlled.
[3] Counting Chicago yards as controlled.
[4] Dec. 31, 1917.
[5] Total beef exports from Argentina and Uruguay to all countries.
[6] Exports by companies controlled by Armour, Morris, Swift, and Wilson interests. Cudahy is not engaged in slaughtering in South America.

STOCKYARDS.

As to the monopolistic features of stockyards control by the five packers, the report of the commission says:

In a summary of the control of stockyards, or live-stock marketing facilities, by the big packers the principal points to be noted are:

1. Although there are 50 stockyards in the United States at which live stock are bought and sold, more than 69 per cent of the animals pass through 12 of the 50 yards, and the 4 largest yards alone receive more than 52 per cent of the cattle, 43 per cent of the hogs, and 51 per cent of the sheep.

2. The five big packers either jointly or separately have an interest in 28 of the 50 market yards; they control the majority of voting stock in 22 of these yards and are jointly interested in 15 of them. More than 84 per cent of the animals pass through the yards in which they have an interest. (Part III, p. 11.)

* * * * * * *

8. Although an increase in the number of stockyards markets and meat-packing centers may be regarded as desirable the big packers use their power to prevent the development of such additional market and slaughtering centers. (Part III, p. 12.)

* * * * * * *

The markets which dominate all others and which largely determine the price of cattle, hogs, and sheep for the entire country are Chicago, Kansas City, St. Louis, and Omaha. Of these, Chicago and Kansas City are the most important. Usually no price is quoted at any of the smaller markets until telegraphic communication has been had with Chicago or Kansas City. These two markets are the big packing centers of the United States, and the prices established there are largely followed by the other markets. (Part III, p. 15.)

* * * * * * *

STOCKYARDS MONOPOLIES.

Stockyards companies generally own or control all the available land within the yards. At most of the important yards the land surrounding them is owned by so-called land development companies which are controlled by the principal stockholders of the yards companies. This control over available land gives the principal owners of stockyards companies a practical monopoly of many of the important businesses conducted at the yards and an influence over several other yards businesses.

Packing-house sites: Some stockyards grew up around packing houses which were already established. But a large number of packing houses are located on land bought, leased, or rented from the stockyards companies. New packing companies as a rule can secure desirable packing sites only from the stockyards companies or from the land-development companies. The owners of stockyards companies are, therefore, in a position to determine what packing companies, and how many plants, shall be established at the yards.

Rendering plants: Stockyards companies have the power to determine who shall be permitted to buy dead animals at the yards. This monopoly power exercised by the yards has generally resulted in the establishment of only one dead animal rendering plant at each important yard and the making of very large profits on the part of the dead animal rendering companies.

Sites for stockyards banks and cattle loan companies: In order to be readily accessible to business, stockyards banks and cattle loan companies must be located in or very near the stockyards. Generally they can get such locations only by buying, leasing, or renting from the stockyards companies or the land-development companies. In one instance a yards bank leases from the yards companies under a contract which prohibits the yards companies from leasing, renting, or selling to a second stockyards bank or cattle loan company. So the stockyards bank and the cattle loan company which are able to get locations at yards have advantages.

Commission men's office space: The commission men and traders at the stockyards must have offices in or near the yards. They can get such accommodations only by renting or leasing from the yards companies. For the purpose of maintaining such office space each large yard has an exchange building, or series of buildings, offices in which are leased to the commission men. (Part III, pp. 20–21.)

* * * * * * *

RELATIVE IMPORTANCE OF BIG PACKER YARDS.

Though the Big Five have a majority interest in only 44 per cent in number of the 50 stockyards where live stock are bought and sold and have a minority interest in an additional 12 per cent of them—which gives them an interest in 56 per cent of the marketing yards—more than 84 per cent of all the animals which are marketed at stockyards in the United States pass through the yards in which these packers are interested. They have the controlling interest in the marketing yards through which 56.8 per cent of the animals pass and have a minority interest in other yards through which an additional 27.7 per cent of the animals pass.

The live-stock receipts of the stockyards markets in which the Big Five are interested as compared with the receipts of the total number of stockyards are given in the following table:

Receipts of live stock at the 22 yards in which the Big Five have a controlling interest and at the 6 yards in which they have less than a controlling interest, as compared with the receipts at the total 50 stockyards markets in the United States.

[For the year 1916.]

	Receipts at the 50 market yards.	Receipts at the 22 yards controlled by Big Five.	Per cent of total.	Receipts at the 6 yards in which Big Five have less than controlling interest.[1]	Per cent of total.	Per cent of total receipts at the 28 yards in which the Big Five are interested.
Cattle	14,365,900	9,416,852	65.5	3,254,811	22.6	88.1
Calves	2,726,408	1,624,965	66.9	722,332	29.7	96.6
Sheep	19,389,784	11,567,709	59.5	5,822,149	30.0	89.5
Hogs	42,517,364	22,344,493	52.5	12,126,045	28.5	81.0
Total	78,999,456	44,954,019	56.8	21,925,337	27.7	84.6

[1] Chicago is included in this class.

(Part III, p. 26.)

In the commission's report, Part III, opposite page 27, is a map showing the location of the 50 stockyards markets and of the interstate slaughtering plants of the United States. The relative importance of the various yards and packing companies is indicated in mathematical proportion by the size of the symbols except that for legibility a minimum size symbol was adopted which somewhat exaggerates the relative importance of the smaller independents. I will not ask to encumber the RECORD by inserting this map, but I hope Senators will look it over. It shows a large control of the stockyards of the country and is found in Part III, opposite page 27 of the report.

The exact proportion of voting stock owned by each of the five packing interests in the stockyards market companies is shown by the following table from the commission's report, Part III, pages 24 and 25:

Big packers' interests in stockyards which conduct live-stock markets.

The packer holdings appearing in this table include voting stock owned by the big packer families as well as the stock owned by the packing companies. Except in the case of the Kansas City Stock Yards Co., the table does not include a considerable amount of stock held by trusted employees, which stock, so far as ascertained, is not held either for the packer families or for the packer companies.]

Name and address of company.	Voting stock.	Armour.		Swift.		Morris.		Cudahy.		Wilson.		Total Big Five.	
		Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.	Amount.	Per cent.
Bourbon Stock Yards Co., Louisville, Ky.	$1,300,000	$167,500	12.9	$165,000	12.7							$332,500	25.6
Brighton Stock Yards Co., Brighton, Mass.	10,000			6,100	61.0	$3,500	35.0					9,600	96.0
Chicago Stock Yards Co (Maine).	8,000,000	1,552,000	19.4									1,552,000	[1] 19.4
Central Union Stock Yards Co., Jersey City, N. J.	601,000									$590,200	98.2	590,200	98.2
Cleveland Union Stock Yards Co., Cleveland, Ohio.	1,192,400			100,000	8.4							100,000	8.4
Crescent City Stock Yards & Slaughter House Co. (Ltd.), Arabi, La.	500,000					332,650	66.5					332,650	66.5
Denver Union Stock Yards Co., Denver, Colo.	1,500,000	750,000	50.0	750,000	50.0							1,500,000	100.0
Dallas Union Stock Yards Co., Dallas, Tex.	16,000	16,000	[2] 100.0									16,000	[2] 100.0
El Paso Union Stock Yards Co., El Paso, Tex.	100,000					62,000	62.0					62,000	62.0
Fort Worth Stock Yards Co., Fort Worth, Tex.	2,750,000	928,000	33.8	907,500	33.0							1,835,500	66.8
Independent Stock Yards Co., St. Louis, Mo.	[3] 10,000												
Interstate Stock Yards Co., Jacksonville, Fla.	25,000	25,000	100.0									25,000	100.0
Jersey City Stock Yards Co., Jersey City, N. J.	500,000	347,500	[4] 69.5	90,000	18.0							437,500	[4] 87.5
Kansas City Stock Yards Co., Kansas City, Mo.	2,500,000	50,100	2.0	5,300	.2	[5] 1,144,700	45.8	$50,000	2.0	35,400	1.4	[5] 1,285,500	[5] 51.4
Milwaukee Stock Yards Co., Milwaukee, Wis.	200,000			200,000	100.0							200,000	100.0
New York Stock Yards Co., New York, N. Y.	500,000					462,100	92.4			25,000	5.0	487,100	97.4
Oklahoma National Stock Yards Co., Oklahoma City, Okla.	1,000,000					519,200	[6] 51.9			299,000	29.9	818,200	[6] 81.8
Pittsburgh Union Stock Yards Co., Pittsburgh, Pa.	1,200,000	1,153,800	[4] 96.2									1,153,800	[4] 96.2
Portland Union Stock Yards Co., North Portland, Oreg.	150,000			114,700	76.4	13,500	9.0					128,200	85.4
St. Joseph Stock Yards Co., South St. Joseph, Mo.	2,500,000			1,324,500	53.0	739,000	29.6					2,063,500	82.6
St. Louis National Stock Yards Co., National City, Ill.	4,300,000	826,000	[4] 19.2	1,195,500	27.8	1,503,000	35.0			16,500	.4	3,542,200	[4] 82.4
St. Paul Union Stock Yards Co., St. Paul, Minn.	2,500,000	609,000	24.3	974,500	39.0							1,583,500	63.3
Sioux City Stock Yards Co., Sioux City, Iowa.	2,848,300	403,000	14.0	1,693,900	59.5			134,100	4.7			2,228,000	78.2
Salt Lake Union Stock Yards Co., Salt Lake City, Utah.	194,000							56,250	28.9			56,250	28.9
Union Stock Yards Co. of Baltimore County, Baltimore, Md.	800,000					83,700	[4] 10.4					83,700	[4] 10.4
Union Stock Yards of Omaha (Ltd.), Omaha, Nebr.	7,496,300	2,580,400	[4] 34.4	175,600	2.3			4,500	.1			2,760,500	[7] 36.8
West Philadelphia Stock Yards Co., Philadelphia, Pa.	300,000					68,750	[4] 22.9					68,750	[4] 22.9
Wichita Union Stock Yards Co., Wichita, Kans.	1,400,000							584,100	[8] 41.7			584,100	[8] 41.7

[1] The commission has definitely located Armour & Co.'s interests in the bearer warrants of the Chicago Stock Yards Co. as 19.4 per cent.
[2] Armour-Flippen interests.
[3] 96 per cent owned by the St. Louis National Stock Yards Co.
[4] Including the Allerton interests.
[5] Morrises secured more than 50 per cent of the stock (see p. 49). In 1917, so far as the commission was able to ascertain, the Morrises owned 42.6 per cent of the stocks and trusted employees 3.2 per cent.
[6] Including voting trust.
[7] 64.7 per cent in 1917, including proxies.
[8] 56.4 per cent, including proxies.

The control of the stockyards is thus fairly apparent. This is one of the causes producing much unrest and dissatisfaction among those who are compelled to ship to the stockyards. They are great market centers; are in their very nature public utilities and give an unfair advantage to the packers; and it must be apparent to anyone that there is an element of gross unfairness in permitting those to whom the producers are compelled to sell to control the market places where they must sell.

In some of the numerous pamphlets issued by the American Institute of Meat Packers, in showing how these bills will ruin the meat-packing business, they concede that stockyards are in the nature of a public utility.

Our contention is that the control has grown to such monopolistic proportions that the whole meat-packing business as carried on by this combination and monopoly can not be considered an absolutely private business, but partakes of the nature of a public necessity and is subject to control by the public.

The commission says in its summary, Part I, page 40:

* * * * * * *

The big packers' control at these markets is much greater than these statistics indicate. In the first place they are the largest and in some cases practically the only buyers at these various markets and as such hold a whip hand over the commission men, who act as the intermediaries in the sale of live stock.

The packers' power is increased by the fact that they control all the facilities through which live stock is sold to themselves. Control of stockyards comprehends control of live-stock exchange buildings where commission men have their offices; control of assignment of pens to commission firms; control of banks and cattle loan companies; control of terminal and switching facilities; control of yardage services and charges; control of weighing facilities; control of the disposition of dead animals and other profitable yard monopolies; and in most cases control of all packing-house and other business sites. Packer-owned stockyards give these interests access to records containing confidential shipping information, which is used to the disadvantage of shippers who have attempted to forward their live stock to a second market.

* * * * * * *

It further says, in Part III, pages 51 and 52:

Yards services: The big packers' assertion that they offer superior facilities and services at the stockyards controlled by them is not sustained by evidence. The yard facilities of their stockyards have generally been expanded since acquisition by them, but the expansion in facilities have been in most cases only to the extent absolutely necessary to take care of the increased live-stock receipts; in other cases the expansion of facilities has been totally inadequate. There has been much dissatisfaction and criticism on the part of live-stock commission men and shippers as to the poor facilities and services which are given at the stockyards controlled by the big packers.

At virtually all the large stockyards there is complaint on the part of the live-stock producers and commission men that the stockyards companies do not employ a sufficient number of employees to unload and handle the animals through the yards. At some of the yards, as at Omaha, a part of this work has to be done at the expense of the commission firms. The stockyards company receives its regular yardage charges for the work, even though the services are not performed by it. Also, at the large yards there is a wide complaint on the part of both producers and commission men that the stockyards do not have adequate weighing facilities to take care of the heavy business. As a result the producers suffer losses because of the long wait of the animals before they can be weighed up to the buyers.

A complaint which is found at practically all stockyards is that the yards are not kept clean. No doubt this condition in the past two years has been partly due to the general shortage of labor. But the complaint runs back for several years at Denver, Omaha, St. Louis, and Chicago. Another complaint at some of the packer-controlled yards is that there are not a sufficient number of pens to take care of the incoming animals.

These statements on yards services are supported by quotation of reports of a committee of the Omaha Live Stock Exchange, showing complaint of conditions at the Omaha yards and failure of the management to correct them, and by letters from the Swift files regarding conditions at the Denver and St. Paul yards. (Part III, pp. 52–57.)

Bad conditions in the yards services result from lack of competition and are an unnecessary burden on the farmers and stockmen whose animals are marketed through the yards. Complaint is justified especially since yardage charges and feed charges appear unreasonably high. (Part III, pp. 58–61.)

Another effect of stockyards monopoly is the accompanying monopoly of the dead-animal rendering business, and illustrates also the profit in by-products. This is a small business, but highly profitable, and in most yards is owned by one or more of the five packing interests. The commission's report says (Part III, pp. 61–62):

These rendering companies are usually owned by the big packing corporations or individual members of packer families and their more important employees. Thus the Union Rendering Co., of St. Paul, is owned by Swift & Co. The St. Joseph Rendering Co. is not incorporated, but is operated as a division of the St. Joseph Stockyards Co., which is controlled by Swift. At the other large packing centers—Sioux City, Omaha, St. Louis, Kansas City, and Chicago—members of the packer families and their employees hold all or nearly all the stock.

These companies are:

At Chicago: The Globe Rendering Co., capital stock $2,000,000, owned as follows: Morris interests, $1,157,700; Swifts, $255,300; Arthur Meeker, vice president of Armour & Co., $200,000; Wilson, $50,000; and most of the balance held by those affiliated with or employed by the big packers.

At Kansas City: The Standard Rendering Co., capital stock $1,000,000, owned as follows: Morris interests, $606,300; Wilson, $175,000; Swifts, $75,000; Arthur Meeker, vice president of Armour & Co., $50,000; Cudahys, $50,000; and the balance ($43,700) held by those affiliated with these packers.

At Omaha: The Union Rendering & Refining Co., capital stock $100,000, owned as follows: Swifts, $34,000; Morris, $20,000; Armours, $8,000; Cudahys, $15,000; and most of the balance ($23,000) held by employees of these packers.

At East St. Louis: The East St. Louis Rendering Co., capital stock $240,000, owned as follows: Morris interests, $179,500; Swifts, $60,000; and the balance ($500) held by five qualifying directors of the company.

At Sioux City: The Iowa Rendering Co., capital stock $25,000, owned as follows: Swifts, $6,200; Armour interests, $6,200; Cudahys, $5,900; and the balance held by those affiliated with these interests.

The various practices that are injuring the stockmen and farmers shipping to these yards are many.

The yard monopolies at the stockyards are: Control over the dead-animal rendering business, power over the yards' banking business, power over packing-house sites and appurtenances thereto, and power over facilities used by the live-stock commission men and traders. These powers are derived from their control over the stockyard companies.

The complaint of the live-stock men that they do not receive a fair price for the animals that arrive dead or die in the yards is justified by the evidence of the profits of the rendering companies. Among the facts given by the commission are two letters concerning the East St. Louis Rendering Co., in which Morris and Swift are interested but not Armour. These letters show that Armour & Co., not owning stock in the rendering company, arranged to tank its own dead hogs rather than accept the rendering company's price of 1¼ cents per pound when they were worth 4½ to 5 cents per pound. Swift & Co.'s manager also was considering tanking that company's own dead instead of asking the rendering company to raise its price to a fair level, because if the price were raised to Swift & Co. it would have to be raised to the farmers. (Part III, pp. 66–67.)

SWIFT & Co.,
NATIONAL STOCKYARDS, ILL.,
St. Clair County, May 3, 1916.

Mr. L. F. SWIFT, President, *Chicago, Ill.*

DEAD HOGS.

DEAR SIR: On April 11, 1912, after some discussion (which was instituted by Mr. Collett, then vice president of the stockyards), you instructed us to let the stockyards company have, for the rendering company, all of our dead hogs which die in our holding pens and those that arrive dead in Sioux City shipments.

The rendering company are allowing us 1¼ cents per pound for the dead, and we figure, on the present grease market, they are worth 4½ to 5 cents per pound.

For one year we had 243 dead, weighing 50,300 pounds. On this volume and with the present high prices for grease, they are making $1,500 per year on these hogs.

We question if it would be advisable to ask the yards company for more money, as if it were granted to us they would also have to raise the allowing price on the dead to country shippers, but we wanted to put this matter up to and get your opinion as to whether or not it would now be satisfactory for us to tank our own dead.

Will you kindly advise?

Yours, respectfully,

SWIFT & Co.,
Per F. A. H.

Manager's Department.
FAH: EN
(Part III, p. 66.)

* * * * * * *

SWIFT & Co.,
NATIONAL STOCKYARDS, ILL.,
St. Clair County, May 26, 1916.

Mr. LOUIS F. SWIFT, President, *Chicago, Ill.*

DEAD HOGS.

DEAR SIR: Answering your letter of May 15.

This is to advise Armour & Co., starting to-day, are tanking their own hogs which die in the pens or which arrive dead in direct shipments.

Understand Armour & Co. requested the stockyards company to give them more money for the dead hogs and the yards company advised they were unable to do so, and, accordingly, Armour & Co. started to-day to tank their dead hogs.

Yours, respectfully,

SWIFT & Co.,
Per ———

Manager's Department.
FAH: EN
c/c to Mr. G. F. Swift, jr.
(Part III, p. 67.)

The report quotes, as illustrative, the contract which all live-stock commission men at the St. Paul yards must sign before they are permitted to do business there. This agreement, among other things, enforces the rendering monopoly, in the following clauses (Part III, p. 69):

It is further agreed that all animals that may arrive dead or that may die in the stockyards of said first party and consigned to or in charge of said second party shall be sold and disposed of as directed by the said first party, as to manner, price, and purchaser.

* * * * * * * *

While it is impossible for the five large packing interests to monopolize the business of loaning money on live stock, their control of the stockyards gives an advantage to the banks and cattle loan companies with which they are connected. On this, the commission says (Part III, pp. 69–71):

Stockyards banks and cattle loan companies: The business of loaning money on cattle is one of the activities of every stockyards market. At these market centers millions of dollars are loaned to producers and feeders of cattle, the cattle being assigned as security for such loans. Loans are usually made through the stockyards banks and cattle loan companies for periods of six months and the interest rate varies from 6 to 8 per cent.

Almost all the banks and cattle loan companies in or beside the stockyards controlled by the big packers are owned and operated by them, and inasmuch as they control stockyards handling over 75 per cent of the cattle bought and sold at all the stockyards they consequently are in an advantageous position with respect to handling live-stock credit.

With the exception of Kansas City the only banks, and in most cases the only cattle loan companies, operating in the big packer stockyards are those owned and controlled by the same packer or packers who control the yards. For instance, at St. Paul, Fort Worth, and Denver, where the yards are jointly owned by Swift and Armour, the banks and cattle loan companies are jointly controlled by these same interests. At St. Joseph and Sioux City Swift controls the yards and likewise controls the only banks and cattle loan companies in these yards. At East St. Louis the Morris interests control both the yards and the banking and cattle loan facilities. (Part III, pp. 69–70.)

* * * * * * * *

The big packers' power over these banking facilities through control of the stockyards is illustrated at the St. Louis National Stock Yards. These yards are controlled by the Morris interests and the only bank permitted within the yards is the National Stock Yards National Bank, which is likewise controlled by the Morrises. This bank advertises as "the largest bank in Illinois outside of Chicago." Its deposits on March 4, 1918, were over $18,000,000 and its loans and those of the National Cattle Loan Co. affiliated with it were over $17,000,000. The volume of the banking business is made secure through a lease dated April 1, 1914, between the stockyards and the bank. This lease expiring May 1, 1928, stipulates that it is upon the express condition that during the term of the lease or any extension thereof "the lessor will not lease any of its property at the National Stock Yards, or any interest therein, to any person, firm, or corporation doing a banking business or allow such business to be conducted therein by any person, firm, or corporation other than the lessee, its successors, or assigns."

Consequently when the Drovers National Bank was recently organized at East St. Louis to compete with the Morris bank it could not secure a location within the stockyards. It was compelled to locate at a point one-half mile from the Exchange Building. Practically all of the business of the new bank is with commission men and other stockyards patrons whose offices are in the Exchange Building. (Part III, pp. 70–71.)

A fundamental advantage arising to the large packing interests from their control of the stockyards, is the fact that this places

in their hands the ownership of the more convenient packing-house sites as a weapon against competitors who desire to establish plants. The report says (Part III, p. 73):

Packing house sites and appurtenances thereto: In addition to owning or controlling most of the important stockyards in the country, the big packers, through their land-development companies, also own or control practically all the land which is suitable for packing-house sites near those yards. The independent packer who desires to locate a packing plant at one of these big packer stockyards can not get a suitable site for his plant unless the big packer consents to lease or sell land to him. The big packer stockyards, as a matter of fact, with few notable exceptions, have neither leased nor sold to the independents who desired packing-house sites for businesses of any considerable extent.

The big packers' monopoly of desirable packing-house sites at the principal stockyards and their refusal to sell has forced the independents who desired to locate at those markets to build their plants outside of the stockyards—in some cases 2 and 3 miles away. It is found that the independents who thus locate their plants are given little consideration from the stockyards companies in the way of spur tracks, driveways to get the live stock from the yards to their plants, and other yard conveniences which are afforded by the yards companies to the plants of the big packers. Principally because of these facts, most of the larger independent packing plants are located in rural districts or at smaller markets where the big packers have little or no control over the stockyards and packing-house sites.

At Chicago there are several more or less independent packers, such as the John Agar Co. Jacob Dold & Co. has a packing plant at Wichita which was established before the Cudahy Packing Co. gained control of the Wichita Union Stock Yards Co. At Sioux City the Midland Packing Co. is now building a large plant. (How the site for the Midland Co. was secured from the Sioux City Stock Yards Co. will be shown later. See pp. 77–79.) Practically all the other large independent packing plants are located at the smaller markets or in the country: Jacob Dold & Co., at Buffalo; Cincinnati Abattoir Co., Cincinnati; John Morrell & Co., Ottumwa, Iowa; George A. Hormel & Co., Austin, Minn.; Kingan & Co., Indianapolis; Hammond-Standish & Co., Detroit; Parker-Webb & Co., Detroit; Jacob F. Decker & Sons, Mason City, Iowa; Rath Packing Co., Waterloo, Iowa; Cleveland Provision Co., Cleveland, Ohio; Ogden Packing & Provision Co., Salt Lake City, Utah; Frye & Co., Seattle, Wash.; Carstens Packing Co., Tacoma, Wash.; and Hauser Packing Co., Los Angeles, Calif. (Part III, p. 73.)

That this is true, particularly for cattle slaughter, as to the principal stockyards controlled by the five packers, is shown by the following compilation derived from a table on page 122 of Part I of the report and from the table of their ownership in stockyards already quoted. This shows clearly that in most cases the independents have little or no foothold in these great live-stock market centers where the five packers control the yards.

Independents' proportion of total slaughter by interstate slaughterers in 11 important packing centers where the Big Five control the stockyards, 1916, calendar year.

Packing center.	Cattle.	Calves.	Sheep.	Swine.
	Per cent.	*Per cent.*	*Per cent.*	*Per cent.*
Kansas City	(1)	(1)	(1)	1.4
Omaha				
St. Louis	10.8	4.7	2.2	35.8
New York City	2.3	49.3	40.1	100.0
St. Joseph	(1)	2.8	(1)	(1)
Fort Worth				
St. Paul	(2)	(1)	(1)	6.6
Sioux City	(2)	(2)	(2)	(2)
Oklahoma City				
Denver				
Wichita	22.2	20.9	12.6	49.8

[1] Less than 1 per cent.
[2] Plant, no slaughtering.
[3] Two small independent plants, but did not report number slaughtered.

The matter of the control of packing-house sites is so important that the following statement giving instances where it was used, or attempted to be used, to the disadvantage of independents in Sioux City, Fort Worth, St. Paul, and New York City are quoted from the commission's report (Part III, pp. 74–80):

At Sioux City, where Swift & Co. control the stockyards, Armour & Co. and the Cudahy Packing Co. own desirable packing-house sites on which are located their plants. In 1917 two independent interstate packing companies, the R. Hurni Packing Co. and Statter & Co., also owned small packing-house sites on which were located plants. The stockyards company leased sites to two very small local slaughterers, who killed only a few animals each week.

The Sioux City Stock Yards Co. furnished to both Armour & Co. and the Cudahy Packing Co., without cost to them, lanes or chutes for driving their stock directly from the stockyards pens to their plants and spur railroad tracks so they could load their dressed meats directly from their plants to the cars. At the same time the stockyards company refused to furnish either Hurni, Statter, or the local slaughterers lanes or chutes for driving their animals from the stockyards pens to their plants, and refused to permit Hurni to construct at his own expense a spur track to his plant, and also refused to sell Statter additional land necessary for the enlargement of his plant.

In regard to the desired land or chute for his animals Statter said to a representative of the commission:

"For a number of years I have been compelled to drive my cattle and hogs through the main street of this district against all the traffic. We need a runway along the river bank. This could be built easily with no disadvantage to anyone. Smith Bros. and Sacks [the local slaughterers] could use the chute. From time to time I tried to get a driveway, but Mr. Eaton [president of the stockyards company] always refused. Why aren't we small packers entitled to some consideration? We are in the stockyards competing daily. It isn't so much a matter of the amount of stuff we buy as it is that we are in the game making a competing market. We help make this competitive market, but the small packer has to fight for his life."

R. Hurni & Co. had been operating at the Sioux City yards for many years and was located on a site adjoining the yards. Hurni, because of his proximity to the stockyards pens, did not desire a lane or chute, but asked only permission to cut a gate in the yards fence through which to drive the animals directly to his plant, but the stockyards company refused permission to allow the gate to be cut, so Hurni was compelled to send stock around through the main street referred to by Statter. On this subject Hurni's attorney testified before the commission as follows:

"Q. Was it possible, or would it have been possible, to have permitted Hurni to have had those hogs driven from the hog house (in the stockyards) to his plant without going into the street?—A. Personally, I never had the matter of getting hogs into his plant from the stockyards up with the officers; but I did have the matter of getting cattle into his plant from the stockyards up, and tried to get them to make provision for a gate. One of the stockyards alleys runs immediately back of the Hurni plant and he wanted to get a gate from that alley into his plant, so that the stock would not have to be taken through Chambers Street, but they refused to do that.

"Q. The yards in which the cattle are fed for sale surround the Hurni plant on three sides, do they not?—A. That is true; yes, sir.

"Q. And a gate into the Hurni plant would have been an easy matter to have placed on any one of the three sides?—A. Well, any one of two sides.

"Q. That would have been a matter of a few dollars putting a gate in there?—A. Just a very slight expense; yes, sir.

"Q. For how long a period of time did Mr. Hurni endeavor to secure the privilege of having that gate put in?—A. I don't know that personally. He made an effort to get it 10 years ago, and he never got it.

"Q. Has the Cudahy plant one?—A. It has.

"Q. Has the Armour plant one?—A. It has."

Hurni was never able to induce the terminal railways company, which is controlled by the stockyards company, to permit the construction of a spur track over to his plant, so he would not have to haul his finished products from the plant through the streets to load them on the cars. This haul made an extra cost of $30 a car, in addition to unduly exposing his products to the weather. Hurni appeared several times before the city council with a petition asking for a franchise to construct the track, and each time officials of the stockyards company appeared before the council in opposition and succeeded in preventing the issuing of the franchise.

Hurni's attorney testified before the commission in regard to this matter, as follows:

"Q. Did Hurni make any effort at any time to secure the privilege of a spur track from his plant to the terminal railroad?—A. He had tried from time to time during the last 10 years to get a spur track in order to serve his plant.

"Q. What is the distance from his plant to the terminal railroad?—A. About three blocks on Chambers Street.

"Q. And how did he get his product to the terminal railroad in the absence of a spur track?—A. He had to haul it with wagons to a car that was switched in on Prospect Street.

"Q. And what was the expense per wagon load of that, do you know?—A. I could not tell you that, Mr. Henry.

"Q. You don't remember or recall what Mr. Hurni claimed it to be?—A. I don't remember except in a general way that he considered it a matter of very essential importance that he have a spur track, and said he could not meet competition and could not handle the meat advantageously by having to haul it the distance he had to haul it from his packing plant to the car, which made additional handling and additional expense.

"Q. And in warm weather that was quite a serious——A. (interrupting). It was a serious disadvantage; yes, sir.

"Q. Who had the granting of the spur track?—A. The Sioux City Terminal Co.

"Q. And the Sioux City Terminal Co. was controlled by whom?—A. By the stockyards company.

"Q. And who controlled the stockyards company at that time? Do you know?—A. Well, during the time I speak of it was controlled by the Armours and Cudahys and——

"Q. (interrupting). And Swift?—A. And Swift."

On June 16, 1917, partly because of the failure of his health, Hurni sold his packing plant to the Sioux City Stock Yards Co., which is controlled by Swift & Co. The yards company leased the Hurni packing plant to Swift & Co., and within less than a week the gate leading to the plant for which Hurni had pleaded was cut, and within less than a month the stockyards company secured from the city council a franchise to build the spur track to it. The following letter of July 13, 1917, from F. L. Eaton, president of the Sioux City Stock Yards Co., to L. F. Swift, explains the action of the city council in this matter:

OFFICE OF PRESIDENT,
Sioux City, Iowa, July 13, 1917.

Mr. L. F. SWIFT,
Union Stock Yards, Chicago, Ill.

DEAR SIR: Regarding the tracks at the Hurni packing house, we asked the council to pass an ordinance giving us the right for that track and also give us the necessary rights of way for the total track changes which we anticipate. We had a meeting with the council and discussed the matter, and they seemed ready to grant everything we wanted and just as we asked, except the track to the packing house. The mayor had opposed granting the track to Hurni, and feels that to grant it to us now would make him liable to censure; therefore he asks us to change the location of the track north of the packing house and swing it 14 feet west of the proposed line, which carries it into the stockyards property and off the street for about 400 feet. It makes a slight reverse curve and is not as good for us as to run it straight down the side of the street. One member of the council, who was rather disposed to side with the mayor, said he would like to know the feeling of the live stock exchange, so at the meeting yesterday the matter was laid over until to-morrow (Saturday) when it will be taken up again, and in the meantime I have a resolution from the live stock exchange and a petition signed by about 90 men doing business at the yards asking the council to grant this right of way just as we asked for. We can get the right of way as the mayor outlines without any question, and may have to take that, although we will try to get exactly what we want as long as there seems the possibility of doing so.

I wired you yesterday, asking you to hold up the crossing, because if we have to take the mayor's line it will require a slightly different angle on the crossing, but we should know to-morrow what we will require. (The omitted part of this letter refers to the prospective location of a hay barn by the stockyards company.) * * *

Yours, truly,

———— ————, *President.*

FLE–C

To a representative of the commission an official of the stockyards company explained its objection to the building of the spur track for Hurni by claiming that the volume of R. Hurni & Co.'s business would not justify the investment by the railway company; but that as Swift & Co. promised to increase the business threefold, the spur was constructed for the latter company. No enlargements of the old Hurni plant have been made as yet.

In the early part of 1917, H. Statter, the slaughterer mentioned above, because of his local influence, succeeded in forcing the Sioux City Stock Yards Co. to sell him additional land to permit him to grow. There was introduced in the Iowa Legislature the "Thompson bill," which provided that the Iowa Railroad Commission be given power to regulate stockyards charges within the State. Statter was influential in support of the bill. The Sioux City Stock Yards Co. promised to sell him land for expansion of his plant and he withdrew his support of the Thompson bill, which then died in the committee. The following letter of April 18, 1917, from F. L. Eaton to L. F. Swift states the case clearly:

THE SIOUX CITY STOCK YARDS CO.,
Sioux City, Iowa, April 18, 1917.

Mr. L. F. SWIFT,
Union Stock Yards, Chicago, Ill.

DEAR SIR: Referring to your letter of April 13, regarding proposition of Mr. Statter, Mr. Statter has several times intimated that any proposition he made to me would not be acted upon favorably, and that he could do better by going straight to the Chicago people, and I, therefore, asked him to put his proposition in writing, and I would submit it just as he proposed it; and, in fact, I dictated my letter of April 7 to you in Mr. Statter's presence, and have refrained from saying anything further on the subject until after receiving your letter of the 13th. This much in explanation of the way in which the proposition was submitted.

When the Thompson bill was before the legislature, Mr. Statter was its most ardent supporter, and his attorney, Mr. Salinger, had more influence than any other person from Sioux City. It looked very doubtful as to our ability to kill this bill because the sentiment had been worked up among the commission men that Statter and Hurni were not being allowed to grow, and that same argument was used in Des Moines. We were able to curtail the activities of the Hurni people, but in the case of Statter we found it necessary to make the plain statement in Des Moines before the committee that if Mr. Statter needed more ground to grow upon we would be glad to let him have it, because we wanted more business, and finally, with that assurance upon our part, Statter and his attorney, Salinger, withdrew their support of the bill, and it died in committee.

I am therefore anxious that Mr. Statter shall have an opportunity to secure such ground as he may need to enlarge his packing business, but, of course, I have been careful to say to him that we would have to be assured that he was so organized that he could conduct a business that would warrant the use of the amount of ground which he might desire. I have seen Mr. Salinger to-day, and prefer to talk with him, as he is rather more reasonable in his views than Mr. Statter, but Mr. Salinger says that, while he is preparing to reorganize Mr. Statter's company and can sell a lot more stock, it will be impossible to do that without assurances that they could have the ground needed. I suggested to him that, while the stockyards company were unwilling to give an option of three years, they might possibly be willing to give an option for a shorter time, within which time Mr. Statter could make his reorganization, and I suggested six months. Mr. Salinger thought that would be short as times were now, but that possibly they might get through in one year.

I do not see how we would have any use for this ground within a year, nor can I see how it could be put to any better advantage, so far as the stockyards business is concerned, than to have a larger packing house built upon it, and I further believe it would be a good policy for the stockyards company at this time to show to the live-stock people and to the townspeople an inclination to encourage Statter to increase his plant.

Mr. Salinger asked that we submit some proposition to him as to what we would be willing to do, and I suggest for your consideration something like the following:

Agreed to sell Mr. Statter the land north of him for $1,250 and to sell him the land west of him that he desires, provided he shows us that he will have capital enough to carry on his business; that he will erect within a certain definite time a packing plant on the ground now owned by him or the ground agreed to be sold to him, which shall have a capacity of not less than 100 cattle and 500 hogs daily, purchasing his stock at the stockyards or paying yardage on all bought outside except such hogs as he uses in his serum plant, and which he is not permitted to buy at the stockyards; that we hold the ground subject to his purchase for one year; that at any time within the year, at his request, we will agree with him as to a price, or failing to agree, will accept a price fixed by three real estate men, each party selecting one and the two selecting a third.

I fully agree with you that the preferred stock of this company is nothing that the stockyards company should take, and I told him when his proposition was submitted that I did not believe it would be considered; but I also intimated that if we sold him the property we would not demand the entire purchase price in cash, but would carry a part of it for a short time as a lien upon the property.

Under the conditions that are now existing here, I believe it would be well for us to make some such sort of a proposition as I have outlined, and would be glad to have you advise me what kind of a proposition would meet with your approval. If we can agree with him upon some sort of a proposition soon, it would be a good move for us to make,

Yours, truly,

F. L. EATON,
President and General Manager.

FLE C

As a result of securing this packing-house site Statter in March, 1918, reorganized the Statter & Co. into the Midland Packing Co., with an authorized capital stock of $1,000,000 common and $2,500,000 preferred. Fred C. Sawyer, manager of pork-packing department of Swift & Co., resigned his position with Swift & Co. and became president of the Midland Packing Co., and on January 29, 1919, held more than 20 per cent of the issued voting stock of the company. The other large holders of the voting stock are: H. Statter and his attorney, B. I. Salinger; C. H. Burlingame; John L. Weldon; and D. H. Brennan. The Midland Packing Co. is constructing a large modern packing plant.

Eaton stated in the letter quoted above:

"I fully agree with you that preferred stock of this company is nothing that the Stock Yards Co. should take, and I told him when his proposition was submitted that I did not believe it would be considered."

At Fort Worth, where Armour and Swift control the Fort Worth stockyards and the surrounding land, they have not only repeatedly refused to permit independent packers to establish packing plants there, but also declined to allow either Morris or Sulzberger to build plants at those yards. The citizens of Fort Worth and vicinity have several times asked Armour and Swift to allow other packers to come to Fort Worth, but Armour and Swift have on each occasion declined to do so on the ground that there were not sufficient hogs at the market to support another packing plant. They could not make the same claim in reference to cattle, because such a large percentage of the receipts have to be shipped to other centers to be slaughtered.

At St. Paul, after Swift & Co. and Armour & Co. had received bonuses to locate plants at the yards, a smaller packing concern, J. T. McMillan & Co., was invited to locate there also, but no bonus was offered, and the conditions proposed were such that the move would have been unprofitable for the independent and would have forced it into an agreement for apportioning the purchases of hogs, as, according to a representative of the independent plant, Swift & Co. demanded that they agree to buy not over a certain stipulated proportion of the hogs offered each day, that being the agreement between Swift & Co. and Armour & Co. The small packer did not accept the proposition.

At Wichita, Kans., the Jacob Dold Packing Co., which works in an agreement for purchasing hogs with the Cudahy Packing Co., has a site adjacent to the stockyards which was acquired before Cudahy came to Wichita, but Cudahy controls all the other sites there. An informant stated to an agent of the commission as follows:

"There is not any possibility for any competitive packing company to get in and acquire ground suitable for a plant or to get a runway for cattle in a convenient location in the vicinity of the stockyards without obtaining the consent of the Cudahy Packing Co., or Mr. Cudahy."

At Oklahoma City, Morris and Wilson control all available packing-house sites in and near the stockyards. No other packer could establish a plant there without their permission.

The letter following by Paul D. Cravath, counsel for Sulzerger & Sons Co., to Henry Veeder, shows the measures taken by a big packer to get control of the most available packing-house site remaining in New York:

(Confidential.)

CRAVATH, HENDERSON & DEGERSDORFF, 52 WILLIAM STREET,
New York, May 26, 1911.

DEAR VEEDER: The Sulzbergers have just been in to see me about several matters preparatory to my departure for Europe. They mentioned, among other things, a piece of property fronting on East River and extending from Forty-sixth to Forty-seventh Streets, which is behind the property on First Avenue which the S. & S. Co. owns. The river-front property in question has been occupied by Kane & Wright, dealers in manure, whose lease expires in 1913. The Goelet estate, which owns the property, is now seeking a new lessee. The property can be leased for about $15,000 a year plus taxes, and could be sublet to the manure concern for a fraction of that amount. The Sulzbergers have reason to fear that this property may be leased as the site of a new packing plant. Indeed, they have reason for suspecting that the Josephs are considering a venture in that direction, apparently realizing that their tenure of office with the Butchers Co., New York Butchers Dressed Beef Co., may not last indefinitely. Mr. Sulzberger thinks it would be wise to lease this property and get it out of the market, as it is the most available, indeed they think the only very available, site for a packing plant in the packing-house district. They do not feel like undertaking the burden alone, as they have no possible use for the property.

Max Sulzberger when he goes to Chicago will talk to Mr. Swift about the advisability of arranging a lease of this property in the interest of all concerned.

I am writing you simply to give you the situation and to give you my impression that it is probably worth while to lease the property.

Very sincerely, yours,

PAUL D. CRAVATH.

HENRY VEEDER, Esq.,
125 Monroe Street, Chicago, Ill.

1 P.

The property in question, on expiration of the lease in 1913, was leased for 10 years by the Goelet estates in part to F. F. and W. A. Kane, and in part to the Turtle Bay Investors Co., which company on April 14, 1910, was merged with Sulzberger & Sons Co., now Wilson & Co. (Inc.).

Thus, with the control of the packing-house sites the big packers enjoy an economic advantage over the small independents, and upon occasion these advantages are employed to the detriment of the development of competition and even to the point of forestalling development by taking over a packing-house site for which they acknowledge they have no use.

The control of stockyards is so important to the five packers that they watch carefully the development of independent competing yards, and in some instances have taken steps to eliminate them. Observe in the following letter by the Swift manager at Fort Worth the attitude toward the Hodge yards (owned by the "Katy" Railroad and competing with the Fort Worth yards, which Armour and Swift control) and toward "these little outside markets and stockyards." One of the yards whose competition the Swift manager complains of is Oklahoma City, which is controlled by Morris and Wilson.

SWIFT & CO., STOCKYARDS STATION,
Fort Worth, Tex., April 30, 1912.

Mr. L. F. SWIFT,
Swift & Co., Chicago, Ill.

DEAR SIR: Referring to report on Hodge yards of April 29.

* * * * * * *

It seems to be quite the scheme to bill stuff for Oklahoma City or Kansas City and scoot it around through these yards. For instance, I

referred to 16 cars billed for Oklahoma City yesterday from south Texas, directly in our territory; and here are Morris and S. & S. both buying cattle here on this market and still working to get these cattle from our territory for Oklahoma City market, sending them within a mile and a half of our yards.

We have got to keep our eye peeled on these little outside markets and stockyards or we will get hurt with them in time. I referred you to a new stockyard being built on the Rock Island Railroad the other day. It is claimed in every way possible that the Rock Island has nothing to do with it; that a man named Zimmerman is building for dipping vat. We remember all the claims that were made when the Katy yards at Hodge were built—probably not just of this description, but of a similar nature—and now we see the result. They run thousands of cars through there that we could do business on here on this market if they were out of the road. I suggested to you the other day that perhaps it was an opportune time to take a step to get them out of the road. We are naturally located for practically all the live stock of the Southwest. If we could concentrate it here and did not have so many of these little side issues, Oklahoma City and other little yards, it would make a wonderful market, one, I believe, that would dumfound you, yourself.

Yours, truly, J. B. GOOGINS.
[Swift's Fort Worth manager.]

In chapter 6 of Part II of its report on private car lines, the commission explained fully how Armour and Swift brought pressure to bear on the Missouri, Kansas & Texas Railway Co. to force that company to close the Hodge stockyards referred to in the above letter. These packers wanted the Hodge yards closed because they were competing with the Fort Worth stockyards; they succeeded in getting them closed and thus eliminated the competition.

Other examples of watchfulness of one another and of independents are seen in the following from Part III of the commission's report (pp. 83–84):

The following letters indicate that Armour and Swift were ready to take an interest in the El Paso yards as soon as it was apparent that those yards would interfere with the Fort Worth Stockyards:

MARCH 11, 1915.

Mr. ARTHUR MEEKER, *Packing House.*

Referring to the attached: In and of itself I see no particular value in our having any interest in El Paso. From an earning standpoint, I think there is not much value there, and if at some future time the situation becomes harmful to any of our interests we can better take the matter up then, in the light of circumstances existing at that time, than to decide upon any policy at the moment.

R. J. DUNHAM.

—

MARCH 16, 1915.

Mr. L. F. SWIFT, *Union Stockyards.*

DEAR MR. SWIFT: With reference to the inclosed, how do you feel about our going to El Paso?

Yours, very truly,

(Signed) ARTHUR MEEKER.

—

CHICAGO, *March 16, 1915.*

Mr. ARTHUR MEEKER,
Armour & Co., Union Stockyards, Chicago.

DEAR MR. MEEKER: Answering your note of even date, and returning attached correspondence, I feel a good deal as Mr. Durham does.

Don't think the El Paso connection is important for the Fort Worth Stockyards, but if it proves to be important at some future time, think we can take action then just as well as we could now.

In other words, think it better to wait a while and see what develops than it is to agree to any plan of action now.

Yours, very truly,

LOUIS F. SWIFT.

MSB

After getting control of the Crescent City Stockyards Co., at New Orleans, the Morrises then acquired the other competing stockyards at that city, as is shown by the following letter:

NEW ORLEANS, LA., *April 21, 1917.*

Mr. G. C. SHEPARD,
The Cudahy Packing Co., Chicago, Ill.

DEAR SIR: We are mailing you to-day's Times-Picayune, on page 7 of which you will note that Morris & Co. have also purchased the Union Stockyards; this is in addition to the Crescent City Stockyards, of which the articles in the papers covered. This gives Morris & Co. all of the stockyards facilities in the city.

The Crescent City Stockyards were at the old Crescent City plant, just across the parish line; the Union Stockyards were a new enterprise that was recently permitted by the city at or near the butchers' abattoir, which is within the city limits. This eliminates any possible competition in the stockyards matter, as Morris seems to have taken them all in.

Yours, truly,

THE CUDAHY PACKING CO. OF LOUISIANA (LTD.),
W. H. ARNOLD.

WHA/E

Some of the ways in which control of the stockyards aids in the monopolization of the meat industry have already been cited. Some of the ways in which it may also be used to affect the daily prices of cattle, sheep, and hogs on the market appear in the following from Part III of the report (pp. 86–89):

The power of stockyards companies over the market paraphernalia can be used in many ways to affect the prices of the live stock which pass through them. The control of the Big Five over the principal stockyards, where live-stock prices for the whole country are made, gives them, as the principal buyers, power to affect the prices they pay for the animals. They may do this through the use of the yards monopolies or the yards facilities and services or by using the confidential shipping and marketing information. Numerous instances were found where they have used to their advantage the power over the market which the stockyards ownership and control places in their hands. (Part III, p. 86.)

Such practices are manifestly unfair.

* * * * * * *

The switching and yarding facilities can be used effectively in determining the daily net prices the big packers pay for the animals they buy. By delaying the switching and unloading of live stock the packers may make a late or an early market or they may cause shippers to lose heavily on shrinkage of the animals. Delays in switching and unloading are the cause of numerous complaints at the large stockyards. There are frequent cases where live stock are turned over to the yards' terminal railroad by the originating line at 8 o'clock in the morning and not unloaded at the yards until noon or 1 o'clock. In such cases the animals can not be placed in the pens and offered for sale the same day. The feed charges are high and the live stock becomes stale and commonly bring lower prices than if sold the day of arrival.

Delays in loading the animals bought by independent packers and order buyers and the switching of the loaded cars to the connecting lines cause frequent complaint at some of the big packer-controlled yards. The independent packers at St. Louis have stated that the big packers' cars are invariably loaded and shipped out ahead of theirs.

Probably the most frequent complaint common to all packer markets is that the yards neither provide sufficient scales nor handle the weighing of live stock with such facility as to prevent long, unnecessary delays in weighing live stock after it has been sold. The shrinkage or loss of weight caused by such delays represents a loss to shippers and a corresponding gain to buyer, who is generally the big packer. (Part III, p. 87.)

* * * * * * *

The exchange buildings in which the commission men and live-stock traders have their offices are owned by the yards companies. Where the packers control the yards they have the power to refuse to rent space to commission firms and traders who have incurred their displeasure. (Part III, p. 88.)

* * * * * * *

The big packers at their yards may refuse to assign pens to certain commission or trading firms or they may take away the pens which have already been assigned. The following letter illustrates this power:

JULY 10, 1912.

Mr. LOUIS F. SWIFT,
Fourth Floor:

In regard to the M. & K. matter:

I think that Aikin has sold out to his brother, but we have an agreement that if M. & K. (Missouri & Kansas Calf Co.) sell out to any relatives or any friends they can not have the pens that they have been using in the past, so that we still have them blocked. Their business has been killed, and we are looking up the question of the St. Louis end of it; also Fort Worth.

E. L. WARD,
Office Manager of Swift & Co.

The Missouri & Kansas Calf Co., of Kansas City, to which this letter refers had incurred the displeasure of the big packers at Kansas City. It should be noted that Ward states in this letter: "We are looking up the question of the St. Louis end of it; also Fort Worth." Morris controls the yards at St. Louis, Armour and Swift at Fort Worth. (Part III, p. 88.)

The control of the stockyards also gives the big packers a great deal of market information which is not made available to anyone else. The stockyards companies must necessarily possess complete information pertaining to all shipments of live stock in and out of the yards. They also record and compile records showing all purchases made in the market. It is well understood that the stockyards records which show shipments made from the yards to other packing centers or to other markets are private and confidential records and are not available to the public. But the packers in possession of the stockyards have access to this confidential shipping information which has been used for the purpose of "wiring on" and other market manipulations.

At Kansas City, as was set out on page 46 of Part II of this report, the five big packers jointly employ agents to gather market information. The work of one of these joint agents is to secure from the stockyards company's records early each morning a list of the shipments which were made from the yards the day before to other markets. Prior to the acquisition of the Kansas City stockyards by Morris (1912) the agent, jointly employed by the packers, who secured this confidential information from the records of the stockyards paid the night clerk of the yards company $10 each month for the privilege of having access to the records. Since the acquisition of the yards by Morris it has not been necessary for the packers' agent to compensate any of the employees of the yards company for the privilege of examining its confidential records, though the work is still performed by a joint agent. (Part III, p. 89.)

Mr. OVERMAN. May I ask the Senator if he intends to consider the suit to dissolve this monopoly and the decree entered therein, and what effect that will have?

Mr. KENYON. I was going to speak of that later. There is a consent decree that covers some of the very things covered by this bill. It covers some of the unrelated business and provides that they shall not engage in this unrelated business, but I think the decree has not been finally worked out. There is a controversy as to the stockyards.

Mr. OVERMAN. I will not ask the Senator to answer now if he is going to discuss it later on.

Mr. KENYON. I am going to speak of that later. The Senator has probably observed from the papers, which are the source of my knowledge, how far the proceedings have gone, and that there seems to be some trouble about the matter; but in any event, speaking of the decree, if the decree is right, that these things shall not take place, that unrelated business shall not take place, the packers in the statement of their counsel said that the decree goes beyond the law, and that they are submitting to things that could not be done under the law. If that is true, the bill brings the law up to the decree. We ought not to have government by injunction or government in the courts. If there is a necessity for the thing, it should be done by law. I

am not quarreling particularly with the decree, but I have not felt that the decree would do very much good, though I hope it may.

The various matters set forth in these extracts show a control of these stockyards at the great market places, and place the seller at a tremendous disadvantage. At the time of the hearings before the Senate committee, there were instances of gross abuse in carrying on the stockyards; instances of shippers robbed of thousands of dollars by wrongful accounting, which should be made uniform, and can be under this commission; excessive charges for hay and other products necessary in the stockyards, and a general situation that reflected little credit upon the owners of the stockyards.

Stockyards should be a part of the general railroad equipment, and under the Interstate Commerce Commission. Until they are so placed, then they should be under the commission provided for by this bill. That there is a universal demand for a change in the system of stockyards is shown by the fact that the packers, in the consent decree in the case brought by the Attorney General and now pending, consent to the giving up of the stockyards. They are to be commended for their action in that regard.

I desire to insert some further figures relating to the amount of slaughter and the percentages thereof, showing the amount of the slaughter that is carried on by the Big Five packers.

MONOPOLIZATION OF SLAUGHTERING.

That the five principal packers practically monopolize "interstate slaughter" (i. e., the slaughter of live stock in the "federally inspected" establishments of companies that are engaged in interstate commerce in meats) there can be no doubt.

The figures of total slaughter by companies thus engaged in interstate commerce are authentic and unquestioned, as are the figures of the proportion of this total which is slaughtered by the five large packers. The figures of total live stock slaughtered by 525 "wholesale local slaughterers" (i. e., slaughterers engaged in the wholesaling of meats but not in interstate commerce, and whose establishments are not subject to Federal inspection) are the result of a careful schedule canvass by the commission of a mailing list of some 1,300 concerns, and "are believed to represent a high proportion of all wholesale local slaughterers." (Part I, p. 106.)

On the other hand, the figures of total slaughter of live stock in the entire country, including that slaughtered by retail butchers and on the farm, are estimates only.

These estimated totals, based on calculations by the Department of Agriculture, have been relied on by the five large packers in their public statements and testimony that they slaughter "not to exceed one-third of the total meat production of the United States." The estimated totals for several years were too high, at least for cattle and calves, hence the slaughter by the five packers appeared to form a lower proportion of the total than was actually the case. The Department of Agriculture has recently revised downward the total estimates on cattle and calves, with the effect of increasing the proportion slaughtered by the five.

Whatever the correct figure is for the proportion of the total kill in the country slaughtered by the five large packers, it is misleading to take into account the slaughter by retail butchers and on the farm, and interstate slaughter must be the best test of the degree of effective monopolization. On this the report says (Part I, p. 33):

> The big packers, in presenting their case to the public, have given great emphasis to certain figures purporting to prove that the Big Five handle "not to exceed one-third of the total meat production of the United States." This result can be obtained only by juggling figures; for example, by omitting from the Big Five's total the animals slaughtered by their affiliated companies. Their statement is further deceptive, because under "total meat production of the United States" are included all the animals killed on the farm for home consumption. On this theory monopoly could not be considered to exist in the meat industry, even if every pound of meat consumed in towns and cities were handled by a single company, so long as farmers continued to kill their own hogs and cows.

Of course, if in getting at the question of monopolistic control we must take into account every hog or beef slaughtered on any farm in the United States for home consumption, then it would be impossible to ever get the figures from which a deduction could be made, and conclusions are drawn in this argument at all times from the slaughter of animals entering into interstate commerce. It is a matter of dispute as to the proportion controlled by the packers of all cattle and hogs slaughtered in the whole country, including those outside of commerce. But it is not a matter of much dispute as to those controlled by the Big Five entering into commerce.

The facts of proportion of control by the five principal packers are thus stated by the commission in the summary (Part I, p. 33):

> The most satisfactory single index of the proportion of the meat industry controlled by the Big Five is the fact that they kill, in round figures, 70 per cent of the live stock slaughtered by all packers and butchers engaged in interstate commerce. In 1916 the Big Five's percentage of the interstate slaughter, including subsidiary and affiliated companies, was as follows:
>
> | | |
> |---|---|
> | Cattle | 82.2 |
> | Calves | 76.6 |
> | Hogs | 61.2 |
> | Sheep and lambs | 86.4 |
>
> Illustrative of how completely effective competition has been eliminated from the meat industry is the fact that there is only one independent packer—Kingan & Co.—who slaughters as much as 1 per cent of the interstate total of cattle, and only nine independents who slaughter as much as 1 per cent of the interstate total of hogs.

The supporting statistics in detail are given in the following table (Part I, p. 106):

Interstate slaughterers—Big Five proportion of number of head slaughtered, by kinds, 1916, calendar year.

	Cattle.		Calves.		Sheep.		Swine.	
	Head.	Per cent.	Head.	Per cent.	Head.	Per cent.	Head.	Per cent.
Big Five, total	6,535,332	82.2	1,654,942	76.6	10,518,874	86.4	25,737,269	61.2
Swift interests	2,276,088	28.6	758,278	35.1	4,434,854	36.4	10,333,755	24.6
Armour interests	1,748,909	22.0	446,393	20.7	2,756,522	22.7	7,775,342	18.5
Morris interests	1,148,562	14.5	194,320	9.0	1,107,405	9.1	2,754,915	6.5
Wilson & Co. (Inc.)	741,401	9.3	152,219	7.0	988,891	8.1	2,635,081	6.3
Cudahy Packing Co.	620,392	7.8	103,732	4.8	1,231,202	10.1	2,238,176	5.3
All other	1,412,466	17.8	505,608	23.4	1,653,389	13.6	16,320,133	38.8
Total, interstate slaughterers	7,947,798	100.0	2,160,550	100.0	12,172,263	100.0	42,057,402	100.0

It is significant that the five packers slaughter a much higher proportion of cattle and sheep than of hogs. This is explained by the commission on pages 107–108 of Part I, in part as follows:

> The 61.2 per cent of interstate slaughter of hogs as contrasted with over 80 per cent for cattle and sheep represents a difference in the degree of monopolization which the large packers have been able to effect. The explanation of this lies in the nature of the products.
>
> One underlying explanatory fact is that the by-products of hogs form a much smaller proportion of the live weight of the animal than do the by-products of cattle. The advantage of the big packer in large capital to utilize by-products most efficiently, therefore, has less scope in hog slaughter than in cattle slaughter. The records of the packers show that in beef cattle, in round figures, only 55 per cent of the live weight paid for is dressed carcass, while about 20 per cent is by-products or material for by-products, and 25 per cent is not recovered, being shrinkage representing moisture, etc.; in hogs, on the other hand, the dressed carcass (or cuts of meats) is shown to be 75 per cent of the live weight, the by-products only about 10 per cent, and the loss in shrinkage 15 per cent. Thus the independent's relative disadvantage in handling by-products applies to a smaller percentage of his output in the case of hogs than in the case of cattle.
>
> Still more important in explaining the turning of independents to hog slaughter is the fact that beef, veal, and mutton are sold almost entirely in a fresh state, and if transported to any distance must be chilled or frozen. The five principal packers, through the operation of their private car lines, have such an advantage in handling these classes of meats that the number of independent packers who do any considerable interstate or export business in beef, veal, and mutton is limited. Nearly all the independent interstate slaughterers confine their interstate trade largely to cured hog products, etc., which do not require refrigeration; and in fresh meats do principally a local business.
>
> If one adds together the cattle, calves, and sheep slaughtered by the independents, he will find that these three kinds of animals account for only 18 per cent of their kill, leaving hogs slaughtered as 82 per cent of their business. With the Big Five, on the other hand, cattle, calves, and sheep constitute 42 per cent of their kill, and hogs 58 per cent.

Adding cattle, calves, sheep, and swine together the proportion of interstate slaughter by the five large packers is 69.1 per cent. This is on the basis of head slaughtered—a calf or a lamb counting as much as a steer.

It is more accurate to put it on the basis of live weight, since the different kinds of animals vary so greatly in weight. Not all of the companies were able to report the live weight. The five large packers, however, reported the live weight of from 92 to 98 per cent of the number of head they slaughtered, and independents reported the live weight of from 59 to 78 per cent of their kill. From these figures the average live weight of each kind of animals was ascertained. Estimating the weight of the remaining head slaughtered as averaging the same as those for which live weight was reported, the commission found that the animals slaughtered by the five packers comprised 73 per cent of the estimated live weight of all animals slaughtered by interstate slaughterers.

This is set out as follows (Part I, pp. 109–110):

Interstate slaughterers—Big Five proportion of estimated live weight of all animals slaughtered, by kinds, 1916, calendar year.

	Big Five.			
	Total number slaughtered.	Estimated average live weight, pounds.	Estimated total live weight.	
			Pounds.	Per cent.
Cattle	6,535,332	1,003.56	6,558,597,782	82.4
Calves	1,654,942	181.33	300,090,633	79.4
Sheep and lambs	10,518,874	79.17	832,779,255	86.6
Total cattle, calves, sheep, and lambs			7,691,467,670	82.7
Swine	25,737,269	215.20	5,538,660,289	63.3
Total			13,230,127,959	73.3

	All other.			
	Total number slaughtered.	Estimated average live weight, pounds.	Estimated total live weight.	
			Pounds.	Per cent.
Cattle	1,412,466	994.24	1,404,330,196	17.6
Calves	505,608	154.24	77,984,978	20.6
Sheep and lambs	1,653,389	77.94	128,865,139	13.4
Total cattle, calves, sheep, and lambs			1,611,180,313	17.3
Swine	16,320,133	196.40	3,205,274,121	36.7
Total			4,816,454,434	26.7

While the commission regards this 73 per cent of interstate slaughter as the best index of the real monopoly power of the five packers, it also sets out the facts as to their proportion of the kill when the business of wholesale local slaughterers is included. The table showing this is here given (Part I, p. 113):

	Big Five.		All other interstate and wholesale local.[1]		Total slaughter.[1]	
	Head.	Per cent.	Head.	Per cent.	Head.	Per cent.
Cattle	6,535,332	74.5	2,241,526	25.5	8,773,858	100.0
Calves	1,654,942	62.5	993,096	37.5	2,648,038	100.0
Sheep	10,518,874	78.5	2,888,650	21.5	13,407,524	100.0
Swine	25,737,269	56.9	19,524,568	43.1	45,261,837	100.0

[1] No doubt including some retail butchering. Excluding bulk of retail butchering and all slaughter on farms.

Reducing these figures of number of head to estimated live weight, the commission finds that the five packers, on a live-weight basis, have 67.8 per cent of the total interstate and wholesale local slaughter (Part I, p. 115). In this connection the report says:

The proportion of control of interstate slaughter shown is more significant, especially as to cattle and sheep, than any proportion based upon the combined totals just given for interstate and for wholesale local slaughter. The concerns engaged in slaughtering for the wholesale trade but not sending their products across State lines are very numerous and their aggregate kill is considerable. They effect little mitigation, however, in monopolistic conditions as to price control in the meat industry of the country as a whole; certainly what effect they have is by no means in proportion to the number of animals they slaughter.

The ability of the large packers to undersell the small slaughterer locally is a potent weapon, even if unused, to keep him from undertaking any aggressive campaign to increase his business. The branch houses and "peddler car" routes of the Chicago packers cover the country with such a network that the local slaughterer realizes that he can not maintain himself against their distributing system if he should attract their unfavorable attention by aggressively trying to increase his volume of business. The local packer, though able to compete in the local market, fears to exert his full powers. His strong tendency is to come in "under the umbrella" of big-packer prices and to content himself with a modest share of the near-by business. Evidence on this point and on competitive conditions generally as they affect the smaller slaughterers is given in other parts of the report. (Part I, p. 114.)

The commission's reasons for not regarding the proportion of total slaughter significant are developed in Part I, pages 116–119, and also in a statement submitted by Commissioner Murdock in the hearings before the House Committee on Interstate and Foreign Commerce on the Sims bill (H. R. 13324, 65th Cong., 3d sess., pt. 5, pp. 2308–2310).

Mr. Weld, representing Swift & Co., contends, on the other hand, that the large packers are in competition with every pound of meat slaughtered by butchers and on the farm. Mr. Weld's testimony on this before the Senate Committee on Agriculture is here quoted from the hearings on the Kendrick bill (S. 5305, pt. 2, pp. 1319–1320 and 1342–1345).

Mr. WELD. Of course, 81 per cent of the receipts at the principal markets would not represent the proportion that they would have of the total kill or of the total number animals of the country——

Mr. HENEY. No.

Mr. WELD. Because, as I was going to point out later, every animal killed on a farm really comes in competition with the packers and affects the price we can get for beef in New York City.

Mr. HENEY. I will concede that, but it is not much of a concession, because it is so indirect and so distant that the effect of it, as you will have to admit yourself, is trivial.

Mr. WELD. Indirect; I will admit that.

Mr. HENEY. And trifling, because all the effect it has, I think you will admit as an economist, is this, that only to the extent that that isolated district where that slaughter is going on, or that district—I will not say isolated—only to the extent that that district might call upon the central market for its supply, if it did not get it locally, to that extent only is it in competition, and then only indirectly.

Mr. WELD. That is not entirely true, Mr. Heney.

Mr. HENEY What is your theory on that?

Senator MOSES. Has he answered your hypothetical question, Mr. Heney.

Mr. WELD. No; I have not answered that.

Mr. HENEY. No; before we get too far away, suppose you answer that.

* * * * * * *

Mr. WELD. The second point is that even if the five large packers worked together they would not control over 40 per cent of the total amount of live stock produced in the country. That matter we discussed somewhat this morning, the fact that even farm kill comes at least indirectly in competition of the big packers. The Federal Trade Commission says that in round numbers the five large packers together account for about 70 per cent of the slaughter in inspected houses, but in addition to the inspected houses there are a great many small packers which are not inspected at all, and in addition to that, the country butchers and the small-farm kill. So that Swift & Co. feels justified in saying that the five large packers together account for less than 40 per cent of the total kill of the country.

* * * * * * *

Mr. WELD. The point I am making is that the five large packers together slaughter a much smaller percentage of the total kill of the country than is generally thought.

Senator NORRIS. You claim that they slaughter much less than the Federal Trade Commission stated?

Mr. WELD. The Federal Trade Commission limits them to inspected houses. I do not deny the accuracy of their figures.

Senator NORRIS. That is what I am trying to get at.

Mr. WELD. No; I do not deny that at all.

Senator NORRIS. You do not deny but what they are correct?

Mr. WELD. No, sir.

Senator NORRIS. And it shows on its face what they base it on.

Mr. WELD. Yes, sir.

Senator NORRIS. Whether that is good for anything is another question, but at least we must give the Federal Trade Commission credit for being square on that deal.

Mr. WELD. Yes; except that they criticize us for basing it on the total slaughter of the country.

Senator NORRIS. There is a chance for argument?

Mr. WELD. Absolutely.

Senator NORRIS. And you can base it on anything you want to, but whether it is worth anything will depend on what the man thinks who passes on it.

Mr. WELD. Yes. I point out that even the farm kill comes in competition with the kill of the large packers.

Mr. Weld further testified on this point in the hearings last spring before the House Committee on Agriculture on meat-packer legislation (pp. 2026–2029):

Mr. WELD. Mr. Anderson referred to the statement that we have been making that we handled less than 45 per cent—we thought it was 45 per cent—of the beef production of the country. He gave that as one illustration of the misinformation that we have been giving out. In the first place, what we have been saying right along in our advertising is that we handle less than 40 per cent of the total meat production of the country. When we have referred to Swift & Co. we have said about 12 per cent of the entire production of the country, and almost always have coupled that with the statement that about 22 per cent of the "output of inspected houses." I am not trying to get away from the fact that the five large packers together handle some 71 or 72 per cent of the total meat output of inspected houses, which is the only figure that the Federal Trade Commission gives, but emphasizing the fact that it is only about 40 per cent of the total meat production of the country, because we believe that that is a very significant fact. The point is that we come in competition not only with the comparatively few interstate houses, but with practically every local packer, every retail butcher who does any killing of his own, and we even come in competition with the farmer who kills his own stuff on the farm.

We are selling stuff in practically every railroad town in the country, and we are competing with the local butcher's killed meat in almost every town in the country—that is, where that stuff is killed at all and where it would be killed if we did not go in there and sell, or if we charged too high a price. Even the farmer who kills his own stuff has the privilege of either selling his live animals and buying our meat at the local butcher shops or killing his own meat and selling it. We come in direct competition in that way with the farmers' own butchering. We also come in competition with them indirectly in that way as a potential supply that might be sent to the market and might be used to supply the cities of New York, Philadelphia, and Washington, D. C.

As to the accuracy of that statement that we have been making less than 40 per cent of the total meat supply of the country, I am

not sure but what Mr. Anderson has got something on us in that respect, so far as the accuracy of the statement is concerned—that is, on 40 per cent, rather than 45 that Mr. Anderson spoke of—because we find in this bulletin just put out by the United States Department of Agriculture it gives the total meat production of the United States for 1919 as 19,445,000,000 pounds; that the five large packers handle 7,798,100,000 pounds, which equals about 40.1 per cent of the total meat production of the United States. So that it looks as though we might have to revise our figures to be absolutely accurate, and where we have said "under 40 per cent" that would no longer hold. I think we should probably change that statement to "under 45 per cent of the total production of the country." I think we would be perfectly justified in saying "about 40 per cent," because according to these last figures for 1919, it is 40.1 per cent that the five large packers may be handling, and the five large packers in competition with each other.

Mr. ANDERSON. Is that 19,000,000,000 pounds inclusive of lard?

Mr. WELD. Yes, sir; and the figures for the packers include lard.

Mr. ANDERSON. Does it include exports?

Mr. WELD. It includes the total output of the packers.

I will tell you it does not include such as the Western Meat Co., in which Mr. L. F. Swift personally has a heavy interest. There is another question—the Federal Trade Commission does include those other concerns in which members of the Swift family have personal interests; and possibly we should include that, and that probably would add 2 per cent or 3 per cent to the total. I think the Federal Trade Commission's figures of 70 or 71 per cent of the total meat production of the country does include those other concerns. We have always thought of it as just Swift & Co. when we have said 12 or 15 per cent of the total meat production of the country, and have not included those others. Do you think we ought to include those others in our advertisements?

Mr. ANDERSON. I do not think it is up to me to pass on that.

Mr. WELD. I would really like to have your opinion; sincerely, I would like to have it.

Mr. McLAUGHLIN of Michigan. Is it material whether you do that or not if all the figures are given so that the public may know just what they indicate and what they include?

Mr. WELD. There might be some misunderstanding when you say "the five large packers" as to what that includes. Of course, if we change this figure now to say "less than 45 per cent of the total meat production," we will be perfectly safe anyway, because even if you include these few corporations that Mr. L. F. Swift has personal interest in, that is not part of Swift & Co., and not operated by Swift & Co., it would still fall within that 45 per cent.

Mr. ANDERSON. It is not in that feature that I think it is misleading. I think you mislead the public in using the figure "total production." That is a matter of opinion.

Mr. CHAPLIN. Still, it is a fact that we compete with all that meat that is killed. That is a fact; there is no opinion there.

Mr. WELD. We certainly do.

Mr. CHAPLIN. We sell our meat in practically all the railroad towns of the United States.

* * * * * * *

Mr. ANDERSON. I would not like to think the consumers of this country were obliged to rely upon that competition.

Mr. CHAPLIN. It is the competition we meet.

Mr. WELD. It is very real competition every day in the year; we are up against it every minute. We know what it is to be up against that.

Mr. CHAPLIN. The local butcher who kills meat locally does not buy from us and that increases our stock which we have to sell some place else. It creates thereby an excess supply on the market which we have to sell at reduced prices. The competition is very direct and actual; it is not a matter of opinion at all.

Mr. WELD. At the same time, we are not trying to cover up the matter of the proportion of the inspected houses, either of the five packers or of Swift & Co. alone. Of course, that is all that the Federal Trade Commission gives out. That, in itself, is unfairness on the part of the Federal Trade Commission; it does not recognize that we come in competition with this other vast amount of meat producers in figuring its percentage—this Western Meat Co. that Mr. Swift has an interest in, and Swift & Co., and there are one or two other companies.

Mr. ANDERSON. It comes in competition with meat producers in Russia or elsewhere?

Mr. YOUNG. Swift & Co. are not in competition with other institutions in which L. F. Swift has an interest?

Mr. WELD. There is competition and rivalry in the selling of products; they are selling in the same markets and the same retail stores.

Mr. YOUNG. That would be a little unusual, a fellow competing with himself.

Mr. WELD. That is practically what we are doing—it is what we are doing.

Mr. YOUNG. Suppose at Fort Worth, Tex., Swift & Co. own the packing house and that the other packing house there was owned by the Western Meat Co. Suppose the latter had a packing house there in which Mr. L. F. Swift was very largely interested. You would not call that very much competition?

Mr. WELD. There probably would not be so much competition in that, but there would not be a situation like that in San Francisco, where Swift & Co. has a branch house, and there is the Western Meat Co., and both have salesmen selling to the same stores and each is trying to get as large sales as he can. Of course, the Western Meat Co. has its own brands, ham, bacon, etc., and it is advertising those and pushing those as much as possible.

Mr. CHAPLIN. Mr. Anderson, we do come in competition with foreign meats, particularly pork, and that affects the price of pork in this country.

Mr. ANDERSON. Oh, yes; to some extent.

Mr. CHAPLIN. It is a factor, just as the price of wheat abroad affects the price of wheat in this country.

Mr. WELD. And there is pretty definite competition from the Argentine beef in this country.

Mr. ANDERSON. Of course, the existence of meat anywhere or of any article of food anywhere, I suppose, represents a competition with meat that is anywhere else.

Mr. CHAPLIN. If it comes to the same market.

Mr. ANDERSON. This stuff eaten out on the farm never comes to the market at all.

Mr. CHAPLIN. The farmer eats it and he does not buy in the store; consequently we sell the store less.

Mr. WELD. He eats his own meat instead of buying meat from the local store within a few miles of him.

Mr. ANDERSON. So does the Fiji Islander.

Mr. CHAPLIN. That is not a fair comparison at all. We see the effect of the farm kill at a certain time of the year, about November, when our business runs down and is not the same volume, and when the warm weather comes along our business runs up again. That is how it affects us; the competition is actual and real.

Mr. BORDERS. Mr. Weld, may I ask you a question?

Mr. WELD. Certainly.

Mr. BORDERS. Is it not a fact that the packers have been able to eliminate some of the competition of locally slaughtered cattle by virtue of the ability of the packers to buy cattle and sell the meat therefrom back to the ranchman at a saving to the ranchman?

Mr. WELD. I think that some ranchmen have testified that instead of killing their own cattle to supply their own help on the ranch that they have marketed their stuff in the form of live animals and brought back meat, and found it was more economical to do so. I do not believe that is the usual practice; I think that is probably the exception.

Mr. ANDERSON. Just one question: This 40 per cent figure you give us is all meat?

Mr. WELD. All meat; yes, sir. Now, for beef alone, it is 54.1 per cent; of calves, 30.6 per cent; for sheep, 60.6 per cent; and for hogs, only 30.7 per cent.

Mr. ANDERSON. That sounds very reasonable.

Mr. WELD. That makes an average on the basis of weight for total meat production of 40.1 for the five packers; and I would like to insert these figures in the record, which, as I say, are based on the bulletin recently issued by the Bureau of Animal Industry, United States Department of Agriculture, entitled "U. S. Meat Production, Consumption, Exports, Imports, etc., calendar years 1914 and 1919."

(The statement referred to by Mr. Weld is here printed in full in the record, as follows:)

Total meat production in United States of America compared with production, five large packers, for 1919.

	Pounds.
Total production, per bulletin Bureau of Animal Industry just issued	19,445,299,000
Production five large packers:	
Cattle, 7,387,000 head	3,656,565,000
Calves, 2,764,000 head	259,816,000
Sheep, 9,978,000 head	379,816,000
Hogs, 21,755,000 head	3,502,555,000
Total	7,798,100,000
Percentage, five packers, 40.1.	

To revert to Mr. Weld's previous statement before the Senate committee, Mr. Heney questioned him with reference to the probable proportion of the beef business controlled by the five packers in cities of over 25,000 population—hearings on S. 5305, Part II, page 1346:

Mr. HENEY. One other point I would like to have your views on. What percentage of the cattle that are used in cities of 25,000 and over do you claim the five big packers handle?

Mr. WELD. I do not know; but it would vary greatly in different cities, of course.

Mr. HENEY. Would it not be very much over 40 per cent? I am taking the aggregate of them.

Mr. WELD. Yes, sir.

Mr. HENEY. Would it not be over 60 per cent?

Mr. WELD. Probably.

Mr. HENEY. You might come pretty well up to the 71 per cent that the Federal Trade Commission is talking about?

Mr. WELD. Possibly, in some cities.

Mr. HENEY. I am taking the aggregate of all cities of 25,000 and over.

Mr. WELD. I am not sure of that.

Mr. HENEY. It would be pretty well up——

Mr. WELD. It would be pretty well up; yes.

Mr. HENEY. Toward 71 per cent. That is all.

Hence, it is quite apparent from the evidence of Mr. Weld that, while it is claimed by him that the five great packers control a little over 40 per cent of the total slaughter of the country, they do control something up to 71 per cent of the trade in cities of over 25,000 population. They do not deny controlling practically 71 per cent in interstate trade. Controlling a little over 40 per cent of the entire slaughter and 71 per cent of the interstate trade, or interstate slaughter—that is, the slaughter by slaughter houses engaged in interstate commerce—they certainly are in a position to monopolize the business. The great power given them by virtue of this large control would be sufficient to add even greater sources of power to that already acquired. The conceded amount of control of the proportion of the live-stock product would be sufficient to charge them with a public use for the benefit of the entire people and argues strongly in favor of some Government regulation to prevent abuse of such great power.

I have placed in the record the statement by Mr. Weld, which I think in fairness should be there, contesting the claims of the large percentage of live stock controlled by the packers, but even from his evidence, where he takes into account the animals on the farms, it is apparent that the five great packers control, according to him, a little over 40 per cent of the total slaughter of the country. The Federal Trade Commission's findings hold that they control around 63 per cent. Under Mr. Weld's figures they control up to 71 per cent of the trade in cities of over 25,000 population.

EXTENT OF FOREIGN SLAUGHTERING BUSINESS.

Under this head I am not speaking about meats or packing-house products exported from this country by the five packers, but am speaking of the business of packing plants owned by the Swift, Armour, Morris, and Wilson interests in South America,

Australia, and other countries, from which meats, hides, and other products are shipped to Europe or are imported into the United States. Chapter IV of Part I of the commission's report covers this subject. I shall give only the facts supporting the statement in the commission's letter of submittal, that—

The Armour, Swift, Morris, and Wilson interests, either separately or jointly, own or control more than half of the export-meat production of the Argentine, Brazil, and Uruguay, and have large investments in other surplus meat-producing countries, including Australia. (Part I, p. 31.)

That the four American packers from 1914 to 1917 controlled from 57 to 65 per cent of the beef exports from Argentina and Uruguay is shown by the following table (Chapter IV, Part I, p. 174):

Beef exports from Argentina and Uruguay—Number of frozen and chilled quarters exported, by companies, 1914–1917, calendar years.[1]

Company or plant.	1914		1915	
	Number.	Per cent.	Number.	Per cent.
La Plata (Swift)	1,568,101	29.3	1,382,992	24.0
Frigorifico Montevideo (Swift)	605,814	11.3	896,665	15.6
La Plata (Armour)			356,845	6.2
La Blanca (Armour and Morris)	858,338	16.0	721,477	12.5
Argentino Central (Wilson)[2]	357,899	6.7	376,645	6.5
Total United States companies	3,390,152	63.3	3,734,624	64.8
Las Palmas (Nelson)[3]	884,443	16.5	866,104	15.0
Smithfield and Argentine	375,544	7.0	302,428	5.2
Sansinena	355,993	6.6	362,427	6.3
Frigorifico Uruguaya[4]	354,186	6.6	500,030	8.7
Total	5,360,318	100.0	5,765,613	100.0

Company or plant.	1916		1917	
	Number.	Per cent.	Number.	Per cent.
La Plata (Swift)	1,299,894	19.6	910,061	15.2
Frigorifico Montevideo (Swift)	816,194	12.3	787,978	13.1
La Plata (Armour)	804,174	12.1	750,868	12.5
La Blanca (Armour and Morris)	739,715	11.1	684,904	11.4
Argentino Central (Wilson)[2]	354,406	5.3	312,369	5.2
Total United States companies	4,014,293	60.4	3,446,180	57.4
Las Palmas (Nelson)[3]	1,536,272	23.1	1,480,911	24.7
Smithfield and Argentine	345,156	5.2	326,494	5.4
Sansinena	360,821	5.4	247,689	4.1
Frigorifico Uruguaya[4]	346,207	5.2	267,904	4.5
Anglo-South American	47,991	.7	235,194	3.9
Total	6,650,740	100.0	6,004,372	100.0

[1] Compiled from annual summaries published in the Review of the River Plate.
[2] Formerly the Frigorifico Argentino; operated by the Sulzbergers beginning January, 1914.
[3] Includes River Plate Fresh Meat Co.
[4] Owned by the Sansinena comp ny.

Summarized for the eight years from 1910–1917, the figures show that these four American companies increased from around 40 per cent of the exports to around 60 per cent (Part I, p. 176):

Beef exports from Argentina and Uruguay—Number of frozen and chilled quarters, with percentage exported by United States companies,[1] 1910–1917, calendar years.

Year.	Total exports, quarters.	Exports by United States companies.[1]	
		Quarters.	Per cent.
1910	3,042,686	1,278,719	42.0
1911	[2] 3,775,285	1,743,734	46.2
1912	4,356,254	1,747,993	40.1
1913	4,534,274	2,494,024	55.0
1914	5,360,318	3,390,152	63.3
1915	5,765,613	3,734,624	64.8
1916	6,650,740	4,014,293	60.4
1917	6,004,372	3,446,180	57.4
Total, 8 years	39,489,542	21,849,719	55.3

[1] Being the companies controlled by Swift & Co., Armour & Co., Morris & Co., and Wilson & Co. (Inc.).
[2] The total for 1911, as given in the Review of the River Plate, is 3,825,285. However, the sum of the items, as given therein is only 3,775,285. This latter number has been used as the total, since it is impracticable to locate the error.

In Brazil the packing industry is recent, the export trade having started only in 1915 with 8,000 tons shipped, which had increased to about 66,500 tons by 1917, mostly exported by one Brazilian company. The United States packers, Wilson, Armour, and Swift, have been building plants and by 1917 were ready to enter the export trade. While the report gives no combined statistics for exports from Argentina, Uruguay, and Brazil, an examination of the figures indicates that without allowing for any exports by United States companies from Brazil, their exports from Argentine and Uruguay are over half the exports from all three countries.

In Australia the estimated cost of a slaughtering plant and a refrigerating plant built by Swift in 1914, or about that time, was £700,000 to £750,000 (Part I, p. 187). Armour & Co., of Australia, with offices located at Christ Church, New Zealand, was not reported as having any packing plant, but as buying meat, and in particular buying a large part of the output of some of the Australian packing companies. Morris interests are reported to have bought land near Swift's plant. (Part I, pp. 187–189.) These facts are mostly derived from the report of the Royal Commission on the Meat Export Trade of Australia, April, 1915.

REFRIGERATOR CARS.

The bill does not cover the question as to refrigerator cars. It was thought that that was a question to be dealt with by the railroad bill, and we believe the provisions of the railroad bill do cover it. These cars, however, have entered so largely into the creation of the combination and monopoly that some discussion of them is in point.

Beef cars or brine-tank refrigerator cars are the type specially adapted to the transportation of beef carcasses and other fresh meats, if they are to be carried any distance. Of this type of cars the five large packers have an almost complete monopoly. Their proportion of all cars of this type in the country—as of December 31, 1917—was 91.6 per cent. Their proportion of cars of this type owned by packing companies was 93.1 per cent. These figures are the result of a complete schedule canvass. The statistics are given in the Commission's Private Car Line Report, pages 82–84:

It is apparent that the equipment owned by the independent packing companies is small as compared with that of the Big Five Packers. The Big Five and their affiliated companies owned 20,190 cars in 1917; the independent packing companies owned 2,065 cars. Table 6 carries the comparison further:

TABLE 6.—*Comparison of cars owned by Big Five Packers and the independent packing companies, Dec. 31, 1917.*

Kind of car.	Big Five.		Independent packing companies.		Total.
	Number.	Per cent.	Number.	Per cent.	
Beef cars	15,454	93.1	1,146	6.9	16,600
Other refrigerator cars	1,600	67.0	789	33.0	2,389
Stock cars	1,970	100.0			1,970
Tank cars	1,049	90.2	114	9.8	1,163
Miscellaneous equipment	117	88.0	16	12.0	133
Total	20,190	90.7	2,065	9.3	22,255

The Big Five packers and their affiliated companies own over 90 per cent of all the cars owned by the packing interests of the country, more than 93 per cent of the beef cars, and 100 per cent of the stock cars owned by such interests.

An adequate supply of refrigerator cars is necessary for an interstate packing business. It is especially necessary that transportation facilities be adequate in the packing industry, because the storing facilities of most plants are very limited. The refrigerator rooms in a packing plant are for the purpose of cooling the meat after it is slaughtered and are not intended for storage purposes. They are expensive to operate and are never made larger than the needs of the business require. The fresh meat must therefore be continually shipped out or the plant must cease operation when the cooling rooms become filled.

It is necessary to consider all the refrigerator-car equipment of the country in forming a conclusion as to the possibility of the successful operation of a packing plant without the ownership of refrigerator cars. Tables 7 and 8 show the number and percentage of beef and other refrigerator cars owned by the Big Five packers, independent packing companies, and railroads, December 31, 1917.

TABLE 7.—*Number of refrigerator cars owned by all packing companies, private car companies, and railroad interests, Dec. 31, 1917.*

Kind of car.	Packing companies.			Private-car companies.	Railroad interests.			Total.
	Big Five.	Independent.	Total.		Railroad-owned operating companies.	Railroads.	Total.	
Beef	15,454	1,146	16,600	275				16,875
Other refrigerator	[1] 7,260	789	8,049	6,003	32,137	54,273	86,410	100,462
Total	22,714	1,935	24,649	6,278	32,137	54,273	86,410	117,337

[1] Includes 5,660 cars owned by the Fruit Growers Express (Inc.).

TABLE 8.—*Percentage of refrigerator cars owned by Big Five packers and other interests, Dec. 31, 1917.*

Interests owning cars.	Beef cars.	Other refrigerators.	All refrigerator cars.
Big Five packers	91.6	7.2	19.4
Independent packing companies	6.8	.8	1.6
Other private-car companies	1.6	6.0	5.3
Railroad interests:			
Railroad operating companies		32.0	27.4
Railroads		54.0	46.3
		86.0	73.7
Total	100.0	100.0	100.0

These tables show clearly the extent of control by the Big Five packers of the beef cars of the country. Of the total of 16,875 such cars the Big Five packers own 15,454, or 91.6 per cent. The independent packing companies own 1,146 beef cars, and other private car companies own but 275. The railroads own none. The packer who desires to ship fresh meats must own his cars, since he can not secure any beef cars from the railroads and has limited opportunity to lease any from private car companies. This fact was testified to by F. H. Frederick, of the Swift Refrigerator Transportation Co., before the Interstate Commerce Commission hearing in Chicago February, 1918, when he said that a man could not engage in the packing business unless he could raise enough capital not only to start a packing plant but to provide his transportation facilities as well.

When Mr. Frederick testified that it was necessary for a packer to own his cars, he was referring, presumably, to all refrigerator cars. It is apparent from Tables 7 and 8, however, that the independent packers have more opportunity to secure ordinary refrigerator cars than beef cars. The railroad interests own 86,410 refrigerator cars and the independent private car companies own 6,003. Virtually all the refrigerator cars owned by the private car companies are leased to railroads and industries other than the packing industry. The packers who do not own their refrigerator cars depend for the most part on the railroads to supply them.

There are certain disadvantages and inconveniences attendant on the use of railroad refrigerators which must be met by the small packer who depends upon this class of equipment. The supply is not always adequate, for although the railroads own a large number of refrigerators they are for the most part for use in the fruit and vegetable traffic, and consequently in certain seasons there is a deficiency in the supply available for the packing business. The railroad car also is often in poor condition. It is used for handling all kinds of perishable freight, some of which, such as vegetables with a pungent odor, render the car unfit for a shipment of meat until it is thoroughly cleaned, which is expensive to the shipper (see p. 48). Railroad cars are often used for ordinary heavy freight, which sometimes damages the insulation or ice bunkers. When the cars are in such condition, the proper temperature can not be maintained and the product often suffers damage in transit.

Packers sometimes use the ordinary refrigerator cars of the railroads for the shipment of fresh meats. Fairly satisfactory results are obtained in cool weather. It is expensive to the shipper, however, for he must equip the car with rails, at a cost of $10 to $25 per car, and hooks costing about $15 per car. Since he can not arrange for the return of the car to his own plant, the expense of the rails is a loss. He can arrange for the return of the hooks, but they are often lost in transit. The packer who owns his car does not have like difficulty, for the hooks are supposed to be left in the car and returned with it to the packer's plant. Lost hooks are a considerable item of expense even to those who own their cars, but the loss is relatively greater to those who do not own equipment. A further advantage to the owner of cars over the user of railroad-owned equipment is in the privilege of routing his car as he pleases. If a shipper is furnished a car by a carrier, he gives the long haul to the railroad furnishing the car. This is frequently annoying and inconvenient, especially in times of car shortage and congestion of traffic.

The advantage to a packer who owns a sufficient supply of cars to take care of his business is most marked in times of car shortage and other transportation difficulties. The Big Five packers are in an especially advantageous position at such times, for they secure the greatest possible service out of their equipment through their extensive force of experts whose business it is to see that the cars move.

The smaller packers owning cars have a great deal of trouble in such times. None of them have enough cars to warrant the maintenance of a car-service force comparable to that of the Big Five, and their cars move very slowly or are often entirely diverted from their own traffic. Those owning no cars find it extremely difficult to secure any from the railroads. During the winter of 1917–18 some plants were shut down entirely because no cars were available to carry the products. Of course, the Big Five packers are not free from these troubles, but their better facilities place them in a comparatively secure position, so that in general their business continues uninterruptedly during times of transportation troubles, whereas the small packer suffers severe losses from a lack of equipment.

The advantages that accrue to the five large packers from their ownership of cars are accentuated by the greater dispatch with which their cars are handled by the railroads. The statistics on this point are based on complete schedule information. They are found on pages 91–95 of the private car line report:

That the Big Five packers receive expedited service from the railroads in the operation of their equipment will be shown in this chapter. Their cars make more miles per day than the cars of any other packing companies or private car companies. They therefore make larger earnings and give better service to their owners than the cars of other companies. The figures of loaded and empty mileage will show that the Big Five packers' cars are almost invariably returned empty to the owners immediately after completing a trip. It will be remembered (see Part I, chap. 3) that the cars of other companies are often reloaded by the carriers and diverted to other traffic, at times even in an opposite direction from home. The statistics on the rates of mileage paid by railroads for the use of private equipment show that the Big Five packers have been getting on the average a higher rate per mile than the independent packers.

For present purposes the operating results of refrigerator cars and stock cars only will be considered. These two kinds of cars comprise approximately 95 per cent of all packer equipment. The operating results of the packers' stock cars and refrigerator cars are compared with similar statistics of operation of the cars of other companies.

OPERATION OF REFRIGERATOR CARS.

As most of the packers' cars are refrigerators, which are used for the handling of dressed beef, packing-house, dairy, and poultry products, the operation of these cars will first be considered. They not only make more miles per day in normal times than the cars of other companies, but they maintain their high rate of movement in times of transportation troubles, such as were experienced in 1917, while other companies' cars at such times move much more slowly than usual. Tables 13 and 14 show the number of cars owned and operated by the Big Five packers in the years 1914 and 1917, the total car-miles, the average number of days each car was in actual service, and the average miles per car per day.

TABLE 13.—*Operation of refrigerator cars owned by Big Five packers and affiliated companies, 1914.*

Company.	Number of cars owned and operated.	Total car-miles.	Average number of days each car was in actual operation.	Average miles per car per day.
Armour & Co.				
Armour Car Lines	[1] 6,156	161,389,327	[2]340	77.1
Pittsburgh Provision & Packing Co. (Armour-Allerton interests)	41	261,053	[2]260	24.5
Cudahy Packing Co	1,460	49,836,911	292	116.9
Morris & Co	[3] 2,050	57,694,957	[2]340	82.8
Swift & Co.:				
Libby, McNeill & Libby	85	1,939,514	324	70.4
Swift Refrigerator Transportation Co	[4] 6,490	148,972,005	308	74.5
Union Meat Co	4	3,744	183	[5]5.1
Wilson & Co., Inc.:				
T. M. Sinclair & Co. (Ltd.)	133	3,012,378	[2]340	66.6
Wilson Car Lines	[6] 1,633	40,912,935	292	85.8
Total	18,052	464,022,854	320	80.3

[1] Owned 6,292 cars, of which 136 were leased to the Erie R. R.
[2] Estimated.
[3] Average in service, number at end of year, 2,031.
[4] Owned 6,504 cars, 14 of which were in local yard service.
[5] In special local service.
[6] Owned 1,656 cars, 23 of which were leased to T. M. Sinclair & Co. (Ltd.).

TABLE 14.—*Operation of refrigerator cars owned by Big Five packers and affiliated companies, 1917.*

Company.	Number of cars owned and operated.	Total car-miles.	Average number of days each car was in actual operation.	Average miles per car per day.
Armour & Co.	[1] 4,751	431,887,153	[2]340	81.6
Pittsburgh Provision & Packing Co. (Armour-Allerton interests)	41	211,544	[2]260	19.8
Cudahy Packing Co	1,405	42,792,959	292	104.3
Morris & Co	[3] 2,423	64,476,785	[2]340	78.3
Swift & Co.:				
Libby, McNeill & Libby	60	586,076	325	30.1
Swift Refrigerator Transportation Co	[4] 6,306	149,905,878	309	76.9
Union Meat Co	4	3,744	183	[5]5.1
Wilson & Co. (Inc.):				
T. M. Sinclair & Co. (Ltd.)	132	2,352,453	[2]340	52.4
Wilson Car Lines	[6] 1,477	36,883,372	292	85.5
Total	16,599	429,099,964	320	80.8

[1] Owned 4,944 cars, 193 of which were leased to the Erie R. R.
[2] Estimated.
[3] Average in service, number at end of year, 2,590.
[4] Owned 6,316 cars, 10 of which were in local yard service.
[5] In special local service.
[6] Owned 1,562 cars, of which 85 were leased to T. M. Sinclair & Co. (Ltd.)

Stability of movement is here the noticeable feature. The 18,052 cars operated in 1914 made an average of 80.3 miles per car per day, while the 16,599 cars in 1917 averaged 80.8 miles. As will be seen later by comparison, 80 miles per day throughout the year represents a very good movement for refrigerator cars even in normal times, yet this rate was maintained by the packers during 1917, a period when a very large volume of freight tonnage was handled under trying circumstances. Terminals were congested and the unloading of cars was therefore delayed. Embargoes and constantly changing priority orders, a shortage of steel, coal, and other materials, and severe storms and cold weather added to the railroads' difficulties in handling the business offered to them. In the face of all these difficulties the big packers' cars were operated in the usual efficient manner.

The average miles per day for the cars operated by the big packers themselves during 1917 ranged from 76.9 miles for the Swift Refrigerator Transportation Co. to 104.3 miles for the Cudahy Packing Co. The very high rate for the Cudahy cars is in part due to the fact that this company considers that its cars are in actual service only 292 days a year, while the other large companies, with the exception of Wilson & Co. (Inc.), consider that their cars operate 309 to 340 days

per year. As a matter of fact, Armour & Co., Morris & Co., and T. M. Sinclair & Co. (Ltd.) reported to the commission that their cars were in operation 365 days a year. Such a record would be impossible even if the equipment were new. The cars are necessarily in the repair shops a part of the time and it is thought that the estimate of 340 days of service during the year is very liberal. It is impossible to secure accurate figures on the number of days per year a car is in service, for few of the companies keep a record of the number of days each car is in the shops for repairs.

The cars of the small packing companies affiliated with the big packers make less mileage than those of the parent companies. The Union Meat Co., of North Portland, Oreg., shows only 5.1 miles per day for its cars. These cars are used in a very short local run. The cars of the Pittsburgh Provision & Packing Co. make 19.8 miles per day; Libby, McNeill & Libby, 30.1 miles; and T. M. Sinclair & Co. (Ltd.), 52.4 miles.

INDEPENDENT PACKING COMPANIES.

Tables 15 and 16 show the operating results of the cars owned by the independent packing companies for the years 1914 and 1917.

TABLE 15.—*Operation of refrigerator cars owned by independent packing companies, 1914.*

Company.	Number of cars owned and operated.	Total car-miles.	Average number of days each car was in actual operation.	Average miles per car per day.
Arbogast & Bastian Co	3			(1)
Beech-Nut Packing Co.[2]	5	98,417	[3]340	57.9
Carstens Packing Co	3	26,016	312	27.8
Cincinnati Abattoir Co	83	1,586,450	289	66.1
Cleveland Provision Co	93	981,546	321	32.9
Consolidated Dressed Beef Co	10	41,381	[3]340	12.2
Cudahy Bros. (Milwaukee)	244	4,713,038	268	72.1
Jacob Dold Packing Co	213	4,486,406	313	67.3
Evansville Packing Co	10	126,344	[3]292	43.3
Wm. Focke's Sons Co	3			(1)
Frye & Co	15	113,955	287	26.5
H. J. Heinz Co.[2]	52	810,043	345	45.2
Houston Packing Co	24	390,405	345	47.2
Independent Packing Co. (Chicago)	100	1,920,964	192	100.1
Indianapolis Abattoir Co	[4]71	1,457,062	330	62.2
Kingan & Co. (Ltd.)	461	10,660,691	[3]340	68.0
John Morrell & Co	201	6,839,166	300	113.4
St. Louis Independent Packing Co	150	4,115,139	[3]340	80.7
F. Schenk & Sons Co	5			(1)
Terry Packing Co	10	66,676	[3]340	19.6
Western Packing & Provision Co	10	167,865	[3]340	49.4
Total	1,766	38,601,555	305	72.1

[1] No figures available.
[2] Not slaughterers.
[3] Estimated.
[4] Company owned 104 cars, 33 of which were operated separately and no statistics of of operation were furnished.

TABLE 16.—*Operation of refrigerator cars owned by independent packing companies, 1917.*

Company.	Number of cars owned and operated.	Total car-miles.	Average number of days each car was in actual operation.	Average miles per car per day.
Arbogast & Bastian Co	3			(1)
Beech-Nut Packing Co.[2]	5	92,404	[3]340	54.4
Carstens Packing Co	3	26,016	312	27.8
Cincinnati Abattoir Co	100	1,666,975	282	59.1
Cleveland Provision Co	72	588,272	321	25.5
Consolidated Dressed Beef Co	5			(1)
Cudahy Bros. (Milwaukee)	240	3,546,750	281	52.6
Jacob E. Decker & Sons	15	40,567	[4]60	45.1
Jacob Dold Packing Co	257	3,391,552	313	42.2
Evansville Packing Co	6	98,550	[3]292	56.3
Wm. Focke's Sons Co	3			(1)
Frye & Co	15	82,650	268	20.6
H. J. Heinz Co.[2]	52	604,837	345	33.7
Houston Packing Co	20	216,318	345	31.4
Independent Packing Co	99	1,715,110	250	69.3
Indianapolis Abattoir Co	[5]65	1,755,000	330	81.8
Kingan & Co. (Ltd.)	547	9,656,998	[3]340	51.9
John Morrell & Co	219	5,232,348	300	79.6
St. Louis Independent Packing Co	150	2,928,120	[3]340	57.4
F. Schenk & Sons Co	5			(1)
Western Packing & Provision Co	10	219,440	[3]340	64.5
Total	1,891	31,861,907	312	54.5

[1] No figures available.
[2] Not slaughterers.
[3] Estimated.
[4] Began operation Nov. 1, 1917.
[5] Owned 109 cars, 44 of which were operated separately and no operating statistics have been furnished.

The cars of these companies move much more slowly than the cars of the large packers. The cars owned by the Big Five make approximately 80 miles per day; the independent packing companies' cars made 72.1 miles per day in 1914 and but 54.5 miles in 1917. This difference is accounted for in part by the fact that the packers' cars have on the average a longer run than the cars of the small companies. The movements of the Big Five packers' cars are also traced by traffic experts. It can not be concluded, however, that these are the only reasons for the better showing. It may be seen by reference to the foregoing tables that 1,801 of the 1,891 cars operated by the independent packing companies in 1917 were cars of comparatively large companies which ship their products considerable distances and employ competent men to trace them. Even the cars of these companies do not make as good a showing as the cars of the Big Five packers. The better operating results of the latter's cars is probably in part due to their cooperation with and influence upon the railroads in the handling of their equipment.

The effect of blockades of traffic in the year 1917 is clearly shown in the tables on operation of the independent packing companies' cars, which averaged 72.1 miles per day in 1914 and only 54.5 miles in 1917. As previously stated, the packers' cars maintained an average of a little more than 80 miles per day in both of those years. This showing gains emphasis from the fact that a large part of the packers' shipments are in trunk-line territory in which the congestion of traffic was the greatest in the year 1917. Independent packing companies operating in the same territory suffered considerably from delays in their shipments. Cudahy Bros., of Milwaukee, and the Independent Packing Co., of Chicago, are examples. The cars of the former company made 72.1 miles per day in 1914 and but 52.6 miles in 1917; the latter company's cars showed an average of 100.1 miles in 1914 and only 69.3 miles in 1917. Kingan & Co. (Ltd.), operating some 547 cars in 1917, was able to maintain an average of only 51.9 miles per car per day, as compared to 68 miles per day in 1914. The 213 cars operated by the Jacob Dold Packing Co. made 67.3 miles per day in 1914 and their 257 cars made but 42.2 miles in 1917 in spite of the addition of 50 new cars, which should ordinarily show a greater movement than the old. Other instances need not be cited. The poorer showing of the independent packing companies for the year 1917 is evident.

The argument may be advanced that the packers' efficiency of organization was responsible for the good showing in the operation of their cars in 1917 in spite of the transportation difficulties of that year. The argument has some weight and will not be denied. It is also undoubtedly true, however, that the packers had the cooperation of the traffic managers of the railroads to secure for them the best possible service at that time.

INFLUENCE OF PACKERS ON RAILROADS.

A significant effect of the monopoly of these five packers upon the railroads may be mentioned here, though it results from the volume of their business, their "traffic club," rather than their control of refrigerator cars. On this subject the Private Car Line Report says (p. 107):

Cases involving the influence of the Big Five packers on the railroads have already been briefly cited in this report. The influence results from the operation of their cars and the heavy volume of freight tonnage under their control. The packers' traffic has served as a bait to entice competing carriers to grant them special concessions. In indictments now pending it is alleged that false claims for damage to goods in transit have recently been presented by one of the Big Five packers to the carriers. Some of these claims have been paid in whole or in part by the railroads. Mixing rules operate to the packers' advantage. Large allowances are paid to some of the larger packers by the carriers for the performance of a part of the transportation service, such as the loading and unloading of live stock. Expedited service is given to the packers' cars. These are a few of the methods employed. Other cases of various kinds will be explained which involve influence of the Big Five packers on the railroads and employees to secure for themselves and their affiliated companies rules and regulations especially advantageous to their interests.

The report cites two recent cases of indictments for rebating, one against the Cudahy Packing Co., since concluded by plea of guilty on a number of counts and the payment of a fine (United States *v.* the Cudahy Packing Co. et al., D. C. No. 5901 in United States District Attorney's office at Chicago, Sept. 1, 1919), the other against Armour & Co., Swift & Co., Jersey City Stockyards Co., and the Pennsylvania Railroad Co., which is still pending. The report gives a number of letters and documents bearing on Jersey City Stockyards case. This is a case where the indictment charges that the railroad company, which owns the stockyards at Jersey City, leased it to Armour & Co. and Swift & Co. at half what Morris & Co. offered to pay, in return for which Armour & Co. and Swift & Co. agreed to route their traffic over the Pennsylvania. Among the documents are these (pp. 177–179):

On February 4, 1913, the memorandum that was to be used as a basis for formal contract between the parties was prepared. Copies of this memorandum were sent to the interested parties and approved by Arthur Meeker and G. B. Robbins, of Armour & Co., and O. L. Sheppard, general superintendent of the Pennsylvania Railroad Co.

MEMORANDUM OF UNDERSTANDING WHICH WILL BE USED AS A BASIS FOR A FORMAL CONTRACT TO BE PREPARED BY THE LEGAL DEPARTMENT.

In view of the fact of Armour & Co. not spending the money on the Jersey City stockyard property as originally outlined, it is their intention to purchase the Halstead property, located at the corner of Seventeenth and Cole Streets; and they wish to be relieved of the former understanding as to expenditure on the Jersey City property, in lieu of which they agree:

First, that all live stock controlled or shipped by them used in this packing establishment will be shipped over the Pennsylvania system to Jersey City and slaughtered at that point.

Second, that any and all other traffic shipped in or out of the Halstead property, which is to be operated by Armour & Co., will be routed and forwarded via the Pennsylvania system, except where it is impracticable to do so.

It is understood that the operation of this contract will be of the same duration as the contract between the Jersey City Stockyards Co. and the Pennsylvania Railroad Co.

February 4, 1913.

Copy to P. B. Prince with letter 2/5.

O. K.

A. MEEKER.
G. B. ROBBINS.
O. L. SHEPPARD.

—

ARMOUR & CO.,
GENERAL OFFICES: UNION STOCKYARDS,
Chicago, Ill., April 28, 1913.

Mr. GEORGE D. DIXON,
Vice President Pennsylvania Railroad Co.,
Broad Street Station, Philadelphia, Pa.

DEAR MR. DIXON: I received the inclosed from Swift & Co.; have had a couple of meetings with them since, and Mr. Robbins has also seen them.

They say frankly that the present arrangement gives them splendid railway service, and they do not see how they can improve their position any financially by becoming interested in the Jersey City Stockyards, from which I infer that they have recently made some very favorable arrangements with the Lehigh Valley; just the nature of it I do not know. We offered them a 30 per cent interest in the yards, which is practically what we would have had had they accepted it; and that seemed to be satisfactory to them.

I regret the loss of their business for the railroad and for the Stockyards Co., but I do not see how we could have done anything more than we did do in the matter.

Yours, very truly,

ARTHUR MEEKER.

—

ARMOUR & CO.,
GENERAL OFFICES: UNION STOCKYARDS,
Chicago, Ill., July 31, 1913.
ack 8/2

Mr. GEORGE D. DIXON,
Vice President Pennsylvania Railroad Co.,
Broad Street Station, Philadelphia, Pa.

DEAR MR. DIXON: I am in receipt of yours of July 8 and will endeavor to get some more data on the subject mentioned. Many thanks for writing me so promptly.

You will be glad to know that after protracted negotiations we have gotten Swift & Co. interested in the Jersey City yards, and within a week are going to ship the cattle that they kill in their plant, First Avenue and Forty-fourth Street—about 400 per week—over the Pennsylvania to the Jersey City yards, as well as all their small stock—that is, sheep and lambs and calves—which will run close to 10,000 head a week at the present time, but will average about 7,000 to 8,000 for the year.

There is no possibility of getting their United Dressed Beef Co. cattle, as they have some kind of a deal with the Lehigh, particulars of which I could not get at, which is more favorable than anything we could offer them.

We have made this arrangement at considerable sacrifice to ourselves, in order to bring more freight to your road.

Yours, very truly,

ARTHUR MEEKER.

The closing of the Hodge yards near Fort Worth, Tex., owned by the "Katy" Railroad, was secured by Armour & Co. and Swift & Co., according to the commission report. The private car line report quotes a number of very frank letters showing how the "traffic club" was used by Swift's transportation manager, A. R. Fay, to persuade the Katy to close these yards, whose competition was hurting the Fort Worth yards in which Armour and Swift are interested. Some of the letters are here given (pp. 188, 189):

CHICAGO, *December 27, 1916.*

Messrs. LOUIS F. SWIFT, EDW. F. SWIFT.

GENTLEMEN: Mr. J. L. Harris, general live-stock agent of the Alton Railroad, reports that in conversation with Vice President Haile of the Missouri, Kansas & Texas Railroad in St. Louis last Wednesday, the 20th, Mr. Haile was asking him to try to secure the Fort Worth packing-house business for the M. K. & T. and Alton route, and Harris told Haile that it was no use in trying to get the packers' business at Fort Worth as long as the M. K. & T. maintained a stockyard at the very gates of Fort Worth yards. Then there resulted a discussion of the matter, Harris says, and Haile finally told him if the packers still wanted the Hodge yards that he would bring it about so that they could have them, either by purchase or rental. He asked Harris to find out if the Fort Worth interest still wanted these yards.

I spoke to Mr. Dunham over the phone about it, and he said he would like to look the matter up and suggested that I send word back to Mr. Haile that we would look the subject up and would take it up with him later.

This is for your information.

A. R. FAY.

ARF: B
Transp. Dept.
Individual letters.

(Private Car Lines, p. 188.)

* * * * * * *

CHICAGO, *December 30, 1916.*

Mr. R. J. DUNHAM,
Continental Commercial Bank Building, Chicago, Ill.

DEAR SIR: It looks as though we might prevail upon the Missouri, Kansas & Texas Railroad to close the Hodge yards if your traffic department and ours will unite in pressure on the Missouri, Kansas & Texas. I believe this will be more desirable than for the Fort Worth stockyards to buy or lease them. Do you agree?

Please reply.

Yours, respectfully,

A. R. FAY.

ARF: B
CC L. F. Swift.
E. F. Swift.

(Private Car Lines, p. 188.)

* * * * * * *

JUNE 20, 1917.

Mr. LOUIS F. SWIFT:

Mr. Harris reports this morning that at an interview with Vice President Haile, and Vice President Webb, both of the Missouri, Kansas & Texas Railroad, that Mr. Webb, the operating vice president, was given [giving] instructions to abandon and demolish the Hodge stockyards at once.

This will do away with the competition we have had at the gate of the Fort Worth yards for all these years.

In consideration of this, Armour and ourselves have agreed to give the Missouri, Kansas & Texas our shipments on the fast train from the Fort Worth plant, Tuesdays and Thursdays of each week, as long as the rate and service via the Missouri, Kansas & Texas are equal to that of the other lines.

I feel quite sure you will be pleased to know that this competition is going to be discontinued.

I am sending a copy of this letter to Messrs. Dunham, Donovan, and Googins.

A. R. FAY.

(Private Car Lines, p. 189.)

Members of the Swift family are the principal stockholders of the Mechanical Manufacturing Co., which manufactures the Ellis bumping posts for railroads. The Swift transportation manager who succeeded in closing the Hodge yards also succeeded in selling bumping posts to the railroads. This subject is covered in the Private Car Lines Report (pp. 191–193):

Ellis bumping post: The packers' influence on the carriers is also used as a means of pushing the sale of some of the products of their affiliated companies. An example is found in the Ellis bumping post, a product of the Mechanical Manufacturing Co., which is controlled by the Swift interests. The sale of this product for the fiscal year ending March 31, 1918, was $249,715.60. Correspondence found in the files of Swift & Co. indicates that the packing company uses its traffic influence to induce the carriers to buy this post. The following letters, passing between officials of Swift & Co., show the disposition to push the sale of the Ellis post through enlisting the aid of A. R. Fay, transportation manager of Swift & Co., who has charge of routing its traffic:

APRIL 14, 1915.

Mr. GEO. L. CHATFIELD:

I noticed all along the Michigan Central Road that they are using some kind of a steel bumper. Would like to know if they have discontinued using the Ellis entirely and using only the steel and if there is not some way we can get them to buy the Ellis?

NBH*EM
CC—A. R. Fay.
4467.

—

MAY 4, 1915.

Mr. N. B. HIGBIE, *Fourth Floor, Office.*

DEAR SIR: Replying to your note of April 14, and referring to conversation with you regarding bumping posts on the Michigan Central Railroad, wish to advise that I have been checking up this matter and have not been able to get as much information as I would like, but it is evident from what I have that they have been buying a number of Gibraltar, Hercules, and Buda bumping posts. Also understand they are fitted up at their Jackson shops for making repairs for our bumping posts, some of which have been in service a number of years. Have not been able to learn that they have made any complete posts. I am also advised by one of their representatives that they have not bought any new posts for a long time, but he thought they would need some within a few months. I am taking this matter up with Mr. A. R. Fay.

As to the bumping posts on the Illinois Central—their business runs about even, and I have been assured by their purchasing agent that we are getting all of their business and have not been buying any other posts.

Yours, respectfully,

GEO. L. CHATFIELD.

GLC*B.

* * * * * * *

CHICAGO, *July 30, 1913.*

File 568–ARF.

Mr. G. L. CHATFIELD, *Fourth Floor:*

The Michigan Central have promised that they will purchase Ellis bumping posts, and they will buy mere [more] posts in the next year on their line than they have in the last 10 years.

A. R. FAY.

ARF: B.
R. R. DEPT.
Copy H. A. C.

(Private Car Lines, p. 191–192.)

BRANCH HOUSES AND CAR ROUTES.

With an interest in stockyards handling 84 per cent of the animals that are received in stockyards, with 70 per cent of the interstate slaughter, with over 90 per cent of the beef refrigerator cars, the five packers besides have a high percentage of all branch houses and car routes used in the distribution of meats and packing-house products.

The situation is thus described by the commission in the summary (Part I, pp. 41–42):

Branch houses and car routes: The packers' distribution of their products is effected through a system of branch houses located in the large towns and cities, and a system of refrigerator "peddler car" routes which reach the smaller communities. Swift & Co. reach a larger number of cities and towns by peddler car than all other packers, while Armour & Co. have developed a system of delivering from their branch houses by trucks, reaching by this means over 20,000 towns, and making their total number of towns greater than Swift & Co. (p. 41).

* * * * * * *

This system of wholesale distribution through branch houses and peddler cars is the bulwark of monopoly. There is virtually no limit

to the possible expansion of their wholesale merchandising short of the complete monopolization of the primary distribution of the Nation's food.

With the development of their branch-house and car-route systems it is unnecessary for the packers to go through the slow process of building up manufacturing plants. Their initial move is to contract for the output of factories. After the manufacturers have been under exclusive contract for a few years they become virtually "tied" to the packers, and unable to break away and develop new outlets for production (p. 42).

The facts are given in Part I, Part III, and Part IV of the commission's report, and so far as I am aware the record does not show that they are denied. The statistical statement on the number of branch houses (89 per cent) and car routes (90 per cent) is from Part I (pp. 142–146):

EXTENSIVE CONTROL OF BRANCH HOUSES AND "PEDDLER CAR" ROUTES.

Quite as important as the control of refrigerator beef cars is the very extensive branch-house system of the five big packers. This system of branch houses affords them a very large market in which to dispose of their commodities. Not only are large numbers of these branch houses maintained, but the commodities handled by them are various and they are adapted to the rapid development of trade in any new line of foods that the packers elect to take up.

The branch houses, which are located in the cities and large towns, are supplemented by a wide-reaching "peddler car" service, which consists of refrigerator cars loaded with meats and provisions and operating over what are known as car routes. These peddler cars are in effect miniature branch houses on wheels, reaching thousands of small communities where trade is not sufficient to justify the investment in a branch house. The cars operate over established routes, usually starting at a packing plant, though sometimes at a branch house. A development of the car-route idea has been made by Armour & Co. in the establishment of an autotruck distribution service, which loads at the branch houses and reaches a wide radius of surrounding towns.

Number of branch houses and car routes.—The number of branch houses owned by the Big Five and by all other interstate slaughterers is shown in the following table. Swift leads with 367, Armour has 363, and the total for the Big Five is 1,120, or 89 per cent, against only 139, or 11 per cent, for the independents. The advantages of the Big Five in marketing by car routes are about the same, for they operate nearly 1,300 car routes, while independents operate only 141. The table also shows these car routes and the thousands of towns that the Fig Five cover by this means. The figures of Big Five car routes include only the parent companies and their acknowledged subsidiaries, and do not include car routes that may be operated by their affiliated interests.

* * * * * * *

Domestic branch houses and car routes of interstate slaughterers—Big Five proportion of number of branch houses, 1916; and of number of car routes operated, with number of towns covered thereby, 1918.[1]

	Branch houses.		Car routes.		
	Number.	Per cent.	Number.	Per cent.	Number of towns covered.
Big Five, total	1,120	89.0	1,297	90.2	[2] 58,012
* * * * * *					
All other	139	11.0	[3] 141	9.8	1,507
Total interstate slaughterers.	1,259	100.0	1,438	100.0	[5] 59,519

[1] Revision of table on p. 42 of Summary of Report, which included foreign branches and car routes. Number of branch houses is for close of year, 1916, or nearest corresponding fiscal year. The number of car routes is for June, 1918.

[2] Total includes many duplications because frequently the car-route lists show the same town covered by more than one company.

[3] Operated by 7 of the larger independent packers, the only ones known to operate car routes.

[4] Excludes 12 foreign branch houses, 3 o. which belong to Big Five and 9 belong to all other interstate slaughterers.

[5] Includes 20,836 towns reached by Armour's truck sales. In addition Armour reaches 165 Canadian towns by trucks, making the total of his truck towns 21,001 and the total o. truck and car route towns 24,681.

The States of Kansas, Missouri, Kentucky, and Iowa are those in which the Big Five have the largest numbers of towns covered by car routes. The region in which their car routes are most extensive is in the live-stock producing and feeding region in the prairie States from Oklahoma northward; in the nine States of this region their routes (including duplications where two or more of the Big Five cover the same town) reach over 16,000 towns. Nearly 9,000 additional towns are thus reached in seven States next eastward—Wisconsin, Michigan, Ohio, Indiana, Kentucky, Tennessee, and Arkansas.

Of the 20,836 towns reached by Armour's autotruck system about one-fourth are in the South Central States and one-fifth in the North Central States. In New York State there are over 1,000 Armour truck towns; so also in Pennsylvania and in West Virginia. In Texas there are nearly 1,600.

While the Big Five car-route system thus covers strategically an important small-town territory, their branch houses proper are still more adequate to reach the cities and large towns, especially in the East, where the urban population is greatest. Forty-five per cent of the Big Five branch houses are in the States of Pennsylvania, New Jersey, New York, and the New England States. In general, Big Five branch houses are less numerous in the territory where their car routes are most so. (Part I, pp. 143, 144.)

* * * * * * *

The nearly 6,000,000,000 pounds of commodities sold by the branch houses and the peddler cars of four of the five big packers would probably be well over six and one-half billions if Morris's tonnage were added. This means that in 1916 the Big Five handled in these two channels of their domestic trade something like 65 pounds per capita for the entire population of continental United States. Swift & Co.'s share was about 25 pounds per capita, Armour & Co.'s 21, Morris & Co.'s 7, that of Wilson & Co. (Inc.) and of Cudahy Packing Co. each about 6.

On the basis of 41,752,530 as the estimated population in towns of 8,000 and over in 1916 the Big Five tonnage would amount to about 156 pounds per capita of population living in towns of the size indicated. (Part I, pp. 145–146.)

The five packers' proportion of sales of fresh meats (94 per cent) and cured meats (86 per cent)sold in branch houses of interstate slaughterers, is thus shown (Part I, pp. 146–147):

Big Five proportion of total branch house sales of fresh and cured meats: The proportion of sales of fresh meat through branch houses by Big Five and by all other interstate slaughterers to the total branch-house sales has a significance somewhat different from the proportion either of the number of animals slaughtered or of the live weight. This latter proportion, running from 13 to 37 per cent for the independents, does not furnish the degree of competition for the Big Five that might be expected from this percentage of slaughter if each independent secured interstate trade and entered markets in number proportionate to the size of his business.

Much of the trade of the "all other interstate" slaughterers is not interstate, but local in character. This is particularly true in case of fresh meat. Relatively little of the independent's product is sold fresh in markets beyond the vicinity of his packing plant. Fresh meat requires either immediate disposal in the locality of its production or refrigerating equipment with highly specialized transportation facilities and sales organization, such as the branch house. Disposition of fresh products through wholesalers or commission men seems less satisfactory. While the independent interstate slaughterers in 1916 had a kill of cattle, calves, and sheep, from which most of the fresh meat is derived, representing 17.3 per cent of the total estimated live weight of these animals, they sold through branch houses for the fiscal year most nearly corresponding to 1916 only 5.1 per cent of the total fresh meat sold through branch houses by interstate slaughterers. This is shown by the table below, which also gives a comparison of this character with respect to cured meats

Interstate slaughterers—Big Five proportion of branch-house sales of fresh and cured meat, 1916.[1]

	Fresh meat.		Cured meat.		Fresh and cured meat.	
	Pounds.	Per cent.	Pounds.	Per cent.	Pounds.	Per cent.
Big Five, total	3,114,387,496	94.9	950,565,931	86.5	4,064,953,427	92.8
* * *						
All other	167,849,112	5.1	147,737,083	13.5	315,586,195	7.2
Total interstate slaughterers	3,282,233,608	100.0	1,098,303,014	100.0	4,380,539,622	100.0

[1] The figures for Swift & Co. are for fiscal year closing Sept. 30, 1916; for Armour & Co., Morris & Co., and Cudahy Packing Co. for fiscal year ending Oct. 31, 1916; for Wilson & Co. (Inc.), for fiscal year ending Dec. 31, 1916.

Cured meat may be held for considerable periods of time, safely transported long distances, without highly specialized equipment, and sold through agencies less highly organized or closely supervised than branch houses. Thus the independents, trusting mainly to sales of cured hog products, and in most cases not attempting to operate branch houses, have a much smaller percentage of cured meat sales through branch houses than their slaughter of animals would indicate. It is seen from the above table that this percentage in cured meat sales through branch houses is only 13.5 per cent, as against a slaughter percentage of live weight of all meat animals of 26.7 per cent (see Table 3, p. 110), and of swine, from which most of the cured meat is derived, of 36.7 per cent. Their percentage of branch house sales in fresh meat is relatively small, because they lack the indispensable means for its wide disposal, and in cured meat somewhat larger, but still relatively small.

The small percentage of branch house sales of meat (fresh and cured) by independents, 7.2 per cent, is, therefore, as contrasted with their percentage of all animal slaughter based on estimated live weight, 26.7, a more accurate measure of their weakness under competition from the big packer who, selling in hundreds of markets, is in a position to wage war on any independent in his particular territory. (Part I, p. 147.)

I have covered the essential matters pertinent to a discussion of the monopolization of the meat trade. I reserve the discussion of the monopoly being created in unrelated businesses to a later period of these remarks.

Would it be possible for anyone to suggest anything further essential to a control of the meat industry than the things I have pointed out under the domination of these packers? Possibly one would suggest the question of credit. With their interest in many banks, scattered throughout the country; with their great assets, they are at a tremendous advantage in the securing of credit. I insert here a list of banks and trust companies in which they are interested.

Companies in which the Big Five, severally, own minority of voting stock.

BANKS.

Directors here listed are members of the packing families or trusted officers or employees of the packing companies or of subsidiary or family companies Stockholders' questionnaires to the bank stockholders might have disclosed additional stock held for members of the packing families by dummies.]

No.	Name of bank.	Address.	Resources.	Directors and per cent of voting stock.				
				Armour.	Cudahy.	Morris.	Swift.	Wilson.
614	Central Trust Co. of Illinois	Chicago, Ill	$68,823,720	Stock ownership, 3 per cent.[1] *				
615	Continental & Commercial Trust & Savings.	do	81,635,240	J. Ogden Armour, R. J. Dunham, stock ownership, 7 per cent.*				
616	Depositors State & Savings	do	3,773,980					G. D. Hopkins; stock ownership 13 per cent.*
617	Drovers National (see also p. 353).	do	17,653,840				Stock ownership, 12 per cent.*	
618	Drovers Trust & Savings Bank (see also p. 353).	do	5,005,340				Stock ownership, 17 per cent.*	
619	Fort Dearborn National (see also p. 352).	do	60,187,280				Stock ownership, 8 per cent.*	
620	Fort Dearborn Trust & Savings (see also p. 352).	do	6,233,300				Stock ownership, 29 per cent.*	
621	Hibernian Banking Association.	do	30,462,000	J. Ogden Armour; stock ownership, 7 per cent.*				
622	Kenwood Trust & Savings	do	3,725,000				W. W. Sherman; stock ownership, 10 per cent.*[2]	
623	Liberty Trust & Savings	do	3,323,310			Edward Morris, jr., L. H. Heyman; stock ownership, 41 per cent.*		
624	Peoples Trust & Savings	do	11,200,800	F. W. Croll[3]				
625	Reliance State	do	2,839,740			Edward Morris, C. M. Macfarlane; stock ownership, 48 per cent.*		
626	Stony Island Trust & Savings	do	928,350	F. W. Croll, J. E. O'Hern; stock ownership, 12 per cent.*				
627	Union Trust Co.	do	43,156,450	Geo. E. Marcy[4]				
628	Woodlawn Trust & Savings	do	3,720,000				Stock ownership, 5 per cent* (see p. 354).	
629	National Bank of North Kansas City.[5]	Kansas City, Mo.	245,000	F. O. Cunningham; stock ownership, 30 per cent.				
	Total resources		340,970,350					

* Family interests.
[1] 1 per cent of the stock is held by the Swift family.
[2] In addition trusted employees own $9,500, or 4.75 per cent, which would make a total of 14.45 per cent.
[3] F. W. Croll holds one-fifth of 1 per cent of stock. No other stock appears in name of Armour's employees or Armour family.
[4] 1 per cent of the stock stands in the name of Geo. E. Marcy, president of Armour Grain Co.
[5] I. H. Rich, president of this bank, is manager for Swift & Co.

Companies in which two or more of the Big Five are jointly interested.

BANKS—DOMESTIC.

[Directors here listed are members of packing families or trusted officers or employees of the packing companies or of subsidiary or "family" companies. The commission in most cases is not advised as to stock ownership by members of the families (indicated by *), except record holdings in Chicago banks Stockholders questionnaires might have disclosed additional stock held for members of the packing families by dummies.]

No.	Class of business and company.	Address.	Resources.	Directors.				
				Armour.	Cudahy.	Morris.	Swift.	Wilson.
42	Continental & Commercial National.	Chicago, Ill	$331,423,830	R. J. Dunham, J. O. Armour; stock ownership, 7 per cent.*	E. A. Cudahy			
43	National Bank of the Republic	do	40,097,740		J. M Cudahy	Stock ownership, 1½ per cent.*	L. F. Swift; stock ownership, 2 per cent.*	
44	First National Bank (see also p. 359).	do	239,507,020	Stock ownership, 5 per cent.[1] *		Nelson Morris; stock ownership, 7 per cent.[4]		T. E. Wilson.
45	South Side State[2]	do	3,942,230	G. B. Robbins			A. R. Fay; stock ownership, 2 per cent.*	
46	Peoples Stock Yards State	do	9,935,170	Arthur Meeker		C. M. Macfarlane, Edward Morris; stock ownership, 29 per cent.[3]	Stock ownership, 2 per cent.*	
47	Stockmen's Trust & Savings[4]	do	1,791,950	J. E. O'Hern				H. B. DuPlan.

*Family interests.
[1] Including 4 per cent owned by Allerton family.
[2] 10 per cent of the stock stands in name of Robbins, 2 per cent in name of Edward F. Swift, and 11 per cent in the name of A. R. Fay and other members of the Swift-Tilden group. See p. 354.
[3] Arthur Meeker, vice president of Armour & Co., holds 100 shares (4 per cent), and is a director in this bank. Associates of the Chicago stock yards companies (F. H. Price, J. A. Spoor, and H. E. Poronto) are among the largest individual stockholders, holding in all 375 shares (15 per cent). In addition, E. V. R. Thayer, H. E. Leonard, and Silas H. Strawn, who are also officers of the yards companies, own 110 shares (4.4 per cent). These holdings together with the Swift family holdings, make a total of 535 shares, or 21.4 per cent.
[4] The stock records show one-half of 1 per cent in name of O'Hern, general superintendent of Armour & Co., and the same per cent in the name of DuPlan, a Wilson cattle buyer. David Moog, a Wilson district manager at Kansas City, has 1¼ per cent.

Companies in which two or more of the Big Five are jointly interested—Continued.

No.	Class of business and company.	Address.	Resources.	Directors.				
				Armour.	Cudahy.	Morris.	Swift.	Wilson.
48	Livestock Exchange National	Chicago, Ill.	$29,089,320	F. E. White; stock ownership, 4 per cent.*		Stock ownership 14 per cent.[1]	E. F. Swift; stock ownership, 5 per cent.*	T. E. Wilson.
49	Stock Yards Savings	do	5,168,610	Arthur Meeker; stock ownership, 10 per cent.*		Edward Morris, C. M. Macfarlane; stock ownership, 24 per cent.*	L. F. Swift; stock ownership, 6 per cent.*	
50	First Trust & Savings (see also p. 359).	do	83,225,450	Stock ownership, 5 per cent.[2]*		Nelson Morris; stock ownership, 7 per cent.*		Do.
51	Central Manufacturing District Bank.[1]	do	4,860,890	Arthur Meeker			Stock ownership, 2 per cent.*	
52	Illinois Trust & Savings	do	127,675,000	Stock ownership, 2 per cent.*			E. F. Swift; stock ownership, 2 per cent.*	
53	National Stock Yards National.	East St. Louis, Ill.	17,475,000			Nelson Morris; stock ownership, 59 per cent.*	Stock ownership, 23 per cent.*	Stock ownership, 3 per cent.*
54	Stock Yards National	South St. Paul, Minn.	7,280,540	Stock ownership, 25 per cent.			J. S. Bangs	
55	Livestock National Bank of South Omaha.	Omaha, Nebr.	10,300,000			L. H. Heymann	H. O. Edwards	
56	Stock Yards National Bank of South Omaha.	do	15,439,810	R. J. Dunham, R. C. Howe, E. Buckingham.	E. A. Cudahy, E. A. Cudahy, jr.			
57	Drovers National	Kansas City, Mo.	14,175,000			Nelson Morris	J. H. Rich	
58	Interstate National[3]	do	18,697,350	C. W. Armour				
59	St. Joseph Stock Yards Bank	St. Joseph, Mo.	5,800,000			Stock ownership, 21 per cent.	A. B. Swift, I. A. Vant.	
60	Oklahoma Stock Yards National.	Oklahoma City, Okla.	3,303,470			E. F. Bisbee		W. H. Garside.
61	Stock Yards National Bank	Fort Worth, Tex.	5,353,000	R. J. Dunham, A. B. Case; stock ownership, 40 per cent.			J. B. Goozins, H. A. Chetham.	
62	Denver Stock Yards	Denver, Colo.	2,811,930	C. A. Gebhard; stock ownership, 29 per cent.		Stock ownership, 10 per cent.	J. Brennan	
63	Livestock State	North Portland, Oreg.	1,875,000	Stock ownership, 20 per cent.			C. B. Swift, C. C. Colt	
	Total resources		979,237,340					

* Family interests.

[1] Arthur Meeker, vice president of Armour & Co., holds 100 shares (4 per cent), and is a director in this bank. Associates of the Chicago stockyards companies (F. H. Prince, J. A. Spoor, and H. E. Poronto) are among the largest individual stockholders, holding in all 375 shares (15 per cent). In addition, E. V. R. Thayer, H. E. Leonard, and Silas H. Strawn, who are also officers of the yards companies, own 110 shares (4.4 per cent). These holdings, together with the Swift family holdings, make a total of 535 shares, or 21.4 per cent.

[2] Including 4 per cent owned by Allerton family.

[3] 4 per cent owned by Kansas City Stock Yards Co. (No. 33), in which joint family interests and employees own 51 per cent. The Interstate Cattle Loan Co., of Kansas City, is affiliated with the Interstate National Bank.

[Federal Trade Commission Report, Part I, pp. 42 and 44.]

In addition, there are a number of banks not covered by this list in which close business associates of the packers are directors.

Boston:
- Commercial National Bank (Wilson).
- Broadway National Bank of Chelsea (Swift).
- Harvard Trust Co. (Swift).

New York City:
- William Salomon & Co. (Wilson).
- National City Bank (Armour).
- Chase National Bank (Wilson).
- International Banking Corporation (Armour).
- Irving National Bank (Swift, Armour).
- Guaranty Trust Co. (Wilson).
- Irving Trust Co. (Armour).
- New York County National Bank (Swift).
- Hallgarten & Co. (Wilson).

Chicago:
- Continental Commercial National Bank (Armour, Cudahy).
- Hibernian Banking Association (Armour).
- Fort Dearborn Trust & Savings Bank (Swift).
- Illinois Trust & Savings Bank (Swift).
- First National Bank (Morris, Wilson).
- First Trust & Savings Bank (Wilson).
- People's Trust & Savings Bank (Armour).
- National Bank of the Republic (Swift, Cudahy).
- Continental & Commercial Trust & Savings Bank (Armour).
- Drovers' Trust & Savings Bank (Swift).
- Liberty Trust & Savings Bank (Morris).
- Woodlawn Trust & Savings Bank (Swift).
- Westside Trust & Savings Bank (Morris).
- Mid City Trust & Savings Bank (Morris).
- Union Trust Co. (Armour).
- Stoney Island Trust & Savings Bank (Armour).
- Kenwood Trust & Savings Bank (Swift).
- Depositors' State & Savings Bank (Wilson).
- South Side State Bank (Armour, Swift).
- Central Manufacturing District Bank (Armour).
- People's Stockyards Bank (Morris, Armour).
- Stockmen's Trust & Savings Bank (Armour, Wilson).
- Livestock Exchange National Bank (Armour, Swift, Wilson).
- Stockyards Savings Bank (Armour, Swift, Morris).

East St. Louis, Ill.:
- National Stockyards National Bank (Morris, Swift, Wilson).

South St. Paul, Minn.:
- Stockyards Mortgage & Trust Co. (Swift).
- Stockyards National Bank (Swift, Armour).

Sioux City, Iowa:
- Livestock National Bank (Swift).

Omaha, Nebr.:
- Livestock National Bank (Swift, Morris).
- Stockyards National Bank (Armour, Cudahy).
- Omaha National Bank (Cudahy).

St. Joseph, Mo.:
- St. Joseph Stockyards Bank (Swift, Morris).
- American National Bank (Swift).
- Drovers & Merchants' Bank (Swift).
- First National Bank (Swift).
- First Trust Co. (Swift).

Kansas City, Mo.:
- Drovers' National Bank (Morris, Swift).
- Interstate National Bank (Armour).
- New England National Bank (Armour).

Wichita, Kans.:
- Guarantee Title & Trust Co. (Cudahy).
- Kansas National Bank (Cudahy).
- Union Stockyards National Bank (Cudahy).

Oklahoma City, Okla.:
- Oklahoma Stockyards National Bank (Morris, Wilson).

Fort Worth, Tex.:
- Stockyards National Bank (Swift, Armour).

Denver, Colo.:
- Denver Stockyards Bank (Swift, Armour, Morris).

Portland, Oreg.:
- Livestock State Bank (Swift, Armour).

San Francisco, Calif.:
- Anglo-California Trust Co. (Swift).
- Bank of South San Francisco (Swift).

This legislation is based upon the combination and monopolistic position of the great packers. This monopoly is dependent entirely upon the combination. It is not contended that any one of the Big Five have enough control to become a monopoly.

The commission replied to the President's letter that "We have found conclusive evidence that warrants an unqualified affirmative," and that affirmative was to the question "Whether there are manipulations, contracts, trusts, combinations, conspiracies, or restraints of trade out of harmony with the law or the public interest."

And to sustain this legislation it is not necessary to produce evidence sufficient to convict the packers in a criminal case, nor to be sufficent for a case in equity. It is to determine

whether the evidence is sufficient to warrant legislation in the interest of the public.

The President asked, not only as to the law, but whether there was an interference with the public interest. Public interest certainly is involved in the control of the food products of a nation, and in having the channel of trade in commerce unrestricted and unimpeded by monopolistic greed and avarice.

The evidence taken by the Federal Trade Commission and by the committees of Congress show that there is a combination of these packers, and that it is out of harmony with the Sherman Act.

The Attorney General before the committee practically stated that he was of that opinion.

The packers admitted it when they agreed to the consent decree on February 27, 1920. Does anyone imagine they would agree to this decree if they had not been and were not at the time engaged in an unlawful combination?

Of course, the evidence of combination is so extensive that it is impossible, and I have not attempted to review it in detail. What I have quoted so far is largely from Part I of the report.

Part II of the commission's report is directed almost entirely to the evidence of combination among the packers. It probably would be well to have a brief résumé of some of the principal points of evidence in the RECORD.

From 1885 down to the present time this combination has gone on in various forms and under various guises, but nevertheless it has been a combination that the Government has tried at times to dissolve and at other times to suppress. From 1885 it existed through the Veeder pools up to 1902. Later it existed through the National Packing Co. period, where the principal owners of the five great packing companies sat around the table of the board of directors of the National Packing Co. and went through the farce of carrying on a company in competition with other companies controlled by them. That company was dissolved after the criminal prosecution in 1912. That has been followed by the present live-stock pool, which pool is sufficiently shown in this evidence and is proof of combination. It is likewise shown in the understanding creeping out throughout the evidence as to distribution of meats. And, lastly, the international meat pool. On these subjects I present a portion of Part II, pages 11 to 13, Federal Trade Commission report, dealing with the Veeder pool, the National Packing Co., and the present combination:

INTRODUCTION.

This part of the report records the evidence of two generations of combined effort on the part of the American meat packers, particularly the Armour, Swift, and Morris families, to control an ever-increasing part of the food of the American people. These combined efforts extend in an almost unbroken series over a period of more than 30 years, beginning with the agreements and combinations formed by Philip D. Armour, Gustavus F. Swift, and Nelson Morris about 1885 and ending with the present agreements, pools, controls, and multiple communities of interest of their descendants, J. Ogden Armour, the Swift brothers, and the Morris brothers, in combination with various other individuals and corporations.

It may appear needless to go into the past history of these relationships, the principal actors in which are long since dead; but it is necessary to an understanding of the present-day activities of the packers that the actions and motives of their predecessors should be reviewed. The operations and motives of these early days when the monopoly was being formed are no longer in dispute; they have been acknowledged under oath by representatives of the packers, one of whom is still employed as joint agent of the present combination. Thus, for example, Henry Veeder in 1912 made a detailed statement regarding the various pools of which he had been secretary during the nineties. These admitted agreements of the past are a key to the evidence of the agreements and combinations of the present time.

The history of combinations among the American packers shows that there have been three well-defined stages of development, and that one stage has so readily passed into another that there has been practically no time since 1885 when the packers were not combined in some way.

First period, 1885–1902—The dressed-meat pools: There were two of these, which, being given the names of the offices from which they were conducted, may be called the "Allerton pool" and the "Veeder pool." The Veeder pool was abandoned under public pressure less than a month before the Government brought suit and enjoined these practices.

Second period: The merger period, which began with the attempted consolidation into a single corporation of all the principal packers and, on failure of this plan, took form in the National Packing Co., a less pretentious, but efficient combination. The National Packing Co. was liquidated in 1912, a civil suit following the failure of a criminal trial being imminent.

Third period: The present combination, characterized by the operation of the live-stock pool which was formed some years before the liquidation of the National Packing Co., and by the operation of the international meat pool. Under this period are discussed also other agreements and understandings by the big packers.

The divers devices by which the combination has sought control have been repeatedly challenged, with the result that the members of the combination, conscious of public watchfulness, have become skilled in concealing combination and at the same time in giving emphasis to all actions which keep before the public the appearance of competition.

Detection of the combination through analysis of the evidence has been made more difficult because in the harmonious relations maintained by the Big Five as a whole, rivalries among them for the protection of established place in the industry at times simulate the forms of competition. But this rivalry within the combination never becomes competition in truth, for it is never permitted to defeat the common aims and interests of the group. Consequently during the 33 years of the combination's history it has grown greatly, not only in size but in the proportion of the meat and food industry which it controls.

During the early period the packers were in constant conflict, and were able to restrain their competitive activities only by the establishment of a highly artificial system of regulation with weekly meetings, statistical bureaus, and fines and bonuses. During the merger period the National Packing Co. constituted an effective medium for the control of the packers' joint business, but being obviously contrary to the public interest and in conflict with the law, it had to be used with circumspection. Now, with the competitive instinct dulled by years of artificial suppression, it is possible for the packers, bound together by a web of joint interests, to rely on a system of control which is well-nigh automatic in its operations and is devoid of the elaborate machinery of secret meetings, private codes, and punitive checks, which were necessary during the earlier years. The present combination is by no means a mere "gentleman's agreement," for the understandings are definite and precise, and it is far superior in its operations to the clumsy "pools" of the nineties.

On the specific subject of the present combination the commission states its conclusions in these words (Part II, pp. 26–27):

The evidence of the present-day existence of a meat combination among the five big packers is voluminous and detailed. It consists of hundreds of letters and memoranda taken from the files of the packers; the testimony of witnesses at the public hearings of the commission, and the reports of the examination by the commission's agents of former employees of the packers and other persons qualified by business experience or associations to testify regarding various phases of the packers' combinations. This evidence is convincing, consisting as it does largely of documents written by the packers or their agents and including the memoranda made by one of the participants in the combination of the terms and conditions agreed upon at various meetings of the packers.

The principal conclusions to be drawn from this mass of evidence relating to combinations among the packers are:

1. That Swift & Co., Armour & Co., Morris & Co., Wilson & Co. (Inc.), and the Cudahy Packing Co. are in an agreement for the division of live-stock purchases throughout the United States according to certain fixed percentages.

That this national live-stock division is reenforced by local agreements among the members of the general combination operating at each of the principal markets, as at Denver, where Armour and Swift divide their live stock "50-50."

That these national and local live-stock purchase agreements constitute a restraint of interstate commerce in live animals and in the sale of meat and other animal products, stifling competition among the five companies, substantially controlling the prices to be paid live-stock producers and the prices to be charged consumers of meat and other animal products, and giving the members of the combination unfair and illegal advantages over actual and potential competitors.

2. That the five companies exchange confidential information which is not made available to their competitors and employ jointly paid agents to secure information which is used to control and manipulate live-stock markets.

3. That the five companies act collusively, through their buyers, in the purchase of live stock, their specific collusive activities embracing:

(a) "Split-shipments" purchases, where by interchange of information the split lots are made to sell at the same price on different markets, regardless of how many packers are involved in making the purchase.

(b) "Part purchases," where two or more packers join in purchasing the live stock of one shipper or producer, each taking a part of a shipment at the same price.

(c) "Wiring on," where a shipper who forwards his live stock from one market to another for the purpose of securing a better price is punished regardless of which packer he sells to in the second market.

(d) "Making" the daily market, where a common live-stock buying policy for all the big packers at the principal markets substantially control the basic prices to be paid throughout the United States. "Late buying," where all the buyers of the big packers stay out of the market for one or more hours after the opening for the purpose of depressing prices, is one of the means of making the market.

4. That Swift & Co., Armour & Co., Morris & Co., and Wilson & Co. (Inc.), through their subsidiary and controlled companies in South America, combined with certain other companies to restrict and control shipments of beef and other meats from South America to the United States and other countries.

5. That the five companies—Swift & Co., Armour & Co., Morris & Co., Wilson & Co. (Inc.), and the Cudahy Packing Co.—act collusively in the sale of fresh meat, their specific collusive activities embracing:

(a) Exchange of information regarding "margins" realized in the sale of meat:

(b) Inspection of one another's stocks of fresh meats; and

(c) Joint action in underselling independent competitors by a system of rotation, each of the members of the combination in turn assuming the burden of cutting prices to the competitor's customers.

6. That there is a joint contribution to funds expended under their secret control to influence public opinion and governmental action, and thus to maintain the power of their combination. (The evidence bearing on this point is reserved for discussion in a later part of this report.)

7. That the agreements, understandings, and pools hereinbefore recited are reenforced by the community of interest among the five companies above named through joint ownership, either corporate or individual, of various enterprises. Two or more of the five interests thus have joint ownership or representation in 108 concerns, as far as ascertained to July, 1918. (For discussion of joint interests of Big Five, see diagram in Summary and Part I.)

The combination has had a rather unsavory history. In 1890 a committee of the Senate, headed by Senator Vest, after two years of investigation, reported unanimously that there was convincing proof of collusion in—

(a) Fixing of beef prices.

(b) Division of territory.

(c) Diversion of certain public contracts.

(d) Compulsion of retailers to buy their beef from the great packers. (See report of Select Committee on Transportation and Sale of Meat Products, 51st Cong., 1st sess., S. Rept. No. 829, p. 446.)

This covered the period called the Allerton pool.

The Veeder pools, from 1885 to 1902, have been spoken of heretofore. These constituted a combination in the distribution of meat by the same five packing concerns. These facts were testified to by Henry Veeder in the criminal trial of the packers in 1912. The facts clearly showed that prior to the year 1902 there was an illegal combination, with penalties and weekly settlements.

The commission claims that after 1902 it was only a change in methods. An attempt was made in 1902 and 1903 for a big merger. An injunction had been granted in 1902 and 1903 enjoining the packers from combination in restraint of trade. The merger was then planned to consolidate the five companies and also several independent companies that the Swift, Armour, and Morris interests purchased at the time. On the failure of the bankers to provide the proposed loan of sixty million to finance the proposed merger it fell through.

Swift, Armour, and Morris interests, however, turned in the stock of the independent companies they had acquired to form the National Packing Co., which operated from 1903 to 1912 as a sixth large packing company, owned by three of the five. On threat of civil suit following the acquittal of the packers in 1912, the National Packing Co. was liquidated, and its properties were divided among Swift, Armour, and Morris.

The live-stock pool had evidently existed during the life of the National Packing Co. It was in operation in 1917, according to the commission, at the time it made its investigation, and undoubtedly it is operating this very moment. The record of each week of its operations during the year 1916 is printed in an exhibit of Part II of the commission's report. And the commission seem to have secured records of its operations for the calendar years of 1913 to 1917, inclusive.

The pooling device is explained in general terms in the summary of Part I, pages 49 to 51, as follows:

Under the Veeder pools control of the meat trade was effected by agreements regulating the shipments of dressed meats into the various competitive districts, with a system of fines for overshipments and bonuses for undershipments. This scheme was so thoroughly exposed during the proceedings which led to the injunction of 1903 that it was abandoned. * * * A much simpler and equally effective plan was evolved in the form of a live-stock pool, providing substantially for the division of purchases of the cattle, sheep, and hogs sent to market according to certain fixed percentages, which could be agreed upon for long periods and needed to be changed only when conditions were greatly altered, as, for example, when one of the big packers purchased an independent plant.

This division of live-stock purchases is not only an automatic regulator of the relative volume of business of each of the Big Five, but also secures substantial uniformity of prices paid for live stock, and, consequently, of the prices at which dressed meats are sold. In brief, the prearranged division of live-stock purchases forms the essential basis of a system by which the big packers are relieved of all fear of each other's competition, and, acting together, are able to determine not only what the live-stock producers shall receive for their cattle and hogs, but what the consumer shall pay for his meat.

In order that the working of this system shall be clearly understood, it is well to start with the simplest situation—that of a stockyard in which only two of the big packers are represented and where the division is commonly "fifty-fifty." In such a market the independent packers, local butchers, and speculators will purchase not to exceed 5 per cent of the live stock, far too few to influence the market strongly, much less fix the price. The other 95 per cent of the live stock, it is agreed, is to be divided evenly between the two big packers. This is the situation at Fort Worth and Denver.

Even if there should be no further collusion or communication between the two big packers, it must be obvious that there will be no truly competitive purchases. Each buyer may come into the market with a different idea of what the different grades of cattle are worth, but only a few sales will be made before each will know what the other is offering, and they will come to a common price. In a freely competitive market the common price would tend to reflect the true market value, because the low bidder would be required to meet this price or be left without a supply to keep his packing house running. But in a market where there is an agreed division the natural law of the market is turned topsy-turvy, and the common price inevitably becomes that offered by the low bidder. Thus, even without any collusion beyond the agreement to divide purchases, the market price which the producer receives for his live stock is bound in the long run to be the lowest price which will keep the producers raising cattle, hogs, and sheep and sending them to the stockyard.

But the Big Five are not content to trust simply the inevitable tendencies of such a market. They must be sure of their control from the minute the market opens until it closes. Their buyers are all instructed in advance from Chicago just what they must buy on the basis of the estimated receipts; the buyers for the big packers are held back until one, two, or even three hours after the market opens, and then all go out into the yards together. By telephone and telegraph the buyers keep in constant touch with Chicago throughout the day, so that if the receipts run heavier or lighter than had been estimated, or if any other contingency arises, proper adjustments can be made, which will be in line with other markets and with the activities of other packers.

Throughout the entire market day each big packer knows exactly what the others are doing in all the markets, and at the end of the day, the end of the week, the end of the month, and the end of the year the purchases of all are checked up, so that if any of the five has bought more or less than his share, or has bought "out of line," the others may administer the proper measure of correction. If, for example, a packer buys less than his share over any considerable period, he is liable to have his percentage reduced, while if, on the other hand, any packer tries to "hog the market," he is liable to have the others retaliate by "putting the market up to him."

* * * * * * *

The agreement among the Big Five for the division of live-stock purchases provides not only for the division at each market on which two or more of the Big Five are represented but also for the division of all the live stock which they purchase for the country as a whole. Thus, so far as the big packers are concerned, each knows in advance that his packing house is assured of relatively the same volume of business as the others and that he will be able to buy his live stock at the lowest price that will keep the producers in the business and induce them to ship their animals to market.

FLUCTUATING FLOW OF ANIMALS TO MARKET.

Now, please observe the situation: Here are five packing companies, several of them with subsidiary companies. They have plants in many packing centers. In some of these centers two of the five have plants, in some three of the five have plants, in some four of them, and in one all five have plants. To these packing plants come daily large numbers of cattle and other live stock. Let me take the cattle alone for simplicity: Some days many cattle come to these various markets; some days few. Sometimes there is a glut at one market and a scarcity at others. There are a series of changing, variable currents, the flow of none of which can be accurately predicted, and the daily and weekly flow to all the markets taken together is also variable. That is the situation as to the supply of stock.

CENTRALIZED BUYING SYSTEMS.

What is the situation as to these five packing organizations that buy over 90 per cent of the cattle that come to these large markets? Each of the five has a centralized buying system, which is thus described by the commission (Part II, pp. 42–44):

Centralized buying system: Buying policies and instructions originate in Chicago. Although the Cudahy Packing Co. has no slaughtering plant at Chicago and buys practically no cattle there, nevertheless that company like the others issues its buying instructions from there. Each big packer employs a "head buyer" for each of the different kinds of animals purchased—cattle, hogs, sheep, and calves. These head buyers for Armour & Co., Swift & Co., Morris & Co., and Wilson & Co. (Inc.), maintain their general buying offices in or adjoining the Live Stock Exchange Building at Chicago. After early morning conferences with the different executive officials of their respective companies the head buyers issue instructions and throughout the day direct the buying of live stock at Chicago and every other market in the country where these packers make purchases, except the Pacific coast.

The head buyers throughout the day keep closely in touch with certain head officials in their companies in order to be informed as to what changes in the buying program may be made from hour to hour and also to report conditions on the various markets. These head buyers at Chicago also keep in constant touch with their assistants on the Chicago market and their local head buyers at all the other markets in which they operate.

An elaborate system of private telegraph wires—with several thousand messages sent and received each day—enables the Chicago packers to maintain close contact with market activities at other centers. This private-wire service, supplemented by a larger use of the telephone and of yard messengers at all markets, facilitates complete centralized control.

* * * * * * *

Many cattle and hog buyers of the big packers were examined regarding the buying methods of their companies. All said that they were compelled to make their purchases in line with instructions from Chicago. Each said that these instructions usually prescribed the number of animals to be purchased each day.

Several said that they were compelled to make their purchases not necessarily in accord with the needs of their local plants, but under Chicago instructions. Buying instructions must be obeyed, all agreed. The head buyers at Chicago admitted this. James Brown, head cattle buyer for Armour & Co., was asked by a commission examiner as to how far his cattle buyers on other markets might be permitted to use their own judgment in the matter of purchasing more cattle than instructed by him to buy, providing these buyers saw an opportunity to make additional profitable purchases. To this question Brown made this reply: "We do not pay these buyers to think, we pay them to obey instructions."

Although the centralized buying system of the Big Five covers thus minutely and rigidly all the details of the buying on all the markets, it should be understood that the determination of the general buying policy for each of the packers is so simple that it can be communicated by a word or a sign. All that the general head buyers

of the Armour, Swift, Morris, Wilson, or Cudahy companies need to be told to control their policies for the day is one or two words—"Steady," meaning buy at the prices paid for the different grades of live stock on the previous day; "Ten lower" or "Ten higher," meaning buy 10 cents per hundredweight below or above the previous day's quotations. On the basis of such general directions all the minutia of the buying at each of the markets is worked out by the head buyer.

* * * * * * *

But even with his central buying policy thus simply determined the task of the head buyer is extremely complex. He must take into account the different kinds and grades of live stock required on that day by each of the packing plants, must change his plans quickly to offset the uncontrollable actions of small packers, order buyers, and speculators, and must above all so manage his buying as not to put the prices on any of the markets "out of line." It is these detailed problems which demand constant intercommunication between the Chicago office and the buyers at the different markets and require the sending of thousands of telegrams each day during the few hours in which the markets are open.

At the different markets there is a similar centralization so far as the large packers are concerned. The offices of the head buyers of such of the big packers as are represented at each of the principal markets are in the same building and ordinarily adjoining.

* * * * * * *

There exists, therefore, for each of the big packers a centralized buying system so simply contrived and organized that it controls the smallest details of live-stock purchases at each of the markets and can be set in motion and directed by a single word.

This constitutes a situation in which a control of the buying policies of all of the large packers may be effectuated, and only a few men in each company need know that there is an agreement or understanding.

I have not tried to cover all this evidence of combination. It is too vast and would encumber the RECORD beyond any reason, but I am inserting extracts so that if the Senators desire at any time to read them over they will find a rather complete history.

When you consider only the variable flow of cattle, any control of the situation looks impossible. When you understand these centralized buying systems of each of the five packers, control looks entirely feasible. It is not only feasible, it is actually accomplished week after week, year after year. It was being accomplished during the period when the packers were on trial in 1910–1912; it was being accomplished while the House committee was considering the Borland resolution for an investigation, and telegrams were pouring in against it under packer inspiration; it was being accomplished week after week while the Federal Trade Commission made its investigation. I have no doubt it was being accomplished week after week during the time that the old Bureau of Corporations made the Garfield beef investigation of 1904, and I have no doubt it is being accomplished right now as we debate this bill. It has much to do with unrest and dissatisfaction among the farmers and stockmen.

THE PACKERS' "SHARE" OF THE PURCHASES.

What was being accomplished? Why this, that each of these five packers was getting, week after week, almost to a decimal point, his predetermined "share" of this variable, unpredictable total flow of cattle to the principal markets of this country.

You ask for proof of this. It is depicted on the chart, page 50, volume 2, commission report, so that anyone can see, but proof is not necessary, because the representatives of the packers have practically admitted it before committees of this Congress.

I have a chart of that, which I will not take the time to go into, but if Senators will take the chart on page 70 of volume 2 of the commission's report, they will be astounded to find that the percentages are maintained with slight fluctuation entirely through the year, and it is true of every other year, and those are the percentages that were established back in the old Veeder pool, where each packer was to take his proportion of the live stock that came to market.

They do not seriously controvert that proposition. They do not admit the word "predetermined." They say, "It is not predetermined"; they say, "There is no agreement." They say, "It is keen, watchful competition." One of their counsel has likened it to the tremendous conflicting forces of gravity that keep the sun and the planets and the stellar universe unchanged in their eternal places.

I predict that these "shares" fixed by "watchful competition" will cease to be fixed within a few days after the enactment of this bill, and there will begin to show signs of really competitive bidding for the cattle produced by the farmers of our western country. And I venture to say that on the admitted showing of facts, any fair jury would decide that these "shares" would not remain substantially unchanged year in and year out for five, or perhaps for ten or twenty years, without an agreement. With all the masses of letters and documents from the packers' files that support these figures and point clearly to an agreement there is no doubt of it.

It is impossible that this sameness is the result of coincidence. Until the chart can be explained the fact will stand out that it shows more than language can express the absolute combination.

If any Senator will study this chart, can he stand up here and say that these five packers are not in a combination? He may argue that it is a good combination; that it makes for efficiency; that this is a bad bill; that it is unconstitutional; that, while he deplores the situation, there is no way under the Constitution to prevent the robbery of the people; that we have enough law on the subject now. He may say that the Federal Trade Commission is composed of socialists and that the man who secured this information is a socialist; that those who are trying to secure legislation are actuated by political and unpatriotic motives; that it is an outrage to do any disturbing of business; that the slogan should be to let business alone; that it is no time to regulate any kind of business; that sponsors for the bill want to see their names in the papers. He may say all that in rhetorical or loud voice, but he can not truthfully say that the packers are not in a combination.

It must be remembered that the figures of the chart to which I refer are the figures of the packers themselves from their own records. They were found already compiled each week on a separate card, bearing first the absolute number of each kind of animal bought by each packer, the percentage of each packer for the week, the percentage for the year, and the corresponding figure for the preceding year. These cards were initialed by some of the packers. They were the figures used by Swift & Co. in the daily conduct of its business. All the commission has done is to take these figures and transfer them to tabular form for summarization and to chart them on this chart.

THE TATTERED "PER CENT LIVE BUYERS" MEMORANDUM.

Then Senators should follow it and take the first evidence found—and what turns out to be the key to the rest—a tattered memorandum discovered by one of the commission's agents in the desk of Edward P. Swift. The memorandum, which bore signs of frequent consultation, contained only certain percentages, totaling 100, opposite which was scribbled "per cent live buyers." (House hearings, part 32, p. 2373.)

I insert this, as follows:

45,000.
45,000.
W. M. T.

45,000.

A	29.26		
S	35.75		
M	14.98		
S. & S.	10.00	% live buyers.	35.68
Cudahy	10.00		44.69
			18.73
	100.00		100.00

I will follow that a little further.

The method of operation was shown in a letter, in which was carried these percentages—and will be found on page 66, Part I, of the commission's report—a letter from Mr. Veeder to W. B. Traynor, assistant to Louis F. Swift, referring to these percentages that they had for legislative and litigation matters, and those identical percentages are carried into the purchases and to the sales. I insert their letter and also two pages of the House hearings showing that fact (pp. 2360, 2370, 2372).

AUGUST 23, 1916.

Mr. W. B. TRAYNOR,
% Swift and Company, Chicago.

DEAR SIR: You asked me the other day for certain percentages which are generally known as the "usual percentages." On July 30, 1913, L F S, A M, and T E W agreed with C and S & S upon the following percentages to cover general legislative and litigation matters:

S	35751	39723	44689
A	29266	32518	36582
M	14983	16648	18729
C	10	11111	
S & S	10		
	100000	100000	100000

Of course, C and S were arbitrary. The A, F, and H figures are the so-called old beef figures, which were based upon the volume of beef business in 1902.

Sincerely yours, ——— ———.

TABLE 1.—*Percentages of live-stock purchases—cattle, sheep, and hogs combined—by each of Big Five, of total purchased by Big Five, 1913–1917, compared with "Usual percentages based on old beef figures of 1902."*

Compiled from table on p 57, Part II, Report on meat-packing industry. "Usual percentages" from letter by Henry Veeder, on p. 66 of Part I of same report.]

	Total Big Five.	Swift.	Armour	Morris.	Wilson.	Cudahy.	Wilson and Cudahy combined.	Range of variations from "Usual percentages."[1]
1913.								
Head purchased, cattle	5,082,619	1,723,008	1,381,456	904,706	596,699	476,750		
Head purchased, sheep	10,174,937	4,018,083	2,915,120	1,317,654	975,776	948,304		
Head purchased, hogs	16,273,917	5,954,626	5,168,596	2,144,902	1,255,347	1,749,446		
Head purchased, total	31,531,473	11,695,717	9,465,172	4,367,262	2,828,822	3,174,500		
Per cent of all animals	100.000	37.092	30.018	13.851	8.971	10.068	19.039	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*+1.341*	*+.752*	*−1.132*			*−.961*	*0.752–1.341*
1914.								
Head purchased, cattle	4,841,689	1,646,659	1,315,003	870,051	559,699	450,277		
Head purchased, sheep	10,085,936	3,927,463	2,803,890	1,256,708	1,035,826	1,062,049		
Head purchased, hogs	14,584,933	5,332,222	4,624,366	1,915,289	1,160,825	1,532,231		
Head purchased, total	29,492,558	10,906,344	8,743,259	4,042,048	2,756,350	3,044,557		
Per cent of all animals	100.000	36.980	29.646	13.705	9.346	10.323	19.669	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*+1.229*	*+.380*	*−1.278*			*−.331*	*.331–1.278*
1915.								
Head purchased, cattle	5,279,407	1,819,812	1,455,532	957,684	535,860	510,519		
Head purchased, sheep	8,778,591	3,410,483	2,462,418	1,106,102	905,950	886,638		
Head purchased, hogs	17,316,443	6,297,990	5,444,290	2,277,112	1,522,115	1,774,935		
Total	31,374,441	11,528,285	9,359,240	4,340,898	2,963,925	3,172,093		
Per cent of all animals	100.000	36.744	29.836	13.836	9.447	10.110	19.557	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*+.993*	*+.597*	*−1.147*			*−.443*	*.443–1.147*
1916.								
Head purchased, cattle	6,037,183	2,109,016	1,648,678	1,088,957	667,032	583,500		
Head purchased, sheep	8,969,462	3,491,811	2,496,201	1,105,038	906,813	969,599		
Head purchased, hogs	20,350,372	7,334,274	6,424,612	2,712,705	1,717,571	2,161,210		
Total	35,417,017	12,935,101	10,569,491	4,906,700	3,291,416	3,714,309		
Per cent of all animals	100.000	36.522	29.843	13.854	9.293	10.488	19.781	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*+.771*	*+.577*	*−1.129*			*−.219*	*0.219–1.129*
1917.								
Head purchased, cattle	7,629,569	2,675,690	2,056,932	1,307,708	827,808	761,431		
Head purchased, sheep	7,059,268	2,798,294	1,853,058	870,406	751,812	785,696		
Head purchased, hogs	16,343,612	5,885,335	5,037,101	2,152,454	1,464,387	1,804,335		
Total	31,032,449	11,359,319	8,947,091	4,330,570	3,044,007	3,351,462		
Per cent of all animals	100.000	36.605	28.831	13.955	9.809	10.800	20.609	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*+.854*	*−.435*	*−1.028*			*+.609*	*.435–1.028*

[1] It is to be observed that in no year did any company vary from the "Usual percentages" by more than one and thirty-four hundredths of 1 per cent (Swift & Co., 1.341 per cent in 1913).

TABLE 2.—*Percentages of total sales—domestic and foreign, all commodities, including side lines—by each of the Big Five, of total sales by all of the Big Five, 1912–1916, compared with "Usual percentages based on old beef figures of 1902."*

[Total sales as furnished by the companies. "Usual percentages" from letter by Henry Veeder on p. 66 of Part I of the Report on the meat industry.]

	Total Big Five.	Swift.	Armour.	Morris.	Wilson.	Cudahy.	Wilson and Cudahy combined.	Range of variations from "Usual percentages."[1]
1912								
Sales	$892,401,961	$300,000,000	$263,307,000	$134,430,000	$104,220,961	$90,444,000	$194,664,961	
Per cent	100.000	33.617	29.505	15.064	11.679	10.135	21.814	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*−2.134*	*+.239*	*+.081*			*+1.814*	*0.081–2.134*
1913								
Sales	$1,143,076,036	$400,000,000	$349,897,000	$165,909,000	$122,861,036	$104,409,000	$227,270,036	
Per cent	100.000	34.993	30.610	14.514	10.749	9.134	19.883	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*−.758*	*+1.344*	*−.469*			*−.117*	*.117–1.344*
1914.								
Sales	$1,200,775,883	$425,000,000	$354,801,000	$158,963,000	$152,870,883	$109,121,000	$261,991,883	
Per cent	100.000	35.394	29.548	13.240	12.731	9.087	21.818	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*−.357*	*+.282*	*−1.743*			*+1.818*	*.282–1.818*
1915.								
Sales	$1,295,614,464	$500,000,000	$380,157,000	$177,040,000	$122,255,464	$116,162,000	$230,417,464	
Per cent	100.000	38.592	29.342	13.664	9.436	8.966	18.402	
"Usual percentages"	100.000	35.751	29.266	14.963	10.000	10.000	20.000	
Variation from "Usual"		*+2.841*	*+.076*	*−1.319*			*−1.598*	*.076–2.841*
1916.								
Sales	$1,595,709,000	$575,000,000	$479,969,000	$219,781,000	$186,998,000	$133,961,000	$320,959,000	
Per cent	100.000	36.034	30.079	13.773	11.719	8.395	20.114	
"Usual percentages"	100.000	35.751	29.266	14.983	10.000	10.000	20.000	
Variation from "Usual"		*+.283*	*+.813*	*−1.210*			*+.114*	*.114–1.210*

[1] It is to be observed that in no year did any company vary from the "Usual percentages" by more than two and eighty-four hundredths of 1 per cent (Swift & Co., 2.841 per cent in 1915).

And so, building up from 1902 and before the old Veeder pool, where they had the absolute percentages of purchases of live stock, carrying that on into the purchases and the sales now, not only in this country but of all of their sales, is evidence that no man, if he is not so prejudiced that he will not so consider it, can take up and come to any other conclusion than that there is this combination in the market place of the man who is compelled to sell his live stock there.

Notice now how these are carried out.

These "usual percentages" are carried into the live-stock purchases—identical with the percentages that were agreed upon July 30, 1913.

This table in the House hearings is compiled from the table on page 57, Part II, commission's investigation. Not only are these usual percentages carried into the purchase of live stock but they are carried into the total sales, domestic and foreign, and side lines. The table in House hearings, part 32, page 2372, shows this. So we have testimony as clear as circumstances can make it, of the adoption of percentages in all matters between these controlling interests; which percentages are carried into purchases and into sales.

Coupled with this and making it even more conclusive is the exhibit on page 2372, part 32, of the same House hearings.

PROFITS.

Profits, of course, are not in themselves evidence of monopoly. Size does not constitute monopoly, but size may be important as showing an instrumentality for monopoly, and monopoly may be brought about more easily by gigantic concerns than by smaller ones; and profits are an important element for consideration.

I insert some statements as to these.

THE PROFITS.

F. Edson White, vice president of Armour & Co., said, in the Iowa Homestead of April 22, 1920 (p. 10):

A complete analysis of margins and profits of the meat packers renders absurd any and all charges as to monopoly or market dominance or price control. Except they result in big profits, then there is no incentive for business men to break laws or violate the ethics of business in building monopolies or other instrumentalities for acquiring control of prices. Meat packers' profits, when reckoned on the business handled and on the money invested and actually employed in the conduct of the business, are the smallest obtaining in any consequential industry.

William B. Colver, of the Federal Trade Commission, in an article in the same magazine (p. 12), said:

The reported profits of the packing companies themselves are very high. And they are profits on constantly reinvested earnings. The claim of small profits per head or per pound or per dollar of sales is of a piece with the "poor mouth" claims of the packers in the Garfield investigation. Yet in the 15 years since then four of the five companies, whose net worth was then $92,000,000, were by 1919 worth $479,000,000 and had meantime added only $89,000,000 of new cash capital, while they had paid $105,000,000 of cash dividends.

It is a fair deduction from the evidence before the commission and in the hearings:

(1) That these five concerns have reached their present enormous size largely by the capitalization of surplus earnings, which, I may say, represent the results of their monopolistic power to widen unjustifiably the margin between the price paid to the producer and the price charged the consumer.

(2) That their profits during the war years 1915–1917 were unduly large, being greater than during the prewar years 1912–1914 by over three times in amount and by about two and one-half times in rate on net worth.

(3) That the testimony by packer representatives and public advertisements regarding their total profit, their profit per pound or per head, or on any particular commodity, such as beef, can not be relied on because of the inadequacy and unsoundness of their accounting systems.

GROWTH FROM UNDUE PROFITS.

On the first of these points the commission says in its findings, Part V, pages 8 to 10:

THE FINANCIAL DEVELOPMENT OF THE FIVE GREAT PACKERS.

In the financial growth of the five great packers during the past generation and more a fact which stands out with especial prominence is that the several companies have grown primarily out of profits retained in the business which generally have been held in the surplus account until such time as it was thought expedient to capitalize them through stock dividends or their equivalent. Capital stock has not been increased by sale for cash to any such extent as it has been by capitalizing accumulated surplus. The stock of the several companies, except Swift & Co., is closely held by certain family groups, and, with the exception of Wilson & Co. (Inc), no capital stock has ever been issued against "good will."

It is possible to present figures for Armour & Co. and the Cudahy Packing Co. since their original organization in 1868 and 1887, respectively; for Swift & Co. annual earnings are available since 1896, but prior thereto only partial figures since its original incorporation in 1885; for Wilson & Co. (Inc.), figures since the legal incorporation of the company (originally as Schwarzschild & Sulzberger Co.) in 1893; for Morris & Co., figures only for the past 10 years, 1909 to 1918, inclusive.

* * * * * * *

Armour & Co. commenced business as a partnership in 1868 with an investment of $160,000. In the 50 years through 1918 the company reports earnings of $179,270,000, dividends (or drawings) of $29,866,000, the balance (with the exception of income and excess-profits taxes paid the Government in 1917 and 1918) being retained in the business. Beside the original investment of $160,000, the only contributions to the capital of the company on the part of the stockholders have been $10,125,000 allowed for the Kansas City packing plant added to the main company in 1900, and $3,725,000 preferred stock sold for cash in 1918, or a total cash investment not to exceed $14,000,000. On November 2, 1918, the stockholders' equity in the company, as shown by the balance sheet, totaled $173,092,000, of which $103,725,000 was in the form of capital stock and $69,367,000 in the surplus account. Of the total capital stock $20,000,000 was issued by capitalizing the partnership surplus in 1900, $80,000,000 was issued as a stock dividend declared in 1916, and $3,725,000 was issued for cash in 1918. Armour & Co. thus presents one of the most remarkable instances of financial development in American industrial history. About 8 per cent of the present net worth of the company has come from cash or property contributions on the part of the stockholders. (Part V, pp. 8, 9.)

Let me say this is not an objection to or criticism of size as such, nor of reinvestment of earnings as such, which is often desirable. The criticism runs rather to the origin of these unduly large profits which was in combination and monopoly and to their reinvestment over a long period of years in such a way as to strengthen the monopoly from which they spring and to extend the monopolistic encroachment gradually, yet surely, into competing fields of industry. That is the objection. That is the criticism.

WAR AND PREWAR PROFITS.

The commission summarized its detailed discussion of war profits of the five packers as follows (Part V, pp. 10–11).

WAR EARNINGS AND PREWAR EARNINGS OF THE GREAT PACKERS.

The net profits of the five great packers for the years 1912 to 1917, inclusive, have been found, after adjustment, to be as follows:

1912	$18,035,000
1913	18,581,000
1914	22,894,000
1915	37,385,000
1916	59,236,000
1917	95,639,000
Total six years	251,770,000
Net profits in three prewar years—1912, 1913, 1914	59,510,000
Net profits in three war years—1915, 1916, 1917	192,260,000
Increase, war years	132,750,000

Per cent of increase, 223.

Thus the net profit for the three war years was over three times as great as for the three years preceding.

These figures are not as reported by the several companies, but result from certain adjustments by the commission, whereby income and excess profits taxes, sundry surplus items, and certain other unwarranted charges have been eliminated. That a more intensive analysis would reveal the necessity of making further adjustments is more than probable, and these figures are accordingly in the nature of minima. They show, however, the effect of the war on the profits of the great packers, net earnings being at least $132,000,000 more in the three war years than they were in the three prewar years, an excess of 223 per cent. "Net profit" as used above is arrived at after deducting interest paid as an expense. (Part V, p. 10.)

It is also significant that profits have increased very much more rapidly than sales over this period, despite the increased volume of and enhanced price for the latter.

Only a fraction of these great war earnings have been disbursed in the form of dividends, and as a result the financial strength of the companies has enormously increased since 1914. In that year the total net worth (capital stock and surplus) stood on the books at $293,000,000, while at the close of 1917 the aggregate net worth was no less than $418,000,000. Almost the entire increase is accounted for by reinvested earnings. (Part V, p. 11.)

That the figures are not substantially denied as respects Swift & Co. is shown by the fact that Mr. Weld, representing that company, admits that its profits during the war years increased beyond the prewar level by 176 per cent (hearings before Senate Committee on Agriculture on S. 5305, p. 1370), while the commission on the same basis shows the increase as 180 per cent. (Part V, p. 36.)

If investment be defined as net worth (capital stock and surplus), the following percentages have been earned for the five companies combined:

	Per cent.
1912	8.1
1913	7.0
1914	8.3
1915	12.8
1916	18.5
1917	26.5
Average for six years	14.5
Average three prewar years, 1912, 1913, 1914	7.8
Average three war years, 1915, 1916, 1917	19.4

(Part V, p. 10.)

Some examples of profit may be shown. For instance, the Federal Trade Commission claim in their report that the Omaha

stockyards made a profit in 1916 on hay of $237,861,08; that is, a net profit. That is one of the small ways in which the stockmen have suffered abuse in the stockyards, being compelled to take the hay and other feed furnished there at prices on which the stockyards have netted on hay from $80 to $90 a ton in many instances.

The Union Rendering & Refining Co., to which the dead hogs go in Omaha, is operated by Swift interests, according to the report of the Federal Trade Commission, who own about one-half the stock, the balance being divided between Armour, Morris, and Cudahy. And the Federal Trade Commission figure their profits on the actual amount of money paid in, in—

	Per cent.
1912	73
1913	72
1914	39
1915	67
1916	80

THE ACCOUNTING SYSTEMS ARE UNRELIABLE, HENCE THE PACKERS' STATEMENT REGARDING PROFITS UNRELIABLE.

Unless the denial of agreement, nothing has been so widely denied by the packers as the commission's conclusion that their profits are unduly large and a public evil. Senators who have been impressed by the volume and insistence of the packers' statements will do well before they place themselves on record to study the words of the commission in Part V (pp. 11–13).

And I will insert in the RECORD that portion of the report. It throws some light upon the famous "Swift dollar."

The matter referred to is as follows:

THE ACCOUNTING SYSTEMS OF THE GREAT PACKERS AND THE COSTS AND PROFITS OF MEAT.

In respect to the profits of the five great companies, one outstanding conclusion which the commission has reached is the inaccuracy of costs and profits hitherto recorded and reported by the several companies, due to the failure to follow certain well-recognized and fundamental principles of accounting. It was not found possible at present to ascertain accurately either the total profits of the great companies or the profits per head or per pound for the principal meat products, owing to the deficiencies in the bookkeeping methods hitherto employed. That a part of this uncertainty is due to the inherent nature of the business is doubtless true; that a part is due to a disregard of the recognized requirements of accounting is also true. These two factors have made it difficult for the Government or for the packers themselves to ascertain in a given year, with even reasonable accuracy, cost and earnings for many specific products, or even for the business as a whole.

Total profits have been found to be inaccurate in that the bulk of the inventories are invariably priced on a market basis, when accounting principles require a cost basis; in that the profits of subsidiary companies are not uniformly taken up in the accounts of the controlling company; in that surplus adjustments are often charged directly to the profit and loss account of a given year instead of to surplus account direct; in that depreciation has not been systematically accumulated; in that unjustified "reserves" have been charged against earnings from time to time, particularly during the profitable war years.

Profits on specific meat products or in specific departments (such as the profit per pound of beef) are not accurate in that no sound cost system has been developed for the packing industry, and the present method of transferring products from one processing state to the next, based as it is on market valuations instead of on actual costs, precludes reliance upon such unit or departmental profits.

The inaccuracy of the present methods of figuring unit costs and profits casts doubt on all the public statements and advertisements of the great packers dealing with profits per pound of beef and of meat products generally.

In this connection it may be said that the great packers, in emphasizing through the medium of public advertisements their profits per head or per pound of meat, tend seriously to confuse the real issue of profit taking. That their profits per pound, could they be computed with complete accuracy, would not exceed a very few cents, if averaged over long periods of time, is readily apparent when total earnings and total pounds sold are comparatively studied.

* * * * * * *

In their advertisements the packers make use of the words "cent," "fraction of a cent," "only a few cents," per pound or per dollar of sales, in the knowledge that the public regards a "cent" as a very small element of value. The packers seek to capitalize this habitual attitude of mind on the part of the public and insist that their profits are, accordingly, negligible. This practice obscures the real facts as to profits. As a matter of fact, a profit of a cent per unit, far from being a small profit, may be an exorbitant profit measured in terms of return upon capital invested.

* * * * * * *

In 1918 the total net worth of the great packers (capital stock and surplus combined) was reported as being in the neighborhood of half a billion dollars. A profit of 1 cent per pound on the 10,000,000,000 pounds of live-stock products sold during the year gives an aggregate return of $100,000,000. Even were this doubled, the resulting rate—namely, 2 cents per pound—would still tend to be a "negligible" amount in the public mind. Yet this difference of 1 cent would mean, for the five great companies, $100,000,000 in possible dividends, or about 20 per cent on the capital stock and surplus combined—$500,000,000.

Thus while the packers' profits per pound may appear to the public to be small, they are in reality large, due to the enormous tonnage produced on the basis of a relatively moderate investment.

The same objection can be raised against the packers' practice of advertising as small, and therefore reasonable, their profit per dollar of sales. In 1918, according to their reports to the United States Food Administration, this rate averaged for the five great companies 2.2 cents for each dollar of sales. This is the equivalent of 15 per cent on capital stock and surplus—a high return on investment. If the profit for the year were doubled, the rate per dollar of sales might still appear to the public to be small—4.4 per cent—and might be advertised as such though the rate on investment would be 30 per cent, a manifestly exorbitant return.

* * * * * * *

A UNIFORM ACCOUNTING SYSTEM FOR THE GREAT PACKERS.

At the instance of the President's meat committee and of the United States Food Administration, the commission made a survey of the possibility of introducing a uniform accounting procedure for the great packers. It was found that in order to ascertain accurate costs and profits, not only on specific products but on the business as a whole, sweeping revisions in the accounting methods now followed by the several companies would have to be adopted.

* * * * * * *

All of these matters are at present in a hopelessly confused condition with respect to the several companies, and the desirability of bringing about a sound cost system, uniformity of accounting methods, and consequently dependable and comparable figures, whether for the public and the Government or for the packers themselves, needs no argument.

Mr. KENYON. Senators will do well to study this statement and the detailed facts and reasons supporting it found in Part V, pages 46 to 82. On those pages of the report is a discussion that I can not take up in detail; but I will say that no one should pin his faith to the "Swift dollar" until he has weighed carefully what the commission shows on those pages.

With reference to what the commission has said regarding the desirability of uniform accounting, I direct the attention of the Senate to section 16 of the bill, which is intended to bring about a clarification of the packing-house accounting and to make it possible for the Government quickly to ascertain at any time the true facts as to costs, prices, and profits.

PROFITS PER HEAD AND PER POUND.

The present state of the accounting systems of the packing companies seem worthy of illustration in order that we may understand clearly how unreliable and misleading they are. This is especially applicable to the inadaptability of their books of account for any purpose of determining profits per pound or per head. The commission says (Part V, p. 71):

As yet nothing has been said concerning the profits per head or per pound on beef to which Armour & Co. and Swift & Co. are continually giving publicity. The bookkeeping system, as such, does not automatically produce any figures showing the profit on beef or pork or lamb, per head or per pound. Such figures, either for the purposes of publicity or for private information, have to be compiled outside the books of account and are in the nature of statistical computations.

Armour & Co. and Swift & Co. have been in the habit for some years past of grouping certain packing-plant departments for the purpose of these statistical surveys into a "beef section," "pork section," "sheep section," etc. The idea lying behind the section grouping is to bring into relation with a given class of animals, such as beef, certain of the profits made on the so-called by-products, so that a computation of profits per head or per pound will include not only the dressed-carcass department results but also the departmental results shown for hides, fats, casings, etc. By referring to Table 15 the departments which Armour & Co. included in the various "sections" can be examined. Not only is there a section grouping for each class of animal but also a so-called "mixed section" as well as the specialty by-products, the former including canned-meat department, sausage department, and so forth; and the latter soap, fertilizer, etc. The caption "mixed" signifies that the departments included therein handle raw material taken from more than one kind of animal. The canned-meat department, for instance, receives cuts and parts from cattle, hogs, and sheep. Any profits made in a "mixed" department obviously can not be added in toto to the profit of a given kind of animal, but must be divided between those classes of animals which have furnished raw material to the department in question. Thus the canned-meat department profit would have to be spread over all three animals.

Like the departments included in the "mixed section," the raw material entering into the departments of the "specialty by-products" is not obtained from one class of animals and the profits or losses of these departments can not accordingly be related to any given class of animals otherwise than on the basis of apportionment.

PROFITS PER HEAD.

Further the commission makes this specific analysis of Swift & Co.'s statement of its profits per head in its 1918 yearbook (Part V, pp. 73–76):

In its 1918 yearbook Swift & Co. reports its profits per head of cattle as follows:

		Average per head.
Paid for live cattle		$92.70
Received for meat	$81.45	
Received for by-products	22.06	
Total receipts		103.51
Amount remaining for expense and profit		10.81
Expenses:		
Freight	2.57	
Selling (branch house)	3.70	
Killing, dressing, etc	3.52	
		9.79
Profit (interest not deducted) (Part V, p. 73.)		1.02

It is figures of this character that make up what the country knows as the "Swift dollar."

In the light of the foregoing analysis, some of the inaccuracies of this statement are immediately apparent. While the amount paid for live cattle is probably correct, the $81.45 "received for meat" can only be a statistical estimate, for so far as the books are concerned beef

"receipts" are reported net after the deduction of freight and branch-house expenses. Swift & Co. has repeatedly informed the commission's examiners that it was impossible to segregate these expenses, yet in this table the company has defied its own dictum and estimated such a segregation, increasing the book figure for beef "receipts" by that amount.

The $22.06 per head "received for by-products" is unreliable. To begin with, no such amount has been "received." Though the profits of the "beef section" and certain "mixed-section" departments are included in this figure, these profits do not represent ultimate "receipts." Vast quantities of by-products thrown off from beef in a given accounting period are not disposed of until succeeding periods, and accordingly the final credit to the original beef can not be shown in the same period, with the result that the final credit to the original beef is largely in the nature of an estimated profit.

The profits of no specialty departments handling beef products are included in this figure, but have been arbitrarily cut off by the company in making the computation, and the same holds true of certain large leather contracts. Obviously, profits per head can not be shown until the results of all such specialty beef products are brought back. The $22.06 per head is accordingly seriously understated.

Furthermore, it is an open question whether branch-house profits have been included with departmental results in those instances when departmental profits have been brought back to beef. So far as the books are concerned, Swift & Co. does not allocate branch-house profits to the departments, but transfers them in total to the company profit and loss account. It may be that a rough allocation of such profits for statistical purposes has been attempted, but if it has not, it is clear that the $22.06 is again understated. The commission can state positively that the company was not in the habit of allocating the branch-house profits on its regular accounting records prior to 1918. Finally, and most important, the accounting methods obtaining in the departments in respect to inventories and transfer prices render the profits of these departments as returned for this computation unreliable.

In respect to the $9.79 said to be the expense average per head, it is known that the averages for branch-house expenses ($3.70) and freight ($2.57) included therein are arbitrary estimates, having no relation to the books of account; and as for the balance ($3.52), said to cover killing and dressing expenses, etc., the legitimacy of this item is challenged by the whole question of the proper basis of distribution of indirect expense to departments (already dwelt upon); as shown by the lack of uniformity between the great packers in treating such expense, the obvious loading of plant expense as against affiliated enterprises, and the loading of the beef department as against other plant departments.

Under these circumstances, the commission is unable to place the slightest dependence upon the final profit per head ($1.02) as thus announced by Swift & Co. (Part V, pp. 74–75.)

Exhibit E, page 101, Part V, is a most interesting exhibit, and should be studied. It shows the need of some system of uniform accounting. It likewise shows the absolute unreliability of the figures used with the public to induce them to the belief that the packers are making very slight profit. I insert portions thereof.

The matter referred to is as follows:

Departmental results, per books, all plants combined.

SWIFT & CO.

(Losses in italics)

	Fiscal year—					
	1912	1913	1914	1915	1916	1917
Beef section:						
Beef carcasses	*$1,638,634*	*$686,658*	*$504,397*	*$150,563*	$113,828	*$92,745*
Beef carcasses, frozen	40,729	18,189	6	*996*	129,614	157,587
Beef cutting	*983,570*	328,276	217,955	243,805	485,925	670,810
Frozen cuts	178,613	265,151	221,475	102,371	194,356	933,042
Hides	4,026,814	72,485	174,475	639,209	372,487	*733,259*
Oil house	1,343,700	*149,551*	56,855	41,724	283,667	119,997
Tallow and grease	228,981	*32,397*	*18,097*	61,343	177,011	396,356
Cremol	4,681	4,568	5,643	4,628	7,428	4,053
Beef hams	108,785	159,061	96,525	25,772	87,516	237,850
Smoked beef	*8,642*	21,293	52,647	61,732	80,477	145,475
Pickled beef	31,145	4,244	6,891	17,672	22,729	349,791
Tripe	39,409	100,981	212,639	109,927	40,475	40,737
Tongues	154,153	113,564	109,688	*46,238*	61,437	61,114
Beef casings	179,006	314,484	169,697	141,668	*159,623*	7,131
Animal fertilizer	47,380	*17,417*	*120,928*	*77,805*	19,574	221,541
Bone house	71,418	*41,459*	*76,530*	*53,825*	*29,149*	*42,740*
Offal		137,687	18,649	4,776	139,892	523,089
Expenses		*168,052*	*268,759*	241,288	*158,268*	*389,975*
Storage account						*48,914*
Selling adjustments		762,507	1,264,756	994,925	1,220,675	365,217
Total, beef section	823,968	1,207,018	1,619,200	2,454,299	2,862,395	2,926,137
Total, hog section [1]	2,547,988	3,800,597	3,002,968	812,708	8,397,213	15,800,247
Calf section:						
Veal carcasses	102,932	*20,058*	*12,267*	13,319	25,181	*12,409*
Veal carcasses, frozen	8,024	5,469	1,069	491	7,502	19,873
Veal cuts	4,871	32,651	32,602	19,638	60,036	102,689
Calfskins	89,844	*44,866*	*14,377*	22,167	37,462	32,817
Offal		45,219	*3,042*	1,354	33,504	46,438
Expenses		*21,119*	10,790	14,112	*6,119*	*28,699*
Selling adjustments		228,242	260,176	254,616	378,130	429,045
Total, calf section	205,671	222,608	274,921	325,697	535,696	589,745
Sheep section:						
Mutton carcasses	*637,000*	206,180	804	27,572	*18,061*	6,953
Mutton carcasses, frozen	16,683	24,683	*761*	14,814	5,488	22,831
Mutton cuts	*76*	19,239	22,024	8,716	7,241	4,369
Pelts	840,029	*12,315*	1,740	*27,224*	6,841	114,537
Wool	285,878	171,184	244,013	645,915	694,875	1,263,854
Sheep casings	49,489	42,240	7,798	18,900	*2,848*	90,209
Offal		49,532	55,586	*1,054*	7,310	36,410
Expenses		*57,785*	*55,749*	29,781	4,274	*80,033*
Selling adjustments		84,553	192,573	*155,727*	*2,261*	*806,360*
Total, sheep section	554,913	544,511	468,028	563,693	702,259	652,767
Mixed and specialty departments: [2]						
Sausage	697,418	741,628	924,845	1,229,681	1,269,045	1,652,890
Lard	555,033	*34,254*	50,941	554,143	1,240,460	2,368,887
Canning	66,560	38,707	77,210	73,310	114,774	192,892
City hides and fats	37,308	15,855	*4,196*	39,431	185,952	108,875
Commercial fertilizer	*55,376*	*30,424*	181,667	305,118	933,783	196,072
Soap	*535,104*	*472,252*	*645,784*	*150,263*	220,453	564,913
Glue	170,771	133,434	203,982	314,043	687,072	1,214,238
Stock food	198,584	202,404	137,362	225,565	206,706	876,160
Hog hair	75,889	39,290	*61,517*	39,964	9,550	77,574
Butterine	261,978	367,286	313,602	190,651	168,039	628,245
Compound and cotton oil	702,505	1,123,580	629,153	303,266	1,128,561	3,896,001
Produce	652,018	284,158	*139,524*	15,732	757,806	292,078

[1] Details not available.

[2] Not including results of many separate controlled companies.

Departmental results, per books, all plants combined—Continued.

ARMOUR & CO.

(Losses in italics.)

	Fiscal year—					
	1912	1913	1914	1915	1916	1917
Beef section: [1]						
Dressed beef	*$2,361,204*	*$2,522,611*	*$980,683*	*$515,076*	*$1,621,248*	*$3,516,341*
Fresh beef cuts	361,641	219,571	192,480	*528,949*	9,757	362,372
Hides	1,122,790	628,105	546,005	538,027	768,392	*501,214*
Oleo	*559,543*	182,180	381,071	761,087	1,317,836	1,364,186
Beef casings	151,717	224,996	286,584	290,797	*95,177*	*159,772*
Dried beef		138,662	62,803	104,794	79,126	123,652
Beef curing		18,268	129,312	16,164	257,283	497,005
Pickled beef		52,865	154,529	96,224	100,082	381,944
Fresh beef products					371,785	570,443
Hog section: [1]						
Dressed hogs	*115,749*	*30,260*	16,182	77,516	135,033	198,630
Fresh pork cuts	614,342	347,915	432,668	309,907	271,730	*239,074*
Smoked meats	151,237	*100,497*	*397,296*	*268,917*	*972,139*	*1,072,162*
Sweet pickled meats	*460,525*	663,215	92,625	*9,951*	1,908,551	1,327,100
Vinegar pickled pork products		58,866	77,038	42,041	28,784	7,710
Dry salt meats	*28,051*	*61,965*	*12,646*	14,285	1,061,482	3,050,130
Boiled hams	3,687	183,159	137,253	*281,613*	184,541	213,317
Refined lard		*545,418*	*237,559*	615,707	308,940	501,067
Kettle rendered lard		151,546	130,056	74,275	43,040	*14,142*
Neutral lard	*54,660*	*40,636*	*10,217*	69,607	159,939	118,921
Barreled pork			19,911	253,023	129,745	167,003
Sheep section: [1]						
Dressed sheep	*374,592*	*429,413*	*219,901*	*344,368*	*277,022*	*797,640*
Wool and pelts	275,988	88,122	207,685	148,449	453,078	983,014
Calf section: Dressed calves	*123,558*	19,453	21,244	60,872	116,298	236,093
Mixed section: [1]						
Fresh sausage	299	123,030	354,684	479,569	605,651	1,348,403
Dry sausage	333,120	303,624	220,167	282,587	676,366	665,357
Canned meats	85,339	215,982	841,765	631,553	328,245	1,447,651
Tallow and grease		145,828	69,923	3,611	40,564	12,974
Butterine	133,654	111,349	159,849	166,244	55,551	367,750
Casings (sheep and hog)	251,315	485,857	325,093	111,823	261,360	487,893
Sterilized meats						*11,224*
Sundry specialties:						
Glue	187,264	133,184	150,643	171,350	575,024	1,453,651
Soap	216,038	418,602	344,548	649,548	651,633	849,290
Beef extract	*23,703*	16,992	*42,623*	*6,351*	174,932	229,975
Pepsin	27,025	52,148	52,638	61,314	71,935	94,284
Mince meat	6,086	33,525	40,274	17,263	25,718	31,171
Gut strings	5,007	6,396	12,293	26,652	59,613	83,583
Albumen	*3,068*	950	1,890	9,184	20,063	30,194
Hair and bristles	73,949	15,032	26,894	157,887	234,873	57,861
Sandpaper	63,370	74,106	57,402	64,208	195,972	226,108
Fertilizer	418,590	646,737	1,082,959	2,913,494	2,825,916	2,737,691
Lard substitutes		548,044	*48,335*	218,075	615,408	1,726,145
Ammonia			105,322	84,548	86,038	123,255
Nonlive-stock departments: [2]						
Butter	3,423	56,296	*30,798*	*117,844*	224,022	30,935
Eggs	*5,317*	*24,776*	*164,458*	*60,442*	*17,563*	*131,609*
Poultry	*34,481*	*50,495*	*189,906*	*181,691*	8,090	*145,779*
Cheese	84,511	*65,732*	47,559	51,042	327,296	359,683
Soda fountain	190,216	2,180	36,745	*114,629*	81,729	286,183
Grape juice					65,666	41,905
Canned and dried fruits					36,803	227,930
Canned fish and vegetables					305,372	1,538,183

WILSON & CO. (INC.)

Beef section: [3]						
Dressed beef	*$1,966,975*	*$2,619,182*	*$3,412,650*	*$2,091,898*	*$2,072,451*	
Beef cuttings	*214,703*	*248,989*	*19,813*	*135,443*	211,141	
Hides	1,209,002	1,401,161	1,557,948	678,480	980,945	
Oleo	636,438	656,057	927,791	612,439	477,418	
Beef curing	8,502	24,436	32,896	*24,804*	*508*	
Beef casings	191,611	167,698	225,759	115,436	*30,833*	
Hog section: [1]						
Fresh pork	*4,527*	*283,280*	*5,997*	53,465	*878,777*	
Sweet pickled pork	233,708	284,892	69,590	86,991	427,865	
Barrel pork	15,328	*9,537*	50,314	*26,166*	73,930	
Dry salt pork	229,182	66,978	5,480	255,334	460,264	
Smokehouse	5,850	*17,904*	21,386	5,445	*54,849*	
Prime steam lard	27,325	3,355	84,224	41,291	71,692	
Lard refinery	259,665	108,566	74,477	*1,666*	247,625	
Hog casings	114,588	65,802	84,662	71,178	38,612	
Boiled ham	24,087	10,845	34,218	20,447	50,702	
Sheep section: [3]						
Sheep slaughtering	*36,872*	*11,360*	*21,806*	*46,608*	*1,910*	
Dressed mutton	*96,646*	*193,361*	*262,911*	*110,862*	*112,749*	
Pelts	135,439	177,395	240,790	31,205	3,999	
Wool	158,084	*36,091*	145,999	58,240	298,200	
Sheep casings	8,643	16,582	63,805	77,813	70,949	
Calf section: [3]						
Calf slaughtering	1,146	*9,396*	*12,689*	*9,082*	4,380	
Dressed veal	*9,618*	*13,196*	*21,775*	*13,625*	9,970	
Calfskins	*1,096*	*2,812*	1,457	*6,781*	12,312	
Mixed and specialty departments: [3]						
Sausage	48,091	69,145	88,122	60,350	106,895	
Tongues	111,126	96,391	72,884	62,946	104,495	
Tallow	141,400	155,872	109,556	75,902	141,468	
Pickled trimmings	13,747	3,843	117,902	*153,055*	2,607	
Offal (all animals)	257,706	252,337	169,545	120,734	130,850	
Bone	15,304	19,050	*67,324*	*68,569*	25,615	
Canning	105,451	29,262	293,035	*50,011*	*197,067*	
Butterine	1,089	*54,126*	18,924	*16,999*	4,486	
Head	22,432	40,791	54,204	33,401	43,090	
Foot	13,447	16,421	25,423	13,040	14,527	
Fertilizer	87,624	52,421	*91,248*	*73,453*	*76,404*	
Hair	38,467	47,610	92,002	63,466	111,994	
Produce	*67,312*	*27,659*	13,547	*27,236*	3,050	

[1] Section totals not shown because definition of section has not remained constant over period.
[2] Does not include all income from these sources.
[3] Division into sections made by commission, and accordingly no totals are taken. Not all departments are included.

Mr. KENYON. Whenever anything is said concerning profits the packers direct us to the dressed-beef profits. It is interesting to note some things set forth by Exhibit E as to Swift's hog profits.

Notice that while beef carcasses lost $92,000 and the total beef section made only $2,900,000, the hog section in 1917 made $15,800,000. Has anyone seen advertisements in the public press of Swift & Co.'s profits on hogs? I do not think their hog profits are advertised or enter into the Swift dollar advertisement.

Now, look for a moment at the calf section of Swift & Co. for 1917, as shown by their books, in Exhibit E: Veal carcasses made a loss of $12,000 and veal carcasses frozen a gain of less than $20,000, but veal cuts made a profit of $102,000 and the offal a profit of $46,000. The "selling adjustment"—whatever that is—was $429,000, or around fifty-seven times as much as the profits shown by the books for veal carcasses fresh and frozen.

In the sheep section, likewise, mutton carcasses, fresh and frozen, show a profit of less than $30,000, but pelts show a profit of $114,000 and wool $1,263,000. Sheep casings—the department that handles the casings or intestines of sheep—made a profit of $90,000, just about three times the profit on the carcasses. Does this seem like common sense? It is not common sense or common reason. And the "selling adjustment" in this section shows a loss of $806,000. So with the other departments. Look for a moment at the mixed and specialty departments. While fresh beef carcasses were losing $92,000, fresh veal carcasses losing $12,000, and fresh mutton carcasses making less than $7,000, sausage made $1,650,000. City hides and fats made $108,000. This department buys back from the butchers the calfskins sold to them on the veal carcasses and buys back from the butchers the fats and bones sold to them on the dressed carcasses of the different animals; and on this buying back of the calfskins and the refuse fats and bones of the retail butchers, Swift & Co.'s books showed that it profited $108,000, while on fresh beef, veal, and mutton carcasses it lost nearly $100,000. Is this sensible accounting? Commercial fertilizer, which uses some of the animal refuse as an ingredient, made $196,000, while stock feed, the principal components of which are blood and dried tankage, made $876,000.

How little the public thinks of glue when it thinks of the profits of the packers or reads advertisements of Swift & Co.! Glue is made from the boilings of the bones and certain of the refuse parts from fleshings saved from the hides, and from other parts of the packing processes. In a sense, it is the least of the by-products of the meat business, yet Swift & Co. made on glue in 1917, according to its books, $1,214,000.

While the hog section, unadvertised, made $15,800,000, the lard department made in addition a profit of $2,368,000.

I think a study of Exhibit E will convince any Senator that the commission was right in rejecting the packers' books as a reliable index of their true profits on any particular product, and will also convince him that the advertising of Swift & Co., while apparently limpid and pure, lacks candor.

Let us look at Armour & Co.'s departmental results, according to its books. In the beef section, again, dressed beef lost three and one-half millions of dollars, while the oleo department made over one and one-third millions of dollars and beef curing made a half million and fresh-beef products made $570,000. Down among the sundry specialties we find that beef extract made $230,000. Does it seem reasonable that Armour & Co.'s smoked hog meats lost a million dollars while its sweet pickled hog meats were making one and one-third millions and its dry salt hog meats over $3,000,000?

In the sheep section dressed sheep lost $800,000, while wool and pelts made nearly a million dollars.

Fresh sausage netted Armour in 1917, $1,350,000; dried sausage, $665,000; and canned meats, $1,447,000. The casings of the sheep and hogs netted $488,000. Glue, little thought of, accumulated a profit of $1,450,000, and sandpaper $226,000. Fertilizer made nearly two and three-quarters millions of dollars, and the soda fountain, incidentally, $286,000, and the canned fish and vegetables department one and one-half millions of dollars. And all this while dressed beef was losing $3,516,341.

Mr. POMERENE. Mr. President——

The PRESIDENT pro tempore. Does the Senator from Iowa yield to the Senator from Ohio?

Mr. KENYON. I do.

Mr. POMERENE. I did not understand from what source the Senator is taking his figures.

Mr. KENYON. I am taking them from the Federal Trade Commission's report, Exhibit E.

Mr. POMERENE. May I ask the Senator another question? Are these findings of the Trade Commission as to their profits and losses disputed by the packers?

Mr. KENYON. Some of them are; some of the figures are disputed very vigorously.

Mr. POMERENE. Is the Senator able to tell us which ones they concede to be correct and which ones they dispute?

Mr. KENYON. I will say to the Senator that there are six volumes of this evidence and six more volumes of evidence taken before committees; and it is impossible to give the Senator the information for which he asks; I can not do so.

Mr. POMERENE. I thought perhaps there might be some concise statement which would give us accurately that information.

Mr. KENYON. I think there is very little dispute as to the proportion of the live stock controlled that goes into interstate commerce from inspected plants. There is a dispute as to the entire number of live stock killed in the country.

THE PACKERS IN UNRELATED LINES.

This opens a new field of combination. The model of trusts so far has been combinations in the same line of business. Having completely absorbed that field, they are turning their attention now to unrelated lines of business, most of them connected, however, with the production and marketing of food products. The various lines are set forth in the commission's report and are given very specifically, I assume, in order to show just what is being done in the way of securing control of commodities which compete with the meat packers' products. I do not set these out as tending to show absolutely independent commodities in every instance. There are set forth the different kinds of concentrated sirups—for instance, pineapple, raspberry, and so forth—which might be included under one subject. So with flavoring extracts, and likewise with soluble extracts. So far as I am setting them forth, it is not to show large profits by using these different ones separately, but, rather, to show the general control of all of these lines.

The commission say in their report:

> First, there are those commodities unrelated to the main industry of meat packing as either products or by-products which compete with packing-house products. The packer, recognizing canned fish and vegetables and poultry, dairy, and cotton-oil products as substitutes for meat and animal fats, began manufacturing them or buying them for resale. Intensive use of equipment and organization, no doubt, was one motive for this widening of activity. But only by a control over these substitutes could he hope to retain any advantage he might have in control over meat supplies. The same would hold true of the substitutes for the packer's other products.

That alone covers pages 266 to 273 of Part IV of the report. It is too extensive to ask to put it in the RECORD, and I am not going to ask to have it placed there; but if Senators desire to ascertain what these unrelated commodities are, the production and sale of which are now entered into by the packers, they will find them on the pages I have indicated, namely, from 266 to 273.

The list of soda-fountain supplies is found on pages 262 and 263 of Part IV. I will not ask to have that inserted in the RECORD, as I do not want to encumber it.

It is not claimed, as I understand, that each one of these articles set out is in itself a distinct line of industry; I certainly do not claim so and do not so understand; nor is it claimed that these lists are complete.

In its yearbook for 1917 Armour & Co. advertised that it was carrying a line of 3,000 products. Allowing by the most liberal estimate possible for products and by-products of the packing industry, including varieties and brands of these, the unrelated products in which this company dealt must have run up into the hundreds. Their number can not be less to-day.

On the other hand, what the exact number of these unrelated lines is, is not the thing of greatest importance; that changes from time to time. The count will also depend upon the degree to which classification is carried. The number will be reduced to two if classification stops with foods and nonfoods. What is of prime importance is that all of the more profitable lines of goods—groceries, canned goods, provisions, and produce—are included, and large numbers of important nonfoods.

THE BIG PACKERS' ACTIVITIES IN UNRELATED FOOD LINES.

Of the unrelated lines into which the packers are extending their activity, the public's first concern is with respect to foods, particularly those foods used as substitutes for meat and other food products of the slaughtered animal. In the production of many and in the distribution of nearly all kinds of foodstuffs the large packers are constantly strengthening their position. Just at present this expanding movement is more marked in the direction of the manufacture of food specialties. In the dis-

tribution of most foods this movement has already gone far. The numerous branch and sales houses of the big packers located at every vantage point of consumption and distribution throughout the country, and the hundreds of car routes are no longer used for the exclusive sale and distribution of meats and by-products for which they were originally established.

With the permission of the Senate, I will insert a further quotation from the commission's report.

The matter referred to is as follows:

These packers have entered the wholesale grocery trade, and in practically all the more important centers of distribution they bid fair to dominate a field which a few years ago was almost exclusively occupied by the independent provision jobber and wholesale grocer. With the exception of sugar and flour, the profits on the marketing of which are, without the control of their supply, relatively small and the control of which by the packers has not yet been secured, and with the exception of fresh fruits and vegetables, into the marketing of which the packers have never ventured far, the five larger packers are now large distributors of almost all the commodities originally handled exclusively by the regular wholesale grocery, provision, and produce trade. These include dressed poultry, eggs, butter, cheese, condensed and evaporated milk, butter and lard substitutes, dried fruits, rice, coffee, breakfast and other packaged foods, jellies, pickles, and canned fruits, vegetables, and fish.

Mr. KENYON. Mr. President, the question may be raised as to the wisdom of the packers going into these unrelated lines of business. For instance, there is complaint that there is monopoly in the wholesale grocery business, and the Government some years ago brought suit against the Southern Wholesale Grocery Co. There may be merit in the claim, and I am inclined to think there is. Then why should the packers be prohibited from going into the grocery business and competing with this monopoly?

I confess as to particular instances such as that, I can present no specific reason. I merely suggest that if the packers are permitted to go on gathering up the unrelated businesses, they will secure a monopoly of practically the entire food production and distribution of the United States. When there is substantial tendency to monopoly there is no injury. Under the bill the commission would make the rules and regulations relative to this matter, and I would desire that they have power to determine whether or not, under all the facts and circumstances, the entering into another line of business does, in fact, tend to create monopoly. And if it does, that the matter be stopped, and if not, that there be nothing laid in the way of carrying it out. Of course there would be court review on the proposition.

The packers, by the consent decree, have agreed to go out of the wholesale grocery business. Unless their participation resulted in attempts to monopolize and control that business, I should have some doubt as to the wisdom of said decree. In other words, they should not be prohibited from going into this business unless it is to produce monopoly.

I think in this connection I will insert in the RECORD a letter from former Senator Weeks, something of an authority in various lines, who deals with that question.

The PRESIDENT pro tempore. Without objection the letter will be inserted in the RECORD.

The matter referred to is as follows:

MOUNT PROSPECT,
Lancaster, N. H., August 22, 1919.

Hon. WILLIAM S. KENYON,
United States Senate, Washington, D. C.

MY DEAR KENYON: I am well aware how ineffective it is for one who has not heard all the evidence to pass on any pending matter, and, moreover, it is almost an impertinence for a farmer living in the extreme northern end of New Hampshire to make a suggestion relative to legislation, but after I finish my day's work I have little to do except to look over the papers, and I am following some of the activities of my friends in Washington with interest.

One of the things now receiving a great deal of newspaper attention and in which we are all more or less interested is the question of food *supplies, and in that connection the activities of the* packers are receiving the usual denunciations and defense. I have rather positive views on that subject, which may or may not accord with yours, but in any case I want to very briefly send them to you.

Such investigations as I have made of the packers' activities in the past leads me to the conclusion that they handle the meat business of the country most efficiently, and that if there were not such organizations as the packers with their methods of distribution the consumers would probably pay more for their meat products and in many cases not get as good meats as they do under present conditions. I doubt if that general proposition can be successfully controverted, and personally I think it would be a pity to interfere with a system that enables a citizen in the most remote section to get the benefit of this great business with almost as much regularity and with very little more cost than the citizen in the large center, but there, I think, the packers should stop. Unfortunately they have not done so, and as I see it are gradually reaching out and either temporarily or permanently controlling other food products. They did it during the war without any question, purchasing the output of many canning factories, the products of which had nothing whatever to do with the meat business, and selling it to the Government in many cases or to others in some cases.

I am told, for example, that the Cudahys are building enormous canning factories in the Hawaiian Islands and purpose controlling the canned pineapple industry, which is a very important one there, as you know. I do not think that that kind of activity should go on. It would be unthinkable and certainly unbearable to permit a half-dozen men or a half-dozen firms to obtain control of the food supply of this country, even assuming that it would, on the whole, be efficiently managed. Undoubtedly the packers will contend—and the contention has a great deal of merit—that having such distribution facilities for their meat products those facilities should be worked to their full capacity to get the highest efficiency and a resulting lower cost, and that for that reason they should go into the manufacture and distribution of other products than meat. But there is grave danger of trouble resulting from such a monopoly which is too great to warrant its being permitted even if there is a lessening of efficiency as a result.

If you could work out a solution of this difficulty which would divorce the packers from handling of any food products not related to the legitimate packing industry, my impression is that you would leave that part of the high cost of living problem in the best possible shape.

I am sure you will pardon this intrusion and will file my letter in the good old wastebasket if you do not see anything in it which merits your consideration.

Sincerely, yours,

JOHN W. WEEKS.

POULTRY PRODUCTS.

Mr. KENYON. Four of the big packers, Swift, Armour, Wilson, and Cudahy—figures for Morris not available—handled in 1918 through their principal and subsidiary companies, not including family controlled companies, 136,190,550 pounds of dressed poultry and 202,984,278 dozen of eggs, or 33 per cent of the estimated shipped eggs. If products handled by all companies in any way controlled by the five packers were included and if returns were available from all the five, it would probably be shown that the proportion of control over the estimated shipped poultry products would for 1918 equal the estimate of 65 per cent for 1917.

The percentages of the total stocks of dressed poultry held in cold storage by the five on November 30, 1917, March 31, 1918, and July 31, 1918, were, respectively, 34.26, 42.77, and 29.54.

I insert from their report as follows:

For eggs they were for the three dates, respectively, 16.89, 20.26, and 11.67.

These percentages, while comparatively large, do not in themselves represent the proportion of packer sales in wholesale distribution. Independent dealers are relatively large storers of produce, especially of eggs, while the big packers are relatively large buyers of these products as they leave storage. The packers, therefore, handle a much larger proportion of the products stored on a given date than they are reported as holding on that date.

As to dairy products, I insert the following from the commission:

Purpose of activity: Perhaps the most important of the factory dairy products is butter, the substitute for which originally was the packer's oleomargarine, the chief ingredient of which was the oleo oil of the beef animal. More recently vegetable oils, especially cottonseed oil, have been largely supplanting oleo oil in the making of oleomargarine, and the packer to retain his position of dominance over the substitutes for butter began the manufacture of vegetable substitutes.

To secure, however, the maximum benefits of control over the substitutes for butter, the packer was prompted to reach out extensively into the manufacture and distribution of butter itself. Thus commodities of widely different origin, yet supplying the same general want and therefore normally competitive in both production and consumption, are in production no longer strictly competitive. This situation works progressively to throw both butter and its substitutes into the hands of the packer. If the price of butter goes too high, the trade will go more largely to butter substitutes, and the butter manufacturer devoted exclusively to butter making loses his trade to the packer maker of substitutes. Moreover, the higher the price of butter goes the higher the price that the packer can charge for his butter substitutes, and the additional gain on substitutes will compensate him for any losses in volume or margin he may be compelled to take in his butter business, while the manufacturer devoted exclusively to butter, unable to recoup in this way, may be forced to the wall. The clear tendency is to place the trade both in butter and in butter substitutes more and more in the hands of the packers.

With the packer interest controlling both butter and its substitutes, the public interest will suffer because there will no longer be any real competition between these commodities, and it will make little difference *to the packer which commodity the public buys.*

Further, the more lines of milk products—butter, cheese, condensed milk—the packer enters to an important degree the greater his control of the use to which the milk supply shall be put, and the greater his power to influence the competition of butter with butter substitutes produced from his packing-house and cotton-oil-refinery investments.

Cheese containing a considerable portion of the same nutritive elements as found in lean meat becomes an important substitute for meat. For the packer to hold a commanding position in the production and distribution of cheese strengthens the packer's position in meat and as in the case of butter and its substitutes secures for him an important advantage over the manufacturer of only one of the commodities.

Swift, Armour, Wilson, and Cudahy—figures for Morris not available—handled in 1918 through their principal and subsidiary companies, but not including family-controlled companies, 155,962,975 pounds of butter and 186,691,551 pounds of cheese. If dairy products of all the big packers, including all their controlled companies, were included in these totals, they

would be materially increased. However, such part of the packer sales of cheese as was reported for 1918 amounted to 49 per cent of the country's total factory-made cheese of that year.

Of the total of canned milk, in cases, for 1917 and 1918, Libby, McNeill & Libby, a Swift concern, alone distributed, respectively, 9.2 and 10.4 per cent.

The percentages of the total stocks of butter held in cold storage by the five on November 30, 1917, March 31, 1918, and July 31, 1918, were, respectively, 19.18, 33.8, and 23.64 per cent.

The commission say as to this:

These percentages, while comparatively large, do not yet represent the full strength of the packers' position in the handling of butter. The commission found in its investigation evidence that independents were relatively heavy storers of both provisions and produce, but that the big packers were relatively heavy buyers of these goods as they came out of storage or buyers of the warehouse receipts while the goods were yet in storage. In the latter case the warehouse companies usually found it difficult, if not impossible, to report the true owners on the dates in question, the original storers being given as the owners on those dates. Under these two conditions the percentage of stored goods handled by the Big Five after leaving storage would be much larger than the percentage of stored goods reported as owned by them.

The packer percentage of the total stocks of cheese held in cold storage on November 30, 1917, March 31, 1918, and July 31, 1918, were, respectively, 33.35, 34.66, and 34.09.

Quoted from report:

Again, it should be noted that these percentages fall below what appears to be the actual position of the Big Five in the wholesale distribution of cheese, and for the same reasons as those stated in the discussion of their distribution of butter. That they should be found to hold a minimum of one-third of all the cheese in cold storage is significant in that practically this entire amount is handled by them in wholesale distribution on its leaving the warehouse, while in addition to this amount large quantities held in storage on these dates by independents are bought and distributed by the packers.

GROCERY FOODS (CANNED, PACKAGED, AND BULK).

(A) CEREALS AND CEREAL PRODUCTS.

Armour, through the Armour Grain Co., is a large factor in the cereal and breakfast-food business, on the producing as well as the handling side. In 1917 he became "the largest rice dealer in the world," handling more than 30,000,000 pounds during the 11 months ending February 2, 1918, though dealing in but little prior to that period. The other big packers do not manufacture these products, and they distribute them, if at all, only as local conditions may warrant. Both Wilson & Co. (Inc.) and Morris & Co., however, are currently listing rice for sale in their branch house price lists.

According to the commission report:

The Armour Grain Co. has a nominal capital of $1,000,000, of which the Armour family owns $868,700. Stock, moreover, to the amount of $125,000 held in the name of George E. Marcy, president of the company, is assigned in blank to the Armour Grain Co. as security for a loan of a greater amount. The company reported surplus and undivided profits at the close of the fiscal year June 30, 1917, of $5,426,830.06, after deducting a dividend of 78 per cent on the capital stock. The year's net earnings amounted to $2,908,912.79, or 290 per cent on the capital stock and 68 per cent on the net worth of the company, including capital, surplus, and undivided profits, as reported at the close of the fiscal year 1916.

More than 90 country elevators, largely west and northwest of Chicago and west of Milwaukee, are operated by the Armour Grain Co., including the above subsidiaries. It has terminal elevators at Chicago, Kansas City, Minneapolis, Buffalo, and Jersey City. Its eight at Chicago and two at Kansas City constitute 25 per cent of the total elevator capacity of those cities. In 1917 its sales were 74,847,000 bushels, or 22.6 per cent of all receipts of grain at Chicago, the greatest market of the world, and its business is rapidly growing.

It is in the manufacture and distribution of cereal products and breakfast foods, however, that Armour's widening activity in foods ready for consumption becomes apparent. In the branch-house sales of 1918 such items are included as rolled oats, corn flakes, spaghetti, noodles, and pancake flour, which do not appear in the sales of 1916. These and other like products distributed by Armour & Co. are manufactured by the Armour Grain Co. or its trade-name subsidiaries.

In the latter part of 1916 or the first of 1917 the Armour Grain Co. acquired the cereal mill of the Buffalo Cereal Co., Buffalo, N. Y. This company was reorganized and, in May, 1916, incorporated under the laws of New York with a capital stock of $1,000 owned by the Armour Grain Co. The mill is operated and the products put out under the name of the "Buffalo Cereal Co., owned and operated by the Armour Grain Co."

So, also, the cereal mills known as the Mapl-Flake Mills, Battle Creek, Mich., formerly owned by a corporation of that name, were purchased by the Armour Grain Co. September 1, 1917. All of the stock of the corporation, Mapl-Flake Mills, was transferred to the Armour Grain Co. in order to continue the products under the old names and brands, and the property is operated by the Armour Grain Co. under the name of the "Mapl-Flake Mills, owned by the Armour Grain Co."

Other cereal mills are operated by the Armour Grain Co. under its own name, one of which, at Milwaukee, is leased from J. F. and A. L. Kern at a yearly rental of $27,000.

(B) LARD AND BUTTER SUBSTITUTES.

Substitutes for butter and lard derived wholly or in part from vegetable oils are of rapidly growing importance. The oils most largely used for these purposes are cottonseed, coconut, and peanut, one of which—cottonseed oil, the most abundant and widely used of vegetable oils—is extensively produced and utilized in manufacture by the big packers.

Quoting from report:

Lard compounds and lard substitutes: Lard compounds are formed of a mixture of rendered hog fats and other animal or vegetable oils. Lard substitutes are composed of refined, deodorized cottonseed oil and stearin in the proportion of 80 to 85 per cent oil and 15 to 20 per cent stearin. The stearin may be beef or vegetable. The vegetable stearin is tending to supplant the animal stearin, and lard substitutes are in many instances wholly of vegetable substance. Cooking oils composed entirely of refined, deodorized, and hydrogenated vegetable fats, generally of cottonseed origin, are also being considerably used as a substitute for the animal shortening. Peanut oil for this purpose has recently been widely advertised.

Lard compounds are of relatively small importance, and in the statistics of production are included with lard substitutes. Lard substitutes, on the other hand, are being produced in growing volume and are even crowding lard itself for supremacy.

The great packers' position in lard-compound and lard-substitute production: The Federal Trade Commission has collected the statistics of production by all slaughterers doing an interstate business and by all cottonseed-oil manufacturers. The following table shows the production of these two groups and of the Big Five packers individually and collectively:

TABLE 44.—*Lard-compound and lard-substitute production of interstate slaughterers and cottonseed-oil manufacturers—The five great packers' proportion, 1916, and Jan. 1 to June 30, 1917.*

	1916		Jan. 1 to June 30, 1917.	
	Pounds.	Per cent.	Pounds.	Per cent.
Interstate slaughterers, total [1]	420,637,592	50.1	272,364,789	56.8
Big Five, total [1]	356,425,708	42.5	236,826,185	49.4
Swift interests	143,773,024	17.1	94,029,815	19.6
Armour interests	99,736,105	11.9	68,256,493	14.2
Morris interests	44,164,386	5.3	28,710,614	6.0
Wilson & Co. (Inc.)	39,565,769	4.7	27,996,345	5.9
The Cudahy Packing Co.	29,186,424	3.5	17,842,918	3.7
All other interstate slaughterers	64,211,884	7.6	35,528,604	7.4
All cottonseed-oil manufacturers [2]	418,761,439	49.9	207,186,164	43.2
Total interstate slaughterers and cottonseed-oil manufacturers	839,399,031	100.0	479,550,953	100.0

[1] Includes production by the five packers in their cottonseed-oil plants.
[2] Excludes production by the five packers in their cottonseed-oil plants.

This table shows the output of only two groups of producers; it does not cover the total production of the country. The output of slaughterers doing only intrastate business and that of such producers as are not engaged in slaughtering or in cottonseed-oil production are not included. Nevertheless, out of this large proportion of the total production by all firms, the five packers, it will be noted, had 42.5 per cent in 1916 and 49.4 per cent in the first half of 1917, an increasing percentage of an increasing output.

In 1912 the output of the big packers (excluding Armour—Armour's sales for 1912 not available), together with their cottonseed-oil plants, was 183,179,846 pounds, and in 1916, 256,689,603 pounds, an increase of 40 per cent. The output of the whole industry (excluding Armour) increased in the same period 34.4 per cent, as shown above. The nonpacker output increased only 31.6 per cent, as against the four packers' 40 per cent increase.

Big packers' position in lard-compound and lard-substitute distribution.—The sales of lard compounds and lard substitutes by the big packers (excluding Armour—Armour's sales for 1912 not available) amounted in 1912 to 143,203,653 pounds and in 1916 to 212,787,964 pounds, an increase of 48.6 per cent. This, however, does not represent the full strength of packer distribution, since the sales of subsidiaries engaged primarily in the manufacture of cottonseed oil and its products were not available. The production of such subsidiaries amounted in 1912 to 33,602,381 pounds of lard substitute and in 1916 to 42,427,539 pounds. This would approximately represent the sales of these subsidiaries for those years, though on the one hand there may have been sales to other members of the Big Five group during the year or larger inventories at the close of the year than at its beginning, or, on the other hand, there may have been outside purchases during the year or smaller inventories at the close of the fiscal year than at its beginning. (The figures in the text were returned to the commission on a date and a form different from those for the figures in Table 45. The 1912 and 1916 figures of the text are strictly comparable. The 1916 and 1918 figures of the table are similarly comparable. Were the 1916 sales of the table substituted for 1916 sales of the text, or vice versa, the figures would not be strictly comparable.)

The percentage of increase of sales points to a rapid growth in volume of packer sales even during the period prior to America's entrance into the war, when the use of substitutes was less marked than in the period following. During this period, 1912–1916, while four of the big packers' sales increased 48.6 per cent, the total production of interstate slaughterers and cottonseed-oil manufacturers (excluding Armour) increased, as pointed out above, only 34.4 per cent.

The growth in lard-substitute sales for the two-year period 1916–1918 for the Big Five is shown by the following figures:

TABLE 45.—*Lard-substitute sales of the five greater packers, with percentages of increase, 1916 and 1918.*

	1916	1918	
	Pounds.	Pounds.	Per cent increase over 1916.
Swift & Co.	[1] 122,040,400	[1] 188,973,200	55
Armour & Co.	97,933,531	137,619,132	40
Morris & Co.	42,998,410	56,071,311	30
Wilson & Co. (Inc.)	[2] 48,248,030	[2] 51,929,532	8
The Cudahy Packing Co.	27,630,000	51,090,000	85
Total	338,850,371	485,683,175	43

[1] Production figures; sales figures not available.
[2] Some duplication is involved in the Wilson sales, owing to the inclusion of certain interplant shipments and shipments between plants and branch houses which the company reports as being unable to exclude.

Butter substitutes: Among the several commodities that may be used as substitutes for butter and are manfactured and sold is oleomargarine (including butterine and all kinds of nut margarines).

Oleomargarine, as its name suggests, had originally as one of its components oleo oil from the beef animal. This was combined with neutral lard, vegetable oils, or butter. While the oleo oil is still thus used in the making of oleomargarine, it is being largely replaced by vegetable oils, and oleomargarine, sometimes called butterine, is often now wholly of vegetable substances, the principal ingredient being the oil of the cottonseed, coconut, or peanut, though a butter flavor may be imparted by mixing or churning the ingredients with milk. Other vegetable oils used are derived from the soy bean, corn or maize, and mustard seed.

Oleomargarine is fast becoming a food of common household use. According to the returns made to the Commissioner of Internal Revenue, the total production of oleomargarine, colored and uncolored, for the year ending June 30, 1909, was 92,282,815 pounds (Annual Report of the Commissioner of Internal Revenue, 1909, pp. 87–88); and for the fiscal year ending June 30, 1918, 326,528,839 pounds (Annual Report of the Commissioner of Internal Revenue, 1918, pp. 123–124). The annual output had increased during the nine-year period 253.8 per cent. In the calendar year of 1909 the production of creamery-made butter amounted to 624,764,653 pounds (Census of Manufactures, 1914, Butter, Cheese, and Condensed Milk, p. 354), and in the calendar year 1918, 793,275,309 pounds (figures furnished by the Bureau of Markets. Neither these figures nor those for 1914 include butter made on the farm, which is a relatively declining quantity), an increase during the nine-year period of 27 per cent in the annual production as against 253.8 per cent increase in oleomargarine production during approximately the same period.

Big packers' position in the production of oleomargarine: As presented elsewhere in this report (see report of the Federal Trade Commission on the Meat Packing Industry, Part I, Chap. V, sec. 10), the production of oleomargarine by the packer members of the oleo legislative pool for the fiscal year closing June 30, 1916, was 63,597,823 pounds, or 41.7 per cent of the total production in the United States (total for the United States, 152,509,913 pounds; Annual Report of the Commissioner of Internal Revenue, 1916, pp. 154, 155). These packer members included all the Big Five except the Cudahy Packing Co.

The big packers' production of oleomargarine from January 1 to June 30, 1917, as reported to the commission was 65,962,208 pounds. For the same period the total production for the country as a whole (Annual Report of the Commissioner of Internal Revenue, 1917, pp. 148, 150) was 129,123,918 pounds, thus giving the five 51.1 per cent of the total (see Table 46 below). The manufacture of the Big Five is in the main confined to slaughtering plants, though a few factories are equipped primarily for the making of this product.

The following table shows the total production of oleomargarine by all manufacturers for the calendar year 1916 and the first six months of 1917 and the big-packer production collectively and by companies. The figures for the total production are from the published reports of the Internal Revenue Bureau. Not only are high percentages shown for the five for both periods, but, with the rapidly increasing total output for the country as a whole, as indicated by the figures, the five are not only holding their own but are considerably increasing their proportion.

TABLE 46.—*Oleomargarine production of five great packers and all other manufacturers, with packer proportion, 1916, and Jan. 1 to June 30, 1917.*

(Total, all manufacturers, from Annual Reports of the Commissioner of Internal Revenue, 1916 and 1917.)

	1916		Jan. 1 to June 30, 1917.	
	Pounds.	Per cent.	Pounds.	Per cent.
Five great packers, total	80,403,174	42.9	65,962,208	51.1
Swift interests	34,978,792	18.7	26,148,217	20.3
Armour interests	22,607,670	12.0	24,230,419	18.7
Morris interests	15,804,707	8.4	11,725,181	9.1
Wilson & Co. (Inc.)	6,325,693	3.4	3,858,391	3.0
The Cudahy Packing Co.	686,312	0.4	[1]	
All other manufacturers [2]	107,160,069	57.1	63,161,710	48.9
Total, all manufacturers	[3] 187,563,243	100.0	[4] 129,123,918	100.0

[1] None reported.
[2] By subtraction.
[3] Annual Reports of the Commissioner of Internal Revenue, 1916, pp. 154, 155, and 1917, pp. 148, 150.
[4] Annual Report of the Commissioner of Internal Revenue, 1917, pp. 148, 150.

(C) CANNED AND OTHER GROCERY FOODS.

Quoting further from report:

In the handling of canned fruits, vegetables, and fish and of other foods both wide range of product handled and rapid growth by the five packers are shown. In some items a large proportion of the total pack is indicated. The canned-food sales of Libby, McNeill & Libby alone amounted in 1915 (after the report had gone to press Libby, McNeill & Libby revised its sales figures for 1915 and 1916 on canned pineapple, salmon, milk, tomatoes, and kraut. The revised figures, except those for tomatoes for 1916, are larger than the earlier figures reported by the company. See Exhibit XVII A and note 3 of that exhibit) to 138,068,844 pounds and in 1918 to 449,290,822 pounds, an increase of 225 per cent. For the four-year period, 1915 to 1918, these sales of the Libby company reached the enormous total of 1,179,074,122 pounds (see Exhibit XVII, A). In 1917 Libby sold 33 per cent of the total pack of asparagus and 11.5 per cent of the total pack of kraut and in 1918, 27 per cent of the total pack of pineapple and 9.7 per cent of the total world pack of salmon (see secs. 3, 4, and 5, ch. 5). Sales for the other packers segregated by commodities, if available, would show a high packer total.

Armour's tonnage sales of canned vegetables and sundries, including condiments, evaporated milk, rice, canned and dried fish, and peanut butter, but not including canned fruits and preserves, tonnage sales for which were not available, were, in 1916, 61,386,920 pounds, and in 1918, 196,066,848 pounds, a gain of 219 per cent. For the years 1916, 1917, and 1918 the total tonnage on these items amounted to 365,213,661 pounds (see Exhibit XVII, B).

Wilson's tonnage sales of condiments and preserves and canned fish, fruits, and vegetables were, in 1915, 6,822,242 pounds, and in 1918, 121,648,154 pounds. The sales of 1918 were almost eighteen times those of 1915. The total sales for the four years on these items amounted to 172,931,943 pounds (see Exhibit XVII, C).

EXHIBIT XVII.

Tonnage sales [1] of canned foods by the larger packers,[2] 1915–1918.

A.—SWIFT & CO.

[The sales below are by Libby, McNeill & Libby (a Swift concern), the only figures available from any of the Swift companies.]

	1915	1916	1917	1918	Total.
	Pounds.	Pounds	Pounds.	Pounds.	Pounds.
Pineapple [3]	13,574,739	21,969,916	35,148,197	47,964,549	118,657,401
Fruits	36,424,628	50,194,874	36,829,500	58,426,219	181,875,221
Vegetables (Pacific coast)		1,781,755	15,606,082	32,864,965	50,252,802
Asparagus	3,976,691	10,675,792	10,690,784	9,749,287	35,092,554
Pickles	22,547,433	28,480,582	32,611,390	37,020,575	120,659,980
Olives	1,540,948	3,561,040	13,037,128	15,024,243	33,163,359
Salmon [3]	16,698,062	20,483,536	39,998,367	47,195,682	124,375,647
Milk [3]	20,890,459	47,122,425	112,533,725	153,480,638	334,027,247
Catsup	2,479,300	2,061,383	4,381,079	7,682,654	16,604,416
Tomatoes [3]	9,829,658	27,315,853	28,946,751	8,756,075	74,848,337
Mustard	1,025,480	728,160	1,368,694	3,564,168	6,686,502
Vinegar	318,330	227,070	680,067	167,602	1,393,069
Preserves	2,198,633	3,021,750	3,899,879	6,488,496	15,608,758
Kraut [3]	5,489,004	4,298,775	8,451,887	18,810,192	37,049,858

	1915	1916
	Pounds.	Pounds.
Pineapple	26,056,521	46,602,826
Salmon	24,554,580	25,981,700
Milk	30,917,290	58,785,051
Tomatoes	No change.	16,415,805
Kraut	15,138,355	14,515,110

	1915	1916	1917	1918	Total.
	Pounds.	Pounds.	Pounds.	Pounds.	Pounds.
Peas			9,523,034	653,062	10,176,096
Squash		142,444	567,000		709,444
Sweet potatoes	502,251	587,615	492,976	423,996	2,006,838
Pumpkin	199,812	245,124	12,487	85,238	542,661
Spinach	373,416	2,247,621	218,305	41,759	2,881,101
Corn			11,571,409	866,627	12,438,036
Hominy				24,795	24,795
Total	138,068,844	225,145,715	366,568,741	449,290,822	1,179,074,122

[1] The sales given in this exhibit do not include those made by companies or selling agencies controlled through means other than stock ownership by the principal packer company. Sales, for example, made by affiliated companies controlled through stock ownership by the principal family interested in the packer company are not included.
[2] Sales are not available from Morris & Co. and The Cudahy Packing Co.
[3] After the report had gone to press Libby, McNeill & Libby revised its sales figures on the items below for 1915 and 1916. A comparison of the company's earlier figures with those below show the latter to be larger for each item except for that of tomatoes for 1916:

B.—ARMOUR & CO.[1]

[Sales for 1915 are not available.]

	1916[2] (included in "Canned vegetables and sundries" are canned vegetables, fish, evaporated milk, condiments, rice, dried fish, and peanut butter).	1917[2] (included in "Canned vegetables and sundries" are canned vegetables, evaporated milk, condiments, rice, and peanut butter).	1918[2] (included in "Canned vegetables and sundries" are canned vegetables, evaporated milk, condiments, and rice).
	Pounds.	*Pounds.*	*Pounds.*
"Canned vegetables and sundries"	61,386,920	92,485,470	173,181,503
Canned and dried fish		15,274,423	20,346,164
Peanut butter			2,539,181
Total	61,386,920	107,759,893	196,066,848

[1] Tonnage sales of canned fruits and preserves are not available. The sales here reported are for "Canned vegetables and sundries." For the year 1916 the sales of canned and dried fish are included, but segregated for the years 1917 and 1918. For 1916 and 1917 the sales of peanut butter are included, but segregated for 1918. Included with the sales of canned vegetables, evaporated milk, and condiments in all the years are the sales of rice.

[2] Sales are for fiscal years ending Oct. 31.

C.—WILSON & CO. (INC.).[1]

	Condiments and preserves (pounds).	Canned meats (pounds).	Canned fish, fruits, and vegetables (pounds).
1915.			
Plants[2]	2,992,801	9,149,003	(3)
Branches	1,497,530	2,754,149	2,331,911
Total	4,490,331	11,903,152	2,331,911
1916.			
Plants[2]	4,255,862	21,603,058	(3)
Branches	3,937,137	5,082,998	(3)
Total	8,192,999	26,686,056	(3)
1917.			
Plants[2]	7,298,967	22,049,138	19,051,074
Branches	3,614,502	6,342,904	6,304,005
Total	10,913,469	28,392,042	25,355,079
1918.			
Plants[2]	25,729,002	60,597,449	54,542,440
Branches	7,001,536	4,893,724	34,375,176
Total	32,730,538	65,491,173	88,917,616

[1] Some duplication is involved in the Wilson sales owing to the inclusion of certain interplant shipments and shipments between plants and branch houses which the company reports as being unable to exclude.

[2] The sales of three plants only are included: Chicago, Kansas City, and Oklahoma City.

[3] No sales reported.

Mr. KENYON. Mr. President, I have taken more time than I should, but I have abbreviated very much what I had to say by inserting a large number of extracts that Senators may possibly read, if they feel inclined to do it.

I want to conclude what I have to say about the facts in this matter, and then I want to take just a moment or two on the law and an explanation of the bill.

Mr. REED. Mr. President, before the Senator goes to a new topic, I simply want to be sure that I understand him.

The Senator thinks, does he, that we ought to confer upon this board the authority to examine and pass upon the question as to whether a packing company should be permitted to embark or continue in any business other than that strictly of the meat-packing industry?

Mr. KENYON. Do I contend that?

Mr. REED. Yes.

Mr. KENYON. The bill as originally drawn gave to the commission the power to do that very thing. I think that section of the bill must go out, because I do not believe it is constitutional; but under section 12 of the bill certain things are made illegal, and one is to—

engage or participate in any manner, either directly or indirectly, in the business of purchasing, manufacturing, storing, or selling foodstuffs other than live-stock products, where the effect of such participation in such business may be substantially to lessen competition in or to restrain commerce or to tend to create a monopoly in commerce in any line of foodstuffs

That rule being laid down, then it is for the commission to say whether or not the facts and circumstances create a situation where the rule is applicable.

Mr. REED. Then, in other words, the same end will be reached by the section the Senator has just read as would have been reached if the power had been expressly conferred?

Mr. KENYON. I realize the seriousness of that question, and I draw this distinction: As it originally stood the commission would have the power, regardless of whether there was any public question involved, regardless of whether there was any tending to monopoly or any lessening of competition, to say absolutely that they should not go into other lines of business.

Now, they interpret the rule laid down by the Congress. They are the administrative body to determine whether or not that situation exists.

Mr. REED. That brings us to this: A body of men are to be empowered to determine whether the act of a citizen tends to create a monopoly. That body is not a court.

Mr. KENYON. There is a review by the court.

Mr. REED. Yes; but its action is independent of a court. You may get protection later from the court. This body is to answer the question whether a certain thing tends to produce a monopoly.

I did not rise in any critical sense. I am trying to get some light.

Mr. KENYON. That is all right.

Mr. REED. Now, of course, it is true that if any man engages in business in which another man is engaged his act has a tendency to limit the business of that man who was already in the business; and, of course, every time a man takes over to himself the doing of a business, he monopolizes to himself that part of the business which he controls. If he does a large business the effect, of course, is larger than if he does a small business. If he does a very great business, it may come to the point where he has the major control of some particular product. Would the Senator say that such an act as that was an act tending to create a monopoly within the meaning of this section?

Mr. KENYON. No; hardly that.

Mr. REED. Then, where do we draw the line? Are we to set up a board here in Washington to say arbitrarily that A. B. can not buy chickens and sell chickens because A. B. buys too many chickens or sells too many chickens? We can not draw the line there.

Mr. KENYON. We set up a board to determine what is unfair competition. How can the board do that? We set up another board to determine unreasonable rates.

Mr. REED. I have protested against those boards that undertake arbitrarily to control business.

Mr. KENYON. I know the Senator has. I am willing to concede right now—I am perfectly frank about it—that that is a very difficult proposition, but I feel this way: We have laid down a rule as to monopoly. We have created an administrative board empowered to determine, under all the facts and circumstances, how this rule shall apply. Now, whether or not there is a delegation of legislative power is a close question.

Mr. REED. Is there a legislative power of the character we are talking about?

Mr. KENYON. There could be no other power.

Mr. REED. Is there ever a monopoly within the proper description or legal definition of a monopoly where the field is left so that another man can engage in the same business?

Mr. KENYON. In the Sherman Act we use the words "tending to monopoly." The very reason for having a commission in all of these matters that have grown up in our country is because the shades of difference are such that language can not be used to apply to every circumstance, and for that reason a commission has to work these things out. That has been the growth of it. In Great Britain they wait until they see the head, and then hit it. We do not do that. We have commissions that work out these facts.

Mr. REED. And in my opinion all of them have been failures without a single exception.

Mr. KENYON. Oh, I do not think the Interstate Commerce Commission has been a failure.

Mr. REED. I think it comes very close to being one. I think the Interstate Commerce Commission has never done anything but raise railroad rates in all its existence; but I do not care to discuss that subject. I am trying to get at the other proposition—whether in law anything can be said to be a monopoly, so that it can be prohibited, unless it is so organized as to prevent another citizen from entering that line of business; and the prevention must be something else than the ability of the so-called monopoly to undersell a competitor in the market. Is not that where we are driven?

Mr. KENYON. I do not think you can lay down any rule as to what would constitute a monopoly. Under certain cir-

cumstances certain things would be a monopoly, and under other circumstances they would not be.

Mr. REED. Does it not inevitably follow from a proper construction of the Constitution that every man in this country has the right to engage in every business in the country that is a legitimate business; that he can not be deprived of that right; that he can not be interfered with as long as he is pursuing that right in accordance with the fundamental principles of the Constitution; that among those rights guaranteed to him is the right to buy and to sell, to buy in the cheapest market he can get, to sell in the highest market he can get; and that it is nobody's business how big his business is, provided the way is left open for other people to enter that business?

Mr. KENYON. No; I do not agree with the Senator about that.

Mr. REED. I wanted to get the Senator's view; that is all.

Mr. KENYON. While bigness itself is not monopoly, yet bigness itself may reach such a point that it is the most powerful instrumentality in monopoly; and I do not concede that a man has the absolute right to conduct his business just as he pleases, or that one man or one set of men can acquire all of a line of business and create a monopoly in that business, and that it is no one else's business. I say it can be charged with a public use, just as I believe the question of the food supply of a nation is charged with a public use. The Supreme Court has held that insurance is charged with a public use; while it is not interstate commerce, it is charged with a public use. So that there is a distinction between ordinary articles of commerce and food supplies, fuel supplies, and other things that the people must have; and no body of men have the right to corner those things, or get them all, and keep them away from the people, and charge any prices that they please, and say it is nobody's business. I do not agree to that.

Mr. REED. Now we are getting outside of the question I am asking. I am trying to get at a legal principle. Let me say that if the food supply is charged with a public use, it is no more charged with a public use than the clothing supply, or the shoe supply, or than any of the necessities the great mass of the people must use are charged with a public use, and if we admit the principle that everything we eat and everything we wear and everything we use is charged with a public use, then the old line that was drawn between the public highways and instrumentalities of that kind and the private business of the citizen is entirely gone.

Mr. KENYON. There is and must be a line of demarcation between absolutely private business which we could not touch without violating the Constitution and a business which is in its nature of a public character, which we have some right to regulate, provided it comes within the channels of interstate commerce.

Mr. REED. I understand the shadowy lines which we draw between the two great fields. It is perfectly plain that a railroad is liable to control by the public. That is true because it always has been true that public highways are just what their name implies—they are highways of the public. They are not owned as property in the same sense that private property is owned. They have been public property since the days of the Cæsars and, I guess, since the days of the Pharaohs. When a railroad company acquires the right to build as a private corporation, it acquires it only as an instrumentality of the State, and it exercises and is permitted to exercise through the State the powers of eminent domain. The same statement of fact applies to the telegraph and telephone, all of them coming within that principle that the public have the absolute right to control.

Now we turn to the private business of the citizen, the right of a man to run his own farm. Clearly, the grocery keeper, the man who runs the meat shop, the butcher, have never been regarded as subject to governmental control in the sense in which I am now applying that term; and yet if the statement made by the Senator is to be taken literally—and I hardly think he meant it that way—all food products under his rule being subject to control, we would begin with the farmer. I do not think the Senator meant it so broadly as that.

Mr. KENYON. No; I do not think I said anything to warrant that.

Mr. REED. The Senator said that food products, necessary to all the people, were subject to governmental control, as I understood the Senator. I do not want to draw any false conclusions, of course.

Mr. KENYON. When a few men, whether they be farmers or packers, whoever they might be, obtain the power to control the food products of the Nation, I claim there is a way, if they are using interstate commerce, to regulate them. Monopoly is a subject of interstate commerce and it can be regulated.

Mr. REED. Both of us agree that here are the two great fields, one of which we can enter at will, one to regulate the thing which is strictly a highway, or so akin to a highway that it comes within that rule; and then there is the other great field of private venture where we can not enter.

Mr. KENYON. I agree with the Senator, of course, that we can not enter it, but where the private venture passes beyond that shadowy line it becomes charged with a public use, as it does in a monopoly.

Mr. REED. Where a few concerns by the simple, natural process of growth have enlarged themselves so that they constitute an important link in the matter of production and distribution, does the Senator think that merely on account of their size they become subject to control, or is it not necessary that something else should be added to that, namely, that in this control of the product they withhold it from the public, they forestall the market, they come within the principle of the old common law that no man could forestall the market; and is it not on that point we must reach them and not on the mere question of size?

Mr. KENYON. That is true, except that size may be a very important element.

Mr. REED. It may be; but are we not making that the controlling element here.

Mr. KENYON. I am not making it that at all. Of course, the Senator was not here during the earlier part of my remarks; but I bored the Senate in a discussion of the facts as presented about this particular claimed monopoly.

Mr. REED. I am sorry I was not here. I did not know the Senator was to speak or I would have been here. I do not want to go over the old ground, but I am trying, if I can, to clarify this question in my own mind.

I will put a very broad proposition. Suppose I go out and establish a packing house, build a better packing house than anybody else has, and by virtue of my genius—which is purely hypothetical——

Mr. KENYON. I will not concede that.

Mr. REED. I undersell every packing house in the United States, until finally they close their doors and I have the whole packing industry in my hands. I continue to manufacture and to sell for less than anybody else had manufactured or sold, and likewise I am doing business so cheaply and so economically that nobody else can see where he can make any money by starting a packing house. The field is open. Everybody in the world can enter it who wants to do so, but if he does enter it I am able to sell meat at half a cent a pound less than he can, and that ends his career. Simply because I have grown to those proportions—and I have conducted my business without forestalling the market, without working any hardships—has the Government any right to appoint a commission to come in and tell me how I shall run the business? I just put that question on that one point.

Mr. KENYON. When you control the entire meat supply?

Mr. REED. Absolutely.

Mr. KENYON. I say "yes."

Mr. REED. If that is true, the Senator and I just differ upon the proposition to this extent: I agree fully that if, having that control, I hold up the products of the country; to use the very old expression which I employed a while ago, if I "forestall" the market, if I employ my control for the purpose of starving the people or of charging outrageous prices, clearly the Government can reach me under the old principles of the common law, if I understand them. But can you reach me and undertake to regulate me until I have committed this wrong?

Mr. KENYON. Let me ask the Senator a question. Suppose, instead of securing this individual monopoly, he joined with others and three or four of them had it, at the same time acting together just as if they were one person; they bring prices down at times, make the products cheap to the people, perhaps, make them cheaper than they would be otherwise. Is there any evil in that which you can reach?

Mr. REED. Yes.

Mr. KENYON. What is the difference between having it done by four or five people and having it all in one person and having the five acting with the one?

Mr. REED. The difference is this: The one individual acting under his rights as a citizen of the United States causes his business to grow by natural processes and can be reached the moment he perpetrates any of the wrongs I have adverted to and which I need not now repeat. The other individual combines with several, and when he does he destroys competition by combination. That is the purpose of it. He thereby de-

prives the people of a competition they would have if it were not for the combination. In that respect it is distinguishable from the instance cited of the man who had himself gathered all the business to himself. He still has the field of competition open. It is true there is no one to compete, but the very moment he raises prices to a point where anybody else can make a profit the field of competition is there and it can be entered. But if as soon as a man entered there were combination between these individuals the public would be deprived of the benefit of the competition.

Without committing myself, just talking here as I am, without having given this matter mature consideration——

Mr. KENYON. I am glad of the suggestions of the Senator.

Mr. REED. It seems to me that our right to interfere with an individual who has not combined must be limited to some wrong which he perpetrates in the exercise of his business rights, if he goes beyond legitimate business, forestalls the market, or perpetrates outrages. The reason why he has a right to exist, or one reason, is that the whole field of competition is open. On the other hand, if you permit a combination between men who are competing, the very purpose of the combination is to stop the competition and deprive the public of it.

Mr. KENYON. I want to say to the Senator that his discussion is a little beyond this situation, because his last statement is what we base this on, a combination among the Five Packers.

Mr. REED. That is just what I am coming to. If there is a combination, I will go as far as the Senator will go, or anybody else will go, to send to the penitentiary every man who has combined with another man to control the price of food products in this country, either as a buyer or as a seller or as both. If there is a combination, we have a law to reach it, and if that law has not been enforced because we have never had an Attorney General who could stand up and look $250,000,000 in the face and not faint, then I hope we will have an Attorney General who can. Compromises with men who violate the law are the disgrace of the legal department of the United States Government.

If the Senator will permit the interruption, we have this astonishing illustration in very recent months. I think it was 11 of the great manufacturers of newsprint paper who were indicted, charged with combination in restraint of trade. The price of newsprint paper had mounted to extortionate figures. These gentlemen appeared in court and pleaded *nolo contendere*. The same day a petition in a civil suit to dissolve their combination was filed. On the same day they filed their answer, and on the same day a consent decree was taken. The fines as laid aggregated, if my recollection serves me right, as a grand total, $22,000 upon institutions who were conducting a business which, in the aggregate, ran high, in the scores of millions of dollars, and whose profits, if it was a combination—and they did not deny it was and allowed judgment against them in default—must have amounted probably to a hundred or a thousand times the amount of the fines.

Now, sir, they were given a court charter by decree of consent to plunder every newspaper in the United States. The decree stated that they should charge not more than the price fixed by the Federal Trade Commission plus the right to appeal to the Federal court. The trade commission fixed a price—and I am speaking now wholly from memory—which I think was about 3½ cents a pound. Appeal was taken to the court and the court raised the price to something like $3.70 or $3.75 a hundred pounds, and the decree recited that at the price thus fixed, or afterwards fixed on review, paper should be sold until six months after the war had been concluded. It all looked fair enough on its face, but the decree contained another provision, that the newsprint-paper manufacturers could make private contracts at any price they saw fit.

Now, there was an actual shortage of paper. It, therefore, was perfectly plain to every man running a great newspaper that if he had to rely on the market from day to day he might find himself in a position where some day he would not have paper to print and he could not go to press. Accordingly, these men went down and asked for contracts at Government prices, and they were refused the contracts. They were told that they would have to take their chances, and no great paper could afford to do that. Whereupon, under the clause permitting a contract to be made at any price the parties agreed upon, the manufacturers flatly said, "We will furnish you all the paper you want provided you will make a contract with us at the price we fixed," and so they fixed 4½ cents and 5 cents, and in some instances 6 cents, and I think it ran as high as 7 cents, by contract, and contracted practically the entire output of newsprint paper in the United States, and it is legal under the decision that was rendered. It was a court charter authorizing robbery.

Mr. KENYON. In what court was that decree entered?

Mr. REED. It was entered, I think, in one of the courts in New York, and the Attorney General of the United States was a party to the entire transaction, except the making of prices afterwards under contract.

We had a dissolution of the Tobacco Trust, and the Tobacco Trust emerged from the dissolution stronger than it ever was, and its stocks mounted in the market. We have had some other illustrations of the dissolution of trusts by agreement. We had a case here the other day against the packers. I do not know exactly what that decision was. Perhaps the Senator does?

Mr. KENYON. That was the consent decree.

Mr. REED. Another consent decree?

Mr. KENYON. Yes; and that takes away some of the unrelated business.

Mr. REED. Every one of these consent decrees, however, authorizes or commands certain things to be done, and in numerous instances the things authorized are the very practices that the trusts have found necessary in order to create and perpetuate themselves.

I thank the Senator for permission to make this interjection——

Mr. KENYON. I am glad to have it.

Mr. REED. And I say to-day that if we had men conducting the legal department of our Government who were not afraid to send a millionaire to the penitentiary we would not have this trouble; but if you proceed along the line that the Senator is now proceeding, of licensing businesses engaged in interstate commerce——

Mr. KENYON. It is not a license; there is no license feature here.

Mr. REED. Or appointing a board to supervise them, how long would it be until that principle would be extended, until business after business and enterprise after enterprise is brought under a similar control, and until men here in Washington, whom we know from experience are absolutely uninformed with reference to the businesses they undertake to control and who could not get a job, many of them, in a first-class business house in the United States, will be undertaking to run the business of the United States?

This line has to be drawn somewhere. I am not here taking a position, even on this bill at present.

Mr. KENYON. I have been suspicious that the Senator would be against the bill.

Mr. REED. The Senator's suspicions may be right and they may be wrong. I have not given the bill all the study I want to bestow upon it.

Mr. KENYON. I hope they are wrong.

Mr. REED. But if you can control everybody engaged in the meat business, I am asking the question why you can not control everybody engaged in making shoes, in making clothing, in making cotton, in making agricultural implements? Somewhere the line has to be drawn, and have we reached the point in this bill where we have found the correct line?

We talk about discretion and vesting discretion in a board. We always assume, when we vest these discretionary powers, that they are going to be exercised wisely. We forget that the authority to exercise a power wisely is also a power to exercise it unwisely, and that when we vest these powers in a little coterie of gentlemen who are brought in here to Washington, most always inexperienced, most always incompetent to make a living at home and therefore belonging to the brigade who are seeking a salary and a livelihood away from home, that the power of discretion that we vest in them is very likely to be unwisely exercised.

I am getting so that I am not willing to give any discretion at all. Congress passed a law fixing the age of men who could have certain commissions in the Army, and then stuck in a clause that the Secretary of War should make rules and regulations, whereupon he proceeded to make rules and regulations changing the age limit that Congress had fixed.

Mr. THOMAS. Is that all the change he made?

Mr. REED. Oh, no; not at all.

Mr. KENYON. Is the Senator nearly through with his question?

Mr. REED. It is a long digression.

Mr. KENYON. That is all right; I am enjoying it.

Mr. REED. I want to make myself plain in this connection. I am trying to drive to the point. I want the Senator to put his mind, which is very skilled along this particular character of investigation, in which he has had much experience, upon

the question whether we can afford to set up a board to control one business lest we thereby establish a precedent to set up boards to control other business, and in a little while we will have a Government of the United States by bureaucracies established at Washington. When we get to that I want to submit the further proposition whether we will not soon have it so that a man is afraid to embark in business and only the strongly entrenched will remain and competition will be destroyed by the very effort that is being made to protect the people?

Mr. KENYON. Mr. President, I am really glad that the Senator has directed attention to this very difficult legal question in the bill. I have given a great deal of thought to it, and I have been a great deal troubled about it.

The Senator raises the very interesting proposition that any lawyer's mind runs to when he thinks about this situation. I agree with many things he says, but with some I do not. If people could be sent to jail who combine to corner the food products of the United States, I wish it could be done. I would like to see an Attorney General who would go up against $200,000,000 or $2,000,000,000. I wish I had enough influence to have the Senator from Missouri appointed Attorney General. We would have a vigorous enforcement of the law.

Mr. THOMAS. Does the Senator allude to the present administration or the coming one?

Mr. KENYON. I will say the coming one.

Mr. THOMAS. I will join the Senator in his recommendation.

Mr. KENYON. It is one thing to talk on the floor of the Senate about putting men in jail, and it is another thing to do it in the courts. Juries are not very favorably inclined, where they think a crime such as the Sherman law proscribes is a business crime, to send men to jail for it. I think there have not been over three jail sentences under the Sherman Act. I was going to say one, but out of an abundance of caution I will say three. I remember the naval stores case, where there was a jail sentence, but that was reversed. No one under the Sherman Act has ever gone to jail for a violation of it. It is a hard statute to enforce, as the Senator from Missouri knows.

I am a little in doubt, too, with our experience with the Sherman Act, the difficulties about it, the impression in the country now, which would be stronger than ever against business crimes, whether it is altogether the best thing to try to send to the penitentiary or to jail, or to try to devise some way as we have tried to do. We have no pride of opinion in this, either, and I hope we will have the help of the Senator from Missouri to work out something of a plan like this. Certain things are forbidden, such as unjust discrimination, unfair practices. Then, instead of sending the people to jail for a violation of it, the commission find that things have been done, and they draw the attention of these people to it.

They are given the chance to remedy the situation. There is no penalty until after they have been given that chance. The finding is made by the commission. Then the parties interested can take it to the circuit court of appeals. If it is sustained there, even then there is no penalty until they continue the practice. I know that is not a very vigorous method; it is not strong enough to suit my ideas about the trust question; but we have not been successful in devising anything to end trusts. They have grown more powerful every year; and they are themselves blind, for if present conditions continue, methods will be devised by which the people will end them.

Mr. REED. Now, if the Senator will permit me, I desire to submit an observation there. Under the plan the Senator has just outlined a man will know that he can enter upon any kind of a practice, no matter how outrageous it may be, and he may continue it without any danger whatever until he is caught.

Mr. KENYON. No. There are still all the laws that the Senator says should be enforced against him.

Mr. REED. Oh, yes; then we are going to fall back on the old laws. I was speaking of the Senator's illustration.

Mr. KENYON. We do not repeal the laws, but they have failed in part.

Mr. REED. Then, if they have failed they would be of no avail in the future.

Mr. KENYON. The Senator has suggested certain reasons why they have failed.

Mr. REED. The Senator can not supplement his plan by saying that back of it lie the vital powers of the Sherman Act and then say that the Sherman Act will not work.

Mr. KENYON. I say the Sherman Act has not worked. It is easy to say, "This should be done and these people should be sent to jail," but "you have not the right way of doing it." Help to show us the right way.

Mr. REED. Well, that is an aside; we have got to consider this concrete question. The proposition is—and we are waiving the Sherman law for the present, which is said to be innocuous and valueless——

Mr. KENYON. I do not care to be put in the position of saying that it is valueless.

Mr. REED. And we will talk about this proposed law. So far as it is concerned, a man can get up any kind of a scheme to fleece and rob the public, and he can pursue it with the full knowledge that under this proposed law he will suffer no penalty until he is caught. Then he will suffer no penalty until he has been tried by this board; then he will not suffer any penalty until he has fought the case through the court of appeals, which takes in the ordinary course of events, an indefinite period, anywhere from one to five or six years; and then he will not suffer any penalty until he is again caught and again brought before the board and again tried.

Mr. KENYON. That is not a fair way to put it——

Mr. REED. Well, he does not suffer any penalty under this proposed law.

Mr. KENYON. Does the Senator feel that if this board, which will be composed, I assume, of high-class men, brought the attention of the packers to certain practices, such, for instance, as "wiring on," and should say that that must be stopped, that it is illegal, or to the tremendously bad practices of which the Senator speaks, does he think they would still go on with them? There is some rule of reason in all of these matters.

Mr. REED. I do not see why they would not go on when there is no harm to come to them until the court of appeals has passed upon the question.

Mr. KENYON. They can then fall back upon the Sherman Act to which the Senator refers.

Mr. REED. Exactly; and they would be falling back on what I say is the only substantial thing we have got. Now, the Senator from Iowa is proposing a new remedy. The question is, Is it a remedy? Is anything a remedy that gives to a board the right merely to discover a wrong without any penalty being attached to the wrongdoer when he has been caught? He keeps his swag; he keeps his ill-gotten gains; he puts them in his pocket and continues his practice. He goes to the court of appeals, always virtuously claiming, of course, that he is within his rights. Then he comes back and again gets caught. I believe the Senator said there would be no penalty even then if he stopped on the second notice.

Mr. KENYON. No; I have not said that.

Mr. REED. Now, is it not proposed to set up a vast machine which will be simply employed as a cover by these gentlemen?

Mr. KENYON. They do not seem to think so, with the opposition there is to this bill.

Mr. REED. Well, now, the Senator can not charge that that opposition comes from the packing houses.

Mr. KENYON. Oh, yes, it does largely. I do charge it.

Mr. REED. But the Senator does not mean that my remarks are inspired by any packing house?

Mr. KENYON. No, sir; not at all.

Mr. REED. I am dealing with this question as a practical one.

Mr. KENYON. I was not referring to the opposition here—do not understand me in that way—but to the opposition that has been engendered throughout the country by the propaganda of the packers.

Mr. REED. There might be opposition for the reason that a man simply does not want a board sitting down here in Washington to assume the right to interfere in his business.

Mr. KENYON. Of course, they have a right to oppose the bill in every way they can.

Mr. FLETCHER. I desire, if I may, to make an inquiry of the Senator from Iowa. From the colloquy which has just taken place, it seems to me, so far as the Senator has outlined the bill, that it does not go any further than we have already gone in creating the Federal Trade Commission. The Federal Trade Commission now has the power to determine the questions, for instance, first, is the matter one involving interstate commerce; second, is it one in which the public is concerned; and has there been a violation of the antitrust laws? Then, after hearing, if they find a violation of the law, they order the parties to quit. They have that authority now, and they do make such orders. They say, "You must cease and desist." That is as far as this proposed commission will go. So we shall not have gone any further than we have already authorized the Federal Trade Commission to go. That commission exercises jurisdiction in such cases now and makes orders to parties guilty of these objectionable practices to cease and

desist—to quit such business. The trouble with that is that there is no penalty involved. As the Senator has suggested, the people go on and violate the law so far as they see fit. Then the commission can issue another order to desist.

Mr. KENYON. There is a penalty here. After the case has gone through the courts, or, if it is not taken to the courts, at the end of 30 days it becomes a binding order. Then, if they continue to pursue the same practice, there is a penalty. The bill goes further than the Federal Trade Commission act goes.

I had intended at some time to take up that question, and also the Sherman Act and the Clayton Act—and, of course, there is a difference between all those acts and the pending bill—but I will not attempt to do so this afternoon, as there is going to be plenty of opportunity for the discussion of this bill.

Mr. REED. I am very much interested in the Senator's views on these matters and I hope he will give them to us at an early date. I do not want to be misunderstood by reason of any questions I have asked in this debate. I am not committing myself on this bill. I am in search of information, of all the information I can get. I know the Senator from Iowa has studied the bill, and I say, not desiring to be merely complimentary, that I think he has a very great knowledge of these questions by reason of his long experience in the legal department, in his own private practice, and here as a Senator. I really want to get his views. If there is a solution of these difficulties, I want to help bring it about, but I do not want to try to do a useless thing.

Mr. KENYON. Of course, the Sherman law was practically destroyed by the decision of the Supreme Court as to the rule of reason. There is not much left to it.

I think there is some little comfort in the commodity-clause decision and that is related by analogy to the situation I have been discussing.

Here is a private business, namely, the production and marketing of coal. The railroads had proceeded for so long with their plan of owning the coal themselves and discriminating against other producers in favor of their own coal that finally Congress said to them: "You have got to get out of the coal business." They fought that through the courts, and I now hope that the decision—while I have not read it but have only seen it in the newspapers—upholds the action of Congress.

Here is the monopoly to which the Senator from Missouri has referred. If the packers go into a line of business that does not tend to create a monopoly, very well; but if they go ahead and create a monopoly and operate in interstate commerce and can not otherwise be regulated or restrained, why can not the Congress as to them, the same as in the case of the railroads engaged in the coal business, say, "If you can not be fair, if you can not be square and just about it, you have got to get out of the business"? We have not gone that far, and there is where we may be in trouble on the question of delegation of legislative power. We have put in the hands of the commission the power to draw that line.

As the Senator has made his suggestions, I desire to put into the RECORD one or two decisions at this point. I think I can safely say that the Supreme Court of the United States has never declared an act of Congress unconstitutional because of a delegation of legislative power. I have not been able to find any such decision. It has always sustained the very broad authorizations of power to make rules and regulations which Congress has conferred on the departments and Federal commissions.

I put into the RECORD the citation Field *v.* Clark (143 U. S., 649), which establishes the rule that, despite the separation of powers, the Congress may lay down a general rule and leave to administrative officers the filling in of the details.

So, in Butfield *v.* Stranahan (192 U. S., 470), the delegation of power was there sustained as to the Secretary of the Treasury to determine what teas could be excluded from the country under the congressional act prohibiting the importation of the lowest grades of tea. Discretion was left to the Secretary of the Treasury to determine the question.

The case of United States *v.* Grimaud (220 U. S., 506), I think is, perhaps, the clearest case on the question of the delegation of power. There the Agricultural Department was authorized to make rules and regulations, as is provided in the pending bill. In that instance it was provided that a violation of such rules might be punished criminally. The Supreme Court sustained a conviction for violation of the regulations made by the department.

In common with me, the Senator from North Dakota and the Senator from Wyoming were so opposed to making a violation of a mere rule, a rule passed by some commission or a rule promulgated by some officer of the Government, a criminal offense, that although one of the bills had such a provision in it originally we insisted that it go out. The Supreme Court of the United States, however, sustained such a provision in the case to which I have referred.

In the Intermountain Rate cases (234 U. S., 475), the court sustained a power delegated by Congress to the Interstate Commerce Commission to authorize a higher rate for a shorter haul despite the fact that Congress had established the principle in the act prohibiting higher rates for the short haul. In that case the rule-making power approached actually a setting aside of the principle established by Congress. That indicates the extent to which the courts have gone in sustaining such action.

Film Co. *v.* Ohio (236 U. S., 230) is an interesting case, and contains a complete review of the cases on the question of the delegation of power and of administrative power as distinguished from legislative power.

As I have said, in this bill the rules and regulations made by the commission are really not enforced until there is an opportunity for review by the courts of the validity of such rules and regulations. We felt that was essential to due process of law. I know the courts have uniformly held that judicial trials are not essential to due process of law, but we have met that question in a way that we believe safeguards it. I might insert in the RECORD, in case anyone should look at it hereafter, a few citations on that point.

Mr. WADSWORTH. Mr. President, will the Senator suffer an interruption just at that point about the matter of due process of law?

Mr. KENYON. Yes.

Mr. WADSWORTH. I hesitate a good deal to inquire about this, because I must confess to not having had any experience whatsoever in it, but I notice that on page 16, in line 18, this language occurs:

> The testimony and evidence taken or submitted before the commission, duly certified and filed as aforesaid as a part of the record, shall be considered by the court as the evidence in the case.

Then, going over to the next page, page 17, we find this language:

> No such order of the commission shall be modified or set aside by the circuit court of appeals unless it is shown by the packer or operator that the order is unsupported by evidence.

I ask the Senator if it is customary, in a procedure of this kind, to throw the burden of proof entirely upon the plaintiff, because apparently, under this language, the court itself is not permitted to accept any additional evidence.

Mr. KENYON. Let me say this: Of course, the court can send the matter back for additional evidence.

Mr. WADSWORTH. Yes.

Mr. KENYON. There is a limitation there, so that it fairly may be said that it is not a de novo trial. Now, that limitation of judicial review is in accordance with the practice as to these boards, and the Supreme Court, as to orders of the Interstate Commerce Commssion, have themselves established a rule that if there is any evidence to support the finding, that is sufficient.

Mr. WADSWORTH. Yes; but under this language the packer or operator has to prove that there is no evidence.

Mr. KENYON. No; I think not.

Mr. WADSWORTH. Let me read the language:

> Unless it is shown by the packer or operator that the order is unsupported by evidence.

Mr. KENYON. That is true, because the evidence is introduced, the order is made on that evidence; it then goes to the upper court, and there is evidence to support it. The burden would be on the packer to show that there was not sufficient evidence to support it. I think that when the court can send it back for further evidence, it obviates any such difficulty; and I want to call the Senator's attention to some cases right on that point, because I have given some thought to that question of limited judicial review and whether it should not be a complete judicial review in order to constitute due process of law.

Mr. WADSWORTH. Would this, in the Senator's judgment, constitute a limited judicial review?

Mr. KENYON. A limited judicial review; yes. I think it must fairly be said that it is, but at the same time it is due process of law. Whether it be wisdom to have a limited judicial review is, of course, another question.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Iowa yield to the Senator from Montana?

Mr. KENYON. I do.

Mr. WALSH of Montana. I think the procedure outlined here is in strict accordance with regular, orderly, judicial procedure. The review before the circuit court of appeals is in

the nature of an appeal from the order of the commission; and whenever one goes to a court of appeal asking for a reversal of the order made below, whether he is the plaintiff in the case or the defendant in the case, the appellant is obliged to show that the order made is not supported by the evidence. So that it is just exactly the same practice that obtains in courts of equity and the same practice that obtains in courts of law.

Mr. WADSWORTH. I was not informed upon that point. Will the Senator from Iowa let me ask a question of the Senator from Montana?

Mr. KENYON. Yes. I am not through answering the Senator's question yet.

Mr. WADSWORTH. I did not mean to interrupt.

Mr. KENYON. Is it another subject?

Mr. WADSWORTH. No; the same subject.

Mr. KENYON. All right; go ahead.

Mr. WADSWORTH. I was going to ask, with the permission of the Senator from Iowa, whether the Senator from Montana thought it was good policy to lodge such a power with a governmental commission, and limit the review in this way, when it is applicable only to a commercial business?

Mr. WALSH of Montana. The same limitation is made in connection with all these commissions which are empowered to enter into an inquiry of fact. The determination of the commission upon questions of fact has always been final whenever the facts are in controversy and disputed. A review can be had only when there is no evidence to sustain the finding. That is the regular course of procedure in the case of commissions and follows the practice of the courts of law.

Mr. WADSWORTH. Is this the practice pursued in connection with orders of the Federal Trade Commission?

Mr. WALSH of Montana. Exactly.

Mr. KENYON. Yes.

Mr. WALSH of Montana. And in connection with orders of the Interstate Commerce Commission as well.

Mr. WADSWORTH. Later on I should like to know what has been accomplished under it in the case of the Federal Trade Commission.

Mr. KENYON. In connection with the question of the Senator from New York, I want to say the pending packers' bill does not provide for de novo hearing by the Federal courts on appeal from the findings and orders of the proposed live-stock commission. It does provide for a review (p. 17, lines 1-7, sec. 27), but limits the grounds upon which the commission's action may be modified or set aside, to orders:

1. Unsupported by evidence;
2. Made without notice and hearing;
3. Contrary to the Constitution; and
4. Outside commission's jurisdiction.

This limitation of judicial review is in accordance with established practice in the United States courts on appeals from the Interstate Commerce Commission, as I suggested a moment ago. The Senator will find this doctrine sustained in Commission *v.* Illinois Central Railroad (215 U. S., 452), Procter & Gamble *v.* United States (225 U. S., 282), Manufacturers Co. *v.* United States (246 U. S., 257), Commission *v.* Union Pacific Railroad (222 U. S., 541).

The court said in that case—this is just a brief extract which I will read:

> In the cases thus far decided it has been settled that the orders of the commission are final unless (1) beyond the power which it could constitutionally exercise; or (2) beyond its statutory power; or (3) based upon a mistake of law. But questions of fact may be involved in the determination of questions of law, so that an order regular on its face may be set aside if it appears that (4) the rate is so low as to be confiscatory and in violation of the constitutional prohibition against taking property without due process of law; or (5) if the commission acted so arbitrarily and unjustly as to fix rates contrary to evidence or without evidence to support it; or (6) if the authority therein involved has been exercised in such an unreasonable manner as to cause it to be within the elementary rule that the substance, and not the shadow, determines the validity of the exercise of the power.

So I call the Senator's attention to that phrase, "or without evidence to support it." The Supreme Court of the United States held in these cases that if there is evidence to support it that is sufficient. The wisdom of the same is another matter and for the legislative power to determine.

> The findings of the commission are made prima facie true, and this report has ascribed to them the strength due to the judgments of a tribunal appointed by law and informed by experience. (Ill. Central *v.* I. C. C., 206 U. S., 441.) Its conclusions, of course, is subject to review, but when supported by evidence is accepted as final.

In Oregon Railroad *v.* Fairchild (224 U. S., 510) the court expressly discussed the contention that a State statute provided inadequate judicial review in that no de novo hearing in court was provided for. The statute was sustained on the ground that such de novo hearing was not essential to due process.

In the recent case of Houston *v.* St. Louis Packing Co. (249 U. S., 479) the court reviewing the cases declared that it would not review the decisions of the administrative departments made in pursuance of power to make rules and regulations unless such decisions were unsupported by evidence or beyond the jurisdiction conferred by Congress.

I remember—and I want to be perfectly fair about this—that when the Senator from Illinois [Mr. SHERMAN] was making some remarks on this bill he spoke of this very thing, and wanted to know if we had any objection to jury trials on these questions. I think I said at that time that I was very much in favor of jury trials on questions of fact. That, of course, operates as a mere delay, and unless it amounts to a denial of justice there is no necessity for jury trials as to every fact. If this is to amount to anything, I believe it is necessary to have something of this character, so that these interminable delays of juries shall not take place; but I am not averse myself to the determination by juries of questions of fact that arise, if substantial justice requires it.

While I am on this question of the law I think I will simply add this before concluding.

The bill itself is based on the interstate commerce clause of the Federal Constitution, and of course it would be useless to review the cases on that subject, because there is no other clause of the Constitution, I think, under which there have been so many decisions. There are over 1,500 cases on that subject; and from the time of Gibbons against Ogden to this day it has been held that the power of Congress to regulate commerce is absolutely free, without limitation, except that the fundamentals of the Constitution must be preserved, and its broad and universal scope has been declared again and again. Every case to a certain extent is dependent upon the particular situation and circumstances.

Mr. President, I did not intend to take anything like this amount of time. I have always been willing to concede that the section as to unrelated business was a very difficult section from the legal standpoint. We have done the best we can. It is so easy to rise and exclaim that troubles exist, great monopolies exist, and that the people who engage in these things ought to be sent to the penitentiary and that we have not the right remedy here. Perhaps we have not; but this report of the Federal Trade Commission challenged the attention of a number of Senators who had no interest whatsoever in it except the question of the public welfare, and we are trying to do the best we can. If anybody has any better remedy, there will be no pride of opinion as far as we are concerned. I can not understand the ideas that are in the heads of some people in this country that this continuous creation of monopoly, simply because it has gone on for the last 25 or 30 years, will keep going on and that the people will not find any way to regulate it.

I appreciate the force of many of the remarks which the Senator from Missouri [Mr. REED] has made. He is a keen lawyer, whose mind at once goes to the difficulties of the legal proposition. I wish he would help us solve these problems.

Mr. LENROOT. Mr. President, before the Senator concludes, I should like to ask him a question that is in my mind.

Mr. KENYON. I am not quite through, but I shall be glad to have the Senator ask his question.

Mr. LENROOT. With regard to the powers of the commission, on page 10, I should like to ask the Senator as to the intention of the committee with reference to these various restrictions—whether they are all limited by commerce.

Mr. KENYON. Yes; "commerce" is defined, as the Senator will find.

Mr. LENROOT. I understand that; but, to illustrate, the bill says:

> Sell or otherwise transfer to or for any other packer, or buy or otherwise receive from or for any other packer, any live stock or live-stock products for the purpose of apportioning the supply between any such packers—

That is not limited.

Mr. KENYON. The Senator will find that the bill gives a definition of "packers."

Mr. LENROOT. The Senator perhaps did not get my point.

Mr. KENYON. I do not get the Senator's point.

Mr. LENROOT (reading):

> Or unreasonably affecting the price of or creating a monopoly in the acquisition of buying, selling, or dealing in live stock or live-stock products in commerce.

The words "in commerce" apparently relate only to the last clause, and not to the first.

Mr. KENYON. Of course, the whole thing is based on transactions in commerce, being a regulation of commerce.

Mr. LENROOT. Yes; but my question was whether it was the intention of the committee, with reference to all of these restrictions, to restrict as to transactions in commerce?

Mr. KENYON. Yes; I think so.

Mr. LENROOT. If that has not been accomplished, the Senator desires to see it accomplished?

Mr. KENYON. It was perhaps unfortunate wording. I am not at this moment prepared to say.

I ask leave to insert in the RECORD a short editorial from Wallace's Farmer, one of the leading farm papers of the West, on the subject of this packer legislation, and I believe I will ask the Secretary to read it at the desk. It is very short, and right to the point.

The PRESIDING OFFICER. The Secretary will read as requested.

The Assistant Secretary read as follows:

PACKER LEGISLATION.

Many stockmen no doubt have been fooled by the great mass of matter which has been printed in the market papers in opposition to the legislation looking toward more control of the big packers. Stockmen should read these daily market papers with much mental reservation. As we suggested not long since, they depend for their support upon the commission men and other interests which center around the stockyards.

Now, it happens that although very little has been said about it, the packer bills which are now before the Senate committee provide for certain control of the commission men and the stockyards, as well as of the packers. Yet they are referred to all the time as if they dealt with legislation affecting the packers only. Consequently when the commission firm or the daily live-stock market papers point to the dangers of the bills it should be remembered that they themselves have a very direct personal interest. They say nothing about this. They assume to speak from a purely disinterested standpoint, and try to persuade their hearers or readers that this legislation will cripple the packers and will, therefore, greatly injure the live-stock man. Consequently they have been able to fool a great many stockmen.

Whenever there is a conflict of interest between the producer and the packer, or between the producer and the commission men, or between the producer and the stockyards companies, the live-stock market press will invariably be found on the side of the packers, or the commission men, or the stockyards, and not on the side of the producer. Their bread is buttered, not by the producer, but by these other interests, and it is human nature for them to be favorable to the people by whom they are supported.

While there are some provisions in the Kenyon bill which may seem to be rather drastic, and while some stockmen are particularly fearful of the proposal to place such great power over the packers in the hands of the Secretary of Agriculture, we do not think there is any danger that legislation will be enacted which will cripple the packers, provided it is enacted soon.

Those stockmen who are opposing this legislation are not doing the right thing by their fellow producers. If we do not get some legislation this fall or winter which will give the Government some control over the packing industry it is dead certain that such legislation will come later; and the longer it is delayed the more dangerous it is likely to be from the standpoint of the producer. It is astonishing to us that the packers themselves do not see this. They have been under fire for 30 years past, and the fire has been getting hotter all the time. They can expect nothing else than that it will continue to get hotter until remedial legislation is enacted; and we should think they would be glad to accept a fair bill which will give the Government some supervision over their operation. We should think they would welcome this way of relieving themselves of some of their responsibility.

Mr. KENYON. Mr. President, I want to say, in pointing out matters under the bill, that there will be a number of amendments proposed. The most important one will be to strike out all of section 15 except the first four lines. There will be an amendment to section 17 by adding an immunity clause. That section as it is drawn seems to some of us to be amenable to the objection that it might violate the fourth amendment to the Constitution. There will be other minor amendments, and I think it would be well if these amendments could be offered pretty soon, and then the bill reprinted with the amendments. It might save Senators some work.

Title 5 of this bill is a voluntary registration of packers and stockyards. This is an attempt to provide for an experiment in public markets. That is a portion of the bill which has been attacked a good deal, but it must be borne in mind that it is an entirely voluntary matter.

Mr. WADSWORTH. I was attracted by what the Senator said with respect to the purpose of Title 5. If it is to apply only to public markets, why does it not say so?

Mr. KENYON. I think those who had it in mind first wanted it to read so. Then the question arose, Why should not others go into it? Why should not individuals, as well as municipalities?

Mr. WADSWORTH. It applies practically to all the business of the corporations provided for in the first part of the bill.

Mr. KENYON. I think it must be a public market. Subdivision E of article 5, and one other section which I do not see just at present, seem to me to establish public markets. I have not been particularly concerned about that feature of the bill. It will be an experiment, and it might be well to have it tried. It might be limited to municipal markets.

Mr. WADSWORTH. I call the Senator's attention to the language in line 12, page 19, where it says, referring to this subject:

of conducting or operating stockyards, or slaughtering live stock, or processing, preserving, or storing live-stock products or perishable foodstuffs.

That includes all the packers.

Mr. KENYON. It may be; but they are not compelled to go into it.

Mr. WADSWORTH. I shall have something to say about that later on. Under this bill how they can keep from going into it passes my comprehension.

Mr. KENYON. That may be true. I shall be very much interested in hearing the Senator's argument on that line. It is not intended to force anybody into it, but to make it an entirely voluntary matter.

Mr. KELLOGG. Mr. President, will the Senator give his reasons for seeking to have another commission created? Why not leave it to the Federal Trade Commission? The creation of another commission means another bureau and another set of employees and offices. Can not the Federal Trade Commission attend to this matter?

Mr. KENYON. I think that is a very proper inquiry. That matter was discussed, and many members of the committee wanted it left with the Federal Trade Commission. The Federal Trade Commission seems to be swamped with its work, and this is a subject which is about as large as the question of the control regulation of the railroads. Mr. Mayer, the counsel of Armour, stated before the committee that their business was as large as the railroad business of the country, including, I assume, the intercorporate relations. So the final judgment was that it should be a separate commission, because of the magnitude of the subject. There is no other business of such magnitude in the world. I myself do not have any objection to its going to the Federal Trade Commission, and I think a great many of the members of the committee feel the same way, but if it is to amount to anything it must be carried on by those who can do the work prescribed by the bill. I do not like to increase the number of commissions. Were this not a matter of such tremendous importance to the producers of the country I would not now favor the creation of a new commission.

The testimony before the committees and taken by the Federal Trade Commission has shown the existence of a combination among the big packers running back many years. It has shown its development by discriminatory methods, unfair dealings, rebates on railroads, and the exercise of its great power to force concessions. It has built up an institution which reaches out into the banks, many of the newspapers, railroads, business of nearly every character, and apparently is reaching out for a control of the American food supply.

The Government has tried for many years to regulate it. Indictments have been secured and trials had. Injunction after injunction has been issued in the courts. Investigation after investigation by Congress, and yet nothing has been accomplished. Present laws seem insufficient or inefficient to cope with the situation.

It would seem that the packers themselves would desire to get rid of the suspicion that surrounds them among the American producers and consumers alike. A restoration of confidence in the market places would be not only helpful to the country but helpful to them—a feeling among the producers that there is no collusion in buying; that the market places are free from any agreements, open or secret, between the big packers.

Is it any wonder that such suspicion and lack of confidence exists when the records show that the packers have agreed on percentages of buying; that they have secret memoranda, code systems, secreting their names; that they have attempted to control newspapers by subsidizing them; that they have maintained a great lobby at Washington; have employed a notorious lobbyist who, according to the evidence, gave dinners and luncheons at Washington hotels to those in public life from whom information could be secured; that their activities extended even to the furnishing of a special train to great agricultural editors from Chicago to their meeting in Atlantic City; and other innumerable things and practices shown by the record?

The instances of the witnesses were rather amazing. There were some one hundred and forty-four witnesses before the Senate committee. Often it ran like this: Mr. Witness came to town. Often he did not know what the fare was from his home. He would stop at the Willard Hotel, but seldom inquire as to the rate for his room, and did not know. He would be taken to the American Meat Packers' Institute, the lobbying branch of the packers, in the Munsey Building, his testimony arranged and then handed out to the newspapers. When the aforesaid Mr. Witness appeared before the committee he generally insisted on reading this prepared statement. Sometimes it was a little embarrassing, because he would not have a chance to read it before it had been given out to the papers. Most of the witnesses claimed they were not connected with the packers. Many subsequent developments showed that many of them were. Many of them were the same as appeared

at the hearings against the Borland resolution, at which time, also, the expense of a great many of those was paid by the big packers.

Propaganda has been carried on in every direction. The testimony of Mr. Burke, who is a stockman himself, before the committee was interesting on this subject. He said, as found on page 1545, Part II:

> Then, the next step in the campaign was to get as many producers as possible. In connection with that, there was the general propaganda to deceive the public and a campaign of misrepresentation or intimidation. The vicious practices in connection with that propaganda are beyond anything the country had ever known. There has been intimidation, there has been repression, there has been everything except the truth published in regard to these bills. You have been overwhelmed, I know, with an avalanche of men who have come down here purporting to represent the live-stock industry. The producers are the principal end of the live-stock industry, and the producers you have heard here, I venture to say, do not represent the one-hundredth part of the live-stock industry.

He presented a letter from Mr. Houx, president of the Kansas City Live Stock Exchange, one of the few live-stock exchanges that has not denounced this bill. Mr. Houx's letter is as follows:

> KANSAS CITY, MO., *August 12, 1919.*
>
> Mr. E. L. BURKE,
> *Bolinas, Calif.*
>
> DEAR SIR: Your good letter to hand, and I note what you say about the Kenyon-Kendrick bill.
>
> These packers are putting on a campaign of propaganda such as was never known. They start in with the men that borrow money from the packers' bank and influence them to enter a protest against this legislation on the ground that it will hurt credits and demoralize business. They have captured a good many of the big operators of this immediate territory, but the producers of Greenwood County, Kans., passed some resolutions, which I inclose, which seems to me to be to the point.
>
> Our national exchange, headed by Mr. Brown and Mr. Heineman, are taking the lead in fighting this legislation.
>
> Mr. Brown is going to have Mr. Heineman in Washington during the hearing to round up all the people who are adverse to the Kenyon-Kendrick bill and do everything possible to defeat it.
>
> I hope, however, the common people are aroused until Congress is going to act.
>
> The live-stock exchanges seem to be fighting this legislation on the ground that they are put in the same category with the packers.
>
> Yours, very truly,
>
> KANSAS CITY LIVE STOCK EXCHANGE.
> E. W. HOUX, *President.*

Mr. KING. Mr. President, will the Senator permit an inquiry?

Mr. KENYON. Certainly.

Mr. KING. I just came into the Chamber a moment ago and I heard the statement of the Senator, as I interpret it, that substantially all the witnesses appearing before the committee testified to the effect, or at least the fact was elicited, that they came to Washington and went to the Munsey Building and thereafter gave statements which had been prepared by the packers.

Mr. KENYON. The Senator puts it broader than I would put it. I was describing the average journey of a witness from his home to Washington, taking a type. I do not say they were all of that kind, not at all. There were many splendid men here protesting against the legislation.

Mr. KING. I did not intend, and I apologize if I did, to attribute to the Senator a statement he did not make; but I have had occasion within the last day to examine very briefly a portion of the testimony which was taken before the committee which was considering the so-called Kenyon-Kendrick bill. I read one volume very hastily. There are two volumes, I understand, and I very hurriedly glanced at the second volume. In the first volume there is the testimony of a large number of men, apparently men of standing and of repute in their respective communities, men from Virginia, from Baltimore, from California, from Arizona, and from the Senator's own State, and the testimony of every one of those men in that volume, as I hurriedly glanced over the volume, indicated that they came here of their own motion; that they testified independently; that they had no relation whatever to the packers; indeed, their testimony was quite the reverse of the statement which has just been made by the Senator.

I was interested to know whether these two volumes contain the testimony which the Senator has in mind in the statement which he just made.

Mr. KENYON. The Senator keeps attributing to me a statement that I do not understand I have made. I described the course of a witness, and many of them did that very thing. I do not want for a moment to be understood that there were not men here who had no connection at all with the packers, but I do want to be understood that many witnesses came here claiming they had no connection with the packers when they had, and that many of them were sent here through agencies of the packers, and some of them were the very same witnesses who testified against the Borland resolution in the House some years ago, where their expenses were then paid by the packers. Do not understand me as saying that as to all or even a large percentage of them. Does the Senator understand how I contend my statement is?

Mr. KING. I think I understand it; and yet, if I may be pardoned for trespassing further upon the Senator's time, there was not a word in the testimony of the witnesses whose testimony I read which would indicate that they had their expenses paid by the packers or anyone else. Indeed, they were independent packers and stock growers, and there was nothing to show the slightest relationship between them and the packers to whom the bill refers.

Mr. KENYON. If the Senator will pursue his reading through the other volume, I think he will find sufficient evidence to sustain my statement.

I want to put in the RECORD from Mr. Burke a statement, on page 1551, in which he in turn refers to a statement made by Mr. Clay, who is the head, he says, of the largest stock-commission concern in the United States. In that statement, which Senators will find on page 1551 and which is significant as far as this fight is concerned, here is a man speaking, the head of one of the great live-stock commission concerns. Mr. Burke read from Mr. Clay's statement, as follows:

> Every attempt to discipline the packers while failing has reacted on the producer. Do not forget that the packer, the banker, the commission man, and the others allied with them can defend themselves, can meet the issues as they arise, but the farmers and feeders, the ranchmen and flockmasters as units can not defend themselves.

It may be that we have reached a position in this country where the packer, the banker, the commission man, and those allied with him, as Mr. Clay speaks of them, can all assemble on one side and the farmers, the ranchers, and flockmasters can be defenseless on their side.

Mr. WADSWORTH. Will the Senator yield just a moment?

Mr. KENYON. Certainly.

Mr. WADSWORTH. Does the Senator give that interpretation to Mr. Clay's testimony?

Mr. KENYON. I give it as what Mr. Burke sets out in his testimony in a statement from Mr. Clay.

Mr. WADSWORTH. Does the Senator put that interpretation upon Mr. Clay's statement?

Mr. KENYON. I am reading it just as it is. I do not see any other interpretation to be put on it, but it does seem like a foolish statement.

Mr. WADSWORTH. I think if the Senator will read it again he will see that no such interpretation can be given to it. He says the organized end of business, such as bankers and packers and commission men, can defend themselves, whereas the unorganized end of the live-stock business, the producers, are not in a position to do it. Does that mean that the bankers and packers and the live stock commission men, of whom Mr. Clay is one, are allied against the producers?

Mr. KENYON. Oh, no.

Mr. WADSWORTH. Does the Senator think Mr. Clay meant that?

Mr. KENYON. I do not know what he meant.

Mr. WADSWORTH. The Senator said just afterwards that he meant that.

Mr. KENYON. I will put it all in the RECORD so that there will be no question about it.

Mr. WADSWORTH. The commission men can not live without the producers.

Mr. KENYON. But I do think the packers have such influence with the banks, the railroads, and the great interests in this country that they can do just about what we might say under the interpretation that has been given it by Mr. Burke.

But there is no use of camouflaging about that. I have put in the RECORD here a list of the banks in which they are interested. I have put in the RECORD some of the newspapers where the record shows they contributed money to the editors and the policy of the paper then was changed. I do not for one instant hesitate to say that with their great power in these banks and the companies they control, that they have used as to the railroads on the traffic question, they can do just about what Mr. Burke says. They think they can do it, and I am not certain but what they can. But if they keep on doing it there will be a Congress here some time that will put some regulation on them that will stop it.

I do not want to be anything but fair, and I put in the RECORD pages 1551 and 1552, from which I have just read. I will put in anything further about it that the Senator from New York thinks ought to go in the RECORD instead.

The matter referred to is as follows:

> Mr. BURKE. I am not familiar with the situation in Kansas City. We have one in Omaha, and Mr. Gustafson, who is here to testify, is thoroughly familiar with the cooperative movement, and will be able to answer that very much better than I can.

I will not take your time, gentlemen, to read any more resolutions passed by exchanges. The St. Joe Live Stock Exchange also throws itself a bouquet for its high business standards and its splendid reputation as a business organization.

Senator KENYON. Who is going to throw bouquets at them if they do not do it themselves? Do you object to that?

Mr. BURKE. I think Mr. Williams, the solicitor, might throw a few at them.

I want to read, as one of the most illuminating things that I have seen from a commission man, and as showing their attitude, from a statement made by Mr. John Clay, who is the head of probably the largest live-stock commission concern in the United States. Mr. Clay is a man who is doing business at Chicago, St. Louis, Omaha, Denver, Kansas City, St. Paul, Buffalo, St. Joseph, Fort Worth, Sioux City, and El Paso. They not only do a tremendous live-stock commission business, but they are also bankers. John Clay & Co. are private bankers who loan immense amounts of money to stockmen. They are probably the largest lenders of money, as commission men, in the United States, besides doing this very large commission business. Mr. Clay does not often come out in his weekly report and discuss legislative matters. In fact, in the beginning he rather apologized for it. He says that ordinarily they keep out of these matters, but under the present circumstances this bill is so drastic and one-sided that it deserves the attention of farmers and ranchmen, and so he takes his pen in hand and writes—and he is quite a writer, too.

The CHAIRMAN. Is that the same Clay that is associated with Clay, Robinson & Co., of St. Paul?

Mr. BURKE. Yes, sir; this is the founder of that business. He says: "In this line we have the marvelous proposal made of placing a $10,000-a-year man to control, guide, and harass the greatest and most technical industry of this country. It is not the packer alone. You must go deeper. If sauce is good for the goose, it is good for the gander. If the packer has to be disciplined, it is reasonable that the farmer should be treated in a similar way. You must go to the logical end of the road. If you restrict others in their business, why not all? We all live under the same flag. We are certainly entitled to the same amount of justice, the same free field for our talents, our industry, our self-denial and achievements."

Now, gentlemen, the argument is this: If you catch and hang a horse thief, the next thing to do is to go to the owner of the horse and hang him.

I quote again from Mr. Clay:

"Admit the principle of those bills and you stop to a greater or less degree initiative. You hamper individual effort. You stop the work of commercial conquest. The pioneer is relegated to the distant past. The same paralysis that crept slowly over our railroad, telegraph, and telephone services under Government control will appear in our live-stock industry. It will go from packing house to ranch. It will become moribund. The progressive spirit will lose its energy, its aggressive methods. Are we to go back to the old days of the country butcher, with his insanitary killing house, his wasteful methods?

"Every attempt to discipline the packers, while failing, has reacted on the producer. Do not forget that the packer, the banker, the commission man, and the others allied with them can defend themselves, can meet the issues as they arise; but the farmers and feeders, the ranchmen and flockmasters as units can not defend themselves."

The packer, the banker, the commission man, and the others allied with them—there is the unholy combination—and Mr. Clay does not make any bones of admitting that they are on one side while the farmers and the ranchmen are defenseless. If that is the case, gentlemen, is it not about time that somebody was protecting the defenseless farmer and the ranchman?

Mr. KENYON. I also put in the RECORD from Mr. Burke's testimony concerning how one original supporter of the bill seems to have been lost. I read from page 1558:

One man—one of the vice presidents of our association—has come out in an open letter to Senator SMOOT, in which he opposes the legislation. His name is Mr. M. K. Parsons. He is an old-time stock man, lives at Salt Lake City, and his attitude in the matter is rather hard to explain until you run the matter down and find that his son is the general manager and vice president of the stockyards at Salt Lake City, and the Cudaby people are, I think, the only packers there, and I think they control and own the stockyards at Salt Lake City.

Then I put in the RECORD, too, on this subject the invitation extended to Mr. Burke by the American Meat Packers' Institute to join the special train to their meeting at Atlantic City:

THE INSTITUTE OF THE AMERICAN MEAT PACKERS,
Chicago, August 22, 1919.

Mr. E. L. BURKE,
Omaha, Nebr.

MY DEAR SIR: Will you please consider this letter an invitation for you to attend our forthcoming convention at Atlantic City, September 15, 16, and 17, as a guest of this organization?

As you may have heard, the American Meat Packers' Association recently changed its name to the Institute of American Meat Packers, at the same time transferring its headquarters from New York to Chicago. The convention to which you are invited is the annual meeting of the organization and will be of more than passing importance.

We will appreciate an immediate reply to this letter of invitation. Also, please bear in mind that, if your plans permit, we want you to make the trip from Chicago to Atlantic City on our special train, which will leave Chicago Saturday, September 13, at about 1 p. m.

Hoping to hear from you,

R. G. GOULD, *Secretary.*

Then I want to put in the RECORD also pages 1559 and 1560, one or two suggestions, one from Mr. Hoover, from his statement regarding the packers:

I scarcely need to repeat the views—

He says—

that I expressed to you nearly a year ago, that there is here a growing and dangerous domination of the handling of the Nation's foodstuffs.

Referring to the packers Mr. Hoover says:

Their hold of the meat and many other trades has become so large through the vast equipment of slaughterhouses, cars, and distributing branches and banking alliances which each of the five controls that it is practically inconceivable that any two firms can rise to their class, and in any event even sharp competition between the two can only tend to reduce the number of five and not increase it.

It is certain, to my mind, that these businesses have been economically efficient in their period of competitive upgrowth, but as time goes on this efficiency can not fail to diminish, and, like all monopolies, begin to defeat itself by repression rather than efficiency. The worst social result of this whole growth in domination of trades is the undermining of the initiative and the equal opportunity of our people and the tyranny which necessarily follows in the commercial world.

Mr. Hoover did not hesitate to speak of the combination of packers and bankers.

I wish to put in the RECORD also, as part of my remarks, a letter to the Senator from Texas [Mr. SHEPPARD], which was introduced in testimony from a farmer and ranchmen in the State of Texas, showing the propaganda carried on in that State against these measures.

The matter referred to is as follows:

UNITED STATES SENATE,
COMMITTEE ON POST OFFICES AND POST ROADS,
August 26, 1919.

Mr. W. J. MICKEL,
153 Franklin Avenue, Oshkosh, Wis.

DEAR SIR: I have your courteous favor of the 23d, calling my attention to the information which you possess, relative to practices indulged by the big packers.

These concerns are now being investigated by committees of Congress, and I wish you would get in touch immediately with Senator Asle J. Gronna, who is the chairman of the Senate Committee on Agriculture. Tell him what you know and what you could testify to. It is important that you should attend to this matter at once.

Sincerely, yours,

CHARLES E. TOWNSEND.

—

COMMITTEE ON REVOLUTIONARY CLAIMS,
August 29, 1919.

MY DEAR SENATOR: I inclose herewith for the consideration of yourself and other members of the Agricultural Committee a letter from Mr. V. O. Hildreth, of Aledo, Tex., and a marked copy of the Fort Worth Record.

Yours, very truly,

MORRIS SHEPPARD.

Senator A. J. GRONNA, *Washington.*

—

ALEDO, TEX., *August 26, 1919.*

Hon. MORRIS SHEPPARD, *Washington, D. C.*

MY DEAR SENATOR: I greatly appreciate the excellent service you are rendering the country at the present time, as well as what you have done in the past. May I write a few lines in confirmation of deductions at which you have already arrived.

In the first place, much is being said about the hurtful effects of the packer agitation. The packers have nobody but themselves to blame for this agitation. Their heartless acts of greed have become so glaring that he who runs must read.

So far as the feeders of cattle were concerned, things were moving along very serenely, and had been for a year or more, until the latter half of May last the packer began to lower the price of fat cattle which we prepare at an unprecedented cost. In the space of about three weeks values of fat steers were reduced by the packers to the extent of nearly $5 per hundred, where the manufactured beef was commanding, like other commodities, the highest prices in the history of our country. Cattle feeders in many instances were losing from $40 to $60 or more per head. Many of the feeders had used large quantities of cottonseed cake, for which they paid those same packers unprecedented prices. The outlook to the feeders was exceedingly dark, and had the people followed the advice of the packers and their allies and remained quiet there is no telling where the calamity would have ended. When the lowest prices were being paid, just preceding the alarm that went up from all parts of the country warning people against the doings of the packers, the packer buyers at Fort Worth, and, no doubt, at other markets, were daily, if not oftener, receiving telegrams from Chicago packer headquarters ordering the packer boys to buy cattle lower. Immediately after this sudden and thunderous alarm went up from the people the packer boys were advised that it might be a wiser policy not to completely fleece the feeder. When the market went wrong, do you know, these fellows tried to persuade the feeders and others that Wilson had done it.

As to the commission men, I would remind you that they are the tenants and dependents of the packer. Should they have the temerity to take issue with the packer, then buyers could be instructed to give the crumbs to such commission firm. Cattle feeders would discover the firm's inability to get the prices and hunt other salesmen. Then I am informed that some of the commission houses use packer money to finance much of their cattle operations.

I would say that many of these commission men, in fact all of them perhaps, are likeable men, but there are no statesmen in their ranks that anyone knows.

If you will allow me to suggest, I should be careful to not make regulations too drastic to begin with. I do not think they should own the stockyards, because one set of packers are liable to keep other packers out and thus to some extent lessen the little competition that exists. I have heard that other packers wish to come to Fort Worth, but they are kept away by Armour and Swift, who own and control the yards and other facilities. I got this from good authority. But I am not sure but what the packers should be allowed to retain their refrigerator cars. Take the cars from them and they might have an excuse to connive with the railroads, which they to a larger extent than many suspect already control, and fail to move their beef promptly. The packers might take losses for a while and do a great many things of an obstructive character in the hope of finally winning out. Every intelligent cattleman and citizen desires that the packers make just profits, but at the same time they to some extent realize the blighting effects of monopoly that are too numerous to mention. Possibly by the use of an efficient detective system much of such rebellion might be prevented. My idea is that the regulations should be of an enforceable character and so sound and reasonable as not to call for future mollification.

With best wishes, I am, yours,

V. O. HILDRETH.

Mr. KENYON. In the testimony of Mr. Pugsley, of Nebraska, before the committee, he referred to the same propaganda and introduced a letter from Mr. Graham, president of the Western Nebraska Live Stock Association. He says this—and I want to read it, because it refers particularly to the Senator from Wyoming [Mr. KENDRICK], who has been diligent in this legislation and who has suffered the usual abuse that comes to a man who stands for this kind of legislation. This president of the Western Nebraska Live Stock Association says, after speaking of the sentiment on the bills, and so forth:

I am unqualifiedly in favor of the Kendrick-Kenyon bill, and put more faith in the honest efforts of JOHN KENDRICK than in all the propaganda put out by the packers and their satellites. Senator KENDRICK'S vision extends into the future, and it will only be a short time until the packers will have such a strangle hold on the live-stock industry that no remedial legislation can relieve. Some say let them go, the higher they climb the harder they will fall; that would be all right if in falling they did not carry the whole industry along with them.

I hope that my colleague will not object to the bouquet I am throwing him. He has had enough brickbats in this matter.

So it goes. The same old tactics are carried out with the tremendous power that comes from unlimited funds to deceive and fool the American people. They tried it in the days of Theodore Roosevelt. He was sneered at, abused, vilified through the influence of packer money because he tried to secure fair meat inspection so that the people would not be compelled, when they were robbed, to at least be robbed for rotten meat.

Has the public no right to be concerned with the great power that the packers have developed in the meat and food industries; their ramifications; their influence; their interrelations with banks and all other lines of business; their power to secure great credit; their power to crush all rivals; and to exercise combination over all the important foods of the country? Not only that, but a reaching out for an international control of meat products with foreign companies.

The attorney of one of the packers before the committee admitted frankly—and he was a frank man and, I think, tried to be helpful to the committee, Mr. Meyer—that their business was greater than the business of the railroads. It can not longer be said to be a private business. It is the same fight that was made to control the railroads.

The same arguments were then used that are being used now. Let business alone; do not shackle industry. That fight went on for 20 years, and it may be that this one will continue equally as long; but in the end there will only be one result—the people of the country will not permit their food supply to be dominated by a few men or a few corporations, and this fight will go on until such a condition is rendered impossible.

The men who are fighting this measure had better realize that legislation which may seem radical now, when the people once become aroused will seem rather conservative in comparison with the legislation which will then be enacted. This bill, however, is not a radical bill.

One organization here in the city is fighting the bill because it is not radical enough. So we hear on the one side that we are not going far enough, and on the other that we are trying to destroy business, but the issue is whether this control over the food supply of this Nation is to be exercised by a combination of five packers or whether it is to be regulated by the Government.

I know of the objections that will be raised, of course. It will be said that there is an earnest desire to help the people, but the sad situation is that the Constitution prevents us helping them.

The commission reached the conclusions enunciated in Part I, pages 389 to 391. I am not going to read them, but I insert them as a part of my remarks in the RECORD.

The extract referred to is as follows:

[Federal Trade Commission Report, Part I, pp. 389–391.]

CHAPTER IX. CONCLUSIONS.

The great power of the five packers in the meat, by-product, and food industries, the history of their growth, the ramifications of their control and influence, their interrelations, and the corporate machinery through which they work are matters that command public attention.

A fair consideration of the course the five packers have followed and the position they have already reached must lead to the conclusion that they threaten the freedom of the market of the country's food industries and of the by-product industries linked therewith. They constitute a force operating with increasing power in the direction of monopoly of an important part of the country's necessities.

An approaching packer domination of all important foods in this country and an international control of meat products with foreign companies seems a certainty unless fundamental action is taken to prevent it. The meat-packer control of other foods will not require long in developing. However rapid the acquisition of slaughtering plants and stockyards, private car lines and systems of branch houses has been, it can not be compared with the rapidity with which the big packers, now possessed of an unrivaled organism for controlling distribution, can make themselves dominant in other fields of the food industry.

It has been shown that in 1917 Armour & Co. as an incident to its business of the year, from handling practically no rice became the greatest rice merchant in the world; and that in the same year it made an increase of $9,500,000 in its sales of canned goods, this increase being more than one and a half times as great as the total sales of canned goods by two of the largest independent wholesalers in the country, concerns which have built up their trade in the course of a long period of business enterprise.

The history of the packers' growth in power is interwoven with illegal combinations, rebates, and with undisclosed control of corporations. As to the devices for secret control—whether used by the packers or by others—there does not exist adequate law. Present law does not reach the "bearer warrant" device found in the case of the Chicago Stock Yards Co. of Maine or the much used dummy stockholder device illustrated in the Kansas City Stock Yards Co. and the Chicago Bearing Metal Co. Public interest suffers by secrecy of ownership. The true ownership should be open, ascertainable without need of searching investigation by governmental agencies.

The competitor is in jeopardy so long as he has not the knowledge of true ownership, and the public is entitled to such knowledge. Unfair methods of competition are now made unlawful by the Federal Trade Commission act, and among such methods the maintenance of bogus competitors is one, but in the absence of law preventing secrecy of ownership unfair competition may run its course to the goal of monopoly and accomplish the ruin of competitors without the secret ownership being suspected and consequently without complaint to the commission or investigation of the facts.

A customer or consumer is also entitled to know, it would seem, what owners are behind a company that solicits public patronage of its goods or service. A man who consciously desires not to patronize a given company should not be put in the position of subsequently finding that he has unconsciously been purchasing from the same interests under a different name.

The theory of the chartering of corporations by the State involves a certain degree of supervision and regulation of the corporation, one customary requirement being that the incorporators of the company shall be named. It is still more important that the supervising power should know the ownership that directs the policy of a company in its active life.

Investors and minority stockholders, in fairness, should know the real control of the corporations in which they propose to place or have placed their money; and conversely majority stockholders when outsiders buy into a company should know who it is that has become a stockholder.

It is of especial importance, publicly, that ownership should be open in order to prevent evasion of surtaxes on income. Income returned in the name of a dummy if taxed on the basis of the dummy's income in practice pays a less rate than if it were taxed to the true owner.

Mr. KENYON. Beyond any question of doubt, under this record, the great packers of the country constitute a monopoly practically controlling an essential food product that the people must have in order to live. We are told that there is no way to be found to regulate this monopoly; that the thing is to let it alone; that we must not touch business; that the problem will work itself out. If the fact of monopoly and combination be established—and I base my whole argument on that; that it is a combination and monopoly—and yet people are to be told that no way can be found by the Government to regulate it; that we are powerless under constitutional limitations; then the people may well inquire whether or not the Government is a success or a failure. However, I do not believe we are violating, and my reverence for the Constitution is such that I would not urge violating, the Constitution. We are not doing that; we are providing a commission under the law and limiting it so that there can be no question of due process of law.

Mr. President, I have taken too much time of the Senate and will not now discuss the question any further.

Mr. SMOOT. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 20 minutes p. m.) the Senate adjourned until to-morrow, Thursday, December 9, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 8, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou great Father soul, above all, through all, in us all, whose laws are inexorable, whose mercy endureth forever, we bless Thee for life, its opportunities for intellectual, moral, and spiritual attainments, who presideth over the destiny of men and of nations, we thank Thee for our Government—a precious heritage handed down by our fathers, its Constitution which has served us for a hundred and thirty-two years and made us strong and great, its Star-Spangled Banner whose majestic folds afford protection to every American citizen. Make us wise and strong and pure that we may go forward with undaunted courage to the larger life in Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

MINORITY VIEWS ON IMMIGRATION BILL.

Mr. SABATH. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. SABATH. To make a unanimous-consent request. Yesterday the House granted unanimous consent for two days

in which to file minority views on the immigration bill. I ask unanimous consent to have the right up to 12 o'clock to file that report.

The SPEAKER. Twelve o'clock when?

Mr. SABATH. To-night.

The SPEAKER. The gentleman has two days.

Mr. JOHNSON of Washington. If the Speaker will permit, the gentleman asks permission to file his minority report to-day.

The SPEAKER. The gentleman from Illinois asks unanimous consent that he may file his minority views up to 12 o'clock to-night on the immigration bill.

Mr. SABATH. That would also include the request of the gentleman from New York [Mr. SIEGEL].

Mr. BLANTON. Mr. Speaker, reserving the right to object, would that delay the consideration of the bill to-morrow?

The SPEAKER. It would not.

Mr. SIEGEL. It would not delay consideration.

Mr. SABATH. It would not.

There was no objection.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed the following resolution, in which the concurrence of the House of Representatives was requested:

Senate concurrent resolution 34.

Resolved by the Senate (the House of Representatives concurring), That a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next.

LEAVE TO PRINT TELEGRAM.

Mr. JONES of Texas. Mr. Speaker, I ask unanimous consent to have printed in the RECORD a telegram showing a resolution which was passed at a mass meeting of the farmers in my district in regard to the deflation of the currency.

The SPEAKER. The gentleman from Texas asks unanimous consent to insert in the RECORD the telegram as indicated. Is there objection?

Mr. WALSH. Mr. Speaker, I shall have to object. It is too early in the session to begin to insert telegrams.

MINORITY MEMBERS OF COMMITTEE ON APPROPRIATIONS.

Mr. HENRY T. RAINEY. Mr. Speaker——

The SPEAKER. For what purpose does the gentleman rise?

Mr. HENRY T. RAINEY. To present the list of the minority members of the Committee on Appropriations agreed to and by the direction of the Democratic caucus. Their names are presented in the order they will rank. I move their election.

The SPEAKER. The gentleman from Illinois, by direction of the Democratic caucus, presents a list of the minority members of the Committee on Appropriations, which the Clerk will report.

The Clerk read as follows:

JOSEPH W. BYRNS, of Tennessee; THOMAS U. SISSON, of Mississippi; JAMES MCANDREWS, of Illinois; JOHN M. EVANS, of Montana; JOHN J. EAGAN, of New Jersey; JAMES P. BUCHANAN, of Texas; JAMES A. GALLIVAN, of Massachusetts; JAMES F. BYRNES, of South Carolina; JOHN H. SMALL, of North Carolina; S. HUBERT DENT, of Alabama; THOMAS L. RUBEY, of Missouri; EDWARD E. HOLLAND, of Virginia; WILLIAM W. HASTINGS, of Oklahoma; WILLIAM A. AYRES, of Kansas; and THOMAS F. SMITH, of New York.

Mr. GARD. Mr. Speaker, is it the intention to have these men serve in the rank in which their names were read?

Mr. HENRY T. RAINEY. Yes. I so stated.

The SPEAKER. Without objection, the Members will be elected.

There was no objection.

CALENDAR WEDNESDAY—MERCHANT MARINE MEDAL ACT.

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the roll of committees.

The Clerk proceeded with the call of the committees.

Mr. GREENE of Massachusetts (when the Committee on the Merchant Marine and Fisheries was called). Mr. Speaker, I call up the bill H. R. 13264.

The SPEAKER. The gentleman from Massachusetts [Mr. GREENE] calls up from the Committee on the Merchant Marine and Fisheries the bill H. R. 13264. This bill is on the Union Calendar, and the gentleman from Kansas [Mr. CAMPBELL] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13264, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13264, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13264) to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

The CHAIRMAN. The Clerk will report the bill.

Mr. GREENE of Massachusetts. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. DYER. Mr. Chairman, it is a very short bill and should be read.

The CHAIRMAN. Objection is heard, and the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to present, but not in the name of Congress, a medal of merit of appropriate design with a bar and ribbon, together with a rosette or other device to be worn in lieu thereof, to any person in the merchant marine of the United States who since the 6th day of April, 1917, has distinguished himself by extraordinary heroism or distinguished service in the line of his profession or by exceptionally meritorious service to the Government.

SEC. 2. That no more than one medal of merit shall be issued to any one person, but for each succeeding deed or service sufficient to justify the award of a medal, the President may award a suitable bar or other suitable emblem or insignia to be worn with the decoration and the corresponding rosette or other device.

SEC. 3. That, except as otherwise prescribed herein, no medal or bar or suitable emblem or insignia in lieu of said medal shall be issued to any person after more than five years from the date of the act or service justifying the award thereof, unless a specific statement or report distinctly setting forth the act or distinguished service and suggesting or recommending official recognition thereof shall have been made and substantiated at the time of the act or service or within five years thereafter.

SEC. 4. That in case an individual who shall distinguish himself dies before the making of the award to which he may be entitled, the award nevertheless may be made and the medal or bar or other emblem or insignia presented within five years from the date of the act or service justifying the award thereof to such representative of the deceased as the President may designate.

SEC. 5. That the President be, and he hereby is, authorized to delegate, under such conditions, regulations, and limitations as he shall prescribe, to a board of three persons appointed by and under the direction of the Secretary of Commerce, the powers of making investigation and recommendation to the Secretary of Commerce of those entitled to a medal of merit as provided by this act. And the President is further authorized to make from time to time any and all rules, regulations, and orders which he shall deem necessary to carry into effect the provisions of this act and to execute the full purpose and intention thereof.

The CHAIRMAN. The gentleman from Massachusetts [Mr. GREENE] is recognized.

Mr. GREENE of Massachusetts. Mr. Chairman, I yield my time on this bill to my colleague from Illinois [Mr. CHINDBLOM].

The CHAIRMAN. The gentleman from Illinois is recognized for one hour.

Mr. CHINDBLOM. Mr. Chairman, I do not believe this bill will require much discussion. It was sent to the Committee on the Merchant Marine and Fisheries by the present Secretary of Commerce, a former Member of this House, the Hon. J. W. Alexander. The preliminary work with reference to the bill was made by a committee or commission appointed by his predecessor as Secretary of Commerce.

During the war with Germany one of the branches of our Government which contributed very largely to our success and ultimate victory was the merchant marine of the United States. It will be remembered that during the war the merchant marine of the country was an arm, or a branch, of the Federal Government. Not only the enormous fleet which was built by the Government directly through the Shipping Board, but a large number of privately owned vessels which were commandeered by the Government for use in the war, served the very essential purpose of carrying our men, our arms, our munitions, and our supplies of every kind to the other side. It was a service that not only involved much labor and much attention on the part of those engaged in it, but it actually did involve considerable danger and resulted in some loss of life. The ships of the merchant marine were, of course, subject to attack by German submarines. We remember how anxious the Government was to secure ships for its use during the early days of the war. Practically all of those who took part in the war in service which involved danger and sacrifice have received some sort of recognition from the Government. Such recognition is being given daily now in the award of medals or other insignia demonstrating the appreciation of the Nation of the service rendered by the representatives of our country.

Mr. GREEN of Iowa. Mr. Chairman, will my friend yield to me for a moment?

Mr. CHINDBLOM. I will.

Mr. GREEN of Iowa. I do not think I have any opposition to this bill, but I suppose the gentleman understands that there are thousands of those who were recommended for distinguished service on the field of battle who never have received any insignia

or medal, nor have the recommendations ever been carried out. That is especially true of those who belong to the National Guard.

Mr. CHINDBLOM. I have no doubt, in fact I am aware, that the situation exists to which the gentleman refers, and I think all of us regret that the Government has been tardy or slow in recognizing the men who have distinguished themselves by special service to the Government during the war. But I conceive that that is no reason why we should fail to pass legislation giving the executive or administrative branch of the Government the authority to recognize such service in the merchant marine.

This bill is not intended to grant such recognition or such medals to every man who participated in the merchant marine service; only to those who distinguished themselves by extraordinary heroism or by exceptionally meritorious service to the Government.

I will call attention briefly to the provisions of the bill. The first section provides—

That the President of the United States be, and he is hereby, authorized to present, but not in the name of Congress, a medal of merit of appropriate design with a bar and ribbon, together with a rosette or other device to be worn in lieu thereof, to any person in the merchant marine of the United States who since the 6th day of April, 1917—

That is, since our entry into the war—

has distinguished himself by extraordinary heroism or distinguished service in the line of his profession or by exceptionally meritorious service to the Government.

Section 2 provides that not more than one such medal be given to any person, but that an additional bar or some other suitable emblem may be worn with the medal given to those who have distinguished themselves on more than one occasion.

Section 3 provides that the medal must be awarded within a period of five years from the date of the service, unless the application has been presented and suitable foundation laid for receiving the medal within the period of five years.

Section 4 provides that if the person entitled to such recognition has deceased, the President may designate some other person, for instance, some member of his family, to receive the medal.

Section 5 provides that the President is authorized to delegate to a board of three persons appointed by him and under the direction of the Secretary of Commerce, the power of making investigation and recommendation to the Secretary of Commerce of those who are entitled to a medal of merit under the provisions of this act, and, further, that the President is authorized to establish rules and regulations for that purpose.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

The CHAIRMAN (Mr. KNUTSON). Does the gentleman yield?

Mr. CHINDBLOM. I do.

Mr. WALSH. What is contemplated as the merchant marine of the United States under this bill?

Mr. CHINDBLOM. The merchant marine which was under the control of the United States during the war.

Mr. WALSH. What does that include—simply cargo and passenger carrying vessels?

Mr. CHINDBLOM. I do not believe I understand the question.

Mr. WALSH. Is not that limited to passenger and cargo carrying vessels?

Mr. CHINDBLOM. It is intended for those who served on those vessels which were used in the war for carrying men, munitions, and supplies for the war, and, of course, for bringing the soldiers back from France as well as taking them over to France during the war.

Mr. WALSH. Well, there may have been many deeds of heroism performed by fishing vessels that have come to the aid of persons who have been attacked upon the high seas, or naval aviators, rescuing them from death by drowning. They would not be included within the terms of this bill, as I understand.

Mr. CHINDBLOM. Not unless those vessels were in the service of the merchant marine of the United States.

Mr. WALSH. What I am trying to get at is what is the merchant marine of the United States under the provisions of this bill? What is the merchant marine of the United States?

Mr. CHINDBLOM. This bill relates only to the merchant marine of the United States which was engaged in matters pertaining to the prosecution of the war.

Mr. WALSH. I do not see that language expressed in the measure.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman permit me to attempt to answer the question?

Mr. CHINDBLOM. I will yield gladly to the gentleman from Texas.

Mr. HARDY of Texas. I do not think there is any question that under our laws every ship that is registered or documented under our United States registry is included under the American merchant marine, whether in the employ of the American Government or run and operated by some American citizen under American registry.

Mr. WALSH. I so understand; but the gentleman from Illinois says this is limited to that part of the merchant marine that was engaged in war activities.

Mr. HARDY of Texas. If the gentleman will pardon me, I think it applies to every man who was in the merchant marine and performed meritorious service and heroic deeds.

Mr. CHINDBLOM. Mr. Chairman, I said at the beginning of my remarks that this bill had its inception in the Department of Commerce. You will find in the committee report accompanying the bill a letter from the Secretary of Commerce, dated March 17, 1920, in which he states that he had caused the bill to be drafted and forwarded to the chairman of the Committee on the Merchant Marine and Fisheries of the House, and with his letter he inclosed a report of the committee which had been appointed by his predecessor. This report is dated March 16, 1920, and is addressed to the Secretary of Commerce, and reads in part as follows:

DEPARTMENT OF COMMERCE,
BUREAU OF NAVIGATION,
Washington, March 16, 1920.

The SECRETARY OF COMMERCE,
Washington, D. C.

SIR: The committee appointed by you to examine into the subject of suitable recognition of heroic and meritorious service on the part of the merchant marine of the United States has the honor to recommend:

First. That official recognition should be made of meritorious service performed by the personnel of the merchant marine of the United States during the World War.

Second. That only one medal, preferably designated as the medal of merit, be awarded without regard to class or service.

Third. That this medal be awarded only for extraordinary heroism or distinguished service in the line of his profession or for exceptionally meritorious service to the country.

I will not read the balance of that report. Every Member of the House can get that report and read it. But I will say for myself that while I wrote the report upon the request of the chairman of the committee, and while the language of the bill may be broader than I contemplated it to be or believed it to be, it certainly was my understanding and purpose that the bill was to be limited to service in the World War.

Mr. WALSH. Will the gentleman yield further?

Mr. CHINDBLOM. Yes.

Mr. WALSH. Has the gentleman any information upon which this estimate of $15,000 as a total cost of this measure is based?

Mr. CHINDBLOM. That estimate was made by the Secretary of Commerce.

Mr. WALSH. Does the gentleman know upon what it is based?

Mr. CHINDBLOM. I do not; and I do not know what computations were made in the office of the Secretary of Commerce upon which he stated to the committee that the approximate cost might be $15,000. I will say that the sum of $15,000 was the maximum, in the opinion of the Secretary of Commerce.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. CHINDBLOM. I yield to the gentleman from Iowa.

Mr. DOWELL. As I understand the provisions of the bill, this also includes those who have not been recommended for distinguished service.

Mr. CHINDBLOM. No one has been recommended yet.

Mr. DOWELL. This bill provides for a commission to make an investigation of this whole subject, does it not?

Mr. CHINDBLOM. For an investigation of those entitled to the medal.

Mr. DOWELL. Yes. Now, has the Committee on the Merchant Marine and Fisheries made an estimate of the cost of that investigation, and an inquiry as to the character of the investigation, to ascertain those who are entitled to this meritorious recognition? Under the provisions of this bill, is not that unlimited, because the commission will be appointed, and no restrictions are provided with reference to the character of the investigation?

Mr. CHINDBLOM. The report of the committee appointed by Secretary Redfield states that the estimated cost of medals, bars, ribbons, rosettes, and so forth, is $5,000, and the necessary expense for proper award is $10,000, so that in the opinion of the department all of the necessary work, outside of procuring the medals, bars, and ribbons themselves, will cost not to exceed $10,000, and the medals, ribbons, and so forth, $5,000.

Now, how much money can or will be expended for this purpose will, of course, depend on the Committee on Appropriations. If no appropriation is made, the work will never be done.

Mr. DOWELL. And of course if any awards at all are made, they should be made to all those entitled to receive them.

Mr. CHINDBLOM. Certainly.

Mr. DOWELL. There should be no awards unless they are made to all who are entitled to them.

Mr. CHINDBLOM. Certainly.

Mr. DOWELL. Now, under this provision, as I understand it, as these men have already been discharged from the service, and are scattered all over the United States, it will require a considerable investigation to ascertain those who are entitled to recognition under this bill. In other words, unless some report has been made, or unless it is intended that an entire investigation is to be made of all the acts of the sailors of our merchant marine during the entire period covered by this bill, how is this commission to ascertain and secure the facts, in view of the fact that these men have been scattered all over the United States?

Mr. CHINDBLOM. Some of these men may have been discharged from the service. A large number of them have not been discharged, but there is some kind of a record of the work of the merchant marine in the files of the Shipping Board. Of course, I know that it has been recently disclosed that some of the records in the Shipping Board are not in very good shape, but in so far as these cases of extraordinary heroism and unusually meritorious service are concerned, the Shipping Board and the Department of Commerce believe that they will not have any very great difficulty in finding the men who are entitled to these awards. In fact, applications and suggestions have already been made with reference to men who believe themselves or whose friends believe them entitled to recognition for service in the merchant marine. The gentleman will readily understand how that has come about.

Mr. DOWELL. What I was trying to develop was the method by which this information was to be obtained.

Mr. HARDY of Texas. If the gentleman will allow me, I do not know whether I am right about it or not, but I apprehend that the Government officials under this law will not go out hunting for subjects for ornamentation or recommendation, but that the friends of the men, and those acquainted with the facts, will make application, as stated by the gentleman from Illinois [Mr. CHINDBLOM], and then this commission will investigate the merits of the application and will determine whether the applicant performed such distinguished service as entitles him to recognition under this law.

Mr. DOWELL. I was trying to get at the method by which all who are entitled to recognition could receive it, and no one be overlooked.

Mr. HARDY of Texas. I think there will be no effort made to find anyone, but only an effort to determine the merits of the applications which are made.

Mr. LANHAM. Will the gentleman yield?

Mr. CHINDBLOM. I yield to the gentleman.

Mr. LANHAM. What part, if any, of the estimated cost of $15,000 is to be paid for the design to be used for the medal?

Mr. CHINDBLOM. That is a detail of the carrying out of the purposes of the bill which it will naturally be for the Department of Commerce to administer. Our committee did not attempt to ascertain or determine particularly as to that, since we are not an appropriating committee. Our committee reached the conclusion that it is fitting and proper that the men who rendered these services in the merchant marine during the war should receive recognition similar to that received by men in the military and naval services of the United States.

Mr. LANHAM. To whose discretion would the limitation of that amount be left?

Mr. CHINDBLOM. I apprehend that the Committee on Appropriations will call before them the proper representatives of the Department of Commerce and will determine how much should be expended.

Mr. JONES of Texas. Will the gentleman yield?

Mr. CHINDBLOM. I will.

Mr. JONES of Texas. I notice that the bill provides that these awards may be made to anyone since April 6, 1917. Does not the gentleman think it should be limited to the period between April 6, 1917, and November 11, 1918, during the period of hostilities?

Mr. CHINDBLOM. Not necessarily, because in the return of the soldiers from the other side, even subsequent to the armistice, there were some dangers involved in bringing back our forces.

Mr. JONES of Texas. Does not the gentleman think there may be more reason for the award of medals since the suspension of hostilities than before April 6, 1917?

Mr. CHINDBLOM. Except that it is the purpose to limit the recognition to services which grew out of the war and pertained to the war.

Mr. JONES of Texas. But there were no extraordinary dangers since November 11, 1918.

Mr. CHINDBLOM. I am not sure; there may have been some vessels in the merchant-marine fleet which returned soldiers which might have run into a floating mine. They might have incurred some danger as the direct result of the war.

Mr. JONES of Texas. As a matter of fact, there was no vessel sunk after the armistice.

Mr. CHINDBLOM. The gentleman from Texas may know about that; I am not certain of it.

Mr. MANN of Illinois. Will my colleague yield for a question?

Mr. CHINDBLOM. Certainly.

Mr. MANN of Illinois. Under the language of the bill, would not these medals be authorized to be granted to anyone, at least down to the present date?

Mr. CHINDBLOM. I think so, under the language of the bill.

Mr. MANN of Illinois. As a matter of fact, if this becomes a law in this language, would not it be applicable to the future?

Mr. CHINDBLOM. No; because it is limited to five years' time.

Mr. MANN of Illinois. No; five years after the application. This is a meritorious service performed for the Government any time after April 6, 1917, with no limitation on the other end of the time.

Mr. CHINDBLOM. If the bill is susceptible of that construction it should be amended.

Mr. MANN of Illinois. It seems to me that it is not only susceptible of that construction, but I have not the slightest doubt that if it becomes a law and passes out of the control of the legislative body it will be so construed by the department.

Mr. HARDY of Texas. Will the gentleman from Illinois permit me? I concur in the gentleman's construction of the language, but is there any reason why, under proper restrictions, a man who performs a heroic deed or distinguished service to the Government of the United States in the merchant marine might not in the discretion of the President be awarded a medal without coming to Congress under a general or special law?

Mr. MANN of Illinois. I do not undertake to say; I will not answer the gentleman's question; but I do not think it is desirable to enact legislation on the ground of taking care of men who performed distinguished services during the war and then make it applicable to the future without limit.

Mr. HARDY of Texas. I think the gentleman from Illinois is right in his construction, and I think there should be proper recognition of heroic deeds or distinguished services performed by persons in the merchant marine.

Mr. MANN of Illinois. That ought to be considered by itself and not upon a report of a commission which bases it wholly on the ground of services during the war. May I ask my colleague further? I presume the primary intent of this bill is to grant recognition to people who performed extraordinary heroism or distinguished services in the merchant marine during the war.

Mr. CHINDBLOM. Certainly.

Mr. MANN of Illinois. Here is a provision of the bill which says "or by exceptionally meritorious service to the Government." He does not have to be in the merchant marine at all. Any person connected with the Shipping Board who thinks that he can get a commission to think that he borrowed money cheaply or spent it profusely under this bill can be awarded a medal. There is danger, it seems to me, in granting any such authority.

Mr. CHINDBLOM. I may have misunderstood the gentleman from Illinois [Mr. MANN]. The bill in line 7, page 1, says "any person in the merchant marine of the United States." It could not go to any person outside of the merchant marine.

Mr. MANN of Illinois. I said any person in the merchant marine who performed services outside. It does not mean, I assume, that the medal is necessarily to be conferred upon somebody then in the merchant marine, but somebody who was in the merchant marine when the services were performed. I do not know how many people connected with the Shipping Board will say that they were in the merchant marine. It seems to me, and I thought when I read the bill over last session, that it was granting recognition for distinguished services on the sh'p, and we ought to see that it stops there and not put it in the power of some subordinate official of the Government to give special favor to one who had nothing to do with danger connected with the merchant marine. Granting recognition for danger is one thing and granting recognition for lip service is an entirely different thing.

Mr. CHINDBLOM. Of course, if the gentleman will permit, he will concede that there is no difference in this provision as compared with the provisions for the Army and the Navy.

Mr. MANN of Illinois. No; but I recognize how that provision in the Army and Navy has been grossly abused, as does

everyone else here. Men have been given distinguished medals all over the country for doing nothing except kissing favors—telling somebody else how great he was.

Mr. CHINDBLOM. I will say to the gentleman that this bill follows the language of the bills relating to the Army and the Navy, and the Department of Commerce and the committee took the position that the same treatment that is accorded to the Army and the Navy should be accorded to the merchant marine, which was in fact a large and powerful factor in our prosecution of the war.

Mr. MANN of Illinois. Very naturally the committee took that position, and so far as men performed dangerous service I agree with the gentleman.

Mr. CHINDBLOM. That applies to the Army also.

Mr. MANN of Illinois. Or if men performed an heroic service they ought to have the same recognition. Armies and navies have always received special recognition for such service, but there are millions of men in this country who rendered meritorious service to the Government who were not in the service of the Government at all, and no one is proposing to grant all of them medals. Perhaps they ought to have them. It may be that we ought to have medals, though I do not think it would add anything to the dignity of my colleague, and I do not want one so far as I am concerned. I do not believe we ought to stick them around promiscuously and decorate every man because that man happens to think he ought to have one.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. BLANTON. Of course, if honor is due we want to give it, but I am wondering if the gentleman who has charge of this bill, coming from the Committee on the Merchant Marine and Fisheries, has taken up any measure which will safeguard and protect the merchant marine, which we have so long promised the producers of this country will bring the markets of the world to the door of the producer, and that will eventually grant some relief to them. Our farmers are being pushed off the farms to-day——

Mr. CHINDBLOM. Mr. Chairman, is the gentleman asking a question?

Mr. BLANTON. Oh, I just wanted to extend my question a little further.

Mr. CHINDBLOM. I think the gentleman wants to extend his remarks.

Mr. BLANTON. I want to extend the question a little further.

Mr. CHINDBLOM. If the gentleman will ask a question pertaining to this bill, I shall be glad to try and answer it, but I do not think it is pertinent to this inquiry for us to discuss all other questions.

Mr. BLANTON. I shall ask the question. The question is this: Is it not more important that the Committee on the Merchant Marine and Fisheries bring in some measure which will first protect the producers of the country who feed and clothe the 105,000,000 people of the United States, and then later during the course of the next 12 months take some action which will do honor to these men of the merchant and marine service?

Mr. CHINDBLOM. Mr. Chairman, what is there with reference to the production and shipment of cotton to which the gentleman now has reference?

Mr. BLANTON. The merchant marine, about which we have bragged so much, is not yet perfected to the extent that it is bringing the markets of the world to the doors of the producers. There is something that prevents the bringing about of sales in these markets, and we should do something so that sales may be consummated.

Mr. CHINDBLOM. Mr. Chairman, if I am to reply to this address, I want to say simply that this committee, the present Committee on the Merchant Marine and Fisheries, reported the merchant marine act of 1920, which was passed by this House in the last session and which is producing and will produce the very results to which the gentleman refers, but unfortunately the administration of that act, as of many other acts, is in the hands of an administration which has been unable to achieve results.

Mr. McCLINTIC. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. For a question on the bill.

Mr. McCLINTIC. Can the gentleman tell the House the minimum and the maximum salaries received by men who served in the merchant marine during the war?

Mr. CHINDBLOM. I can not do that. They had a personnel running into the thousands, and I do not know.

Mr. McCLINTIC. Is it not a fact that those men drew a great deal more pay than was paid to the sailors in the Navy?

Mr. CHINDBLOM. I believe they did draw more pay than was paid to the sailors in the United States Navy, and, of course, they drew more pay than was paid to the soldiers in the United States Army. There is no question about that.

Mr. McCLINTIC. Is there not some way of getting an idea of the minimum amount of salary paid to men working in the merchant marine?

Mr. CHINDBLOM. I do not think that is important in this connection, but the information can no doubt be obtained for the RECORD. I have not thought, however, that that has any relation to this subject.

Mr. McCLINTIC. It has been said that those in the merchant marine drew large salaries, and if that is true it ought to be put into the RECORD.

Mr. CHINDBLOM. If they did, of course the present administration granted them those salaries, just as the present administration granted the salaries in the Railroad Administration.

Mr. McCLINTIC. I do not know anything about that.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. Yes.

Mr. WALSH. Is it the intention of the committee that these commissioners who are to be appointed by the direction of the Secretary of Commerce shall serve without compensation?

Mr. CHINDBLOM. I think it is a uniform rule of law that a public officer is not entitled to compensation unless the law gives it to him. This bill does not provide any compensation, and therefore the commissioners will not get any compensation, in my view, unless legislation is passed granting it to them.

Mr. WALSH. I am not asking about the uniform rule of law. I am asking about the intention of the committee.

Mr. CHINDBLOM. It is not the intention of the committee that they shall receive compensation.

Mr. WALSH. It is the intention of the committee that these gentlemen shall serve without compensation?

Mr. CHINDBLOM. Yes; it is. In fact, it is expected that they will probably be taken out of the organization of the Department of Commerce or perhaps partly out of the Shipping Board.

Mr. WALSH. Now, will the gentleman state whether or not he would have any objection to an amendment clarifying the intention of section 1 along the line suggested by the gentleman from Illinois [Mr. MANN] to the effect that this extraordinary heroism or distinguished service should be while in the service of the merchant marine of the United States?

Mr. CHINDBLOM. Personally, I would vote for such an amendment if it is proposed. I can not speak for the balance of the committee.

Mr. WALSH. The gentleman would not object?

Mr. CHINDBLOM. I would not object personally. In fact, I might say to the gentleman from Massachusetts it is not my bill except in this sense, that I was requested to write the report upon it and present it to the House this morning.

Mr. Chairman, I reserve the remainder of my time in case some one desires to speak in opposition to the bill.

Mr. DEWALT. Before the gentleman takes his seat, will the gentleman yield for a question?

Mr. CHINDBLOM. Yes, sir.

Mr. DEWALT. I refer now specifically to lines 9 and 10, on page 1, which read, "who has distinguished himself by extraordinary heroism or distinguished service in the line of his profession," and I would ask the gentleman how inclusive the provisions of this bill would be?

Mr. CHINDBLOM. Well, that is modified by the language in line 7, "to any person in the merchant marine of the United States." Now, an engineer may have distinguished himself, or may have earned merit by distinguished service in the line of his profession. A mariner may have done so.

Mr. DEWALT. In the judgment of the gentleman, as one of the framers of the bill, would this include those who were in a civil capacity and who were not regularly enlisted in the merchant marine?

Mr. CHINDBLOM. I think the last phrase, "or by exceptionally meritorious service to the Government," might be construed to include civilians in the merchant marine service.

Mr. DEWALT. Therefore, it would follow, necessarily, those who were actively engaged in service at sea and those who were engaged in civil service connected with the bureaus in Washington would be entitled to this distinction?

Mr. CHINDBLOM. I think so. Just as men in the Army and Navy who never smelled powder have been receiving medals of honor and distinction and decorations since the war. Mr. Chairman, I reserve the remainder of my time.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and the Speaker having resumed the chair, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries.

MERCHANT MARINE MEDAL ACT.

The committee resumed its session.

The CHAIRMAN. Does anyone desire to be recognized in opposition to the bill?

Mr. WALSH. Mr. Chairman, I think the explanation given by the gentleman from Illinois [Mr. CHINDBLOM] of the intention of the committee and the intention of the department is thoroughly understood by the Members of the House. But, while I recognize that many acts of extraordinary heroism and self-sacrifice were made by members of the merchant marine service during the war, particularly those serving upon vessels carrying troops and supplies across the ocean, I doubt if we ought to enact legislation so broad in its character at this particular time. Now, the estimate given by the department is $15,000, but nobody knows upon what that is based. It seems to me that if there be acts of extraordinary heroism or exceptionally meritorious service to the Government on the part of men who were employed in the danger zone upon these ships that they ought to be brought to the attention of the committee and legislation enacted to take care of them, but to permit this promiscuous pinning on of medals and the adding of bars for service where a man may be deemed meritorious upon the high seas, as was pointed out by the gentleman from Massachusetts, or here in Washington, or various points throughout the United States while serving really in a civil capacity, would only result in cheapening the award of this medal to men who really deserved some recognition, and unless this measure be limited or restricted I doubt if we ought to pass it. Now, of course, it is a fine thing for this great Government to bestow recognition upon those participating in the great struggle from which we have recently emerged, particularly those serving upon the high seas, who went through the danger zone, as well as the boys in the Navy and the soldiers who went across in transports. But under the provisions of this bill broad discretion is vested in the civil establishment entirely apart from the naval or military departments of the Government, and to permit this under the provisions of this bill, with no limit as to how long the decoration may continue, except the application must be made within five years, seems to me is not wise at this particular time.

Mr. RAKER. Will the gentleman yield?

Mr. WALSH. Yes, sir.

Mr. RAKER. Taking the explanation of the bill by the author and his answers thereto to the gentleman from Pennsylvania [Mr. DEWALT], the last provision in line 10, "or by exceptionally meritorious service to the Government," would mean ordinary civilian employees in the maritime service in the merchant marine. Now, if we enact this as to these people, why not enact a general bill which will include all citizens of the United States who rendered exceptionally meritorious service during the war? Is not that just as just and fair?

Mr. WALSH. I think there is considerable in the contention of the gentleman from California, and this service under the provisions of the bill necessarily is not required to have been in the merchant marine. It may have been some meritorious service entirely apart from that, a civilian service.

Mr. RAKER. Carrying the gentleman's suggestion a little further, if we give this medal to those who are in the merchant marine as civilians, who never went on the high seas and were in no danger except as is usually incident to human life in the transaction of general business, will not there be a general demand, and would it not be meritorious, from other citizens of the United States who rendered this service?

Mr. WALSH. I think the gentleman has prognosticated quite accurately.

Mr. RAKER. Now, as to the question of expense. In lines 5 and 6 there is nothing as to the size of these medals, there is nothing as to the material of the medal; it may be as big as a dinner plate or saucer; there is nothing as to the size of these bars, ribbons, rosettes, or other devices, or of what the device may be.

Mr. WALSH. I think it sets a general standard followed in these cases by other branches of the Government.

Mr. RAKER. I was wondering if the expense would not be enormous unless there was some regulation as to the device?

Mr. WALSH. These are matters of detail, and while that probably has appealed to the gentleman from California as an objection, my chief objection is that this is rather too broad in its character and ought not to be enacted at this particular time.

Mr. MANN of Illinois. Will the gentleman from Massachusetts [Mr. WALSH] yield for a question?

Mr. WALSH. I will.

Mr. MANN of Illinois. The bill now reads "by extraordinary heroism or distinguished service in the line of his profession or by exceptionally meritorious service to the Government." Suppose the House should change it so that it would read "extraordinary heroism or distinguished service at sea in the line of duty," so it would be confined to extraordinary heroism?

Mr. WALSH. Then for exceptional meritorious services to the Government?

Mr. MANN of Illinois. I left that out.

Mr. WALSH. I understand. That would limit it, I think——

Mr. MANN of Illinois. To extraordinary heroism or distinguished service at sea in the line of duty.

Mr. TEMPLE. If the gentleman will yield, there might be cases in which men had performed extraordinarily heroic things which they could not be ordered to do in case of any duty.

Mr. MANN of Illinois. They are in the line of duty.

Mr. TEMPLE. I think the Victoria Cross is given for services beyond duty.

Mr. MANN of Illinois. But it is in the line of duty. That is the term we use in the Army and Navy all the time. There is no question about that.

Mr. TEMPLE. Not in the gentleman's mind.

Mr. MANN of Illinois. That is a statement of fact, notwithstanding the gentleman's insinuation.

Mr. McLAUGHLIN of Michigan. Will the gentleman from Massachusetts yield to me?

Mr. WALSH. I yield to the gentleman from Michigan.

Mr. McLAUGHLIN of Michigan. I do not know whether this question has been asked before or not, but I would like the opinion of the gentleman from Massachusetts as to the meaning of this: In line 7 are the words:

To any person in the merchant marine.

Would that include a man who was not now in the merchant marine, but who, in performing this distinguished service, received injury making it necessary for him to retire, and therefore is not now in the service? Would this bill cover him?

Mr. WALSH. I think so.

Mr. McLAUGHLIN of Michigan. Any man in the service who since the 6th of April has distinguished himself. Perhaps it might have the same meaning as if the word "now" were before the word "in," reading:

Any person now in the merchant marine.

Some official will construe that word "in" to have the meaning which I expect might be given to it.

Mr. MANN of Illinois. If the gentleman will permit me, it is a very simple matter. Of course, so far as the form of my own bill is concerned, I have made these tentative changes as to any person who in the merchant marine of the United States since the 6th of April distinguished himself.

Mr. McLAUGHLIN of Michigan. That is the idea. I had that in mind.

Mr. MANN of Illinois. The word "has" does not belong in there at all.

Mr. McLAUGHLIN of Michigan. I transpose those words as the gentleman from Illinois suggests.

Mr. WALSH. Mr. Chairman, the suggestion made by the gentleman——

Mr. GARD. Will the gentleman from Massachusetts yield?

Mr. WALSH. I will.

Mr. GARD. I would like to ask the gentleman what he would think of an amendment which would limit the application of the bill in this wise: In the first place, I call the attention of the gentleman, on page 2 of the report, in section 4, to those to whom it is said this medal may be awarded, and the suggestion which I submit to the gentleman is that, on line 8, after the words "United States," there should be inserted the language of section 4, in part, being:

Who served on board of a merchant ship under the flag of the United States.

And then, on line 10, insert the word "duty" after the word "his," and strike out the balance of lines 10 and 11, which would limit the scope of this award to some one who had served on board a merchant ship under the flag of the United States and had distinguished himself by extraordinary heroism or distinguished services in line of his duty. I speak of that because I have sent such an amendment to the Clerk's desk, and I would like to ask the gentleman what his idea would be as to such an amendment?

Mr. WALSH. If the gentleman will permit, the suggestion he has in mind is covered by the proposal made by the gentleman from Illinois [Mr. MANN].

Mr. GARD. Unfortunately, I could not hear the colloquy over there.

Mr. WALSH. The gentleman from Illinois has suggested a change in lines 10 and 11 which, I think, covers what the gentleman from Ohio has in mind.

Mr. JONES of Texas. Does the suggestion of the gentleman from Illinois cover the date there so it would be limited to November 11, 1918?

Mr. WALSH. Not this particular amendment.

Mr. JONES of Texas. Does not the gentleman think such an amendment as that should be proposed there?

Mr. WALSH. I think there should be a limitation on the date along the line the gentleman suggested.

Mr. GREENE of Vermont. I understood the amendment that has been proposed, or was to be proposed, covered the conferring of a badge for gallantry and extraordinary heroism for the performance of duty at sea—in line of duty. I supposed those merits of distinction in an award of this kind consisted in recognizing an act which was above and beyond the call of duty, and which therefore distinguished the individual in special duty. Every man is expected to do his duty.

Mr. RAKER. Will the gentleman from Massachusetts yield?

Mr. WALSH. I yield to the gentleman from California.

Mr. RAKER. I have been thinking about the question propounded by the gentleman from Vermont, which is a good thing. The gentleman from Illinois [Mr. CHINDBLOM], having charge of the bill, in answer to a question propounded by the gentleman from Massachusetts [Mr. WALSH], stated that there would not be any extra cost, which I am not going to make any complaint about, by virtue of these three persons appointed on the board. I want to call the attention to this fact, that it is and will be a special board who will receive full salary, and it is so intended by this bill. Let us not deceive ourselves. On page 2, section 6, it provides that the President shall appoint this board:

To be a board of three persons, appointed by and under the direction of the Secretary of Commerce.

Now, the Secretary of Commerce will appoint three members who are in his office, drawing salary, naturally; men who are competent; and he ought to do it, and therefore they will devote their time to this work, and not to other governmental work. Let us not deceive ourselves with the idea that this is not going to cost anything, to have three commissioners do the work. I hope the gentleman in charge of the bill will so advise the House, or advise it to that effect. That is the fact, is it not?

Mr. CHINDBLOM. I have not the floor.

Mr. WALSH. Mr. Chairman, in view of the inquiries which have been made, which have brought out the fact that amendments which will probably be offered obviating some of these objections which I had to the measure and limiting it considerably in its scope, I do not feel justified in taking up any further time in opposition to the measure at this time, unless some other gentleman desires to consume some of that time.

The CHAIRMAN. The Clerk will read the bill.

The Clerk read as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to present, but not in the name of Congress, a medal of merit of appropriate design with a bar and ribbon, together with a rosette or other device to be worn in lieu thereof, to any person in the merchant marine of the United States who since the 6th day of April, 1917, has distinguished himself by extraordinary heroism or distinguished service in the line of his profession or by exceptionally meritorious service to the Government.

Mr. MANN of Illinois. Mr. Chairman, I move to amend by striking out all after the word "thereof," in line 7, and inserting in lieu thereof the following:

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 1, line 7, after the word "thereof," strike out the remainder of the paragraph and insert in lieu thereof the following: "to any person who, in the merchant marine of the United States since the 6th day of April, 1917, distinguished himself by extraordinary heroism or distinguished service at sea in the line of duty."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

Mr. GARD. Mr. Chairman, I wish to offer an amendment.

The CHAIRMAN. Does the gentleman from Illinois desire to continue?

Mr. MANN of Illinois. I think there ought to be a limitation as to the time when this is going to run in the future. I think it should be limited to a time prior to the passage of this act.

Mr. JONES of Texas. I think it should be from the date of the commencement of the war to its end.

Mr. GARD. I have an amendment.

The CHAIRMAN. Will the gentleman from Ohio submit his amendment to the Clerk's desk?

Mr. GARD. I am not familiar with the terms of the amendment offered by the gentleman from Illinois [Mr. MANN], and I will ask that it be read from the floor. It should be inserted at the conclusion of the gentleman's amendment and should contain the words "and before November 12, 1918," which was the day after the armistice.

Mr. CHINDBLOM. Mr. Chairman, I think there is a very valid objection to that. None of us is particularly familiar with the facts of this service. Some one said on the floor that he knew, as a matter of fact, that there was no such case of heroism subsequent to the date of the armistice. I do not know that to be a fact, but if there was such a deed of heroism or distinguished service in line of duty during the bringing back of the soldiers from France, it seems to me that such an incident ought to be included within the terms of this bill.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. CHINDBLOM. In a moment. In section 3, on page 2, you will find there is a limitation, that the application for this award must be made within five years after the date of the act or service justifying the award, so that if we make it certain that the act refers only to operations growing out of the war with Germany, I think there will be limitations enough in the bill.

Mr. GARD. Mr. Chairman, will the gentleman yield for a question?

Mr. CHINDBLOM. Yes.

Mr. GARD. The gentleman refers to section 3 of the bill as being some limitation. Does not the gentleman think that section 3 applies only to that which may be in the future? At any time within five years after the rendition of this service this award may be made. It may include all the years to come, and there is absolutely no limitation as to the service in the war or anything connected with the war.

Mr. CHINDBLOM. I said, if I may reply, that I understood the gentleman from Illinois [Mr. MANN] to offer an amendment which would limit this bill to matters growing out of the war with Germany. Whether that is the effect of his amendment I am not able to say, because I did not exactly hear it as read by the Clerk.

Mr. GARD. That is not the effect of the gentleman's amendment. The amendment which the gentleman is discussing is the amendment I offered to the amendment of the gentleman from Illinois. It is a limitation in time only.

Mr. CHINDBLOM. The words "prior to the enactment of this bill" would cover everything that possibly could arise. But my point is that we should include any person that possibly may have rendered extraordinary service in bringing back soldiers from France. For instance, there may have been cases of drowning. I am advised that there were cases of drowning. I am informed, for instance, that soldiers were swamped in a boat near the shores of France, and sailors on a merchant-marine ship assisted in rescuing those soldiers.

Mr. MANN of Illinois. They get a medal for that now.

Mr. CHINDBLOM. But they do not get a medal because of extraordinary heroism rendered in the war with Germany.

Mr. GARD. As to the point that is made, if the gentleman will permit, it seems to me that if the gentleman intends to confine it to service in the war with Germany or the Central Powers, it may be well for us to recognize that fact and place a limitation of time on it, so as to make it inclusive, because there is nothing in the bill that would prevent anybody in this service, either now or 10 years from now, from getting one of these medals, and the object surely is, or should be, to reward heroism in line of duty in the war.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Ohio [Mr. GARD].

Mr. JONES of Texas. Mr. Chairman, I have an amendment which I desire to offer as a substitute. I think it would be better to have the language "since April 6, 1917," stricken out and have language inserted covering the time between that date and the date of the armistice.

The CHAIRMAN. The gentleman from Texas offers an amendment as a substitute for the amendment offered by the gentleman from Ohio [Mr. GARD]. Will the gentleman from Texas send his amendment to the Clerk's desk?

Mr. JONES of Texas. It is to strike out the language "since the 6th day of April, 1917," in the amendment of the gentleman from Illinois [Mr. MANN] and insert the language I have sent up to the desk.

The CHAIRMAN. The Clerk will report the gentleman's amendment.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Amend the amendment offered by Mr. MANN of Illinois by striking out the words "since the 6th day of April, 1917," and inserting the words "between the 6th day of April, 1917, and the 11th day of November, 1918."

The CHAIRMAN. The question is on the substitute offered by the gentleman from Texas [Mr. JONES].

The question being taken, on a division (demanded by Mr. JONES of Texas), there were—ayes 55, noes 11.

Accordingly the substitute was agreed to.

The CHAIRMAN. The question now is on the amendment of the gentleman from Ohio [Mr. GARD] to the amendment of the gentleman from Illinois [Mr. MANN], as amended by the substitute, which has been agreed to.

Mr. RAKER. Let the Clerk report the amendment as amended.

Mr. CHINDBLOM. Is there any opportunity for debate on that?

The CHAIRMAN. The Clerk will report the Mann amendment as amended by the substitute.

Mr. GARD. Mr. Chairman, a parliamentary inquiry. Is that the exact parliamentary situation?

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio [Mr. GARD] to the amendment of the gentleman from Illinois [Mr. MANN] as amended by the substitute.

Mr. GARD. The question is upon my amendment, as amended by the substitute which was adopted.

The CHAIRMAN. That is correct. The Clerk will report it. Does the gentleman from California desire to have it read?

Mr. RAKER. I ask to have the amendment read with the substitute of the gentleman from Texas as agreed to.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Page 1, line 7, after the word "thereof," insert: "To any person who, in the merchant marine of the United States, between the 6th day of April, 1917, and the 11th day of November, 1918, distinguished himself by extraordinary heroism or distinguished service at sea in the line of duty."

Mr. GREENE of Vermont. I should like to ask the gentleman from Illinois if he intends to limit the act strictly to service performed "at sea" in its altogether technical sense? For instance, the suggestion has been made to me that there may have been some vessel in harbor or on coast duty, where perhaps a strict interpretation of the words "at sea" would not permit the awarding of a medal for distinguished service.

Mr. MANN of Illinois. My technical knowledge of seamanship is not as great as that of my friend, who is a member of the Committee on Military Affairs and who comes from a part of the country a little farther east. While Chicago produced a great many persons who were connected with the Shipping Board, to run it, my technical knowledge of seamanship is not great. I do not know. I suppose the term would cover service in the harbor.

Mr. GREENE of Vermont. I do not know. I do not claim to possess any mariner's license myself, but the words are rather suggestive of service performed outside of the three-mile limit.

Mr. YATES. As I understand it, when you say "at sea" you find yourself at sea. [Laughter.]

Mr. MANN of Illinois. I do not see. I will say to my friend from Vermont that I made the suggestion after consultation with a gentleman who is probably one of the best if not the best posted man in the House in reference to those matters pertaining to the merchant marine, but he may not have thought of this particular proposition.

Mr. GREENE of Vermont. If the gentleman from Illinois will permit me, I have in mind services such as were performed in some of the harbors of Great Britain. We do not recall any on our side of the ocean to be sure, yet there was a German undersea vessel prowling around our coasts for a while. It seems to me that the principle should be extended to include duty on board ship, whether at sea or in harbor. The gentleman will recall that German undersea vessels entered the harbors of Great Britain, and very likely there were acts of heroism performed under those circumstances. That could not technically be called duty at sea?

Mr. MANN of Illinois. I think the gentleman will remember that we draw the distinction in the Navy between shore duty and sea duty. I am very certain that the commander of a naval vessel which comes into New York Harbor does not automatically have his salary reduced on the ground that he is not engaged on sea duty because he happens to be in harbor.

Mr. GREENE of Vermont. All right. That settles it. Then technically he is not ashore, or relieved of sea duty?

Mr. MANN of Illinois. I think that is true.

Mr. GREENE of Vermont. All right, that is enough.

Mr. MANN of Illinois. But I plead my technical ignorance of sea matters.

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Ohio as amended by the substitute of the gentleman from Texas [Mr. JONES].

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Illinois [Mr. MANN] as amended.

The amendment as amended was agreed to.

The Clerk read as follows:

SEC. 3. That, except as otherwise prescribed herein, no medal or bar or suitable emblem or insignia in lieu of said medal shall be issued to any person after more than five years from the date of the act or service justifying the award thereof, unless a specific statement or report distinctly setting forth the act or distinguished service and suggesting or recommending official recognition thereof shall have been made and substantiated at the time of the act or service or within five years thereafter.

Mr. WALSH. Mr. Chairman, I would like to ask the gentleman what consideration prompted the carrying of this period over five years? What is the necessity for taking all that time in permitting people to make application? We have limited the time between the declaration of war and the armistice.

Mr. CHINDBLOM. Since the declaration of war in 1917 three and one-half years have elapsed. The Government is now declaring its purpose to give recognition to men in the merchant marine service. It means a year and a half from the date the service was performed, if the service occurred soon after the declaration of war, in which application may be made and in which information may be spread to the people in the service that they may secure a proper award or medal.

Mr. WALSH. That is true, but does not the gentleman think it would be better to fix the time after the passage of the act in which this application should be made rather than five years after the service justifying the award, so that the limitation would not vary in different cases? One act may have been performed in May, 1917, and another may have been performed in October, 1918. Now, if you limit the time to a specified time after the enactment of this law, does not the gentleman feel that it would be better?

Mr. CHINDBLOM. Under the amendment adopted recognition could be given to no acts performed after November, 1918, and therefore two years have elapsed, and it would leave three years remaining. I have no objection to the suggestion which the gentleman from Massachusetts makes. I think it is largely a matter of taste, however.

Mr. HARDY of Texas. May I suggest that it be made three years after the passage of this act?

Mr. WALSH. That was the date I had in mind. Instead of fixing the date to run from the performance of this heroic act, I think we should fix the date, say, three years after the passage of the act.

Mr. CHINDBLOM. We have no objection to the amendment.

Mr. WALSH. Mr. Chairman, I offer the following amendment: Page 2, line 9, strike out the words "for more than five years from the date of the act of service justifying the award thereof" and insert in lieu thereof the words "after three years from the passage of this act."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 9, after the word "person," strike out the words "after more than five years from the date of the act of service justifying the award thereof" and insert in lieu thereof the words "after three years from the passage of this act."

Mr. MANN of Illinois. May I ask the gentleman from Massachusetts whether he proposes to follow that with another amendment?

Mr. WALSH. Yes; in line 15 strike out the words "within five years thereafter" and substitute the words "within three years thereafter."

Mr. MANN of Illinois. While I do not believe the other amendment would be fair, still it would avoid conflict with this amendment.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. WALSH. Yes.

Mr. CHINDBLOM. The effect of the gentleman's amendment would be that no emblem or insignia should be issued after three years of the passage of this act.

Mr. MANN of Illinois. No.

Mr. CHINDBLOM. You say it shall be issued. Is not there danger that some one may come in 2 years and 11 months or 2 years from now and make a claim and no action taken on it?

Mr. WALSH. The same danger would exist if it runs five years thereafter.

Mr. CHINDBLOM. I think you should limit the time in which the application should be made and not penalize the applicant for dereliction or delay of the awarding officer.

Mr. MANN of Illinois. The gentleman does not limit the time in which the award shall be granted.

Mr. CHINDBLOM. It says issued after three years.

Mr. MANN of Illinois. "Unless," exceptions are frequently the most important part of legislation.

Mr. CHINDBLOM. I understood that the rest of the language was going out.

Mr. MANN of Illinois. Oh no; he does not propose that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was agreed to.

Mr. WALSH. Mr. Chairman, I desire to offer a further amendment. On page 2, line 15, strike out the word "five" and insert the word "three."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 15, strike out the word "five" and insert the word "three."

Mr. WALSH. Mr. Chairman, I offered that amendment in accordance with the statement made by the distinguished gentleman from Illinois in response to his inquiry, but I think the amendment ought not to be adopted.

Mr. MANN of Illinois. If the gentleman will yield, that amendment ought not to be adopted, but unless the language is amended in some way you will be in this situation: That no medal should be granted unless the claim is made within three years—unless the claim is made more than three years after the passage of this act—as might be the case. It would automatically revive the act. I suppose that is not the desire of the gentleman to put it in that shape. Why does not the gentleman propose to make that read "unless the claim shall be made within three years after the passage of this act"? That covers everybody alike, because there has been no law heretofore, and it will make no conflict. If you put it in the language of the gentleman's amendment or leave it out entirely, there will be a conflict.

Mr. WALSH. I am going to vote against my own amendment, and I am willing that the gentleman should offer the amendment he suggests.

Mr. MANN of Illinois. I shall vote against the gentleman's amendment, and if it does not prevail I shall offer an amendment.

Mr. WALSH. Mr. Chairman, I ask for a vote on my amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

Mr. BANKHEAD. Mr. Chairman, in order to carry out the suggestion that has been made, I desire to offer an amendment to the amendment, or rather a substitute for the amendment of the gentleman from Massachusetts [Mr. WALSH]. I move to strike out the words "within five years thereafter" and insert the words "within three years after the passage of this act."

The CHAIRMAN. The gentleman from Alabama offers an amendment to the amendment offered by the gentleman from Massachusetts, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BANKHEAD to the amendment offered by Mr. WALSH: Page 2, line 15, strike out the words "within five years thereafter" and insert in lieu thereof the words "within three years after the passage of this act."

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The CHAIRMAN. The question now recurs upon the amendment offered by the gentleman from Massachusetts as amended by the amendment offered by the gentleman from Alabama.

The amendment was agreed to.

The Clerk read as follows:

SEC. 4. That in case an individual who shall distinguish himself dies before the making of the award to which he may be entitled, the award nevertheless may be made and the medal or bar or other emblem or insignia presented within five years from the date of the act or service justifying the award thereof to such representative of the deceased as the President may designate.

Mr. MANN of Illinois. Mr. Chairman, I suggest to the gentlemen who have been preparing these amendments that that clearly ought to be amended. This again says "within five years from the date of the act or service justifying the award thereof." That would run it beyond the time when a medal can be awarded.

Mr. GARD. Mr. Chairman, I was about to suggest to the gentleman from Massachusetts that this section ought to be amended in conformity to the amendment which has already been agreed to.

Mr. MANN of Illinois. It should provide "within three years from the date of the passage of this act." I move to strike out in line 20 the words "within five years from the date of the act or service justifying the award thereof" and insert at the end of line 22 the words "within three years from the passage of this act."

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 2, line 20, strike out the words "within five years from the date of the act or service justifying the award thereof," and after the word "designate," in line 22, insert the words "within three years after the passage of this act."

Mr. MANN of Illinois. Mr. Chairman, I desire to change my amendment, if I may, and simply move to strike out the language that I have proposed to strike out, without fixing any limitation, for I think that is already covered.

The CHAIRMAN. Without objection, the gentleman from Illinois withdraws the amendment heretofore offered and offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 2, line 20, strike out the words "within five years from the date of the act or service justifying the award thereof."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was agreed to.

The Clerk read as follows:

SEC. 5. That the President be, and he hereby is, authorized to delegate, under such conditions, regulations, and limitations as he shall prescribe, to a board of three persons appointed by and under the direction of the Secretary of Commerce, the powers of making investigation and recommendation to the Secretary of Commerce of those entitled to a medal of merit as provided by this act. And the President is further authorized to make from time to time any and all rules, regulations, and orders which he shall deem necessary to carry into effect the provisions of this act and to execute the full purpose and intention thereof.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word merely for the purpose of stating in response to the inquiry of the gentleman from California [Mr. RAKER] a while ago, that of course I did not intend to be understood as saying that the officers appointed under this section to make these investigations and recommendations might not employ some of the time for which they are paid by the Government in the line of their official duty. I did mean to say that it is not intended, as I understand it from our communications with the department, that extra compensation should be given to them or to anyone else for the work performed in connection with the investigations and recommendations here contemplated. I withdraw the pro forma amendment.

Mr. MANN of Illinois. Mr. Chairman, I desire to ask my colleague a question as to the grammatical and rhetorical form of this section, although he did not draw the section. I take it that the purpose of this section is to have the President prescribe conditions, regulations, and limitations which shall govern the board to be appointed.

Mr. CHINDBLOM. Certainly.

Mr. MANN of Illinois. I presume they would so construe it, but what it says is that the President is authorized to delegate "under such conditions, regulations, and limitations as he shall prescribe." That is, he is authorized under such limitations as he shall prescribe, to do a certain thing. The limitations, conditions, and regulations relate to the President under the language as it is written here.

Mr. CHINDBLOM. The first section provides that the President is authorized to present these medals, and here he is authorized to delegate the authority to present the medals under rules and regulations which he lays down for the guidance of the board.

Mr. MANN of Illinois. But it does not say that. This says that the regulations are for the guidance of the President.

Mr. CHINDBLOM. No; it says that he shall prescribe them.

Mr. MANN of Illinois. He is authorized to delegate, under conditions, regulations, and limitations, and they are applicable to the President and not to the board.

Mr. CHINDBLOM. I think not. The President may prescribe conditions, regulations, and limitations under which the board may act for him.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. WALSH. I direct the attention of the gentleman to the fact that the last three lines of the section also refer to regulations and orders and rules which the President is further authorized to make, and it would seem, therefore, that the gentleman's contention is not well taken.

Mr. MANN of Illinois. I do not think it is important. I will say to my colleague that he will find, wherever a bill of this sort is prepared by a department, that invariably there is a lot of language in it that is not coherent. There is no one in these departments who knows how to use the English language in drawing laws.

Mr. GARD. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Ohio desire to be recognized?

Mr. GARD. Mr. Chairman, I desire to be recognized to offer an amendment. On page 2, in line 23, after the figure "5" strike out all the language in lines 23, 24, 25, and on page 3 all the language in lines 1, 2, 3, and 4, concluding with the word "act." Strike out also the word "and" in line 3; capitalize the word "the," and in line 5, page 3, strike out the word "further."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 2, line 23, after the figure "5" strike out all of lines 23, 24, 25, and all of lines 1, 2, 3, and 4 on page 3, capitalize the word "the" in line 5, page 3, at the beginning of the line, and strike out after the word "is" the word "further."

Mr. GARD. And also strike out the word "and." The purpose of this amendment is to place the award of these medals where I think it belongs; that is, in the hands of the President. It is clearly to me much more dignified and proper to have these regulations concerning medals exclusively in the hands of the President, who may make, under the amendment I have proposed, all rules, regulations, and orders necessary to carry into effect all the provisions of this bill.

Mr. CHINDBLOM. Mr. Chairman, I wish to say that the committee will accept the amendment. Let me suggest also to omit in line 8 everything after the word "act." I am beginning to appreciate the full force and effect of the suggestion of my distinguished colleague from Illinois [Mr. MANN] with regard to the diction of this and other bills.

Mr. GARD. I have no objection to that.

The CHAIRMAN. The gentleman from Illinois offers an amendment to the amendment offered by the gentleman from Ohio.

Mr. GARD. Mr. Chairman, I will modify my amendment so as to include, if the gentleman deems it necessary, the striking out of the words, in line 8, page 3, "and to execute the full purpose and intention thereof," and place a period after the word "act."

The CHAIRMAN. The gentleman from Ohio modifies his amendment, which the Clerk will report.

The Clerk read as follows:

Mr. GARD modifies his amendment by striking out, page 3, line 8, after the word "act," the words "and to execute the full purpose and intention thereof," and insert a period after the word "act."

Mr. WALSH. There is a period there.

Mr. MANN of Illinois. We do not punctuate.

The CHAIRMAN. The question is on the modified amendment offered by the gentleman from Ohio.

The question was taken, and the amendment was agreed to.

Mr. CHINDBLOM. Mr. Chairman, I move that the committee do now rise and report the bill as amended, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, the Chairman (Mr. CAMPBELL of Kansas) reported that the Committee of the Whole House on the state of the Union, having had under consideration the bill H. R. 13264, had directed him to report the same to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put the amendments in gross.

The question was taken, and the amendments were agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. McKEOWN. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The Chair will count. [After counting.] One hundred and nine Members are present, not a quorum. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 316, nays 7, not voting 108, as follows:

YEAS—316.

Ackerman	Andrews, Nebr.	Babka	Barkley
Almon	Anthony	Bacharach	Bee
Anderson	Ashbrook	Bankhead	Bell
Andrews, Md.	Aswell	Barbour	Benham
Benson	Gard	McAndrews	Rose
Bland, Va.	Garrett	McArthur	Rowe
Blanton	Glynn	McClintic	Rucker
Boles	Godwin, N. C.	McDuffie	Sabath
Bowers	Goldfogle	McGlennon	Sanders, Ind.
Brand	Goodall	McKinley	Sanders, N. Y.
Briggs	Goodwin, Ark.	McKinley	Schall
Brooks, Ill.	Goodykoontz	McLaughlin, Mich.	Scott
Brooks, Pa.	Gould	McLaughlin, Nebr.	Shreve
Brumbaugh	Graham, Ill.	McLeod	Siegel
Buchanan	Green, Iowa	McPherson	Sims
Burdick	Greene, Mass.	MacCrate	Sinclair
Burke	Greene, Vt.	MacGregor	Sinnott
Butler	Griest	Madden	Slemp
Byrnes, S. C.	Griffin	Magee	Smith, Idaho
Byrns, Tenn.	Hadley	Major	Smith, Mich.
Campbell, Kans.	Hardy, Colo.	Mann, Ill.	Smithwick
Campbell, Pa.	Hardy, Tex.	Mann, S. C.	Snell
Cannon	Harreld	Mapes	Snyder
Caraway	Harrison	Martin	Steagall
Carew	Hastings	Mays	Stedman
Carss	Haugen	Merritt	Stephens, Miss.
Carter	Hawley	Michener	Stephens, Ohio
Casey	Hayden	Miller	Strong, Kans.
Chindblom	Hays	Milligan	Strong, Pa.
Christopherson	Hernandez	Monahan, Wis.	Summers, Wash.
Clark, Fla.	Hersey	Mondell	Sumners, Tex.
Clark, Mo.	Hersman	Moore, Ohio	Sweet
Cleary	Hickey	Moore, Va.	Swindall
Coady	Hicks	Moores, Ind.	Swope
Cole	Hill	Morin	Tague
Collier	Hoch	Mott	Taylor, Ark.
Cooper	Hoey	Neely	Taylor, Colo.
Cramton	Holland	Nelson, Mo.	Taylor, Tenn.
Crisp	Houghton	Newton, Minn.	Temple
Crowther	Hudspeth	Newton, Mo.	Thompson
Cullen	Hulings	Nolan	Tillman
Currie, Mich.	Hull, Iowa	O'Connell	Tilson
Curry, Calif.	Hull, Tenn.	O'Connor	Timberlake
Dale	Humphreys	Ogden	Tincher
Dallinger	Husted	Oliver	Tinkham
Darrow	Hutchinson	Olney	Towner
Davey	Ireland	Osborne	Treadway
Davis, Minn.	Jacoway	Overstreet	Upshaw
Davis, Tenn.	James, Va.	Padgett	Vaile
Denison	Jefferis	Paige	Vare
Dewalt	Johnson, Miss.	Park	Venable
Dickinson, Iowa	Johnson, S. Dak.	Parker	Vestal
Dickinson, Mo.	Johnson, Wash.	Parrish	Vinson
Dominick	Johnston, N. Y.	Pell	Voigt
Donovan	Jones, Pa.	Perlman	Volk
Doremus	Jones, Tex.	Peters	Volstead
Doughton	Juul	Phelan	Walsh
Dowell	Kahn	Pou	Walters
Dunbar	Kearns	Purnell	Wason
Dupré	Keller	Quin	Watkins
Dyer	Kendall	Radcliffe	Watson
Eagan	Kennedy, R. I.	Rainey, H. T.	Weaver
Eagle	Kincheloe	Rainey, J. W.	Webster
Echols	Kinkaid	Raker	Welling
Ellsworth	Kleczka	Ramsey	Welty
Elston	Kraus	Randall, Calif.	Whaley
Esch	Lampert	Randall, Wis.	Wheeler
Evans, Mont.	Langley	Ransley	White, Kans.
Evans, Nebr.	Lanham	Rayburn	White, Me.
Fairfield	Lankford	Reavis	Wilson, Ill.
Fess	Larsen	Reber	Wilson, La.
Fields	Layton	Reed, W. Va.	Wilson, Pa.
Fish	Lazaro	Rhodes	Woods, Va.
Fisher	Lea, Calif.	Ricketts	Woodyard
Flood	Lee, Ga.	Riddick	Wright
Fordney	Lehlbach	Riordan	Yates
Foster	Longworth	Robinson, N. C.	Young, N. Dak.
French	Luce	Robsion, Ky.	Young, Tex.
Fuller, Ill.	Lufkin	Rogers	Zihlman

NAYS—7.

Box	Huddleston	Oldfield	Wingo
Connally	McKeown	Sisson	

NOT VOTING—108.

Ayres	Evans, Nev.	Lesher	Rouse
Baer	Ferris	Linthicum	Rowan
Begg	Focht	Little	Rubey
Black	Frear	Lonergan	Sanders, La.
Blackmon	Freeman	Luhring	Sanford
Bland, Ind.	Fuller, Mass.	McCulloch	Scully
Bland, Mo.	Gallagher	McFadden	Sears
Booher	Gallivan	McKenzie	Sells
Brinson	Gandy	McLane	Sherwood
Britten	Ganly	Maher	Small
Browne	Garner	Mansfield	Smith, Ill.
Burroughs	Good	Mason	Smith, N. Y.
Caldwell	Graham, Pa.	Mead	Steele
Candler	Hamill	Minahan, N. J.	Steenerson
Cantrill	Hamilton	Montague	Stevenson
Classon	Howard	Moon	Stiness
Copley	Igoe	Mooney	Stoll
Costello	James, Mich.	Mudd	Sullivan
Crago	Johnson, Ky.	Murphy	Thomas
Dempsey	Kelley, Mich.	Nelson, Wis.	Ward
Dent	Kelly, Pa.	Nicholls	Williams
Dooling	Kennedy, Iowa	Patterson	Winslow
Drane	Kettner	Porter	Wise
Drewry	Kiess	Rainey, Ala.	Wood, Ind.
Dunn	King	Ramseyer	
Edmonds	Kitchin	Reed, N. Y.	
Elliott	Knutson	Rodenberg	
Emerson	Kreider	Romjue	

So the bill was passed.

The Clerk announced the following pairs:

Until further notice:

Mr. WILLIAMS with Mr. MANSFIELD.

Mr. BROWNE with Mr. MOON.

Mr. FREEMAN with Mr. IGOE.
Mr. MCFADDEN with Mr. LESHER.
Mr. WOOD of Indiana with Mr. AYRES.
Mr. RODENBERG with Mr. FERRIS.
Mr. KNUTSON with Mr. LINTHICUM.
Mr. MASON with Mr. KITCHIN.
Mr. PORTER with Mr. MONTAGUE.
Mr. KIESS with Mr. STEELE.
Mr. RAMSEYER with Mr. CALDWELL.
Mr. KING with Mr. LONERGAN.
Mr. STINESS with Mr. BLAND of Missouri.
Mr. KELLEY of Michigan with Mr. MCLANE.
Mr. WARD with Mr. DOOLING.
Mr. REED of New York with Mr. MAHER.
Mr. WINSLOW with Mr. GALLIVAN.
Mr. DEMPSEY with Mr. ROWAN.
Mr. BEGG with Mr. THOMAS.
Mr. KENNEDY of Iowa with Mr. BLACK.
Mr. GOOD with Mr. GARNER.
Mr. SELLS with Mr. HOWARD.
Mr. KREIDER with Mr. DENT.
Mr. CLASSON with Mr. ROMJUE.
Mr. SANFORD with Mr. MINAHAN of New Jersey.
Mr. EDMONDS with Mr. RUBEY.
Mr. BAER with Mr. WISE.
Mr. LITTLE with Mr. DREWRY.
Mr. HAMILTON with Mr. STOLL.
Mr. SMITH of Illinois with Mr. MOONEY.
Mr. LUHRING with Mr. BRINSON.
Mr. STEENERSON with Mr. MEAD.
Mr. KELLY of Pennsylvania with Mr. DRANE.
Mr. COSTELLO with Mr. NICHOLLS.
Mr. STRONG of Kansas with Mr. EVANS of Nevada.
Mr. JAMES of Michigan with Mr. SCULLY.
Mr. PATTERSON, jr., with Mr. SMALL.
Mr. GRAHAM of Pennsylvania with Mr. SHERWOOD.
Mr. MCCULLOCH with Mr. CANTRILL.
Mr. FREAR with Mr. CANDLER.
Mr. ELLIOTT with Mr. SANDERS of Louisiana.
Mr. MUDD with Mr. KETTNER.
Mr. FOCHT with Mr. SEARS.
Mr. BRITTEN with Mr. STEVENSON.
Mr. EMERSON with Mr. RAINEY of Alabama.
Mr. MCKENZIE with Mr. GANLY.
Mr. DUNN with Mr. BLACKMON.
Mr. BLAND of Indiana with Mr. SULLIVAN.
Mr. CRAGO with Mr. SMITH of New York.
Mr. NELSON of Wisconsin with Mr. JOHNSON of Kentucky.
Mr. COPLEY with Mr. HAMILL.
Mr. MURPHY with Mr. GANDY.
Mr. BURROUGHS with Mr. GALLAGHER.

The result of the vote was announced as above recorded.

On motion of Mr. CHINDBLOM, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. GREENE of Massachusetts. Mr. Speaker, I find on examining the calendar that the bill (H. R. 14074) to amend the shipping act of 1916 as amended, has been already included in the merchant marine act which passed this House on the 5th day of June. Therefore I ask unanimous consent that that bill be laid on the table.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the bill H. R. 14074, which has already been included in the shipping bill, be laid on the table. Without objection, it is so ordered.

There was no objection.

EXPENSES OF AMERICAN MISSION TO NEGOTIATE PEACE (S. DOC. NO. 330).

The SPEAKER laid before the House the following message from the President of the United States, which was referred to the Committee on Appropriations:

To the Senate and House of Representatives:

On the 28th of August, 1919, I submitted to the Congress a partial statement of the expenses of the American mission to negotiate peace, which was printed in Senate Document No. 80, Sixty-sixth Congress, first session. It now gives me pleasure to lay before the Congress, for its information, a statement of all of the expenditures of the American commission to negotiate peace for the entire period of its existence from December 1, 1918, to December 31, 1919.

WOODROW WILSON.

THE WHITE HOUSE,
8 December, 1920.

Note: Statement accompanied similar message to the Senate.

AMENDMENT TO PURE FOOD AND DRUGS ACT.

The SPEAKER. Has the Committee on the Merchant Marine and Fisheries any further business?

Mr. GREENE of Massachusetts. It has not.

The SPEAKER. The Clerk will call the roll of the committees.

Mr. HAUGEN (when the Committee on Agriculture was called). Mr. Speaker, I call up the bill H. R. 10311.

The SPEAKER. The gentleman from Iowa calls up the bill H. R. 10311 from the House Calendar, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 10311) to further amend section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, and amended by the act approved March 3, 1913.

Be it enacted, etc., That section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, and amended by the act of March 3, 1913, be, and the same is hereby, amended in the following particulars:

(1) By striking out the period at the end of paragraph "Second," in said section 8, in case of foods, and inserting in lieu thereof a semicolon, and adding the following clause: "or if it be in a container so made, formed, or shaped as likely to deceive or mislead the purchaser as to quantity, quality, size, kind, or origin of the food therein."

(2) By adding at the end of section 8, in case of food, as amended, a new paragraph, as follows:

"Fifth. If in the package form, and irrespective of whether or not the quantity of the contents be plainly and conspicuously marked on the outside of the package in terms of weight, measure, or numerical count, as provided in paragraph 'Third' of said section 8 as amended, the package be not filled with the food it purports to contain: *Provided, however*, That reasonable variations and tolerances may be established by rules and regulations made in accordance with the provisions of section 3 of this act."

Provided, however, That no penalty of fine, imprisonment, or confiscation shall be enforced for any violation of the provisions of this amendment as to domestic products shipped in interstate commerce or sold or offered for sale in the District of Columbia or in the Territories of the United States prior to or within six months after the enactment hereof, or as to products imported prior to or within six months from the enactment hereof: *And provided further*, That nothing in this amendment shall affect or be construed to affect any violation of the food and drugs act of June 30, 1906, as heretofore amended, or impair or be construed to impair any right of action or remedy thereunder.

Mr. HAUGEN. Mr. Speaker, the object of this bill is to do away with slack filling of packages, packages of deceptive shape or appearance, the fraudulent packing of deceptive packages, false bottoms, indentation of bottles, and the like. I have here a number of exhibits furnished by the Department of Agriculture [exhibiting]. For instance, on this package the space covered by the sticker indicates the space filled, and the space above the sticker represents the amount of the unfilled package. As will be observed, only about one-quarter of the package is filled, while three-quarters of it is unfilled. We also have here samples of deceptive bottles. The enlargement of the glass has a magnifying effect which deceives the purchaser. Then we have packages and bottles with inverted bottoms. Here I have a package containing 3 ounces of potato chips. Less than one-half of the package is taken up with the contents. It is unnecessary to say that with the present price of potatoes the manufacturer could well afford to fill the package to its full capacity and still sell it at a profit at the price at which this package is sold. Yet it is filled less than one-half full, with only 3 ounces in the package, while the capacity of a package is three times that amount. The purchaser in buying this package does not ask the merchant to take the package down from his shelf and stop to read the weight of its contents, which, of course, under the present law must be printed on the package, but naturally assumes that it is reasonably full and buys it on its appearance; in other words, what it purports to contain, and is thus deceived.

Mr. SMITH of Michigan. What does the other part of the package contain? How did they fill it? Did they put a partition in it?

Mr. HAUGEN. The other part contains nothing; there was no partition; it was only filled to that extent.

Here is a candy box having a false bottom, with only about 75 per cent of its capacity filled with candy and the false bottom occupying about 25 per cent of the capacity of the box. We have a number of exhibits here. This bottle was filled with olives, the glass, being of a magnifying shape, greatly enlarged the appearance of its contents and thus deceived the purchaser.

As I stated, the object of the bill is to do away with deception and fraud, and, so far as I know, the honest manufacturers, merchants, and dealers are back of the measure. It will provide a protection to the honest man against deception and fraud. I will insert a resolution submitted by Commis-

sioner W. B. Barney, of Iowa, and unanimously passed at the convention of the Association of American Dairy, Food, and Drug Officials at St. Louis last October:

Be it resolved by the Association of American Dairy, Food, and Drug Officials in convention assembled, That the slack-filled package bill, known as H. R. 10311, introduced by GILBERT N. HAUGEN, be indorsed, and that we urge upon Congress to amend the food and drugs act as therein set forth, so that the size and shape of the container shall be a true index as to the quantity of material contained therein.

Here we have a small bottle that contains two ounces, and another bottle which, due to its shape, appears to contain much more, while in reality it contains only 1¾ ounces. The tall bottle gives the appearance of containing a much larger amount than the thicker one, while in fact it contains less.

Mr. DOWELL. Mr. Speaker, will the gentleman yield for a question?

Mr. HAUGEN. Certainly.

Mr. DOWELL. Is that article sold by the ounce, or otherwise?

Mr. HAUGEN. The pure food and drug act requires that the contents be marked on it.

Mr. DOWELL. I did not get that.

Mr. HAUGEN. Under the pure food and drug act they are required to mark the contents on the bottle, the quantity by number or by weight. But the deception here is in the appearance.

Mr. DOWELL. But if it does not contain the amount required, as I understand it, under the law they are liable to be punished?

Mr. HAUGEN. Certainly; but the deception here is in the appearance or in the package itself, and not in the representation as to weight or quantity it contains, which is marked on it.

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Certainly.

Mr. HUSTED. As I read the bill, it covers only cases where the package does not actually contain the amount of food or liquid, or whatever it may be, that it is purported to contain. Would that cover a case like the case the gentleman now presents? In that case the bottle is completely filled, is it not?

Mr. HAUGEN. Certainly.

Mr. HUSTED. Then it would not come within the provisions of the law?

Mr. HAUGEN. The design of the bottle makes it appear or purport to contain more than it actually does. What we want to do is to prevent deception by the appearance of the container.

Mr. HUSTED. How under the provisions of this bill would you provide against a case of deception of that particular kind?

Mr. HAUGEN. It is to be left to the discretion of the Secretary of Agriculture. It will be for him to determine whether the package is deceptive or not.

Mr. HUSTED. He does not seem to have much discretion about it, because if the package is actually completely filled with the substance which it purports to contain there is not any opportunity to exercise executive discretion about it, is there?

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Certainly.

Mr. BLANTON. What the gentleman is seeking, I presume, is to have these containers so undressed that we may see what we are getting.

Mr. HAUGEN. You might put it that way. The object is to require them to use containers that will not deceive the purchaser.

Mr. BLANTON. They dress them up in such a way that we do not know what we are buying?

Mr. HAUGEN. Yes. In this case about three-fourths of the space is unfilled. We leave much to the discretion and good judgment of the officials of the Department of Agriculture.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Certainly.

Mr. HICKS. Might not that be subject to a lot of abuse? If the Department of Agriculture might want to wreck a man, he might do it under that clause by claiming that the container of his goods was intended to deceive?

Mr. HAUGEN. It is possible, but not probable, that that could be done. We must have faith in the officials of the Department of Agriculture. I would rather trust the officials of the Department of Agriculture to determine the question than leave it to those practicing deception and fraud. There might be hardships experienced under this measure, but in view of the deception and fraud that is being practiced we believe that it is high time that something should be done to do away with the practice, and this seems to our committee to be the proper way to safeguard the purchaser, and merchant as well.

Mr. HICKS. I agree with the gentleman. Is there any chance to have the decision of the Department of Agriculture reviewed in any way?

Mr. HAUGEN. The courts, of course, could review the cases.

Mr. HICKS. That would be the only resort?

Mr. HAUGEN. Yes; just as at present under the pure food and drug act.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. HAUGEN. Certainly.

Mr. GARD. I have read the original act of 1906 and the act of 1913, amendatory thereto, and also this report. I desire to call attention to some things here of which I desire to have an explanation. In the first place, on page 2, line 5, the gentleman thinks it a violation of law where a container is not so formed, made, or shaped that it is likely to mislead and deceive the purchaser in the quantity, quality, size, kind, or origin of the food therein, and he leaves out entirely that which is ordinarily recognized in the law of crime—that is, the matter of intent. There is no question here in the bill as to whether the making of the container is with the intent to mislead the purchaser, but merely that it is likely to mislead the purchaser.

Mr. HAUGEN. That matter was fully discussed in the committee and was given due consideration. The committee did not overlook the matter suggested, but the gentleman will agree that a partly filled package or a container containing less than what it purports or appears to contain deceives the purchaser, even though the manufacturer or packer did not expressly intend for it to do so. Besides, as the gentleman knows, it is difficult to prove the intent of the manufacturer in this case, and it seemed to the committee that under the circumstances it would be far wiser to place a burden of proof on the manufacturer or packer who has caused a deceptive package to be placed on the market rather than to place the burden of proof on the Department of Agriculture, which has the duty of enforcing the act, especially inasmuch as variances and tolerances are authorized. We believe that it should be left largely to the determination of the officials of the Department of Agriculture.

Mr. GARD. To the determination of the Department of Agriculture?

Mr. HAUGEN. Yes.

Mr. GARD. This is merely as to whether the person who buys is likely to be deceived, and you take the judgment of the Department of Agriculture as to whether anyone who buys will likely be deceived, whether there is any intent to deceive associated with it or not?

Mr. HAUGEN. If it were a close question, the manufacturer would probably submit the package to the department for approval, and when once that question was passed upon and the container approved by the department that would, of course, settle the matter so far as the department is concerned.

Mr. GARD. Another matter. We have a new paragraph, No. 5. I desire some explanation on that, inasmuch as the gentleman is familiar with it and I am not. The new paragraph 5 would seem to me to impose a penalty upon appearance or appearances, whereas in reality the law in every other respect has been complied with. For instance, the package might be a large package. It might have printed on it in legible characters and letters outside the exact contents, and it may contain the exact contents purported to be carried, but because it is a larger package than you commonly associate with a pound, for example, or 2 pounds, section 5 covers that. Is that the intent of it?

Mr. HAUGEN. For instance, in this package containing potato chips. The package is capable of holding about 10 ounces. The packer puts in only 3 ounces and, although he so labeled it correctly, one would naturally think looking at the size of the package, unless he stopped to read the weight of its contents, that it contained more; and even should he stop to read the weight of the contents he might not realize how much in quantity 3 ounces of potato chips actually are. In other words, if that size package is used, the packer should be required to put in somewhere near 9 or 10 ounces, its full capacity, instead of 3 ounces, only a third of its capacity, or else use a smaller container. The housewife looks at this package, and assumes that it contains at least 9 or 10 ounces of potato chips, but it does not.

Mr. GARD. In the matter of the package said to contain that which it does absolutely contain—the full weight and contents said to be contained—it might merely be remarked that that package might not be of a design which would suit the whim of somebody in the Department of Agriculture.

Mr. HAUGEN. The people who sold that package of potato chips went the limit, and it is time they are to be called to a halt. The idea of selling 3 or 4 ounces of potato chips at such a price when potatoes are selling in the country at 40 or 50 cents a bushel, containing 960 ounces, is ridiculous. It is

high time they should be called down and required to fill the container.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. GARD. Yes; I will if I may have my time extended.

Mr. McLAUGHLIN of Michigan. Let me suggest to the gentleman that packages such as the chairman of the committee has now in his hand are not usually marked with the quantity they contain, but are usually marked with the price, and as the price of the commodity goes up the quantity contained in the package goes down. Such a package might be marked as a 25-cent package, and whereas formerly 25 cents would buy that package full, it is still a 25-cent package, but it is only a quarter full, and that is likely to deceive the purchaser.

Mr. GARD. Doubtless the gentleman is more familiar with this than I am, but under the words which it is proposed to add to the section it is made a crime if—

irrespective of whether or not the quantity of the contents be plainly and conspicuously marked on the outside of the package in terms of weight, measure, or numerical count, as provided in paragraph "Third" of said section 8 as amended, the package be not filled with the food it purports to contain.

In other words, if you take that package and put upon the outside of it an exact statement of the number of ounces it contains or its exact weight and the contents of the package are in exact correspondence with that statement on the outside, still, because the package happens to be 2 inches longer or an inch wider than a similar package made by somebody else or different than somebody in the department thinks it ought to be, the person is guilty of a crime.

Mr. McLAUGHLIN of Michigan. Yes; if it goes beyond a reasonable limit of tolerance, to such an extent that the purchaser is likely to be deceived, the manufacturer deliberately puts it out for the purpose of deceiving, and it ought to be forbidden.

Mr. GARD. I trust the gentleman is not going to ask that we pass a law which provides that if a manufacturer puts on the outside of a package a true statement of its weight and contents, yet if the package does not happen to correspond exactly with the idea of somebody in the department as to what the package should be, that manufacturer is guilty of a crime.

Mr. McLAUGHLIN of Michigan. In the case cited by the chairman [Mr. HAUGEN] the package in his hand is one large enough to contain 4 or 5 pounds, into which the manufacturer puts only 1 pound, and when a man does that he does not do it honestly. I think there ought to be a law to catch him at it.

Mr. GARD. I think there is plenty of recourse to the law as it now stands. I question very much the advisability of this legislation. However, I am seeking information. I thank the gentleman for affording me opportunity to obtain it.

Mr. McLAUGHLIN of Michigan. The gentleman from Ohio a few minutes ago spoke of the necessity of proving fraudulent intent. In no law of this kind is that required. The pure food and drugs act does not require proof of intention to defraud. That is eliminated altogether from legislation of this character. These laws are always written in this way, and if we undertake now to require the proof of intent to commit a fraud, this law will be ineffectual.

Mr. HAUGEN. The pure food and drugs act requires that the contents of a package shall be plainly marked on the outside. That requirement has been complied with in the case of these packages, but this large package is filled only one-quarter full, which is deceiving the purchaser who does not read the weight of its contents, but buys it on its appearance, or who does read the weight of its contents, but does not correctly judge the weight of such an article and thinks that in quantity it completely fills the container.

Mr. GARD. What does that package contain?

Mr. HAUGEN. Spaghetti.

Mr. GARD. Spaghetti is what is usually called loose food, I think.

Mr. HAUGEN. Here is a package, for instance, which is only about one-quarter full, There can be no legitimate excuse for that. The committee asked one of the witnesses who appeared before it, and who testified that he had put false bottoms in candy boxes, why such practices were indulged in and how long the practice had prevailed. His excuse was that competition had driven them to it and said that it had prevailed 12 or 15 years. Now, when you drive an honest man to such practices it is time to call a halt on the unscrupulous ones in order to protect the honest men. We have honest men in business, as we have in every other activity. A large majority of them are honest, but evidently a few are not.

Mr. GARD. I understand, but if a package is plainly marked on the outside as containing 2 ounces, and the package does contain 2 ounces, what difference does it make whether the package be half an inch longer or shorter?

Mr. HAUGEN. I venture to say there is not one customer in a thousand who is guided by the weight marked on the outside of the package. They go by the appearance of the package.

Mr. GARD. If they do not read what is stated on the wrapper of the package, then the law which requires the marking of the outside of the package is of no effect.

Mr. HAUGEN. It was believed, when the pure food and drugs act was passed, that the marking of the weight or numerical count of the contents of the package would meet every requirement, but it has failed in this respect, and it seems necessary now to require what is proposed in this bill.

Mr. HUSTED. Is the act intended to cover a case like this: Assume that the container is plainly marked with a statement of the quantity which it actually contains and that the package is actually filled?

Mr. HAUGEN. Then it fulfills the requirements of the proposed law if the package in its design is not deceptive.

Mr. HUSTED. No; I do not think so. Even though its true quantity is correctly and plainly marked on the outside of the package, still if the package has some peculiar shape, which the Secretary of Agriculture considers is apt to deceive somebody, that brings it under the provisions of this bill.

Mr. HAUGEN. If it has a peculiar shape that deceives the purchaser as to its contents it does not come up to the requirements of the proposed law.

Mr. SUMNERS of Texas. Is not this the fact, that the ordinary purchaser thinks very largely in terms of volume rather than of weight?

Mr. HAUGEN. Exactly. He thinks that the weight indicated on the package indicates the volume. When he buys a large package he expects it to contain its full capacity.

Mr. SUMNERS of Texas. When he comes to buy he estimates the quantity, and he goes more by the bulk of the package than by the statement which is contained on the outside of it.

Mr. HAUGEN. Yes; he estimates its contents by the appearance of the container and seldom stops to read the weight or figure out what part of the volume of the package so many ounces represent.

Mr. BANKHEAD. I assume that the committee had hearings on this bill?

Mr. HAUGEN. They had.

Mr. BANKHEAD. Was there any objection filed on the part of any legitimate industry against the enactment of this bill?

Mr. HAUGEN. Several witnesses who appeared suggested amendments. Several amendments were suggested. One amendment, for instance, proposed that 18 months should be given to dispose of the labels and containers on hand. The committee thought 18 months rather excessive, and made the time 6 months.

Mr. BANKHEAD. Who were the people that proposed the suggestions—the manufacturers of the bottles or packages or dealers in commodities inclosed in the package?

Mr. HAUGEN. I do not recall now.

Mr. LEE of Georgia. I recollect that several were from men who had packages on their hands.

Mr. HAUGEN. They wanted time to dispose of the packages. They wanted 18 months, and the committee fixed the time at 6 months. The bill was reported several months ago, so they have had considerable time now in which to dispose of such labels and packages as might be objected to.

Mr. LEE of Georgia. As the gentleman knows, I am in hearty accord with the purpose of his bill; but there is one objection I have to it, and that is to the proviso. I think we should make this law in effect on the passage of the bill. They have had some time now in which to make disposition of their packages. They have been perpetrating a fraud and they know it, and they have had six months in which to get rid of these things.

Mr. HAUGEN. But, after all, they have much money invested in their labels and packages and it would be a hardship to enforce the law immediately. They should have a reasonable time to use up the labels and the packages.

Mr. SANDERS of Indiana. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. SANDERS of Indiana. I would like to call attention to the proviso, page 2, which reads:

Provided, however, That reasonable variations and tolerances may be established by rules and regulations made in accordance with the provisions of section 3 of this act.

I would like to inquire whether that provision has ever been in a former law.

Mr. HAUGEN. Oh, yes; variations and tolerances are already provided for in the pure-food law.

Mr. SANDERS of Indiana. Section 3 does not deal with that phase of it.

Mr. MANN of Illinois. If the gentleman from Iowa will permit, I think that language ought to be changed to make it perfectly legal so that it will say reasonable variations shall be permitted and tolerances shall be established by rules and regulations in accordance with the provisions of section 3 of this act.

Mr. McLAUGHLIN of Michigan. That was one of the objections urged to the bill as it was drafted, that the word "shall" was not used and the word "may" was used. We determined after hearing the entire proposition to use the word "may," and not use the word "shall." If the department is compelled to establish tolerances in advance, every dealer, every crooked manufacturer in the country, would know just how crooked he could be, and the standard would be, not what it ought to be, but what it ought to be less the tolerances. The manufacturers would take advantage of the tolerances in every instance. That is the idea we took of it, and our idea was gathered from the broad experience of the Department of Agriculture.

Mr. MANN of Illinois. I will say to my friend from Michigan that I am satisfied that if the law is enacted in the present language the courts will knock it out the first thing they do. Congress may leave to the department a discretion in fixing the details, but we can not delegate our authority as to what the principle shall be. We can not say to the department you shall use your discretion about fixing tolerances or not as you please, because that is legislation, and we have to exercise our legislative authority. We can say tolerances shall be permitted, we can say that variations shall be fixed by the Department of Agriculture as a matter of detail. We can not leave to their discretion this legislative discretion as to whether or not they will allow tolerances. That is my judgment and that is the theory on which the pure-food law was passed after a most careful examination as to the law on the subject.

Mr. ANDERSON. Suppose the department should be of the opinion that no tolerances should be allowed in the case?

Mr. MANN of Illinois. I would put it that tolerances shall be established by rules and regulations of the department. If the department should refuse to establish tolerances reasonable variations would still be permitted, to be found by the courts, and the courts in the end are the final judges. You can not leave to the department to say anything they please about what shall be the law. We make the law, we can not confer upon somebody else legislative power; just as in the railroad legislation Congress provides that the railroad rates shall be just, fair, and reasonable. We do not leave to the Interstate Commerce Commission to say what the rates shall be. We can not pass an act saying that the Interstate Commerce Commission shall determine whether or not rates are fair, just, and reasonable. That is legislation.

I had no doubt when the pure food law was passed as to the effect of that language. I would not undertake to say that I have read all the decisions on the subject since, because I have not, but I have read them all up to that time.

Mr. McLAUGHLIN of Michigan. If the Department of Agriculture is required now to say what tolerances shall be, you might as well make up your mind that there will be further variations and tolerances.

Mr. MANN of Illinois. Tolerances apply now to all these packages that are marked. Packages are required to have the contents marked thereon, but it is not possible to make two bottles to contain exactly the same quantity, and it is not possible to make two packages, even by machinery, to contain exactly the same quantity. If by legislation you say that they shall, you can not change the fact that they will not. Tolerances must be allowed if this legislation is to be enacted and enforced.

Mr. McLAUGHLIN of Michigan. They always are allowed, but to establish them in advance, so that the one who wishes to evade the law can know just how far he can go in evading the law, I submit, is dangerous.

Mr. MANN of Illinois. I do not think there has been any trouble about that.

Mr. McLAUGHLIN of Michigan. It just practically changes the standard.

Mr. MANN of Illinois. I do not think there has been any trouble on that point, but it is perfectly clear that it ought not to be left to a department anywhere in the Government to say, after a package has been put up, whether it complies with what the department then wants to have done. Let them pick out one man's package and another man's package and determine the matter in advance, so that all men will be on equal terms. Tolerances are allowed upon the theory that it is not possible to make or fill two packages with precisely the same quantity, and it is not. What they do, as a matter of fact, where packages are put up, is to test a number of packages and see whether they come within the limit fixed.

Mr. McLAUGHLIN of Michigan. There are lots of packages that can be filled to the very limit, where no tolerance is necessary.

Mr. MANN of Illinois. But it is not possible to know exactly how much is going into them.

Mr. McLAUGHLIN of Michigan. They can be filled. There are a lot of packages that can be filled. There are lots of commodities of a kind where the entire interior of the package can be filled with the material.

Mr. MANN of Illinois. You can take two packages of cardboard or two tin cans or two glass bottles, and there is not a gentleman in this House who can fill them so that they will be evenly filled on the top. There is bound to be a variation.

Mr. McLAUGHLIN of Michigan. If the gentleman from Illinois should have his way, it would be serving notice on the trade that it is not necessary for them to fill their packages, that an ounce could be left out or that to fill up to an inch from the top would be enough, and we would find that that is the quantity that they would put in.

Mr. MANN of Illinois. If the department should say that it would make a tolerance that an inch from the top would be enough, that of course would give that opportunity, but I take it that the department would use good judgment about a matter of that sort. The difficulty now is that men will take a large package, we will say, for a breakfast food, which looks as though it contains twice as much as another package. People buy according to the eye, to a very large extent. The quantity of contents may be marked on the package, but one can not tell by the eye in advance, and you do not get a chance to see what the quantity is until you have bought the package. We want to prevent that. That is what this legislation is designed to prevent. That will be accomplished by giving the department power to fix the tolerances, requiring them to fix the tolerances before the packages are made and not after.

Mr. McLAUGHLIN of Michigan. The right should be given to the Department of Agriculture in each case as it arises to determine whether or not the party under suspicion has gone so far from compliance with the law as to indicate his intention to deceive—whether he has gone so far that the result of his work is likely to deceive the purchaser.

Mr. MANN of Illinois. Does the gentleman from Michigan contend that a man manufacturing a food or other product should put it up and mark the quantity on the outside of the package and then leave it to some clerk in the Department of Agriculture to determine as between two manufacturers, whether one is violating the law, by fixing a rule after the packages are made?

Mr. McLAUGHLIN of Michigan. But this is not to reach the package with the proper quantity marked upon it. Let us take a package such as the chairman of the committee there has exhibited. Suppose it will hold four ounces and only three are put inside of it and only three are marked upon the package. There has been no deception as to the quantity except as the purchaser is deceived by the appearance of the box.

Mr. MANN of Illinois. Certainly.

Mr. McLAUGHLIN of Michigan. The manufacturer who has filled it has used too large a box.

Mr. MANN of Illinois. Certainly.

Mr. McLAUGHLIN of Michigan. And he has used that large box for the purpose of deceiving the purchaser.

Mr. MANN of Illinois. I agree with the gentleman.

Mr. McLAUGHLIN of Michigan. He has used a box likely to deceive the purchaser.

Mr. MANN of Illinois. I agree with the gentleman, and I think it is fraudulent.

Mr. McLAUGHLIN of Michigan. He ought not to be permitted to do it.

Mr. MANN of Illinois. I think he ought to be forbidden from doing it, but I do not think it ought to be left with a department clerk to say what he can do after it has been done, not telling the man in advance what he is permitted to do.

Mr. McLAUGHLIN of Michigan. The danger is, as I have said before and again repeat, that if the tolerances and variations are established in advance they will become the standard, and the manufacturer will conform only to them.

Mr. MANN of Illinois. There is no proposition here to change existing law upon that subject. It has worked satisfactorily so far as the department is concerned, and in the main so far as the people and the manufacturers are concerned.

Mr. McLAUGHLIN of Michigan. The officials of the department—the head of the Bureau of Chemistry himself was there with his assistants—testified that it would not be wise to establish the standards in advance; it would not be wise to use the word "shall" where we have used the word "may."

Mr. MANN of Illinois. Oh, it is very natural, I suppose, for a Department of Agriculture official to imagine that he is the

whole thing, and that he ought to be able to determine hereafter as between two individuals, as between a friend and an enemy, whether one can be punished or not, without making a rule.

Mr. McLAUGHLIN of Michigan. The gentleman from Illinois has already said that the law now in the hands of the Department of Agriculture and its officials has worked well and there is no need of this change.

Mr. MANN of Illinois. But they do not propose to change the law as it now stands.

Mr. McLAUGHLIN of Michigan. But they do propose this and say that it is necessary.

Mr. MANN of Illinois. This is an addition. This does not affect the existing law as to the quantity of contents in the package. This is only an addition. They have not proposed to change existing law as to making tolerances.

Mr. McLAUGHLIN of Michigan. When we had these hearings we had large tables covered with different kinds of containers and boxes——

Mr. MANN of Illinois. Well, I had this whole House pretty nearly covered——

Mr. McLAUGHLIN of Michigan. Our room was pretty nearly filled up with them, and if anyone had seen them as we saw them and taken notice of the methods employed to deceive the public he would realize the importance of a bill of this kind.

Mr. MANN of Illinois. I agree with the gentleman.

Mr. McLAUGHLIN of Michigan. And we gave a great deal of attention to it, and I believe it is better than it will be if we adopt the suggestion of the gentleman from Illinois.

Mr. MANN of Illinois. I am just as much concerned for fear the courts will knock it out as any member of the committee.

Mr. HAUGEN. The contention was also that if the word "shall" was used the measure might not become operative before the variance and tolerance were fixed by the department, which might be two or three years before all are completed.

Mr. MANN of Illinois. Well, if it takes the department two or three years to determine what tolerance shall be allowed, why should the manufacturer be required to determine instantly at the risk of the penitentiary what shall be allowed? That is a queer proposition, it seems to me.

Mr. HAUGEN. They can submit the container to the department and have it approved——

Mr. MANN of Illinois. If the department with all the information at its command can not determine, why should a man who wants to follow the law in the prosecution of his business be required to go ahead at his own risk without any information, to be subject afterwards to the determination of a clerk here as to whether he is proceeding properly or not?

Mr. HAUGEN. In most instances the question in reference to tolerances of a package can easily be determined. It does not require very much effort on the part of either the manufacturer or the department to determine most of them, but there are, of course, some close cases, and, as suggested by the gentleman from Michigan, there are a number of instances where no tolerances whatever will be necessary, and if we use the word "shall," it will be necessary to fix tolerances and variations in every instance, including those not necessary, and before tolerances can be established for each and every article a long time may be consumed.

Mr. MANN of Illinois. Well, there is no case on earth where one man can put in two packages identically the same quantity.

Mr. HAUGEN. I agree with the gentleman——

Mr. MANN of Illinois. Or one man make two packages of identically the same size.

Mr. HAUGEN. I agree to that.

Mr. BLANTON. Will the gentleman yield?

Mr. HAUGEN. Certainly.

Mr. BLANTON. Without the provision for tolerances and variations this would not be a good bill, would it?

Mr. HAUGEN. They are a safeguard for the manufacturer.

Mr. BLANTON. But that is absolutely necessary to the legislation, is it not?

Mr. HAUGEN. I think it is most desirable.

Mr. BLANTON. If that is so, if what the gentleman from Illinois has said is true, and I feel sure it is true, that the courts would undoubtedly knock this law out because of our delegation of authority, then why not perfect it by changing "may" into "shall."

Mr. HAUGEN. If there is any question as to the constitutionality of the bill, and if it hinges on the one word, the suggestion is good.

Mr. BLANTON. I offer the gentleman from Illinois as authority.

Mr. HAUGEN. And he is very good authority. I am not going to discuss the legal phase of it. It has been discussed by the solicitor of the department, attorneys from the department, and other very able attorneys before the committee.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. GREEN of Iowa. I see no necessity for any provision here which requires the package to be filled. This is not like the original provision in pure-food bills at all, which fixes absolutely the quantity which was to be put in, but it is a question of whether a container may be made likely to deceive or mislead a purchaser. Now, there may be some immaterial variation which might be regarded here as a reasonable variation which would deceive nobody. Everybody knows, just as the gentleman from Illinois stated, that it is absolutely impossible to fill each one of these to just a precise level, and nobody would be deceived because he found one box with one level and another with some immaterial variation as to level.

Mr. BLANTON. Will the gentleman yield?

Mr. GREEN of Iowa. I will.

Mr. BLANTON. Here is one bottle that in size seems to be twice as large as this one?

Mr. GREEN of Iowa. Yes.

Mr. BLANTON. And yet it contains less, and yet it is filled. One bottle is calculated to deceive the public and the other is not.

Mr. GREEN of Iowa. That is not the question——

Mr. BLANTON. But the gentleman from Illinois stated you may fill up four of these to a level to the top, and yet when you place them on the shelves in business houses to be sold one would be down to a certain extent and another would be up a little.

Mr. GREEN of Iowa. The law has nothing to say about filling anything; at least it is not necessary that it should.

Mr. BLANTON. The chairman of the committee said it was to make merchants fill containers and fill bottles.

Mr. GREEN of Iowa. That is not what I am speaking about. It is to prevent sending out a container which apparently contains a great deal more material than it really does, and that is the way the law reads.

Mr. BLANTON. Whether a box, for instance, is filled a third?

Mr. PELL. Would it not have to be marked how much there is?

Mr. GREEN of Iowa. Yes; under the general provisions of the pure-food law; but that is not in this bill.

Mr. PELL. Then how are people going to be fooled——

Mr. GREEN of Iowa. People are very easily deceived.

Mr. PELL. If a person can read writing, that seems to be a protection.

Mr. YOUNG of Texas. Mr. Speaker——

The SPEAKER. Does the gentleman from Iowa yield or is the gentleman from Texas recognized in opposition?

Mr. HAUGEN. I yield to the gentleman.

The SPEAKER. How much time? Does the gentleman yield the balance of his time?

Mr. HAUGEN. How much time have I remaining?

The SPEAKER. Fifteen minutes.

Mr. HAUGEN. I yield 12 minutes.

Mr. SANDERS of New York. I would like to ask the gentleman from Iowa a question. In the case of apples, as I understand it, they go into cold storage in the fall of the year with the package properly filled. If it is taken out of cold storage, it is the custom of the trade to fill the top of the package with a corrugated sheet of paper, which, of course, would reduce the contents of the package. How would this affect that situation?

Mr. HAUGEN. It would not affect it at all. The only question is as to what it contained at the time of shipment. As to the shrinkage, that is another matter.

Mr. BROOKS of Pennsylvania. If the gentleman will yield, I understood him to say that when the shipment was made if the barrel was full——

Mr. HAUGEN. At the time it was offered for shipment. That is the only question. Offered for shipment in interstate commerce.

Mr. BROOKS of Pennsylvania. When apples are put into storage the barrel is filled, and when it comes out it is not full. That is the time it is offered for shipment. There should be a provision to take care of shrinkage. Shrinkage may not only apply to apples but to fruits and vegetables as well. I think a provision should be made in this bill taking care of shrinkage.

Mr. HAUGEN. My understanding is that there has been no objection made to that. Under the Gould amendment that is very satisfactory. We are not anticipating any trouble over it,

I would be very glad to amend the bill in any way, however, so as to protect the apple growers.

Mr. BROOKS of Pennsylvania. The apple people are fearful of trouble if this bill is passed in this shape.

Mr. HAUGEN. I appreciate that, and I have had a great deal of correspondence relative to that. I am aware of the gentleman's interest in the matter, and I am as willing to protect the interest which he has.

Mr. YOUNG of Texas. Mr. Speaker and gentlemen of the House, at first blush you will think there is not so much involved in this legislation. It is a very short bill, only two amendments offered to the food and drugs act, but an extended hearing before the Committee on Agriculture showed that there were growing up in this country not one but many hundreds of crooked manufacturers who are fooling the public in the manner as indicated here by the exhibition of these packages. Honest manufacturers who have been in business all their lives and who have built up trade on certain lines of goods packed in certain forms of packages that have a reputation all over the country came before the committee and made a showing that appealed to us, in the sense of honesty and fair dealing, that this legislation ought to be passed by Congress in order that honest manufacturers and the consuming public might be protected.

Now, for instance, take this potato carton [exhibiting]. When opened it is only one-third full. An honest manufacturer tells us that he does not want that to exist. The only reason that that package was made in that manner was to fool the eye of the purchaser and unload on him empty space and to charge for that, and the manufacturer who is guilty of that is guilty of a fraud against the whole buying public. It is his business to make his money by deceiving the public, and yet he is in competition with an honest manufacturer in the potato business who puts on the market a package well filled. There is the public to be protected on the one hand and the honest manufacturer to be protected on the other.

Mr. BLANTON. Will the gentleman yield right there?

Mr. YOUNG of Texas. Do not disturb me until I get through, and then you can ask any question you wish.

Here are the necessary essentials for the housewife. She goes into the market place. She wants to buy some of these articles, and there are on the shelf of the merchant two bottles, both of them, so far as the contents are concerned, looking alike. But here is a bottle that apparently has much more of contents than the smaller bottle, and yet the smaller bottle has twice as much of the ingredients as the larger bottle. The manufacturer who puts up this bottle [exhibiting] did it for the purpose of deceiving. He is selling the space. The man who put up the contents of this bottle [exhibiting] is putting up a thing that the housewife is buying. She is not intending to buy a bottle. Here is the honest manufacturer providing contents for sale; here is the dishonest manufacturer, in competition with him, providing a deceptive bottle for sale.

Now, as to spices, a box containing spices was exhibited here. It has an isinglass front. The housewife looks on the merchant's shelves and sees the package. Here is the isinglass disclosing the contents. She needs the spices for seasoning purposes. She does not stop to inquire whether or not that container is filled with the spices she is buying, but it is the contents that the housewife wants; it is not the empty space.

But when she opens that container she finds that just above the isinglass through which she has looked two-thirds of the container is empty space. Therefore, a crooked manufacturer has imposed on the housewife. He has imposed on the purchasers of the country, and he is in competition with the honest manufacturer who puts up a similar package but who fills the spaces with the spices that the housewife seeks to buy.

Here is another manufacturer who has put up olives for sale. The housewife goes into the store for the purpose of buying a bottle of olives. This bottle sitting on the grocery shelf has the ability to enlarge the size of the olive. It has the further capacity of keeping the olives from fitting closer together in the bottle. And when the housewife purchases what she believes to be luscious olives, to her consternation when she opens that bottle she finds she has been defrauded; that she has bought small olives in the first place, and very few of them in the bottle. She has suffered from an imposition. And yet the olive dealer who uses that bottle is in competition with an honest olive dealer who, when the housewife buys the contents of his container, gives full value for her money. There are two parties defrauded, the consumer of the various articles and the honest manufacturer who wants to deal in an honest way. These honest manufacturers came before our committee, not with these containers alone but with hundreds of them, and exhibited them in the committee, and you would be astonished at the fraud that is rampant throughout our Nation in containers of this kind.

These are simply amendments to the food and drugs act.

We want to make these men act honestly. You go into a grocery store and call for a package of macaroni—any of you—and see what you get. I tried that out just before I left home. You get two-thirds space and one-third macaroni—a cheap article like that. The same thing goes through the whole category of manufactured products. Honest manufacturers admitted that the competition was so unfair that unless something were done they would be driven to unfair means themselves. It is up to this Congress to pass this simple legislation restraining dishonest men from selling empty spaces and fooling the eyes of the purchasers. They went so far during the war that where a manufacturer had a reputation of selling a certain line of spices that the housewives all over the country were familiar with, those prices were prohibitory in practice, and the honest manufacturers were cutting down the size of their cartons and putting in the spices they supplied, and giving an honest measure.

Yet they found that they were forced, in order to make the sales which they formerly made, to go back to the old-sized packages and slack-fill those packages. That is what was done. The trade wanted that size package, and so when the housewife goes in and looks at the package she does not know that it is not filled and that she is being fooled and that her money is being taken from her.

There is only one way to reach it that I know of, and that is by passing an amendment to the pure food and drugs act and driving these men back to filling their packages and not fooling the eyes of the purchasers of the Nation. That is all. I would not put a proviso to this bill giving six months' leeway to these dishonest people to hold up the public that much longer by selling empty space. I would make this bill go into effect as soon as the Congress passes it and the President signs it. It does not penalize those people, but it should penalize them for engaging in a fraud against the American people. Let them lose these fraudulent containers. [Applause.]

Mr. HAUGEN. Mr. Speaker, I reserve the balance of my time.

The SPEAKER. Does anyone desire recognition in opposition to the bill?

Mr. PELL. I do.

Mr. BLANTON. Will the gentleman grant me three minutes?

Mr. PELL. The gentleman may take all the time he wants.

Mr. BLANTON. I want only three minutes.

Mr. PELL. And I reserve the remainder of my time.

The SPEAKER. How much time did the gentleman from New York yield to the gentleman from Texas?

Mr. PELL. Three minutes.

The SPEAKER. The gentleman from New York yields to the gentleman from Texas three minutes.

Mr. BLANTON. Mr. Speaker, the gentleman from Iowa [Mr. GREEN] a few minutes ago was of the impression that this bill if enacted into law would not reach a potato container like the one exhibited here, which is filled one-third with potatoes and the other two-thirds with space. At least that is what I understood the gentleman to say.

Mr. GREEN of Iowa. What I thought was that this technical provision in this paragraph might well be left out, because I thought the paragraph at the top of the page covered all that was necessary.

Mr. BLANTON. The gentleman sees that it does meet just such a case as this, and requires the container to be filled.

Mr. GREEN of Iowa. That paragraph does, yes; but I thought it might just as well be left out and avoid that legal question, as I thought the other paragraph covered it.

Mr. BLANTON. That was the only point I wanted to clear up, that this particular bill if passed into a law will require manufacturers to fill their containers. They can not fill a package one-third full of potatoes and sell it as a full package. That is all I wanted to say.

Mr. PELL. I yield to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. I should like to have the gentleman yield to me to offer an amendment, and then yield to me some time.

Mr. PELL. I yield for that purpose such time as the gentleman wants.

Mr. MANN of Illinois. I offer the following amendment.

The SPEAKER. The Chair will suggest to the gentleman from New York that if he yields to the gentleman from Illinois to offer an amendment, he loses the floor.

Mr. MANN of Illinois. I think not under the Calendar Wednesday rule. I do not know. There is an hour allotted.

The SPEAKER. The Chair would be inclined offhand to say that it would be wiser to debate first and then offer the amendment later.

Mr. MANN of Illinois. No; I want to offer the amendment so it will be before the House.

Mr. PELL. Then I will yield to the gentleman 10 minutes, and let him offer the amendment afterwards.

The SPEAKER. The first impression of the Chair would be that if the gentleman from New York yielded to the gentleman from Illinois to offer an amendment, he would yield the floor.

Mr. MANN of Illinois. We are operating under the Calendar Wednesday rule on a House Calendar bill. The bill is not read further for amendment. Supposing I offer an amendment, which is permissible during the time for debate. It may be permissible afterwards. I will not undertake to say. But somebody may want to offer an amendment to the amendment, and some discussion may be desired, which must be had, I assume—though I may not be correct about that—within the two hours. Is there any further debate after the two hours? Of course the rule provides two hours' general debate and that is all there is on a House Calendar bill—general debate.

The SPEAKER. The Chair will rule, to save time on this occasion but not as a precedent, that the gentleman can offer the amendment and then take his time. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Amend page 2, line 13, by striking out the words "of said section 8, as amended."

Amend, page 2, line 14, by striking out the proviso and inserting in lieu thereof the following: "*Provided, however,* That reasonable variations shall be permitted and tolerances shall be established by rules and regulations made in accordance with the provisions of section 3 of this act."

Amend, page 2, line 20, by striking out the word "amendment" and insert the words "amendatory act."

Amend, page 3, line 1, by striking out the word "amendment" and insert in lieu thereof the words "amendatory act."

Mr. MANN of Illinois. There are four of these amendments. Three of them are merely formal and technical. Two of them relate to striking out the word "amendment" and inserting the words "amendatory act."

I suppose this bill was prepared in this form by somebody in the Department of Agriculture who does not know the difference between an amendment on the floor of the House and an amendatory act of Congress. We never refer in a law to an amendment, but we always refer to amendatory acts of Congress, and I assume there is no objection to those amendments. The one on page 2, line 13, the language reads—

Paragraph "Third" of said section 8 as amended.

I think that is a little confusing. It is an amendment to the third paragraph of the food provision of section 8; and if we simply strike out "of said section 8 as amended" and leave it "paragraph 'Third'" it says what it means, and it does not mean anything different from what it says. Those are not material changes, and have no purpose except to make the language of the bill more properly conform to legislative forms.

I had more or less to do with the passage of the original act. I worked a long time on the pure food act. I drew the bill and represented the committee on the floor of the House, and have several times since then been concerned with these amendments to it.

I have no use for fraud. I believe in protecting the public as far as possible from fraudulent practices. When the pure food bill first came before the House, and before that in the committee, I said that whenever a fraudulent practice had grown up and you prevented it by legislation the bright wit of man would seek to find some other fraudulent practice that would take its place. When we first passed the pure food law to forbid fraudulent adulteration, then they commenced to make packages that looked as though they had large quantities of food in them but did not. The manufacturers, jobbers, wholesalers, and retailers had originally obtained the striking out of the pure food bill of the provision requiring the quantity of the contents to be marked upon the package, but afterwards the same manufacturers, jobbers, wholesalers, and retailers unanimously came before the Committee on Interstate and Foreign Commerce and asked us to put into the law what they had theretofore resisted, a provision requiring the quantity of the contents to be put upon the package, because an honest dealer did not have much show against a dishonest dealer.

We put that on. No one can tell by the looks of two packages that are nearly alike how big they are or how much they contain. I brought cans into the House that varied considerably in quantity of contents and defied Members to pick out which contained the most, either by looks or lifting, and they could not do it. But the eye can tell a large package from a small package.

During the war—and I do not attempt to criticize too severely a large number of people who put small quantities in packages—during the war, when wheat by the action of Congress had gone up in price from $1 a bushel to $2.25 a bushel or more, and macaroni, which is made from wheat and put up in packages, and the manufacturers could not easily change the size of the packages and could not change them fast enough to keep up with the rise in the price of wheat, I do not wonder that honest manufacturers put smaller quantities in the packages. There is no escape from the proposition that they were sure to do it. Whether they will put in larger quantities when the price of wheat has gone down, I do not undertake to say.

I do not believe in fraud. I believe there ought to be a requirement that packages shall be reasonably well filled. I do not want to leave it to a department clerk or a clerk in the office of the Solicitor of the Agricultural Department to say as between the two men on his new inspection, "I think you are violating the law and should go to the penitentiary," and to the other, "You are not violating the law," when no one can tell in advance how he is going to obey the law. I do not think you can make a law that leaves to the department the power to say, after the act is passed, whether a man has committed a crime or not. I do not think the Congress can delegate to the Department of Agriculture its legislative authority. We can pass a law requiring that packages going in interstate commerce shall be filled, because it would be impossible to fill two packages exactly alike, even by hand, and most of the packages are filled by machinery; as a corollary to that there ought to be a provision that a reasonable variation shall be allowed. If we say a reasonable variation shall be allowed, we have the right to direct the department to fix what those variations shall be in the first instance, the courts having the final determination of it.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. GREEN of Iowa. Without discussing the question of law, which I concede to be close, why could we not leave out entirely the second provision? It seems to me that the first provision would afford sufficient protection.

Mr. MANN of Illinois. You can not fill two cans just alike. I know; I do some canning myself. The canners all concede that. You can not fill two bottles just alike. It was desirable to have variations permitted and have them defined on the theory that the definition would fix it so that a bottle or package could be varied to the extent that it was not possible to fill them just alike. You allow variations in filling packages that are necessary to meet the case in filling the package. The packages in the main are filled by machinery. You can not get them identical, and it was not desirable to leave to the department in each case the right to prosecute a man because a clerk thought he had not filled a package sufficiently when two men had filled them just alike, and to prosecute one and not the other.

Mr. GREEN of Iowa. I fear I did not make myself clear. I wanted to ask the gentleman if it would not be sufficient protection to the purchaser to leave out the directions as to the variations and tolerances.

Mr. MANN of Illinois. The gentleman means to leave out paragraph 2 of the bill?

Mr. GREEN of Iowa. Yes; and that would avoid the legal question, and the purchaser would be sufficiently protected under the first provision.

Mr. MANN of Illinois. That possibly is true. I am not discussing that phase of it. I am discussing the question that if this goes in, making it illegal if the package is not filled with the food it purports to contain, the law should provide that reasonable variations shall be permitted. You can not fill the packages identically alike. Then I think it should provide that tolerances should be established by rules and regulations in accordance with the provisions of law.

After the pure-food law was passed there came from all over the country demands from honest manufacturers desiring to know whether what they were doing would comply with the law. They desired to comply with the law. Of course, there are some dishonest manufacturers who are trying their best to evade the law.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. McLAUGHLIN of Michigan. If the bill should be amended as the gentleman suggests, would it be necessary for tolerances or variations to be established before the law was effective?

Mr. MANN of Illinois. No; the law is effective anyhow. But it is within the power of the department to fix the tolerances before it attempts to prosecute anybody. If the department has

not fixed the tolerances, it ought not to prosecute a man who is trying to obey the law. If the department thinks that somebody is evading the law or violating the provisions of the law, let the department fix the tolerances for the future. There is no great difficulty about that. There has never been any difficulty about enforcing the law where we required that the tolerances should be fixed on the quantity or contents. Although they have not fixed the tolerances for every case where packages are put up, yet they do not prosecute until they fix the tolerances.

Mr. McLAUGHLIN of Michigan. I will say to the gentleman from Illinois that the matter was spoken of when the committee was considering the bill, and some one said—I can not recall now who made the remark or who advanced the opinion—that if it were made necessary by the law to establish tolerances and variations it would have to be done in advance, and the law would not be complete and would not be effective and could not be enforced until that had been done.

Mr. MANN of Illinois. I think that was some one who did not know what he was talking about. That law is on the statute books as to the quantity of contents, and all packages do not have the tolerances fixed as yet. A new style of package may come up, and they fix the tolerance for it.

Mr. McLAUGHLIN of Michigan. It impressed us as having force.

Mr. MANN of Illinois. The legal end of it, of course, perhaps did not impress the Committee on Agriculture as much as it did the Committee on Interstate and Foreign Commerce. One committee is composed of men who are the brainiest in the country on the subject of agriculture, and one is composed of men who are studying the law under the constitutional power given to Congress. I do not see any objection to saying that the department shall fix it. I believe in preventing fraud. I think all men ought to be treated alike about it.

Mr. McLAUGHLIN of Michigan. Will the gentleman yield further?

Mr. MANN of Illinois. Certainly.

Mr. McLAUGHLIN of Michigan. The chief of the Bureau of Chemistry in the department said he was not insistent that the word should be "may" instead of "shall," and respecting that he said this:

> I do not think that the department has any particular objection to that change in the language. The thought in our minds was this, that if it is mandatory to establish tolerances it is mandatory to publish them, and when we publish a tolerance it means that it ceases to become a tolerance and becomes a practice. If we say that a tolerance in a certain type of bottle shall be half an ounce, in a 12-ounce bottle, because that is reasonable, you will give the very skillful manufacturer a prescription of which he may take advantage. We thought it would be better not to make it mandatory and to leave it to the administrative judgment, because if you publish a tolerance it is taken advantage of.

Mr. MANN of Illinois. That just shows that this distinguished gentleman was talking about a subject with which he was not familiar, although it is his business to be familiar with it. The law requires the tolerance to be fixed for a 12-ounce bottle, and he is saying if it did require it that it would be difficult to enforce. It is now the law, and the tolerance has been fixed by his department. He simply was not familiar with either the law or his own branch of the department. That is the trouble with him. Of course, whenever one of these distinguished scientists in the chemistry department gets to dealing with the subject of what the law is, he is lost, and this man was lost both as to the facts and his own work. That is the law now.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. BANKHEAD. Do I understand the gentleman to mean from that statement that tolerances and variations are already fixed now that would apply to these measures here that we are seeking to have corrected?

Mr. MANN of Illinois. No.

Mr. BANKHEAD. I want to ask the gentleman one other question because I know he is an authority upon this subject. An opinion has been expressed here that the last proviso of the bill should be eliminated and that the bill should go into effect at once instead of allowing six months. If the gentleman's amendment respecting tolerances shall be agreed to, and the tolerances shall be fixed by the department, what effect would that have upon the proposition to eliminate the last proviso?

Mr. MANN of Illinois. I will say frankly I think the proviso ought to be made 18 months instead of 6, and I think I can convince any gentleman in a few words that it ought not to go into effect at once. I am very sure of one thing, and that is that if the House should pass the bill providing that it go into effect at once, it would not go into effect during the present Congress. The goods referred to here are already on the shelves of the retailers all over the country. Those men have purchased them from the manufacturers and have paid for them in good faith. There has been much talk about people being deceived. It is very largely overdrawn. I believe in having matters so arranged that the people can tell by the looks of the goods what the quantity is they are purchasing. Let us suppose, however, that a housewife buys a package like the one illustrated here and finds that it is only one-third full. If she does not know enough to realize that it is but one-third full, no law can protect her. These retailers have the goods now on their shelves, and by providing that the law shall take effect at once we will be punishing not the man who produced the goods but the man who sells them. We would provide in that event that the man who sells a package now on his shelves the day after this act goes into effect is guilty of a crime. Is there anyone here so foolish as to do that? I think not. In the very nature of things, where the packages have been put up and made in the trade, there ought to be a reasonable time within which to dispose of them. You do not reduce the cost of things by requiring the destruction of great quantities of goods of any kind. Legislation is for the long term, and when we enact legislation we should enact legislation that is fair and that will stand, legislation that will not produce a kick back. Pass a bill and endeavor to punish people because they are selling goods already on their shelves which the people must have, because we provide in the bill that it is a crime to sell the goods, and such a bill would not become a law. So what is the use of doing that. However, the amendment that I have proposed would not have any effect upon it at all. While we would say that it is their duty to fix tolerances, we would still have made it a crime to sell the stuff.

Mr. McLAUGHLIN of Michigan. Mr. Speaker, will the gentleman yield further?

Mr. MANN of Illinois. Certainly.

Mr. McLAUGHLIN of Michigan. When the gentleman urges that the time limit should be longer than is provided in the bill, has he in mind the fact that this bill has been before the House for more than a year?

Mr. MANN of Illinois. I have in mind this fact: Most packages for the trade are made and ordered a year and a half in advance. We have had this matter up a number of times. Packages are ordered a year and a half in advance. Large quantities of them are put up a year in advance. The tomatoes for this year have been canned, the fruit has all been canned. There is no object to be gained in saying that this law shall apply to one of those cans six months from now. You may as well say it now, because they will still be on the shelves of the retailer and be sold a year from now. If we want legislation to be approved and enforced, we must be fair. Six months is not a fair time in which to dispose of the packaged goods owned in the best of faith by everybody after purchase from the manufacturer, and in most cases in the best of faith by the manufacturer himself.

Do not for the purpose of punishing one crook—and I am willing to protect the honest manufacturer against him—do not for the purpose of punishing one crook endeavor to penalize 100 honest manufacturers or 100 honest dealers. That is my position. That is all. I want to be fair and reasonable. I want to prevent fraud, but I do not want to commit fraud in doing it.

Mr. McLAUGHLIN of Michigan. If the gentleman from Illinois will permit me, in almost every one of these instances the variation is so evidently flagrant that the element of good faith which the gentleman emphasizes is not present at all.

Mr. MANN of Illinois. That is as to those particular people——

Mr. McLAUGHLIN of Michigan. And when we fixed the time—that was the consensus of the opinion of the committee—we fixed it at six months, and the gentleman will notice this bill was reported to the House, I think, the 1st of November, 1919, more than a year ago, and the trade had notice at the time the bill was pending and that the law was to be enacted and some change was to be made and that fraudulent practices must cease. It seems to me if we add a year now, too much time altogether would be allowed.

Mr. MANN of Illinois. I do not care how quickly you punish the fellow who is committing fraud, and this will not stop punishing the man who commits the fraud. Here is the new rule of conduct which applies to the honest man as well as to the dishonest man. The honest man must comply with it as well as the man who wants to commit a fraud, and yet you do not give the honest man time to turn around before you punish him. That is what it seems to me, and I have not any doubt about it.

Mr. GREEN of Iowa. Will the gentleman from New York yield me two or three minutes?

Mr. PELL. I do.

Mr. GREEN of Iowa. Mr. Speaker, I agree with the gentleman from Illinois [Mr. MANN] as to the point of law which he raises, and I think if this second provision with reference to filling packages is kept in the law his amendment ought to prevail, otherwise we are in danger of having the court make such a ruling upon this whole act as to make it unenforceable; but I also agree with some of the things suggested by the gentleman from New York [Mr. PELL] with reference to our adopting unnecessary regulations. And it really seems to me—and in the absence of the chairman of the committee I would like to have for a moment the attention of the gentleman from Michigan [Mr. MCLAUGHLIN]—it really seems to me as if this second provision might well be omitted entirely, and thus this legal question be avoided. The first provision is that if a package "be in a container so made, formed, or shaped as likely to deceive or mislead the purchaser as to quantity, quality, size, kind, or origin of the food therein" it shall be subject to the penalties of this statute. Now, I do not see at this time just why that provision would not be sufficient without any provision in reference to the filling of the package. Here is a package which gentlemen have said was filled only about one-third. It is quite evident this first provision would cover that, without any provision that it should be filled, for the size of the package would deceive the purchaser. As soon as you make a provision requiring the package to be filled then arises this question of variations and tolerances, because, as the gentleman from Illinois has well said, it is impossible to fill all of these packages exactly, and, with all due deference to the chairman of the committee, my colleague [Mr. HAUGEN], I think this provision would apply to apples in barrels, which, as one gentleman who is familiar with the subject has said, those apples will shrink afterwards and finally the container may not be entirely full, although it may have been filled entirely full to begin with. Will some gentleman state——

Mr. LAYTON. I do not think there would be very much difference for a good while.

Mr. GREEN of Iowa. Well, some gentleman mentioned that.

Mr. MCLAUGHLIN of Michigan. I understood the gentleman from Iowa to suggest the elimination of a portion of this. Has the gentleman the bill before him?

Mr. GREEN of Iowa. I have the bill.

Mr. MCLAUGHLIN of Michigan. Page 2, beginning with lines 4, 5, and 6, does the gentleman suggest those words should be left out?

Mr. GREEN of Iowa. Oh, no; not that; but the second provision, with reference to the filling of the package, I suggested might be left out. I was simply inquiring of the gentleman from Michigan and my colleague, the chairman of the committee, as to what they think about it. It seems to me when the provision was made, as it is at the top of the page, prohibiting a container to be so made as to be likely to deceive or mislead the purchaser as to the quantity, quality, and so forth, it would cover all that is necessary and protect the purchaser, without going into this somewhat dangerous question with reference to absolutely filling the box. If the container does not deceive the person, then the box must be reasonably filled, necessarily; otherwise they are deceived by the container.

Mr. BLANTON. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. BLANTON. Suppose you have a rectangular-shaped box that in no way apparently deceives the public and would not deceive anyone if properly filled; it is not so built as to deceive if it is properly filled. If it were so built under this law with this section eliminated, it would be a violation of the law. Then you come to the question of filling it. You put in a certain content, say, one-third full and you mark on it its actual weight under the present pure food law. It meets the requirements of the present pure food law and this amendment, and yet it is only one-third filled. I think the gentleman is mistaken when he concludes that this particular paragraph is not needed to cover manufacturers filling the package. I think without it they could keep on deceiving, because these containers are not built to deceive. They might be built by a certain manufacturer who has no idea of the contents that are going into them. They might be used by other manufacturers and filled with an entirely different content.

Mr. GREEN of Iowa. That is just the trouble. These containers are built to deceive, but are filled just the same——

Mr. LAYTON. As a matter of fact, there is not as much deception about the matter as gentlemen think. The housewife who goes to the grocery store and buys one of these bottles knows that the sunken panel on it takes away from the content. The trouble about the whole matter is that when the housewife goes to buy, some drummer has gone around the town and sold to all the stores, and she has got to buy that particular kind of bottle, though she knows she is getting a smaller quantity.

Mr. GREEN of Iowa. I do not agree with my friend from Delaware on that point. I want to yield to my friend from New York [Mr. SANDERS], who asked me to yield a moment ago.

Mr. SANDERS of New York. In the matter of storing apples, they go into the storehouse in the fall with the package full, as I understand it. They remain there for perhaps six months. There is a natural shrinkage which goes on, but which is offset by placing a corrugated paper on the top of the barrel in order to take up the slack and to prevent the apples from becoming bruised in transit. It is certainly much better to have it done in that way than to attempt to fill the barrels with fresh apples, inasmuch as that would destroy many of the apples by bruising. The question is whether or not that would be illegal unless some provision were made for it.

Mr. GREEN of Iowa. It would be illegal unless some tolerance was established. But that the committee expects to establish. My thought was that we might well leave out this entire provision in reference to the filling, which requires an exactness that was not necessary, and also requires a large number of agents to go over the country and examine these packages. Moreover, it adds greatly to our force in order to put in effect an unnecessary regulation. I would like to hear from the chairman of the committee on that.

Mr. HAUGEN. In the opinion of the gentleman, would that protect the false bottom?

Mr. GREEN of Iowa. The first provision that you have would protect against the false bottoms so far as that is concerned. There would not be any trouble about that. There might be something else, of which the gentleman is aware.

Mr. HAUGEN. This says if a container was made as to form or shape that would be "likely to deceive," and the other provision is to protect against false bottoms and various abuses and deceptions.

Mr. GREEN of Iowa. I think very clearly that where there was a false bottom it would be considered a container calculated to deceive the public. If that is the only question I think the second part might as well be left out. It is not the first provision I sought to have omitted—the one the gentleman is reading. I wanted that retained.

Mr. HAUGEN. I understood the situation was to strike out line 14.

Mr. GREEN of Iowa. Yes; with reference to the filling of the packages.

Mr. HAUGEN. As a matter of safety, is it not better to leave it in in order to make it absolutely certain?

Mr. Speaker, if there are no others who wish to speak, I move the previous question on the bill and amendments to final passage.

The SPEAKER. The gentleman from Iowa moves the previous question on the bill and amendments to final passage.

The question was taken, and the previous question was ordered.

The amendments were agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HAUGEN, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. HAUGEN. Mr. Speaker, the committee has other bills which it desires to call up, but it seems to be the desire of Members that the House do now adjourn.

LEAVE OF ABSENCE.

By unanimous consent leave of absence were granted as follows:

To Mr. BLACK (at the request of Mr. JONES of Texas) for 10 days, on account of death of his father.

To Mr. JAMES of Michigan (at the request of Mr. KELLEY of Michigan) indefinitely, on account of sickness.

WITHDRAWAL OF PAPERS.

Mr. DOREMUS, by unanimous consent, was granted leave to withdraw from the files of the House, without leaving copies, the papers in the case of George H. Lozon (H. R. 13783) Sixty-second Congress, no adverse report having been made thereon.

FLORENCE B. WELLS AND G. W. GILKISON.

Mr. IRELAND. Mr. Speaker, by direction of the Committee on Accounts, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The gentleman from Illinois [Mr. IRELAND] asks unanimous consent for the present consideration of the resolution which the Clerk will report.

The Clerk read as follows:

House resolution 600.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to Florence B. Wells the sum of $186.66, and to G. W. Gilkison the sum of $120, the same being the amount received by them per month as clerks to the late Mahlon M. Garland, a Representative in Congress from Pennsylvania at the time of his death, November 19, 1920.

The SPEAKER. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, this is merely to pay them back salary?

Mr. IRELAND. Yes. This is the usual resolution; the amount is certified from the Clerk's record.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

CLARENCE W. NICHOLS AND RAY E. KOLLAR.

Mr. IRELAND. Mr. Speaker, I ask unanimous consent for the present consideration of the resolution which I send to the Clerk's desk.

The SPEAKER. The Clerk will report the resolution.

The Clerk read as follows:

House resolution 604.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, to Clarence W. Nichols the sum of $153.33 and to Ray E. Kollar the sum of $153.33, the same being the amount received by them per month as clerks to the late Dick T. Morgan, a Representative in Congress from Oklahoma at the time of his death, July 4, 1920.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The question is on agreeing to the resolution.

The resolution was agreed to.

EXTENSION OF REMARKS.

Mr. PELL. Mr. Speaker, I ask unanimous consent to extend and revise my remarks on the bill just passed.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. HAUGEN. Mr. Speaker, I understand the committee is entitled to have other bills considered, and that by moving that the House adjourn now it does not lose that right. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 15 minutes p. m.) the House adjourned until Thursday, December 9, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

113. A letter from the chairman of the War Finance Corporation, transmitting the third annual report of that body; to the Committee on Ways and Means.

114. A letter from the Secretary of the Treasury, transmitting annual report on the state of the finances for the fiscal year ended June 30, 1920; to the Committee on Ways and Means.

115. A letter from the assistant inspector general of the National Home for Disabled Volunteer Soldiers, transmitting summaries of the reports of inspections of 32 State homes for disabled volunteer soldiers and sailors; to the Committee on Military Affairs.

116. A letter from the president of the Board of Managers of the National Home for Disabled Volunteer Soldiers, transmitting report of that organization for the fiscal year ending June 30, 1920, together with a record of the changes in membership of the National Home for Disabled Volunteer Soldiers; to the Committee on Military Affairs.

117. A letter from the chairman of Public Utilities Commission of the District of Columbia, transmitting report of the official proceedings of that body for the year ended December 31, 1919, together with other information; to the Committee on the District of Columbia.

118. A letter from the Secretary of Commerce, transmitting statement of disbursements required by section 193, United States Revised Statutes, during the period from December 1, 1919, to November 30, 1920, from contingent expenses, Department of Commerce, 1918, 1919, 1920, and 1921; general expenses, Bureau of Standards, 1918, 1919, 1920, and 1921; statement of expenditures under all appropriations for the support of the Bureau of Fisheries during the fiscal year 1920; statement showing typewriters, etc., exchanged by the department during the fiscal year 1920 for new machines; statement showing travel performed by officers and employees of the Department of Commerce who traveled on official business from Washington to points outside of the District of Columbia during the fiscal year 1920; statement covering the first four months of the fiscal year 1921 showing average number of employees of the department receiving increased compensation at the rate of $240 per annum and the average number, by grades, receiving the same at each other rate; to the Committee on Expenditures in the Department of Commerce.

119. A letter from the Secretary of the Interior, transmitting detailed report concerning the rental of buildings and lands comprising property acquired for the extension of the Capitol grounds; to the Committee on Appropriations.

120. A letter from the Librarian, transmitting annual report as Librarian of Congress and the annual report of the superintendent of the Library Building and grounds for the fiscal year ended June 30, 1920; to the Committee on the Library.

121. A letter from the Secretary of War, transmitting with a letter from the Chief of Engineers of the United States Army a report of water diversion from the Great Lakes and Niagara River; to the Committee on Foreign Affairs.

122. A letter from the Secretary of Agriculture, transmitting draft of a bill to amend section 62 of an act entitled "An act to codify, revise, and amend the penal laws of the United States"; to the Committee on Agriculture and ordered to be printed.

123. A letter from the acting vice chairman of the Federal Board for Vocational Education, transmitting report of the publications issued by the Federal Board for Vocational Education during the fiscal year ended June 30, 1920; to the Committee on Printing.

124. A letter from the Secretary of the Interior, transmitting report of typewriters, adding machines, etc., exchanged in part payment for new machines for the fiscal year ended June 30, 1920; to the Committee on Appropriations.

125. A letter from the Secretary of the Interior, transmitting copy of report relative to the necessity of constructing a road between Ajo and Tucson, across the Papago Indian Reservation in Arizona; to the Committee on Indian Affairs.

126. A letter from the Secretary of the Treasury, transmitting list of claims which have been considered, adjusted, and determined by the Commissioner of Lighthouses, on account of damages caused by collisions for which vessels of the Lighthouse Service were responsible; to the Committee on Appropriations, and ordered to be printed.

127. A letter from the Secretary of the Treasury, transmitting copy of communication from the Secretary of Commerce submitting deficiency and supplemental estimates of appropriations required by the Department of Commerce; to the Committee on Appropriations, and ordered to be printed.

128. A letter from the Secretary of Agriculture, transmitting draft of bill to amend the law respecting sales of national forest timber; to the Committee on Agriculture.

129. A letter from the Secretary of Agriculture, transmitting draft of bill to authorize the Secretary of Agriculture to cooperate with owners of forest lands in the administration and protection of such lands in or near the national forests; to the Committee on Agriculture.

130. A letter from the Secretary of Agriculture, transmitting draft of a bill for the protection of wild animals and birds in the Kaibab National Forest; to the Committee on Agriculture.

131. A letter from the Secretary of Agriculture, transmitting draft of proposed legislation amending food and drugs act; to the Committee on Interstate and Foreign Commerce.

132. A letter from the Secretary of the Interior, transmitting detailed report of the expenditures made from tribal funds of the Confederated Bands of Utes during the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

133. A letter from the Secretary of the Interior, transmitting report relating to the construction, enlargement, and improvement of Fort Hall irrigation project, etc.; to the Committee on Indian Affairs.

134. A letter from the Secretary of the Interior, transmitting detailed report of the expenditures made in per capita payments to the Apache, Kiowa, and Comanche Indians during the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

135. A letter from the Secretary of the Interior, transmitting report of all moneys collected and deposited during the fiscal year ended June 30, 1920, under the appropriation "Determining heirs of deceased Indian allottees, 1920"; to the Committee on Indian Affairs.

136. A letter from the Secretary of the Interior, transmitting statement of the expenditures for the fiscal year ended June 30, 1920, of money under the caption "Indian moneys, proceeds of labor"; to the Committee on Indian Affairs

137. A letter from the Secretary of the Interior, reporting that no expenditures were made during the fiscal year ended June 30, 1920, for the construction of hospitals from the appropriation "Relieving distress and prevention, etc., of disease among Indians, 1920"; to the Committee on Indian Affairs.

138. A letter from the Secretary of the Interior, transmitting report of expenditures made for the purpose of encouraging industry and support among the Indians on the Tongue River Reservation, Mont., during the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

139. A letter from the Secretary of the Interior, transmitting statement of the cost of all survey and allotment work on Indian reservations for the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

140. A letter from the Secretary of the Interior, transmitting report that no hostile act the past fiscal year was committed by any Indian tribe with which the United States has treaty stipulations; to the Committee on Indian Affairs.

141. A letter from the Secretary of the Interior, transmitting report showing the diversion of appropriations for the pay of specified employees in the Indian Service for the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

142. A letter from the Secretary of the Interior, transmitting detailed report of expenditures made for the purchase of cattle for the Northern Cheyenne Indians on the Tongue River Reservation, Mont., for the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

143. A letter from the Secretary of the Interior, transmitting list of documents and papers which have no permanent value or historical interest; to the Committee on Disposition of Useless Executive Papers.

144. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Sabine Lake and Sabine Pass, La., and Tex.; to the Committee on Rivers and Harbors.

145. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Sulphur River and Days Creek, Tex. and Ark.; to the Committee on Rivers and Harbors.

146. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Sulphur River, Tex. and Ark.; to the Committee on Rivers and Harbors.

147. A letter from the Secretary of Agriculture, transmitting item of legislation to amend the United States warehouse act; to the Committee on Agriculture.

148. A letter from the Secretary of United States Shipping Board, transmitting fourth annual report of the United States Shipping Board covering the period June 30, 1919, to and including June 30, 1920; to the Committee on the Merchant Marine and Fisheries.

149. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of waterway connecting Merrimack River, Mass., and Piscataqua River, N. H.; to the Committee on Rivers and Harbors.

150. A letter from the Secretary of Commerce, transmitting report covering investigation of Bureau of Standards regarding standard, quality, cost of production, etc., of gas in the District of Columbia; to the Committee on the District of Columbia.

151. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Pamunkey River, Va., between Newcastle Ferry and Bassett Ferry; to the Committee on Rivers and Harbors.

152. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Pasquotank River, N. C.; to the Committee on Rivers and Harbors.

153. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Shallow Bayou, La.; to the Committee on Rivers and Harbors.

154. A letter from the Secretary of Agriculture, transmitting detailed report of all typewriters, computing, addressing, and duplicating machines, and other labor-saving devices, exchanged during the fiscal year 1920 in part payment for new machines; to the Committee on Appropriations.

155. A letter from the Secretary of the United States Shipping Board, transmitting report of the United States Shipping Board and the United States Shipping Board Emergency Fleet Corporation of claims arbitrated or settled by agreement from March 9, 1920, to October 15, 1920; to the Committee on the Merchant Marine and Fisheries.

156. A letter from the Secretary of the Navy, transmitting item of legislation for inclusion in the naval bill for the fiscal year 1922, under the appropriations for the Bureau of Construction and Repair; to the Committee on Naval Affairs.

157. A letter from the Secretary of Agriculture, transmitting detailed report showing the motor-propelled and horse-drawn passenger-carrying vehicles and motor boats purchased by the Department of Agriculture during the fiscal year 1920; to the Committee on Expenditures in the Department of Agriculture.

158. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Rahway River, N. J., and Staten Island Sound, N. Y. and N. J., with a view to securing a channel 30 feet in depth and of suitable width up to the bridge of the Sound Shore Branch of the Central Railroad Co. of New Jersey; to the Committee on Rivers and Harbors.

159. A letter from the Secretary of the Treasury, transmitting statement of number of persons employed in the meat inspection, the salary per diem paid to each, where they have been or are employed, together with contingent expenses, for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Department of Agriculture.

160. A letter from the Acting Secretary of Commerce, transmitting a summary of reports, with a brief statement of the action of the department in respect to accidents sustained or caused by barges while in tow through the open sea during the fiscal year 1920; to the Committee on the Merchant Marine and Fisheries.

161. A letter from the Chairman of the Interstate Commerce Commission, transmitting statement showing employment under appropriation for the valuation of carriers for the fiscal year ended June 30, 1920; to the Committee on Appropriations.

162. A letter from the Secretary of the Interior, transmitting report by the Director of the Reclamation Service regarding irrigation from the lower Colorado River, with particular references to the Imperial Valley, Calif.; to the Committee on Irrigation.

163. A letter from the Secretary of the Interior, transmitting statement of fiscal affairs of all Indian Tribes for whose benefit expenditures from public or tribal funds were made during the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

164. A letter from the Secretary of the Interior, transmitting detailed report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations during the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

165. A letter from the Secretary of the Interior, transmitting detailed report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations during the fiscal year ended June 30, 1920, from the appropriation "Industry among Indians, 1919–20"; to the Committee on Indian Affairs.

166. A letter from the Secretary of the Interior, transmitting tables showing the cost and other data with respect to Indian irrigation projects as compiled to the end of the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

167. A letter from the Secretary of the Interior, transmitting report for the fiscal year 1920, showing the amount expended at each school and agency from the appropriation for construction, lease, purchase, repair, and improvement of school and agency buildings; to the Committee on Indian Affairs.

168. A letter from the Secretary of the Interior, transmitting statement of expenditures on account of the Indian Service for the fiscal year ended June 30, 1920, from the appropriation commonly known as "Industrial work and care of timber"; to the Committee on Indian Affairs.

169. A letter from the Secretary of the Interior, transmitting report for the fiscal year ended June 30, 1920, relating to the appropriation "Indian schools, support, 1920"; to the Committee on Indian Affairs.

170. A letter from the Secretary of the Interior, transmitting detailed statement of expenditures from the tribal funds of the Chippewa Indians of Minnesota for the fiscal year ended June 30, 1920; to the Committee on Indian Affairs.

171. A letter from the Secretary of the Treasury, transmitting combined statement of the receipts and disbursements, balances, etc., of the Government during the fiscal year ending June 30, 1920; to the Committee on Appropriations.

172. A letter from the Public Printer, transmitting statement relative to purchases, exchanges, and repairs of typewriters in the Government Printing Office covering the period from July 1, 1919, to June 30, 1920; to the Committee on Appropriations.

173. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of Foreign and Domestic Commerce to cover the expense of compiling foreign trade statistics (H. Doc. No. 910); to the Committee on Appropriations, and ordered to be printed.

UMI

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. EDMONDS: A bill (H. R. 14738) to regulate marine insurance in the District of Columbia; to the Committee on the District of Columbia.

By Mr. ESCH: A bill (H. R. 14739) to amend section 6 of an act entitled "An act extending certain privileges of canal employees to other officials on the Canal Zone and authorizing the President to make rules and regulations affecting health, sanitation, quarantine, taxation, public roads, self-propelled vehicles, and police powers on the Canal Zone, and for other purposes, including provision as to certain fees, money orders, and interest deposits," approved August 21, 1916; to the Committee on Interstate and Foreign Commerce.

By Mr. GOULD: A bill (H. R. 14740) authorizing the Secretary of War to donate to the village of Shortsville, N. Y., a German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. BAER: A bill (H. R. 14741) to prevent gambling in the necessaries of life and speculation in stocks and bonds; to the Committee on Interstate and Foreign Commerce.

By Mr. CARAWAY: A bill (H. R. 14742) to prevent the sale of cotton and grain in future markets; to the Committee on Agriculture.

By Mr. GOULD: A bill (H. R. 14743) authorizing the Secretary of War to donate to the village of Interlaken, N. Y., a German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. EVANS of Montana: A bill (H. R. 14744) relating to the duties of registers of United States land offices and the publication in newspapers of official land-office notices; to the Committee on the Public Lands.

By Mr. DARROW: A bill (H. R. 14745) for the retirement of certain emergency officers of the Army; to the Committee on Military Affairs.

By Mr. CURRY of California: A bill (H. R. 14746) providing for the utilization, extension, and development of the manufacturing facilities of the United States arsenal at Benicia; to the Committee on Military Affairs.

Also, a bill (H. R. 14747) providing for the utilization, extension, and development of the manufacturing facilities of the United States arsenal at Benicia; to the Committee on Appropriations.

By Mr. OLIVER: A bill (H. R. 14748) to provide for a preliminary survey of the Cahaba River, Ala., with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 14749) to provide for a preliminary survey of the Sipsey River, Ala., with a view to the control of its floods; to the Committee on Flood Control.

Also, a bill (H. R. 14750) authorizing the acquisition of a site for a public building at Greensboro, Ala.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14751) for the purchase of a site for and the erection of a post-office building at Marion, Ala.; to the Committee on Public Buildings and Grounds.

By Mr. EVANS of Montana: A bill (H. R. 14752) for the purchase of a site for and the erection of a post-office building at Anaconda, Mont.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14753) for the enlargement of the Federal building at Butte, Mont.; to the Committee on Public Buildings and Grounds.

By Mr. OLDFIELD: A bill (H. R. 14754) to provide for the erection of a public building at Walnut Ridge, Ark.; to the Committee on Public Buildings and Grounds.

By Mr. McLANE: A bill (H. R. 14755) to regulate the price and sale of coal; to the Committee on Interstate and Foreign Commerce.

By Mr. MARTIN: A bill (H. R. 14756) to amend an act entitled "An act to provide revenue, and for other purposes," approved February 24, 1919; to the Committee on Ways and Means.

By Mr. McDUFFIE: A bill (H. R. 14757) to create a department of conservation; to the Committee on Agriculture.

By Mr. UPSHAW: A bill (H. R. 14758) to enforce the provisions of the eighteenth amendment to the Constitution as to American citizens in the consular districts of the United States in certain foreign countries; to the Committee on the Judiciary.

By Mr. MADDEN: A bill (H. R. 14759) to amend an act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1913, and for other purposes," approved August 24, 1912; to the Committee on Reform in the Civil Service.

By Mr. ROGERS: A bill (H. R. 14760) to amend the Federal water-power act approved June 11, 1920, so as to exclude therefrom national monuments and national parks; to the Select Committee on Water Power.

By Mr. BURROUGHS: A bill (H. R. 14761) to amend an act entitled "An act to provide revenue, and for other purposes," approved February 24, 1919; to the Committee on Ways and Means.

By Mr. ROGERS: A bill (H. R. 14762) relative to the citizenship and naturalization of married women; to the Committee on Immigration and Naturalization.

By Mr. LEE of Georgia: Joint resolution (H. J. Res. 397) authorizing the Federal Reserve Board to take such action as will permit the Federal reserve banks to grant liberal extension to cotton farmers, and for other purposes; to the Committee on Banking and Currency.

By Mr. LEHLBACH: Resolution (H. Res. 606) providing for a messenger to the Committee on Reform in the Civil Service at the rate of $720 per annum; to the Committee on Accounts.

By Mr. STRONG of Kansas: Resolution (H. Res. 607) instructing the Committee on Banking and Currency to investigate the need of legislation to permit the proper financing and extension of credits to those engaged in agriculture and stock-raising and stock-feeding pursuits and to report remedial legislation to the House of Representatives; to the Committee on Rules.

By Mr. MASON: Resolution (H. Res. 608) directing investigations for the relief of the unemployed in the United States; to the Committee on Rules.

By Mr. VOLSTEAD: Resolution (H. Res. 609) providing for the immediate consideration of House joint resolution 382; to the Committee on Rules.

By Mr. REAVIS: Resolution (H. Res. 610) providing for the immediate consideration of House joint resolution 339; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 14763) granting an increase of pension to Andrew J. Duncan; to the Committee on Pensions.

Also, a bill (H. R. 14764) granting a pension to James S. George and Charles F. George; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14765) granting a pension to Thomas Spearman; to the Committee on Invalid Pensions.

By Mr. BENSON: A bill (H. R. 14766) granting a pension to Sarah A. Fringer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14767) granting a pension to Leonard Thomas Gardner; to the Committee on Pensions.

Also, a bill (H. R. 14768) for the relief of George Ceyzek and Elizabeth Ceyzek; to the Committee on Claims.

By Mr. BOOHER: A bill (H. R. 14769) granting a pension to Angeline O. Hemenway; to the Committee on Invalid Pensions.

By Mr. BROOKS of Illinois: A bill (H. R. 14770) granting a pension to Eva Deck; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14771) granting a pension to Elizabeth Baillie; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14772) granting a pension to Florence Clemans; to the Committee on Invalid Pensions.

By Mr. BURROUGHS: A bill (H. R. 14773) granting a pension to Julia M. Porter; to the Committee on Pensions.

By Mr. CASEY: A bill (H. R. 14774) granting an increase of pension to Catherine T. Keating; to the Committee on Invalid Pensions.

By Mr. CURRIE of Michigan: A bill (H. R. 14775) granting a pension to Sarah Blakely; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14776) granting a pension to John Halpen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14777) granting a pension to Lizzie M. Iott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14778) granting a pension to Andrew J. Shepherd; to the Committee on Pensions.

By Mr. DARROW: A bill (H. R. 14779) for the relief of James H. Gordon; to the Committee on Naval Affairs.

By Mr. DENISON: A bill (H. R. 14780) granting a pension to Ellen Sommer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14781) granting an increase of pension to Nannie A. Mann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14782) granting a pension to Edwin M. Thomas; to the Committee on Pensions.

By Mr. DOWELL: A bill (H. R. 14783) granting an increase of pension to Albert Putnam; to the Committee on Pensions.

Also, a bill (H. R. 14784) granting an increase of pension to Willis Hood; to the Committee on Pensions.

Also, a bill (H. R. 14785) granting a pension to Carlton De Witt; to the Committee on Invalid Pensions.

By Mr. DUPRÉ: A bill (H. R. 14786) granting an increase of pension to Mary Fried; to the Committee on Pensions.

By Mr. ELLIOTT: A bill (H. R. 14787) for the relief of Charles B. Beck; to the Committee on Claims.

By Mr. FIELDS: A bill (H. R. 14788) granting a pension to Mollie Runyon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14789) granting an increase of pension to Webb Cunningham; to the Committee on Pensions.

Also, a bill (H. R. 14790) granting an increase of pension to William M. Nourse; to the Committee on Invalid Pensions.

By Mr. GREENE of Vermont: A bill (H. R. 14791) granting an increase of pension to Norman F. Henry; to the Committee on Pensions.

Also, a bill (H. R. 14792) granting a pension to Lizzie J. Currier; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14793) granting an increase of pension to Elroy L. Kemp; to the Committee on Invalid Pensions.

By Mr. HOLLAND: A bill (H. R. 14794) granting an increase of pension to Linda C. O'Connor; to the Committee on Pensions.

Also, a bill (H. R. 14795) granting an increase of pension to Rose B. Isaac; to the Committee on Pensions.

By Mr. IGOE: A bill (H. R. 14796) granting an increase of pension to Catharine Fitzgerald; to the Committee on Pensions.

Also, a bill (H. R. 14797) granting an increase of pension to Jennie Harris; to the Committee on Invalid Pensions.

By Mr. JACOWAY: A bill (H. R. 14798) granting a pension to Amanda A. M. Anderson; to the Committee on Invalid Pensions.

By Mr. KREIDER: A bill (H. R. 14799) granting an increase of pension to Charles W. Bowman; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 14800) for the relief of Mrs. L. D. Goldsberry; to the Committee on Claims.

Also, a bill (H. R. 14801) for the relief of Thomas H. Burgess; to the Committee on Military Affairs.

By Mr. MACGREGOR: A bill (H. R. 14802) authorizing the Secretary of the Treasury to reimburse the International Brewery Co., of Buffalo, N. Y., for the loss of revenue stamps for fermented liquor; to the Committee on Claims.

Also, a bill (H. R. 14803) granting a pension to Arthur S. Hurlburt; to the Committee on Pensions.

Also, a bill (H. R. 14804) granting a pension to Millie A. McKeown; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14805) granting a pension to Loisa Lee; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14806) granting an increase of pension to Margaret Hewitt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14807) granting an increase of pension to Agnes B. Earl; to the Committee on Pensions.

Also, a bill (H. R. 14808) authorizing the payment of compensation to Edward J. Schaefer for the death of Ruth Stone Schaefer who was unlawfully shot by a soldier in the service of the United States; to the Committee on Claims.

By Mr. MASON: A bill (H. R. 14809) granting an increase of pension to August Brinkman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14810) granting an increase of pension to James Buggie; to the Committee on Invalid Pensions.

By Mr. MICHENER: A bill (H. R. 14811) granting a pension to Sabina McCaughen; to the Committee on Invalid Pensions.

By Mr. MONAHAN of Wisconsin: A bill (H. R. 14812) granting an increase of pension to Franklin Smith; to the Committee on Pensions.

By Mr. MOORE of Virginia: A bill (H. R. 14813) granting an increase of pension to Edward A. Branham; to the Committee on Pensions.

By Mr. O'CONNOR: A bill (H. R. 14814) for the relief of Harold Kernan; to the Committee on Claims.

By Mr. REAVIS: A bill (H. R. 14815) for the relief of George P. Sterling; to the Committee on Military Affairs.

By Mr. ROWE: A bill (H. R. 14816) granting a pension to Linda Bradley; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 14817) granting a pension to Elizabeth Skaggs; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 14818) granting a pension to Mollie Bradford; to the Committee on Pensions.

Also, a bill (H. R. 14819) granting an increase of pension to William L. Basket; to the Committee on Pensions.

Also, a bill (H. R. 14820) granting an increase of pension to Sarah A. Evans; to the Committee on Pensions.

By Mr. SHERWOOD: A bill (H. R. 14821) granting an increase of pension to Florence Ada Stoddard; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14822) granting an increase of pension to Virginia Saum; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14823) granting a pension to Alma Clark; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14824) granting a pension to Clara Elliott; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14825) granting a pension to Margaret La Fayett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14826) granting a pension to Mary E. Leech; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14827) granting a pension to Kate Nye; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14828) granting a pension to Sophia E. Reuss; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14829) granting a pension to Mary Ann Smith; to the Committee on Pensions.

Also, a bill (H. R. 14830) granting a pension to Jonathan Budd; to the Committee on Invalid Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 14831) for the relief of Richard J. Easton; to the Committee on Naval Affairs.

By Mr. SNELL: A bill (H. R. 14832) granting a pension to Nellie M. Reilly; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14833) granting a pension to Elizabeth M. Snay; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14834) granting a pension to Carrie B. McCrady; to the Committee on Invalid Pensions.

Also a bill (H. R. 14835) granting a pension to Ella L. Quenell; to the Committee on Invalid Pensions.

By Mr. STRONG of Pennsylvania: A bill (H. R. 14836) granting an increase of pension to Margaret J. Calhoun; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 14837) granting a pension to Mary M. Whitford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14838) for the relief of Charles Lynch; to the Committee on Military Affairs.

By Mr. WELTY: A bill (H. R. 14839) granting a pension to Martha J. McMiller; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14840) granting a pension to Bertha J. Bitler; to the Committee on Invalid Pensions.

By Mr. WHITE of Maine: A bill (H. R. 14841) granting a pension to Henrietta A. Hewett; to the Committee on Pensions.

Also, a bill (H. R. 14842) granting a pension to Lavinia P. Hatch; to the Committee on Pensions.

Also, a bill (H. R. 14843) granting a pension to Abbie M. Packard; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 14844) granting an increase of pension to Mary F. Pierce; to the Committee on Pensions.

Also, a bill (H. R. 14845) granting an increase of pension to Ira S. Merrill; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14846) to correct the military record of G. W. Gilkison; to the Committee on Military Affairs.

Also, a bill (H. R. 14847) to correct the military record of Thomas Spurrier; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4306. By Mr. BRIGGS: Resolution passed by Texas Federation of Women's Clubs at twenty-third annual convention, indorsing Fess bill amending vocational training act with respect to home economics; Smith-Towner bill for creating national department of education, and for other purposes; Sheppard-Towner bill for protection of maternity and infancy; opposing any policy that will commercialize national parks and demanding elimination of national parks from the Federal water-power act; to the Committee on Education.

4307. Also, petition of Mrs. Helena C. Murphy, of Temple; Miss Marion Fisher, of Galveston; Mrs. J. M. Fendley, corresponding secretary Young Men's Christian Association of Galveston; Mrs. J. A. McConnell, of Crockett, chairman County League of Women Voters, with indorsement of Hon. J. W. Madden, chairman executive committee, all of the State of Texas, urging the immediate passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4308. Also, petition of Miss Miriam Richer, director home economics, Sam Houston Normal Institute, indorsing the Fess home economic amendment to House bill 12078 and urging the speedy passage of same; to the Committee on Education.

4309. By Mr. BROOKS of Pennsylvania: Petition of Woman's Club of York, Pa., favoring the immediate passage of House bill 10925, for the protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4310. By Mr. BYRNS of Tennessee: Papers to accompany House bill 14687, granting an increase of pension to Thomas Bunion; also papers to accompany House bill 14688, granting an increase of pension to James W. Bess; to the Committee on Pensions.

4311. By Mr. CARSS (by request): Petition of sundry citizens of the State of Minnesota, favoring laws that will prohibit the smoking of tobacco in public; to the Committee on the Judiciary.

4312. By Mr. CULLEN: Petition of National Art Club of New York, opposing the passage of House bill 12466; to the Committee on the Public Lands.

4313. Also, petition of executive committee of the Railway Mail Association, protesting against the secret advisory committee; to the Committee on the Post Office and Post Roads.

4314. By Mr. ESCH: Petition of executive committee of the Railway Mail Association, protesting against the secret advisory committee; to the Committee on the Post Office and Post Roads.

4315. By Mr. FULLER of Illinois: Petition of the National Sewing Machine Co., of Belvidere, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4316. Also, petition of the La Salle (Ill.) Chamber of Commerce, favoring amendment of sections 204, 214, and 234 of the revenue act; to the Committee on Ways and Means.

4317. Also, petition of the Streator (Ill.) Federation of Parent and Teachers' Clubs, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4318. Also, petition of 863 citizens of La Salle County, Ill., protesting against the occupation of German territory by semi-civilized French troops from Africa; to the Committee on Foreign Affairs.

4319. By Mr. GOODALL: Petition of Woman's Literary Union of Portland, Me., in favor of Sheppard-Towner maternity and infant-welfare bill; to the Committee on Interstate and Foreign Commerce.

4320. By Mr. HERNANDEZ: Petition of New Mexico Wool Growers' Association, favoring the truth in fabric bill; to the Committee on Interstate and Foreign Commerce.

4321. Also, petition of New Mexico Cattle and Horse Growers' Association, favoring a credit system for live-stock producers; to the Committee on Ways and Means.

4322. Also, petition of New Mexico Cattle and Horse Growers' Association, urging all Indian live stock to be kept on reservation; to the Committee on Indian Affairs.

4323. Also, petition of New Mexico Wool Growers' Association, favoring tariff revision; to the Committee on Ways and Means.

4324. Also, petition of sundry citizens of New Mexico, urging the passage of House bill 10373, to pay all ex-soldiers who served in the late war $500; to the Committee on Ways and Means.

4325. Also, petition of New Mexico Wool Growers' Association, favoring an extension of loan by the Federal Reserve Board and asking more liberal financial policy; to the Committee on Ways and Means.

4326. Also, petition of New Mexico Wool Growers' Association, favoring an extension in return limit of transportation and protesting against importation of meat animals and their products; to the Committee on Interstate and Foreign Commerce.

4327. Also, petition of New Mexico Wool Growers' Association, protesting against any raise in grazing fees on the national forest; to the Committee on Agriculture.

4328. By Mr. KIESS: Petition of evidence in support of House bill 14565, to increase the pension of Rebecca Zellars; evidence in support of House bill 9192, to increase the pension of Harriet J. Bailey; evidence in support of House bill 14563, granting a pension to Martha J. Colestock; to the Committee on Invalid Pensions.

4329. By Mr. McARTHUR: Petition of Oregon Mohair Coat Association, favoring a tariff of 25 cents per pound on raw mohair; to the Committee on Ways and Means.

4330. By Mr. MONAHAN of Wisconsin: Petition of the chairman Dane County League of Women Voters, recommending the enactment of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4331. Also, petition on behalf of Woman's Club of Monroe, Wis., protesting against inclusion of national parks and monuments in the provisions of the Federal water-power act of June, 1920; letter from chairman Dane County League of Women Voters, recommending enactment of Sheppard-Towner bill; to the Select Committee on Water Power.

4332. By Mr. O'CONNELL: Petition of Railway Mail Association, Washington, D. C., protesting against the secrecy in connection with the work of the advisory committee to the Joint Commission on Postal Salaries; to the Committee on the Post Office and Post Roads.

4333. By Mr. SINCLAIR: Petition of the P. E. O. Society, Dorcas Society, and Monday Club, all of Dickinson, N. Dak., for the passage of the Sheppard-Towner bill; also the Home Economics Club, of Ryder, N. Dak., for the same bill; to the Committee on Interstate and Foreign Commerce.

4334. Also, petition of the Monday Club and P. E. O. Society, of Dickinson, N. Dak., for the protection of our national parks; to the Committee on the Public Lands.

4335. By Mr. STINESS: Petition of Lithuanians of Providence, R. I., urging recognition of the Republic of Lithuania; to the Committee on Foreign Affairs.

4336. Also, petition of Fruit Hill Women's Club, New Providence, R. I., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4337. Also, petition of conference of Jewish organizations in Providence, R. I., protesting against further restrictions on immigration; to the Committee on Immigration and Naturalization.

4338. By Mr. TAGUE: Petition of Charles P. Nunn; S. W. Bridges & Co. (Inc.); Fred M. Blanchard; Hallowell, Jones & Donald; Rope Eddy Co., all of Boston, Mass., favoring a revision of the tax laws of the United States; to the Committee on Ways and Means.

4339. Also, petition of J. T. Meader Co. (Inc.); Sutcliffe & Co. (Inc.); Boston Wool Trade Association; W. L. Montgomery & Co., all of Boston, Mass., favoring a revision of the tax laws of the United States; to the Committee on Ways and Means.

SENATE.

THURSDAY, *December 9, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we have come together as the representatives of a people whose Lord is the living God. All that adds meaning to life, all that hath set the standard of honor, all that has given glory to labor comes from Thy inspiration. Thou hast held us in the hollow of Thy hand.

We have set apart this morning hour to make mention of the name of a great statesman, to record with loving remembrance those qualities of heart and mind that enabled him to make an impress upon this great Nation.

We thank Thee for all the elements of manhood that have ever entered into the leadership of this great Nation of ours. We pray Thee to continue Thy blessing and that Thou wilt stir the highest qualities of life within us, that we may still follow the guidance of God in all our affairs and receive from Thee Thy constant approval. For Christ's sake. Amen.

MILES POINDEXTER, a Senator from the State of Washington, appeared in his seat to-day.

The Journal of yesterday's proceedings was read and approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (H. R. 13264) to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America, in which it requested the concurrence of the Senate.

The message also announced that the House had passed the bill (H. R. 10311) to further amend section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, and amended by the act approved March 3, 1913, in which it requested the concurrence of the Senate.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the lieutenant and acting governor of the State of Colorado, certifying to the election of Samuel D. Nicholson as a

Senator from that State for the term of six years beginning March 4, 1921, which was ordered to be filed and to be printed in the RECORD, as follows:

STATE OF COLORADO.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, Samuel D. Nicholson was duly chosen by the qualified electors of the State of Colorado a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1921.

Witness: His excellency our lieutenant and acting governor, George Stephan, and our seal hereto affixed at Denver this 6th day of December, in the year of our Lord 1920.

GEORGE STEPHAN,
Lieutenant and Acting Governor.

By the lieutenant and acting governor.
[SEAL.]
JAMES R. NOLAND,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Illinois, certifying to the election of WILLIAM B. MCKINLEY as a Senator from the State of Illinois for the term of six years beginning March 4, 1921, which was ordered to be placed on file and to be printed in the RECORD, as follows:

STATE OF ILLINOIS,
OFFICE OF THE SECRETARY OF STATE,
Springfield.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, A. D. 1920, WILLIAM B. MCKINLEY was elected a Senator from this State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, A. D. 1921.

Witness: His excellency, our governor, Frank O. Lowden, and the great seal of State hereto affixed at Springfield this 6th day of December, A. D. 1920.

FRANK O. LOWDEN.

By the governor:
[SEAL.]
LOUIS L. EMMERSON,
Secretary of State.

ANNUAL REPORT OF THE SECRETARY OF THE TREASURY.

The VICE PRESIDENT laid before the Senate the annual report of the Secretary of the Treasury for the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations.

EXPENDITURES OF OPERATIONS UNDER BOND ACTS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, in pursuance of law, a report of expenditures made under the first and second Liberty bond acts in connection with the various Liberty and Victory loans, war-savings certificates, certificates of indebtedness, and purchase of obligations of foreign governments, which was referred to the Committee on Finance.

CLAIM OF INDIANS IN OREGON.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a report upon the merits of the claim of the Indians of the Warm Springs Reservation, in Oregon, to additional land arising from alleged erroneous surveys, which was referred to the Committee on Indian Affairs.

PUBLICATIONS ON VOCATIONAL EDUCATION.

The VICE PRESIDENT laid before the Senate a communication from the Federal Board for Vocational Education, transmitting, pursuant to law, a statement concerning publications, their cost, etc., which was referred to the Committee on Printing.

WAR MINERALS RELIEF COMMISSION (S. DOC. NO. 342).

The VICE PRESIDENT laid before the Senate the report of the War Minerals Relief Commission to and including December 4, 1920, which was referred to the Committee on Appropriations and ordered to be printed.

MISCELLANEOUS EXPENSES, DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing expenditures of the appropriation, "Miscellaneous expenses, Department of Agriculture, 1920," which was referred to the Committee on Appropriations.

PUBLICATIONS OF DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing the publications received and distributed by the department during the year 1920, which was referred to the Committee on Printing.

He also laid before the Senate a communication from the Secretary of Agriculture showing receipts for the fiscal year 1920 from the sale of useless documents and publications, which was referred to the Committee on Printing.

BUREAU OF CHEMISTRY, DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing sums allotted to the Bureau of Chemistry which were used during the fiscal year 1920 for compensation or expenses of persons employed by State, county, or municipal governments, which was referred to the Committee on Agriculture.

FOREST SERVICE COOPERATIVE WORK.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report of contributions on account of cooperative work with the Forest Service and the amount refunded to depositors, which was referred to the Committee on Agriculture and Forestry.

PURCHASE OF SEEDS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report relative to purchase of seeds, 1920, which was referred to the Committee on Agriculture and Forestry.

EXCHANGE OF TYPEWRITERS, DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Department of Agriculture, transmitting, pursuant to law, a report of all typewriters and other labor-saving devices exchanged during the fiscal year 1920 in part payment for new machines, which was referred to the Committee on Agriculture and Forestry.

BUREAU OF ANIMAL INDUSTRY, DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a report showing the names of all persons employed, their designations, and rates of pay in the Bureau of Animal Industry for the suppression of contagious, infectious, or communicable diseases of domestic animals during the year 1920, which was referred to the Committee on Agriculture and Forestry.

PURCHASE OF VEHICLES, DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Department of Agriculture, transmitting, pursuant to law, a report showing the motor-propelled and horse-drawn passenger-carrying vehicles and motor boats purchased by that department during the fiscal year 1920, which was referred to the Committee on Agriculture and Forestry.

INCREASED COMPENSATION OF EMPLOYEES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing the number of employees receiving increased compensation at the rate of $240 per annum during the first four months of the fiscal year, which was referred to the Committee on Agriculture and Forestry.

REPORT OF INTERSTATE COMMERCE COMMISSION.

The VICE PRESIDENT laid before the Senate the Thirty-fourth Annual Report of the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

REPORT OF SURGEON GENERAL OF PUBLIC HEALTH SERVICE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a report of the Surgeon General of the Public Health Service for the fiscal year 1920, which was referred to the Committee on Public Health and National Quarantine.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting a schedule of useless papers accumulated in the files of that department, and asking for action looking to their disposition, which was referred to the Select Committee on the Disposition of Useless Papers in the Executive Departments to be appointed by the Chair.

The VICE PRESIDENT appointed Mr. WALSH of Montana and Mr. FRANCE members of the committee on the part of the Senate.

ST. ELIZABETHS HOSPITAL.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the Superintendent of St. Elizabeths Hospital showing the detailed expenditures for the maintenance of the hospital for the fiscal year ended June 30, 1920, which was referred to the Committee on the District of Columbia.

FREEDMEN'S HOSPITAL.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a copy of a letter from the surgeon in chief of Freedmen's Hospital showing expenditures of appropriations for salaries for the fiscal year ended June 30, 1920, which was referred to the Committee on the District of Columbia.

He also laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a letter from the surgeon in chief of Freedmen's Hospital giving a detailed statement of the receipts and expenditures on account of pay patients for the fiscal year ended June 30, 1920, which was referred to the Committee on the District of Columbia.

ROAD ACROSS PAPAGO INDIAN RESERVATION.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, in pursuance of law, a copy of a report relative to the necessity of constructing a road between Ajo and Tucson across the Papago Indian Reservation in Arizona, which was referred to the Committee on Indian Affairs.

IRRIGATION FROM LOWER COLORADO RIVER.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, submitting a preliminary report by the Director of the Reclamation Service regarding irrigation from the lower Colorado River, with particular reference to the Imperial Valley, California, which was referred to the Committee on Irrigation and Reclamation of Arid Lands.

AGRICULTURAL AND MECHANICAL COLLEGES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of the disbursement of a portion of the proceeds of the public lands for the more complete endowment and support of the colleges for the benefit of agriculture and the mechanic arts for the fiscal year ending June 30, 1921, which was referred to the Committee on Agriculture and Forestry.

RENTALS OF GOVERNMENT PROPERTY IN THE DISTRICT OF COLUMBIA.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report on rentals of Government-owned property in the District of Columbia, which was referred to the Committee on Public Buildings and Grounds and ordered to be printed.

TRAVEL ON OFFICIAL BUSINESS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement showing in detail what officers or employees of the Department of the Interior have traveled on official business outside of the District of Columbia during the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations.

CONTINGENT EXPENSES OF INTERIOR DEPARTMENT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, an itemized statement of expenditures made by that department and charged to the contingent expenses of the department for the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations.

REPAIRS OF BUILDINGS, INTERIOR DEPARTMENT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, an itemized statement of the expenditures made by that department and charged to the appropriation, "Repairs of Buildings, 1920," for the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations.

EMPLOYEES OF INTERIOR DEPARTMENT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting statements showing for the first four months of the current fiscal year the average number of employees in the Secretary's Office, the Solicitor's Office, the various bureaus and offices of that department, the Alaskan Engineering Commission, and the Territories of Alaska and Hawaii, respectively, receiving increased compensation at the rate of $240 per annum, which was referred to the Committee on Appropriations.

TRAVELING EXPENSES, SURVEYOR GENERALS' OFFICES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a detailed statement of traveling expenses incurred under the legislative act, which authorizes that department to detail temporary clerks from the office of one surveyor general to another as the necessities of the service may require, and to pay their actual necessary traveling expenses therefor, which was referred to the Committee on Appropriations.

EXCHANGE OF TYPEWRITERS, ADDING MACHINES, ETC.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing exchanges made by that department and its several bureaus and offices of typewriters, adding machines, and other similar labor-saving devices, in part payment for new machines for the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations.

REPORTS OF THE SECRETARY OF THE INTERIOR.

The VICE PRESIDENT laid before the Senate the following reports and communications from the Secretary of the Interior, which were referred to the Committee on Indian Affairs:

A communication transmitting, pursuant to law, a report relating to the construction, enlargement, and improvement of Fort Hall irrigation project during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of the expenditures made from tribal funds of the Confederated Bands of Utes during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of expenditures made for the purchase of cattle for the Northern Cheyenne Indians on the Tongue River Reservation, Mont., for the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report showing the diversion of appropriations for the pay of specified employees in the Indian Service for the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of all moneys collected and deposited during the fiscal year ended June 30, 1920, under the appropriation "Determining heirs of deceased Indian allottees, 1920";

A communication transmitting, pursuant to law, a report of the expenditures made in per capita payments to the Apache, Kiowa, and Comanche Indians during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a statement of expenditures from the appropriation commonly known as "Industrial work and care of timber," on account of the Indian Service for the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of the support of the Indian schools and how the appropriations had been expended and the kind of schoolhouses erected and their cost during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report showing that no act of hostilities by any Indian tribe having a treaty stipulation has occurred during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of the expenditures from the permanent fund of the Sioux Indians during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of the expenditures made for the purpose of encouraging industry and support among the Indians on the Tongue River Reservation, Mont., during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a statement of the cost of all survey and allotment work on Indian reservations for the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a statement showing that no expenditures were made for the construction of hospitals from the appropriation "Relieving distress and prevention of disease among Indians" during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a statement of the expenditures of the money carried on the books of this department under the caption "Indian moneys, proceeds of labor," during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report showing the amount expended at each Indian school and agency from the appropriation for the construction, lease, purchase, repair, and improvement of school and agency buildings during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, two tables showing the cost and other data with respect to Indian irrigation projects as compiled during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations from the appro-

priation, "Industry among Indians, 1919–20," during the fiscal year ended June 30, 1920;

A communication transmitting, pursuant to law, a report of the expenditures made for the purpose of encouraging industry among the Indians of the various reservations from the appropriation of $130,000 made in the act of March 3, 1911, during the fiscal year ended June 30, 1920; and

A communication transmitting, pursuant to law, a detailed statement of expenditures from the tribal funds of the Chippewa Indians of Minnesota for the fiscal year ended June 30, 1920.

AMENDMENT OF TRANSPORTATION ACT.

Mr. CUMMINS, from the Committee on Interstate Commerce, to which was referred the bill (S. 4526) to amend section 501 of the transportation act, 1920, reported it favorably without amendment.

FINANCING OF AGRICULTURAL OPERATIONS.

Mr. SMITH of Georgia. I desire to offer a short amendment to the joint resolution (S. J. Res. 212) directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country, reported by the Committee on Agriculture and Forestry. I have already had the amendment printed, but would like to have it printed in the RECORD. It removes an objection by broadening the effect of the legislation so as to include other matters besides agriculture.

The amendment was ordered to lie on the table and to be printed in the RECORD, as follows:

Amend Senate joint resolution No. 212 by striking out the word "revive," in the fourth line, and inserting the word "resume," and striking out the words "and that said corporation be at once rehabilitated," in the fifth and sixth lines, and inserting at the end of the seventh line, after the word "agricultural," the words "and other," so that the same will read:

* * * to resume the activities of the War Finance Corporation with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

Also amend, in line 16, by striking out the words "of extension."

MEMORIAL ADDRESSES ON THE LATE SENATOR BANKHEAD.

Mr. UNDERWOOD. Mr. President, by order of the Senate to-day has been set aside for memorial addresses on my former colleague, the late Senator BANKHEAD of Alabama. I send to the desk the following resolutions and ask to have them read.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 396) were read by the Assistant Secretary, as follows:

Resolved, That the Senate expresses its profound sorrow in the death of the Hon. JOHN HOLLIS BANKHEAD, late a Senator from the State of Alabama.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay proper tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Mr. UNDERWOOD. Mr. President, we meet to-day to mourn the death of a friend and colleague who passed into eternity, loved by his family and his friends, respected by his colleagues, and honored by the great constituency he served so well for a third of a century.

JOHN HOLLIS BANKHEAD, descendant of that sturdy Scotch-Irish stock to which America owes so much, was born on his father's farm in Marion, now Lamar County, near the old town of Moscow, Ala., September 13, 1842. His father, James Greer Bankhead, a native of Union District, S. C., settled at that place in 1818 and resided there until his death in 1861. His mother, Susan Hollis, was born in Darlington District, S. C., and came with her parents to Alabama in 1822, where she remained until her death at the age of 75.

Senator BANKHEAD was educated in the country schools of his native county, and with this meager scholastic preparation became by wide reading and contact with the world a man of solid and practical learning. Realizing the need of proper training for the business of life, he was always the champion of education for the youth of the land. He was married November 13, 1866, at Wetumpka, Ala., to Tallulah Brockman, a native of South Carolina, who had been reared in Alabama, and they celebrated their golden wedding anniversary in 1916 at their home, Sunset, at Jasper, Ala. The five children surviving them are Louise, wife of A. G. Lund; Marie, wife of the late Thomas M. Owen; John H. Bankhead, jr.; William B. Bankhead; and Henry M. Bankhead. An interesting and unprecedented incident in American political history was that during the time Senator BANKHEAD was a Member of the Senate his son, WILLIAM B. BANKHEAD, was a Member of the House, and on more than one occasion they were serving as presiding officers in their respective legislative bodies at the same time.

At the outbreak of the war between the Confederate States and the United States, JOHN HOLLIS BANKHEAD enlisted as a private in Company K, Sixteenth Alabama Regiment, Infantry Volunteers, in the company of Capt. J. D. Powers and the regiment commanded by Col. William B. Wood, of Florence, Ala. He was in the conflict from the beginning to the end; in the Battles of Fishing Creek, Perryville, Murfreesboro—indeed, he was in all the battles of the western army in which his command participated, except when disabled from wounds received in battle. After the Battle of Fishing Creek he was promoted to third lieutenant, and became captain after the Battle of Shiloh. He led the Sixteenth Alabama Regiment in a furious charge at Chickamauga and was wounded. The battle ground was an old sedge field, which caught fire and burned rapidly to the dismay of many a wounded soldier. Capt. BANKHEAD's life was in imminent peril, but he crawled from the bloody and fiery field, carrying upon his back Pvt. John Custer, who was totally disabled. Senator BANKHEAD's death removed from the Senate the last Confederate soldier to occupy a seat in this body. In 1918, when the United Confederate Veterans held the first reunion of the organization in the National Capital, wearing the gray Confederate uniform he appeared upon the floor of the Senate, received the cordial greeting of his friends and colleagues on both sides of the Chamber, and offered the motion, unanimously adopted, that out of respect to the valor of the Confederate soldier the Senate adjourn. He said, quoting from his remarks:

A little more than half a century ago Confederate soldiers in arms were hammering at the gates of Washington in an effort to sever their relations with the National Government. Thursday, marching with broken body and faltering step on a mission of peace and love, not of hatred and bloodshed, but in a spirit of resolute reconciliation and absolute loyalty to our flag, they will voice in vibrant tones to all the world an indissoluble Union of the United States. I am grateful that God has spared me to see this day, when my old comrades in arms of the Confederacy are here in the Capital of that Nation which for four years they struggled desperately to destroy, but which none in all this great Republic are now more anxious to preserve.

On the occasion of the great parade down Pennsylvania Avenue, Senator BANKHEAD and Senator KNUTE NELSON, of Minnesota, a veteran of the Union Army, wearing the blue, marched down Pennsylvania Avenue side by side, denoting to the cheering throngs the established fact of a reunited country.

During his service in Congress he voted for the bill to locate and mark the graves of Confederate soldiers who died in northern prisons or were buried in the North; he actively supported all claims for loss of property during the war; he voted for the resolution to return to the several States all Confederate flags and banners in the possession of the Federal Government and for the measure providing for the compilation of the rosters of the Union and Confederate Armies. The welfare of his comrades in arms was ever dear to his heart. He died a great American, loyal to his reunited country, but he never forgot the hardships and the suffering of his comrades with whom he fought so valiantly for the flag that only lives in history.

After the Civil War Capt. BANKHEAD returned to his home and resumed life on the farm. Although at the time he was in his early twenties, he was elected a member of the Alabama House of Representatives for the session of 1865–66 from Marion County. He was a member of the State senate from the twelfth senatorial district in the general assembly of 1876–77, during which time he voted for Gen. John T. Morgan to become a Senator in the Congress from Alabama. Thirty years later he succeeded Senator Morgan to that post of honor. In 1880 he again served in the House of Representatives of the Alabama General Assembly, this time from the county of Lamar, which he had helped to create. His service in both branches of the general assembly brought Capt. BANKHEAD into public attention as a man of more than ordinary ability. This fact, coupled with his humane character, prompted Gov. R. W. Cobb to appoint him warden of the State penitentiary. During his four years' service as head of the penal system of the State many changes for the betterment of the prisoners were effected. He recommended other reforms since adopted, including reformatory training schools for youthful delinquents.

On September 3, 1886, at Fayette courthouse, Capt. BANKHEAD was nominated for Congress by the Democratic convention of the sixth congressional district of Alabama, and elected to the office in November of that year, serving continuously from March 4, 1887, to March 4, 1907, a period of 20 years. For many years he was a member of the Committee on Public Buildings and Grounds and chairman of that committee during the period of Democratic control. It was during his chairmanship that

the Congressional Library at Washington was completed. For his own State he was instrumental in securing Federal appropriations for a number of public buildings. After March 4, 1897, he became a member of the Committee on Rivers and Harbors, and during his entire congressional service, both in the House and Senate, always took a prominent part in legislation to promote navigation. In recognition of his interest in the subject he was appointed in 1907 a member of the National Waterways Commission. Through his efforts the Warrior River, in Alabama, has been made navigable from the great coal and iron fields, where it rises, to Mobile Bay. Realizing the value of deep-sea shipping to the port of Mobile, he worked unceasingly for the deepening of that harbor and for improvements and benefits to navigation of the adjacent waterways. Early recognizing the advantage and economy of water power, he devoted much labor to the enactment of a water-power bill and the development of the immense water-power energy at Muscle Shoals, on the Tennessee River, one of the great and successful results of his public career. During his fatal illness the water-power law recently passed was in conference, and his last request to any of his colleagues concerning legislation of any character was a message of his concern about certain features of that measure.

He was always an earnest advocate of effective transportation methods and a pioneer in the promotion of good roads. He was one of the organizers, and for many years president, of the Alabama Good Roads Association, and from its organization several years ago to the time of his death president of the United States Good Roads Association, one of the largest and most influential organizations of its kind. He stood in the forefront of the men who in the last two decades pressed unceasingly for national aid toward the construction of a great system of highways throughout the country. His speeches in the Senate 13 years ago were among the first in suppport of Federal aid for post roads, since an adopted policy of the Government. He was undaunted by the criticisms of his opponents, and went steadily on to his objective and secured an appropriation of $500,000 for an experimentation and demonstration. He had driven the entering wedge and the sentiment of the country approved his action. Subsequently his bill was adopted for an appropriation of $75,000,000 for post roads, later increased to $200,000,000, to be expended in cooperation with the several States of the Union. His earnest and unceasing efforts in the end accomplished a great public work, for which grateful friends have justly made acknowledgment by naming a great transcontinental highway in his honor. The Bankhead Highway, beginning at Washington, D. C., and ending at San Diego, Calif., is a just recognition by the public of the achievements wrought by JOHN HOLLIS BANKHEAD on behalf of good roads throughout the Nation.

In a primary election held August 27, 1906, in a contest with six other aspirants, Senator BANKHEAD was nominated by the Democratic Party of the State of Alabama to succeed to the first vacancy that might occur in the position of United States Senator from Alabama. On the death of the venerable and distinguished Senator John T. Morgan on June 18, 1907, he was formally elected by the State legislature. In 1911 he was reelected by the people for a full term to expire March 4, 1919. Again he was reelected and was serving his thirteenth year in the Senate when death called him. Altogether his period of service in Congress was nearly 33 years.

In the Senate he was a member of the Post Offices and Post Roads Committee and for seven years the chairman, and at the time of his death chairman of the Joint Commission on Postal Salaries. He was for some time a member of the Agriculture Committee and later of the Commerce Committee.

He was a man who never ceased to grow in mental power and capacity to serve; each new responsibility that came to him he successfully mastered. He filled with credit to himself and his State the high positions conferred upon him. He died at his post of duty, a faithful public servant, mourned by a devoted people, who loved him for his frank and manly dealings with his fellows, his loyalty to his trusts of high responsibility, and his unassuming and modest mode of life.

Mr. NELSON. Mr. President, Senator BANKHEAD and I were associated as members of the House in the Fiftieth Congress. It was my last term of a six-year service, and his first term of a continuous service of 20 years in that body. When we parted on the 4th of March, 1889, I never expected that we would in the future become associates in the Senate. While I realized that he had a great political future in store for him, as for myself, I felt that my political career was at an end. But the stress of politics brought me in 1895 into the Senate, while he was still serving in the House. In 1907, however, he left the House and joined me in the Senate; and from that time till the day of his death we were associates on one of the leading and important committees of this body.

In 1861, at 18 years of age, he entered the Confederate Army, and served till the end of the war with bravery, skill, and fortitude. He participated in many skirmishes and battles, and was three times wounded.

Owing to changed conditions at home, and owing to changes in our own makeup, we of the Union Army on our return from the war found it no easy matter to take up the threads and duties of civil life and to find suitable places for our future activity and usefulness. Most of us, however, in due time "found ourselves" in one way or another, for we were in a prosperous and happy part of the country, though a few were irretrievably lost by the wayside. Sheer exhaustion terminated the war on the part of the South, and the returned Confederate soldier had a much harder problem to encounter. He returned entirely empty-handed to an impoverished and in some places devastated country.

The system of labor which had flourished before the war was no more. Political and social chaos seemed to prevail, more or less. It was not an easy task for the Confederate soldier to adjust himself to such conditions, to find a place for his activity, to find an opening for even a scanty living; for this is what confronted him, and this was a trial more heart-sickening, more utterly discouraging, than the stress and strain of the march, bivouac, skirmish, and battle.

Yet, somehow, in the midst of all this adversity the mass of the Confederate soldiers "found themselves." Their war service had toughened them. Though they found scanty rations at home on their return, they had often had scantier rations in the army. It was hard work to cultivate a neglected farm with old, worn-out implements, mules, and horses; but they had oftentimes in the Army made long marches, partly shoeless, scantily clad, and with empty haversacks.

Such men were not given to much repining. Slowly but surely, in one way or another, most of them went to work—many of them, too, who had never done any real work before. The problems of reconstruction came as an aftermath of the war, and proved in many cases as great a burden and drawback. The post-war burdens were, however, bravely carried by the old Confederate veterans until a new South gradually arose from the persistent efforts of the veterans and their sons and daughters, for they became reconciled to the fate of the Confederacy, and they began to realize that a greater future was in store for their country under the Stars and Stripes than ever before.

Senator BANKHEAD was among the first and foremost to enter upon the great work of restoring the South. While his occupation was that of a farmer, which he never forsook, he was gifted as a safe and sound legislator; and his people took occasion immediately on his return from the war to avail themselves of his service in the State legislature, where he served many years in both branches with great credit and ability. After an interval of a few years, in which he served the State in an administrative capacity, his people in 1886 sent him to Congress as a Member of the House, and there he remained till he came to the Senate in 1907. He became a prominent and leading Member of this body, and is an example of what a legislator can accomplish by devoting his attention to a few special subjects instead of seeking to cover the entire field of legislation.

While he was faithful in attending the sessions of the Senate and of the committees of which he was a member, there were two subjects that were ever near to his heart and to which he devoted special attention, namely, good roads and water-power development. As a farmer, he felt that one of the first needs of the farmer was a system of good roads; and being equally interested in the industrial development of the country he saw the necessity for legislation to develop and improve as rapidly as possible the many water powers scattered over the land. He was very active and persistent in securing the necessary legislation in these two fields, and while he was chairman of the Committee on Post Offices and Post Roads his work for good roads was crowned with success. He secured a most liberal appropriation for a series of years for a far-reaching scheme of road construction throughout the several States of the Union. He contributed more than anyone else to the accomplishment of this beneficent result.

In the matter of the water-power legislation Senator BANKHEAD was equally persistent and energetic as a member of the Committee on Commerce, though he did not live to see the final passage of the water-power bill; yet the bill as finally passed

was substantially the same bill which had been agreed upon by a conference committee of which he was chairman in the session immediately preceding the session in which the bill was passed. The report of the conference committee was adopted by the House, and would undoubtedly have been adopted by the Senate could it have been taken up before adjournment.

Many Senators have great speeches to their credit, but few, if any, have to their credit legislative measures of as great importance as these two important laws to the credit of Senator BANKHEAD. He was always earnest and sincere. He was slow to promise, but a promise made was never broken. He was never enamored with any legislative utopias. He was the best example of a safe and sound legislator that I have ever come in contact with in all my legislative career. He had the faculty of intuitively grasping in an instant, as it were, the bad and objectionable features of any proposed legislation, and if he came to the conclusion that it was dangerous or unwise he never hesitated to say so and to oppose it.

From the moment that the war was over, and Senator BANKHEAD returned to his home to take up under many drawbacks the duties of civil life, he became thoroughly loyal to the restored Union, and was ever zealous for its welfare and prosperity. While cherishing the memories of the war, and proud of the valor of the southern soldier, his activity was wholly in favor of the progress and prosperity of our reunited country. He was proud of the fact, and he had a right to be, that he had a son who was a prominent officer in our Army during the recent war. He had another son who followed in his father's footsteps and became a Member of the House in 1917, and is still a prominent Member of that body; and thus in these respects has this old Confederate veteran, who never quailed in war or adversity, been more blessed and more fortunate than some of us—fortunate and blessed because his heart and soul has been devoted since the days of the Civil War to the welfare, the prosperity, and the integrity of our common country, purified and strengthened through the crucible of war for all time to come.

During my service here I have been quite intimate with many of my colleagues; with none of them, however, so intimate and close as with Senator BANKHEAD. During the Civil War we had been enemies in arms, but here in the Senate, when we were together, it seemed as though we had been comrades rather than enemies in arms. The spirit of true soldierhood was upon us, and so it was not so easy to realize that we had been opponents in arms. As soldiers, each of us had aimed to do his whole duty; but when the war was over its asperities were laid aside, as were the weapons we had used. The Union survived the shock of war, but along with it will also survive the memory of the heroic valor of the soldiers who fought that war.

Senator BANKHEAD was the last survivor in this body of the veterans of the Confederate Army, and of the Union Army there are only two, advanced in years, who survive. While the Senator in his youth was a true sample of the old South, in his maturer and later years he was the living embodiment of the new South, with all its loyalty, vigor, and prosperity. He has been more fortunate than the patriarch Moses. He has not only been permitted to view the promised land of a reunited country, but he has also been permitted to enter it and enjoy all its blessings in full measure for more than half a century.

Dear Confederate veteran, accept this token from an old Union soldier.

Mr. FLETCHER. Mr. President, as one who honored and loved Senator BANKHEAD, I should not want this occasion to pass without joining his colleagues here in testifying to his exemplary life, great personality, nobility of character, and the extraordinary length and value to his country of his public career.

I need not refer to the interesting biographical data already mentioned, but beginning with his service here we find a continuation of accomplishments which characterized his long and faithful public service.

In the Democratic primaries of 1906 he was nominated alternate Senator, and in June, 1907, he was appointed United States Senator by the governor to fill the vacancy caused by the death of Hon. John T. Morgan, and in July, 1907, was elected to that office by the legislature. He was reelected by the legislature in January, 1911, for the full term beginning March 4, 1913. He was reelected November 5, 1918, for the full term beginning March 4, 1919. Although he had opposition in the primaries of 1918 he made this characteristic announcement June 24 of that year:

It is my purpose to remain in Washington during the campaign. I feel a pressing obligation to contribute, by my presence, every energy I possess to aid our President in the prosecution of the war to a victorious conclusion.

My son and grandsons, the sons and grandsons of my fellow citizens all over Alabama, are with the colors. I can help them best by staying at my place of duty. I could not help them by a political campaign in Alabama in my own interests.

I shall stay close to my duty here in this hour of national peril, let the results of my political fortune be what they may, and submit my candidacy with an abiding faith that the people of Alabama will not fail to protect the interests of a faithful public servant.

He did remain at his post and the people of Alabama did prove true.

In the Senate he gave special attention to the work of the Commerce Committee, of which he was a member, and the Committee on Post Offices and Post Roads, of which he became chairman.

Early recognizing the economy of water power he made the development of Muscle Shoals, on the Tennessee River, one of the great and successful labors of his incomparable public service. And the farmers of the country will ever have cause to bless his memory for this work in behalf of the enrichment of their fields. By this development the need of agriculture for cheap and abundant fertilizer will be supplied.

The Bankhead Highway, the longest road in the world bearing one name, beginning in Washington, D. C., and ending at San Diego, Calif., is a just recognition by the public of the achievements wrought by JOHN HOLLIS BANKHEAD in behalf of good roads throughout the Nation. Until he pressed the matter of Federal aid to military and post roads, the people of the United States had believed that a constitutional inhibition precluded this assistance out of the National Treasury. His first efforts to prove otherwise were derided by his political opponents. In the face of criticism he went steadily on to his objective and secured an appropriation for experimentation and demonstration. Soon the Nation awoke to its opportunities and privileges and got behind the great leader on the subject. The last good roads legislation he secured carried an appropriation of $300,000,000, to be expended within the several States of the Union. In appreciation of this work for the good of mankind a grateful people have named the greatest transcontinental highway in his honor. Along this highway it is contemplated that double rows of trees will be planted in memory of the soldiers of the World War, and thus the Bankhead Highway becomes in a double sense a "Road of Remembrance."

Illustrative of his deep concern for the welfare of the people and the prosperity of the country and his resourcefulness in emergencies, may be cited his efforts and plans to relieve the deplorable conditions which confronted the cotton growers in the fall of 1914, when the price dropped far below the cost of production. A measure was introduced in the Senate requiring the Government to purchase 5,000,000 bales. It would have been a profitable transaction for the Government, but there were serious objections to the proposal, and Senator BANKHEAD urged a more feasible, more efficacious, and more statesmanlike plan, to wit, that the State issue three-year bonds and buy at 10 cents per pound one-half the cotton crop grown in the State. If his plan had been adopted the farmers of Alabama, for instance, would have saved $10,000,000, and the State would have had a profit of $25,000,000—enough to have paid the entire bonded and floating debt of the State, with enough over to have hard-surfaced the main public roads.

The Senate will recall that extraordinary and most impressive occurrence, June 5, 1917, when Senator BANKHEAD appeared in his gray uniform and submitted a motion which was unanimously agreed to, in these eloquent words:

Mr. President, in submitting the motion I intend to make I trust no Senator will feel that it is an imposition upon the time or the business of the Senate or that its purpose implies any motive of disloyalty to the flag of our country. On the contrary, it is intended as a tribute to the patriotism of the Confederate veteran and his son, who stand ready and willing to offer their lives and their means for the perpetuation of the Union which they so desperately and at such great sacrifice attempted to dissolve. I take the liberty of offering this motion since I am the only remaining Senator who served four full years as a Confederate soldier.

The local post of the Grand Army of the Republic and the civic organizations of the city of Washington have extended the Confederate veterans a most generous and pressing invitation to hold their twenty-seventh annual reunion in the Capital City of the Nation, and in the same generous and gracious spirit the invitation was accepted. Today the shattered remnants of the armies of Lee and Jackson, Johnston and Bragg, and of the navies of the Confederacy, who are physically and financially able, are in Washington and on Thursday will march with their sons down Pennsylvania Avenue in review before the President of the United States. Think, Senators, of the significance of a spectacle like this! A little more than half a century ago these same men in arms were hammering at the gates of Washington in an effort to sever their relations with the National Government. Thursday, marching with broken body and faltering step, on a mission of peace and love, not of hatred and bloodshed, but in a spirit of resolute reconciliation and absolute loyalty to our flag, they will voice in vibrant tones to all the world an indissoluble Union of the United States. I am grateful that God has spared me to see this day, when my old comrades in arms of the Confederacy are here in the Capital of that Nation which for four years they struggled desperately to destroy, but which none in all this great Republic are now more anxious to preserve.

For four years I marched and fought under the Stars and Bars. Five immediate members of my family are now enlisted under the Stars and Stripes, a son, two grandsons, and two nephews. They will even up our records.

Now, Mr. President, as a mark of honor and respect to the Confederate veterans assembled in reunion in the city of Washington, the Capital of the United States of America, I move that the Senate adjourn until 12 o'clock noon on Friday next.

The CONGRESSIONAL RECORD further shows:

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Alabama.

The motion was agreed to; and (at 12 o'clock and 10 minutes p. m.) the Senate adjourned until Friday, June 8, 1917, at 12 o'clock m.

I was proud to march that day, as one of the sons, in the grand parade that was the climax of the reunion, down Pennsylvania Avenue, behind the Confederate veteran in gray side by side with the Union veteran, the senior Senator from Minnesota [Mr. NELSON], in blue, their comradeship denoting to the cheering throngs the unity of the country.

The last of the Confederates in the United States Senate passed with the death of Capt. BANKHEAD, which occurred at his home in Washington, D. C., March 1, 1920.

Accompanied by his loved companion, with whom he had lived an ideal married life of 54 years, his children and grandchildren, his faithful secretaries, and a large delegation of Members of both Houses of Congress, his remains were taken to the State he had served so long and ably and buried amid the hills he had loved so ardently and among the people who had delighted to honor him in life and who mourned him in death. After the funeral at the Methodist Church in Jasper, Ala., the burial services were conducted by the Masons, of which he was past grand master.

We need him now in dealing with the serious governmental problems which confront us. To be deprived of his great aid in their wise solution means a material loss to the Nation.

Even tempered, self-controlled, gentle, and kind, always considerate of others, he made warm friends, whom he held in growing attachment.

Of commanding appearance, he was great in mind and in heart as well.

His practical common sense, sound judgment, sterling honesty, and noble purposes, combined with unusual intellectual gifts and high character to make him a true statesman and wise leader.

His patriotism was deep and strong and ran true through every fiber of his being.

He lived the wholesome life of the good citizen in full sympathy and close touch with his fellow men.

He recognized and illustrated the truth that the true road to preferment is the straight though hard road of personal effort, and the rule of that road is the clean, though harsh, rule of survival by merit.

He appreciated the value of the sailor's skill which enables him to go forward by the very winds that blow against him.

Day by day and hour by hour he made for himself while here the life in the spiritual world he now enjoys. In that place in the spiritual universe which only the mind and spirit may apprehend, the only test is character, and our departed friend lived a life here which assures us the final judgment admitted him to a freer, fuller, happier existence.

To-night as I sat at my window
While the West was all agleam
With that strange and wonderful splendor
That is fleeting as a dream,
I thought that the hands of angels
Had flung heaven's gateways wide,
And I caught some glimpse of the glory
From the hills on the other side.

Is it not a comforting fancy,
This sunset thought of mine,
That always the gates of heaven
Swing open at day's decline—
That those whose work is all ended
From our earthly woes and ills
May pass to the peace and gladness
That crown the beautiful hills?

Mr. LODGE. Mr. President, no one who knew Senator BANKHEAD can think of him or speak of him as we speak of him here to-day without a keen sense of personal loss, for he was one of those men, none too common, who always inspired affection in all who came in contact with him. As my thoughts turn to him many memories arise of days long dead, for we both began our life in Washington in the same Congress. For six years I was with him in the House, and all the memories of our acquaintance there and of my service with him are pleasant and smiling as they look at me out of the past. They are recollections I like to recall.

Then after those six years I came to the Senate. Senator BANKHEAD continued to serve in the House for 14 years longer, and then he also came to the Senate, where he remained until his death 12 years later. Here the acquaintanceship of the House ripened into friendship, and I became very much attached to him; something not very remarkable, for he was endowed as few men are with the happy gift of attaching people to him, all without effort or intention, for the power was innate and he could not help exercising it wherever he went and upon whomever he met. Rufus Choate once said that there are some men whom one hates with cause and others peremptorily, like Dr. Fell of the familiar rhyme. I think the reverse has also much truth in it. As we go on in the world we encounter very many of our fellow men, for the most part with indifference, but there are always some, fortunately for us not a few, whom we respect, admire, love, and esteem for good and easily explained reasons, and also others, by no means so numerous, who excite a feeling of affection at once, at the first contact and peremptorily, no cause or reason being either asked or required. The rare quality of these last was characteristic of Senator BANKHEAD. It is a gift which, like what we call personal charm, rather defies analysis, but no one who has felt it as we did with him ever denies the fact of its existence.

Many elements go to the making up of this power to inspire affection at the first sight, on no especial grounds or on no grounds at all. It is there. It holds us captive, and no more need be said. Yet there are qualities in the man so endowed which if not the cause of the ability to inspire affection go with it and are inseparable from it. Kindliness, gentleness, tolerance, and good sense; sympathetic ways, something again quite indefinable; a generous loyalty to friends which draws no lines of politics or party; an abundant sense of humor; and an atmosphere inviting trust and confidence which are never disappointed. We shall all, I believe, agree that in this enumeration I have been describing Senator BANKHEAD as we knew him, and if this be granted there is no cause for wonder at our fondness for him or at the grief we all felt when he ceased to live.

To make sure of the Congress, which we entered together, I glanced at the little biographical sketch of Senator BANKHEAD in the Directory. It was very brief, and I read it through in a moment. Four years a soldier in the Confederate Army and thrice wounded. A planter by occupation. Three times a representative in the General Assembly of Alabama, a year in the State senate, another in the lower branch; then 20 years in the House of Representatives and 12 years in the Senate. That is all. A dry, unadorned list of dates and offices, and yet as I reflected upon it I found much meaning in it, and the record of a fine and useful life shone very clearly through the commonplace words of the catalogue. A planter, it said, one who drew his living and sustained his family from the earth itself; one of that ancient calling which goes back to a dim past, when the men who settled down in one spot and tilled the soil lifted the whole race from the savagery of wandering tribes to the permanency of a fixed dwelling place, which is the first stage and the sure foundation of enduring and organized society. Through the steady effort of such men the landowner replaced the nomad. "A planter" meant also a freeholder, a position reached after years of struggle by the people of our western civilization, and the freeholder, thus established, has become the bulwark of society, for the men who own their own land can always be trusted to protect their land, and that means to guard their country.

Then comes four years of war, with its proof of high courage and readiness to sacrifice all for the cause the man holds dear. Then follows more than half a century of public service, always upward, and in due time attaining to the high places of public life. It was a most honorable and distinguished service, that of Senator BANKHEAD, never clamorous or self-advertised, but always as modest in appearance as it was diligent, valuable, and effective in reality. Two years before his death there was held here in Washington the twenty-seventh annual reunion of the Confederate Veterans, and Senator BANKHEAD made on this floor a motion that the Senate adjourn over the day of their parade. I imagine that all who were present must recall the scene when Senator BANKHEAD, dressed in a uniform of Confederate gray, simple, as always, without notice and without parade, arose and addressed the Senate in support of his motion. It was an occasion far more memorable than most of those which, widely heralded, carefully announced, and decked with all the forms of official ceremony, have in this Chamber drawn crowds of sight-seers and arrested public attention; the more memorable because it was a most significant expression

of the union of a great people. Those words, the words that he then uttered, have been quoted already on this floor by two Senators. I have them here. Nothing I could say of him would be complete without them.

Senator BANKHEAD said:

To-day the shattered remnants of the armies of Lee and Jackson, Johnston and Bragg, and of the navies of the Confederacy, who are physically and financially able, are in Washington and on Thursday will march with their sons down Pennsylvania Avenue in review before the President of the United States. Think, Senators, of the significance of a spectacle like this! A little more than half a century ago these same men in arms were hammering at the gates of Washington in an effort to sever their relations with the National Government. Thursday, marching with broken body and faltering step, on a mission of peace and love, not of hatred and bloodshed, but in a spirit of resolute reconciliation and absolute loyalty to our flag, they will voice in vibrant tones to all the world an indissoluble Union of the United States. I am grateful that God has spared me to see this day, when my old comrades in arms of the Confederacy are here in the Capital of that Nation which for four years they struggled desperately to destroy, but which none in all this great Republic are now more anxious to preserve.

For four years I marched and fought under the Stars and Bars. Five immediate members of my family are now enlisted under the Stars and Stripes—a son, two grandsons, and two nephews. They will even up our records.

It seems to me that this was a very noble declaration. It came from the heart. It was instinct with love of country. It was American in the highest sense, generous, patriotic, brave, and truthful. To me it seems to be filled with a very beautiful spirit. It was a fitting conclusion and a crown above price to a long and well-spent life given to the service of his country. As Emerson said of another distinguished American so we may say of Senator BANKHEAD: "Yet the fullness of his respect for every man and his self-respect at the same time have their reward, and after sitting all these years on his plain wooden bench with eternal patience, Honor comes and sits down by him."

Such a man gives us faith in America and in the American people. What better service can anyone render to his country and his time? What greater reward can any man earn than to have all who know him feel a great gladness that he lived and a deep sorrow that he has gone from among them?

Mr. SMITH of Arizona. Mr. President, occasions of this character are peculiarly trying and painful to me, where the subject of our obsequies was a very close and very dear friend of mine through all the years of manhood's real life.

I first heard of him the day I first met him as we took our first congressional oath of office at the opening of the Fiftieth Congress, in December, 1887.

That was a truly great House of Representatives, on whose membership he early impressed himself as a man of rare judgment and great sincerity of purpose and equal sincerity of speech. Modest, yet firm, and, if need be, aggressive in the right as he was given to see it. Unfaltering in his friendships, yet just in his judgments even where they were concerned. As brave as a lion, as tender as a woman, as true as a magnet, he stepped unassumingly into public life in his early manhood and by these striking characteristics maintained himself in the love and admiration of the people of his State until the final summons came to him, as it will soon come to us all.

The Fiftieth Congress and the two or three succeeding ones had, in my judgment, no superior in our legislative history, and I deem it a great honor and benefit to myself and to all those who served with the men of that day.

Dingley and Reed, of Maine; Carlisle and Breckenridge, of Kentucky; Culbertson and Mills, of Texas; Bland, Burns, Hatch, and Stone, of Missouri; Sunset Cox and Amos Cummings, of New York; Turner and Crisp, of Georgia; Cannon, Springer, and Payson, of Illinois; Holman and Shively, of Indiana; Henry Cabot Lodge, of Massachusetts, Julius C. Burroughs, of Michigan; McKinley, Grosvenor, and Butterworth, of Ohio; Pig Iron Kelly and Dalzell, of Pennsylvania; and as many more of as great if not equal ability, but possibly less renown, shed glory on that Congress in which our friend first served.

A hasty retrospect of the Senate reveals at once the names of Aldrich and Allison, Hoar and Sherman, Edmunds and Hale, Daniels of Virginia, Evarts of New York, George and Walthall of Mississippi, Ingalls and Plumb, Voorhees and Turpie, Vance, Vest, Morgan and Pugh, of Alabama, and Isham G. Harris of Tennessee. What a galaxy of brains and patriotism here faces us. Our dead friend JOHN H. BANKHEAD knew them all, and finally reached the Senate early enough to mingle with some of them.

Still purposeful, courageous, and undaunted he pursued his course undoubting and unafraid until in this body he succeeded in impressing on the country the necessity of aid by the General Government to good roads in the States, and the great impetus thus given promises shortly to so lessen the costs of transportation as to double the profits of all original producers without increasing the cost to the consumers. A great continental highway from ocean to ocean, now in course of construction, justly bears his name, and this monument to his vision, patriotism, perseverance and statesmanship will keep his memory fresh in the minds of grateful people, when all the great men I have mentioned will be known only to a few students of our history.

But it is not as Congressman or Senator or statesman that my memory cherishes him, but as JOHN BANKHEAD, the man and friend whom I loved. He was not demonstrative in his affections or other emotions, but calm, deep, and intensely sincere, in consequence of which he was loved most by those who knew him best. Slow to ask but quick to grant reasonable favors. Slow to anger, which was terrible when justly provoked, yet quick to forgive and forget unpremeditated injuries. Just in his judgment of men and their motives, hating injustice, cant, and hypocrisy with an intense hate wherever seen, yet looking with pitying leniency on the foibles and weaknesses of his fellows.

Possessing such character, it is no wonder that his friends so loved him and his State so honored him. He was the last Confederate soldier to serve in this body, and how like him it was to rarely speak and never boast of his long, brave service to the lost cause. He never regretted it, never apologized for it, never doubted that right was on the side for which he fought. After it was finished he was singularly free from the ruinous prejudices that always follow such catastrophes.

But I have no doubt that the sufferings through which the South passed in the long-drawn period of reconstruction intensified his love for his own State until it became a passion with him. This was not unnatural in a man like him.

How intense was this feeling for his native State of Alabama was revealed to me in private converse shortly before his death wherein he spoke so feelingly of Carmack's tribute to the South and expressed his thorough and complete accord with every sentiment uttered, and repeated almost verbatim that thrilling and tender burst of pathetic eloquence:

"The South is a land that has known sorrows; it is a land that has broken the ashen crust and moistened it with tears; a land scarred and riven by the plowshare of war and billowed with the graves of her dead, but a land of legend, a land of song, a land of hallowed and heroic memories. To that land every drop of my blood, every fiber of my being, every pulsation of my heart is consecrated forever. I was born of her womb, I was nurtured at her breast, and when my last hour shall come I pray God I may be pillowed on her bosom and rocked to sleep within her tender and encircling arms."

That prayer has been answered, and he sleeps well.

Mr. TOWNSEND. Mr. President, one of my earliest memories of congressional life is that of Congressman JOHN H. BANKHEAD. His strong features and distinguished personal appearance made him a marked figure, even to the stranger. His bearing was dignified and confident, and before he spoke he was recognized as an unusual man, for even the first impressions of him were that his dignity was native and not of art, and his look of confidence was but the record of victories in combats with the shams and errors of life.

I soon came to know him personally and well, and during the remainder of my life, as I inventory the value of friendship, which is the greatest personal benefit which comes from congressional life, I shall put high estimate upon my memory of close friendship with Representative and Senator BANKHEAD. I learned that my first impressions were right and that the inner qualities of the man were more than faithful to their facial advertisements.

I have served in the National Congress nearly 18 years. I do not know how many different men have been my colleagues during that period, but their number has been several thousand. Practically all of them have been far above the average of men in character and ability, and yet even now I find it is comparatively few of them that I remember well. Indeed, it is true that only a few really close, warm friendships are formed in Congress. Respect is general, but that heart relation which is unaffected by creed or politics, by wealth or poverty, by social position or selfish desires, that something, which for lack of better name we call true friendship, is all too uncommon. It is, however, the rarest and most precious jewel of congressional service.

The friendship of Senator BANKHEAD was genuine. He knew no deception. He was a shrewd legislator and most successful in the causes for which he contended, but he never employed the arts and intrigues of hypocricy. His lips never said "I love you" when his heart was not in accord. He probably believed that the truth should not be spoken at all times, espe-

cially when it would produce unfruitful pain. But he never lied to accomplish an end. His word was frankly spoken and always passed at par among his colleagues.

Since I have been in the Senate, and until death separated him from it, he and I were members of the Committee on Post Offices and Post Roads. Some of the time he was chairman of it. Some of the time I was chairman. All of the time we worked in closest harmony. When he was absent he authorized me to vote him on all matters, and in a similar manner I trusted him when I was away. I believe I knew him and, knowing him, I believed in him.

As a legislator he was well equipped with good judgment, rare insight, common sense, broad experience, and almost sublime courage. He was not spectacular, but he was honest and sound. I could, with profit to those who hear or read what I may say, recount his public achievements, but they have already been told by others more eloquently and in detail.

I like to think of him as a man without sham or pretense.

He was proud of his family, which he loved with all the affection and devotion of a true husband and father. If my memory is not defective, I think that his death is the first break in his own family ties. His large and distinguished family of children grew into useful manhood and beautiful womanhood. He saw and guided their growth and rejoiced in it, for every one was a credit and honor not only to the devoted father and mother but to the community and State in which they grew and lived. One of his beloved sons was an honored Member of the House of Representatives when the father died. Senator BANKHEAD felt that he had been unusually blessed. And so, indeed, he had been. Until he was stricken at last, sickness had been almost unknown to him and his loved ones. He and they lived in an all-pervading atmosphere of love and confidence. Such an atmosphere is conducive to health, happiness, and long life.

About the last time I saw him he told me that he was in his seventy-eighth year. A ripe old age. And yet we did not think he was old, and he could have passed for much younger. He asked for no handicap in the race with his colleagues. Until the very last he faithfully and efficiently performed his duties, and we shall miss him. His State lost a faithful representative here; his country, at a time when it needs strong men, has lost one of its best Senators. If, however, a long life's record of great usefulness is worth while, his family and the Senate should take hope and comfort.

Mr. President, the senior Senator from Washington [Mr. JONES], who was also a colleague in the House and Senate of the late Senator BANKHEAD, is on the program to speak to-day. He is unavoidably absent. He has, however, sent his remarks to me and asked me to read them. If I may have the permission of the Senate, I will now proceed to do so.

Mr. JONES of Washington. Mr. President, the men who were the youth of 60 years ago may seem out of date to-day. They may not grasp our problems in the progressive way that many of us think they should be undertaken. Their sterling character and Spartan devotion to what they believe in, however, are an inspiration to those who admire sincerity of purpose and unswerving loyalty to honest conviction. These men of another generation grasped the fundamentals of life. They held to them and applied them to all the problems they met. The fundamental principles of human action are, after all, a pretty safe guide. They are as immutable as the stars, and the man who follows them will be right more often than he will be wrong.

It was my good fortune to enter Congress when it had among its membership many of these men. They were men of strong character, marked ability, uncompromising in their belief in the principles that control human action and unswerving in their devotion to what they thought to be the fundamental principles of their Government and the beliefs of the fathers of the Republic. Among these men was JOHN H. BANKHEAD. He was not the great debater that many of them were, but in all else he was the peer of any. While making no pretensions to oratory or debating skill, he expressed himself with rare concisiveness and clarity. He was frank and open in all he did. When he came to a conclusion upon a matter there was no doubt as to his position. He knew what he wanted and he sought to attain it by direct, open, fair, and honorable means. The rule of right was the sole guide to his acts. He had but little sympathy with many of the so-called progressive doctrines of to-day, simply because they did not to his mind square with the principles in which he firmly believed. He was another great and good man whom many called a "standpatter" and a "reactionary." He was a "standpatter" in the sense that he stood firmly by his convictions and tried to carry them out without swerving. He was a "reactionary" in the sense that he applied what he believed to be the tried principles of experience to the problems of to-day. In his judgment the principles which the fathers applied to their problems were sufficient to meet our problems if honestly and fearlessly followed and if properly adapted to changed conditions.

JOHN H. BANKHEAD may have been mistaken in his judgment, but he did that which he thought was right and for the best interests of his State and his country. The same courage that led him to fight bravely on the battle field for the cause he believed to be right led him to stand unflinchingly for his convictions in the battles of peace. While a strong partisan, he did not hesitate to go against his party when it took a position contrary to the principles that controlled his actions.

The legislative career of JOHN H. BANKHEAD was one of marked success. He did much for his State and country. He gave the most careful attention to every matter that was presented to him. He neglected no opportunity to serve his people. Their needs commanded all his energy and ability. The great problems of internal improvement and development had his special attention. He was an ardent and effective advocate of water transportation facilities, both domestic and foreign. Good roads had no more earnest or efficient champion than he, and he lived to see much of his hopes realized in this direction. Water-power legislation had been pending for many years. He fully appreciated its importance. It had his special attention, and everything that he could do to promote its passage he did. As chairman of a conference committee he did much to bring about an agreement on this legislation between the House and the Senate, but the report that was submitted was not adopted because of the close of Congress. The report which he had so much to do with securing was largely the basis of action of the succeeding Congress. He did not live to see this legislation passed. It is now on the statute books and to his close study and earnest efforts is largely due this great measure of a real, constructive character.

It is an inspiration to have known JOHN H. BANKHEAD, to have acted with him in the work of important legislation, and to have counted him my friend. I am glad to pay this feeble tribute to his memory. Words are empty symbols, but his acts and deeds are living, vital things to move us to higher and better living.

Mr. RANSDELL. Mr. President, I received the news of Senator BANKHEAD'S death last spring with as much regret and heartfelt sorrow as I have ever experienced at the departure of a friend. As Members of the House and as Senators our legislative duties were along similar lines; the needs of his district and State and mine were somewhat the same; and our committee assignments for many years were identical. Like myself, he was a practical planter and loved the life of the farm. His vacations were always spent on his plantation overlooking the actual farm work and rusticating with old friends and admirers. In saying a few words in testimony of his high character and devoted public service, therefore, my thoughts are those of one who has seen in action the wonderful talent and unselfish industry which characterized the work of the deceased Senator.

JOHN HOLLIS BANKHEAD was born on his father's farm in Marion, now Lamar County, near the old town of Moscow, Ala., September 13, 1842. He was educated in the country schools of his native place, and at the outbreak of the War between the States cast his fortunes with the South. Young BANKHEAD enlisted as a private in the Sixteenth Alabama Infantry, served from the beginning until the end of the struggle, and was mustered out as a captain. During the Battle of Chickamauga—one of the important battles of the Confederacy—Capt. BANKHEAD was severely wounded but displayed unflinching courage and determination by crawling from the field carrying on his back a disabled comrade.

After the war Capt. BANKHEAD returned to his farm life. While a young man he was elected to the Alabama House of Representatives, then to the State senate, and later to Congress, serving in the National House of Representatives from 1887 to 1907, a period of 20 years. In 1907 he was appointed to the Senate to succeed Senator John T. Morgan and was subsequently elected by the legislature. He was twice reelected by the people of Alabama to a seat in this body and had served only a year of his last term when death overtook him.

As a fellow member of the Committee on Rivers and Harbors of the House of Representatives, to which I was appointed in 1901, my friendship with the late Senator developed. He was as deeply interested in improving navigation on the Warrior River as I was in the allied problems of transportation and flood control on the Mississippi, and there was always the most cordial cooperation between us in helping to solve these very difficult questions. This made a strong bond between us and

brought me into the most friendly relations with the late Senator, whom I soon learned to admire and honor. He was not local or provincial in viewpoint and always took a broad national attitude in matters before Congress. The people of Alabama are greatly indebted to him for invaluable service in having the Warrior River made a navigable stream from the rich coal fields to Mobile Bay and for deepening Mobile Harbor. Alabama ought to be also truly grateful for his inestimable assistance in developing water power at Muscle Shoals, on the Tennessee River. In the Senate we served on the Commerce Committee together, and as a Senator his interest in the waterway problems of the country never lessened.

Senator BANKHEAD was a pioneer in the good-roads movement; and the fact that the great transcontinental highway from this city to San Diego, Calif., was named in his honor testifies strongly to the incomparable service he rendered the Nation and the cause of adequate transportation for our country's products.

In my relations with the distinguished Alabamian one of his outstanding traits of character was his absolute justice to all. He was a sincere man, and his associates always knew where he stood. No mere persuasion nor glamor of personal or political expediency could swerve this soldier-statesman from the path of principle. Honesty, political courage, and a scrupulous regard for fairness were the mainsprings of his very nature. He never tried to deceive and was always frank and open in expressing his convictions. He had wonderful stability of character and inexorably followed the strict line of duty when it once became clear to him.

Senator BANKHEAD was a very amiable and courteous man, always kind and considerate with others. During my association of 20 years with him I never knew the Senator to use a harsh word or do an unkind act. He was always humane in dealing with his fellowman; in fact, he had a deep appreciation of human nature, and to this may be largely attributed his great success in life. Yet, withal, he was a firm man, and stood fast to his ideals of right.

The Senator was a most attentive Member of his body and one of its hardest workers. He was not a great orator, nor did he often address the Senate, but when he took the floor his speeches attracted close attention, as they always contained luminous facts in support of his arguments. His colleagues in the Senate regarded him as a sound, practical statesman, who had learned at first hand in the hard school of human experience to grapple with the problems of life and solve them, and no Member of this body was held in higher esteem. Even in his later years he seldom absented himself from the sessions of the Senate, and was at his post of duty when the final summons came.

The death of Senator BANKHEAD has left a niche in the public life of Alabama and the country difficult to fill. His name was associated with the wonderful progress and attainments of his native State, and his great personality and splendid example ought to be a guiding star for the youth of Alabama, aye, for every boy in America. His beloved State, whose people loved him in life, will forever revere his memory, and his many friends in the Senate will look back on their associations with this noble American with pleasure and pride. Personally, I have lost a good friend; his family, a devoted father; and the Nation an able and faithful public servant. My heart goes out to his family in their sorrow, and my hope is that remembrance of the Senator's splendid, upright character and remarkable achievements for State and Nation will in a measure help to assuage their grief.

Mr. SHIELDS. Mr. President, when I came to the United States Senate, nearly eight years ago, my acquaintance was largely confined to those Senators from the States that bordered on Tennessee, and coming from the same section, with the same common interest, traditions, and aspirations my closest association in this body was in the beginning usually with them.

What I have to say in regard to some of those great Senators is not to be understood as an invidious comparison with Senators from other States and other sections, nor those who now occupy seats from the States I have mentioned. I would say much of what I am about to say of them, both living and dead.

I speak only of the dead, of those who have answered their last roll call and now sleep in the soil of the great States whose people honored and trusted them to represent them in this great legislative body. They were Thomas S. Martin, of Virginia; Augustus O. Bacon, of Georgia; Joseph F. Johnson and JOHN H. BANKHEAD, of Alabama; James P. Clarke, of Arkansas; William J. Stone, of Missouri; and W. O. Bradley and Ollie M. James, of Kentucky—just one-half of the Senators representing those States in March, 1913. They all died in the discharge of the public duties confided to them by a loyal and trusting people and enjoying in the fullest measures the admiration and confidence of their constituencies.

They were with one exception men of a generation gone by, few of which survive them. They were of that sturdy and indomitable stock who conquered the American wilderness, established homes, churches, and schools and constructed our incomparable Government, and made America the greatest Nation of the world. They were men of different and varied types. There were among them planters, business men, soldiers, lawyers, jurists, and orators, and each and all of them excelled and were great in their particular avocations and professions, adorning and contributing to the success, honor, and glory of them. They were constructive statesmen, and their States, their common country, and their Government are all better for their example and honorable public services. They were manly men, men of courage, men who walked erect and looked the sun in the face without a tremor. They were men of convictions, with the courage and ability to defend and maintain them. They knew no masters and acknowledged no superior save their God. They were sun-crowned American citizens, the highest eulogy which can be conferred on any man. It is no wonder that I admired these splendid citizens and statesmen and delighted in their society and friendship.

Mr. President, recalling the character and services of these illustrious Senators causes emotions of sadness and regret that they are no longer here and that their places know them no more, but it is useful for us to do so. It is not only a solace and a stimulus, but it is an inspiration to those who follow them to emulate their great services, their rectitude of purpose, their patriotism, and their devotion to their people and to their country. This is all we can do, for—

> The good knights are dust,
> Their swords are rust, and
> Their souls with the saints, we trust.

Mr. President, we are met here to-day to commemorate the life, character, and public services and to do honor to the memory of one of this distinguished group of Senators, the peer of any of them, Hon. JOHN H. BANKHEAD.

I will not speak of his early days, nor attempt to give any biographical sketch of him, nor will I recount all the places of public trust that he held in his State and the Federal service. That has been done by other loving and admiring friends who knew him better and are proud of his friendship and association and of the honors he has conferred upon their great State. When I became a Member of the Senate, circumstances and common interest threw me much with him and I had ample opportunity to judge of his character as a man and his abilities as a Senator. I soon formed a high estimate of him in every respect, and the longer I knew him and the closer I got to him the greater was my admiration and respect and the stronger my affection for him. I would not undertake to recall the many kindnesses I received at his hands or the great assistance he gave me in the early days of my service here. I have no words to describe my affectionate regard for him and my deep and sincere sense of loss when he was gone. The loss of friends whom we loved and esteemed is something akin to the loss of those who are close to us by the ties of blood and family relations, which we feel a reluctance to speak of. They are sorrows of the innermost and most sacred emotions of the heart and soul and can not be fittingly described in words. They are too sacred to be confided to others.

Senator BANKHEAD was one of those men whom nature endowed and made superior in many things that go to make up a successful life and a leader of men. Success marked all his relations, associations, and efforts in life. He was fortunate and happy in his marriage and in the affection and assistance of an estimable and lovable wife, who survives him. He was happy in living to see his children emerge from childhood and youth and become valued members of society, and especially in seeing his sons, of whom he was justly proud, occupy prominent positions in the forefront of their professions, possessing the fullest confidence and admiration of their friends and fellow citizens. I have often thought there was no greater happiness that could come to a father and mother in their declining years, or which would enable them to meet the end, which all mortals must contemplate with more resignation and composure, than the realization of fond hopes of this character. He was happy in acquiring and holding through a long and sometimes tempestuous public career in which great problems were met and solved the love and confidence of the people of a great State. He had the consciousness of having discharged his duty in every trust confided to him faithfully, honestly, and with self-sacrificing devotion. This must have added much to the peace and tranquillity which seemed to pos-

sess him when his soul, without a struggle, passed away and entered into the great beyond.

He was strong physically, mentally, and morally, and his great courage, indomnitable determination to do what he believed was right gave him force and a power to accomplish with an unusual measure of success every undertaking to which he devoted himself.

Alabama has produced many strong, able, and patriotic men, and those whom Senator BANKHEAD came in contact with in his many civic and political struggles were no exception to the rule. A mere statement of the honors conferred upon him by the people of that State, and the high offices he was chosen to fill, conclusively establishes the assertion of his friends of his integrity, ability, and the faithful discharge of duty and of his right to be called a leader of men, for no man not possessing all of these qualities in an eminent degree could have won the victories that came to him or acquired and retained the confidence of the people of that great State.

He loved his State and his section and was proud and loyal to his country and his Government. When yet a youth, believing firmly in the righteousness of the cause of the South, he volunteered as private in the Confederate Army and made a brave soldier, serving throughout that great struggle, winning promotions to that of a captaincy for gallantry in action. And when that sacred cause was lost and the banner with the cross of St. Andrew was furled, furled in sadness and in defeat but without dishonor or the semblance thereof, he accepted the inevitable result and returned to his allegiance to the Union, and from then on the Stars and Stripes was his flag and the United States was his Government, and it never had a more loyal and devoted adherent.

Senator BANKHEAD was a firm believer in the Christian religion and held the church and all that it teaches and inculcates with that high respect which is the duty of all men and so necessary an element in the good citizen and the public servant. He never thrust his views of such matters upon others, but when occasion required in such remarks as he made upon the subject his firmness, sincerity, and faith were evident and unmistakable.

While a cordial and loyal friend when once that relation was established, he did not form friendships readily or without first coming to decisive conclusions as to the character and the worth of men. He estimated their merits or demerits with care and formed his conclusions with deliberation, but when he believed a man was worthy of his friendship his attachments were strong and his friendship loyal to the utmost degree. He had the confidence of his fellow Senators and they all respected him for his rugged integrity, his fairness and courtesy, and devotion to duty.

He was not a man of words, but rather of action. He was not an orator, but had a clear conception of what he wanted to say and present for the consideration of his audience, and he stated it concisely and in simple words with such clearness and force that those whom he addressed always understood him and were often convinced of the soundness of his views.

He did not speak often and addressed the Senate only when he had a purpose to accomplish. His fort and the secret of his success was his extraordinary common sense and the ability to apply it in a practical manner to the situation or the problem that confronted him. His judgment was as honest as it was sound. He had a grasp of business propositions and he brought his experience to bear on all legislation which affected the economic interest of the country.

His greatest services in the Senate were in the committee room, where, after all, the most effective work is done in the promotion and perfecting of wise legislation. The discussion of bills and policies in committees and the free exchange of opinions there bring out the merits or demerits of the measure in hand in a manner which can not be done in the open debate of the Senate. Those informal discussions call for a more complete knowledge of the subject in hand and more ability in presenting the merits of the measure and meeting the objections to it than the preparation and delivery of formal addresses in this Chamber. Were it not for the careful and laborious work of committees it is impossible to say how much unwise legislation would reach the statute books.

I am confident that earnest and devoted committee work is the best service that a Senator can render his people and his country. Senator BANKHEAD attended the meetings of his committees with great regularity and gave careful attention to all bills considered by them, and his views concerning them were always pertinent and valuable and aided much toward clearing up errors and perfecting legislation.

He was especially interested and gave great attention as a member of the Committee on Commerce to the development and improvement of the waterways of the country. His services to his own State along these lines were marked and valuable, but they extended to all the waterways of the Nation, for he was broad and liberal in his policies and efforts to develop the interest of the entire country. He was deeply interested in public highways and accomplished more in developing a national system of improved highways perhaps than any other man who has been in the Senate for many years. He took great interest in our Postal System and did much to improve its economical administration and efficiency. He was deeply interested in agriculture and educational matters, and did splendid work in promoting legislation for the advancement of their interest.

He had a great reverence for the Constitution of the fathers and opposed all insidious efforts to undermine and violate its beneficent provisions. While not a lawyer, he thoroughly understood the great and underlying principles of our Government, and he lived up to his conceptions of them, consistently and fearlessly. He believed that the National Government was created by the States and had no powers but those that the States had delegated to it but, in the exercise of these powers, it was absolute. He believed that the Federal Government should be confined to the powers so expressly vested and those necessarily implied for their full and efficient exercise, but he at all times upheld the reserved rights and powers of the States and firmly resisted all encroachments upon them, believing in the sovereignty of the States in all local matters. He firmly believed and had faith in the great fundamental policies of his party and was ever ready to defend and maintain them. He never followed false gods or wild and impracticable heresies which have from time to time disturbed and afflicted our country, regardless of the temporary advantage which they seem to give, or the attractiveness or special benefits to be derived from them, and had an unutterable contempt for the timeserver and the opportunist. May we have more men of his courage, faith, and firmness—

> Those who would bend the bow of JOHN H. BANKHEAD
> Must gird their loins for unusual strength, and
> Look aloft for faith and inspiration.

Mr. POMERENE. Mr. President, these splendid eulogies to this splendid man make us all feel, as we are, in the presence of a hallowed spirit. No finer tributes have ever been paid to a deceased Member of the Senate, and none have been more deserved.

It is always difficult to speak of a dead friend. When I first entered the Senate I was one of its youngest Members; Senator BANKHEAD one of its oldest. He was one of the Members to whom I was attracted. Of course, I had known of his public services. I felt for him almost the affection of a son for a father. He was my friend; I was his. We did not always agree, but differences of opinion did not lessen my ardent admiration for his fine qualities. He was big of body, big of heart, big of mind. He was always well poised. He never flew off at a tangent. He did not depend upon the judgment of others when deciding what to say or how to vote. He was his own master.

In this day and generation there is so little of charity for those who entertain different opinions that it is sometimes hard to get a just estimate of one's moral or mental makeup. To illustrate, some men affect to believe that anyone who adheres to the firmly established principles of democracy is a conservative if not a reactionary. Others do not hesitate to assert that anyone who looks forward to the further development of fundamental principles is a radical. Both are wrong. If I may assume to characterize our late friend, I would say of him that he was progressive without being radical and conservative without being reactionary. He was never ready to reject the established principles of our Government simply because they were old, or to accept as true strange doctrines simply because they were new. His feet were always on the ground; his head never above the clouds.

What a splendid heritage he has left to his family, his friends, his State, and his country. His life of almost fourscore years was full of activity and service. He was the last of the distinguished Confederate soldiers to serve in the Senate. He cast his lot with his State during the Civil War, but when the war was over and the States were reunited no one dared question his loyalty to the Stars and Stripes. Thrice was he wounded while in the Confederate service.

His people loved to honor him. He represented Marion County in the general assembly of the State during the sessions of 1865, 1866, and 1867. He was a member of the State senate in 1876 and 1877. He was elected to the House of Representatives during the Fiftieth Congress and reelected 10 successive times. His service in the United States Senate began in 1907 and continued uninterrupted until the day of his death. During all of this time he was one of the real Congress-

men and one of the real Senators who always "the path of duty trod." It is no small compliment to be elected by a constituency to the House of Representatives for 10 consecutive times, and then to be transferred to the United States Senate and reelected for three consecutive times. Such honors come to but few men; and no man can receive them who is not indeed worthy.

The path to public favor is not a royal road. No man can enter it and maintain himself who bends to every breeze that blows. No matter what his views may have been, whether we agreed with them or not, we had to respect them as the views of the honest public servant. He served his immediate constituency well, but he served the whole country none the less. His services were not sectional, they were Nation wide.

He sought to serve his people, but he never surrendered his conscientious convictions. His conclusions were not reached by putting his ear to the ground to ascertain how many votes he would win or lose by a given course; they were the result of investigation and of reflection.

Senator BANKHEAD always had the courage of his convictions. He thought what he said and said what he thought, and by this manly course won and kept the confidence of his constituents and of his fellow citizens, whether North or South, East or West.

Others have spoken more in detail of his splendid service in the Senate. I shall not attempt to repeat it. He was not given to much speaking, but when he did speak it was out of the fullness of his heart, and with his thoughts fully matured. Much of our best legislation is in part his handiwork.

His death is a distinct loss to this Chamber, to his State, and to the Nation. Peace to his ashes!

Mr. DIAL. Mr. President, on March 1, 1920, JOHN HOLLIS BANKHEAD, citizen, soldier, patriot, and friend, and an honored Member of this body, knocked gently upon the door that leads into that mysterious realm beyond, and entered. The soul of Alabama's distinguished son had taken its flight from the mortal highway of life to the celestial highway leading to "the undiscovered country from whose bourne no traveler returns."

Though serving in both Houses of Congress for many years with honor and distinction, it is not of such service that I desire to speak to-day in the time allotted to me as much as it is to recall the many pleasing incidents that came to my knowledge concerning the life and character of Senator BANKHEAD and to touch upon a few of the special features which attracted me to him as we together passed along the highway of life. I shall therefore leave the record in Congress, or at least much of it, for others to dwell upon. I may say that his record has been made up and the book of life sealed until eternity.

It was in 1893 that I first met the late Senator from Alabama, at which time he was serving as a Member of the House, and it is with great pleasure that I may truthfully say that during all of these years our relations have been pleasant and cordial.

I will therefore not attempt to follow the entire congressional career of our late colleague, for that would be useless. What he strived for and what he accomplished in both Houses of Congress need but little exploitation at the hands of those who knew him and of his public and private record.

Born in the South and of the South in all that the word implies, Senator BANKHEAD, while believing firmly in the principles of the Government of the United States, answered the call to arms when his section went to war. He shouldered his musket, a young boy, and marched to the front, ready with the call of the early morning reveille to fight for his beloved Confederacy. And I may say, there was none stronger in his convictions, braver or more courageous or daring in the face of a hostile enemy, or more loyal to the South and all its traditions than he. During the years from 1861 to 1865 he was found always at the front and never in the rear. That was his position on every question that confronted him in life—leading the fight for what he thought was right.

I came to this body as a new Member in 1918, but even before this I had found that throughout the whole country there was deep interest in the Bankhead Highway, a magnificent roadway that would connect the great city of Washington with the smaller cities and towns of the South and West, as far as San Diego, Calif., the plan of such highway being the product of the Alabamian's brain. He saw into the future and realized that better roads mean quicker transportation, saving of loss of time in transit, larger loads of various commodities going from one section to another, and the use of the autotruck to supplant the slow-moving farm horse or mule, meaning, in a word, an enlightened movement in favor of production, transportation, and selling problems of farm produce. There is also the greater problem of quicker transportation between town and country home, linking the two in many material ways. Senator BANKHEAD conceived wisely when he began the great work of planning and seeing the construction of this great highway, and in the years to come it will be a monument to his great genius.

Let me say that when I came to Washington to take my seat as a Member of this body I traveled with my family from my home in South Carolina in an automobile along this very Bankhead Highway, and as I left mile after mile behind me I realized more and more what this great undertaking would mean in the years to come.

As a Member on this side of the Senate Chamber with Senator BANKHEAD and as a fellow member of the Committee on Post Offices, it was my pleasure to come in frequent contact with him and to watch the workings of his head and heart. I saw his work from day to day, and I saw him stand firm always for justice and right. Though of a quiet nature, speaking but seldom on the floor of this Chamber, and then not in the fashion of the forensic orator to catch the plaudits of the listening crowd, but in an earnest, sincere way, he was firm in his convictions when convinced that his proper line of action lay along a certain definite course.

I served with Senator BANKHEAD from the date of my entrance in this body until the time of his death, and there was none who more genuinely and sincerely felt the great loss at his taking away as I.

In all the years that I had the privilege of enjoying the friendship of the Alabama Senator I found him to be a man in every way. Indeed—

> He was a man, take him for all in all,
> I shall not look upon his like again.

I wish to say a word concerning the South Carolina connections of the late Senator.

Mrs. Bankhead, his good wife, was a South Carolinian, her maiden name being Brockman, from Spartanburg County, the county next adjoining the one in which I live. She was closely related to many of the best people in that section. Among those of close kinship were the Moores, the Andersons, and others—all people of the very best standing in Spartanburg County. They are the pioneers in old Nazareth Presbyterian Church, a landmark for all that is good in religious life in that section of the county.

In addition to this the father of the late Senator, James Greer Bankhead, was a native of the old Union, S. C., district, settling at that place in 1818 and residing there until his death in 1861. Mrs. Susan Hollis, mother of the late Senator, was also born in the Darlington district of South Carolina, moving from that section with her parents to Alabama in 1822. These people have always been the leaders in all that is good and true and have led in the religious life and moral upbuilding in that part of South Carolina. I may say that the Moores, the Andersons, the Clevelands, the Barrys, and others of the Nazareth Church section of Spartanburg County are leaving a generation which is in every way maintaining the high standard set by those who have already traveled the roadway of life and now sleep. Mrs. Bankhead was of these.

There was also another strong tie linking me to the Alabama Senator and which brought South Carolina and Alabama close together. The Hon. W. H. Perry, for many years a Representative in the House from my State and district, married one of Senator BANKHEAD's daughters, his father having been governor of South Carolina some years ago.

When the earthly work of our late colleague was done I had the honor of being made a member of the Senate party which attended his funeral in the little town of Jasper, Ala. I well remember the large and sympathetic crowd which had gathered from every part of the State to pay their last respects to their friend and statesman. The torrential rains which occurred at that time caused the funeral to be postponed. This gave me the opportunity of observing the beautiful floral tributes which had been brought to the church, and also the church itself, and I may say of the latter that I was surprised that so small a town could have so large and costly a structure, but it was typical of the deep religious sentiment which prevails in that section. These floral offerings attested in the most sympathetic manner the deep affection in which our late colleague was held by all alike. Those who attended the funeral were from every walk, including high State and Federal officials, farmers, business men, and others, all alike testifying by their presence their deep affection for their departed friend.

The funeral services were conducted by a lifelong friend of Senator BANKHEAD—Rev. James T. Morris, of the Methodist Church. Both he and the Senator were Confederate soldiers, and the venerable pastor spoke most feelingly of the long, cordial, and close relationship which had existed between them.

I remember also that about two years ago I was visiting in Montgomery, Ala., and was most hospitably shown over the capitol building in that city by a son-in-law of the late Senator, Mr. Thomas M. Owen, who was the costodian of archives and history, and who held a position of great respect, admiration, and honor among his home people. I was greatly interested in the many interesting things he showed me, and I shall always deeply appreciate his courtesy. Since that time I understand he, too, has passed over the river of life, and that his good wife has succeeded him in his work. It will thus be seen that Senator BANKHEAD in all of his connections and relations stood well to the front in everything that was worth while.

In conclusion I wish to say that Senator BANKHEAD, while holding strongly to his own views and opinions, was broad-minded and tolerant of the opinions of others. He loved peace above everything. He was willing to fight, and did fight when it was necessary, but was a firm believer in the pursuit of peaceful methods and kindly acts as opposed to open warfare. This kindly and big-hearted friend has left us.

He went, "not like the quarry slave, at night, scourged to his dungeon, but, sustained and soothed by an unfaltering trust, approached his grave like one who wraps the drapery of his couch about him and lies down to pleasant dreams."

And here I wish to say that just as our late friend and colleague planned a mortal highway—a highway upon which human feet might tread—there was likewise planned for him another highway over which he has now passed into that everlasting spirit world of the unknowable beyond.

After a life full of good works, a life full of love and kindness for family and friends, of justice and equity to his fellow man, and a divine reverence for God, tired with the burdens of life, but still ready to carry his burdens, God touched him and he slept.

Finally, we are reminded that—

> The boast of heraldry, the pomp of power,
> And all that beauty, all that wealth e'er gave,
> Await alike the inevitable hour—
> The paths of glory lead but to the grave.

Mr. McKELLAR. Mr. President, Senator BANKHEAD and I were warm friends for more than 30 years—ever since I was a boy. I was in college with two of his sons and learned to know him well then, and he always treated me as if I was one of his boys, and frequently spoke of me in that affectionate way. When I came to the House he was one of the first to congratulate me, and was my friend and adviser while there. Later on, when I became a candidate for the Senate, in many ways he again demonstrated his friendship for me. After I was elected to this body he requested that I serve on the Committee on Post Offices and Post Roads, of which he was chairman, and throughout the long years of our friendship, many of them close and intimate, I do not recall that there was ever a difference between us. He was at all times a safe adviser, and I turned to him often. As a friend he never hesitated or halted. He was ever ready to stand up four square. My association with him I shall never forget. His many acts of kindness toward me will ever live in my memory. It is a pity that a man like he was should have to die.

One of the most beautiful attributes of his character was shown in his home life. I do not know that I ever knew a man who adored his family as did Senator BANKHEAD. His high-minded and delightful wife, his attractive daughters, his splendid boys, and his lovely grandchildren, each and every one of them, were objects of almost his worship, and they adored him in the same way. It was an inspiration to visit in his home. His pride, while always modestly expressed, about his boys, all of whom have been wonderfully successful, literally knew no bounds.

In the War between the States Senator BANKHEAD entered into the Confederate service as a boy, and took an honorable, a courageous, and a conspicuous part, and came out a captain. When the war was over he accepted defeat like the man he was and gave unlimited allegiance and devotion to the flag of our common country. He never wavered in that devotion. He was at all times the highest and best type of the American citizen.

In politics, Senator BANKHEAD was almost without exception successful. He was successful because he deserved success. He was successful because he was a fighter. He was successful because he was a man of the highest principles, because there was nothing little or mean about him. He was a man of big body, big heart, big brain, and big soul. In his earlier days especially he was a campaigner of great ability. He was an excellent speaker and most diplomatic and engaging. He knew human nature as did few men. I recall an incident in one of his campaigns for Congress. In one of the counties of his district lived a very excellent and well-to-do farmer who was quite powerful in politics. For some reason this farmer was very much opposed to the nomination of Senator BANKHEAD, and Senator BANKHEAD tried in every way he could to reach him, but without effect. One hot day in June he was riding by this farmer's home, and he saw the farmer plowing out in the field, so he got out of his buggy and went to the end of the row and waited for the farmer to get back. When he did so, Senator BANKHEAD told him he wanted to talk to him about politics. The old farmer was testy and said he did not want to hear anything about politics. He said he did not have time to talk, that he wanted to plow that cotton. Senator BANKHEAD said, "Hand me that plow." He took the plow and the reins, turned the mule around and started to sweep up the cotton, saying to the old farmer, "Now, you walk along the middle of the row with me and let me explain this matter to you, while I plow." The farmer walked with him about two rows and said, "All right, any politician that can plow cotton like you can have my vote," and he voted for and supported him as long as he lived.

So far as I know the only time he was ever defeated in any political contest was when he was defeated for Congress in 1906, after 20 years of splendid service in the House. Later on in the same year he was nominated as an alternate Senator from Alabama, and in June, 1907, was appointed Senator by reason of his majority vote in the primary for alternate Senator, so that his defeat for the House resulted happily in his coming to the Senate. This method of selecting Senators was quite unusual, and the only time I have ever known of its being employed. The facts were that Senators Morgan and Pettus, of Alabama, were very old men, and the State Democratic executive committee concluded that as either one of these Senators might suddenly die, it would be wise to let the people in a primary select their successors while they were yet alive.

An interesting thing happened between Senator BANKHEAD and myself in reference to this race for alternate Senator. In the spring of 1906 I was passing through Birmingham on my way to attend the commencement exercises of the University of Alabama. I happened to meet Senator BANKHEAD at the Morris Hotel. Only a short time before he had been defeated for Congress. I had read in the newspapers about the primary for alternate Senators, and I urged Senator BANKHEAD to make the race. He expressed great doubt about his ability to win. He seemed to think that because he had been defeated for Congress he did not have much show for an alternate senatorship. I told him that I believed the fact that he had been defeated, taken in connection with his record in Congress, would make the people of Alabama feel all the more kindly toward him. He went on down to the university commencement with me and while there held a meeting of his friends and announced his candidacy and won by a majority over all. He often afterwards told me that I had decided him to run.

Counting his service in both Houses Senator BANKHEAD was in Congress more than 32 years. His record in both Houses was one of great service to his State and to the Nation. He did more for the waterways of Alabama and those of the rest of the country, perhaps, than any other man. It was his service on the Rivers and Harbors Committee that gave him his first national fame. His work on water-power legislation added to that fame. In the Senate his great work was on the passage of laws giving Federal aid to road building. As chairman of the Post Offices and Post Roads Committee he did more than any other one man to bring about the passage of the laws that we now have on the statute books by which the National Government is cooperating with the various States to build up a splendid system of roads throughout the country. One of these great highways bears his name. As chairman of the Post Office Committee he was always fair and just, a stickler for the rights of the Government, and yet always liberal, and even generous, to the employees in the service. He took great pride in the Postal Service, and its remarkable growth in the last few years was in a great measure due to his careful supervision and to the excellent legislation that he fathered.

Mr. President, we all, I am sure, recall with the keenest pleasure his many delightful personal and social qualities. He had few enemies, none in this body, I believe. His friends were legion. He was courteous and fair and just to all, a man of great poise of character, with high ideals, honorable ambitions, fixed purposes, and as kind a heart as ever beat in a human being. He was an honor to his State and the Nation. In his life I honored and respected him, esteemed and loved him. In his death I felt, and still feel, the keenest sense of personal loss.

Mr. HEFLIN. Mr. President, the touching and tender words of commendation and praise by those who have served long with him in this body constitute the best proof of Senator BANKHEAD's high standing and popularity with his colleagues.

My colleague, Senator UNDERWOOD, in his speech has presented the important facts and events in the public career of Senator BANKHEAD, and I shall not undertake to repeat or discuss them in detail.

Every man who conquers his surroundings and rises superior to the forces that oppose him is not only a helpful example to the struggling youths of the country, but he is entitled to a prominent place on the scroll of those who achieve success, for after all only those who merit success should have their names listed in the catalogue of the great. Circumstances and peculiar conditions seem at times to thrust some men into the forefront of financial success or political prominence and power, and it frequently happens that we are unable to understand just why such a one was so favored by fortune. But, Mr. President, the man whose memory we honor to-day does not belong to that class.

In the field of stubborn conflict he earned every honor that came to him. He was in the true meaning of the term "a self-made man." I have always felt that that term was intended to tell the story of one who had known hardships and privations—one who had battled with adverse conditions and in spite of them had achieved success.

Senator BANKHEAD as a boy was one of these. In 1860, when the War between the States arrayed the people of the North and the people of the South on opposing sides, JOHN HOLLIS BANKHEAD took his place as a private in the ranks of the Confederate Army. He was three times wounded in battle. He participated in the settlement of the gravest and most momentous question that ever affected the national life of the country. In that conflict the indisputable status of the Union was finally and forever fixed. He lived to see the mingled blood of brothers North and South cement the sections in the bonds of an everlasting union. When the war was over he, like all of his surviving comrades, accepted in good faith the settlement of the sword, and from that time on to the day of his death he contributed to the upbuilding, advancement, and perpetuity of the American Union. At the end of the war he returned to his State and devoted himself bravely to the task of aiding and encouraging his people in restoring stable government under control of the white men of Alabama.

Mr. President, Senator BANKHEAD believed in the gospel of work and was himself an indefatigable worker. He entered the field of politics when a very young man. He was well trained for service in the Senate of the United States when selected by the people of Alabama to represent them in this body. He had served in both branches of the Alabama Legislature and before his election to a seat in this Chamber had been honored and in return had honored his constituents with 20 years of faithful service in the lower House of Congress. In his long journey up the road of years he was in a hand's reach of the seventy-ninth mile post when the death angel called him away. It must have been comforting to him to feel as he was passing off the stage of action that the record he had left behind was one of valuable service to his country.

In view of what has been said by those who have preceded me, I shall refer to only two great measures with which he was so intimately and signally associated. He was the prime mover in the matter of arousing the American people to the importance and necessity of entering upon a program of general road building in the United States, and he richly deserved the title of "father of the good-roads plan of America."

Mr. President, his achievement in opening the Warrior River to navigation and his constructive work on rivers and harbors in the State have linked his name for all time with waterway improvement in Alabama. His great achievements were due to his untiring energy, his great ability, and large experience, acquired through more than 30 years of legislative activities in the two branches of Congress.

Mr. President, Senator BANKHEAD left behind him a record of constructive work and practical achievement rarely equaled by any public servant of his day. All in all he was a remarkable character and had become an important and powerful factor in the affairs of his State and Nation. When the sad news of his death reached the people of Alabama there was sadness in every household, and when the beautiful casket that bore his mortal remains back to his home in Alabama arrived at Jasper people from all over the State had already assembled there to pay to him they esteemed so highly the tribute of their love. The floral offerings, which were exquisitely beautiful, of large variety, and in great abundance, were tender tokens and testimonials of a fond people's sorrow and love.

Mr. President, Senator BANKHEAD was a Christian patriot and he was a wise and useful statesman. He was a tender and devoted husband, a fond and affectionate father. When he succeeded Senator Morgan in this body, in speaking of the deceased Senator's home life he gave a splendid description of himself when he said: "Senator Morgan's affectionate solicitude for the happiness of his household was beautiful in its tenderness."

Mr. President, his devoted, bright, cheerful, and lovely wife was the queen of his heart and home. She was the inspiriting power and good angel that supported him through all the trials and vicissitudes of his long and useful career.

In the death of Senator BANKHEAD Alabama has lost one of her most distinguished and best-beloved citizens and the State and Nation have lost a big, brave, able, and faithful representative in the Senate of the United States.

The VICE PRESIDENT. Without objection, the resolutions submitted by the senior Senator from Alabama [Mr. UNDERWOOD] at the beginning of these exercises are unanimously adopted.

Mr. HEFLIN. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 2 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Friday, December 10, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 9, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father who art in heaven, possess us, we beseech Thee, with Thy spirit to guide us through whatever entangling alliances may arise in this new-born day, that we may quit ourselves like men charged with great responsibilities and prove ourselves worthy of Thy love and Fatherly care in the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPECIAL ORDER—CALL OF THE HOUSE.

The SPEAKER. By special order of the House, the gentleman from California [Mr. KAHN] is recognized for one hour.

Mr. SNYDER. Mr. Speaker, I make the point of no quorum.

The SPEAKER. The gentleman from New York makes the point of order that no quorum is present. It is clear that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Baer	Emerson	Kitchin	Riddick
Bankhead	Evans, Nev.	Kreider	Riordan
Begg	Ferris	Lesher	Romjue
Bell	Flood	Lonergan	Rouse
Black	Freeman	Longworth	Rowan
Blackmon	Fuller, Mass.	Luhring	Rubey
Bland, Mo.	Gallagher	McArthur	Rucker
Booher	Gallivan	McCulloch	Sanders, Ind.
Brinson	Gandy	McFadden	Sanders, La.
Browne	Ganly	McKenzie	Sanders, N. Y.
Caldwell	Godwin, N. C.	McLane	Sanford
Candler	Goodall	Maher	Scott
Cantrill	Goodwin, Ark.	Mooney	Scully
Christopherson	Graham, Pa.	Morin	Sears
Clark, Fla.	Hamill	Mott	Small
Classon	Hamilton	Murphy	Smith, Ill.
Cleary	Hernandez	Nelson, Wis.	Smith, N. Y.
Costello	Hersman	Nolan	Steele
Davey	Hill	Parker	Stevenson
Dempsey	Howard	Patterson	Stiness
Dent	Igoe	Perlman	Sullivan
Donovan	James, Mich.	Phelan	Tague
Dooling	Johnson, Ky.	Pou	Thomas
Drane	Johnson, S. Dak.	Rainey, J. W.	Venable
Dunbar	Kennedy, Iowa	Reed, N. Y.	Welty
Ellsworth	King	Reed, W. Va.	Wilson, Ill.

The SPEAKER. Three hundred and twenty-seven Members have answered to their names. A quorum is present.

Mr. WALSH. Mr. Speaker, I move that further proceedings under the call be dispensed with.

The SPEAKER. The gentleman from Massachusetts moves to dispense with further proceedings under the call. The question is on agreeing to that motion.

The motion was agreed to.

The SPEAKER. The gentleman from California [Mr. KAHN] is entitled to one hour in which to address the House.

THE JAPANESE PROBLEM FROM A HISTORICAL VIEWPOINT.

Mr. KAHN. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

The SPEAKER. The gentleman from California asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. KAHN. Mr. Speaker, I ask respectfully that I be allowed to conclude my remarks before answering any questions. The subject that I have chosen for my remarks is a very important one, in my opinion, and I would like to explain the situation from the American viewpoint as a Representative of the State of California, and I feel confident that if I be allowed to conclude my remarks without interruption I shall be better able to answer questions that my colleagues in the House may desire to ask.

Less than 70 years ago Commodore M. C. Perry, under instructions from President Millard Fillmore, made a treaty with the Shogun of Japan, opening some of the ports of that Empire to American ships. Since then Dai Nippon has had a marvelous history. No one who has kept track of the progress of events connected with Japanese affairs can fail to realize what a wonderful people the Nipponese are. To look upon them as inferior to the white man is rightly considered an insult to their civilization, to their intelligence, to their pride by all classes in the Empire.

Unfortunately, many public officials in Japan, as well as their political agitators and demagogues, have tried to make the world believe that the opposition to the entrance of Japanese laborers into the United States mainland is based upon racial prejudice. We of the Pacific coast deny that this is the case. No objection has ever been made to the admission into this country of Japanese professional men, of Japanese financiers, or Japanese religious teachers or leaders, or bona fide Japanese merchants, or Japanese students, or Japanese travelers. If there were racial hatred behind the movement for the exclusion of Japanese laborers, objection would also be made to the classes I have just named. However, the sole objection is to the laboring class. Whether the undesirables be farm laborers, skilled mechanics, or unskilled coolies, I contend that the objection is purely an economic one. In closing our doors to these laborers we simply follow in the footsteps of Japan herself. It is a well-known fact that no Chinese or Korean laborer is allowed to enter any Japanese territory, for the reason that the laborers of China and Korea work for a smaller wage than the Japanese laborers. This is not generally known in the United States, and I deem it my duty, as a Representative from the State of California, to advise all of my countrymen regarding the true condition of affairs as to the immigration question which has caused, and is now causing, so much newspaper controversy according to published accounts in our American press concerning the attitude of so many publicists, politicians, political agitators, and public officials in the Empire of Japan. Yes, my colleagues, Japan herself is doing to the laborers of China and Korea what she claims is racial hate or prejudice when done by us to Japanese laborers.

Another source of irritation is the so-called alien land question. As a matter of fact, Congress itself many years ago passed a law forbidding aliens to own or acquire land in the District of Columbia, which is the very seat of our Federal Government. Many of our States have adopted similar laws. Japan herself does not allow an alien to own an inch of land in Japan. In 1910, however, the Imperial Diet, or Parliament, of the Empire passed a law removing the restrictions. But the lawmaking body affixed a condition to the effect that the Emperor was to promulgate the law after having prepared and proclaimed certain rules, regulations, and conditions under which the realty could be transferred by deed to a foreigner. In other words, the law was not to go into effect until the Mikado had acted affirmatively in the premises. That was nearly 11 years ago, but to this very day the Emperor has not seen fit to put the law into effect—and no alien to-day is allowed to acquire an inch of land in the Japanese Empire.

I believe all teachers, students, and professors of international law agree that every nation has the absolute right to regulate as it deems best all immigration into its borders and also the possession of any realty within its area. [Applause.] Undoubtedly the students and professors of international law in Japan are thoroughly familiar with the numerous decisions upon these points. It is therefore most unfortunate that a constant agitation regarding these matters is maintained by our neighbor across the Pacific; because the final effect of such propaganda and agitation undoubtedly is to instill a pronounced hatred of America and Americans among the masses in Japan. This is a decidedly unfortunate condition of affairs. Indeed, I say it is a most serious condition—a condition that may result, unfortunately, in grave difficulties between the two heretofore friendly nations.

True, Japan contends that her law is aimed at all foreigners, whereas the laws adopted by the State of California refer only to those foreigners who are prohibited by the laws of the United States from securing the privilege of citizenship in this country.

The student of history will find that Japanese immigration to California and the Pacific coast really did not begin until 1891 or 1892. The number of Japanese who had gone to the west coast of America up to that time was so few that they might be referred to as a negligible quantity. At that time a great deal of foreign money had been invested in California in the purchase of mines and mining properties; foreigners had purchased large tracts of land known as ranches for the breeding of cattle and horses and the raising of wheat, fruit, and purposes of similar character. The land question had not become acute in any way because of these investments. The population of California at that period was less than half what it is to-day. The matter was given little attention by the legislature of the State until comparatively recent times. The fact that the laws recently enacted were applied to foreigners who can not become citizens of the United States is dwelt upon with especial emphasis by the people of Japan as an indication of racial hatred of the Japanese in California. The matter, however, is practically in the same category as the question of immigration and settlement. I shall later refer to the attitude taken by Secretary Gresham in negotiating with the Japanese Government on those matters in connection with the treaty of 1894, when Japan, after having insisted on free immigration and settlement for her citizens to and on the mainland of the United States, withdrew her claims and accepted the American position on that proposition. In my opinion, the same rule that was applied to immigration applies equally to the ownership of land under international law and custom.

When we consider the history of the island Empire since 1853, the time of Perry's visit, the students of world events realize how frequently mischief has been done in Japan by unrestricted agitation and seemingly inspired propaganda.

Soon after the Shogun had concluded his treaty with Perry the other nations of the world sought to make similar treaties. These were finally negotiated and entered into by the officials of Japan. Under the terms of these treaties the right of extraterritoriality was accorded each country that entered into a compact. In other words, if the citizen of the country with which the treaty had been negotiated committed any offense against a citizen of Japan or against Japanese law, he was tried not in a Japanese court but in a consular court of the country of which he was a citizen. The Japanese people—proud, patriotic, and sensitive—justly regarded this right of extraterritoriality as a reflection upon the integrity, the honesty, and the ability of the judges and the courts of Japan. Most of these treaties had been negotiated in the period preceding 1871. From that time forward, however, there was a determined agitation in Japan to have the treaties with the occidental nations modified. I am happy to state that as early as 1884 our Government, the Government of the United States of America, announced its readiness to accept the change suggested by the Japanese foreign office. We were probably the first nation to meet the wishes of the Government of Japan in that respect. However, all the maritime nations did not view the matter as did our own Government. The agitation for the change persisted in Japan. In 1889 Count Okuma, who at that time was the Japanese foreign minister, finding that all European nations would not accept the demands of the Japanese people on the question of extraterritoriality, accepted a compromise, under whose terms the consular officer of the Government of which the foreigner was a citizen was to sit on the bench with the Japanese judge trying the case; and the two officers—that is, the Japanese judge and the consul of the foreign country—were to hear the matter jointly and decide according to the evidence produced at the trial. When this compromise plan was announced the Japanese press and public denounced it in bitter and acrimonious terms. The foreign minister became the target for a torrent of violent abuse. The upshot of the matter was that when Okuma came out of the building where the cabinet officers met he was confronted and greeted by an antagonistic mob, one of whom threw a bomb at him with the undoubted intention of assassinating the minister. The missile struck him on his right leg. The leg was completely shattered and had to be amputated. So this brilliant Japanese statesman and scholar became a victim of the very forces which, according to present-day newspapers, are being stirred up by the agitators, demagogues, and reckless politicians of

Japan to an intense feeling of animosity against the people of the United States on account of the attitude of California on the immigration and land questions.

Count Okuma, be it remembered, at the present time is one of their foremost statesmen. He is one of their ablest leaders. He is also the president of the Japanese Peace Society. One would hardly expect, therefore, to find that a man of his wonderful ability and the head of the association of peace-loving Japanese threatening that if the Government of the United States should dare to restrict Japanese immigration to the mainland of our country by statute law instead of arranging for such restriction by the voluntary action of Japan, the latter rather than "suffer such prejudice to her prestige must resort to force." Surely, the head of the Peace Society of Japan could not have been correctly quoted in the newspaper publications which reported him as favoring, under certain circumstances, "resort to force." Surely, the head of the Peace Society of Japan does not advocate the taking up of arms against the United States as indicated in the newspaper articles. Surely, the head of the Peace Society of Japan will do everything he possibly can do to prevent a conflict between the two nations. Surely, the head of the Peace Society of Japan, after his own personal experience with a Japanese mob, does not believe that any good can be accomplished by arousing the passions and the hatred of an excitable, emotional, patriotic, race-proud people, who visited their displeasure upon the very person of this veteran statesman of Japan. In our own history I do not recall that any American cabinet officer has ever been attacked physically by any mob or even by any individual on account of the views expressed or uttered, or the official action taken by the cabinet officer while in the proper discharge of the duties of his position.

I have often been led to believe in reading Japanese history and following political events in the island Empire that there are many more political agitators and demagogues on the other side of the Pacific than we can possibly find in our own country. I may be in error, but at least I have gained that impression from the books and periodicals I have read on the subject. So that I really have a profound sympathy for the members of the Japanese cabinet. I realize fully the graveness of their responsibilities.

Why, I was in Tokyo in 1901. Just at the time of my visit a remarkable criminal trial was taking place there. Hoshi Toru, the former minister of communications, had been deliberately assassinated. He was well known in the United States, having been the head of the legation of his country at our National Capital. He had been recently recalled and had been appointed to the post of minister of communications in the Ito cabinet of 1900. One day a teacher by the name of Iba Sotaro walked into an office in Tokyo, where Hoshi was conversing with the mayor and several of the members of the municipal assembly of that city, and killed him in cold blood. The prisoner was promptly put on trial for his life. As I stated, I happened to be in the Japanese capital at the time. Some of my friends there informed me that the prisoner made a remarkable statement in his own defense. Of course, I can only give the purport of his language as narrated to me, but I remember it very vividly. He said in effect:

Yes; I killed Hoshi. I am ready to die for it. I am a teacher. It is my duty to instill into the minds of the children of Japan a love of their Emperor, a love of their country, a love of their institutions. Hoshi was a notoriously corrupt official; he was an unscrupulous and crooked official. How could I teach the children a love of their Emperor, a love of their country, a love of their institutions with such a criminal at the head of the educational society of Tokyo? And so I felt called upon to kill him. I called at his office. He was seated at his desk with his back to me. I did not want future generations to say that I had murdered him in cold blood, so I shouted "Hoshi!" With that he turned and faced me. Then I exclaimed, "Traitor, Hoshi!" and ran my sword through his heart. And now I am ready to die.

In fact, a letter which was found on the person of the assassin when he was arrested gives practically the same reasons for the commission of the deed. It is an interesting, human document, and discloses the frame of mind of a high-strung, patriotic, but intensely emotional citizen of Japan. I therefore read it in its entirety for the information of the House:

I was not acquainted with Mr. Hoshi Toru, and I had no ill feeling toward him. Once I held the position of chairman of the educational committee of the Yotsuya district, and I was appointed one of the promoters of the Tokyo City Education Society, when I met Mr. Hoshi for the first time. He was president of the society, but his conduct was remarkable for its depravity. As I was unwilling to have any connection with him on the sacred matter of education, I decided to leave the society. Since that time I have paid no attention to his action. But this old thief Hoshi has been disorganizing the municipal administration of Tokyo, and has been damaging the morality of the people of the capital. He occupied an honorable office, which should have made him responsible for the care of the municipal officials and for their faithful discharge of their duties. Despite this fact he took a leading part in the abominable bribery affair, which is positively disapproved by the sovereign and the people. His accomplices in this nefarious business were found guilty, but the shameless fellow has not mended his ways, but continued the gratification of his greed. I believe that there can be nothing more poisonous than his action in demoralizing the student class of our country. My ancestors taught the art of fencing. I disclaim any deep knowledge; I have also taught my students the art of fencing and of literature with all sincerity, and I also aimed at the progress of agriculture and of industry. I have never been connected with any political association, as I was connected with the Tokyo Agricultural School for six years, with the Nippon Savings Bank for four years, with the Yedogawa Paper Mill for three years, with the literary society for four years, and with the Yotsuya Bank for the last year. I have been a promoter of all these institutions, and have been president of all. Thus, as I had no connection with any political parties, I had no personal ill feeling toward Mr. Hoshi.

The reason for my killing this old thief, disregarding the future of my wife and children, irrespective of public opinion, at the expense of my own life, is that I could not bear to see this fellow doing evil deeds in the capacity of president of the City Education Society, and also discouraging and demoralizing the municipal administration of Tokyo, which can not fail to cause anxiety to my august sovereign.

It is needless to say that there was great excitement in Tokyo during the trial. The defendant was found guilty, but instead of the death sentence being pronounced upon him he was given three years' imprisonment in the penitentiary. I merely cite this instance to show how mercurial, how volatile, how excitable our friends on the other side of the Pacific are. Due to this fact, bitter personal attacks have been made at times upon prominent statesmen, and occasionally one would fall at the hands of an assassin. Thus Okumbo was killed by an enraged citizen of Japan, while Viscount Mori succumbed to the attack of an embittered Shinto follower in 1889. Count Itagaki was stabbed by a hot-headed young Japanese, and similar attacks were made upon Kokoi, Omura, and Hirosawa. Naturally attacks of this character must affect the action of the men in power and authority in the island Empire. For that reason I have constantly asserted that I have a deep sympathy for the officials of that country. There is no gainsaying the fact that the people of Japan are intensely patriotic. They love their Emperor, their country, and their institutions with a devotion that might well be emulated by the peoples of all nations. Still, I can not help believing that with a population of that kind to work upon, the efforts of the demagogues, the agitators, and the unscrupulous politicians of Japan to arouse the passions, the hatred, and the prejudices of the masses is an exceedingly dangerous proposition.

Happily, we in America are not worked into a frenzy of excitement by purely political happenings. Take the case of our acquisition of the Hawaiian Islands. As we recall, when this country entered the Spanish-American War it became necessary to send American troops to Manila Bay. Our Army transports and man-of-war vessels stopped at Honolulu on their way to the Philippines. The representative of the Spanish Government in Honolulu made protest to the then Government of the Republic of Hawaii against the entrance and stay of our vessels in the neutral port of Honolulu for a period extending beyond 24 hours. The Hawaiian Republic promptly claimed that it was not neutral, but was in very fact the ally of the United States; and soon thereafter Congress, acting in accordance with the precedent established by the acquisition of Texas, passed a resolution annexing the Hawaiian Islands to the territory of the United States. It is a notable circumstance that Japan is the only country in the world that filed a formal protest against our acquisition of those islands. And even in these times the Japanese vernacular press frequently refers to what they call our unauthorized seizure of the islands.

Did the American people become unduly excited because of this seemingly unfriendly action of Japan? Not at all. Our Government took up the Japanese protest in an orderly way. The people of the United States went about their business as usual. Eventually the matter was explained to the satisfaction of the Japanese Government, and so far as that Government is concerned it has been a closed incident ever since. To show that the people of the United States did not become enraged or excited over this matter, it is but necessary to recall that in 1904, when Japan struck Russia simultaneously at Port Arthur and at Chemulpo, and then declared war on Russia, the sympathies of a large proportion of the people of the United States were with the Japanese. The bankers and financiers of America bought the bonds of the island Empire and thus rendered the Government and people of that country financial assistance that was invaluable. The people of Japan, as well as the politicians of that country, seemingly were grateful for the moral and financial support thus rendered by the people of the United States.

I might add that under the peace treaty of Versailles the Government of Japan was given the German islands in the Pacific, north of the Equator. The President of the United States was at the head of the American Peace Commission that

signed the treaty. He acquiesced, as did the people of the United States, in the transfer to Japan of the Marshall group, the Caroline group, the Pellew Islands, and all the islands of the Marianne or Ladrone group, with the exception of the island of Guam, which had been transferred to our Government under the treaty of peace with Spain at the close of the Spanish-American War. These islands, to be sure, had belonged to Germany. They, in a measure, bar the way to our ships going to the Philippines. They bring the territory of Japan many miles nearer the Territory of Hawaii; and yet one has heard no real complaint on the part of American citizens upon the subject of these territorial acquisitions by Japan.

Our own officers and soldiers learned to appreciate the valor, the courage, and the wonderful military skill and ability of the Japanese military forces during the incidents connected with the Boxer uprising in China in 1899 and 1900. So that during the Russo-Japanese War the citizens, as well as the politicians of the United States, had every reason to believe that we were still the so-called "traditional friend of Japan." But we had rather a rude awakening. Col. Roosevelt, in his autobiography, refers to the incidents. Japan had won wonderful victories during the year that the war was in progress; splendid victories on land as well as brilliant victories at sea. But the loss of Japanese man power was terrific; the cost of the war to Japan and undoubtedly to Russia was enormous. It was an open secret that the war could not continue for any great length of time because of the cost in men and in treasure to the island Empire; and so the Japanese Government approached the American President with a request that he endeavor to bring about the conclusion of peace between the two nations. When Roosevelt approached Russia he was met at the outset with the statement that Russia would pay no indemnity. He tried to reason with the Russians and to induce them to meet the wishes of Japan upon that proposition. Count Witte's frequent and terse statement that Russia would pay "not one kopek" became historic. And Roosevelt wisely told the officials of Japan that the world's esteem for the Japanese would be materially lessened if Japan insisted on carrying on the war, with its terrific loss of life and blood, as well as property and treasure, for the sake of forcing the payment of an indemnity. By reason of his diplomacy, activity, and arguments he induced the two belligerents to meet in an effort to establish peace. The history of the negotiations at Portsmouth, N. H., are known to the world. I spoke to the former President personally regarding the entire matter.

Whether the Japanese officials were entirely open and aboveboard with their own countrymen, I will not attempt to say. I do know that when the terms of peace were promulgated and it developed that no indemnity had been paid by Russia to Japan, the wrath of the people was vented openly upon Americans in the streets of Tokio. Mr. E. H. Harriman, the well-known railroad president of the Southern Pacific and Union Pacific Companies, as well as the members of his party, were openly assaulted by the mob in the capital of Japan. And I regret to say that from the day the treaty was published in Japan the seeming former good feeling of the people of Japan for the people of the United States has passed away and apparently no longer exists.

Unfortunately, it seems evident that everything that is done by the people of the Pacific Coast States in regard to the protection of their rights and interests is magnified and misinterpreted by some of the politicians and practically all of the agitators of Japan.

It is needless at this time to go into the details of the agitation that took place on the other side of the Pacific in connection with the matter of attendance of Japanese students in the public schools of San Francisco. As a matter of fact, there was never any objection in San Francisco to the admission of Japanese to the grammar schools, the high schools, or to the State university at Berkeley. The sole objection was with reference to admission to the primary schools. It was found that Japanese youths, 18, 19, and 20 years of age, unable to speak or write English, would be put into the classes where our little boys and girls, 6 and 7 years of age, were taught. It was against that custom that the action of the Board of Education of San Francisco was directed. The occidentals of advanced age, who did not speak or write English, generally attended the adult foreign classes of the night schools of San Francisco. The Japanese, however, chose to attend the primary classes of the day school with the very young children. The action of the school board gave rise to acrimonious newspaper utterances and bitter attacks against Californians in the Empire across the Pacific. The matter was eventually straightened out, however, and nothing further has had to be done in regard to that subject.

But the immigration question had become a source of embarrassment to the national administration. It might be interesting at this time to state that in 1894, when Japan was negotiating for a new treaty with the United States Government, looking to the abrogation of the then existing treaty, with its provisions on extraterritoriality, she coupled with that request an entirely new proposition about unrestricted settlement in the United States of Japanese immigrants. Secretary of State Gresham constantly maintained that our Government had decided views on Asiatic immigration and sustained our position in that respect continuously during the negotiation. Finally the Japanese Government yielded entirely to the views of Secretary Gresham, thus fully recognizing the right of our country to differentiate between the classes of immigrants that might be admitted to our shores. I simply mention these facts to show that Japan in the past had recognized the attitude of our Government in the matter of the exclusion of Japanese laborers. Finally, in 1907, President Roosevelt undertook to settle the differences between our country and Japan by what is known in our history as the gentlemen's agreement. Briefly stated, the purpose of that agreement is to prevent Japanese laborers from coming from our insular possessions to the mainland of the United States, and to limit materially the total number of Japanese laborers who might enter our ports. The Japanese Government, on its part, agreed to give no passports to Japanese laborers, except the wives, parents, or children of those already here, to come to the mainland of the United States. As no Japanese of any class can leave his country without an official passport from his Government, it was hoped this agreement would solve the immigration problem. I can say frankly that at the time that agreement was negotiated it was believed that it would help finally to settle the differences between the two countries on the subject of immigration of Japanese laborers. Unfortunately the Americans were not familiar with the social and religious customs of Japan or they probably would have made additional provisions in that agreement.

The Japanese people are largely members of the Shinto faith. Among other things, Shintoism is the belief in the worship of one's ancestors.

For the first two years after the gentlemen's agreement had gone into effect, the number of Japanese landing in the ports of the United States decreased materially. In 1909 only 1,500, in round numbers, entered this country. But soon thereafter the number again began to increase enormously. One of the reasons was this: A married couple in Japan who have no son to carry on the family name can adopt an adult male, and he accordingly becomes the adopted son of the couple. Under the gentlemen's agreement, a couple in Japan could and did frequently adopt an adult son who was a laborer in California. Under the agreement, as soon as the adoption proceedings had been formally consummated under Japanese custom, the adopted son had the right to send for his parents and bring them into the United States. This the son invariably did.

When the parents arrived in our country, they also had the right to send for their other children; sometimes these would consist of quite a family of girls or minor boys, and they were in most cases all brought to this country. One can readily see how the custom might be worked into an endless chain of constantly increasing immigration. Naturally, the Californians felt that this was a violation at least of the spirit of the law, and it gave rise to a great deal of apprehension as to the efficacy of the gentlemen's agreement in the accomplishment of the avowed purposes.

Another source of dissatisfaction was what is known as the picture bride incident. Under Japanese social and religious customs a man can select his wife by photograph. A number of pictures would be sent to Japanese bachelors in the United States; these were plain Japanese laborers. When the picture bride was selected by the prospective groom the marriage of the girl to the laborer in California was solemnized in Japan, a proxy groomsman officiating for the purpose. Immediately after the ceremony the bride would take passage for California, and would, for the first time in her life, meet her husband, who invariably was at the dock in San Francisco on the arrival of the steamer bearing his spouse. Through this means the number of women immigrants increased by leaps and bounds.

When the gentlemen's agreement was negotiated there was no thought in the mind of President Roosevelt, or any American, that this system would be invoked to bring thousands of Japanese female laborers to the United States. Again, there seemed to be an apparent effort by means of the picture brides to evade the true spirit of the agreement. All of this has resulted in constant misunderstanding and has been the cause of considerable trouble in the matter of the immigration of the Japanese laboring classes to the United States.

The Japanese Government recently, by reason of the attitude of the Californians on the subject of picture brides, decided to prevent a continuation of the custom. I am sure that Japan in making this change realized the injury that was being done her cause by allowing the practice to continue; and, with all due respect for the sentiment of Japan, I frankly state that it would have been better if she had never allowed the practice to obtain at any time after the gentlemen's agreement was negotiated.

One of the difficulties of the whole situation is the fact that the attitude of the people on the Pacific coast is misrepresented by the demagogues of Japan. I can not repeat too strongly the statement that the people of the West have the greatest respect, the greatest appreciation, the greatest admiration for the Nipponese. Nobody considers them in any way inferior to the white man. But their habits of thought, their customs, their traditions are different from ours. Japanese publicists, agitators, and politicians seem to insist that our objection, as I have stated before, is racial. These habits and customs to which I have referred are not practiced by the Shozuki, or higher-class Japanese in the United States. They are practiced entirely by the laboring class, and we in California consider that these customs and habits make the Japanese laborers a non-assimilable element in our Western States.

I want to say that only this morning I received in my mail a pamphlet issued by Prof. Yoshi Saburo Kuno, assistant professor of oriental languages at the University of California. A sentence which caught my eye on opening the book shows how accurate the Californians are in their estimate of the Japanese in that State. This is what the learned professor says:

> All Japanese in the United States, including native sons and daughters, being, from the standpoint of Japan, her subjects, are obliged to report births, marriages, and deaths, besides movements of the family, to the Japanese Government.

So that from the moment he lands in the United States every Japanese is constantly in touch with his home Government and is compelled under their laws and customs to furnish this information. It bears out exactly what the people of California have always contended in the matter of nonassimilability.

But in all the agitation on this subject on the Pacific coast there has never been any talk of war. We in America hope, with Premier Hara, that war between the two nations is unthinkable.

I am free to admit that we do not understand in this country the intricacies of Japanese politics. We know that the Japanese have shown their prowess in two great wars—the war with China in 1894 and that with Russia in 1904. In addition, Japan performed wonderful military and naval services in the cause of the Allies in the recent World War in 1914.

With the aspirations of the militarists of Japan, with the ambitions of many of her resourceful leaders for the extension of her territory, I am not concerned at this time, and I do not intend to discuss them at any length at present.

I do want, however, to call to the attention of my countrymen a condition that existed in Japan in March, 1919. An attack was made near Tientsin on some American soldiers. The newspaper accounts cabled to America indicated that the latter in a drunken row got into altercations with Japanese soldiers and a fight ensued. It has been reliably stated, however, that the American soldiers were not drunk and had not been drunk when the disturbance arose. It has even been said that the Japanese soldiers had their officers advising them as to their course of procedure which resulted in the riot. The story leaked out, however, to the effect that it was pure propaganda work, undertaken in order to impress the Chinese people with the fact that Americans would not only not come to their defense in case of difficulties, but the Japanese would show the Chinese people that the United States Government would not even come to the defense of its own troops if the latter got into trouble. It is to be regretted that the use of propaganda work is frequently resorted to in the island Empire.

When the story leaked out the American consul general immediately went to the Japanese police station near Tientsin, where, it was contended, the American soldiers had been brought, and demanded that these soldiers, who were said to be in the building, be delivered over to the representative of this country. The Japanese officers denied any knowledge of the whereabouts of our soldiers. Just at that moment a terrific groan was heard coming from an adjoining room. The American consul general opened the door, and there, lying on the floor, horribly wounded, beaten, and bruised, were two American soldiers. The story of the assault caused deep indignation on the part of the American soldiers at Tientsin, However, the Japanese officers promptly offered their apologies to our local officers for the incident. The next day an American soldier in walking along a street in Tientsin saw a Japanese soldier near the police station in that city. He immediately walked up to the Japanese and slapped his face. Our American officers then apologized to the Japanese officers.

The SPEAKER. The time of the gentleman has expired.

Mr. MADDEN. I ask unanimous consent that the time of the gentleman be extended 15 minutes.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the time of the gentleman from California be extended 15 minutes. Is there objection?

Mr. GARD. I ask unanimous consent that the gentleman may be permitted to conclude his remarks.

Mr. KAHN. I can easily conclude within 15 minutes.

The SPEAKER. Is there objection to the extension of the gentleman's time 15 minutes?

There was no objection.

Mr. KAHN. I thank the gentleman and the House. I merely cite this incident to show how a spirit of resentment can be engendered by an aggressive, unprovoked attack upon the nationals of a friendly country. The consul general of the United States, I am told, informed his Government of what had happened and an investigation was ordered; four or five weeks later the Japanese ambassador at Washington called at our State Department and offered an apology for what had been done by the Japanese troops. The matter is in a fair way of being amicably settled in a few days and will undoubtedly soon become a closed incident.

And I want to say that the newspapers this morning declare that the Japanese ambassador went to our State Department yesterday and offered the regrets of Japan for the incident, and that our State Department offered apologies for what the American soldier had done. So that it is evidently a closed incident.

The American people have never become excited over the affair. You hear no threat of war on the part of American statesmen, politicians, or even demagogues. I know I utter the earnest hope and the wish of every patriotic American that peace between the two countries may continue perpetually, but I say, in all candor and in all frankness, that if the statesmen, the publicists, the politicians, the agitators, and the demagogues of Japan really want war with the United States they will have to be the ones to bring it on and not the Americans. [Applause.] We are a peace-loving people. We want peace. We hope always to avoid war. We are not looking for trouble. But the world has only recently learned that we are not too proud to fight; nor are we afraid to fight when we are forced into war. [Applause.]

Personally, I favor military preparedness. I favor universal military training, because I see in that plan the greatest safeguard for my country. I have no fear that there will be war between Japan and the United States in my lifetime, nor even in the lifetime of my sons. And I am thoroughly satisfied that if my country remains measurably prepared there will be no difficulty between the two nations at any time. Publicists and authors, however, tell us that Japan is making every effort to unite the yellow races; that Japan, under such a program, hopes and expects to be the leader of such a race amalgamation; that she is striving in every way to acquire and maintain the hegemony of the yellow nations.

Mr. Henry Chung, a native of Korea and citizen of the Far East, who has been in the United States for some years, published his book, "The Oriental Policy of the United States," near the end of 1919. In his preface he makes this clear and straightforward assertion:

> Consolidation of Asia under Japanese domination is the vision of the Japanese statesmen; and toward the attainment of this national goal there is unity of purpose among Japanese leaders. With this in view, Korea was annexed, Manchuria was absorbed, inner Mongolia and Fukien Province are being overwhelmed, and last but not least, Japan has obtained from the powers at the peace conference the official recognition of her paramount interests in Shantung. At the present rate of Japanese aggression China can not last very long.

We have read in articles in various publications that the present generation of Chinese are absolutely opposed to the Japanese. Nay, more, they have a hatred of the Japanese. We are told that the growing generation of Chinese is thoroughly antagonistic to the hegemony of Japan.

And I received from one of the Members of the House only day before yesterday a copy of the speech of Marquis Okuma to the delegation that visited Japan in the early part of this year, or rather during the summer. I imagine this speech was given to every member of the delegation and to the laymen who accompanied the delegation. This is what the Marquis said about China at that time:

> The Chinese are a nation of hedonists through and through, who live for the joy of the moment and go on piling debts on loans when the nation is on the brink of bankruptcy. What do they spend these borrowed moneys on? Political rehabilitation is always their excuse, but all goes into the private pockets of Government officials. Wait till the end of time, and they will never become a self-governing people.

That is what one of the great statesmen of Japan believes of the ability of the Chinese, and it carries out completely what the publicists of the Orient tell us is the endeavor of Japan to secure the hegemony of the yellow race.

It is openly stated that Japan, in order to accomplish her purpose, will resort to any expediency she finds necessary. It is even contended at the present time that, despite the agreement entered into by the nations of the world at The Hague in the early part of 1914, to the effect that they will endeavor to wipe out the opium habit in China, Japan has been sending large quantities of morphine, which is nothing more nor less than the narcotic principle of opium, to Shantung and other Chinese Provinces in which she has a strong influence. Of course, the continued use of this drug will help to deaden the patriotic energies of the users thereof. We are informed that the Chinese officials have protested and are protesting vigorously against this attempt to override The Hague agreement on the subject of narcotics. If the stories we hear are true, I presume that when peace is fully restored in the world the other nations will undoubtedly again try to protect the welfare of the Chinese by preventing the importation of morphine from Japan or its possessions.

Responsible publicists do not hesitate to state that even to-day Japan is trying to secure control of the school system of China. What does that mean? Simply this: That Japanese teachers will endeavor to instill in the minds of the very young Chinese a hatred of the white man.

There are 6,000,000 children born every year in China. If that hatred of the white man can find an abiding place in the hearts of the young Chinese, then the Caucasians will have to look out. It will probably be seventy-five or a hundred years before the spirit of hatred can be thoroughly instilled. What are the whites going to do about it? The Japanese constantly point their finger at the United States and its people as being antagonistic to the Japanese because of racial prejudice. I have tried to point out the fallaciousness of that statement. Let me remind my colleagues that similar legislation to that enacted in California and the Western States has also been enacted by the Union of South Africa, by Australia, by New Zealand, and by Canada. These are all British dominions or Provinces or colonies. The officials and the people of these British possessions are just as determined to keep out Japanese immigrants of the laboring class as are the people of the west coast of the United States. There is no doubt but these possessions of Great Britain will develop in population and in wealth very considerably in the years to come. Are the Japanese trying to bring about the world-old conflict between the white races and the yellow and brown races? I sincerely hope not. But it is a question which the statesmen of all liberty loving, democratic nations and peoples will do well to study and bear constantly in mind. [Applause.]

Mr. MILLER. Will the gentleman yield for a short question?

Mr. KAHN. I will if I have time.

The SPEAKER. The gentleman has two minutes remaining.

Mr. MILLER. Can the gentleman from California give us approximately the number of Japanese now on the Pacific coast?

Mr. KAHN. I think there are about 175,000. The census reports indicate that there are about 78,000 in California, although the officials in California contend that there are fully 100,000 there.

Mr. TAYLOR of Colorado. Will the gentleman yield for a question?

Mr. KAHN. Certainly.

Mr. TAYLOR of Colorado. Is the Government of Japan protesting against the action of the British colonies in excluding the Japs from their territory?

Mr. KAHN. We do not hear very much of the protests if they are making any. We do hear about the protests with regard to the United States of America.

Mr. TAYLOR of Colorado. Are the laws of Australia and the other British Provinces similar to those of California?

Mr. KAHN. I understand they are.

Mr. TAYLOR of Colorado. We hear of no protests being made.

Mr. KAHN. They are not allowed to enter those British possessions any more than they are allowed to enter the west coast of our country.

Mr. LANGLEY. Will the gentleman yield for a question?

Mr. KAHN. Certainly.

Mr. LANGLEY. Is it a fact that the Japanese predominate in numbers in the Hawaiian Islands?

Mr. KAHN. They do.

Mr. OLIVER. Will the gentleman yield?

Mr. KAHN. Certainly.

Mr. OLIVER. Does the gentleman find that the Japanese in California are reporting their births, deaths, and other information to the Japanese Government, as alluded to in the pamphlet by Prof. Yoshi Saburo Kuno, to which the gentleman alluded in his speech?

Mr. KAHN. Of course I do not know; but I do know that the Japanese are an intensely patriotic people; that they love their country with a devotion that might well be emulated by the people of other nations; and if their Government asks them to make these reports you can be positively assured that they are making them.

Mr. JUUL. Will the gentleman yield for a question?

Mr. KAHN. Certainly.

Mr. JUUL. Has the gentleman made any arrangement for distributing copies of his speech among the Members of the House?

Mr. KAHN. I hope to have it printed in pamphlet form, and I will gladly give copies to all Members who desire them. [Applause.]

The SPEAKER. The time of the gentleman has expired.

IMMIGRATION.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The Clerk read as follows:

House resolution 601.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of H. R. 14461, being a bill "To provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes." That there shall be not to exceed four hours of general debate, the time to be controlled, one-half by the gentleman from Washington, Mr. JOHNSON, one-half by any member of the minority of the committee opposing the bill, or if there be no member of the minority of the committee opposing the bill, then by any member of the committee opposing the bill. That after general debate the bill shall be considered under the five-minute rule. That upon the completion of such consideration the committee shall automatically rise and report the bill to the House with all amendments thereto, if any, whereupon the previous question shall be considered as ordered on the bill and all amendments thereto to final passage without intervening motion, except one motion to recommit.

Mr. CAMPBELL of Kansas. Mr. Speaker, I would like to see if we can not make some agreement as to time on the rule.

Mr. GARRETT. I imagine that we can. What is the gentleman's request?

Mr. CAMPBELL of Kansas. I have had requests for considerable time on the rule besides what little time I will use myself. I suggest 30 minutes on a side.

Mr. GARRETT. I will say that I have requests for 13 minutes outside of such time as I may use myself—5 minutes by a gentleman opposed to the rule and the bill, 5 minutes by a gentleman in favor of the rule and the bill, and 3 minutes by a gentleman who desires to discuss another subject during that brief time.

I am in favor of the rule, but I make the suggestion that the gentleman yield some of his time to those opposed as I shall do on this side.

Mr. SABATH. Mr. Speaker, in view of the fact that the gentleman from Tennessee as well as the gentleman from Kansas are in favor of the rule, I think it would be manifestly unfair that they should control all the time in favor of the rule. I am opposed to the rule, but I have no chance or opportunity to inquire of the membership as to how many there are who, like myself, are opposed to the rule. I think if additional time is granted it should be equally divided. If, however, the gentleman assures me that other gentlemen desire to use time against the rule, I will gladly yield a certain amount of my time.

Mr. CAMPBELL of Kansas. If the time of 30 minutes on a side is agreed to, I assure the gentleman that I will yield some of it to those opposed.

Mr. GARRETT. And I am willing to yield one-half of my time to those opposed to the rule.

Mr. CAMPBELL of Kansas. I think I shall be able to yield some of my time to those opposed to the rule.

Mr. SABATH. Then, Mr. Speaker, that is agreeable to me.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask unanimous consent that the time for debate on the rule be fixed at one hour—one-half to be controlled by myself and one-half by the gentleman from Tennessee [Mr. GARRETT].

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

Mr. WINGO. Reserving the right to object, is it the gentleman's intention to pass the bill to-night?

Mr. CAMPBELL of Kansas. Oh, no; there will be four hours' general debate on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. CAMPBELL of Kansas. Mr. Speaker, it is a happy coincident that this rule follows the interesting and very timely speech of the gentleman from California [Mr. KAHN]. This rule brings before the House for consideration a question of the very greatest importance. Whatever is done upon great questions of this kind should be done in the interest of the Government and the people of the United States of America. Every action that is taken here should be with a view of the general welfare of our own people—those who are here. We can ill afford at a time when the reconstruction of the entire world is in progress to undertake to do more than our share of the world's work. We have our own reconstruction problems, as they have their own in other countries of the world. It is not for me to recount the unhappy conditions that exist in many parts of the United States, but they are here; unhappy conditions exist in every country in the world, conditions from which many people would like to escape.

But we must face at this time, in this country, and others must face elsewhere the conditions that are the natural result of the Great War through which the world has gone. Every nation and every people must suffer its proportion of the consequences of that Great War. We are concerned in this country about our standards of citizenship, about our standards of living, about our standards of wages, about the general welfare of our people. We are undertaking this extraordinary legislation in the interest of the people of the United States.

We must limit the flood of immigration that may come to this country, because it is the best place to live at this time, or any other, because of its better conditions of employment and wages, because of its better opportunities for acquiring homes, because of its better opportunities for children to grow up under conditions that hold out hopeful futures.

We must reserve what is here for the people of the United States who are here now. [Applause.] A period of two years' limitation on immigration during the reconstruction of the world it seems to me is most timely.

There are to-day, it is stated, in the neighborhood of 2,000,000 men without employment in the United States. Shall we add to these millions that are unemployed the thousands of immigrants that are on the way, the hundreds of thousands making preparations to come and the millions who are anxious to escape conditions in the Old World? It is said that there are to-day preparations being made in the Old World for from fifteen to eighteen million immigrants into the United States who would come within the next two years if they could.

We can not assimilate large numbers of immigrants during this reconstruction period. We can not give them employment, we can not therefore permit them to enter without injuring the welfare of our country, without injuring the standards of our living, without injuring the employment of those who are here, without lowering our scale of wages.

This we can not afford to do. In this period of reconstruction we shall not only have to limit immigration, but we shall have to limit by proper taxation the importation of a flood of the products of labor employed elsewhere in the world, in order to maintain our standards of living and our scale of wages in the United States. This will come at a later date, but it must come. So surely as we open our gates or keep them open to the flood of immigration that is anxious to come to the United States, just so surely will our standards of living, our scale of wages be reduced. And just so surely as a flood of immigration will bring down the scale of wages at this time, so will a flood of product importations now ready to be dumped into the United States, if not properly taxed for the privilege of coming into our market, reduce our standard of living and our scale of wages.

We have to-day in this country the highest standard of living in the world and the highest scale of wages in the world. We have the best opportunities in the world, and for these reasons there are those from all countries who are anxious to come here to participate in the benefits to be found here. We must immediately take the steps that are necessary to maintain our standards of living and wages for the American people, and to maintain the opportunities that are here for the ambitious youth of our country. The only way that it can be done is by proper legislation excluding for a period the immigration that is ready to come in and by properly taxing the importations of such goods as may come into the country in competition with those produced here by the laborers of America.

We have been able to serve the world and mankind because of the exceptional standards that we have established here. We have been able to do much for humanity that no other people could do. Our high standard of living and wages have made us an intensely productive nation. When the world needed great production, when the world needed the largest amount of the best commodities that could be produced by highly skilled labor, the world found them in the United States. We had the resources, the men, the material, and the machinery, and the money. We had everything that was essential when the war came on to enable us to aid in its successful prosecution. We had all these things and more in the United States because of the standards that we have maintained in this country for more than half a century. We must not permit sentimentality, we must not permit any sort of propaganda to drive us to a position of weakness. We must reconstruct for the welfare of the United States, and in doing so we must preserve everything that is here that is essential for the welfare and for the future of our own people. [Applause.]

Mr. Speaker, I reserve the remainder of my time.

Mr. GARRETT. Mr. Speaker, I had not intended addressing the House for a few minutes yet, at least, but in view of the fact that I stated in the preliminary remarks when we were about to agree on time that I was with the gentleman from Kansas [Mr. CAMPBELL] on this rule, and in view of a portion of the remarks just made by the gentleman from Kansas, I think I would better say a word or two right now. I am with the gentleman from Kansas on the rule for the consideration of this immigration bill and I am with him in favor of the bill, but so far as the prevention of importation of goods to which he made reference I shall have to see the bill in the next Congress before I am willing to say how I shall vote upon it. [Laughter.]

I agree that the matter that this bill is to bring before the House is a very important matter. I came into this body in favor of stringent immigration restriction. I may have changed my mind on a number of public questions since I have been here, but this is one upon which I have not changed my mind. On the contrary, I believe that the conditions of the present but emphasize the correctness of conviction of those who through these long years have favored stringent restriction of the number and close scrutiny of the character of those who may come into the United States. There may be some details of the bill upon which I may feel justified in voting for an amendment; but, so far as I understand the principle of the bill, I am prepared and glad to give it my hearty and earnest support. [Applause.]

Mr. Speaker, I yield 15 minutes to the gentleman from Illinois [Mr. SABATH], to be used as he may see proper.

The SPEAKER pro tempore (Mr. TILSON). The gentleman from Illinois is recognized for 15 minutes.

Mr. SABATH. Mr. Speaker and gentlemen of the House, the gentleman from Kansas [Mr. CAMPBELL] states that we have at this time upward of 2,000,000 people unemployed in this country and that the conditions are such that immediate consideration of this measure is demanded. I am satisfied he will be obliged to admit that up to 60 days ago there was no such thing as unemployment in our country. On the contrary, there was a general shortage of labor everywhere. Of course, Mr. Speaker, conditions have changed in the last 60 days and especially since the election. Later on, in my remarks on the bill, I hope that I will have the opportunity to point out the reasons for the changed conditions. Nevertheless, I can not understand where the gentleman from Kansas [Mr. CAMPBELL] and the gentleman from Washington [Mr. JOHNSON] receive their information and what justification they have for their statement as to the 2,000,000 unemployed in our country.

Mr. Speaker, for years I have observed, and no doubt the gentleman from Kansas [Mr. CAMPBELL] must have, that invariably a few days or few weeks before an immigration bill would be considered that certain gentlemen and certain organizations would give out statements and newspapers would print articles about the existing unemployment and the great surplus of labor in America. That is an old propaganda on the part of those who are in favor, who have been in favor, and who will continue to be in favor of restrictive legislation, it matters not how important immigration may be to our Nation. I do not know from whom the gentleman from Kansas [Mr. CAMPBELL] or the gentleman from Washington [Mr. JOHNSON] received the information upon which they base their opinion that there is a need for immediate action upon this legislation. Mr. Speaker, it is not my desire to speak at this time on the provisions of the bill and, to my mind, this unnecessary and uncalled for legislation. What I do desire is to call the attention of the House to the most unusual, unprecedented manner in which this bill is being brought in this House. At 10.30 o'clock on Monday morning, before the third session of this Congress convened, a meeting of the Committee on Immigration was called for the purpose of considering a bill which had not been introduced and was reported to the House.

The Committee on Rules, notwithstanding the fact that I called their attention to this action of the Immigration Com-

mittee, which I considered dangerous, reported out a special rule making in order the bill that had not been introduced in the House. I am satisfied that it matters not what I may say or how dangerous the precedent is that is being established by this move, the majority of the Members will nevertheless vote for the rule; but I do know that in the days that are to come the majority of you will regret that this precedent is being established. If it were not a measure of great importance I would not take up the time of this House to call your attention to it. The arguments that have been made by the gentleman from Kansas and those that will be made by the gentleman from Washington were made on the floor of this House 2 years ago, 3 years ago, 5 years ago, 10 years ago, and to my personal knowledge 14 years ago, and from what the record of this House shows 100 years ago. The same fears were entertained then that are now being entertained by the gentleman from Kansas, but notwithstanding these threats and fears in the years gone by the country continued to prosper. The gentleman himself admitted that this country is the most prosperous and the richest country of them all. He states that the standard of living is better than anywhere else. That is true. He says that the standard of wages is higher than in any other country. I agree with him, but I ask him who helped to bring that about, who helped to bring about the prosperity of the Nation, who aided——

Mr. MASON. Mr. Speaker——

Mr. SABATH. Who aided and assisted in this great production during the World War which the gentleman stated we were in position to bring about because we had the men and the materials?

The SPEAKER pro tempore. Does the gentleman from Illinois yield?

Mr. SABATH. In a moment. It was the very immigrants whom you are going to prevent entering our doors in the future. I will now yield to my colleague.

Mr. MASON. I do not wish to interrupt my colleague, but if that is a statement of fact, and I have no doubt the gentleman is correct, is it not subject to a point of order that we can not consider properly a bill that is reported before it is introduced?

Mr. SABATH. I am of the opinion that it is. But my colleague knows I do not lay great stress upon technicalities. I do not desire to take up unnecessarily the time of the House, notwithstanding I felt it was my duty to call attention to the practice or the precedent which is being established by this rule. Oh, the chances are I could have delayed this matter for a day or two, but what would I gain for this great cause in view of the prejudiced minds in this House? However, it was not my intention to take up so much time upon the proposition embodied in the bill. All I did desire within these few moments was to speak upon the rule and why I believe in fairness and justice to the House and in protection of the Members of the House and for the reasons I have given that the rule should not be adopted, and that the Rules Committee should in the future realize and recognize that they should not bring in a rule on any bill that has not been properly referred to a committee as the rules of this House provide.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. SABATH. I do.

Mr. CAMPBELL of Kansas. Mr. Speaker, does not the gentleman from Illinois know that the bill was regularly introduced, regularly acted upon by the Committee on Immigration, regularly reported before the Committee on Rules before the Committee on Rules took any action upon it at all?

Mr. SABATH. The gentleman from Kansas remembers that I appeared before the Rules Committee, that I showed him a copy of the so-called committee print without any number, a bill which was being considered by the committee at 10.30 December 6, and he knows as well as I do that the House did not convene until 12 o'clock noon, so how could that bill have been properly referred to the committee at 10.30 on that day when the House did not convene until 12 o'clock?

Mr. CAMPBELL of Kansas. And is it not true that the Committee on Rules acted upon the resolution that is now before the House on the following day, December 7?

Mr. SABATH. On the following day on the resolution.

Mr. CAMPBELL of Kansas. And after the bill had been reported out of the Committee on Immigration?

Mr. SABATH. What I charge is that the Immigration Committee considered and reported out the bill which this resolution is making in order before the bill has been introduced in this House; in fact, before this the third session of the Sixty-sixth Congress convened.

Mr. GARRETT and Mr. GRIFFIN rose.

Mr. SABATH. I yield to the gentleman from New York.

Mr. GRIFFIN. May I ask the gentleman, was there a meeting of the Immigration Committee after the bill was introduced, and did that Immigration Committee pass upon the bill?

Mr. SABATH. No; there was no meeting of the committee after the bill was introduced. The only meeting of the committee that was had was the meeting on Monday morning at 10.30 o'clock and we adjourned at 12 o'clock to be present when the third session of the Sixty-sixth Congress was convened.

Mr. GRIFFIN. Well, did the Immigration Committee at that meeting take any action upon the bill?

Mr. SABATH. It did; but I contend the committee had no jurisdiction, because the committee had not received the bill from the House inasmuch as the House was not yet in session.

Mr. GRIFFIN. And it was not referred to them and could not have been referred to them?

Mr. SABATH. No. I now yield to the gentleman from Tennessee.

Mr. GARRETT. This question that the gentleman raises, while technical, is important, and the gentleman is right in that I do not think the Committee on Rules ought to act upon a bill under ordinary circumstances, or the House ought to act upon a bill, that has not been regularly acted upon by a committee, but it was my understanding—and I violate no confidence, I think, because this was stated in open hearing of the Committee on Rules—that while the consideration of this measure began in the morning before Congress had convened, the committee was sitting at that time under authority given it at the last session of Congress. The gentleman makes no question about the regularity of that meeting, I understand, because the power to sit during the recess was conferred upon the Committee on Immigration?

Mr. SABATH. There is no question about that.

Mr. GARRETT. So there is no question about that. Now, they met at 10.30 on Monday morning to consider this particular bill, or to consider what was contained in what was known as the confidential print; it had no number. Now, it was further my understanding that subsequent to the beginning of the session and the introduction of the bill that it was formally reported from that committee, although the gentleman may not have been present at that time.

Mr. JOHNSON of Washington. I think the statement of the gentleman from Tennessee is correct and covers the situation.

Mr. SABATH. Well, the committee might have had a meeting, but I was not present, nor was I informed that any meeting was held in the afternoon. Nevertheless, I feel that the chairman of the committee did believe that he had jurisdiction because of the fact that the committee was authorized to have hearings, but I maintain he did not have authority to consider a bill and report a bill out of the committee which had not been introduced in the House. There was nothing before them at that time, and therefore the bill could not have been in the committee properly. It is for the future I am arguing. Mr. Speaker, I fully realize that it matters not how irregular the action was, the resolution will be adopted, but I am placing the House upon record, so that we will see what the future may bring——

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. SABATH. And what effect it will have on the future. I yield to the gentleman.

Mr. JOHNSON of Washington. The gentleman wants to be fair in his statement, I presume. The bill before the committee all summer and introduced last summer was 12320, of which the present bill is an elimination. The original bill was H. R. 12320, and considered and hearings had during the summer, and the present bill is an abridgment of that particular bill.

Mr. SABATH. You introduced several bills last summer. We must have had at least 10 different bills on which hearings have been held. It might be an abridgment of the bill and an improvement upon the bill, but it was not introduced at the time, it was not referred by this House to our committee, and therefore the committee had no jurisdiction. What is there to prevent any committee in the future from reporting a bill that has not been introduced in the House and bringing it upon this floor at 12 o'clock and introduce it and secure a special rule at the same time, call it up, and pass it without giving the membership of this House a chance or opportunity to familiarize themselves with the content of the bill? Mr. Speaker, it is a dangerous precedent and it should not be sanctioned and such practice approved.

The SPEAKER pro tempore (Mr. TILSON). The gentleman has four minutes remaining.

Mr. SABATH. I reserve the four minutes.

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Mr. GRIFFIN. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. GRIFFIN. I rise for the purpose of reserving a point of order on the bill and on the discussion of the bill and of the rule, and I want to be heard.

Mr. BLANTON. Mr. Speaker, I make the point of order that after the resolution has begun to be considered under an agreement the reservation comes too late.

Mr. GRIFFIN. The gentleman surely thinks that it is a point of order for him to answer my point of order?

Mr. BLANTON. I make the point of order the reservation is out of order.

The SPEAKER pro tempore. The matter has not come up yet for consideration.

Mr. BLANTON. The Speaker will remember that last session that particular point was decided by Mr. Speaker GILLETT when a resolution was brought in here concerning debate on a rule with respect to an investigating committee. I attempted to make a point of order at that time, and the Speaker ruled that the resolution having come up for debate under agreement as to time, the time for making reservation and points of order was passed.

The SPEAKER pro tempore. The gentleman is correct so far as this resolution is concerned.

Mr. CAMPBELL of Kansas. Mr. Speaker, how much time have I remaining?

The SPEAKER pro tempore. The gentleman has 20 minutes remaining.

Mr. GRIFFIN. Mr. Speaker, I want to know what action——

The SPEAKER pro tempore. The gentleman has asked for no action.

Mr. GRIFFIN. I ask to reserve a point of order on the discussion of the bill when the bill is called up.

The SPEAKER pro tempore. The gentleman from Kansas [Mr. CAMPBELL] is recognized.

Mr. CAMPBELL of Kansas. I yield five minutes to the gentleman from New York [Mr. SIEGEL].

Mr. SIEGEL. Mr. Speaker, the precedent attempted to be established by this procedure is one of the most dangerous and one which a calm and deliberate body such as the House of Representatives should endeavor in every way to avoid. This bill was never introduced in this House before it was acted upon by this committee. The committee met on Monday morning at about 10.30 o'clock, and the so-called confidential print of this bill, which appeared in the newspapers all over the country two or three days before, was presented to the Members somewhat modified. It had not been introduced in this House and it had not been referred to the Committee on Immigration and Naturalization at that time. The bill was read through in a hurry, and the so-called bill—because it had never been introduced or referred—was reported here with a majority report. On Tuesday at 12 o'clock the Committee on Rules came in here and attempted to pass a rule to consider such a measure without the minority views or those representing those views having an opportunity to express their views.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. SIEGEL. I will.

Mr. CAMPBELL of Kansas. Mr. Speaker, I trust the gentleman from New York will be accurate, at least, in his statement as to what the Committee on Rules attempted to do, because the Committee on Rules attempted to do nothing of the kind and presented no rule until this morning. I announced on Tuesday that I would call up the rule on Thursday.

Mr. SIEGEL. The gentleman does not deny that he had the rule in his pocket. The RECORD of Tuesday tells the story of the hard time I had to obtain the privilege and right which was mine as the ranking Republican member on this committee to have time in which to file minority views. I obtained that right despite the spectacle of three Members at one time attempting to stop me from getting it.

The House is to take action and it will set a precedent to-day of what it intends to do and as to what it thinks of that method of attempted legislation. I do not think one can find a single precedent in the history of Congress when anything similar has been tried or done.

Now, my distinguished friend from Kansas [Mr. CAMPBELL] stated a few moments ago that some one had said 15,000,000 immigrants would come over here in a year or two. The very absurdity of the statement should appeal to anybody who can take a pencil and paper and try to do a little figuring. There are just 75 ships that bring passengers running between the United States and Europe and Asia. They can make average round trips of 12 a year. If they were to run for 10 years without stopping a single day for repairs, they could not bring 15,000,000 passengers over to America. Yet in the present hysteria which has been created in the newspapers by propaganda spread broadcast over here and other places throughout the United States, people are led to believe the statement that has been made even though it is evidenced that it can not be true. I am asking for cool and calm deliberation and consideration of proposed legislation. We all know something of arithmetic. We all know that the statement is incorrect and inaccurate. Yet we are led away by reading the newspaper reports along those lines. No one takes a pencil and paper to do his own figuring. We take the road of least resistance if it will only save us doing any mental work.

I am opposed to this bill; I am opposed to this rule. I believe it is an unfair method of trying to obtain legislation. I believe it is legislation which the good of the country requires should be defeated.

The SPEAKER. The time of the gentleman has expired.

Mr. GRIFFIN. Mr. Speaker, I desire to address a parliamentary inquiry to the Chair. This bill is set down for discussion this afternoon under a rule which the Rules Committee has brought in. Now, it has been developed during the debate on the rule that the bill itself was not introduced until we met on Monday, December 6, and it appears from the discussion that the Committee on Immigration, to which, according to the RECORD, that bill had been referred by the Speaker on Monday afternoon, had considered it in the morning and had directed it to be reported out. Now, the RECORD, on page 8, states that the bill H. R. 14461 was introduced by Mr. JOHNSON of Washington—

to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes—

and was referred to the Committee on Immigration and Naturalization.

The gentleman from Illinois [Mr. SABATH], in answer to a question, says that there was no meeting of the Committee on Immigration after the introduction of this bill to pass upon it. In that event the question arises as to whether the bill is subject to a point of order, and I reserved such a point of order. Now, my parliamentary inquiry is this: Do I lose the right to make that point of order if the discussion on the rule is permitted to proceed and a vote is taken on the rule?

The SPEAKER. The Chair does not think that the point of order would be affected by allowing the discussion to proceed if the discussion would be subject to a point of order. The Chair expresses no opinion on that. It is past. The Chair would think now, however, that the discussion would not prevent the gentleman from making a point of order.

Mr. DOWELL. But, Mr. Speaker, has not the discussion already prevented the question of whether it is subject to a point of order from now being raised, and should not that question have been raised at the time the rule was presented?

Mr. GRIFFIN. No, Mr. Speaker; because the bill has not been considered as yet. The point of order is properly addressed, as I think, to the bill when the bill comes up for consideration.

Mr. MANN of Illinois. Mr. Speaker, the point of order is made during the consideration of the rule. It is quite within the privilege of the Committee on Rules and of the House afterwards to bring in and adopt a rule providing for the consideration of a bill that has not yet been introduced. A bill does not have to be reported or even introduced. The Committee on Rules can bring in a rule and the House can adopt a rule for the consideration of a bill that is yet to be introduced if it chooses to, so that no point of order would lie against the consideration of the rule. That is the only point of order that can be made at this time.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. GRIFFIN. My inquiry, Mr. Speaker, was addressed to the raising of the point of order upon the consideration of the bill. I agree with the gentleman from Illinois [Mr. MANN] that the point of order might not lie at this time, and that is why I addressed the inquiry to the Speaker.

The point, Mr. Speaker, is this: Whether or not a Member of this House loses his right by permitting his point of order to lie dormant during the consideration of the rule. I propose to make a point of order against the bill when it comes up for discussion, and I addressed the inquiry to the Speaker as to whether I lose the right to enforce my point of order at that time.

The SPEAKER. The Chair answered the gentleman by saying that he thought the gentleman could not lose any right by further discussion.

Mr. GRIFFIN. The point of order is not addressed to the action of the Rules Committee. I want to make that clear.

Mr. WINGO. Mr. Speaker, if the Speaker will permit me, I think the time to make a point of order on the rule would be at the time of the reading of the rule. Evidently the only point to which a point of order would lie would be the rule. A point of order would have to be made on the conclusion of its reading. The gentleman from Illinois [Mr. MANN] has correctly stated the rule. The committee can report such a rule, and immediately after the adoption of the rule the House can proceed to the consideration of the bill. The philosophy of it is this: If the bill is in committee, the working of the rule is such that it acts automatically to discharge the committee from the consideration of the bill and brings the bill before the House. The House may adopt a special rule to consider the bill. That has been done in this instance. This is by the adoption of a special rule, which sets aside all rules to the contrary, and under it the House may, if a majority desire, consider the text of a bill that has never been reported by a committee, or even considered by one.

Mr. SABATH. And it makes this bill in order. I can not see how any objection can lie against the bill, because the resolution makes it in order.

Mr. WINGO. If a point of order is made against the bill it will have to be considered at the conclusion of the reading of the bill.

Mr. GRIFFIN. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Yes.

Mr. GRIFFIN. I ask the gentleman what protection the House has when the objection to a bill is not revealed or disclosed until the argument on the rule comes up?

Mr. WINGO. That is the object of the consideration of the rule, the House deciding if it wishes immediate consideration, the presumption being that all facts will be disclosed. The object of the rule is to remove all parliamentary objections to immediate consideration. That is the object of the rule, to bring the House to an immediate consideration, and if the House wishes to dispense with the further consideration of a bill by the committee and go to an immediate consideration of the bill in the House, it certainly has the parliamentary right to do it by a majority vote. That is the object of these special rules.

Mr. GRIFFIN. The gentleman has not answered my question. What is the predicament of the House when an objection to the bill is not disclosed until the argument comes up on the rule? Has the House no recourse whatever?

Mr. WINGO. Yes. It can vote the rule down, if it wishes the bill to follow the usual course of being introduced, considered by a committee, and reported out in the manner provided by the rules of the House.

Mr. MANN of Illinois. The bill itself shows it was reported without being introduced.

Mr. GRIFFIN. The report shows that it was referred to the Committee on Immigration. That is on page 8 of the RECORD. It was referred to the Committee on Immigration and Naturalization. That is shown by the record of the House.

Mr. MANN of Illinois. You have to make a point of order on the record, not on argument.

Mr. GRIFFIN. I am much obliged to the gentleman for the suggestion.

Mr. GARRETT. How much time have I remaining?

The SPEAKER. The gentleman has 13 minutes remaining.

Mr. GARRETT. I yield two minutes to the gentleman from Georgia [Mr. CRISP].

Mr. CRISP. Mr. Speaker and gentlemen of the House, I shall not attempt to make a speech in the two minutes allotted to me. I want to say that I am heartily in favor of this rule and very much in favor of the bill prohibiting all immigration, which the rule directs shall be immediately considered. I think that the greatest service which this House can render to the country is to pass, and pass speedily, legislation restricting immigration.

In the year 1919 I introduced a bill to suspend all immigration for 10 years, and last June I made a speech on the floor of the House in support of that bill. I can add nothing to what I said on that occasion, for I fully expressed my views then.

The bill that we are now considering suspends immigration for 2 years. I wish it were for 10 years instead, but if we can not get 10 years I am certainly in favor of the 2 years.

Mr. SABATH. Will the gentleman yield?

Mr. CRISP. No; I have only two minutes. I do not think either the Committee on Immigration or the Committee on Rules is subject to any censure whatever for the dispatch which both those committees have shown in this matter. I think the welfare of the country demanded speedy action, and I want to commend both committees. As far as this rule is concerned, and as far as the inquiry of the gentleman from New York [Mr. GRIFFIN] is concerned, I want to say to the gentleman that he has his remedy.

As I understand the rule, it simply provides that upon its adoption it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of this bill; and as our beloved friend, Uncle JOE CANNON, said some years ago, a majority of this House can always do anything it pleases; and when this rule is adopted, when the motion is made that the House resolve itself into the Committee of the Whole to consider this bill, the gentleman can raise the question of consideration, and if a majority want to consider the bill they can do it. If a majority do not want to consider it, they can refuse to do so. I want to commend both the Committee on Rules and the Committee on Immigration. [Applause.]

Mr. GARRETT. I yield four minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Speaker and gentlemen of the committee, the question as to the rule being in order is practically disposed of. The only question—and the House ought to know it—is whether this matter has been fully considered by the Committee on Immigration.

I want to call attention to the fact that on January 20, 1919, a bill was reported to this House suspending immigration for four years. No one filed an adverse report upon that bill save and except the gentleman from Kentucky [Mr. POWERS] and the gentleman from Minnesota [Mr. KNUTSON]. They wanted the period of the suspension of immigration to be two years instead of four years. The gentlemen who are now making the contest, who were then on the committee, filed no minority views against that bill. There are some changes in the exemptions, but the suspension is there.

I want to call your attention further to the fact that for the last year and a half there have been pending before the Committee on Immigration and Naturalization at least seven bills. Hearings have been had upon them, covering these various subjects, and during the recess of Congress this committee made inquiries from Boston to the Pacific Ocean, in the various localities, and of the agricultural interests and others, relative to the suspension of immigration. When they came back here they were convinced that the bill that had been reported for over a year and a half should be enacted into law with the modifications which they have proposed. The gentleman from Washington [Mr. JOHNSON], chairman of the committee, had a confidential print of the bill made, and practically every member of the committee was there on Monday, December 6, and favored reporting out this bill which suspends immigration for two years. The reasons are fully and amply set forth in this report, and the matter ought to be disposed of. The distinguished gentlemen objecting had their objections before us. The reasons for the suspension are growing stronger every day, and the House could do no better act than to pass this rule and pass the bill, with certain amendments which I will present to the House, at the earliest possible moment after proper discussion.

Mr. BRITTEN. Is the gentleman suggesting to the House that there is a surplus of labor in the agricultural sections of the country right now?

Mr. RAKER. If my dear friend would read the report he would find that 90 per cent of those who have come to this country in the last year and a half are dependents, and the reports from our consular agents show that they will be undesirable citizens.

Mr. BRITTEN. The gentleman has not answered my question.

Mr. RAKER. They do not go to the farming country. They go in for small trade. They come here to live on their neighbors and their friends. That is the fact. Many of them are diseased and we have not enough agents and officials at the ports of entry to make the necessary examinations.

Mr. BRITTEN. Will the gentleman answer my question?

Mr. SABATH. Will the gentleman yield?

The SPEAKER. The time of the gentleman has expired.

Mr. RAKER. I should like to yield to both gentlemen, but I can not.

Mr. GARRETT. I yield three minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I am with the gentleman from Kansas [Mr. CAMPBELL] in support of this rule.

Unfortunately the records of this Government show that many people who have come to our land since the signing of the armistice are people who do not believe in government and who are against law and order. No man should be permitted to stay in this country who is against government and who is against law and order.

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The subject paramount in the minds of the American people in expressing their sentiments on election day last month was that we must not longer permit men to come into or stay in this country who are against government and against law and order. If they placed upon our friends on the Republican side of the aisle any responsibility and any burden whatever it was the burden and the responsibility of seeing to it that there shall be placed in office as the Assistant Secretary of Labor next March a man who will not stand for such people remaining in the United States. [Applause.]

This rule will keep out of this country just such people. It keeps anarchists out of this country, and I am for it.

Mr. SABATH. Will the gentleman yield?

Mr. BLANTON. I am sorry I can not. I have only three minutes. If the gentleman will get me time or yield me from his time, I will yield to him. If I understood the gentleman from Kansas [Mr. CAMPBELL], I am with him so far as the question of importation is concerned. If his idea with respect to future importation is to see to it that the producers of this country, the farmers and the ranchmen, who feed and clothe the 105,000,000 people of the United States are not placed on a level with the Chinese and Japanese coolies who send so many million pounds of vegetable-oil substitutes each year to compete with the products of our farms, I am with him on that subject, and we are unanimous with regard to the same. [Applause.]

Time has proven that free raw material is not a fundamental of true democracy. It has been a fatal policy and constitutes one of our gravest mistakes. It has almost bankrupted some of our southern producers who by law have been forced to purchase everything they have to buy in a protected market and then sell all of their raised products in a free one, where the whole world, dissimilar as it is, competes on an equal footing. The illusive, seductive doctrine of permitting raw materials from every foreign country of the world to enter the United States absolutely free of duty has taken away from our home producers their home market and is largely responsible for our southern planters now being forced to sell their cotton, which means their living for a whole year, for less than they paid out to have it picked and ginned; for the Chamber of Commerce in Ranger, Tex., now offering some of the splendid farms of Eastland County rent free to any farmers who will agree to cultivate them next year; for our warehouses now bulging out with both the spring and fall clips of domestic wool which can not now be sold for its cost of production; for the crippling of our great peanut industry; for stagnating our important stock-raising and dairy interests; and for swiftly depopulating our farms and ranches. Our farmers and stockmen of the United States, sturdy producers who yearly feed and clothe our 105,000,000 people, are now with their backs to the wall facing a most serious crisis.

In Mexico, South America, Australia, Europe, Asia, and Africa there exists an entirely different state of conditions, a different standard of living, a different standard of working hours, a different standard of wages, a different standard of necessities, morals, intelligence, hopes, ambitions, and aspirations. Mexican peons are content to work for a miserable existence. Chinese and Japanese laborers are perfectly satisfied to work from 10 to 14 hours each day for less than 20 cents' pay, to live on rice, to go almost naked, and to let the future take care of itself. Must our intelligent, ambitious, deserving men and women on the farms and ranches of the United States be longer placed on the same level by being forced to compete directly with the peons and slaves of the universe? I am one loyal Democrat who is not in favor of it.

I have had Hon. Thomas W. Page, chairman of the United States Tariff Commission, to assemble for me the following authentic statistics concerning recent importations. During the last fiscal year ended June 30, 1920, the following raw materials were imported from foreign countries into the United States absolutely free of any duty, to wit:

Cotton	pounds	345,314,126
Corn	bushels	10,229,249
Wheat	do	4,744,712
Wheat flour	barrels	157,896
Wool	pounds	427,578,038
Beef and veal	do	42,436,353
Mutton and lamb	do	16,358,299
Cattle	head	575,328
Sheep	do	199,549
Cowhides	pounds	439,461,092
Calf hides	do	68,359,825
Cabretta hides	do	101,848
Buffalo hides	do	14,682,279
Other hides	do	275,964,213
Oil cake	do	145,026,652
Vegetable oils:		
Chinese nut oil	gallons	10,613,638
Coconut oil	pounds	269,226,966
Cottonseed oil	do	24,164,821
Palm oil	do	50,163,387
Palm-kernel oil	do	53,508
Olive oil, for manufacturing	gallons	216,145
Soya-bean oil	pounds	195,773,594
Other oils	worth	$1,542,271

During the recent four months of July, August, September, and October, 1920, the following raw materials were imported from foreign countries into the United States absolutely free:

Cotton	pounds	42,961,691
Corn	bushels	5,317,376
Wheat	do	12,040,541
Wheat flour	barrels	221,989
Wool	pounds	44,435,246
Beef and veal	do	19,456,961
Mutton and lamb	do	64,623,776
Cattle	head	142,139
Sheep	do	94,960
Cowhides	pounds	80,023,347
Calf hides	do	10,782,491
Cabretta hides	do	488
Buffalo hides	do	3,270,450
Other hides	do	53,013,186
Oil cake	do	128,615,571
Vegetable oils:		
Chinese nut oil	gallons	3,354,901
Coconut oil	pounds	62,402,486
Cottonseed oil	do	579,172
Palm oil	do	12,962,010
Palm-kernel oil	do	1,403,651
Olive oil, for manufacturing	gallons	9,896
Soya-bean oil	pounds	26,923,725
Other oils	worth	$378,053

It does not require an expert to realize just how much the above free competitive imports have discriminated against our farmers and stockmen, and their consequent losses thus occasioned, besides the great loss in revenue to the Government. We raise annually about 75,000,000 head of cattle, while South American countries, with only a little more than a third of our population, raise over 80,000,000 head of cattle yearly. Due to their tropical climate, cheap and luxuriant grass, cheap labor, ample water, and little feeding, our cost of production is about five times as great as theirs per pound.

The time has come when we must take products of American farms and ranches, and all competitive substitutes, off of the free list and let our American market afford a living wage and return to our producers, and when we must so arrange our tariff schedules on such products and substitutes as will equalize our cost of production with that of foreign countries. To a certain extent this principle was recognized and followed in the tariff act of October 3, 1913, in placing a duty on certain products largely raised by cheap labor in foreign countries. And during the last fiscal year ending June 30, 1920, the following dutiable products were imported from foreign countries into the United States and duty paid upon same, to wit:

Rice, uncleaned, 22,437,197 pounds, duty five-eighths cent.
Rice flour, 1,265,198 pounds, duty one-fourth cent.
Rice, cleaned, 156,217,566 pounds, duty 1 cent.
Beet sugar, 1,219,834 pounds.
Cane sugar, 7,533,200,338 pounds.
Molasses, 154,670,200 gallons.
Peanuts, shelled, 120,344,425 pounds, duty three-fourths cent.
Peanuts, not shelled, 12,067,998 pounds, duty three-eighths cent.
Butterine and cocoa butter, 41,500 pounds.
Olive oil, edible, 6,812,596 gallons, duty 30 cents.
Linseed and flaxseed oil, 4,550,391 gallons, duty 10 cents.
Peanut oil, 22,064,363 gallons, duty 6 cents.
Rapeseed oil, 1,229,526 gallons, duty 6 cents.
Other dutiable oils, 1,432,695 gallons.
Certain wheat, 35,052 bushels, duty 10 cents.
Certain wheat flour, 1,160 barrels.

If it is democratic and American to place a duty upon rice, peanuts, and cane products, then why not upon our corn, wheat, cotton, wool, hides, live stock, and far-eastern vegetable oils and substitutes that daily compete with our farm and ranch products? And why beg the question any longer? Why not place a proper and adequate duty upon all such items to do some good?

The millions of city consumers who inhabit New York, Boston, Philadelphia, Pittsburgh, Baltimore, Washington, Cleveland, Detroit, Chicago, St. Louis, and our other large cities, while demanding and getting their $6, $8, $10, $15, $20, and $25 for six to eight hours' work each day, are constantly demanding that everything they eat and wear be furnished to them at the lowest minimum. They never give a serious thought to the subject of a living wage to the producer who feeds and clothes them. And I am afraid that it has been the clamoring of these millions of city consumers, whose votes are very much desired, which has caused free raw materials to be written into Democratic platforms. Much too long have we Democrats permitted rest-needing politicians to entwine into our platforms and policies some city-vote-catching slogan to the detriment of our producers. With blinking eyes we Democrats have sat by and let our brother Republicans pass their measures to place a duty upon pearl buttons, chemical glass, surgical instruments, tung-

sten, magnesite, and the numerous other products their rich millionaire friends are interested in, thus placing unneeded millions into the pockets of a few wealthy millionaires, and we have let our worthy producers appeal to us in vain.

The proper solution of this question more vitally concerns the consuming millions in cities than anyone else. Suppose our producers were to get tired and quit. There would be starvation in cities. When the manufacturer can not make a profit he shuts down and prevents loss. But after the producer prepares and plants his ground in the spring and arranges for the season's growth of his flocks and herds there is no shutting down for him without losing his whole year's income. He must combat drought, floods, disease, grasshoppers, boll weevil, rust, depredations, plots of gamblers, and the score of other enemies that seem to combine for his destruction. Just now there is ample demand for our products abroad, but want of funds and credit prevents a sale. At an enormous expense we have built a large merchant marine, so essential in bringing the markets of the world to our producers, and we must not let it stand for naught or slip out of our hands. We must find a safe way to assist worthy purchasers to obtain necessary credit. We must see to it that our producers are not forced off of their farms and ranches.

This problem will soon be before Congress for solution. It must be solved properly. We must get out of ruts and meet the present.

I repeat, I am with the gentleman from Kansas on this subject.

Mr. CAMPBELL of Kansas. I will say that the gentleman from Texas [Mr. BLANTON] got me correctly. [Applause.] I yield 10 minutes to the gentleman from Ohio [Mr. FESS]. [Applause.]

Mr. FESS. Mr. Speaker, in addition to the economic argument offered by the chairman of the committee I want to emphasize the suggestion made by the gentleman from Texas [Mr. BLANTON] who just left the floor. His last observation is a sound protective tariff argument and it is an additional proof that even Texas is coming around all right. I think there are two outstanding facts in this character of legislation. One is to deal with the undesirable alien, and the other is to deal with the Americanization of the American. If the Americanization of the American is to be applied to the naturalized citizen who is no longer an alien, well and good, and if it is to be applied to the American who has never been naturalized but native born, it is also good. However, this leigslation before us now does not deal with that question of Americanization. It does deal with the question of undesirable aliens who are coming in increasing numbers, if we are to credit reports from various sources.

The man who is already here, or the woman who is here, that falls under the category of an undesirable alien, whether he be an alien enemy or not, can only be dealt with either by the Americanization process or by the process of deportation. The first is mainly educative, while the latter is statutory. I mean to say that if it is a question of Americanization it is hardly a question of legislation, but if it is deportation it is a matter of legislation.

We have attempted in the past Congress to deal with the latter, that particular phase—to get rid of the undesirable alien. I want to emphasize what the gentleman from Texas has said. The law of deportation is not being sympathetically enforced. Anybody who was in the room of the Committee on Rules when the hearings on deportation took place, especially when the Assistant Secretary of Labor appeared, as well as when the Attorney General appeared on this very question, must have been convinced that we were in a very unfortunate situation by having a man charged with the enforcement of this law with positively no sympathy whatever with such legislation, whose chief concern seems to be to find a way to avoid its requirements. That is the most charitable thing you can say. I see no chance whatever of getting rid of the undesirable alien now within our midst, notwithstanding ample and specific law that is now upon the statute books, with the present attitude of the Assistant Secretary of Labor. It seems to me since there has been no step taken by the executive department, notwithstanding the urgency of committees of Congress, to make more effective the enforcement of law, and there is no hope beyond waiting until some one else is placed in the position of Assistant Secretary of Labor to enforce the law, which will not be short of three months. This legislation has nothing whatever to do with that problem. This legislation is to prevent further complications of that condition. This Congress, whether it is helpless on deportation or not, and it appears that it is in a sense helpless, can prevent further complications by preventing an increase of these undesirables, and this group, my friends, is bound to be mixed in with the vast mass of foreigners pressing our shores.

We have it from the report of the Surgeon General, who has been in Europe and who has made some reports from there as to the stirring of all the Old World to get out of Europe. We have it from the report of the special agents who have been in Europe to study this problem, and, gentlemen of this House on both sides—for both sides of the middle aisle are as much in sympathy with effective work here as anyone else—we must not overlook the persistent, universal unrest in Europe that is found in every Government of the Old World, for this immigration is not limited to any particular section, it is all over Europe. They want to get from under the burden of the war-torn conditions of their countries. We have it from those agents in Europe reporting to us; we have it from the New York Industrial Association through its report that excludable aliens are being admitted in such large numbers that within a few years the penal institutions and asylums for defectives in New York State will be overrun. Our cosmopolitan philanthropy is being overworked. The idealistic and sentimental cry that we must make America the home of all the oppressed of earth invites the unhindered influx of the odds and ends of the earth now pouring through our gates.

We have a most striking statement that came this last month on this subject. It is official, and it ought to carry with it weight that should not in any way be minimized by any particular personal or temperamental consideration. I refer to the findings of the grand jury of Kings County, of New York. Let me read a statement from that grand jury, as published in the New York Times:

The presentment of the Kings County grand jury, signed by William Shaddock, foreman, and J. Van V. Smith, secretary, follows:

"The experience of the grand jury for November for the county of Kings (which we are assured does not greatly differ from that of other recent grand juries) is such as to have caused us to give most earnest thought as to the origin of much of the crime with which we have had to deal.

"A study of the record of our proceedings shows that all of the homicides and most of the graver, most desperate, and heinous crimes were committed by foreigners, who palpably have no understanding of the genesis or genius of American institutions. They not only have not been assimilated, but seemingly are unlikely under present conditions ever to be assimilable.

"The facts as to many of these crimes show the presence in this city of foreign colonies whose existence is a perpetual menace to the lives and property of our law-abiding and law-loving citizens. From the testimony of witnesses, some of whom were participants in these heinous crimes, it has been clearly revealed that interracial hatred, with their attendant feuds and vendettas, have been transplanted to this country. These feuds have been aggravated and perpetuated by the increase and extension of these foreign colonies.

COLONIES AN INCREASING MENACE.

"The formation and growth of these foreign colonies in our midst have subjected our institutions to a great strain. Unless their growth is prevented by the exclusion of countless thousands of like elements which are constantly arriving at the port of New York, these colonies will be a constantly increasing menace and may threaten the submersion of the American elements in our population.

"The securing of evidence and the taking of testimony as to most of the grave crimes has become next to impossible in the language of our country. Every additional immigrant of this type but adds to the difficulty of protecting the lives and property of the law-abiding section of the community, of those who are native birth or were readily assimilable. The cost of administering our courts and of maintaining a constantly increasing police force in order to cope with these law-defying elements is an ever-increasing burden to this community.

"In the face of these conditions our people may well pause and inquire whether it will be possible to keep the wellsprings of our institutions pure if they are to continue to be subjected to the infusions of such elements, elements which are not merely unassimilable but largely hostile to the fundamental principles of liberty. Our institutions were subjected to a great strain during the war by reason of the divided allegiance of certain foreign elements. This prevented the Nation from functioning unitedly in its efforts to preserve democracy.

"Unless steps are quickly taken to prevent the admission of those millions which wish to come, although hostile to our institutions, we are liable to be submerged by elements who have no devotion to the great ideals of human liberty, have no regard for justice, nor respect for the sacredness of human life. America would then cease to be a beacon light to lead the nations to the complete establishment of democracy.

"The stream of our national life can not rise higher than its source. To permit any further pollution of this stream is to jeopardize our national existence. To allow any further admixture of races in our midst is to intensify both our foreign as well as our domestic problems. It will foster disunion instead of promoting union. Instead of continuing as a nation of high ideals, we shall degenerate into a mere medley of races, a hodgepodge of nationalities.

"We therefore earnestly request the Congress of the United States to enact such legislation as will prohibit the immigration into the country of all who can not read and write English, and who do not possess an intelligent understanding of the fundamental ideas of human liberty.

"We further request that comprehensive measures be taken for the education of every adult of foreign birth at least in the rudiments of simpler education such as will enable them to understand our form of government.

"WILLIAM SHADDOCK, *Foreman.*
"J. VAN V. SMITH, *Secretary.*"

This statement is most significant in the light of Commissioner Wallis's figures. He reported 548,069 aliens arrived at the port of New York in the last 11 months. Of that number only 2,703 were sent back as unworthy. He also stated that during that time only 637 radicals and other undesirables had been deported.

The grand jury findings amplify the fact that all through certain centers of our congested population will be found European colonies, where no language is spoken outside of the language spoken in their own country, a fact which leads this grand jury to recommend that Congress pass a law prohibiting the entrance of immigrants who can not speak or read the English language, as a protection to the country and our institutions. For my own part I should think it would be a drastic requirement, and I would hesitate to go that far; but, my friends, I recognize the arguments on the other side of the question. I recognize the temperamental and the sentimental arguments. They are strong arguments. I recognize the economic argument, and in a sense that contention is pretty strong. But let me say that the economic argument on the part of the employers of unskilled labor which we hear—that we must have this immigration because American labor will not do the necessary unskilled work—I want to say that the very people who have persistently fought immigration limitations on that ground have been seriously paying the penalty for their unwisdom in the last few years. That very element pouring into our country offer the most fertile soil of un-American propaganda, led by the Fosters and the various anti-Government propagandists which have openly started the contention for sovietizing American industries.

That argument, though with some force, does not appeal to me as much as other arguments, but this is true. If I vote——

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield the gentleman from Ohio two minutes more.

Mr. FESS. Mr. Speaker, if I vote to put up the bars in the form of protection against the products of European labor, I must also vote to prevent European labor from coming here. [Applause.] To do one and not do the other is not consistent. While I respect the argument on the other side of this issue, yet the big thing here is what was mentioned by the gentleman from Texas [Mr. BLANTON]—the antigovernment movement that has been coming to our country, brought by men who know not of our institutions, who have no sympathy with our institutions—and it is with that that we must deal. We can not do less than put up the bars against a further influx of this undesirable group from Europe, and when we do that then we will make more effective the deportation act and it will assist us in getting rid of those already here. I want to emphasize in my last remarks that, after all, the big thing in America is not business. The big thing is the maintenance of the fundamental institutions of America.

Our present statutes are sufficient to guard against dangerous elements were they effectively enforced, which they are not. Our deportation statutes are sufficient to rid our country of alien enemies were they effectively enforced, which they are not. Antigovernment agitators who have reached our shores since the war ended have been arrested for incendiary speeches in public places.

Our laws are drafted to permit a desirable immigrant but to exclude the undesirable. I hesitate to vote for total exclusion, even for a limited time. I readily admit the value of a kind of immigration, and would willingly invite it were it possible to avoid the danger of importation of un-Americanism. Whatever be the value of immigration, we can not allow further admission of elements antagonistic to American ideals, principles, and institutions. Rather than destroy the social and political integrity of our country and its institutions by the surreptitious seeping through of the poisonous nostrums of Old World antigovernment dogmas, I am ready to vote complete exclusion of all immigration for at least such time as is necessary to deal with these elements already within our midst. Unless we can make sure that a more rigid enforcement of the present laws is respected by all officers, both on foreign as well as our own shores, we have no choice except to put up the bars against all immigration for a time.

Mr. MONTAGUE. Mr. Speaker, will the gentleman permit a question?

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. SABATH. Mr. Speaker, I yield four minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Speaker and gentlemen of the House, I concur most heartily in the views of the last speaker that something should be done to prevent the incoming of immigrants of disreputable or undesirable character, but I submit that this proposed measure is nothing less than an exhibition of panic. It is absurd for this House in its alarm to attempt to put up the barriers and exclude everybody. It is true that a great deal of anarchy and socialism and crimes of various kinds are to be found among certain types of immigrants. They are highly emotional; they go from one extreme to another. They swing like a pendulum. They love much and they hate deeply. Their emotionalism was displayed in the last election when they came very nearly turning everybody out who bore the Democratic imprint in New York City. They voted for HARDING three to one, these same immigrants. Jews, Germans, Irish, and Italians all voted, or many did in sufficient numbers in any event, to give you this sweeping victory. Is it not rather an ironical exhibition of gratitude that the very first practical piece of legislation you undertake in this House is to exclude their friends and their relatives from admission to our shores? I am very glad that you are showing your true colors, because in my speeches during the campaign I warned my naturalized fellow citizens that it would not be wise to place very much trust in the Republican Party. I warned them what would happen, and now they are going to reap the reward of their folly and misplaced confidence.

This bill will no doubt be passed. It has the apparent support of your organization in this House, and there is no doubt, judging from the way it was railroaded into this House by the Committee on Rules, that it is going to pass.

Mr. VAILE. Mr. Speaker, will the gentleman yield?

Mr. GRIFFIN. The gentleman will have to pardon me, as I have only a moment. As to the tremendous figures quoted respecting idleness in the United States, personally I do not believe there are 2,000,000 men out of work in the United States. But if that be so, Mr. Speaker, is not that the very reason why you should not pass a panicky measure against immigration? Immigrants will not come to this country if there is no employment to be found. They are not wealthy men and women. They come here to find work, and if the work is not here, if they find that 2,000,000 of our own people are without employment, is there any probability that they will come along in very large numbers? So that the very argument upon which you rely falls to the ground. I can see no excuse for it except as an exhibition of panic and intolerance.

Mr. GARRETT. Mr. Speaker, I yield two minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Mr. Speaker, I asked for this time in order to read a telegram which I received from Hon. W. T. Sanders, chairman of a meeting held at Athens, Ala., last Tuesday.

The telegram is as follows:

ATHENS, ALA., *December 7, 1920.*

Hon. E. B. ALMON,
House of Representatives, Washington, D. C.:

At a large and representative meeting of our business men I have been requested to wire and urge you to use your strongest efforts for some measure of immediate relief of the farming interests of this section. The situation is really desperate. Unless the farmers can dispose of their remaining crop at a price approximating cost debts can not be paid, merchants can not meet their obligations, and, worst of all, practically no crop can be made in this section for the coming year. Can not the powers of the War Finance Corporation be invoked for immediate relief? Something must be done to preserve the spirit and morale of a whole people.

W. T. SANDERS,
Chairman of Meeting.

Mr. Speaker, I have introduced a resolution providing for the reestablishment of the War Finance Corporation and asking that the Federal Reserve Board permit member banks to extend liberal credit to farmers on the security of agricultural products, which resolution I hope will receive prompt and favorable consideration at the hands of the committee to which it will be referred, and that it be promptly passed in order that some relief may be granted along this line. The conditions referred to in this telegram not only apply to the South, where the cotton is not selling for one-half of what it costs to produce it, but no doubt the same conditions prevail in the cattle-raising and grain-growing districts of the Western States and other agricultural districts in the country. I trust that Congress will take some action at the earliest possible date which will result in immediate relief. [Applause.]

The SPEAKER. The question is on agreeing to the resolution.

The question was taken; and on a division (demanded by Mr. SABATH) there were—ayes 151, noes 9.

So the resolution was agreed to.

Mr. JOHNSON of Washington. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R.

14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes.

Mr. SIEGEL. Mr. Speaker, before the vote is taken on that, can not we have an agreement with respect to the division of time?

Mr. RAKER. Will not the gentleman agree, under the rule, that half of the time on that side in favor of the bill be used by those also on this side of the House?

Mr. JOHNSON of Washington. Mr. Speaker, to save time I will state that we have an agreement to the effect that the time be quartered; that is, that one-quarter be handled by myself on this side in favor of the measure, one-quarter by the gentleman from New York [Mr. SIEGEL] in opposition——

Mr. CANNON. Mr. Speaker, I rise for information to ask if the rule does not provide for four hours' of general debate?

The SPEAKER. It does.

Mr. CANNON. And when one is recognized he can yield to anybody he desires to?

Mr. JOHNSON of Washington. That solves the proposition right there.

Mr. CANNON. Then, let us have the general debate commence.

Mr. SABATH. The rule provides that there shall be four hours' of general debate, the time to be controlled, one-half by the gentleman from Washington [Mr. JOHNSON] and one-half by any member of the minority of the committee opposing the bill.

Mr. WALSH. Mr. Speaker, I object if there is any request pending or if there is any to be made. We have adopted a rule and we ought to abide by it.

The SPEAKER. Before the resolution is adopted——

Mr. ANDERSON. Mr. Speaker, I ask for the regular order.

Mr. RAKER. So that we may understand each other——

The SPEAKER. But the regular order is demanded. The regular order is the vote on the motion of the gentleman from Washington.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 14461, with Mr. TILSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 14461, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. WALSH. I object.

The CHAIRMAN. Objection is made. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That as used in this act—

The term "United States" means the United States and any waters, territory, or other place subject to the jurisdiction thereof except the Isthmian Canal Zone; but if any alien, or any alien seaman, leaves the Canal Zone or any insular possession of the United States and attempts to enter any other place under the jurisdiction of the United States nothing contained in this act shall be construed as permitting him to enter under any other conditions than those applicable to all aliens, or to all alien seamen, respectively;

The term "immigration act" means the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States"; and the term "immigration laws" includes such act and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens; and

The word "alien" includes any person not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed nor citizens of the islands under the jurisdiction of the United States.

SEC. 2. Except as otherwise provided in this act, from 60 days after the passage of this act, and until the expiration of 14 months next after its passage, the immigration of aliens to the United States is prohibited, and during such time it shall not be lawful for any alien to come from any foreign port or place, or, having so come, to remain within the United States.

SEC. 3. (a) Section 2 shall not apply to otherwise admissible aliens lawfully resident in the United States, nor to otherwise admissible aliens of the following status or occupations, when complying with the requirements of this section and with all other provisions of the immigration laws:

(1) Government officials, their families, attendants, servants, and employees;

(2) Travelers or temporary sojourners for pleasure, business, or curiosity, who may enter the United States during the time of suspension of immigration for a period not exceeding six months each, which period may be extended in individual cases by the Secretary of State;

(3) Bona fide students who may enter the United States solely for the purpose of study at educational institutions particularly designated by them; and upon graduation, completion, or discontinuance of studies they shall not be entitled to remain in the United States.

(b) An alien belonging to one of the classes or persons enumerated in subdivision (a) shall be permitted to enter the United States only upon presentation of a valid passport or other official document in the nature of a passport (hereinafter referred to as a passport) satisfactorily establishing his identity, nationality, and to which of the classes so enumerated he belongs, together with a signed and certified photograph of the bearer attached. A wife, or a female child under 21 years of age, or a male child under 16 years of age, may be included in the passport of a husband or parent, but a photograph of each must be attached to the passport. Each male child 16 years of age or over must carry a separate passport.

(c) Each such passport must be viséed by an American consulate, or a diplomatic mission if specially authorized, in the country from which the holder starts on his trip to the United States, and if such country is not the country to which he owes allegiance the passport must also be viséed by a diplomatic or consular officer therein of his own country. In all cases the passport must also be viséed by an American consulate, or the diplomatic mission if specially authorized in the country from which the alien embarks for the United States, or if he comes by land, the country by which he enters the United States.

(d) Each alien coming within the provisions of this section, except a duly accredited Government official, must furnish to the American diplomatic or consular officer who visées the passport in the foreign country from which he starts on his trip to the United States, and to the American authorities at the port of entry or elsewhere in the United States, a written declaration setting forth: (1) The date and place of the bearer's birth; (2) the nationality and race of his father and mother; (3) the place of the bearer's last foreign residence and the other places, if any, where he has resided within the past five years; (4) if he has ever been in this country, the dates and objects of his visits and the places and addresses where he resided or sojourned; (5) the date set for his departure for the United States, the port of embarkation, and the name of the ship on which he is to sail, if he goes by water; (6) names and addresses of persons acquainted with the applicant in the country from which he starts and in the United States, if any; (7) the expected duration and object of his proposed visit to this country, the documentary or other proofs of such objects submitted, and the place or places in the United States where he expects to sojourn or reside; (8) that the bearer knows and understands the provisions of the immigration laws, excluding certain classes of aliens from the United States, and is certain that he does not fall within any of such classes; (9) that the bearer understands that if, on arrival at a port of the United States, he is found to be a member of a class excluded by the immigration laws, he will be deported if practicable, or, if for any reason deportation should be found to be impracticable, will be held in detention in an immigration station or other place of confinement, and that he is, with full understanding thereof, assuming all risks involved in a possible return trip in consequence of being rejected under such law.

(e) A wife or minor child who does not expect to reside with the husband or father in the United States must carry a separate declaration.

(f) Each declaration must be affirmed or sworn to before a consular officer, or a diplomatic officer of the United States if specially authorized, and signed in triplicate, and a photograph of the declarant must be attached to each copy with an impression of the official seal. The declaration must be made at least two weeks before the date of intended departure, except in cases of extraordinary emergency. One copy of the declaration must be filed in the embassy, legation, or consulate by which the passport is first viséed, one copy forwarded immediately to the Commissioner of Immigration or inspector in charge at the port of entry by which the declarant expects to enter the United States, and one copy fastened to the passport of the declarant in such a way that it may be removed upon his departure from the United States. The copy last mentioned must be presented with the passport to the official at the port of entry into this country who examines passports, and to the immigration official who inspects the holder, and to such other officials in the United States as may be authorized to inspect such documents.

SEC. 4. (a) A citizen of the United States 21 years of age or over, who is a resident of the United States, may, under regulations prescribed by the Secretary of Labor, apply to him for permission to bring into the United States or send for an otherwise admissible parent, grandparent, unmarried son under 21 years of age, unmarried or widowed daughter, grandson under 16 years of age whose father is dead, or unmarried or widowed granddaughter whose father is dead; and any alien who has declared, in the manner provided by law, his intention to become a citizen of the United States, and who is a resident of the United States, may make like application in reference to an otherwise admissible husband or wife, unmarried son under 21 years of age, or unmarried or widowed daughter.

(b) If the Secretary of Labor is satisfied that the entry into the United States of such relative would not be in violation of the immigration laws and that such relative is likely to prove a desirable resident of the United States, he may issue a permit to the applicant, under such regulations as he may prescribe, which shall authorize the immigration officers at the port of entry to examine such relative upon arrival at such port. Thereafter the right of such relative to admission shall be as provided by the immigration laws, except that it shall not be subject to the act entitled "An act to prevent in time of war departure from and entry into the United States, contrary to the public safety, approved May 22, 1918," or to the provisions of any proclamation, order, rule, or regulation made thereunder, and except that the literacy test may, in the discretion of the Secretary of Labor, be waived in the case of such relative.

SEC. 5. Nothing in section 2 shall be held to prevent the importation of skilled labor under the conditions prescribed in the fourth proviso to section 3 of the immigration act, nor to the importation of persons employed as domestic servants.

SEC. 6. Nothing in this act shall be held to repeal the provisions of the joint resolution approved October 19, 1918, entitled "Joint resolution authorizing the readmission to the United States of certain aliens who have been conscripted or who have volunteered for service with the military forces of the United States or cobelligerent forces," or any amendment thereto.

SEC. 7. During the period of suspension provided for in section 2 otherwise admissible aliens who have resided continuously in the Dominion of Canada, Newfoundland, the Republic of Cuba, or the Republic of Mexico for at least one year, and who are not persons of the classes hereinbefore exempted, may be temporarily admitted, for a

period not exceeding six months, from such countries, under such rules governing entry, inspection, temporary stay, and departure as may be prescribed by the Commissioner General of Immigration, with the approval of the Secretary of Labor.

SEC. 8. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under section 3 or section 7, shall be taken into custody and deported in the manner provided for in sections 19 and 20 of the immigration act.

SEC. 9. The provisions of sections 18 and 20 of the immigration act, assessing a penalty for failure or refusal to accept, to detain, or guard safely, to return, and to transport to foreign destination aliens excluded or expelled from the United States, or to pay maintenance and deportation expenses of aliens, or for making any charge for the return of excluded or expelled aliens, or for taking any security for the payment of such charge, or for taking any consideration from aliens to be returned in case of landing, or for bringing to the United States any deported aliens within a year from date of deportation without the consent of the Secretary of Labor, shall apply to and be enforced in connection with the provisions of this act relating to the exclusion or expulsion of aliens.

SEC. 10. Willfully to give false evidence or swear to any false statement in connection with the enforcement of this act shall constitute perjury as such offense is defined in section 16 of the immigration act; and the provisions of sections 16 and 17 of the immigration act, prescribing methods of procuring evidence concerning aliens, and defining offenses and prescribing punishments therefor, shall apply to and be enforced in connection with the provisions of this act.

SEC. 11. Any person who substitutes any name for the name written in any document herein required, or any photograph for the photograph attached to any such document, or forges or in any manner alters any such document, or falsely personates any person named in any such document, or issues or utters any forged or fraudulent document, or presents to an immigrant inspector or other Government official any forged or fraudulent document, and any person other than the one to whom there has been duly issued any document prescribed by this act who presents to an immigrant inspector or other Government official any such document, shall be guilty of a felony, and upon conviction thereof shall be fined in a sum not exceeding $1,000 or be imprisoned for a term of not more than five years, or both.

SEC. 12. The Commissioner General of Immigration shall, with the approval of the Secretary of Labor, issue such regulations, not inconsistent with law, as may be deemed necessary and appropriate to place this act in full force and operation, except that regulations for the viséing of passports under section 3 shall be made by the Secretary of State. Such regulations shall include special rules for the application of this act to the cases of aliens coming to the United States from or through contiguous foreign territory, and to the cases of aliens entering across the land boundaries for temporary stay or at frequent intervals; also special rules to insure that the provisions of this act, of the immigration act, or of any law, convention, or treaty relating to immigration shall not be violated by aliens arriving at ports of the United States employed on vessels as seamen, and that at the same time, the enforcement of such laws shall not interfere with the operation of the act approved March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States, to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto, and to promote safety at sea."

SEC. 13. This act shall be enforced in the Philippine Islands by officers of the general government thereof, unless and until it is superseded by an act passed by the Philippine Legislature and approved by the President of the United States to regulate in the Philippine Islands the subjects covered hereby, as authorized in the act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916.

SEC. 14. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws.

The CHAIRMAN. The gentleman from Washington is recognized to control half of the time, or two hours.

Mr. JOHNSON of Washington. Mr. Chairman, I would like to be notified when I have consumed 20 minutes.

Mr. SABATH. What was the request?

Mr. JOHNSON of Washington. I desire to be notified when I have consumed 20 minutes. I desire, if my colleagues will be generous, that I may be permitted to speak for that length of time without being interrupted.

Mr. RAKER. So as not to interrupt the gentleman and that we may understand as to the division of time, I understand the gentleman will yield me an hour, to be divided among my colleagues?

Mr. JOHNSON of Washington. If the gentleman will make up his list—I am going to hang to the time as the rule provided—I will look at the gentleman's list as to the distribution of time.

Mr. RAKER. All right; that is satisfactory.

Mr. JOHNSON of Washington. Mr. Chairman and gentlemen, many Members have been through these immigration debates in years past and know they become sharp and acrimonious. All phases of the matter of immigration and regulation of immigration are subject to much debate and much honest difference. Immigration hearings, particularly of late, cover everything from the cost of food up to the question of maintaining our form of government. The committee has held many hearings. This bill is an abridgment of a bill introduced last February, which was H. R. 12320. The report presented by the committee now contains the views of two Members of the minority, the gentleman from New York [Mr. SIEGEL] and the gentleman from Illinois [Mr. SABATH]. It is but fair to say for them that they have not acted as obstructionists. They are sincere in their objections. However, I notice in the minority views a statement to the effect that certain statements in the report on the bill are offensive. I hope that they will not be looked at in that sense. That charge can only refer to the statements concerning the examination of steerage passengers on two ships and to the possible statements made in the appendix, which carries the reports of the consular agents of the United States, paraphrased in the offices of the State Department and set forth in the report which accompanies H. R. 14461 exactly as sent to the chairman of the Immigration Committee. If they convey statements which are presumed to be facts, it is hardly my duty to soften them. The chairman of the Committee on Immigration and Naturalization becomes used to being called names. I would like to say at the outset, although I have been called so, I am not an alien hater at all. I come from a district that has 27 per cent of foreign born. I have no religious or racial feeling in this matter. I have not in the debate in the committee and hearings in the committee permitted matters of a racial or a religious tone to enter, and I sincerely hope that they will not come into this debate. I dislike to be personal, but I received only to-day a copy of a letter written to a western newspaper by Joseph Jacob, of Aberdeen, Wash., who acts sometimes as rabbi or minister, in which he replies to something the editor has said about me. Mr. Jacob writes to the editor:

> For your information permit me to say that Congressman JOHNSON is not, as you say editorially, a foreign-born citizen.

Mind you, Joseph Jacob is defending me, and says I am not a foreign-born citizen. My friends, it would make no difference if I were. He goes on to say:

> Mr. JOHNSON represents the district in which Aberdeen is situated, and from personal knowledge of Mr. JOHNSON'S past record I do not believe he is showing any more discrimination in his position as chairman of the Immigration Committee than Congressman KAHN, of California, would show if placed in the same position.

My friends, I have not received a greater compliment in a long time.

Mr. Jacob then says in his letter to the editor:

> The difference between you and Mr. JOHNSON is that you look at things from a purely sentimental standpoint while he must look at the immigration question from the standpoint of what is for the best of the greatest number of the American people alone.

And that is the way, Mr. Chairman and gentlemen, we must all approach this question. It is beyond the matter of sentiment, personal feeling, personal desire, and beyond racial differences. What is best for the United States is the question.

The problem arises from the numbers suddenly coming to the United States. The problem is made immediately pressing from the fact that nearly all of central Europe seems to be on the move. People there hurt themselves and hurt their countries in their panic to get away—to escape, to throw off the burden.

Right now they think their chance is here. It is not, in my opinion. We will help them most by stopping their migration. They can not all live if they stay there; they can not all live—certainly not in comfort—if they come here, and neither can we. Our best reports are that countless thousands are moving this way, selling everything, being robbed right and left, and actually fighting to secure the high-priced steerage tickets which steamship companies offer them. Further reports are that even if the people of the United States in their great desire to be humane and generous should let down every bar, permit every person to come from those countries who might be able to get on a ship within the next two or three years, that during that time thousands must die there of starvation unless they go to work there and work hard. You can not bring them all. You can not save them all. They can not till the fields while on the move. Starvation exists elsewhere in the world. In China deaths from famine are occurring by thousands. This very month there are appeals in our papers everywhere for contributions to save people in whole districts of China. We can not bring them here to save them; neither can we bring the people of central Europe.

Here we have the United States, with 105,000,000 of people, according to this census, and according to the census of 10 years ago 13,000,000 of us were unnaturalized. Steamships are bringing a new immigration, flooding Ellis Island, jamming in as it has never been jammed before. Only last night all available space on Ellis Island was crowded with people, many sleeping on cement floors, while on vessels out in the stream awaiting a chance to get in to that island were several thousand immigrants.

If we do not suspend immigration, we must build some more Ellis Island structures or open barracks, or divert immigration from the port of New York to Philadelphia, to Savannah, and

other Atlantic ports, and at once. That is one phase of the problem.

Mr. Chairman, I shall not take time to discuss any of the arguments heretofore presented, except to indorse those which were made during the debate on the rule. Europe needs every able-bodied man. Europe must raise food. Europe has debts to pay, governments to maintain. What should be construction there will be destruction here. If the desire to flee to America continues there, none of those countries will be helped.

Let me tell you how control by passport visé has worked since extreme war precautions were relaxed and since steamships have become available. You will remember that during the war we enacted legislation for the establishment of a passport system for persons going from and coming to the United States, the passport of those coming here to be from their country, viséed by our consular officers. Technically we are still at war, and that system prevails. Believing we would come to the end of the war period, Congress passed an act extending that passport provision, as far as it applied to aliens, until March 4 next. The war period will end. The passport-extension law will expire. That law is all we have now to hold out any part of the great alien population who would move in on us; all, I say, except the literacy test and certain physical requirements.

Now, many thought that the passport-visé plan would work as a great bar; but not so. It shuts out some revolutionists; there it stops. Briefly, I can say to you that the State Department does not find it can deny visés and passports beyond the rights of the Department of Labor, the latter's rights being described in the immigration laws. The State Department finds itself now in the matter of refusing visés restricted to the clauses of our immigration laws which deal with the deportations of anarchists and similar classes.

The State Department carries in its regulations the entire act which we passed in the last day of the last session, and all aliens who are anarchists or who advocate or advise the overthrow of government are reached by refusing to visé, if our consuls can find any information on which to warrant the refusal. Beyond that what happens? The total visés granted for three quarters, ending March 31, June 30, and September 30, at 17 principal consular offices were 274,962.

The total refusals of visés at those 17 offices were 2,443.

The refusals at Athens, Greece, were 34 out of 14,644 granted; at Belfast, Ireland, 4 refused and 4,950 granted; at Dublin, 147 out of 7,522; at Glasgow, 1 refused out of 6,460; at Bucharest, Roumania, none out of 6,171; at Warsaw, Poland, none out of 24,107; at Palermo, Italy, 210 out of 34,563; at Catania, Italy, none out of 21,570; Naples, Italy, 577 out of 79,654 granted; Prague, Czechoslovakia, 85 out of 13,752; Oporto, Portugal, 12 refused and 7,993 granted.

Let me say that this emigration to the United States in the last few months from Spain and Portugal is something new. It had been many years before we had any from those countries. One of my colleagues was on a ship last week in New York Harbor which was bringing about 2,200 Spaniards, all men.

And then, in Belgrade, Jugo-Slavia, there were 238 visés refused and 7,025 granted; Rotterdam, Holland, 349 refused out of 5,819; Vigo, Spain, 33 out of 3,471; Vienna, Italy, 159 out of 815; Goteborg, Sweden, 28 out of 3,656; Rome, Italy, 566 out of 32,790.

Now, as to the money received. Remember that since July 1 we have charged a dollar for the registration and $9 for the visé. For the fiscal year ending June 30, 1920, the total sum received was $472,936 for passport visés.

For the quarter ending September 30, the last received, it was $775,472. The larger fee proved to be no bar. Estimated on the business of one year up to June 30, it was calculated that the sum to be received for the year ending June 30, 1921, would be $3,101,889, but estimated on the basis of the last quarter it would be $8,744,413. The influx is on.

I am of the opinion we will do well to look at present at the immigration stampede from the viewpoint of an editorial published in the Saturday Evening Post, October 23, 1920, one paragraph of which says:

> We are cashing in on our immigration policy—our carelessness as to whom and how many we let in, and our indifference as to where they go and what they do, once they are in. We have a tremendous job on our hands to Americanize those who are here—a generation or two of hard work ahead of us. Then what of these new hordes? Is there really any good reason for us to bring them in to help us exploit our rapidly diminishing resources, to pump out our oil reserves faster, so that we can buy more automobiles to burn more gas? To cut down the last forest to make more lumber to house more undigestible citizens? To speed up to get out more ore to smelt so that we can build more ships to bring over more men to work in the steel mills? Why not develop what is left of our country slowly, sanely, safely, and solidly?

I wish that all could read the article by Kenneth L. Roberts, entitled "The goal of central Europeans," in the Saturday Evening Post for November 6, 1920.

To those who say there is a genuine need for more labor—common labor and farm labor—let me say that the present influx bears little indication of desire, inclination, experience or fitness to meet that need. During the year ended June 30, 1920, there came to the United States 430,000 aliens of whom but 2.8 per cent—12,190—were farmers; and but 3.5 per cent—15,257—were farm laborers. Bring in two or three million such aliens if you will and farmers and other employers will still be crying for help.

The fact is, Mr. Chairman and gentlemen, the new immigration is not of the kind or quality to meet the real needs of our country. We are being made a dumping ground. We are receiving the dependents, the human wreckage of the war; not the strength and virility that once came to hew our forests, to break our virgin soil, to delve in our mines, and to toil in our factories. And worst of all they are coming in such numbers and at a time when we are unable adequately to take care of them.

Commissioner Copeland of the New York Health Service reports on December 4, 1920, as follows:

> The question of immigration is one of serious moment to the city. The great influx of aliens to our port results in the settling in the city of a considerable number of these immigrants. Our housing facilities are now seriously overcrowded and no provision is being made to take care of our normal increase, without considering these foreign hordes.

The same situation obtains everywhere. Every large city in the country is overcrowded. A congressional commission at this moment is endeavoring to point a way toward relief, but so far without success.

If the end of the immigrant flood were in sight the situation would be far less serious. But all reports agree that we have seen only the beginning. The report which the Committee on Immigration and Naturalization has submitted contains a digest of statements made by our consular officers abroad. I urge Members of the House to read it. You will note that people of every land are trying to find ways and means to escape their war-made miseries; that they are unfit for life in America, for the strain of competition in this country, or for life in the ghettos of our great cities, whither most of them will tend.

Dr. Rupert Blue, former Surgeon General of the United States Public Health Service, reports from Paris, December 3—only last Thursday—after an inspection trip, that emigration from Europe for the next few years will be limited only by the availability of shipping. Dr. Blue further says:

> If emigration is permitted soon from Germany, Hungary, and Austria, the number of potential emigrants can not be calculated.

Every citizen of the United States who has been abroad recently returns with the same statement. Ole Hanson, former mayor of Seattle, returned November 21 from a trip made for the purpose of studying the situation. Our committee asked him to come before it. He telegraphed in reply:

> Get data as to passports issued from Danzig, Prague, Warsaw, Vienna, Naples. Cable our consuls for information. Call heads of steamship companies. Your committee does not need me to convince its members of the danger to the United States. If it does, for God's sake get a new committee.

A letter dated November 14, 1920, has just been received from a prominent American journalist who has been visiting all the nations of Europe. It says:

> For heaven's sake do what you can to get some legislation which will prevent all the refugees from all Europe from pouring into America. The conditions are simply fierce in all ports of importance. Consuls are helpless. They frequently get orders to visé the passports of individuals who are clearly undesirable. There are at least half a million prospective emigrants from Poland alone. Many of them have passports already viséd. I wish you could see the crowds in front of American consulates. There isn't a single honest-to-God worker in any of them. They are all bound for the cities and will undoubtedly add to the trials and tribulations of our country. There are all sorts of Bolsheviki in the prospective emigrants. Passport sharks are reaping a fortune. Forgers and tricksters are fixing out all sorts of folks with papers. Applicants who can't get by in one place are shipped to another. Our consuls, so far as I know, are doing a noble job in holding off the gang, but they must have help and legislation which will strengthen their hands.

Mr. Chairman, this bill is designed to suspend immigration for two years, less two months considered necessary to take care of those who have started. It is hoped that during two years the committee or a select committee or a joint committee can find time to revise and rebuild from the ground up the immigration laws of the United States, which are somewhat hard to understand from the fact that they have been amended, and amended, and amended, to meet conditions as they have arisen during past years in the United States.

This bill admits travelers for business, pleasure, or curiosity for a space of six months' duration, renewable by application to the Secretary of State. That provision is in lieu of the

present line of exemptions in the present law, which runs all the way from nurses to civil engineers, but does not exempt other engineers. These exemptions have been made by arbitrarily voting up and down in the committee in past years. This measure provides visés for all those who come in here as travelers for business, pleasure, or curiosity. It lets in actual students for a designated period of study at designated institutions. This bill also admits the direct blood line of relatives of citizens of the United States on the certificate of the Secretary of Labor and waives the literacy test for those relatives.

The reason for that is this: The present law says that a father or grandfather, 55 years old or older, shall be admitted if illiterate, and children under 16. The literacy test applies to others, but when a relative arrives under such conditions the relative in this country usually finds a way to give bond to secure his admission on probation. Our new plan, then, is that those of our citizens having in the old country fathers, mothers, grandfathers, and grandmothers, or children or half-orphan grandchildren may by securing a permit in the Department of Labor here send for those relatives with a reasonable certainty that once they start for America they may come through. We want to do away with delay at Ellis Island. Of course, those who come in will come practically on the guarantee of the relative who brings them in as to his ability to support them, to provide for them in case of sickness, or insanity, or the like. All will come subject to all of the other provisions of the present law.

This bill undertakes to do a proper thing by letting those here who have first papers or who will take out first papers send for wives or husbands and dependent children of either wife or husband, a proper exemption in any attempt to suspend immigration for any length of time.

This bill permits the going and coming of citizens of Canada, New Foundland, Cuba, and Mexico, as under the present law, with the addition of a six months' stoppage, which I think if we have not already provided for in the bill can be arranged by a clause providing for a renewal. The bill undertakes to add provisions to the immigration laws, but does not break down the laws in any detail. Some little question has been raised about the conditions and provisions of this bill with respect to a gentleman's agreement which is attached to our treaty with Japan. My opinion is, my friends, that it does not interfere with it at all. It is provided that those who are here and 21 years old, citizens, either naturalized or born here, may send for certain relatives. The Japanese here have that privilege now under the present laws in certain cases, and in other cases we have estimated that the number who would reach the age of 21 years in the next two years, either here or in Hawaii, would be very small.

The CHAIRMAN. The gentleman has consumed 20 minutes.

Mr. MILLER. Mr. Chairman, will the gentleman yield for a short question?

Mr. JOHNSON of Washington. Yes.

Mr. MILLER. We have now what is known as the Chinese exclusion act. That remains in force, does it?

Mr. JOHNSON of Washington. This does not change that in any respect whatever. The last section safeguards Chinese exclusion.

Mr. ROWE. Does this bill permit the entry of household servants?

Mr. JOHNSON of Washington. I will answer that question and also explain the skilled-labor clause. A Member reading the bill hastily might think that this bill specifically lets in skilled labor. The clause carries only the present law, to the effect that if skilled labor can not be found in the United States—as, for example, a diamond cutter—he may be brought here. The law also provides that Americans going abroad may contract to bring back with them a nurse or a cook, and the provision in this bill in regard to servants is to continue that exemption.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield for a question?

Mr. JOHNSON of Washington. Yes.

Mr. HUDSPETH. I understand there is a provision under which you can bring in laborers from Canada and Newfoundland and Cuba and Mexico for six months?

Mr. JOHNSON of Washington. Yes; subject to the literacy test. We do not undertake to change present law on that. If the Secretary of Labor had the right in years past to lift the head tax, he has still the right now.

Mr. HUDSPETH. Is it the gentleman's construction that he has that right?

Mr. JOHNSON of Washington. No; I do not think he has, and I do not think he ever had that right.

Mr. HUDSPETH. He claims to have the right.

Mr. JOHNSON of Washington. Now, Mr. Chairman, I want to yield 15 minutes to the gentleman from Colorado [Mr. VAILE].

The CHAIRMAN. The gentleman from Washington has consumed 22 minutes and now yields 15 minutes to the gentleman from Colorado [Mr. VAILE].

Mr. VAILE. Mr. Chairman and gentlemen of the House, I want to call it to the attention of the committee that this bill is for a temporary suspension of immigration. There is a misapprehension which seems to be shared by a good many people on the outside that this is a start on a permanent policy to keep nearly everybody out. The members of the committee do not so understand it. They do think, however, that a temporary suspension of immigration is necessary now, admittedly, as an expedient made necessary by the present conditions. It is necessary in order to put our own house in order, and it is necessary in order to work out a plan covering the whole subject. Most of us have our own ideas as to what those plans should be. It is the most contentious subject in the world. It will involve more difference of views, perhaps, more difference of viewpoints advocated in the hearings before the committee, than any other subject in the world. Personally I hope the time may come when we can have adequate inspection on the other side, when we can be assured that when a newcomer comes here he will be started on his course of becoming a useful citizen of the United States and not be subject to harpies and pirates of all kinds, both of his own nationality and other nationalities; that he will be started right and be kept in the right path. To that end I myself would advocate some system of registration, by which we should know, until the newcomer becomes a citizen of the United States, who he is, and by which we may know where he is, and if after a certain time, not unreasonably long, he should not become a citizen of the United States, and should be unable or unwilling to qualify for citizenship, he should go back.

But those are plans for the future. They may not be shared by many other Members of the House. The point that is pressing upon us now is to guard what is our own, what belongs to us and our children. We should be glad if we could give freely to all the rest of the world; but if we should try to give too much, we might lose not only the power to give but the substance of the thing which we would like to give, and consequently we simply must hold back for the present. [Applause.]

This is our country. If we talk about "rights" of foreigners to come here, except as conferred by treaty, I should answer, using an old expression, "There ain't no such animal." It must be an attribute of sovereignty for us to be able to say absolutely, and without its being subject to anybody's review except that of our own conscience and treaties that we have uttered, who shall come here and on what terms and conditions he shall come. If we wanted to be so unreasonable we could say that no redheaded man should come here, and in that event no one who has red hair would have a legal right to come here in violation of such a rule. The question must be addressed to our own consciences and our own interests. So I say it is a question for us to determine, but in determining it we can refer also in our minds to what is fair to the foreigner; and among other things we want to cut down the number of unemployed which now, notwithstanding what the gentlemen of the opposition may say, is increasing, and the increase of which is largely composed of aliens. We want to cut down the amount of overcrowding, or at least not to increase it, and every member of the committee and every Member of this Congress who has visited the congested districts in our large cities knows of the overcrowding there, and knows how injurious it is not only to the people of that immediate locality but to the whole remainder of the community.

Just a few days ago—to be specific, the Friday before Congress convened—I visited a ship in New York Harbor. It was the *Providence*, out of Palermo, 14 days at sea, and 3 days in the harbor. There were 1,931 steerage passengers on that vessel. The conditions were horrible. The people were crowded, lining up for their meals, if you could say "lining up," because they were in a solid mass in a space no larger than that from the rail to the front row of seats here. It was almost impossible for anybody to get through.

We went downstairs to the sleeping quarters. The room that we got into happened to be the women's sleeping quarters, but we were not intruding upon anyone's privacy, because there is no privacy in the steerage of such a vessel. There might possibly have been room to turn around in front of the double-tiered bunks if the space had not been full of squirming children almost too weak and miserable to squall. And the stench of the whole place was enough to fairly stifle your breath. You felt that you were being crushed under an enormous weight,

merely from the odor of that place. Thank God the smell of onions to a slight extent neutralized that from the indescribably filthy latrines, but the floor was frightfully dirty. And yet women were sitting there and trying to feed their children.

That vessel had been in that harbor three days, and would be there two days more, and the reason why it was there at that time was because it was not possible to take those immigrants at the island, and there were four other vessels in the harbor in the same condition, and at the island there were 2,020 people who were being temporarily detained, because they were rejected and had to go back, or because they could not yet comply with our regulations in time to let them be released immediately.

I asked the commissioner to send me a memorandum of the detained rejected cases on board the *Providence*, and I got his statement this morning.

The total number of steerage passengers was 1,931.

Held for special inquiry, 267.

Temporarily detained, 364. Of course a great many of those will be admitted later.

Sent to hospitals, 47.

Stowaways, 9.

Total, 687.

Here are some interesting figures:

Number having no money, 319.

Number having less than $5, 196.

Number having less than $10, 198.

Number having less than $20, 425.

Or a total of 1,138 who had less than $20, or more than half of the total number of steerage passengers on that vessel.

Incidentally let me call your attention to the fact that our present immigration laws do not require any specific amount to be in possession of the incomer. He is supposed to have enough so that he will not become a public charge. In Canada he has to have $50 on his person when he gets there, and I have read in the newspapers that by an order in council in Canada that amount has just been increased to $250.

Now, one of the beneficial results from a temporary suspension of immigration will be that it will avoid the misguiding and mistreatment of new arrivals. Commissioner Wallis, at Ellis Island, tells me that the other day they had 34 taxicab drivers under surveillance for supposed imposition upon newly arrived immigrants, and they cited one case where, a man being advised that the fare to a certain place in town would be 40 cents, he produced three $10 gold pieces and asked if that would be enough.

Incidentally, I want to pause here to pay to Commissioner Wallis a very small part of the tribute of gratitude which he has abundantly earned both from the American people and from those who we hope may later become Americans. If they qualify themselves for that privilege, their first hours at Ellis Island will have given them a little insight into the combined justice and humanity which we want the world to think is a part of our Republic. By contrast to one of his predecessors who spent most of his time in writing books about "uplifting" and in helping those of the immigrants who were unfriendly to our system, Mr. Wallis does the actual uplifting and is primarily interested in the immigrants who are likely to become the same kind of 100 per cent American that he is himself. He believes, as I do, that many of them can become that kind of American, even without the generations of American ancestry which he himself has behind him. He knows, as we all do, that some of them will never become American and will strive to destroy all that the word means to us.

Last December the chairman of this committee and other members of the committee went down New York Harbor to see safely on board the *Buford* 249 people who were deported to Europe under the provision of our law. Among those was a very bright boy by the name of Bukhanob. He was 17 years old, and for two years he had been a teacher of anarchy among the foreign-born children in New York. We hope that by this temporary suspension of immigration we will avoid the possibility of the children and young people coming fresh from Europe, with their minds open to any impression that they may receive here, especially from their own countrymen, falling into the hands of boy or men teachers like Bukhanob. We want to start to build our fence on the other side to keep out such teachers of destruction.

A few years ago we had an industrial war in my own State. We had a tent colony composed partly of people who were moved out of houses owned by the company because they were on strike, but largely filled with the male members of their families, and these were in armed rebellion against the authority of the State and were firing upon the State troops. There were 19 different languages spoken in that little tent colony. Among the men killed in conflict with the troops of the State there were many upon whose bodies were found papers showing that they had recently come from the Balkans, who had been soldiers in the wars of eastern Europe, doubtless imported for the purpose of taking part in those industrial disturbances.

How much more time have I, Mr. Chairman?

The CHAIRMAN. The gentleman has four minutes remaining.

Mr. VAILE. Gentlemen of the committee, in those four minutes I will not try to make an argument. I want just briefly to recall to your minds a picture with which you have already familiarized yourselves in a thousand different ways. The other day I saw a lady in New York. She is a very dependable sort of a lady. She is broad of shoulder and deep of chest. She stands there holding in her hand, you might say, a night light. In her left hand is a tablet. You might well compare her to a nurse. She has the strong back of nurses that I have seen in my own home. She is the nurse for the ideals of liberty, progress, and constitutional government for our people. [Applause.]

Several hundred years ago my ancestors bumped up against Plymouth Rock. The family have mostly moved West, but I have two relatives, two old ladies, who still live in Massachusetts on a farm which has been in the family for over 200 years. They have a foreman, a very capable man, by the name of Ginsidio. Most of the people in the neighborhood have similar names. There are lots of people in my town with similar names, and mostly they are good people and good neighbors.

You go through Indiana and Ohio and you see where enormous forests have been cut down by the white man developing the country, very wastefully, to be sure. We might well take lessons from other countries where they do not allow such waste. But our middle country is now full of cities with schools and churches and factories, enormous industries which developed the natural resources of the country at a time when it was still permitted to develop them.

Go on across through Iowa and Nebraska, where they are farming thousands of acres with tractors. A little farther on in my country our American pioneers discovered the golden heart of the mountains and brought water to irrigate vast areas, brought it sometimes clear across a watershed by vast engineering works; go across the desert and let me take you out to San Francisco Bay, where some members of the committee were last summer, and you will see the genius of the men of our race in reclaiming the islands in that great delta of the San Joaquin. Some islands contain 6,000 acres. They are being reclaimed by great dredges costing half a million dollars apiece, which scoop up 2 cubic yards of earth in a minute and a fraction, making of it a dike along the sides of the islands. That is all done by the men of our race, and while they have been doing it they have everywhere established American institutions and American homes. Step inside those islands and you will see there a very industrious, remarkable, wonderful people, putting little newspaper umbrellas over each tender plant. You there have a picture of our race devoted to certain ideas, accustomed to a certain mode of progress, working those ideas out on a tremendous scale. Other races come in who are intensive workers. We admire them. We applaud their thrift and industry, and we could well afford to take some lessons from them. But that does not mean that we should give them our country.

Now, go on up the coast and you will see a great white peak arising apparently out of the sea. The Indians have a name for that peak; they call it Tacoma, the great nourishing breast. Between the noble nurse with her calm brow, her night light, and her tablet, standing at our eastern door, and that great nourishing breast is the cradle of liberty under the law of equal rights guaranteed by representative government. That cradle, the hope of the world, is the God-blessed United States of America. It is our sacred trust to protect it. [Applause.]

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. JOHNSON of Washington. Mr. Chairman, I yield 15 minutes to the gentleman from Louisiana [Mr. WILSON].

Mr. WILSON of Louisiana. Mr. Chairman, the flood of immigration into this country from practically every nation of Europe presents a problem demanding the thoughtful and earnest consideration of every American citizen. With the multitude of great issues crowding here for solution, a proper settlement of the immigration question is rated as a matter of the first importance for the consideration of this Congress and some kind of effective action without further delay is deemed imperative.

For more than two years the question of limiting or suspending immigration has been widely discussed, bills have been introduced, hearings held before the Committee on Immigration, and various measures reported to the House, but no definite action has resulted except the extension of the provisions of the wartime passport regulations.

For the first year and one-half after the close of the World War public sentiment very properly demanded the apprehension and deportation of certain classes of aliens then in this country. These may be classified substantially as follows:

1. Enemy aliens who had been actively against our Government in the prosecution of the war and who had aided and assisted its enemies.

2. Those aliens who were advocating and teaching the overthrow of the Government of the United States and those who were members of organizations teaching and advocating the overthrow of this Government by force or violence.

3. Those aliens who having taken out their first citizenship papers avoided the draft by claiming exemption on account of their alienage and thereby refusing to defend the flag under whose protection they had come, remaining at home and taking the jobs of genuine Americans who were fighting for their freedom.

As to the first two classes Congress discharged its duty by providing the necessary legislation. Adequate laws were enacted providing for the apprehension and deportation of such aliens, but these laws were administered in such a way that the intent of Congress was avoided rather than executed. Consequently, while a goodly number has been deported, there still remain in this country thousands who have advocated and still teach and advocate the destruction of our form of government. The organizations and associations teaching the overthrow by force or violence of the established Government of this country are still intact with increasing membership. They are opposed to the fundamental principles upon which our institutions rest. In my judgment their ranks will be materially augmented if the present indiscriminate influx from foreign countries continues.

This phase of the question still demands continued vigilance and vigorous action. It opens up a fine field for demonstration work for those who really believe in the doctrine of America first. It also furnishes sufficient reasons for early action by Congress in a comprehensive way upon the whole immigration and naturalization question. These destructive and revolutionary organizations, such as the I. W. W., the Union of Russian Workers, the Communist Party, the International Left Wing Socialists, and other like and allied associations, 90 per cent of whose membership is alien, have been and are now putting forth, secretly and otherwise, the most insidious propaganda and teaching the most dangerous doctrines ever known to the people of this country. They are also in a combined effort to increase their numbers and recruit their ranks from European countries where such doctrines are common, and perhaps to some extent excusable, because of conditions existing there, but there is no justification or basis for such theories in this country.

The average American citizen rarely takes the time to consider, or has the opportunity to investigate, the real force and meaning of the teachings to which I have referred and by which it is sought to undermine and destroy the structure of his Government. The plan and process by which these teachings, doctrines, and propaganda are finally to be put into operation are as follows:

1. The capture of all products and means and sources of production.

2. The blowing up of all barracks.

3. The murder of law-enforcing officials.

4. The burning of all public records identifying private ownership of property.

5. The destruction of all boundary lines and fences indicating and identifying private property.

6. The destruction of all instruments of indebtedness.

Now, it is very plain that any man or organization that believes in or teaches such doctrines or advocates such processes of carrying them into effect is opposed to the institution of the State as we understand it, and is planning the overturn of the Government of the United States.

Among the basic principles upon which our Government was founded and upon which it rests are the guaranties of personal and property rights. The American citizen is made secure in the ownership and enjoyment of his property, honestly acquired, whether that ownership embraces a mansion or the humblest cottage in the land. It matters not whether his possessions be great or small, behind his title with all the rights and privileges emanating therefrom stands the force and power of his Government. This is the force that makes his title good and his enjoyment secure. To put into operation the revolutionary theories outlined, all these rights and guaranties must be destroyed, and this can be only by the wrecking of the Government and destruction of the Constitution.

This doctrine is so revolting to the average citizen of this country that when once brought specifically to his attention with its appalling effects it meets with instant condemnation—the American workingman has condemned it and the old-time American socialist has repudiated it. Yet the propaganda continues, and if current reports are true, secret votes have been taken by these organizations here to determine whether or not the United States should join Russia by setting up soviet rule in America.

Measured by our standards a soviet or bolshevist government is founded on lawlessness and exists in violation of those principles and conditions that make orderly civilization possible.

A recent statement of the municipal civil-service commissioner of the city of New York as appearing in the New York Times of November 20, 1920, is as follows:

> Clandestine societies have been organized to seek to mold the plastic minds of children in the hope that destructive ideals will be implanted so that when every effort of this generation has failed to cause any revolution in this country another generation will be schooled to become active in the same cause. Two Yorkville societies have gone to the point of hiring buses to take school children up and down Fifth Avenue pointing out mansions and churches coveted by these propagandists for public use under soviet rule. He declared that every effort was made on these trips to fill the minds of the children with the thought that with the coming of the communist or soviet revolution these places would be set aside for their pleasure and enjoyment, and that it was only necessary to join the movement to overturn the American Government to have joys never known by them before. Boy orators on bolshevism have been trained to make soap-box speeches on school grounds, and there attempt to sway the minds of young hearers toward revolution instead of toward emulation of historic figures in the annals of this country.

When I say that aliens who come to this country and segregate themselves in organizations to forward any such propaganda as this are a menace to America, I am sure that I voice the sentiment of every true American, whether of native or foreign birth or parentage, and also of every immigrant who has come here with the honest purpose of becoming an American citizen. When a foreigner comes to this country he is not supposed to bring any new ideas about how this Government should be conducted, and it is not his province on landing to point out what in his estimation constitute the errors of its founders or to unfurl any new flags.

Something must be done to protect America and to preserve its institutions; to retain it as a land of equal opportunity with its guaranties of personal and property rights, free speech, free press, and religious liberty. Such action on our part should not and would not be actuated by feelings of antagonism toward any country in the world or its inhabitants. It could not be construed as any lack of interest or sympathy with impoverished, distressed, or oppressed peoples anywhere. The action is demanded on the grounds of national security and protection. I quote from a recent report of the grand jury of Kings County, New York:

> Unless steps are quickly taken to prevent the admission of these millions which wish to come, although hostile to our institutions, we are liable to be submerged by elements who have no devotion to the great ideals of human liberty, have no regard for justice, nor respect for the sacredness of human life. America would then cease to be a beacon light to lead the nations to the complete establishment of democracy.
>
> The stream of our national life can not rise higher than its source. To permit any further pollution of this stream is to jeopardize our national existence. To allow any further admixture of races in our midst is to intensify both our foreign as well as our domestic problems. It will foster disunion instead of promoting union. Instead of continuing as a Nation of high ideals, we shall degenerate into a mere medley of races, a hodgepodge of nationalities.
>
> We therefore earnestly request the Congress of the United States to enact such legislation as will prohibit the immigration into the country of all who can not read and write English, and who do not possess an intelligent understanding of the fundamental ideas of human liberty.

It is imperative that we should now make possible an opportunity of investigating conditions at home; to take stock of what we have in the way of unassimilated foreign elements and also in relation to those who can not be assimilated or adjusted to American ideals and made fit subjects for American citizenship. In order to do this it is necessary to suspend immigration, with very few exceptions, for some definite period. Two years, being the life of the incoming Congress, appears reasonable in view of the fact that it gives opportunity for comprehensive legislation. This bill provides such a suspension and contains exceptions whereby relatives of American citizens in foreign countries may come to the United States. This is in recognition of the immigrant who has become an American citizen.

Immigrants are landing at Ellis Island at the rate of from three to five thousand per day. To this point comes about 87

per cent of our immigrants. According to the lowest estimates, from a million and one-half to two million will be admitted in the next 12 months. The volume is limited only by transportation facilities and steamship capacity.

All available space has been contracted for months ahead, and it is stated upon the best authority that the steamship companies operating between New York and European points could contract their full capacity at this time for 10 years ahead.

It is estimated that there are now ready to come as soon as conditions permit, from Austria and Germany, 10,000,000; from Italy, 5,000,000; from Russia, 10,000,000; from Poland, 1,000,000 (recently 311,000 applications for passports were made in one day by Poles); from Spain and other countries, 5,000,000. No one has expected much immigration from Spain, yet on November 29, 1920, 2,063 Spanish immigrants were on Ellis Island. It is useless for anyone to endeavor to minimize the danger and complications arising from this unprecedented influx of immigrants. It simply amounts to unrestricted and indiscriminate dumping into this country of people of every character and description from all the nations of Europe. Demoralized, discontented, and restless Europe simply seeks to move over to America.

It is impossible to assimilate and Americanize this conglomerate mass in such huge proportions. Unfortunately, a sentiment has grown up in Europe that to receive with open arms and provide for her teeming and distressed population is the duty of America. Hence many of them come here demanding rather than requesting. A large percentage of this immigration has no thought of coming into American citizenship, has no idea or estimate as to the character of our institutions. The controlling motive and object sought is to escape burdens and avoid the deplorable conditions existing in their own countries.

Unless the tide is checked and some greater restrictions placed upon immigration the flow from overpopulated and economically impoverished countries will continue until there is no longer any inducement in the United States as against the home country. That is to say, until our density of population and economic condition approximates that of the country whose standard is lowest.

The security of our institutions, the preservation of our ideals, the protection and welfare of our people—all Americans, whether native born or naturalized—demand that we should avoid assuming a burden that must eventually force such conditions in this country. The American standard of living for every class, calling, business, or occupation is to-day the highest in all the world. The Congress should act promptly and effectively for the maintenance and continuation of this standard.

Mr. KNUTSON. Mr. Chairman, I yield half a minute to the gentleman from Texas.

Mr. BLANTON. Mr. Chairman, in my remarks this morning I referred to the importations of farm products. I ask unanimous consent to extend my remarks by incorporating some figures that I have lately received from the United States Tariff Commission on farm-products importation.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD in the manner stated. Is there objection?

There was no objection.

Mr. SABATH. Mr. Chairman, I ask unanimous consent to extend my remarks that I made earlier in the day.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. SIEGEL. Mr. Chairman, I make the same request.

Mr. RAKER. I make the same request.

The CHAIRMAN. Is there objection to the request of the gentleman from New York and the gentleman from California?

There was no objection.

Mr. SABATH. Mr. Chairman, I yield one hour to the gentleman from New York. Under the rule, as I understand, I have control of two hours against the bill. I yield one hour of the two to the gentleman from New York, believing that he will have the right to yield some of that time to gentlemen on the other side who are opposed to the bill.

Mr. SIEGEL. Mr. Chairman, I wish the Chair would call my attention to the fact when I have occupied 20 minutes. Mr. Chairman, the great trouble is not with the present immigration law. The more we tinker with it, instead of endeavoring to have the law administered properly as it is, the more certain we are to fail to remedy any abuses which exist.

I take it that every man in this House does not want a single person to enter the United States who, after coming here to remain permanently, is not going to become an American citizen. When the gentleman from Ohio [Mr. FESS] referred to the necessity of Americanizing those who are Americans by nativity or adoption, I think he touched the crux of the whole question. I believe he is in error, however, regarding crimes in New York, as the New York Times of to-day's date gives the figures for the last six years as follows:

Crimes reported—11 months.

	1920	1919	1918	1917	1916	1915
Murder	190	234	223	236	186	222
Felonious assault	2,587	2,537	2,334	2,591	3,466	3,233
Assault and robbery	1,007	1,133	849	864	886	849
Burglary	6,830	7,398	7,412	9,450	9,893	11,611
Total	10,614	11,292	10,838	13,141	14,431	15,885

This shows quite a decrease. Per 100,000, during 1919, the homicide rate was as follows:

Memphis, Tenn	55.9
Savannah, Ga	42.0
Atlanta, Ga	40.8
Charleston, S. C	30.8
Nashville, Tenn	24.7
New Orleans, La	23.3
St. Louis, Mo	16.5
Washington, D. C	14.8
Louisville, Ky	14.1
San Francisco, Calif	12.0
Chicago, Ill	11.6
Cleveland, Ohio	11.1
Seattle, Wash	10.7
Los Angeles, Calif	9.5
Indianapolis, Ind	9.1
Pittsburgh, Pa	8.9
Baltimore, Md	8.0
Cincinnati, Ohio	7.5
Newark, N. J	6.4
Philadelphia, Pa	6.2
Hartford, Conn	6.0
Boston, Mass	5.7
Providence, R. I	5.6
Minneapolis, Minn	5.4
New York, N. Y	5.0
Buffalo, N. Y	5.0
Spokane, Wash	4.8
Rochester, N. Y	4.5
Reading, Pa	4.4
Dayton, Ohio	2.7
Milwaukee, Wis	2.5

I have given these statistics because they demonstrate beyond description that crime is no less in cities where most of the population is native born. If we take Washington we can see at a glance that such is the fact. Washington has 435,000 residents, yet 53,000 were arrested last year.

I have repeatedly called the attention of the House to the fact that the only way to handle the immigration and naturalization problem is to administer the law and provide sufficient machinery to do it. I was up along the Canadian border 10 days ago and I found 76 points of entry into the United States, and although under our law two doctors are supposed to examine every person, we only had 23 doctors along the whole border to attend to that great work. At Quebec there was coming into the United States 700 immigrants from Italy and other places, yet there was only 1 doctor there to perform the task of examination.

Mr. SABATH. Will the gentleman yield?

Mr. SIEGEL. Certainly.

Mr. SABATH. Is not that due to the fact that the House has refused to appropriate a sufficient amount of money for that purpose?

Mr. SIEGEL. I know that is responsible for it. I admit that up to date we have apparently been interested more in seeing how much money we could obtain as a head tax than to remedy abuses. We have collected $11,000,000 during the last nine years, but we have failed to appropriate a sufficient amount to pay inspectors a living wage and to provide sufficient doctors to carry out the law.

I have been over to Ellis Island any number of times. I have noticed these conditions. A year ago last November I urged the passage of a resolution by which the Committee on Immigration could look things over. I think the House will bear witness to the fact that I have repeatedly urged proper appropriations, going before our Committee on Appropriations, and I have urged sufficient naturalization machinery. I repeat now that you never will be able to say that you have performed your full duty until you provide sufficient naturalization machinery in the shape of clerks and judges deeply interested in that important work. Eight hundred thousand dollars above all of the appropriations into the Treasury of the United States is the profit we have received from naturalizing aliens.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. SIEGEL. I do.

Mr. RAKER. Speaking of naturalization, if this bill goes through, as it will, that will give time for the committee to go

into all these questions of naturalization, so that the evils now existing might be remedied.

Mr. SIEGEL. I have heard that for five years and a half since I have been on the committee. We have put it off during the entire time, not because we have been neglectful but practically powerless. The reason why is that we do not have the power to make appropriations. If our committee had the power to make appropriations, we would have acted long ago and provided a contented and sufficient administration force, not only for the immigration but of the naturalization laws as well.

Mr. Chairman, I am not going to enter into a long discussion of the question of immigration in general. Even under this drastic bill you recognize that you can not have complete suspension of immigration, and yet what are you trying to do? You are saying to the Secretary of Labor, "You must determine in each particular instance who is to come into the United States." A man may have become a citizen of the United States. Some judges admit men to citizenship while their wives are yet on the other side, and yet through error or otherwise no provision has been made in this bill by which a man could send for his wife. No provision is in the bill, although a man be a citizen, under which he can send for a younger brother or sister who happens to be on the other side. The war came along and many men who were here, and aliens, fought for Uncle Sam. They donned the uniform and they were allowed to become citizens under our laws. Under this bill such men can not send for younger brothers or sisters, no matter what the urgent reason for it or what the age of the brother or sister might be. I might at this time call the attention of the House to the fact that 213,000 men, aliens, who could have claimed exemption, entered the Army. We made them citizens, yet you say they can not send for a brother or a sister under any conditions.

Mr. LARSEN. Mr. Chairman, will the gentleman yield?

Mr. SIEGEL. Yes.

Mr. LARSEN. Is the gentleman contemplating offering any amendment along that line?

Mr. SIEGEL. Yes; I expect to offer amendments along that line. A declarant is still further circumscribed under this bill, no matter how loyal he might have been. There are courts that still take the view that as long as you are simply a declarant you will not be admitted to citizenship while your wife and children are on the other side. The man might want to send for his wife and children and at the same time bring her widowed mother along, who is perhaps 60 or 65 years old. He can not do it under this bill. The mother-in-law might have taken care of the children and death may have removed the mother, but no exception is made.

I was at Ellis Island a few weeks ago with one of my colleagues, Mr. GOULD, and we saw an old woman 78 years of age, a grandmother, bringing over three tots, 3, 6, and 9 years of age, whose mother and father had been killed in Poland, and who had no relatives here of direct blood. This old lady's sister, who is pretty well to do, living in Cincinnati, was sending for them. If this bill had been on the statute books that could not have been done. We saw them at Ellis Island waiting in what is called the railroad room, and many people were touched by the scene. A friend of a United States Senator, who was along with us, a colonel, was very much impressed by the pitiful sight. Yet under this bill, if it had been a law, you could not have brought them in. Under this bill you would not have allowed and you will not be able to allow Mrs. McSwiney to come in from Ireland, to remain in this country permanently, because she has no one here who is a relative.

Mr. JOHNSON of Washington. Can not Mrs. McSwiney stay here for six months under this bill?

Mr. SIEGEL. If she wanted to, but if she wanted to stay here permanently, if this bill goes into effect, she could not do it, because she has no father or mother here.

Mr. SWOPE. How does the gentleman know?

Mr. SIEGEL. Oh, I know that to be a fact. I have a letter which was sent to me by a newspaper man on the Baltimore American, who has a little niece in Ireland. He is a good citizen and held in high esteem. In the letters he described conditions in Belfast. Under this bill he could not bring this neice from Ireland to the United States. The conditions there are such that she desires to get away from them, and she appeals to him to help her to come over here. If this bill should go into effect this girl, under 21 years of age, would not be able to come over.

It can be readily seen how, with the best of intentions, gross, inhuman injustice will be done by the bill. You have proceeded further. You are giving the Secretary of Labor power to determine, even though the applicant here is a citizen, whether any of these relatives shall come over, namely, a wife, a grandson, or any of these others alluded to, except brothers and sisters. You know that the Secretary of Labor will not pass upon the application, but that some clerk up at the Department of Labor will be passing on that proposition, which will have to affect the very future of numerous families.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. SIEGEL. Yes.

Mr. RAKER. I notice in the gentleman's minority views that he claims that the Secretary of Labor had discretion as to who should be admitted and who should not.

Mr. SIEGEL. Yes.

Mr. RAKER. The gentleman means by that only those that come under the excepted class?

Mr. SIEGEL. That is correct.

Mr. RAKER. Even though it be a wife or a married daughter or a widowed daughter, a parent or a grandparent, if they be Bolsheviki through and through and would not make good citizens, does not the gentleman think some official ought to have discretion to say whether or not they should come in?

Mr. SIEGEL. Does that constitute a question?

Mr. RAKER. Yes.

Mr. SIEGEL. The answer to that is as follows: You have already on the statute books a law to keep them out. At the present time you are relying upon your consuls on the other side to obtain that information. If they can not get the information how is the Secretary of Labor in Washington going to get the information with his office in Washington?

That is a question you can not answer and no other man can possibly answer. It is going to be a clerk up there who is going to administer it. I will say this to you also. In your excepted class, I believe through an error, you fail to provide that a clergyman duly ordained or a minister duly ordained or a rabbi duly ordained should be permitted to come in to reside here permanently. I believe it is simply an omission, and I am quite sure the committee will be satisfied to add that as one of their provisions. I think there is no question about that. A few moments ago there were three ministers talking to me over the telephone asking me about it.

Mr. JOHNSON of Washington. They wanted to come in as students. They are privileged to stay in six months.

Mr. SIEGEL. I am referring to those duly ordained priests, for instance, coming here, or rabbis coming here, or ministers coming here, permanently to remain here. Under the provisions of this bill, they could not. It is evidently an omission. I do not think it was done purposely. I am simply pointing out some of the provisions which have been left out of the bill which would never have been overlooked in the event there had not been so much haste. Now, I was on board the *New Amsterdam*, and with all due respect to the majority report, I think my friends on the committee will have to agree that the children they met there and spoke to were very intelligent boys and girls. I will only cite one example. We asked an 11-year old tot what was going on in Vienna, and his answer was that they were dying of starvation. That was an answer of an 11-year old youngster. It is regrettable, as I said before, that allusion was made to those coming in this particular ship. Anything wrong among those children? Not a bit of it. They are not boys of the type of "Tommy" coming over here and shipped away on the *Buford*. Tommy was not of the class to which reference was made of those coming on the *New Amsterdam* or *New Rochelle*. Tommy belonged to a different faith altogether. Tommy had learned all about anarchy, I regret to say, as one of his uncles claimed he learned it from some of the books obtained in the public library printed in the Russian language. He had come from Poland, and he remarked that he had learned it in that fashion. It is no wonder. His uncle had come from Russia or Poland and his uncle did not belong to the particular church to which he was attached, and his uncle had led him on. Yet we all know that his place of birth is not responsible for his views.

Those children we saw on the *New Amsterdam* were like the children that this committee saw in the public schools in my congressional district. How delighted and happy the members of the committee were at the time that they met those children. When my friend from California [Mr. RAKER] took those girls and told them what grand, beautiful, and ideal children they were he was telling truthfully how he felt about them. Yet in this report allusion is made to the fact that they are not assimilable. There are the two things to remember, one, when you met those children and in their presence made them think they were good Americans and sang their praises in the public schools, and, the other, it was the fathers and brothers of those children who helped to make up the 465,000 men which the State of New York gave to the Army and Navy. It was those children's brothers and relatives who made up the Lost Battalion of

New York that the country admired for bravery and heroism, and no report of this committee or any other committee can take that away from them; it is written indelibly in the pages of history.

Mr. RAKER. Will the gentleman yield?

Mr. SIEGEL. Certainly.

Mr. RAKER. What the gentleman says in regard to the visit to New York and the seeing of the young men and young women is correct; that they were the best class of young men and young women who will make good citizens and of which we are proud. But we have got a case of congestion and dyspepsia that we want to work off of this country. This country is overloaded at the present time, and it can not even provide homes and places for those who are——

Mr. SABATH. That is a rather long question.

Mr. SIEGEL. It is a rather long question, but I am going to answer it. If you had enforced the laws of the United States under your own Attorney General against combinations in building trades the increase of the price of material to three hundred and odd per cent we would not have been short of buildings in any city of the United States. [Applause on the Republican side.] That is my answer to the gentleman.

Mr. SABATH. Have not you a district attorney of the State of New York?

Mr. SIEGEL. We have a United States district attorney, and a very fine and able lawyer, but he said he could not proceed until he got orders from your own Attorney General. That combination is not a State combination. It is a combination that reaches all the way to Chicago and Seattle. [Applause.] At last, when the United States Attorney General did not act, we acted. We are indicting them right and left, and those we are indicting are Americans, and not of one generation either, but of several generations back. At this very moment we are starting other prosecutions, and we are going to ship them to State prison if the Federal Government does not send them to Atlanta. We have taken up the burden and we will carry it through. I know all about it, because I helped bring about the present exposure in New York. Now, I want to say this also: There has been some talk here in regard to the increasing numbers coming here. I will admit it. There are those who have lived here and gone over to the other side for the purpose of bringing over these women and children who could not come here while the war was on. They went to bring their nearest and dearest. We have always believed in united families. That is the best type of citizenship. Now, why blow hot and blow cold and say at one time we would rather have the immigrant come with his family and children and then when he is here and is prevented from sending for them while the war is on turn around and cut him off from doing it. I do not know of a single newspaper editorial that you can find which supports this bill. Not a single New York paper editorially is in favor of this bill, because instead of Congress saying who is desirable to come into the United States, it is putting it up to the Secretary of Labor. He in turn will put it up to some clerk to determine it.

Some of these consuls abroad have been dined and wined by the people of the country to which they have been accredited, and they love to be persona grata with those with whom they have to come into contact—because I have seen them on the other side—and it is only natural for them to take sides against the poor and downtrodden individual who desires to go to America to make good. I speak from experience and from personal contact, because when I was abroad two years ago, when the war was on, I came in contact with some of the men and I know their viewpoint and their standpoint. Here only last Sunday the New York World carried a column dispatch from Paris showing how our consuls would not protect American citizens who had proceeded to Roumania with American passports.

The CHAIRMAN. The gentleman has consumed 20 minutes.

Mr. SIEGEL. I will consume two minutes more.

I have been confirmed in my belief from boyhood up that the only manner you can Americanize America is to start with the acorns, the children in the public schools, and I am very happy to be able to say that in my part of the city of New York, taking in 27 different nationalities, that they certainly do know they have a Member in the House of Representatives who believes in helping all of them to grow up into good oaks, namely, citizens.

Mr. WILSON of Louisiana. If the gentleman will yield, I want to say as a member of the Committee on Immigration I can indorse what the gentleman says relative to the Americanization of schools in his section of the city. I found the Congressman held in the highest esteem by all. And while we were in one public school they put on a play which contained all the history of the country up to the last Great War, and it made a very fine impression upon the members of the committee. The gentleman from New York is correct in his statement as to what he is doing for Americanization in the public schools in his district.

Mr. SIEGEL. Let me say that I appreciate the gentleman's fine words of commendation for the public schools of New York. The teachers deserve that praise, I can assure you.

I am more than convinced that the future of this country depends on having the native as well as the foreign born children in our public schools realize that with citizenship comes the obligation to give the Nation something in return, not only in the hour of need but at all times. We should be able to say that each one could respond, Open my heart and you shall see graven upon it "America." For that reason, I say, it is not a question of suspended immigration at all. It is a question of naturalization and Americanization. This bill will not accomplish it. It is crude and ineffective.

The CHAIRMAN. The gentleman has consumed two additional minutes.

Mr. SIEGEL. I will take one more minute.

Now, suspending immigration, so called, for two years is not going to cure the abuses which I have described. You are going to be able to come back again and say people do not become naturalized. Until you turn away from merely destructive criticism to constructive action by providing sufficient judges for naturalization, the responsibility will be with Congress. Congress should not give up at any time the power which belongs to it, but determine itself who should come into America and never delegate those powers. [Applause.]

Let us remember at all times and places the words of Wendell Phillips, that—

> There is no room for race or religious hatred in this blessed Republic.

With that in mind, let us legislate for the best interests of our country, never shutting our eyes, ears, and minds to the cry of suffering humanity, but trying to act justly and fairly at all times.

Mr. JOHNSON of Washington. Mr. Chairman, I yield to the gentleman from Arizona [Mr. HAYDEN].

Mr. HAYDEN. Mr. Chairman, I am in hearty accord with the general purpose of this bill. There are now entirely too many aliens in the United States who have not or will not become Americanized and are therefore a menace to our institutions. It is time to call at least a temporary halt to immigration so that better means may be found to instruct those who are already here in the essentials of good citizenship. Those who will not accept the instruction should be deported. The people already occupying any country have the undisputed right to say whether people from other lands shall share its opportunities with them. It follows therefore that no foreigner has any rights in or to America except those that we choose to give him. If there is serious unemployment of labor in many trades and occupations, can there be any good reason why laborers from foreign lands should not be prevented from coming here to further glut the labor market? Does this generation of Americans hold in trust the natural resources of our common country for the benefit of their own children or chiefly in behalf of the descendants of aliens? Such questions may suggest racial and national selfishness, but it is only by giving thought to the future that we can assure a fair field of endeavor and an unspoiled country to the Americans who will follow after us.

The fact that this measure merely proposes to dam the flood of immigration for two years shows that further legislation must be enacted. Let us hope that this breathing spell will be ample in which to devise a plan which will not only rigidly limit the volume of immigration but also enable us to select the kind of immigrants who can be most readily assimilated. The disloyalty of many aliens during the war and the startling disclosure of ignorance of both our language and our institutions among the foreign born called in the selective draft have aroused the American people to the necessity for a closer scrutiny of those who would come from abroad to live permanently among us. The pending bill meets an insistent and well-founded demand for immediate action, and its prompt passage is therefore fully justified.

In only one particular do I disagree with the conclusions reached by the Committee on Immigration. In my opinion they have not clearly drawn the distinction between the temporary admission of seasonal agricultural laborers and those who desire to permanently remain in the United States and engage in every kind and character of occupation. Certainly it ought not to be difficult to see that one who remains in this country for a few months each year to assist in harvesting the crops should be given a different status than another who wants to stay here indefinitely and enjoy all the rights and privileges of an American citizen. In section 7 of the bill the committee

recognized that an exception should be made in behalf of aliens from Canada, Newfoundland, Cuba, and Mexico, but the recognition granted is so limited in its scope that but few residents of those countries can take advantage of the privilege. The section reads as follows:

SEC. 7. During the period of suspension provided for in section 2 otherwise admissible aliens who have resided continuously in the Dominion of Canada, Newfoundland, the Republic of Cuba, or the Republic of Mexico for at least one year, and who are not persons of the classes hereinbefore exempted, may be temporarily admitted, for a period not exceeding six months, from such countries, under such rules governing entry, inspection, temporary stay, and departure as may be prescribed by the Commissioner General of Immigration, with the approval of the Secretary of Labor.

It will be noted that only "otherwise admissible" aliens may enter. That means that each must pay the head tax and pass the illiteracy test and that the contract-labor clause of the immigration law will be enforced. The head tax is paid but once by a foreigner who comes here to stay. The Canadian or Mexican or Cuban must pay it each time he arrives, which is obviously an unfair burden to impose on a poor man seeking temporary employment. The illiteracy test is essential to determine the qualifications of a future citizen, but has nothing to do with the ability of a French-Canadian to dig potatoes during the summer in Maine or of a Mexican to pick cotton in the fall in Arizona. One will have a share in determining the course of our Government while the other neither seeks or can possibly have any influence upon our political life during his temporary sojourn. The prohibition of labor contracts makes it impossible for farmers' organizations to advance the funds necessary to recruit and transport such seasonal laborers from their homes and to insure their return when the harvest is over.

The citizens and subjects of the countries immediately adjacent to the United States have always been given a privileged status under our immigration laws. In the interest of better trade relations, if for no other reason, it is desirable that Americans shall freely enter and depart from neighboring countries, but we can not consistently ask that our citizens be granted this right and at the same time deny it to the Mexicans and Cubans and Canadians. To now impose the same drastic law upon our nearest neighbors as upon other aliens from the ends of the earth will not tend to promote the friendly intercourse which everyone knows is advantageous to all the countries concerned.

To prevent Canadian agricultural laborers from entering the United States during the harvest season can have no other result than a decreased production of potatoes in New England and of wheat in the Northwest. If the cotton growers of the Southwest can not obtain Mexican labor to assist in gathering their crops, there will be less cotton grown in that region. If as much farm labor as is actually needed be admitted and then returned to the countries from whence they came when the season is over, I fail to see where anything but a benefit is conferred upon the whole United States.

If section 7 were broadened so as to include otherwise inadmissible alien agricultural laborers, and thus obviate the payment of the head tax, eliminate the illiteracy test, and suspend the contract labor law, it would still be entirely within the discretion of the Secretary of Labor to determine whether the services of any laborers of this class were actually needed by the farmers of this country. If there was available an adequate supply of farm labor within the United States, it would be the duty of the Secretary, in keeping with the spirit of this act, to deny admission to those whose services are not needed. But if the need for their assistance for a limited period was demonstrated the Secretary of Labor could lift the bars and admit a sufficient number to supply the legitimate demand. The authority granted by section 7 is broad enough to authorize the Secretary to promulgate regulations which will insure that the aliens thus admitted shall receive the going rate of compensation for their work; that they shall be properly housed under decent and sanitary living conditions; and that they will all be promptly returned at the end of the harvest season.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. I yield to my friend from Illinois.

Mr. SABATH. Do you think that a laboring man from Mexico is better than a laboring man from any section of Europe?

Mr. HAYDEN. So far as the States of the Southwest are concerned, Mexico is the only source of supply for our agricultural labor. It is unreasonable to expect any European laborer to come here to work six months in the cotton or grain fields and then go home, but it is perfectly feasible for farm laborers from Canada and Mexico to do so, to the great relief of our farmers in the harvest season. Seasonal agricultural labor can not be imported from such a great distance as Europe.

The method which I am discussing is not an experiment, but is now in actual operation and has been since 1917. The Burnett Immigration Act went into effect on February 5 of that year, and under its terms neither illiterate nor contract laborers could be imported, and each alien must pay a head tax. On May 23, 1917, the Secretary of Labor waived these three requirements as affecting Mexican agricultural laborers, under authority granted him by the ninth provision to section 3 of the immigration act, which reads as follows:

Provided further, That the Commissioner General of Immigration, with the approval of the Secretary of Labor, shall issue rules and prescribe conditions, including exaction of such bonds as may be necessary, to control and regulate the admission and return of otherwise inadmissible aliens applying for temporary admission.

That he had a perfect legal right to issue such an order will not be denied by anyone who reads the extract from the law which I have just quoted. It therefore follows that the enactment of the pending bill as reported to the House will deprive the Secretary of Labor of the authority to temporarily admit "otherwise inadmissible" aliens, because section 7 provides that none but "otherwise admissible" aliens may be temporarily admitted.

Secretary Wilson issued the order of May 23, 1917, only after it had been demonstrated to him that there were crops of cotton and sugar beets which could not be gathered without the aid of Mexican laborers and that there was no other source from which this assistance could be obtained. Similar representations were made to him in 1918, 1919, and 1920, and in each instance he was convinced that the general welfare of the United States would be best served by granting the request. The production of Egyptian cotton in Arizona, a new industry in the United States, would have been impossible but for the timely action taken during these years by the Secretary of Labor. Mr. Wilson realized the importance of having available a supply of this cotton, which has a longer staple and greater tensile strength than any other cotton grown in the world.

The regulations issued by the Department of Labor respecting the admission of agricultural labor from Mexico contained numerous provisions to safeguard the situation. Each alien applying for admission was photographed and provided with an identification card and agreed that he was to be promptly deported if he engaged in any other than agricultural employment. The employers agreed to pay the current rate of wages for similar labor in which the aliens were engaged. I have no exact knowledge of conditions in other States, but the Secretary of Labor advises me that the Arizona Cotton Growers' Association, representing the farmers who employ Mexican laborers in my State, has kept its part of the agreement to the satisfaction of his department.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. Certainly.

Mr. WALSH. Has the gentleman any information as to how many of those people come in in the harvest season—how many are permitted under the present arrangement?

Mr. HAYDEN. I understand that last year there were about 10,000 agricultural laborers imported from Mexico. This year the number has somewhat increased, probably to 20,000. But the number is relatively small compared with the vast volume of general immigration.

Mr. WALSH. How many States do they go into?

Mr. HAYDEN. They go principally into Texas, Arizona, and southern California to work in the cotton fields. Mexicans have also been imported to assist in the handling of beet-sugar crops in Colorado, and I believe some have gone as far as Idaho.

Mr. WALSH. If it were determined that they might remain permanently, would it result in any great congestion in those States, do you think, if they could pass the other qualifications of the law?

Mr. HAYDEN. If they possessed the other qualifications of the immigration law, of course they would be entitled to remain. If they could pass the literacy test there would be no objection; but most Mexicans can not speak the English language and do not know how to read or write in Spanish.

Until the present drop in prices the production of long-staple cotton has been very profitable. Four cents a pound is the agreed price for picking, so that the Mexican laborers have been well paid. The money realized from the sale of cotton has greatly stimulated activity in building and other construction, so that there has been until recently a steady demand for American labor, both skilled and unskilled, at good wages. It is for this reason that I was told by a number of American

workingmen in Arizona that they had no objection to the temporary admission of Mexican laborers, so long as these aliens were strictly confined to agricultural pursuits. They did, however, express a decided interest in the return to Mexico of the laborers heretofore imported when their services are no longer required.

The success of any plan which permits the admission of aliens to assist in harvesting crops depends solely upon their prompt return to their homes when the season is over, for otherwise there would be nothing but a wholesale evasion of the immigration act. Of course, no one can justify such a subterfuge, which would result in the permanent addition to our population of an element which the law declares to be undesirable. It is my understanding that there has been but comparatively few desertions among the Mexicans brought in to work in the cotton fields of the Southwest, and I am satisfied that practically all of these can be sought out and deported if the field force of the Immigration Service is sufficiently increased. Whatever complaint there may be can best be met by providing an adequate number of competent and well-paid Immigration Service employees, for it is a notorious fact that such is not the case to-day.

In conclusion let me impress upon the House that the effect of the adoption of section 7 of this bill, without amendment, will destroy the Egyptian long-staple cotton industry in the United States. The production of this high-grade cotton began in a small way about six years ago, and has developed until it is now the basic crop in the irrigated valleys of Arizona and southern California. During the war, when cotton could not be obtained from Egypt, our farmers were able to produce a much-needed supply for essential industries. If it is the desire of this Congress to again compel our manufacturers to be solely dependent upon Egypt, if Congress has no concern about the prosperity of the cotton growers of the Southwest, then close the door against the importation of seasonal agricultural laborers from Mexico and such results will surely follow.

As an American anxious to promote the best interests of my country, I would not suggest changing this bill in any particular unless I was satisfied that we could do so with entire safety. However, much as my State might be temporarily benefited in a material way, I would not ask that anything be done which would degrade the high character of her citizenship or lower the standard of living to which they are accustomed. I do believe that under proper restrictions it is possible to utilize the services of our Mexican neighbors during the harvest season without accomplishing any such evil result, and am sure that a way can be found to bring it about to the mutual advantage of all concerned. [Applause.]

The CHAIRMAN. The time of the gentleman from Arizona has expired.

Mr. HAYDEN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Arizona asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Washington moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. JAMES of Michigan (at the request of Mr. KELLEY of Michigan), on account of serious illness.

To Mr. BOOHER (at the request of Mr. RUCKER), indefinitely, on account of sickness.

EXTENSION OF REMARKS.

Mr. JOHNSON of Washington. Mr. Speaker, I desire to ask unanimous consent to extend my remarks made this afternoon on the pending bill.

The SPEAKER. The gentleman from Washington asks unanimous consent to extend the remarks he made this afternoon on this bill. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] wishes to submit a unanimous-consent request.

THE RULES.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask unanimous consent at this time to make a correction in an amendment that was made to a rule in the last session of the Congress.

It was desirable to amend the rule allowing the Speaker to appoint a Speaker pro tempore for the period of more than one day. The amendment was made, but by some inadvertence the proviso in the rule as it already exists was left out.

Section 7 of Rule I formerly read:

He—

The Speaker—

shall have the right to name any Member to perform the duties of the Chair, but such substitution shall not extend beyond an adjournment.

That limited the Speaker pro tempore to one day.

Provided, however, That in case of his illness he may make such appointment for a period not exceeding 10 days—

And so forth.

Now, the amendment as made provided that section 7 of Rule I be amended so as to read:

He shall have the right to name any Member to perform the duties of the Chair, but such substitution shall not extend beyond three legislative days.

And by some inadvertence the proviso was omitted.

I ask that the proviso be retained as now in the rule.

Mr. SABATH. In view of the fact that this is a matter of great importance, and there being so few present, and believing there will be no——

Mr. CAMPBELL of Kansas. Let me say to the gentleman that I talked the matter over with the gentleman from Tennessee [Mr. GARRETT] just before he went to the committee room, and he asked me to say for him that he wanted it done.

Mr. BLANTON. A point of order, Mr. Speaker.

The SPEAKER. The Chair will state to the gentleman from Kansas that the parliamentary clerk has just called the Chair's attention to the fact that the amendment which he desires to make was actually made on motion of the gentleman from Tennessee [Mr. GARRETT].

Mr. BLANTON. That is what I was going to call attention to, that it was later rectified.

Mr. CAMPBELL of Kansas. That was my impression at the time, but the gentleman from Illinois [Mr. MANN], who to-day had an examination of the matter made, said that it had not been rectified, and he called my attention to it and called the attention of the gentleman from Tennessee [Mr. GARRETT] to it, and it was then suggested, as the Speaker knows, that it be corrected at this time.

Mr. BLANTON. The gentleman from Tennessee [Mr. GARRETT] afterwards came in and had it corrected.

Mr. CAMPBELL of Kansas. The Journal fails to show that it was corrected.

The SPEAKER. The RECORD shows that it was corrected. Does the Journal fail to show it?

Mr. CAMPBELL of Kansas. The Journal fails to show it.

Mr. BLANTON. Then let the RECORD be corrected nunc pro tunc, so as to show what actually occurred.

Mr. WALSH. You can not do that in a subsequent session of Congress.

Mr. CAMPBELL of Kansas. I doubt if the Journal could me corrected nunc pro tunc at this time.

The SPEAKER. Not after it has been printed.

Mr. RAKER. I understand this is satisfactory to the gentleman from Tennessee [Mr. GARRETT]?

Mr. CAMPBELL of Kansas. Oh, yes; the gentleman from Tennessee in conference with the gentleman from Illinois [Mr. MANN] and the Speaker and myself within the afternoon agreed that this amendment should be made, because the gentleman from Illinois stated that the Journal failed to show that the correction had been made, and this is for the purpose of making the correction, which was inadvertently omitted.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The SPEAKER. The Clerk will report the motion.

The Clerk read as follows:

Mr. CAMPBELL of Kansas moves that section 7 of Rule I be amended so as to read:

"He shall have the right to name any Member to perform the duties of the Chair, but such substitution shall not extend beyond three legislative days: *Provided, however,* That in case of his illness, he may

make such appointment for a period not exceeding 10 days, with the approval of the House at the time the same is made; and in his absence and omission to make such appointment the House shall proceed to elect a Speaker pro tempore to act during his absence."

The SPEAKER. If there be no objection, the motion will be agreed to.

There was no objection.

ADJOURNMENT.

Mr. JOHNSON of Washington. I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 56 minutes p. m.) the House adjourned until Friday, December 10, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

174. A letter from the Secretary of War, transmitting report covering the number and cost of publications issued and distributed by the Panama Canal during the fiscal year ended June 30, 1920; to the Committee on Printing.

175. A letter from the Secretary of War, transmitting reports of inspections of disbursements and transfers by officers of the Army, received in the office of the Inspector General during the past fiscal year; to the Committee on Expenditures in the War Department.

176. A letter from the Secretary of the Navy, transmitting item of suggested legislation amending the act for the establishment of marine schools and for other purposes, approved March 4, 1911; to the Committee on Naval Affairs.

177. A letter from the Secretary of the Navy, transmitting statement showing the pay and allowances for each grade of officers in the Navy, including retired officers, and for all enlisted men of the Navy during the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Navy Department.

178. A letter from the Secretary of Agriculture, transmitting detailed statement of the manner in which the appropriation "Miscellaneous expenses, Department of Agriculture, 1920," has been expended; to the Committee on Expenditures in the Department of Agriculture.

179. A letter from the Assistant Secretary of Labor, transmitting statement of number of documents received and number of documents distributed by the Department of Labor during the fiscal year 1920; to the Committee on Printing.

180. A letter from the Secretary of the Treasury, transmitting report of the Surgeon General of the Public Health Service for the fiscal year 1920; to the Committee on Interstate and Foreign Commerce.

181. A letter from the secretary of the Interstate Commerce Commission, transmitting thirty-fourth annual report of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

182. A letter from the Secretary of the Treasury, transmitting estimates of appropriation for the Boston, Mass., immigrant station; Chicago, Ill., marine hospital; Mobile, Ala., marine hospital; New York, N. Y., assay office; Sitka, Alaska, customhouse; Toledo, Ohio, post office; Wyandotte, Mich., post office; Cape Charles, Va., quarantine station; hospital construction, Public Health Service; general expenses of public buildings; operating force for public buildings (H. Doc. No. 911); to the Committee on Appropriations.

183. A letter from the Secretary of the Interior, transmitting report of the aggregate number of publications issued by the department during the fiscal year 1920; to the Committee on Printing.

184. A letter from the Secretary of the Navy, transmitting draft of requested legislation to amend the laws relating to allowances for subsistence for officers and employees of the United States while traveling on duty outside of the District of Columbia; to the Committee on Expenditures in the Navy Department.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. NOLAN, from the Committee on Patents, to which was referred the bill (H. R. 11984, with Senate amendments) to increase the force and salaries in the Patent Office, and for other purposes, reported the same without amendment, accompanied by a report (No. 1115), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MARTIN: A bill (H. R. 14848) to amend an act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913; to the Committee on Ways and Means.

Also, a bill (H. R. 14849) to amend and reenact paragraph 193 of schedule G of the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes"; to the Committee on Ways and Means.

By Mr. LAZARO: A bill (H. R. 14850) to declare Bayou Cocodrie nonnavigable from its source to its junction with Bayou Chicot; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 14851) for the relief of occupants of lands included in the Bellevue grant, in St. Landry Parish, La.; to the Committee on the Public Lands.

By Mr. EVANS of Montana: A bill (H. R. 14852) to repeal certain war-time legislation; to the Committee on the Judiciary.

Also, a bill (H. R. 14853) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. SELLS: A bill (H. R. 14854) making an appropriation to be expended under the provisions of the act of March 1, 1911 (36 Stat., 961), entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended; to the Committee on Agriculture.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14855) to increase the utility of the postal savings system, to increase savings among the people, and to increase home ownership; to the Committee on the Post Office and Post Roads.

By Mr. TINCHER: A bill (H. R. 14856) to provide revenue for the Government and to encourage the industries of the United States; to the Committee on Ways and Means.

By Mr. KAHN: A bill (H. R. 14857) granting to the city and county of Honolulu, Territory of Hawaii, a right of way over and across the Fort De Rusey Military Reservation for the purpose of extending its sewer system; to the Committee on Military Affairs.

By Mr. WATKINS: A bill (H. R. 14858) to make the Star-Spangled Banner the national anthem; to the Committee on the Library.

Also, a bill (H. R. 14859) to provide for the erection of an addition to the post-office building at Shreveport, La., and for alterations to the present building; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14860) to provide for a site and public building at Homer, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14861) to provide for a site and public building at Mansfield, La.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 14862) making appropriation for the improvement of navigation in Sabine River, in Louisiana and Texas; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 14863) making appropriation for the improvement of navigation in Red River, in Arkansas and Louisiana; to the Committee on Rivers and Harbors.

By Mr. SMITH of Idaho: A bill (H. R. 14864) to add certain lands to Minidoka National Forest; to the Committee on the Public Lands.

By Mr. HULL of Tennessee: Joint resolution (H. J. Res. 398) authorizing the Secretary of War to loan to the training school for disabled ex-service men at Tennessee Polytechnic Institute, Cookeville, Tenn., necessary tents and cots for use of ex-service men; to the Committee on Military Affairs.

By Mr. DALE: Joint resolution (H. J. Res. 399) proposing an amendment to the Constitution of the United States providing that each State shall have at least two Representatives; to the Committee on the Judiciary.

By Mr. ALMON: Joint resolution (H. J. Res. 400) directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country; to the Committee on Banking and Currency.

By Mr. STEAGALL: Concurrent resolution (H. Con. Res. 65) directing the Secretary of the Treasury and the War Finance Corporation to assist in financing and conducting the exportation of goods, commodities, and products of American farms, mines, and manufactures; to the Committee on Ways and Means.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEE: A bill (H. R. 14865) for the relief of Ida Fey; to the Committee on Claims.

Also, a bill (H. R. 14866) for the relief of Rubie M. Moseley; to the Committee on Claims.

Also, a bill (H. R. 14867) for the relief of John F. Homen; to the Committee on Claims.

Also, a bill (H. R. 14868) granting a pension to Florence Eagar Roberts and Robert Eagar Roberts; to the Committee on Pensions.

By Mr. CANTRILL: A bill (H. R. 14869) granting a pension to Charles W. Vogler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14870) granting a pension to Mary Ellen Woodward; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14871) granting an increase of pension to Sallie M. Cohen; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 14872) granting a pension to Esther L. Carl; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 14873) for the relief of Vivian Hood; to the Committee on Claims.

By Mr. DYER: A bill (H. R. 14874) granting an increase of pension to Annie Flowers; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 14875) granting a pension to Rushie Peterman; to the Committee on Pensions.

By Mr. FOSTER: A bill (H. R. 14876) granting a pension to Mary Price; to the Committee on Pensions.

By Mr. IGOE: A bill (H. R. 14877) granting a pension to Lillie Werntz; to the Committee on Invalid Pensions.

By Mr. JONES of Pennsylvania: A bill (H. R. 14878) granting a pension to Edwin Reader Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14879) granting a pension to William R. Potter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14880) for the relief of Calvin E. Dunlap; to the Committee on Military Affairs.

By Mr. KINKAID: A bill (H. R. 14881) granting a pension to George J. Jarchow; to the Committee on Invalid Pensions.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 14882) granting a pension to Mary J. Smoke; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14883) granting an increase of pension to John Lancaster; to the Committee on Invalid Pensions.

By Mr. MAGEE: A bill (H. R. 14884) granting a pension to Elizabeth Sanborn; to the Committee on Pensions.

By Mr. NOLAN: A bill (H. R. 14885) granting a pension to Pauline McEwen; to the Committee on Invalid Pensions.

By Mr. PORTER: A bill (H. R. 14886) granting an increase of pension to Lizzie K. Thorpe; to the Committee on Pensions.

By Mr. RHODES: A bill (H. R. 14887) for the relief of James H. Hoyt alias James McCabe; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky: A bill (H. R. 14888) granting a pension to William R. Neal; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 14889) granting an increase of pension to Della A. Cooter; to the Committee on Pensions.

By Mr. SNYDER: A bill (H. R. 14890) granting a pension to August Richards; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14891) granting an increase of pension to James H. Reed; to the Committee on Pensions.

Also, a bill (H. R. 14892) granting an increase of pension to Bradford R. Sartin; to the Committee on Pensions.

Also, a bill (H. R. 14893) granting an increase of pension to F. W. Gerding; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 14894) granting a pension to Mary E. Wiggin; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4340. By Mr. BRIGGS: Petition of the maritime committee of the Galveston Cotton Exchange and Board of Trade, relative to sections 16 and 17 of the act of March 4, 1915; to the Committee on Interstate and Foreign Commerce.

4341. By Mr. BURROUGHS: Resolution of the Laconia (N. H.) Woman's Club, indorsing the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4342. Also, resolution of the Union (N. H.) Woman's Club, in favor of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4343. Also, letter of Mrs. I. W. Reynolds, of Manchester, N. H., advocating passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4344. Also, resolution of the Union (N. H.) Woman's Club, in favor of the Smith-Towner bill; to the Committee on Education.

4345. By Mr. CURRY of California: Petition of Pioneer Fruit Co. of California, favoring adequate appropriations for purchase and development of Department of Agriculture experimental vineyards at Oakville and Fresno, Calif.; to the Committee on Agriculture.

4346. By Mr. DYER: Petitions of Hon. Henry F. Furth and Switzers Yellow Jacket Co., both of St. Louis, Mo., urging a revision of the income-tax laws of the United States and urging relief for the manufacturers and merchants of the country; to the Committee on Ways and Means.

4347. Also, petition of Bottlers' Local Union No. 187, of the United Brewery Workmen of America, St. Louis, Mo., favoring immediate amnesty for political prisoners and a repeal of the espionage law; to the Committee on the Judiciary.

4348. Also, petitions of Campbell Iron Co., Schurk Iron Works, Gairr Stroh Millinery Co., all of St. Louis, Mo., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4349. By Mr. ESCH: Petition of sundry citizens from La Crosse, Wis., opposing the passage of House bill 10925 and Senate bill 3259, maternity and child-welfare bill; to the Committee on Interstate and Foreign Commerce.

4350. By Mr. FULLER of Illinois: Petition of Frank J. Schmitz & Co., of Streator, Ill., for 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4351. Also, petition of the Illinois Retail Dry Goods Association, favoring an amendment of sections 204–214 and 234 of the revenue act; to the Committee on Ways and Means.

4352. Also, petition of the Thayer Action Co., of Rockford, Ill., relating to the repeal of war taxes; to the Committee on Ways and Means.

4353. Also, petition of "Zirkel" lodge (Masonic) of 947 members of Chicago, Ill., protesting against the retention of colonial semibarbarous colored troops in the occupied area of Germany; to the Committee on Foreign Affairs.

4354. Also, petition of E Re Nata Club of Streator, Ill., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4355. By Mr. HERSEY: Petition of Home Culture Club of Bangor, Me., indorsing the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4356. By Mr. IRELAND: Petition of Mrs. W. J. Buck and other women of Peoria, Ill., and vicinity opposed to House bill 10925 and Senate bill 3259; to the Committee on Interstate and Foreign Commerce.

4357. By Mr. KELLEY of Michigan: Petition of Wool Marketing Commission of the American Farm Bureau Federation, favoring an embargo on the importation of wool and other sheep products; to the Committee on Ways and Means.

4358. Also, petition of Emma Biebesheimer and 26 other residents of Ingham County, Mich., favoring an international agreement to maintain peace; to the Committee on Foreign Affairs.

4359. Also, petition of John E. Ellsworth and other residents of Fowlerville, Mich., requesting legislation to permit banks to charge a rate of exchange for collection of checks; to the Committee on Banking and Currency.

4360. Also, petition of Emma Biebesheimer and 39 other residents of Ingham County, Mich., protesting against any nullification of the national prohibition act; to the Committee on the Judiciary.

4361. By Mr. O'CONNELL: Petition of Chamber of Commerce of the State of New York, favoring Federal charter for foreign trade corporation; to the Committee on Interstate and Foreign Commerce.

4362. By Mr. PETERS: Petition of Castine Women's Club, of Castine, Me., favoring the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4363. By Mr. ROGERS: Petition of the Holy Name Society, St. Michaels Parish, of Lowell, Mass., opposing the passage of the Smith-Towner bill; to the Committee on Education.

4364. By Mr. TILLMAN: Petition of Ozark Angora Ranch, Rogers, Ark., favoring tariff on mohair; to the Committee on Ways and Means.

4365. By Mr. WOODS of Virginia: Petition of sundry citizens of Lynchburg, Va., favoring legislation for the relief of real estate mortgages from the Federal income tax; to the Committee on Ways and Means.

SENATE.

FRIDAY, *December 10, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, by Thy gracious favor we come to this new day and address ourselves to the tasks that are before us. We ask that Thy presence may be with us, that where authority is exercised it may be with Thy consent, that where counsel is taken it may be in partnership with the Divine will, that where power is exercised it may be chastened and refined by Thy grace, so that in all of our work to establish this Nation in righteousness and peace we may have the constant blessing of the God of our fathers upon us. We ask it for Christ's sake. Amen.

JOSEPH T. ROBINSON, a Senator from the State of Arkansas, appeared in his seat to-day.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

REPORT OF GOVERNOR OF PANAMA CANAL.

The VICE PRESIDENT laid before the Senate the following message from the President of the United States, which was read and ordered printed and with the accompanying papers referred to the Committee on Interoceanic Canals:

THE WHITE HOUSE,
Washington.

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1920.

WOODROW WILSON.

THE WHITE HOUSE,
10 December, 1920.

BUREAU OF ENGRAVING AND PRINTING.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a statement showing the number of employees and their compensation in the Bureau of Engraving and Printing whose compensation is paid from "Expenses of loan" and "Compensation of employees," but who are detailed for clerical, messenger, and watchman service, during the fiscal year ended June 30, 1920, which was referred to the Committee on Appropriations.

NITRATE OF SODA PURCHASES.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting the names of purchasers of nitrate of soda, together with the prices for which sold, which was referred to the Committee on Military Affairs.

TAXES ON ALLOTTED INDIAN LANDS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report of an investigation as to the right of Stevens and Ferry Counties, in the State of Washington, to the payment of taxes on allotted Indian lands under existing law, which was referred to the Committee on Indian Affairs.

SALES BY DEPARTMENT OF THE INTERIOR.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report showing the proceeds from the sale of supplies and obsolete material and equipment and from the collection of town-site assessments during the fiscal year ended June 30, 1920, which was referred to the Committee on Indian Affairs.

REPORTS OF SECRETARY OF THE SENATE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Senate, transmitting, pursuant to law, a statement of all property belonging to the United States in his possession on the 6th day of December, 1920 (S. Doc. No. 345), which was ordered to lie on the table and be printed.

He also laid before the Senate a communication from the Secretary of the Senate, transmitting, pursuant to law, a statement of the receipts and expenditures of the Senate during the fiscal year ended June 30, 1920, which was ordered to lie on the table and be printed.

FREIGHT CONGESTION (S. DOC. NO. 344).

The VICE PRESIDENT laid before the Senate a communication from the Interstate Commerce Commission, transmitting, in response to Senate resolution No. 362, information showing the causes for freight congestion in the principal cities of the United States, etc., which was read and referred to the Committee on Interstate Commerce.

PRICES OF FARM IMPLEMENTS.

The VICE PRESIDENT laid before the Senate a communication from the Federal Trade Commission, transmitting, in response to Senate resolution No. 226, a report on the causes of high prices of farm implements, which was referred to the Committee on Agriculture.

DISTRICT PUBLIC UTILITIES COMMISSION.

The VICE PRESIDENT laid before the Senate a communication from the Columbia Heights Citizens' Association, Washington, D. C., transmitting, pursuant to law, a report of a special committee of the association, relative to the eligibility of the members of the Public Utilities Commission of the District of Columbia, which was referred to the Committee on the District of Columbia.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Ohio, certifying to the election of FRANK B. WILLIS as a Senator from that State for the term of six years beginning March 4, 1921, which was read and ordered to be filed, as follows:

IN THE NAME AND BY THE AUTHORITY OF THE STATE OF OHIO.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES OF AMERICA:

This is to certify that on the 2d day of November, 1920, FRANK B. WILLIS was duly chosen by the qualified electors of the State of Ohio a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1921.

Witness: His excellency, our governor, JAMES M. COX, and our seal hereto affixed at Columbus, Ohio, this 8th day of December, in the year of our Lord 1920.

[SEAL.] JAMES M. COX, *Governor.*

By the governor:

HARVEY C. SMITH,
Secretary of State.

Mr. GAY. Mr. President, I present the credentials of Hon. EDWIN S. BROUSSARD, who on the 2d of November last was duly chosen by the qualified electors of the State of Louisiana a Senator from that State to represent the State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1921. I ask that the credentials may be read.

The credentials were read and ordered to be placed on file, as follows:

STATE OF LOUISIANA,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, EDWIN S. BROUSSARD was duly chosen by the qualified electors of the State of Louisiana a Senator from said State to represent said State in the Senate of the United States for the term of six years beginning on the 4th day of March, 1921.

Witness: His excellency, our governor, JOHN M. PARKER, and our seal hereto affixed at Baton Rouge, this 3d day of December, in the year of our Lord 1920.

[SEAL.] JOHN M. PARKER, *Governor.*

By the governor:

JAMES J. BAILEY,
Secretary of State.

HOUSE BILLS REFERRED.

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America was read twice by its title and referred to the Committee on Commerce.

H. R. 10311. An act to further amend section 8 of an act entitled "An act for preventing the manufacture, sale, or transportation of adulterated or misbranded or poisonous or deleterious foods, drugs, medicines, and liquors, and for regulating traffic therein, and for other purposes," approved June 30, 1906, and amended by the act approved March 3, 1913, was read twice by its title and referred to the Committee on Agriculture and Forestry.

PETITIONS AND MEMORIALS.

Mr. TOWNSEND presented a petition of sundry citizens of Detroit, Mich., praying for the release of Xenophan Kalamatiano, an American citizen who has been held a prisoner by the soviet rulers of Russia for two years, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Ingham County, Mich., praying for the enactment of legislation whereby the United States will take her place among the leading nations of the world in the prompt adoption of an international agreement to make and maintain peace without recourse to war, which was referred to the Committee on Foreign Relations.

He also presented a memorial of sundry citizens of Ingham County, Mich., opposing any effort that may be made to nullify

national prohibition, which was referred to the Committee on the Judiciary.

Mr. CAPPER presented resolution in the nature of a petition adopted by the Oregon Mohair Goat Association, Sixes, Oreg., praying for the enactment of legislation for a tariff on mohair imported into the United States, which was referred to the Committee on Finance.

Mr. NELSON presented a petition of sundry citizens, praying for the enactment of legislation to prohibit, for the purpose of canning and export from Alaska, fishing of salmon in the Yukon River, Alaska, its tributaries, and adjacent waters, which was referred to the Committee on Territories.

He also presented a petition of the Aristonian Club, of Sauk Rapids, Minn., praying for the enactment of legislation to suppress the tide of immigration that is flowing into the United States from foreign countries, which was referred to the Committee on Immigration.

Mr. GAY presented a telegram in the nature of a petition from the New Orleans Cotton Exchange in favor of the reinstatement of the War Finance Corporation for the relief and restoration of commerce to normal lines, which was ordered to lie on the table.

REPORTS OF COMMITTEE ON MILITARY AFFAIRS.

Mr. KIRBY, from the Committee on Military Affairs, to which was referred the joint resolution (S. J. Res. 172), authorizing and directing the Secretary of War to sell a certain parcel of land known as Fort Jackson, at New Deptford, on the Savannah River, Ga., reported it with an amendment, and submitted a report (No. 665) thereon.

Mr. WADSWORTH, from the Committee on Military Affairs, to which was referred the bill (S. 4572), granting to the city and county of Honolulu, Territory of Hawaii, a right of way over and across the Fort De Russy Military Reservation for the purpose of extending its sewer system, reported it without amendment and submitted a report (No. 664) thereon.

CAPTURED WAR DEVICES AND TROPHIES.

Mr. WADSWORTH. From the Committee on Military Affairs, to which were referred the bill (S. 643) to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia, and the amendments of the House thereto, I report with a recommendation that the Senate disagree to the amendments of the House.

The Senate bill just reported from the Committee on Military Affairs heretofore passed the Senate. The House also passed the bill with certain amendments. When the bill came back to the Senate it, together with the House amendments, was again referred to the committee, which has instructed the chairman to ask for a conference. I therefore move that the Senate disagree to the amendments of the House and ask for a conference with the House on the disagreeing votes of the two Houses, and that the Chair appoint the conferees on the part of the Senate.

The VICE PRESIDENT. Without objection, the motion is agreed to, and the Chair appoints Mr. WADSWORTH, Mr. SUTHERLAND, and Mr. CHAMBERLAIN conferees on the part of the Senate.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CAPPER:

A bill (S. 4579) donating machine gun No. 2997 to the city of Pittsburg, Kans.; to the Committee on Military Affairs.

By Mr. TOWNSEND:

A bill (S. 4580) granting an increase of pension to Lucy V. Pardee; to the Committee on Pensions.

A bill (S. 4581) for the relief of Robert Edgar Zeigler (with accompanying papers); to the Committee on Claims.

By Mr. RANSDELL:

A bill (S. 4582) to declare Bayou Cocodrie nonnavigable from its source to its junction with Bayou Chicot; to the Committee on Commerce.

A bill (S. 4583) for the relief of occupants of lands included in the Bellevue grant in St. Landry Parish, La.; to the Committee on Public Lands.

By Mr. SPENCER:

A bill (S. 4584) granting a pension to Uletha M. Robison; and

A bill (S. 4585) granting a pension to Harriet Daniels; to the Committee on Pensions.

By Mr. McKELLAR:

A bill (S. 4586) granting an increase of pension to Robert T. C. Blevins (with accompanying papers); to the Committee on Pensions.

By Mr. HARRIS:

A bill (S. 4587) granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge across the Withlacoochee River; to the Committee on Commerce.

By Mr. SHEPPARD:

A bill (S. 4588) granting consent of Congress to the county of Bowie and the county of Cass, State of Texas, for construction of a bridge across Sulphur River at or near Pettis Bridge, on State Highway No. 8, in said counties and State; to the Committee on Commerce.

By Mr. SMOOT:

A bill (S. 4589) providing for an exchange of lands between Annie McDonald and the United States; to the Committee on Public Lands.

A bill (S. 4590) granting an increase of pension to James H. Martineau (with accompanying papers); to the Committee on Pensions.

By Mr. CHAMBERLAIN:

A bill (S. 4591) for the relief of Francis Graves Bonham; and

A bill (S. 4592) to authorize the issuance of the distinguished service cross or medal to certain officers in certain contingencies; to the Committee on Military Affairs.

By Mr. KEYES:

A bill (S. 4593) making an appropriation to be expended under the provisions of the act of March 1, 1911 (36 Stat., 961), entitled "An act to enable any State to cooperate with any other State or States or with the United States for the protection of the watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended; to the Committee on Agriculture and Forestry.

By Mr. STERLING:

A bill (S. 4594) creating an immigration board and prescribing the powers and duties thereof and amending the act of February 5, 1917, entitled "An act regulating immigration of aliens to and residence of aliens in the United States," and amending also the act of June 29, 1906, entitled "An act to provide for a uniform rule for the naturalization of aliens throughout the United States and establishing the Bureau of Naturalization," and acts amendatory thereof, and for other purposes; to the Committee on Immigration.

By Mr. WALSH of Montana:

A bill (S. 4595) granting a pension to David H. Russell (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 4596) for the relief of soldiers, sailors, and Army nurses of the War with Spain, their widows and dependents; to the Committee on Pensions.

By Mr. BALL:

A bill (S. 4597) to amend the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901, and the acts amendatory thereof and supplementary thereto in relation to forcible entry and detainer"; to the Committee on the Judiciary.

By Mr. ASHURST:

A bill (S. 4598) to provide funds for reimbursing farmers on Yuma project, Arizona-California, and to provide funds to operate and maintain the Colorado River front work and levee system of Yuma project, Arizona-California; to the Committee on Irrigation and Reclamation of Arid Lands.

By Mr. GORE (by request):

A bill (S. 4599) conferring jurisdiction on the Court of Claims to adjust the claims between the Otoe and Missouria Tribes of Indians and the Omaha Indians to certain moneys received by the Omaha Indians; to the Committee on Claims.

By Mr. SMITH of Maryland:

A bill (S. 4600) to provide for the erection of a public building at Bel Air, Md.; to the Committee on Public Buildings and Grounds.

By Mr. McKELLAR:

A joint resolution (S. J. Res. 221) instructing the Secretary of the Treasury as to settlement of war loans; to the Committee on Finance.

THE DEPARTMENT OF JUSTICE.

Mr. WALSH of Montana. Mr. President, I have here a document entitled "Report Upon the Illegal Practices of the United States Department of Justice" made by a committee of lawyers on behalf of the National Popular Government League. I know nothing about the nature of this organization, but the committee comprises lawyers of eminence and learning and standing, among them being Roscoe Pound, dean of the law school of Harvard University, and Tyrrell Williams, acting dean of the law school of Washington University. The report

recites usurpations and oppressions of the Department of Justice scarcely believable. I ask that the report be referred to the Committee on the Judiciary and with it a memorandum describing the personnel of the committee, for such action as the Committee on the Judiciary may care to take with reference to the same.

Mr. KING. Mr. President, I shall not resist the request of the Senator from Montana, but I would like to say that this matter, as I am informed, has been considered by one or more committees of the House. I recall reading a portion of the reply by the Attorney General to these charges. I believe that the charges are without merit, and I think that the record of the hearings before the Committee on Rules, if not another committee of the House, conclusively demonstrates that fact.

The record shows that there are a large number of alien radicals and Bolshevists and seditionists and enemies to our Government who actively engaged in efforts to undermine our social and political structure. Their activities brought them within the provisions of existing law and called for their arrests and deportation. The Attorney General of the United States attempted to enforce the laws of Congress, and his acts in so doing brought upon his head the condemnation of these aliens and their sympathizers, and a number of persons, some of whom are the attorneys referred to by the Senator from Montana, and they engaged in an extensive propaganda to discredit a faithful, courageous, and able officer of the Government. These attorneys formulated the charges contained in the document just presented by the Senator from Montana.

I think that the Attorney General of the United States in the administration of his office has conducted himself with ability and with integrity and has honored the position which he occupies and has been an honor to the Government.

Mr. WALSH of Montana. I do not think it is any answer at all to the charge that illegal things have been done to say that there are Bolshevists and anarchists in this country. If there are, they are entitled to whatever protection the law affords, even the most conscienceless and bloodthirsty murderer. They are all accorded certain rights under the law. It is no answer to charges of this character to say that the practices were directed against anarchists and Bolshevists.

Among other things, charges are made in this document that multitudes of the people against whom these proceedings were directed were not Bolshevists or anarchists, or anything of that nature, and accordingly an inquiry might very properly be directed to ascertain to what extent the imputation is justly directed against these people. But, even if the charges were found to be sound, I apprehend the Senator from Utah would not assert that they are not entitled to be tried in accordance with the law of the land, and if they have been guilty of any crime to be deported in accordance with the act of Congress, if they are here in violations of such act of Congress, as is asserted in this report. I understand that toward the close of the last session of Congress the matter was under consideration by some committee of the House, not the Judiciary Committee of the House, as I am told, nor any other committee, so far as I am able to ascertain, which could consider the alleged violations of the constitutional rights of the people who are properly in this country.

Mr. KING. Mr. President, just one word. I regret that the Senator from Montana has not acquainted himself fully with the investigations carried on in the House. I regret, moreover, that he has not acquainted himself with the reply which was made to this and other charges by the Attorney General before a committee of the House. I think that if the Senator had been fully advised as to all the facts in the case he would not present the request which he has submitted this morning.

The VICE PRESIDENT. The report and accompanying document will be referred to the Committee on the Judiciary, as requested.

JOINT DISARMAMENT OF NATIONS.

Mr. LA FOLLETTE. Mr. President, I present a resolution in the nature of a petition, which I ask to have read.

The VICE PRESIDENT. Without objection, the Secretary will read it.

The Assistant Secretary read as follows:

Resolution passed unanimously at mass meeting of the Women's Peace Society, Milwaukee, Pabst Theater, December 4, 1920.

Whereas the torch of war, if left in madmen's hands within each nation, will lay in ashes our civilization; and

Whereas the workers of the world, sensing this disaster, are preparing, through their voting power and their "councils of action," to cut off at the sources the engines of destruction; and

Whereas the women of the world, now come into political and economic power, intend to support the workers in their fight against war: Therefore be it

Resolved by the Milwaukee Branch of the Women's Peace Society in mass meeting assembled, and in support of the workers in their position, as stated, That we do hereby petition the Members from Wisconsin of the United States Congress to use their utmost influence to have our country take the lead among the nations in achieving joint disarmament.

The VICE PRESIDENT. The resolution will be referred to the Committee on Military Affairs.

PROPOSED EMBARGO ON WOOL.

Mr. SMOOT. Mr. President, I have received many telegrams in the form of petitions. I do not intend to offer them all this morning, but they are all along the same line and for the same purpose. The Western Range Stockmen's Association met at Salt Lake City on the 8th of this month and passed resolutions asking Congress to take immediate action in placing an embargo upon wool, woolen goods, and live stock, and stating the reasons for the request.

I simply make this statement by way of petition, hoping that not only the Ways and Means Committee of the House but the Finance Committee of the Senate will take some action at a very early date upon the question of an embargo upon these products.

I wish to say while upon my feet that unless something is done very soon, as far as the wool industry of the United States is concerned, the industry will perish. I do not make radical statements upon the floor of the Senate, and I do not consider it a radical statement that I make now. A most serious condition exists, and if the wool industry is to be preserved in the United States quick action must be taken in order that that may be accomplished.

Mr. WALSH of Montana. Mr. President, I do not know whether the Senator is advised that the Committee on Agriculture and Forestry of the Senate had the matter under consideration and considerable testimony was taken. I am not sure that that committee might not as well review the subject as the Committee on Finance.

Mr. SMOOT. I will say to the Senator that the Committee on Finance day before yesterday was considering the question. Of course, the Committee on Finance thought, as far as an embargo was concerned which affected the revenues of the country, that that was the proper committee to consider the question.

Mr. WALSH of Montana. I do not desire to engage in any controversy concerning the appropriate committee. It is a matter of no consequence to me whether dealt with by one committee or the other, but considering that wool is now on the free list, I can not see that it necessarily falls within the jurisdiction of the Finance Committee. However, the testimony taken before the Committee on Agriculture and Forestry on yesterday can be transcribed for the use of the Finance Committee for what it is worth if they may desire to use it.

Mr. SMOOT. Of course, there is a duty upon manufactured woolen goods, I will say to the Senator, and that involves this same question. Of course, when you place an embargo on wool you must not fail to place an embargo upon woolen goods, because if that alone should be done very little favorable results would follow. But I will not take the time of the Senate to go into any further discussion of it at this time.

Mr. KENDRICK. In support of the statement made a moment ago by the Senator from Utah [Mr. SMOOT] with reference to the urgent need of action in behalf of the mutton and wool industries of the West, I ask permission to read a copy of a telegram that has just been received here in regard to the shipment of a trainload of sheep from one of the shipping points in the State of Wyoming.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. KENDRICK. The telegram is addressed to J. M. Wilson, care Raleigh Hotel, Washington, D. C., and is from one of the largest commission houses in the Union Stock Yards. It reads as follows:

UNION STOCK YARDS, ILL.,
December 9, 1920.

J. M. WILSON,
Care Raleigh Hotel, Washington, D. C.:

Nineteen hundred and eighty-six ewes sold to Wilson & Co. at 2.10 per hundredweight, average 93 pounds gross proceeds, including 23 dead sheep, $3,878.11; transportation expenses, including freight, switching, feed charges in transit, and war tax, $2,804.12; yardage, $159.84; fire insurance, 70 cents; commission, $240; attendants' charge, $20.

CLAY ROBINSON & Co.

$2,804.12	Total gross	$3,878.11
159.84	Total charges	3,224.66
.70		
240.00	Net	2)653.45
20.00		
3,224.66		32.67

The startling thing about this information is the summed-up figures of the cost and fixed charges of moving this shipment of sheep. The total gross proceeds were $3,878.11, the total charges were $3,224.66, and the net to the owner was $653.45.

Mr. SMITH of South Carolina. For how many sheep?

Mr. KENDRICK. For 1,986 sheep.

Mr. SMITH of South Carolina. It would have been better for the owner to have brought them here and sold them for lamb chops.

Mr. KENDRICK. This information clearly shows that proportionately $5 of the gross receipts went to pay fixed charges and $1 went to the owner of the sheep as his part of the proceeds.

Mr. WARREN. Did my colleague state what the net proceeds per head were on those sheep?

Mr. KENDRICK. In answer to my colleague, I will say that I omitted to give the net receipts per head for this shipment of stock. They were a trifle over 32 cents per head.

Mr. WARREN. I understand, then, that the total net proceeds to the producer—the grower—was a trifle over 32 cents a head for those sheep, which cost him to raise not less than $6 to $8 each per head.

Mr. KENDRICK. It was 32 cents and a fraction per head.

Mr. WARREN. Was that on the Chicago market?

Mr. KENDRICK. Yes.

Mr. KING. May I ask the junior Senator from Wyoming [Mr. KENDRICK] if it is not a fact that there was no other market west of Wyoming to which these sheep could have been shipped where a better price could have been obtained?

Mr. KENDRICK. I assume that the owners selected the market that seemed to be the most inviting at the time they made the shipment. There are other markets west of the Missouri River, certainly; but, for what probably seemed to be very good reasons, the shipment was consigned to Chicago. There is not, as a rule, very much difference in the prices received at any of the various larger markets.

Mr. McCUMBER. If I understand the Senator correctly the producer of the sheep received for each sheep something less than we pay for one lamb chop.

Mr. KENDRICK. In answer to the Senator from North Dakota, I will say that 32 cents would undoubtedly be less than the price charged for a lamb chop.

Mr. McCUMBER. I think I am paying something more than that.

Mr. THOMAS. Mr. President, I have not the letter with me, but I am in receipt of a letter from a merchant whose complaint is that, owing to the decline in prices, his inventory taken at present values would show a distinct and decided loss of something like 40 to 50 per cent of the cost price of his stock of goods. He is unable to make any sales that do not involve a distinct loss to him. I merely mention this as showing that we are all complaining of a universal condition. The difficulty is that just at present the retailer, the hotel proprietor, and others have not as yet been affected to any appreciable degree by these conditions. As the Literary Digest said a few days ago, "the price of wheat has come down all unbeknownst to bread." I am inclined to think that when we realize that we are going through the inevitable process of readjustment consequent upon that reaction which has been coming for a long time, we will hesitate before applying speedy and ill-considered remedies to a universal condition.

Mr. SMITH of South Carolina. Mr. President, in reply to the suggestion of the Senator from Colorado, surely the Senator does not mean to say that he thinks it is a natural condition now confronting the producers of meat, bread, and textiles when the price they are receiving is anywhere from 200 to 300 per cent below the cost of production; so that if they are forced to sell their commodities on the market at the present prices and assume that indebtedness—those who are able to assume it—it will be, under the present conditions, years and years before they will be able to liquidate.

Mr. THOMAS. I do not mean to say that the condition is a natural one in the sense that it is a normal condition, but it is natural in the sense that it is inevitable; it is history repeating itself, perhaps on a larger scale, because the causes bringing it about were larger. It is not unprecedented; it is not unparalelled. It was and has been inevitable; and we can not expect to reach the normal conditions that prevailed before the war except by going through the long, painful, and losing process of readjustment.

Mr. FLETCHER. Mr. President, may I ask the Senator from Wyoming if he will be good enough to give us the separate items of transportation and of the revenue tax, so that we may get an idea of what part of this expense is properly chargeable to transportation? According to the figures as I caught them, the sheep brought in Chicago more than a dollar a head, but the proceeds were eaten up largely by expenses. The Senator mentioned some of those expenses, but we did not get to the items of transportation and war tax.

Mr. KENDRICK. Mr. President, it will be quite possible to secure those figures in a little time, but it will take probably three or four days to get an itemized statement of the freight, switching, and feed charges, and other costs of shipment. If the Senator wishes it, I will make an effort to secure those figures.

Mr. FLETCHER. I had supposed the Senator had them there.

Mr. SMOOT. Mr. President, the trouble is that cattle and sheep have been shipped to the market faster than it is possible for the market to absorb. I wish to say in this connection that I know that some of the woolgrowers, taking their sheep from the summer range to the winter range, have told bankers in my State, "My sheep are now here; I do not want any expense attached to the foreclosing of the mortgage upon them; come and take them; they are yours; they are all I have, and I want no additional expense incurred in the transaction." That has not happened once, but to my knowledge it has happened a good many times. I say now, as I said before the committee the other day, that I am positive that half of the woolgrowers of the West are bankrupt. I do not know whether or not an embargo will save the other half. South American wools are selling to-day at 9 cents a pound. We to-day have in the United States over 800,000,000 pounds of wool. Not 5 per cent of the last clip of wool in the United States has been sold. It remains in the hands of the growers, or with the commission house of the growers. Many of the growers of the West drew 25 cents a pound upon their wool. The commission men are demanding of them that they return 10 cents a pound upon the wool that they consigned to them. It is impossible for them to comply.

I want to impress upon Senators the real situation. Perhaps you do not like an embargo. I do not either, but I know that it is the only way in which the industry, or part of it, can be maintained.

The situation with regard to live stock is quite different from that with regard to other commodities. Commodities generally can make a loss one year and produce the same crop from the ground the following year; but if you destroy an industry like this, if you allow the female stock that is now going by the trainloads into the markets to be sold for such prices as have just been named by the Senator from Wyoming, it will take 25 years to resuscitate the industry.

I could go on and tell you, Mr. President, of the importations that are taking place. The Cleveland Woolen Mills the other day bought a South American clip of wool that they have purchased for years and years past, 1,500,000 pounds, in round numbers. It cost them 20 cents a pound, with all expenses and commissions paid, delivered at the port of entry. What does that mean? It means to meet that price the woolgrower of the United States can not receive one-half of what it cost him to produce the wool.

There is enough wool in the United States to-day to furnish the American manufacturers with all the wool that they will require, even if the demand for woolen goods should increase 100 per cent from what it is to-day, for nearly two years if there is not a pound of wool produced or imported into the United States.

Mr. KENDRICK. Mr. President, will the Senator yield?

Mr. SMOOT. Yes; I yield to the Senator from Wyoming.

Mr. KENDRICK. Testimony was given before the Committee on Agriculture and Forestry yesterday that there is just about a sufficient supply of wool in this country at this time to provide amply for the needs of the Nation for a period of two years, and we were also informed that there were enormous supplies in other countries that have been unable to transport their wools for the last three or four years; so that with the door left open for these other wools to come into the country the situation is absolutely hopeless for the woolgrower.

Mr. SMOOT. Mr. President, I can say that whoever testified to that yesterday testified to an absolute fact. I do not have to have the testimony that was given yesterday before the Agricultural Committee; I know it. I know the amount of wool in the United States to-day, and where it is located, and I know the amount of wool that is consumed in ordinary times by the American manufacturers; and I say without a moment's hesitation that if there were not another pound of wool produced for the next two years, if there were not another pound of wool imported into the United States for the next two years, there is almost enough wool in this country to-day to supply the requirements of the American manufacturers.

I recognize the fact that there are a few mills in the United States that use a class of wool that is not produced in the United States; but they can be counted on the fingers of one hand, and they have at least enough stock on hand to run for eight months. That is the very finest of Australian wool, with a staple that is not less than 4 inches long. That wool is used in this country for the purpose of making a No. 70 or No. 80 thread, the finest thread that is spun by a woolen mill. On the other hand, there is a long, coarse wool, about 6 inches long, that is used for making the wool linings of men's coats.

I think there is in this country now enough of that class of wool to run at least a year, and all we ask is that an embargo be laid upon wool now so that the wool that is in this country may be used.

What will be the effect of it? It will raise the price of wool to what the manufacturer thinks the duty will be that may be placed upon wool at the next session of Congress, or whenever the new revenue law is enacted.

Mr. KENDRICK. Mr. President——

Mr. SMOOT. I yield to the Senator from Wyoming.

Mr. KENDRICK. I should like to ask the Senator from Utah if he does not think the effect of an embargo, in all probability, would be not to increase the price of wool to the consumer so much as it would be to fix some kind of a value on it, so that the product could be marketed? Judging from my discussion of the question with those who are financially ruined by the situation, the woolgrowers are willing to sell at almost any price, but the difficulty is not a question of price; it is a market of some kind, of any kind.

Mr. SMOOT. The truth of the case is that England outplayed us from the very beginning, following the signing of the armistice. England had an immense stock of wool on hand; of course, there was a great stock of wool in Australia and New Zealand, and shortly our market here was flooded with foreign wools and at prices always just under the prices of the American wools, and the price has been falling right down. There is no market to-day for the American wool. The wools of South America, as I say, are coming in here, and there was recorded the other day a sale of quarter-bloods at 9 cents a pound, and we can not compete with it. Why, last year, in order to get the wool taken from the back of the sheep it cost nearly 4 cents a pound to have it sheared.

Mr. President, this is the morning hour, and I shall not take any more time now; but when this question comes up for discussion in a proper way I hope we may have the attention of the Senate, for I want to call particular attention to just what the embargo means, and what the new proposition means that the manufacturers of the United States are making to the Congress as a substitute.

It is that a charge shall be made upon the importation of all goods into the United States, whether they enter free or whether they are dutiable, of the difference between the exchange value of American money and the foreign money of the country from which the goods were shipped. I will close by saying that if there is a difference of 30 per cent between the exchange value of the American dollar and the English pound, it would mean a 30 per cent charge upon the wools that are imported into the United States. The wool that entered the other day, 1,500,000 pounds, was sold to the Cleveland Woolen Mills at 20 cents a pound delivered at the port of entry, with all expenses paid. Thirty per cent of that is 6 cents a pound; or, in other words, that would make the wool cost to the importer 26 cents a pound. That will never save the industry in the United States; and therefore, when the time comes, I think the only way for us to do, if we are going to save the industry, is to impose an embargo for a limited time.

Mr. HITCHCOCK. Mr. President, I should like to ask the Senator a question before he takes his seat. I was not in the Chamber at the time the Senator began. Has this wool come from other countries than Australia?

Mr. SMOOT. Oh, Mr. President, South America is filled with wool, and——

Mr. HITCHCOCK. Has the Senator any figures as to the quantities?

Mr. SMOOT. I have not the figures here, because I did not expect the discussion to come up this morning; but I can give the figures to the Senator in pounds from every country. The other day I introduced a bill placing an embargo on wool and woolen goods, and the next morning a representative of interests in Argentine Republic was in my office asking me whether I thought that bill was going to pass. He stated that the Argentine was filled with wool, and that they did not know where they could find a market for it unless they could place it in America, and I will say to the Senator that that is the case.

Mr. HITCHCOCK. So the embarrassment has come more from the Argentine Republic than from Australia?

Mr. SMOOT. Oh, no; from Australia particularly, and South Africa, and all of the South American countries.

Mr. WARREN. And New Zealand.

Mr. SMOOT. There is only a little from there.

Mr. HITCHCOCK. I ask the question because I notice, by reference to some figures that I have in my pocket, that the imports of all classes from Australia are materially smaller this year than they were last year; and I was wondering, therefore, how it would be such a serious matter in the case of Australia.

Mr. SMOOT. I want to say to the Senator that to-day there is not 30 per cent of the woolen machinery running in the United States. I mean, taking the country as a whole, there are only about 30 per cent of the looms in operation in the United States now.

Mr. WALSH of Montana. Mr. President, I desire to say to the Senator from Nebraska that the exact figures were given to the Committee on Agriculture and Forestry yesterday by a representative of the Tariff Commission who was present and testified, so that the Senator can obtain accurate information from that source. The fact is that the importations from Australia are mounting up enormously.

Mr. SMOOT. Yes; and I will say to the Senator from Nebraska that the importations are increasing every day, and I have no doubt but that from now on every pound of wool in Australia and South American countries that can be shipped will be shipped, with the hope of arriving here before any action is taken by Congress.

Mr. HITCHCOCK. The figures I have, to which I referred, are official figures, and they embrace all classes of imports. Last year, for the first 10 months, our total imports from Australia were $49,377,000, and this year for the first 10 months of the year they are less than $42,000,000.

Mr. WARREN. Mr. President, the Senator from Nebraska will remember that the Government of the United States at the close of the war had on hand some 600,000,000 pounds of wool that it has been putting on the market from time to time, which of course has added to the overload; and a large portion of that wool was bought originally in foreign countries. There is at the present time in the neighborhood of 40,000,000 pounds in the hands of the Government that is thrown on the market from time to time through sales effected by soliciting sealed bids, formerly open bids, and that of course has helped an overload, which has accumulated not only in foreign countries but here at home. The trouble here is not the low price of wool so much as it is that there is no market here for wool.

THE FINANCIAL SITUATION.

Mr. McCUMBER. Mr. President, there are quite a few delegations who have been importuning members of the Finance Committee for a meeting to consider the postponement of the December 15 installment of taxes, and also to devise a method of reducing those taxes. I had expected to ask permission, at the close of the routine morning business, to present some figures upon this proposition, so that those interested in the question could for themselves judge whether or not it would be possible for the Congress to grant them the relief they sought. Inasmuch as there are only four days to elapse between now and the 15th, and we do not seem to be approaching the end of the morning business, I am going to ask the unanimous consent of the Senate to present, at this time, some of the figures showing the present financial status of the country, and the necessity for immediate cash to meet immediate needs.

While there has been no meeting and no action by the Committee on Finance, the members of that committee individually have been worked overtime in receiving delegations who, in presenting their urgent appeals for remedial action by the Congress, are reflecting the deplorable condition that is general throughout the country.

There are two features of the general situation where the demand is for immediate relief. The first of these, and most important, is our agricultural collapse; the second, the heavy inventory losses due to rapidly falling prices, for which relief is sought by (a) postponing the December 15 installment of the tax on 1919 profits and income, and (b) by allowing the inventory losses of 1920 to be offset against the profits of 1919, and, to that extent, reducing the amount of the December, 1920, installment. While no one can speak for the final action of the committee, or of the Senate or House, on these proposals, it is eminently proper and, to my mind, most urgent that the taxpayers directly interested and the country at large be informed at the earliest possible moment of the present financial situation of the country, to the end that they may exercise their own judgment as to the probability or possibility of securing the relief demanded. This is especially true as to the demand

for the postponement of the last installment of taxes, which falls due December 15.

I wish, therefore, to present a most general statement of the conditions of the National Treasury, its immediate obligations, and its cash assets to meet them:

Amount of cash in Treasury Dec. 6, 1920	$160,018,235
Dec. 15 tax installment, estimated	650,000,000
Total	810,018,235

Turning now to our immediate liabilities:

Outstanding certificates maturing Dec. 15, 1920	700,000,000
Maturing Jan. 3–15, 1921	300,000,000
Maturing Dec. 15, 1920	140,000,000
Total	1,140,000,000

Thus, Mr. President, if every dollar of the December 15 installment is paid in full and the last cent in the Treasury, excluding the comparatively small amount that will be secured from general internal revenue sources and which will be far more than offset by the amount paid out for general governmental expenses, there would still be left by January 15 past-due obligations of $329,981,765.

But even that deficit is based on the assumption that the Treasury is milked dry—is left bankrupt. In making his calculations and estimates the Secretary of the Treasury places cash of $250,000,000 as the minimum of safety.

Therefore, to keep the Treasury on a safe basis we must add this sum, which brings the deficit or amount which must be raised in some manner to $579,981,765.

But even this gigantic deficit, which requires immediate liquidation, does not disclose the full truth. There must be added to this whatever sum is necessary to make good deficits growing out of governmental operation of railroads, estimated by the President in his annual message at $650,000,000, bringing the total deficit immediately confronting us to $1,229,981,765.

Mr. President, this is the situation, and it is the deficit that meets our immediate gaze. But it is not the end of our difficulties.

The Secretary, in his annual report, directs our vision along a vista including two fiscal years, or two and a half calendar years, from the 1st day of January next. He leaves us with a deficit on June 30, 1921, of $2,000,000,000, and on June 30, 1922, of nearly $1,500,000,000.

I ask to have printed the report for these two fiscal years:

FINANCIAL STATEMENT.

[From report of Secretary of the Treasury for the year ended June 30, 1920.]

On page 273 and following is a summarized estimate of receipts and expenditures for the fiscal year 1921, as follows:

Balance in Treasury June 30, 1920		$359,947,020.33
Estimated receipts:		
Ordinary	$5,739,565,000	
Public debt	60,193,375	
Total	$5,799,758,375	
Estimated expenditures:		
Ordinary	4,851,298,931	
Public debt (including $2,509,550,500 certificates of indebtedness outstanding maturing within year, but not including Pittman Act certificates)	3,063,443,584	
Total	7,914,742,515	
Excess of estimated expenditures over estimated receipts		2,114,984,140.00
Estimated deficit in general fund June 30, 1921		1,755,037,119.67
Estimated amount necessary for balance in general fund June 30, 1921		250,000,000.00
Estimated gross deficiency June 30, 1921		2,005,037,119.67

Mr. KING. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Utah?

Mr. McCUMBER. Certainly.

Mr. KING. Do the figures which the Senator has just stated contemplate any reimbursement to the railroads or contemplate the payment by our allies of any portion of the interest upon the $10,000,000,000 loaned them?

Mr. McCUMBER. No. However, in the statement which I have given, and which I stated was not taken into consideration in the Treasurer's estimate, was the sum of $650,000,000 to be paid to the railways, as shown by the message of the President of the United States.

Mr. SMOOT. Mr. President——

Mr. McCUMBER. I yield to the Senator from Utah.

Mr. SMOOT. I will say to my colleague [Mr. KING] that these figures do not include any deficiency appropriations which may be made between now and June 30, 1921.

Mr. KING. I understand.

Mr. McCUMBER. We do not know what they will be.

Mr. SMOOT. Whatever sum they amount to will be added to this deficit.

Mr. McCUMBER. I wish now to give the figures for the fiscal year 1922.

Mr. KING. If the Senator will pardon me, of course, in view of this enormous deficit plus the present condition of the country, it is apparent that this Congress ought to use the ax wherever possible and prune the appropriation bills, which will soon come before the Senate.

Mr. McCUMBER. That is one of my purposes in giving this early statement of the situation.

Fiscal year 1922.

Estimated deficit in general fund June 30, 1921 (as above)		$1,755,037,119.67
Estimated receipts:		
Ordinary	$4,859,530,000	
Public debt	60,200,000	
Total	$4,919,730,000	
Estimated expenditures:		
Ordinary, exclusive of expenditures on account increased compensation of Government employees, of expenditures account additional compensation in Postal Service, and of expenditures on account of new construction in Navy	3,897,419,227	
Public debt	465,854,865	
Total	4,363,274,092	
Excess of estimated receipts over estimated expenditures		565,455,908.00
Estimated deficit in the general fund June 30, 1922		1,198,581,211.67
Estimated amount necessary for balance in the general fund June 30, 1922		250,000,000.00
Estimated gross deficiency June 30, 1922		1,448,581,211.67

Now, Mr. President, the estimated receipts and disbursements for the year ending June 30, 1922, do not include deficits which must be taken care of during the coming year. The President estimated for the railroads $650,000,000. As nearly as I can learn, this deficit, when all claims are in, will be nearly double that amount, or about $1,125,000,000.

On October 31, 1920, there were still outstanding and unpaid tax certificate obligations of the Government due from December 15, 1920, to March 15, 1921, of $506,527,500. If we carry the tax certificates to September 15, 1921, the total will be $1,782,040,000. If we include the loan certificates which become due within the year, this total will amount to $2,629,432,950. I call attention to page 22 of the report of the Secretary of the Treasury.

Here is an important feature which we ought to take into consideration. About $4,250,000,000 of Victory notes mature May 20, 1923, $800,000,000 of war-savings certificates mature January 1, 1923, and $2,347,000,000 of loan and tax certificates mature within the year. Within a period therefore of about two and one-half years, ending May, 1923, there will become due and payable $7,500,000,000 of Government war obligations. I call attention to page 23 of the Secretary's report.

It is worthy of note that the Secretary bases his estimate of the deficit which will exist on June 30, 1922, on the assumption that our revenue for that fiscal year will be $4,859,530,000, or nearly $5,000,000,000. I do not wish to take a gloomy view of our industrial prospects, but if 1921 as a whole is not a most decided improvement over the last two months of 1920 this revenue will not be one-half of that sum.

Now, with these great deficits, both near and far, staring us in the face we are striving to find some way by which we can relieve the agricultural situation. We hope for some kind of relief through a revival of the activities of the War Finance

Corporation. While wheat and wool are pouring into this country in unprecedented volume, driving down the prices of the American product to half the cost of producing it, we are about to ask this War Finance Corporation in some way to finance the bankrupt countries of Europe so we can export our wheat to them. If we were business men—possibly I ought not to say "and not statesmen"—we would follow our business instinct and we would at least close the intake to our tank while we were struggling to empty the tank through the spigot. But of that hereafter.

We are now considering the financial situation. What the farmer needs is money to live on until he can get a half living price for his crop. What the country bank needs is money to loan this farmer.

Mr. President, in my State 23 banks closed during the past three weeks. These banks were all, with one exception, I think, in a section of the country where there have been crop failures, whole or nearly whole, for three or four years.

During each of those years the banks of this section have had to extend credits over the former years until they themselves can secure no further credits from the reserve banks. Many other banks would have been closed except for assessments upon stockholders.

Where can we get the money? The testimony of Mr. Harding, governor of the Federal Reserve Board, taken before the Committee on Agriculture and Forestry, on the whole is to the effect that the reserve banks have extended their credit as far as they can safely do so; that if they were to further extend those credits and the present conditions should continue, it might endanger our whole banking system.

Mr. GRONNA. Mr. President——

Mr. McCUMBER. I yield to my colleague.

Mr. GRONNA. I hope my colleague will not get the impression that the 23 banks closed had been extended credit from the Federal Reserve Board, because that is not the true condition.

Mr. McCUMBER. No; they are State banks.

Mr. GRONNA. None of them belong to the Federal Reserve System.

Mr. McCUMBER. I am speaking now of the general plan to get money to finance the situation in these agricultural sections. That must come from these Federal reserve banks.

Now, if these banks can not supply associate banks with money sufficient to tide over the agricultural depression, how can these same banks furnish the money to a foreign people to buy these farm products? For, after all, what these farmers must have, and what these country banks must have, is money, and the credit that is not backed by cash somewhere in the background is not a very reliable credit.

So it would seem to me that so far as the agricultural situation is concerned, the first, the real, the sensible thing to be done is to close the intake pipe, stop the importations, and give the American farmer exclusively the American market so long as he can supply that market at living prices.

Mr. KING and Mr. NELSON addressed the Chair.

The VICE PRESIDENT. Does the Senator from North Dakota yield; and if so, to whom?

Mr. McCUMBER. I yield first to the Senator from Minnesota.

Mr. NELSON. Would not that result in depriving the people of Europe of the purchasing power to purchase our products? If Europe can sell nothing to this country, how can they be in a position to buy our products freely? Has the Senator considered that matter?

Mr. McCUMBER. Oh, Mr. President, there is no question but what we can not continue to universally trade with a country where the balance of trade is always in our favor and against that country unless that country can get a balance of trade somewhere else. But our first and impending duty now is to take care of our own people if we can. They can not sell their products. We are seeking through a governmental board to provide means by which we can export these products to foreign countries when, as a matter of fact, the same products are coming into this country in unprecedented quantities.

Why, I call the attention of the Senator from Minnesota to the fact that during the month of October alone about 10,000,000 bushels of wheat, including flour, crossed the Canadian line for Minneapolis. During the month of November I am informed that that will run at least to 12,000,000 bushels.

Now, we are seeking to export this wheat to Germany and Austria and to finance those countries in some way so that they can buy our exports and thereby relieve the depression, when the depression is growing continually by enormous imports into the United States.

I now yield to the Senator from Utah.

Mr. KING. Mr. President, I was interested in the suggestion of the Senator that the proposition had been made that we finance the European nations so that they might purchase our products. I wish to invite the attention of the Senator to the fact that the manufacturers and producers of the United States have extended to Europe approximately $4,000,000,000 of credit during the past year or two. Unless there is a rehabilitation of Europe quite speedily, unquestionably many of our producers who have extended that credit will not only suffer great loss, but in many instances it will be irreparable loss.

I was wondering if the Senator intends to discuss, before concluding, the manner by which we should finance Europe. It seems to me that if any financing is to occur by which they are to purchase our products we must do something that will put the European people to work, so they will have something with which to purchase. If they do not have money or products with which to buy we can not, it seems to me, finance Europe in the hope, in the end, of receiving back the amount which we have advanced to them.

Mr. McCUMBER. I know there is a great deal in that; but we can not use our cash to put those people to work while our own people are being put out of work, and there is the great difficulty. It is the depression in our own country that we must look out for first, and thus give our own people in the United States an opportunity to earn a living, irrespective of its final effect upon any other country.

Mr. DIAL. Mr. President——

Mr. McCUMBER. I yield to the Senator from South Carolina.

Mr. DIAL. I should like to ask the Senator from North Dakota if these State banks had joined the Federal association would they not have strengthened their borrowing capacity, and naturally would not that have relieved the situation, or helped to relieve the situation?

Mr. McCUMBER. It is barely possible that if some of those State banks were in the association they might in the past have received some assistance in credit, but I doubt if they could receive any to-day, even if they were associated, because one of the banks in my State, I notice, that has just closed its doors was a member of the association. There are a sufficient number of national banks members of the association to relieve the situation in that section of the country, provided they could get the credit from the Federal reserve banks.

Mr. DIAL. Probably the reason why they could not get the credit was that they wanted the money on paper that was not eligible for rediscount.

Mr. McCUMBER. Undoubtedly that plays an important part, but the real trouble is that credit has been so expanded that the presidents and the boards of control of the Federal banks feel that with falling markets they must keep their reserves up and their credits down in order to be perfectly safe.

Mr. SIMMONS. Mr. President, do I understand the Senator from North Dakota to argue that the situation in which the wheat growers find themselves in this country would be relieved if we were to place an embargo upon foreign wheat and not permit any further importations into this country?

Mr. McCUMBER. Certainly; the situation would be greatly relieved but not fully relieved. The Senator can see for himself that a million bushels a month would have been a large importation from Canada under ordinary conditions. In the month of October there were about 10,000,000 bushels, including the flour, that were imported free of duty into the northwestern markets. Canada has had a splendid crop. During that month wheat dropped about 60 cents a bushel, just at the time that the Canadian wheat was coming in. With another 12,000,000 bushels in December, and at that rate of importation for a few months, we shall have all the Canadian export wheat in the United States, and we shall then be compelled to find an export market not alone for the American surplus but also for an additional amount equal to the Canadian surplus.

Mr. SIMMONS. The Senator, then, attributes the fall in the price of wheat somewhat to those importations?

Mr. McCUMBER. Oh, yes; to a great extent.

Mr. SIMMONS. But, at the same time, I understand the Senator as saying that if those importations had not taken place, and if those importations are not permitted in the future, still the situation in which the wheat growers find themselves would not be relieved?

Mr. McCUMBER. Oh, it will not be completely relieved. We are having a period of depression, and the wheat growers and every other business must stand that; but a complete embargo against importations would greatly relieve the situation.

Mr. SIMMONS. There is no way to relieve that condition, which would exist and be unremedied even by an embargo?

Mr. McCUMBER. Not completely to relieve it, I will admit, but we are seeking in some way to palliate the trouble as much as possible. And if we can relieve it one-half we should not hesitate.

Mr. SIMMONS. Is it not a fact that, leaving out the question of importations altogether, we produced last year, as we have generally produced in past years, a very large excess over the demands of this country?

Mr. McCUMBER. That must be qualified. As to the production of a certain kind of wheat which was used for a certain kind of flour, yes; of another kind of wheat, which is raised extensively and, indeed, almost exclusively in the States of North and South Dakota, eastern Montana, and Minnesota, no; because they have not raised a sufficient amount this year of the latter kind to meet the demands of millers for that character of wheat for their trade. That is the kind of grain that is coming over from Canada.

Mr. SIMMONS. And if that character of wheat sells at a low price, that is reflected in the price of the other kinds of wheat, is it not?

Mr. McCUMBER. Oh, yes; certainly.

Mr. SIMMONS. Then the crux of the matter is that an embargo will not relieve the situation; that it is necessary in some way or other to stimulate exportations of wheat? Is that not true?

Mr. McCUMBER. Mr. President, I am in favor of both propositions. While I doubt if we shall get very much assistance from the renewed activities of the War Finance Corporation, I am hopeful that they will have a tendency to help to some extent. I therefore would favor its revival, and I would favor every possible measure that would tend to help the situation. To my mind, however, the embargo is far more important than any other proposed remedy.

Mr. SIMMONS. But the other is absolutely essential in order to stabilize prices, is it not?

Mr. McCUMBER. No; I do not think it is absolutely essential. I hope it will help to stabilize the prices and assist us some way in our connection with exports.

Mr. SIMMONS. I was apprehensive, Mr. President, from the remarks of the Senator up to the time of my interruption that he was going to oppose a revival of the War Finance Corporation as a means of helping exportation.

Mr. McCUMBER. Far from it. I am in favor of as many remedies as we can possibly put through that hold the slightest promise.

Mr. SIMMONS. Mr. President, if the Senator will permit me in his time to draw a parallel between the wheat situation and the cotton situation I shall be very glad now to do so.

Mr. McCUMBER. If the Senator will allow me one moment I shall be through, and then I shall yield the floor to the Senator.

Mr. SIMMONS. I will only take a minute.

Mr. McCUMBER. Very well.

Mr. SIMMONS. The Senator from North Dakota has shown to us that an embargo upon importations of wheat would greatly relieve the wheat situation. In that particular the cotton situation differs entirely and fundamentally from the wheat situation.

Mr. McCUMBER. That is true.

Mr. SIMMONS. No embargo upon cotton will affect the cotton situation in the slightest degree.

Mr. McCUMBER. Because we import practically no cotton.

Mr. SIMMONS. Because we export cotton and do not import any except some Egyptian cotton. The only thing that can relieve us is to provide some means by which we can export to Europe the same proportion of our cotton products that we have been heretofore doing.

I have seen some suggestions in the newspapers that this year we have exported during the last few months about the same quantity as we did last year. That may be so, Mr. President, but our exports during that same period of time as compared with our exportations in normal times is as three to one.

Mr. McCUMBER. But, Mr. President, the principal object of this address is to reach the ear of those who are asking favors of the Government. We want every man and every corporation who must be called upon to remit for taxes to look not alone upon their own discomforts but also upon the country's dire need. We want the soldier who is asking for immediate action on a bonus bill to exercise patience and forbearance, and to understand the grave financial difficulties that confront Congress. And we want our appropriation committees to cut to the bone and to keep appropriations down to the limit of the bare necessity of government. This is no time even to dream of new governmental projects which will call for Treasury disbursements.

Mr. President, I have a copy of a letter from the Secretary of the Treasury written in response to a letter from Mr. FORDNEY, chairman of the Committee on Ways and Means of the House of Representatives, pertaining to the matter of extending the time of payment of the December 15 installment of income and profits taxes and also in regard to offsetting the inventory losses of 1920 as against 1919 profits. The Secretary of the Treasury very fully discloses why that would seem to be an impossibility. I will ask that the letter written by Mr. FORDNEY and the answer of the Secretary of the Treasury may be printed in the RECORD at this point.

The VICE PRESIDENT. Without objection, it is so ordered.

The letters referred to are as follows:

NOVEMBER 19, 1920.

Hon. DAVID F. HOUSTON,
The Secretary of the Treasury, Washington, D. C.

DEAR MR. HOUSTON: The Committee on Ways and Means is in receipt of numerous communications from taxpayers referring to declining values and resulting inventory losses during the taxable year 1920. Complaint is made of inability or difficulty in raising money to meet the December 15 tax installment, and action is urged to postpone payment of the December 15 installment of income and profits taxes under certain conditions and legislation is advocated by them to extend the "net loss" provisions of the revenue act of 1918 to the year 1920.

I would be pleased to receive any suggestions or recommendations you may see fit to make in this connection.

Very truly, yours,

J. W. FORDNEY.

—

THE SECRETARY OF THE TREASURY,
Washington, D. C., November 20, 1920.

Hon. J. W. FORDNEY,
Chairman Committee on Ways and Means,
Washington, D. C.

DEAR MR. FORDNEY: I received your letter of November 19, 1920. I am glad to have this opportunity of stating the Treasury's views on the two proposals which have been made to you by certain taxpayers. The first is to postpone the payment of the December 15 installment of income and profits taxes. The second is that the "net loss" provisions of the revenue act of 1918 be extended to the year 1920, presumably to permit the deduction of inventory losses during the taxable year 1920 from the net income for the taxable year 1919, with redetermination of the 1919 taxes accordingly. Similar suggestions have recently come to the Treasury. The agitation for these changes in the law is doing much harm, and, from the point of view of the Treasury, it is important that the situation be made clear.

As you know, the revenue act of 1918 provided for the payment of income and profit taxes in four quarterly installments due on March 15, June 15, September 15, and December 15. The taxes due on December 15, 1920, represent chiefly the final installment due in respect to income and profits of the taxable year 1919. Taxpayers have already had nearly 12 months' grace as to this final installment and have had every opportunity to make provisions for its payment by setting up the necessary reserves or purchasing Treasury certificates of indebtedness. The Treasury Department, moreover, has adjusted its financial program to the tax payment dates provided by the revenue act of 1918. There are outstanding nearly $700,000,000 of certificates maturing on December 15, 1920, and an additional $300,000,000 mature on January 3 and January 15, 1921. On December 15 there will also become payable the semiannual interest on the first Liberty loan and the Victory Liberty loan, aggregating about $140,000,000. To meet these heavy maturities of principal and interest and at the same time provide for the current requirements of the Government, enlarged as they are by the extraordinary burdens imposed upon the Treasury in connection with payments to the railroads, the Treasury relies chiefly on the income and profits taxes payable on December 15. This installment is not expected to exceed $650,000,000. The Treasury must finance its further requirements, so far as they are not covered by ordinary current receipts, through issues of Treasury certificates of indebtedness. It would be impossible to defer the payment of the December installment of taxes without forcing the Treasury to offer Treasury certificates in prohibitive amounts.

Moreover, to extend the time for the payment of the December 15 installments would simply mean that the Treasury would, in effect, be financing private business, which should provide for itself through ordinary banking channels, if necessary. In this respect the proposal is not different from those insistently made to the Treasury during the last few months, that Government funds be made available in various sections of the country to finance the holding of commodities or for the export of goods to Europe.

The suggestion that the "net loss" provisions of the revenue act of 1918 be extended to the year 1920 is equally impossible from the point of view of the Treasury. Under the present revenue law the Treasury receives in the year 1920 taxes based on the income and profits of taxpayers during the year 1919. The whole financial program of the Government requires that the Treasury be able to rely upon the collection of these taxes. No change should be entertained which would render uncertain the bulk of the Government's tax receipts and perhaps result in heavy claims for refunds with consequent increases in the public debt and additional short-term financing. There is, furthermore, no reason in fairness why taxpayers who made profits in 1919 and became liable to pay taxes on the basis of those profits should now be permitted to throw upon the Government the burden of losses incurred in the conduct of their own businesses in the year 1920.

The Treasury must of necessity promptly meet the Government's bills. If uncertainty is to be introduced now into the tax payments upon which the Treasury principally relies, it clearly will be impossible for the Government to finance itself.

Very truly, yours,

D. F. HOUSTON, *Secretary.*

Mr. McCUMBER. I also ask, Mr. President, to insert as a part of my remarks certain tables covering the points I have discussed.

The VICE PRESIDENT. Without objection, it is so ordered.

The tables referred to are as follows:

Amount of cash in Treasury Dec. 6, 1920	$160,018,235	
Dec. 15 tax installment, estimated	650,000,000	
Total		$810,018,235
Outstanding certificates maturing Dec. 15, 1920	700,000,000	
Maturing Jan. 3–15, 1921	300,000,000	
Maturing Dec. 15, 1920	140,000,000	
Total		1,140,000,000
Deficit (with empty Treasury)		329,981,765
Minimum Treasury safety balance		250,000,000
		579,981,765
Railway-operation deficit		650,000,000
Total deficit		1,229,981,765

FINANCIAL STATEMENT.

[From report of Secretary of the Treasury for the year ended June 30, 1920.]

On page 273 and following is a summarized estimate of receipts and expenditures for the fiscal year 1921, as follows:

Balance in Treasury June 30, 1920			$359,947,020.33
Estimated receipts:			
Ordinary	$5,739,565,000		
Public debt	60,193,375		
Total		$5,799,758,375	
Estimated expenditures:			
Ordinary	4,851,298,931		
Public debt, including $2,509,550,500 certificates of indebtedness outstanding maturing within year, but not including Pittman Act certificates	3,063,443,584		
Total		7,914,742,515	
Excess of estimated expenditures over estimated receipts			2,114,984,140.00
Estimated deficit in general fund June 30, 1921			1,755,037,119.67
Estimated amount necessary for balance in general fund June 30, 1921			250,000,000.00
Estimated gross deficiency June 30, 1921			2,005,037,119.67

Fiscal year 1922.

Estimated deficit in general fund June 30, 1921 (as above)			$1,755,037,119.67
Estimated receipts:			
Ordinary	$4,859,530,000		
Public debt	60,200,000		
Total		$4,919,730,000	
Estimated expenditures:			
Ordinary, exclusive of expenditures on account increased compensation of Government employees, of expenditures account additional compensation in Postal Service, and of expenditures on account of new construction in Navy	3,897,419,227		
Public debt	465,854,865		
Total		4,363,274,092	
Excess of estimated receipts over estimated expenditures			565,455,908.00
Estimated deficit in the general fund June 30, 1922			1,198,581,211.67
Estimated amount necessary for balance in the general fund June 30, 1922			250,000,000.00
Estimated gross deficiency June 30, 1922			1,448,581,211.67

Mr. SIMMONS. Mr. President, may I ask the Senator a question?

Mr. McCUMBER. Certainly.

Mr. SIMMONS. I assume from the statement of the Senator that the majority members of the Finance Committee have conferred about this matter and that they have reached——

Mr. McCUMBER. They have not conferred as a committee, of course——

Mr. SIMMONS. Well, informally.

Mr. McCUMBER. But the Republican members have informally met a few times and discussed a number of situations.

Mr. SIMMONS. And they have determined that there shall be no action and can be no action for the purpose of extending the time of payment of the next installment, due in December, of the income and profits taxes?

Mr. McCUMBER. No; Mr. President, they have not so determined, because that determination would have to be made by the committee. There has simply been a discussion among a few of the Republican members.

Mr. SIMMONS. They have decided that they will not do anything to bring that matter before the Senate for action, have they not?

Mr. McCUMBER. Oh, I think that is not correct, because I think the matter will come up before the committee, and the committee will undoubtedly have a meeting in a very short time to consider it. I am not presenting these figures on behalf of the committee nor on behalf of any members of the committee, but I am presenting them so that those who are interested in the postponement of the payment of the taxes due in December may know that in all probability the request can not be granted.

Mr. SIMMONS. Does the Senator mean that the committee will be called together before the 15th of December?

Mr. McCUMBER. I hope so.

Mr. SMOOT. Mr. President, I wish to say to the Senator from North Carolina that, so far as I am personally concerned, I think the business interests of the United States ought to be advised at once——

Mr. SIMMONS. That is exactly what I am trying to have done.

Mr. SMOOT. That the Government of the United States can not extend the time for the payment of the taxes which fall due on December 15, and, so far as I am concerned as a member of the Finance Committee, I am ready to say that we can not do it, and I believe that the business interests ought to know it. Therefore I make this statement.

Mr. SIMMONS. Mr. President, I entirely agree with the statement made by the Senator from Utah. I do not think it is practicable to extend the time, and I was trying to make it plain and clear that it could not be done and would not be attempted, so that the business interests of the country might know now, finally, that no effort in that direction will be made.

Mr. McCUMBER. That is my reason for presenting this argument, to show how impossible it will be. Of course the committee must finally determine that question for itself.

Mr. SIMMONS. That is true, and also as to the proposition with reference to allowing inventory losses.

Mr. McCUMBER. Yes. I think the report by the Secretary of the Treasury is a complete answer to the request.

Mr. SIMMONS. Mr. President, will the Senator permit me to ask him a question of another character?

Mr. McCUMBER. Certainly.

Mr. SIMMONS. The Senator in his very clear and comprehensive financial statement informs the Senate and the country that on the 30th day of the coming next June we will be confronted with a deficit of something over $2,000,000,000, as I understood him, and that on the 30th day of June, 1922, we will be confronted with a larger deficit.

Mr. McCUMBER. No; with a somewhat smaller deficit.

Mr. SIMMONS. Then, I misunderstood the Senator.

Mr. McCUMBER. I make this statement, of course, from the estimates furnished by the Secretary; I am not giving my own but the Secretary's estimates.

Mr. SIMMONS. That presents, of course, a very serious situation, and I want to inquire of the Senator, who is the acting chairman of the Finance Committee and who, I understand, has informally conferred with his colleagues in the majority, if he has himself individually or in conjunction with his associates on the committee in the majority considered the feasibility of utilizing a part of the indebtedness of foreign governments to us in liquidation of this enormous deficit?

Mr. McCUMBER. I have not—I do not know whether any other members have discussed that subject—because I have felt that it was impossible for any of the foreign governments

to pay their debt now. I understand that they are not even paying the interest on it—I am not certain as to that——

Mr. SIMMONS. I think that is true.

Mr. McCUMBER. And, of course, if they are not paying the interest, we can hardly ask them to pay the principal in liquidation.

Mr. SIMMONS. That is undoubtedly true, Mr. President. But is it not also true that it is possible to get this indebtedness, or at least a large part of this indebtedness, reduced to a form which we might use as security for the purpose of raising the necessary money?

Mr. McCUMBER. We have got the obligations of the governments now, and I know of no form of an obligation that is better than a Government bond.

Mr. SIMMONS. We have not got Government bonds.

Mr. McCUMBER. Whether we have Government bonds or Government agreements, we have the strongest known obligation.

Mr. SIMMONS. The Senator is mistaken about that; that is the trouble; I do not think we have any Government bonds.

Mr. SMOOT. We have the I. O. U's of the foreign governments; that is all.

Mr. SIMMONS. We have their I. O. U's, and that is all.

Mr. GLASS. We have their demand obligations, which can not now be paid, but negotiations are pending for putting those obligations into the form of long-time obligations.

Mr. McCUMBER. Those obligations bear interest the same as our own securities, and that is why I spoke of them, not really as bonds, but as Government obligations that are just as safe as though they were Government bonds.

Mr. SIMMONS. I am not at all clear in my mind that any use can be made of these securities when they are put in proper form to help us out of the distressing condition in which the Treasury finds itself; but I wanted to suggest to the Senator from North Dakota, the acting chairman of the Finance Committee, that the matter ought to be very seriously considered. It is possible, it may be probable, that we might reduce the bonds of certain of these Governments, like those of Great Britain, to a form in which we might use them at some time during the period between now and the 30th of June so as to help us liquidate this deficiency.

Mr. McCUMBER. I am in favor of having an early meeting of the committee and inviting the Secretary of the Treasury to be present, and seeing what we can do along that line.

Mr. SMOOT. Mr. President, I have taken the position, of course, that as long as the Governments owing us money can not pay the interest on their obligations, the Governments can not pay the obligations themselves.

Mr. SIMMONS. Of course not.

Mr. SMOOT. I have also taken the position that the individuals of these different countries are in no state whatever to purchase the obligations, and in fact I doubt whether we can sell them at all to any foreign country.

Mr. SIMMONS. Mr. President, may I ask the Senator a question?

Mr. SMOOT. Yes.

Mr. SIMMONS. If we could not sell the obligations to foreign countries, could we not sell them to our own people?

Mr. SMOOT. I was just coming to that. I was about to say that therefore if we put them in a position whereby they could be sold in small quantities, the only purchasers would be American investors. I have my doubts as to whether that would assist the Government very materially. Whatever money was used for the purchase of these foreign obligations by American investors of course would be diverted from the investment of the same funds in some other way, and it may be that it would be of very little assistance in the situation as it exists to-day.

The Senator referred to the fact that they could use them as security for the issuing of more Federal bank notes. That is true, Mr. President. I think Congress could authorize that, and that we could issue more Federal bank notes upon this indebtedness of foreign countries; but we have lots of security already in this country that we could use as collateral for that purpose if we want to increase that kind of money.

Mr. KING. We are expanding our credit too much now.

Mr. SMOOT. In other words, as I said before, I never shy at the word "inflation." I knew that that is what we would have to come to, and that is where we were, and that is where we are; and the only question would be, if we issued further Federal notes upon this security it would be an expansion of the currency of the United States and would be further inflation. That is the way I look at it.

FINANCING OF AGRICULTURAL OPERATIONS.

Mr. GRONNA. I ask unanimous consent that Senate joint resolution 212 be taken up for consideration by the Senate.

Mr. SMOOT. Before that is done I desire to suggest the absence of a quorum, because there are some Senators who want to be present when the joint resolution is taken up.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ashurst	Glass	Lodge	Smith, Ariz.
Ball	Gronna	McCumber	Smith, Ga.
Beckham	Hale	McKellar	Smith, Md.
Borah	Harris	McLean	Smith, S. C.
Brandegee	Harrison	McNary	Smoot
Calder	Heflin	Nelson	Spencer
Capper	Henderson	New	Sterling
Chamberlain	Hitchcock	Norris	Sutherland
Colt	Johnson, Calif.	Nugent	Swanson
Curtis	Kellogg	Overman	Thomas
Dial	Kendrick	Phipps	Townsend
Dillingham	Kenyon	Poindexter	Trammell
Fernald	King	Pomerene	Underwood
Fletcher	Kirby	Ransdell	Walsh, Mont.
France	Knox	Sheppard	Warren
Gay	La Follette	Simmons	

Mr. HARRISON. I wish to state that my colleague [Mr. WILLIAMS] is necessarily absent; also that the Senator from South Dakota [Mr. JOHNSON] is absent owing to illness.

The VICE PRESIDENT. Sixty-three Senators have answered to the roll call. There is a quorum present.

Mr. GRONNA. I renew my request for unanimous consent that Senate joint resolution 212 be laid before the Senate and proceeded with.

The VICE PRESIDENT. Is there objection?

Mr. THOMAS. Mr. President, I have no objection to taking up this joint resolution at the present time; but I received a copy of the hearings only this morning. So far as I have been able to read them they seem to me to be of great importance. I expect to say something upon this measure, but in view of the bulky nature of the hearings I do not think I shall be able to read them to-day. Upon the understanding that if I am not ready this afternoon the matter will go over until to-morrow, I have no objection.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the joint resolution (S. J. Res. 212) directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country, which was read, as follows:

Whereas there exists in the agricultural sections of the country unprecedented and unparalleled distress on account of the inability of the farmers to dispose of the corn, wheat, cotton, live stock, and other commodities now in marketable condition at prices that will pay the cost of production; and

Whereas the people of Europe are in dire need of the agricultural products now in possession of the farmers of this country, but are unable to purchase on account of existing financial conditions; and

Whereas, under an act of Congress, there was established the War Finance Corporation for the purpose of financing the exportation of American products to foreign markets; and

Whereas the activities of the War Finance Corporation were suspended in May, 1920, by an order of the Secretary of the Treasury; and

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market: Therefore be it

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural products to foreign markets.

SEC. 2. That the Federal Reserve Board is hereby directed to take such action as may be necessary to permit the member banks of the Federal Reserve System, in accordance with law and consistent with sound banking, to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at the lowest possible rate of interest.

Mr. DIAL. Mr. President, certainly the time has come when we must do something to relieve the agricultural situation in this country. I am just as far from being in favor of paternalism as any man in the United States. I do not think that it is for the best interests of this country for our people to come to depend upon the Government for help in normal times. It is a bad precedent. But, Mr. President, these are abnormal times, and we are living under abnormal conditions; and I felt many, many months ago that it was the duty of this Government to restore the War Finance Corporation.

It is not very good taste, Mr. President, to say "I told you so"; but when Congress adjourned in June I thought I could see financial trouble ahead, certainly a great deal of it for my section of the country. I therefore remained here and took up with the Secretary of the Treasury the question of the War Finance Corporation resuming operations. At that time the South had something like 3,000,000 bales of cotton which

we carried over last season. A great deal of that cotton was off grade, and there was no market for it. During the war the Government had its goods made out of the best grade of cotton, and some of the best customers for that grade of cotton have been out of the market for many years. Then, with the new crop coming on, I thought I could see where we would have a great deal of trouble in getting rid of what we had on hand. Therefore I thought it was very important to restore relations with the different countries of the world which used our cotton, and get it out of this country as fast as possible.

The Secretary of the Treasury did not think that was necessary. At that time prices were reasonably good. But they commenced to decline at once, and kept on declining. I came back to Washington in August and took the matter up again with the Secretary of the Treasury, and he was still of the same opinion. At that time I conferred with all of the Senators who were here whom I could find, and the Senator from Florida [Mr. FLETCHER], the Senator from North Carolina [Mr. SIMMONS], and I wrote a letter to the President, which I desire to include in my remarks.

The VICE PRESIDENT. Without objection, it is so ordered.

The letter referred to is as follows:

AUGUST 16, 1920.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: We desire to call your attention to the condition of the farmers in this country and ask your help. For various reasons the growing crop has been and will be a very expensive one. Labor was scarce and high, fertilizers were high, and everything that goes into the making of a crop seems to be at excessive figures. Owing to the congested condition of the railroads, the money situation, and the state of exchange, a great deal of the last crop has not been disposed of. Some time ago the War Finance Corporation ceased to take on new business. We now desire to ask you to authorize this corporation to resume active operations. We are not desiring the Government to engage in business which the citizens should carry on. In ordinary times and under usual conditions we would not make the above request. A few months ago some of us mentioned the matter to the Secretary of the Treasury, but at that time he did not see the necessity of taking on new businesss. We called at his office the other day, as we desired to present the matter to him again, since conditions had greatly changed within the last 60 days. Within this time wheat has declined something like 60 cents per bushel, oats and corn in proportion, and cotton about 8 cents a pound. In fact, all agricultural products are moving slowly, and this in the face of the harvest rapidly approaching.

During the war the Government ordered its supplies of cotton goods made out of the higher grades; furthermore, of course, Germany and Austria, and even other countries, could not receive their usual amounts of American cotton. Therefore there is a great quantity of off-grades staple in the South, for which there is practically no market. For example, low middling cotton is quoted at 10 cents a pound, or $50 a bale, under middling. The next grade is nearly $100 a bale under middling. At present it seems that the growing crop will be a very large one and perhaps prices will continue to decline.

During the war the agricultural interests of this country did all they could to buy bonds and otherwise support the Government in every financial way, with the expectation that the Government would continue to aid them to market their crops to the best advantage until world conditions should become settled and normal. If it would require a bond issue to accomplish this we certainly would not make the request. The loans desired are temporary and would soon be repaid. We are informed that there are about 153,000,000 spindles in the world and that a large majority of these are idle.

We understand that various European countries are exceedingly anxious to purchase our cotton and other agricultural products, but that it is essential that they shall receive some indulgence. The manufacturing interests of Czechoslovakia have been particularly called to our attention, as they desire to buy directly from our exporters, on credits indorsed by their banks and guaranteed by their Government, and further agree to hold the product in trust for payment of the purchase money.

We are strongly of the opinion that the War Finance Corporation should resume operations, at least so far as agricultural products are concerned.

The corporation while operating did considerable business and more was being rapidly offered. Czechoslovakia especially was a very promising customer. We have been urged by our constituents, and also by friends of some of the Central European countries, to present the urgency of this matter strongly to the President.

To our certain knowledge a great number of farmers purchased bonds and they borrowed money from the banks to carry these, expecting to pay for them when they disposed of their cotton. You are doubtless aware, Mr. President, that the farmers lose annually millions of dollars because they have not had the opportunity of learning in its modern phases the complex art of marketing to the best advantage. By enabling foreign countries to purchase our surplus supplies our warehouses will be relieved so that they will be prepared to handle the next crop, and customers will be enabled to pay their obligations to the banks, thereby taking up their bonds, keeping these securities off the market, and preventing them from being sacrificed. By this course every interest in this country and abroad would be benefited. Supplies will be placed where they are needed and many idle people of the world will be enabled, in part at least, to pay their obligations. By giving people employment the spread of unrest and bolshevism will be checked. We have been recently impressed more than ever with the fact that it takes both time and credit to restore a war-stricken world.

We know of no grander work than aiding farmers to make their employment successful. If some relief is not granted, many of them will face bankruptcy. Just the knowledge that other markets have been opened to their products will greatly stabilize conditions.

We respectfully urge your immediate consideration of this suggestion and believe that if you will authorize the measure proposed great good will immediately follow.

Respectfully,

F. M. SIMMONS,
DUNCAN U. FLETCHER,
N. B. DIAL.

Mr. DIAL. Commodities still continued to decline, and the American Cotton Association had a meeting here and appointed a committee to see the Secretary of the Treasury. I was on that committee, and I again had a conference with him, and he still adhered to the same opinion.

Mr. President, as I said before, I do not believe that it is the right thing for citizens of this country to appeal to the Government for help in case they can help themselves or in ordinary times. But I felt that we were justified in coming to the Government and asking relief, for the reason that during the war all good people of this country bought all the bonds they could possibly carry, and they expected help from the banks. I know in my section of the country they subscribed very largely, and they had the cotton on hand, and they expected the Government to let the War Finance Corporation function until they got rid of that commodity and until we would be able to turn that commodity into cash and pay our debts.

We had great quantities of cotton in the warehouses and were paying storage on it; the banks were carrying paper, and the Government bonds were in the banks. If we could have found a market where we could have sold our cotton, we would have paid the debts to the banks, and the Government bonds would have been taken out, thereby stabilizing the price of these Government securities.

If a bond issue had been necessary to do that, I would have said no. But all we need is just a little banking capital, in transit, as it were. It would be but a few months after we started to export the cotton until it would be made into goods and the goods turned into cash. So I felt that the people of this country had a right to expect the Government to let the War Finance Corporation continue to function, because it was established to meet just such an emergency as arose this summer.

Mr. President, being unable to persuade the Secretary of the Treasury to change his mind, on October 26 I wrote the President another letter, which I desire to include in my remarks.

The VICE PRESIDENT. Without objection, it will be so ordered.

The letter referred to is as follows:

OCTOBER 26, 1920.

The PRESIDENT,
The White House.

MY DEAR MR. PRESIDENT: I feel it my duty to again call your attention to the condition of the agricultural interests of this country and ask you to restore the War Finance Corporation.

While we all were prepared to expect some reductions in prices, yet they have gone far below anything dreamed of, and our people are losing millions of dollars daily, while other countries are buying our products at bargain-counter prices.

The War Finance Corporation is the only Government agency that can help immediately, and the good people of this country have a right to expect this to be done.

I discussed this matter with Secretary Houston at length on three different occasions, and I must say that he does not comprehend in the least the situation, or he does not desire to assist the American producer, and I feel that it is absolutely useless for anyone to confer with him further on the subject. I am satisfied beyond question that he is making more Republican votes than Senators HARDING and LODGE put together. In fact, I look upon the situation as desperate and appalling. The Republicans charge us with not letting the country be prosperous even when it is in our power to do so.

I have conferred with pretty much all the leaders of our party here, amongst them Senators UNDERWOOD, HITCHCOCK, SIMMONS, ROBINSON, FLETCHER, and others, together with a number of Cabinet officers, and I have not yet found a single man who does not agree that the War Finance Corporation should resume operations at once.

The people of this country almost unanimously would approve and applaud your action in granting the above request.

Yours, truly,

N. B. DIAL.

Mr. DIAL. Now, we find that all agricultural products have declined greatly. Cotton has gone down from 43.5 cents to something like 15 cents a pound. We have heard the discussion of the wool market here to-day. We know wheat has declined from $3 a bushel to something like $1.50 a bushel, and corn from $2.30 down to something like 40 cents a bushel. So I feel, Mr. President, that it is not open to debate any longer, but that we should act, and act quickly, because the whole country is becoming embarrassed, not only the producers, but the banks and everyone else, and whatever relief we have to offer we should immediately put into operation.

Mr. President, I gave out a short interview some time ago which I desire to include in my remarks. It was along this line, that if the banks of this country would join the Federal Reserve Banking Association they would thereby strengthen the association and aid themselves to borrow money and carry the commodities until they could get a better price for them.

The VICE PRESIDENT. Without objection, the matter may be printed.

The matter referred to is as follows:

NOVEMBER 12, 1920.

Senator DIAL was to-day interviewed and asked whether or not he had any further information or suggestion that would benefit the people of the South in marketing their cotton. He replied that he had had

correspondence and conferences with representatives of practically every country in the world which manufactures cotton, and he was sorry to say that the universal cry was "no money." He sent names of various of these parties to exporters in the South and to the new export companies which are forming for their consideration.

The Senator said it is no longer a question of debate; the time is upon us when we will have to revolutionize our method of marketing; that heretofore Europe had money to buy cotton and New York was also flushed with funds with which to aid in exporting; that conditions have changed; that European countries were without funds and that New York people could use theirs at a greater profit elsewhere than in the South, and the South would have to find a market and help finance the exporting of its cotton; that he was informed spinners in some of the countries could give satisfactory paper, but this is a matter which will have to be decided as each case presents itself.

He said that he had noticed with pleasure and delight the progress that is being made in forming at least three export and kindred export companies in the South; that he hoped the entire capital of these companies would be subscribed without delay.

He stated that in order to do business cash was desirable, but the next best thing was credit, and this could be obtained in the following manner:

There are in South Carolina 82 national banks, with total resources of $139,971,000; there are 379 State banks, with total resources of $203,155,000; that only 16 of these State banks, with total resources of $17,061,000, were members of the Federal Reserve System; that State banks which are not members of the Federal Reserve System did not have privilege of rediscounting their paper with said system; hence there were in South Carolina 363 State banks, with resources of $186,094,000, who were not entitled to the privilege of the Federal Reserve System, against 98 national banks and State banks, with resources of $146,123,000, whose paper was eligible for rediscount.

Therefore, the way for us to help ourselves was for all of these State banks to become national banks, or at least join the Federal Reserve Banking Association, in which event the borrowing capacity would more than double the amount that at present is allowed banks in South Carolina. If this should be done in South Carolina and a similar procedure adopted all over the South, the question of marketing cotton gradually would in a measure be solved.

The Senator said he hoped at an early date to see all banks take this course, and by so doing it would not only strengthen the Federal Reserve Banking Association but would greatly increase their own usefulness and aid their customers in innumerable ways.

Mr. DIAL. For instance, in South Carolina there are only 82 national banks, whereas there are 379 State banks, and only 16 of the State banks are members of the Federal Reserve Banking Association. Not half the banking capital of our State is represented in the membership of the banking association. So if they would convert themselves into national banks, they would be in position to have their paper rediscounted at all times.

We have heard here to-day about the banks in North Dakota failing. I am sorry for anybody who fails. It is a very dangerous proposition when banks begin to fail. But I am informed that only one of those banks was a national bank. I want to appeal to the banks of this country to support the Federal Reserve Banking Association. I am a great friend of that institution, and had it not been for it this whole country would have been in bankruptcy; possibly we could not have won the war. I was surprised to learn a short time ago that there were more banks in the South, in our district, in the fifth district, not members than in any other section of the country, and down there we need credit.

So the time has come, Mr. President, when the people of this country must help themselves. While I believe it is right that the Government should restore the War Finance Corporation, yet I do not believe in letting them operate very long, only until conditions become normal. We should turn our attention to helping ourselves, and I am glad that in the South we are going to do that. We are forming down there now an American Export & Import Co., with a capital of several million dollars, with headquarters in South Carolina, under the most competent management, and we are preparing to ship our goods to where they are needed.

We are also forming a bank, under the Edge bill, with something like $5,000,000 capital, with a proposed capital of $10,000,000. That is going to aid very much. We are also forming other export companies.

We will have to learn to help ourselves, Mr. President, and one way we can do it is by forming these export companies. I am glad that there is a meeting in Chicago to-day where they proposed to form a hundred-million-dollar concern.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from North Carolina?

Mr. DIAL. I yield.

Mr. SIMMONS. I want to ask the Senator if he believes those export corporations to which he is referring can properly function unless this War Finance Corporation is reinstated and enabled to furnish them the necessary funds?

Mr. DIAL. Not fully and successfully. I feel it would help some, but I feel that they are the kind of an institution which would get help from the War Finance Corporation.

There is some misapprehension about our extending credit to European countries.

Mr. SIMMONS. But the question I desired to ask the Senator was whether he thought it was feasible for them to function so as to accomplish the purpose and object of their corporation without some means of raising money through these banks.

Mr. DIAL. Not fully. They could help only in a small degree, but they would help much more if we would restore the War Finance Corporation. Then we could get somewhat adequate results.

I was going to say that there was some misapprehension about our desiring to lend money to these foreign countries. Probably we have already loaned those countries enough money. But the proposition in connection with the restoration of the War Finance Corporation is not to lend money to those countries, but to lend money to our exporters, and they will stand between the Government and danger. We do not need so much money, to my mind, as we need some guarantee company, or something like that, which will stand between the individual producer and the mills of the world.

I do not know that it is possible for the Government to go into guaranteeing, but if the farmers of the South knew where to sell their cotton, if they knew that the debt would be eventually paid, they would have no objection to crediting the purchaser, and through the War Finance Corporation we can lend a small amount to the exporters, and that would help carry the debt along. What we need is to put that cotton into the hands of people so that they can go to work. We have the commodity and it is doing us no good. It is almost a liability; we are paying storage on it; we are paying interest on the money. The Government has the assets, the Government has the ships, and the ships are becoming idle, and we want to put those ships to use. In Europe they have the mills, and a great many of the mills are intact; they were not destroyed during the war. They have the labor, and the demand is there for the goods, and I feel that we ought to put the people of this country and of the world back to work. There ought to be more work. That is the foundation of money, and that is the way to put people on their feet. If not put to work, they will be here again and forever asking for help.

We see now all about over the world that the idle are walking the streets; they are not producing and making a living for themselves; and if they do not do that, then they will be here with their hats in their hands asking us to support them. I feel we should take a lesson to ourselves now and try to encourage every man in the world to go to work.

Here is a commodity doing nobody any good, and the demand of the world is for it, and if those people put their labor into the product the manufactured product would be worth much more than the raw material, and thereby they would create wealth.

Mr. President, I believe that we ought not to hesitate a day to pass the resolution to restore the War Finance Corporation. It is not only for the help it would do the country by the actual money assistance; but, as the Senator from North Carolina [Mr. SIMMONS] says, it will enable these other corporations to function, and the psychological effect of it will be wonderful. The world will say then that these commodities have gone low enough and we must begin to lay in our supply. The mills of this country and the people who use these commodities will say, "They have gone low enough and we must begin to purchase." Then we will turn these declining prices upward.

The people in my country are becoming bankrupt almost daily. It is a sad state of affairs.

I do not believe in finding fault unless we have a remedy to suggest, and I feel that the first remedy we have to suggest is to aid the people of the world to go to work. I feel that the results of this war possibly are good in some respects, but I feel we have acquired a good many false notions as a result of the war. We have the idea of helping every man, and we have a good deal of this flubdub stuff of short hours and do nothing and support the other fellow or let him come to the Government and get support if he can not get it anywhere else.

When we provide the people of the world with implements and work they will work out their own salvation. I believe one of the highest callings in life is to aid a man to help himself. If we do not, but go on and dole out a little money, it would be like the story of the Irishman, who said, "Faith, I don't believe it is fair for some people to have so much and some so little. I think we should have a divide."

And he was asked, "Pat, what difference would it make to you if you had some money? You would get drunk and spend it. What would you do then?"

He said, "Faith, I would want to divide again."

So that is the result of giving people something. The idea is to put these people to work and let them have the raw commodity with which to work.

Another way we can help ourselves besides organizing these export companies—and certainly the time has come when we down South should organize more of them—we should organize a strong export company, at least one in every State. Our banks would be glad to exchange farmers' notes for the notes of the export companies indorsed by the farmers. Therefore we would need very little cash money.

Another thing, Mr. President, Europe is in a very chaotic condition. We can not put Germany to work. Our good friend, France, stands there, and the reparation commission does not fix the amount of the indemnity, and the Germans are not ready to go to work. I have had some of them call on me to see about buying products. But they can not start real restoration of prosperity in that country until they know what the amount of the indemnity will be. I feel kindly to France, but I believe we did everything in the world France could expect, and there is no use for France to sit here now and keep the world in its present condition by not going on and fixing the amount of the indemnity, so that Germany can go to work in earnest and help pay it.

It occurs to me that France is trying to do the impossible; that she wants Germany to pay her debts and at the same time she is not willing for Germany to get the raw materials with which to work.

Another thing, Mr. President, I understand that Russia is in the market for a large amount of raw products. They want something like 500,000 bales of cotton, and they have the means to pay for it. Yet our country is not dealing with Russia. We are waiting on account of some indefinite notice that France gave about some of the funds having been purloined, or something of that sort. But I noticed in the papers within the last day or two that England had perfected an arrangement whereby she will trade with Russia. So I think these cobwebs ought to be knocked out of the way so that we can get into trade with the whole world without caring anything about whether we recognize the Governments or not.

I think the time has come when the people of the world ought to have what they need to go to work with. I heard the Senator from North Dakota [Mr. MCCUMBER] say to-day that in the next two and one-half years there will be something like $250,000,000 of Government obligations maturing. The time has come when we should help our people get back on their feet so they can begin to prosper. If we throttle enterprise and kill industry, after a while there will be nobody left in this country to pay taxes. The amount that we have maturing here shows that we ought to go to work and enable our people to convert their useless commodities into cash and help the country become prosperous again as it should be, so I hope that we will restore the War Finance Corporation at once.

I want to say that I do not much believe in the second section of the resolution. I think that is indefinite and possibly weakens the proposition. I am not particular myself whether that is adopted or not. I rather believe it would add strength to leave it out.

I have great faith in the Federal Reserve bank system and no doubt it will extend credit all it can, but I want to say that the Federal Reserve Board does not lend a dollar. That is a matter for the regional bank to attend to. The people at home have gotten a little hysterical and have gotten stampeded a little bit. Sometime ago there was a gentleman from one of my neighboring States here before one of the committees, the president of a bank, very much excited, and I asked how much his bank owed and how much it had borrowed. I am the president of a bank myself and I know a little bit about borrowing. He said he had not borrowed any except a little bit on Government bonds. I told him he was not needed in Washington, that his place was back in his own State lending the farmers money and helping to carry their cotton a while. I said, "Go on and send your paper in to the bank. There is no use to worry about these people here. They do not pass on the paper. That is done by your regional bank."

If the banks of the country would be careful and take the right kind of paper, the paper that is prescribed by law, and send it in to their home bank, there is no question about it being rediscounted. I never had any trouble. The people in my community do not have any trouble with the right kind of paper.

Pretty much everyone except the retailer has taken his losses and is ready to go to work in earnest. The retailers, I hope, will soon see their way clear to mark off their losses and meet conditions as they exist.

So I feel that things are very blue, but they could be worse, and our own salvation is in our own hands. It is the duty of the people of this country to turn their attention to production. I feel that in the meantime it is nothing but right that the Government should help them temporarily until they can get on their feet again by disposing of their surplus commodities. We almost had a contract with the Government to expect that much. We bought securities believing that they would allow the War Finance Corporation to continue to function. I hope the resolution will pass to-day.

During the delivery of Mr. DIAL's speech,

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3944) to create a Federal live stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. GRONNA. I ask unanimous consent that the unfinished business be laid aside.

Mr. KENYON. Temporarily.

Mr. GRONNA. That it be temporarily laid aside.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. GRONNA. I ask that the Senate proceed with the consideration of Senate joint resolution 212.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from South Carolina will proceed.

After the conclusion of Mr. DIAL's speech,

Mr. SMITH of Georgia. Mr. President, the Committee on Agriculture and Forestry has unanimously recommended this resolution embodying, first, a definite direction that the duly constituted authorities resume the activities of the War Finance Corporation, and, second, a direction that the Federal Reserve Board take such steps as are necessary to permit the rediscount of farm paper on as liberal terms and at as low rates of interest as are consistent with sound banking. The second section is not really directory; it is suggestive of the opinion of the committee that further relief would be proper; but the first section is mandatory. It directs the officials in charge to operate the War Finance Corporation.

The original War Finance Corporation act created that corporation while the war was going on. The corporation was created with limited authority. It could only help finance enterprises or individuals engaged in producing for the Government war supplies or banks that were financing such institutions. That part of the act has ceased to be effective because we are having no war supplies made, now that the war is over.

About the 1st of March, 1919, we amended that act and gave new powers and duties to the War Finance Corporation. We charged it with the duty of helping extend our exports after the war was over, and we provided for the continuation of this work by the War Finance Corporation for 12 months after the proclamation of peace.

We provided that the War Finance Corporation could issue and make loans up to a billion dollars, limited, however, to helping carry credits necessary for exports, either directly aiding the exporters or the banks who were aiding exporters. The War Finance Corporation rendered a great service during the war. It did it at an expense of $388,000 and at a net profit of $26,000,000.

Mr. THOMAS. The Senator means at an expense of $388,000,000, does he not?

Mr. SMITH of Georgia. No; an expense of $388,000, with a net profit of $26,000,000.

It aided a number of enterprises, it helped to finance banks that were financing enterprises, and it gave courage to industries on account of the fact that here was this powerful institution, the entire stock of which was owned by the Government, with an ability to raise $3,000,000,000, authorized to help carry these industries with loans longer than the banks would carry, authorized to aid the banks in carrying their own loans to these individuals, taking a place that the banks properly could not take.

Now, Mr. President, the thought in the spring of 1919 was that this institution could perform another great service for our country. It required but little vision to realize that many of our former markets would be practically closed even after the war was over, on account of the fact that the industries in those markets would be unable to finance the purchase of raw materials and other supplies in the way that they were financed prior to the war. The war, of course, stopped many trade routes, but the increased demand upon industry during the war temporarily occupied all industries, all plants, and all labor, even beyond the demand placed upon them in the prewar period. But with the close of the war, and with the cessation of these war demands for supplies a collapse to a certain extent was inevitable. The vision contained in this legislation was that the War Finance Corporation could help stimulate a resto-

ration of currents of trade and a utilization of markets which, again opened with the close of the war, would not be in a position to handle the necessary purchases to restore at once normal trade.

Primarily the object was to serve our own people, to furnish markets for our raw material, to furnish markets for the products of the farm, the products of the mine, the products of the factory, going to people who, on account of conditions produced by the war, could only buy on long-time credits—credits that exporters would not be prepared to give; credits that banks would not be prepared to give. So Congress saw fit to continue the work of the Finance Corporation, and, according to the provisions now in section 21 of the act which was passed in the spring of 1919 as an amendment to the original act, the War Finance Corporation was authorized to make loans and to help finance to the amount of a billion dollars those directly engaged in exports or those financing others directly engaged in exports.

The new power given to the War Finance Corporation was limited to helping furnish the necessary credits to carry our exports. Sixty per cent of the copper produced in this country formerly was exported. A large part of it before the war went to middle Europe. Zinc was exported; iron ore was exported; agricultural implements were exported. Indeed, 12 months before the war about 80 per cent of our exports were included in agricultural implements, corn, wheat, wheat flour, breadstuffs, automobiles, copper, cotton, cotton cloth, electrical machinery, fruits, meats, and dairy products, iron and steel and manufactures thereof, mineral oils, vegetable oils, tobacco, wood and the manufactures thereof, leather and the manufactures thereof. The most varied lines of products were exported. The bulk of the raw material went to Europe. Our two chief customers, our two largest customers, were Great Britain, and Germany, Germany being just behind Great Britain.

Mr. KING. Is the Senator from Georgia now speaking of raw materials?

Mr. SMITH of Georgia. Yes; I am speaking of raw materials.

Mr. KING. Because Canada was and is a very large consumer of our manufactured products.

Mr. SMITH of Georgia. I said "raw materials."

Austria also was a very large customer for our raw materials. It was perfectly clear that the industries of central Europe would not be in a position to restore current trade routes from here to them by the consumption of the raw material which they used prior to the war, nor would their people be able to buy the foodstuffs, which in many instances they needed, except on long-time credits. It was a happy conception that the War Finance Corporation, which did such splendid service to help strengthen production of war supplies during the war, should continue after the war to restore trade routes, and reestablish markets cut off during the war.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator from Georgia yield to the Senator from Colorado?

Mr. SMITH of Georgia. I do.

Mr. THOMAS. If my memory serves me aright, the War Finance Corporation was created in the spring following the armistice.

Mr. SMITH of Georgia. The Senator is mistaken. The Finance Corporation was created in the early part of 1918.

Mr. McKELLAR. On April 5.

Mr. SMITH of Georgia. On April 5, 1918.

Mr. THOMAS. My authority for the statement is Mr. Eugene Meyer.

Mr. SMITH of Georgia. Mr. Meyer could not have made that statement. The Senator from Colorado will find that he is mistaken. Mr. Meyer said in March, 1919, the amendment was added to the act creating the War Finance Corporation authorizing it to aid in the export business.

Mr. THOMAS. I accept the Senator's statement.

Mr. SMITH of Georgia. I am sure Mr. Meyer could not have made the statement attributed to him by the Senator from Colorado.

Mr. THOMAS. I may have misread his statement.

Mr. SMITH of Georgia. Yes; or the printer may have made a typographical error.

Mr. KING. Mr. President, if the Senator will pardon me, I think the original act was approved on April 5, 1918.

Mr. SMITH of Georgia. Yes. The amendment was made in March, 1919.

Mr. KING. On March 3.

Mr. SMITH of Georgia. Yes. Even in that short time, during the war and just after the armistice, in those six months the War Finance Corporation handled $750,000,000 of Liberty bonds and Victory notes, $825,000,000 of Treasury certificates, and financed, or helped to finance, a large number of industries and banks that had reached a point where they needed help. It used practically no money from the Treasury. It now has credit upon the books of the Treasury for about $375,000,000 that has never been drawn from the Treasury except to purchase Government obligations.

Mr. HITCHCOCK. Mr. President, I think this situation exists at the present time. I think the certificates have been surrendered and that the Treasury has used the money.

Mr. SMITH of Georgia. The Treasury used the money all the time as it saw fit. I said it was simply a bookkeeping credit.

Mr. HITCHCOCK. I think the testimony of the Secretary of the Treasury was that the affairs of the corporation were so far wound up that the certificates of deposit in the Treasury from the proceeds of its bond sales were surrendered, and that at the present time it has no credit in the Treasury.

Mr. SMITH of Georgia. I think the Senator is mistaken.

Mr. GRONNA. Mr. President, will the Senator from Georgia yield to me?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from North Dakota?

Mr. SMITH of Georgia. I yield.

Mr. GRONNA. I want to call the attention of the Senator from Nebraska [Mr. HITCHCOCK] to the third annual report of the War Finance Corporation, under date of November 30, 1920, which shows that there was a balance due from the Treasury of the United States on November 30, 1920, of $374,313,493.89, practically the amount that the Senator from Georgia has stated.

Mr. SMITH of Georgia. I have taken my figures from the third annual report of the War Finance Corporation.

Mr. HITCHCOCK. If the Senator will permit, I was basing my statement in part on the testimony of Mr. Meyer, which I heard, which is found on page 21 of the hearing before the Agricultural Committee, as follows:

> There is $370,000,000 on deposit in the Treasury for the War Finance Corporation. I would not like to see that money used. The Secretary has used it already for general purposes. He canceled the War Finance Corporation's holdings of Treasury certificates. He used them to reduce the debt—which is not much of a way to reduce the debt.

Mr. SMITH of Georgia. The War Finance Corporation still has to its credit the amount of money in the Treasury, because there has been no action by the corporation officially winding up its affairs. It can not be wound up as yet, and it has not been wound up as yet, and no authority was vested in the Secretary of the Treasury to withdraw the balance in its favor.

Mr. McKELLAR. Mr. President, if the Senator will yield, I think the matter can be cleared up by what Secretary Houston says on page 44 of the recent hearing, as follows:

> Senator NORRIS. Mr. Secretary, has the War Finance Board any money now?
> Secretary HOUSTON. It or the Treasury would have to borrow.
> Senator NORRIS. It has not anything?
> Secretary HOUSTON. No; except a credit on the books of the Treasury.
> Senator NORRIS. Did it have a surplus?
> Secretary HOUSTON. There were certain amounts deposited in the Treasury.
> Senator NORRIS. Then it has all been paid back?
> Secretary HOUSTON. No; certain loans are outstanding.
> Senator NORRIS. Do you know how much that has been?
> Secretary HOUSTON. The amount deposited in the Treasury? No; I would have to look it up.
> Senator NORRIS. Quite a large sum?
> Secretary HOUSTON. That will be available very soon when the annual report is out, but I do not recall it offhand.
> Mr. HEFLIN. Something over $300,000,000?
> Secretary HOUSTON. I think so.

Mr. THOMAS. Mr. President, if the Senator will permit me. Mr. Meyer, on page 21, says:

> There is $370,000,000 on deposit in the Treasury for the War Finance Corporation. I would not like to see that money used. The Secretary has used it already for general purposes. He canceled the War Finance Corporation's holdings of Treasury certificates. He used them to reduce the debt, which is not much of a way to reduce the debt.

I think that statement is reconcilable with that of the Secretary.

Mr. KING. Mr. President, will the Senator permit me to make an observation with a view to eliciting information?

Mr. SMITH of Georgia. I yield.

Mr. KING. I am anxious to get the Senator's views as to the modus operandi by which if this bill shall be passed money may be obtained for the purpose of financing American industries or exporters or manufacturers.

Mr. SMITH of Georgia. I will give that to the Senator in just a little while.

Mr. KING. Very well.

Mr. SMITH of Georgia. I have about reached that point, and I will do so now.

I do not think there is any difficulty about the War Finance Corporation getting all the money needed. It has the right to issue under the amendment a billion dollars of its own paper. There was no trouble in floating its own paper before. We have no idea of asking for any bond issue by the Government. It used little money from the Treasury during the war; in fact, it helped the Treasury more than it called on the Treasury to help it. Payment for its capital stock was largely a matter of bookkeeping. It raised the money with which it operated principally by the sale of its own notes, and that can be done again and done easily.

Mr. KING. Will the Senator permit a further interruption?

Mr. SMITH of Georgia. Yes.

Mr. KING. Does the Senator think that they would have been able to have negotiated their own notes if they had not, to use his expression, had the "potential force" of the Treasury of the United States behind them and an appropriation of $1,000,000,000? The original bill called for $500,000,000. Suppose there had been no appropriation at all and the corporation had merely been authorized——

Mr. SMITH of Georgia. Oh, I want $500,000,000 back of them; I want them reinforced by the potential power of the Government. It is the use of that potential power that makes the activities of this corporation of value to the whole people of the country.

Mr. KING. Then, it means that the Government of the United States will guarantee a billion dollars, if the corporation shall issue that much of its paper or notes or bonds or whatever form the security may take. The Government of the United States is to guarantee the amount and the purchasers of the paper are to understand that the Government of the United States is back of the paper.

Mr. SMITH of Georgia. It does not mean that; it means this: The corporation has a capital stock of $500,000,000; it has a surplus of $26,000,000 as a result of its operations. It has, therefore, a capital of $526,000,000. It will issue its notes backed by that capital, and its notes will be perfectly good because they will be backed by its capital, and its loans will also be based on good security given by borrowers. Its obligations will be from exporters who are sound, backing the advances by good securities, and the credit papers which it will hold will be those of banks which have advanced money to exporters. Just as it worked satisfactorily before the war, so can it now function without calling on the Treasury for a dollar.

Mr. GLASS. Mr. President, may I ask the Senator to explain what the Secretary of the Treasury meant by this testimony on December 3, found on page 44 of the hearings:

All the money it—

The War Finance Corporation—

has had, it received from the Treasury, earned, or borrowed.

Mr. SMITH of Georgia. Well, that is not true. My answer is that it sold or disposed of $200,000 of its own paper, and it did not receive that from the Treasury.

Mr. SMITH of South Carolina. The Secretary said "earned or borrowed."

Mr. SMITH of Georgia. But he said "received from the Treasury," and the War Finance Corporation did not receive all it used from the Treasury.

Mr. HITCHCOCK. Mr. President, if the Senator will permit an interruption, I think the statement quoted still remains practically true. Originally, the United States Government subscribed $500,000,000 to the capital stock of this corporation. That was Treasury money. On the faith of that money the corporation borrowed two or three hundred million dollars.

Mr. SMITH of Georgia. Oh, I never questioned that.

Mr. HITCHCOCK. So that the funds which they received were either Treasury money originally, or money borrowed upon the faith of Treasury money.

Mr. SMITH of Georgia. Borrowed upon its capital paid in.

Mr. HITCHCOCK. Yes; that is right.

Mr. SMITH of Georgia. I stated that emphatically, and I stated that I wanted to have its capital now back of it, furnished by the Government, to enable it to serve the people of this country.

Mr. KING. Mr. President, will the Senator yield?

Mr. SMITH of Georgia. I yield.

Mr. KING. I am asking for information, because I want to know just what the security is and who is to offer it.

I understand the last statement of the Senator to be that he wants the capital of the Finance Corporation back of the loans. That capital must be paid by the Government of the United States. It can not be a mere bookkeeping transaction. The Government must provide the capital. Now, I ask the Senator, Where is the five hundred millions or the one billion dollars that is to constitute the capital of this corporation to come from, unless the Treasury of the United States goes out now and borrows the money?

Mr. SMITH of Georgia. It will not have to borrow it.

Mr. GLASS. Mr. President——

Mr. SMITH of Georgia. I do not want to yield further just now. I want to go on now a little further. For the last half hour I have not been able to proceed with my discussion. I will yield in a moment.

Mr. GLASS. I beg the Senator's pardon for the interruption I made.

Mr. SMITH of Georgia. I beg pardon. Go ahead with the question. I have not yet answered the last question, however.

Mr. GLASS. It simply occurred to me, in connection with the inquiry made by the Senator, that I should like to present what the Secretary of the Treasury said in his examination on December 3 as to the process.

Mr. SMITH of Georgia. I beg pardon, if that is what the Senator wishes to present. If it is a question he wants to ask me, all right. I am familiar with what the Secretary said, and that may be used at any time by anyone who wishes to discuss it.

Mr. GLASS. Very well.

Mr. SMITH of Georgia. The original corporation had a capital subscribed by the Government of $500,000,000. It used only a small portion of the money. The money principally remained in the Treasury, nearly all of it, and was used to meet Government expenses. The money was not laid aside in a pile and taken away from the other funds of the Treasury. It had a bookkeeping credit, and so it will now have its bookkeeping credit with the Treasury and will not, I believe, call on the Treasury for funds, and there will not be a bond sold to raise money to put in the Treasury to carry the corporation. It will have that liability of the Government back of it to help give it a credit and a standing, just as it had before. It has, in addition to that, the $26,000,000 of profit that it has already made in its business.

It is lending the Government credit to the War Finance Corporation to help take care of a responsibility and of an interest involving the people of the entire country, which, by reason of the war we have gone through, can not be handled in the ordinary way, can not be met by ordinary banking. And just as this corporation, with its reserve strength and reserve power to aid industries and banks, was an inspiration to give them courage, to enable them to act with force and power, so it was contemplated that the War Finance Corporation, with the privilege of extending loans to the amount of $1,000,000,000 to help carry the credits necessary for the export of our trade, would give courage, confidence, and backing both to banks, to exporters, and to those aiding in financing exports. The psychological effect alone of the War Finance Corporation resuming work will be most helpful.

In the short time after the passage of the act of March, 1919, the War Finance Corporation made substantial contributions toward financing our exports, and at the time of its suspension it had applications to aid in financing a hundred millions of exports. In March or April of this year, just before the Secretary suspended the operations of the War Finance Corporation, our exports exceeded our imports by $300,000,000. In August of this year they fell to $60,000,000, a lower figure than at any time since October, 1914.

Is there a condition in our country which calls for a broader market for the products of the toil of our people? A story has been presented to the Committee on Agriculture and Forestry which shows that the need of these broader markets is not sectional. It is nation-wide, and it goes further. It shows that the loss of markets for the sale of commodities, largely those taken from the soil, either by the farmer or by the miner, has paralyzed the purchasing power of the people of those sections, and, paralyzing the purchasing power of a large part of our domestic purchasers, the condition reaches on to the manufacturers in the East and the manufacturers in the middle section of our country, and they are closing down and discharging their employees from the loss of their domestic market, which has been lost largely by the loss of our foreign market.

If we can do something to broaden our exports, we shall not only aid in relieving immediately the condition of the agricultural and mining sections, the products from which are moved,

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but we shall aid in restoring among them the markets that have consumed so much of our domestic production in manufactures. Let me illustrate by cotton how it works.

The export market for cotton is largely reduced. The purchasing power of the people of the cotton-growing States is largely removed. They have practically no market for the sale of cotton. Business almost ceases in this section, comprising one-fourth of our entire country, and the buying power of that section stops. The manufacturers of the East and of the Middle States lose their customers, and as they lose their customers and suspend operations again the cotton producer loses his customers even at home; and so it works in a circle. On the other hand, broaden the market of export, aid in bringing back the demand so far as it can be done of middle Europe and southern Europe, and you again create purchasing power in that section of the country which produces cotton, and that purchasing power will reach out into the Eastern and Middle States to furnish markets and give employment to the men in their factories and their mills.

Take copper: The same situation exists, as we have been advised before the committee, and the same thing is true of many other lines of production.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Ohio?

Mr. SMITH of Georgia. I do.

Mr. POMERENE. What the Senator says with regard to agricultural products applies with equal force to manufactured products.

Mr. SMITH of Georgia. Yes.

Mr. POMERENE. To illustrate, in the city of Akron, which is the center of the rubber industry of the world, they have their warehouses filled with tires and other rubber products which at the present time they are not able to market at all. All manufactured products are on the same footing with others.

Mr. SMITH of Georgia. Our export of the manufactured product has ceased, and the entire market in one-fourth of the country has been cut off from them by the failure of markets for the sale of cotton. You can not sell an automobile in that section. You can not sell anything. You furnish a means to export from Memphis, Tenn., 500,000 bales of the very low-grade cotton that is found there, which is not used by American manufacturers, which can be used in Germany, in Austria, and Czechoslovakia. Their mills use the very short staple. You put the exporters in the position where they can help finance such sales and at once there will be a restoration of the purchasing power. You have had cut off, first by the war and now by the lack of ability to finance except on long-time credits, a great part of the markets of the United States. It is believed, indeed it was apparent, that the War Finance Corporation, more than any other institution, could help restore these exports. I believe thoroughly in the export corporations being organized under the Edge Act.

I believe in all possible help by the bankers. But back of them all it was the purpose of Congress in March, 1919, to have for 12 months after the proclamation of peace the War Finance Corporation, with $500,000,000 from the Government, with the power to handle credits to the amount of a billion dollars, to aid and stimulate private enterprise and private banking; not to compete with it, but to let it be known, "Do your best and here in a way your Government is behind you; your Government has created an organization to help back your exports. Your Government recognizes the fact that conditions abnormal still remain as the result of the war, and your Government proposes, as it did during the war, for 12 months after the war to aid in the restoration of trade currents and bring back to you your markets which otherwise you can not reach."

Mr. HITCHCOCK. Mr. President, I should like to ask the Senator if he has the figures showing the amount of foreign exports that have been financed by the corporation during the period of its operation, the first 18 months?

Mr. SMITH of Georgia. The amount was not very great, because only a short time before its operation was suspended were the calls made on it. It had pending before it applications for a hundred millions which it was ready to extend at the time the Secretary of the Treasury suspended it. I can give you a number that it did aid.

Mr. HITCHCOCK. I have just found them in the Secretary's report, and am very much surprised to find how little it did during the period of its operations, very little for cotton, very little for agricultural products, mostly for manufactured goods for very large concerns.

Mr. HARRISON. If the Senator from Georgia will look on page 22, he will find just what Mr. Meyer testified on that point.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Nebraska?

Mr. SMITH of Georgia. Yes.

Mr. NORRIS. The reason why there were not many agricultural products exported under their operations, and so many manufactured products, is I think very clearly stated in the hearings by Mr. Meyer. Briefly stated, it took quite a while to organize to handle agricultural products, because there were no existing organizations. In the case of manufactured products that was different, to a very great extent. I believe they did, however, assist in financing the export of about $11,000,000 worth of wheat to Belgium; eleven and a half million, the Senator from Oregon [Mr. McNARY] says to me. Mr. Meyer said at the time they were suspended they had a lot of organizations ready by which they expected to be of great assistance in the exportation of agricultural products, but it took some time to get the organizations ready.

Mr. HITCHCOCK. Mr. President, I recall that testimony, and I assumed that it was due to the fact that the time was short. But here was an amendment which we adopted in March, 1919, and which was in operation for something over a year, and yet during that whole period the figures show that it made the following advances:

For agricultural implements, $4,000,000 of exports; for condensed milk, $5,000,000 of exports; for cotton, $9,332,000 of exports; for electrical equipment and supplies, $10,796,000; for grain, flour, and foodstuffs, $12,229,000; for locomotives, $5,000,000; or a total of $46,347,654.

That total is an absolutely insignificant amount of our total foreign exports, and I am surprised that the activities of the corporation were so little directed toward the exportation of agricultural products; and I am even more surprised that the total they financed was so insignificant compared to our total exports during that period.

Mr. NORRIS. Mr. President, the amount that was actually expended, of course, does not tell the whole story. There were a great many of these operations where they were behind the organizations and had made an agreement to assist when it became absolutely unnecessary for them to extend a dollar of assistance. That is one of the great benefits that we hope will result. It will not always mean, when we get a lot of exports to go across, that this corporation will have a dollar in it. The fact that they are behind it, and these securities are put on the market for sale, gives them a market that would not exist if they did not have this corporation and its backing behind them.

Mr. HITCHCOCK. If the Senator will permit me, carrying out my argument, I find that during the first 10 months of this year our exports have amounted to $631,000,000 and all that this corporation financed during the year it was in actual operation was only $46,000,000.

Mr. GLASS. The Senator is wrong in his figures. It was nearly $8,000,000,000.

Mr. HITCHCOCK. I should say billions. That is billions, as a matter of fact. It was $8,000,000,000 for the whole year, approximately. The exact figures for the 10 months are $6,498,996,000, and that seems huge compared to the insignificant amount of exports which this corporation financed, only $46,000,000, during the whole year of its operations; and I was going to ask the Senator how he can explain the value of its services in promoting exports when during that year it did so little.

Mr. SMITH of Georgia. That is explained in the testimony.

Mr. McNARY. Let me call the attention of the Senator from Georgia to the testimony of Mr. Meyer, which is found on the bottom of page 21, and extending over to the middle of page 22, which goes to the very question of the Senator from Nebraska [Mr. HITCHCOCK].

Mr. RANSDELL. Will the Senator from Georgia permit me to say a word?

Mr. SMITH of Georgia. Certainly.

Mr. RANSDELL. I would like to have the attention of the Senator from Nebraska, as I think I can offer one possible solution to his question.

Following the armistice, late in 1918, the European countries and other parts of the world, I imagine, had considerable sums of money with which to buy our products. I know that the price of cotton remained at a very nice figure until the close of the year 1919. I know there was no special call on anybody to help finance cotton. It was in such tremendous demand that we could hardly get enough to supply the market. I imagine that the same would apply to the very large amount of exports of various kinds and sorts which were sent to the other nations of the world.

In other words, after we created the War Finance Corporation, in March, 1919, there were no demands made upon it.

Business was functioning without its aid. It was only later on, when these other nations had, I assume, exhausted their funds, or their credits, to a very great extent, and were unable to pay us the cash, that our exporters began to call upon the War Finance Corporation. Undoubtedly they were calling upon it pretty lively, according to the testimony of Mr. Meyer, when it ceased to function. Big demands were made upon it about that time, shortly before it ceased to function. I grant you that they had not been made upon it until shortly before it ceased to function, and I have merely offered that as a suggestion.

Mr. HITCHCOCK. The Senator bases his statement upon the assumption that our exports had fallen off, but, as a matter of fact, our exports for the first 10 months of this year, when the War Finance Corporation has not been functioning, are actually larger than they were for the first 10 months of the last year when it was functioning.

Mr. KING. And larger the last month of the 10 than any other.

Mr. SMITH of Georgia. We know that the raw material we are talking about is not being shipped to middle Europe; that it is not going to the markets to which it normally went before the war. We know that by proper financing it can be sent there.

The answer of the Senator from Louisiana [Mr. RANSDELL] is the chief explanation, I think, of why the War Finance Corporation was not more promptly called on to aid in financing these credits. Our Government continued to extend to foreign countries, to our allies, the loans invested in American products. They drew quite a large sum from the National Treasury after the armistice, which was spent in the purchase of American products. They furnished the funds during that period to continue to handle and to stimulate our exports.

But, as the Senator from Louisiana said, and as the Senator from Nebraska said, in May, 1920, that fund had been exhausted, and the private credits were beginning to be strained, and the War Finance Corporation was being applied to, to aid, and applications, amounting to a hundred million dollars, they were about to approve at the time the Finance Corporation was suspended. The representatives of all the farmers' organizations in the United States have indorsed and urged the resumption of work by the War Finance Corporation.

It is the opinion of the bankers and leading financiers with whom I have conferred that the resumption of the duties of this War Finance Corporation will greatly aid conditions throughout the country.

It is the opinion of representative organizations of the States that it is important and essential. There is an organization of the chief executives of the States which meets once a year. The governors recently met in Harrisburg. Let us see what message they send to us fresh from the people of their respective States. Among other things, it is said:

> Let the Federal Government create a finance corporation of some sort that will enable the people of other lands to obtain from us the commodities they so greatly need, but for which they are not able to make immediate payment. We believe such a corporation to be entirely feasible and that its mere creation would substantially help the situation.

The convention of governors, through a committee of their number, presented it to your Committee on Agriculture and Forestry.

The representatives of the agricultural interests have met and begged for the resumption of the War Finance Corporation. The bankers have urged it. The governors of the States urge it. Let us take counsel with them and listen to their appeal. It represents the views of nearly all of our constituents.

Those who think it will do little must know that if it does little it will certainly do no harm. Those who believe it can do much, who hope for substantial results through its immediate action and through its cooperation, ask you not to prevent resumption because you think it will do little. If you do not want it to act, the less it does the better you should be pleased. We think it should resume its work, believe in what it can accomplish, and feel sure that the results will demonstrate the accuracy of our views.

Now, with reference to the securities and the absorbing power of any of those countries that are requiring long-time credit, I have had occasion to confer with men who have recently visited them, who are familiar with their condition, and they say that Central Europe can furnish us to-day a market not equal to the market of 1913 but a substantial market and a market which, by buying on long time, can give securities that exporters and bankers will be ready to accept; that these markets can be brought to our people, and the War Finance Corporation is needed to bring them to our people.

I would not undertake to give the details of the character of the securities. Exporters and bankers are satisfied that sound securities can be obtained and if they have an assurance of cooperation to carry these credits longer than periods for which banks carry loans, they are ready to begin exporting. Every carload of war material exported under such circumstances will help, every shipload will help. It will help to bring back normal conditions in our own country and it will help to restore normal conditions abroad.

I am one of those who believe that the industrial restoration of Central Europe and of Germany is essential to the industrial prosperity of the world. I believe further that the greatest contribution we can make to Europe is to furnish credits that may enable the purchase of raw materials to put their unemployed to work, to let them again be purchasers, to let them again earn a livelihood, to let them again have a hope for the future; and if Central Europe and Germany can ever be brought back into industrial activity and again take their places as producers, it will prove a great stone wall against which the waves of Bolshevism might roll, to be hurled back, doing no harm.

Mr. THOMAS. Mr. President, I do not wish to interrupt the Senator if he does not wish to be interrupted.

Mr. SMITH of Georgia. If the Senator desires to ask me a question I am glad to yield.

Mr. THOMAS. I wish to ask a question, but to preface it by a very short statement.

I agree thoroughly with the Senator in his view that the economic restoration of Germany and of central Europe is essential to the return of normal conditions throughout the world. This is my question: How is it possible for Germany and the people of Europe to undertake the work of rehabilitation until they are relieved from the undetermined and indefinable indemnity which the treaty has imposed upon them, and under which the people can not and up to this time have not been able to determine what is to be expected of them during their period of rehabilitation and afterwards?

The Senator, of course, knows that this treaty, unprecedented as it is in many ways, is unprecedented in the fact that it imposes upon Germany an indemnity whose proportions no one knows, but which are to be determined year after year by the reparations commission, based upon what seems to be the ability of Germany to pay. I can not imagine any people in the world being able to go to work under conditions of that kind.

If I were mortgaged similarly to the Senator from Georgia because of our financial relations, I certainly would not long entertain any ambition to get back upon my feet financially and earn money when conscious of the fact that every dollar over and above my means of existence would go to the Senator, and without any limitation as to when that process would cease.

I do not believe—but I will not answer the question, as I promised not to, but does not the Senator think that this is a condition precedent to the rehabilitation of Germany—the fixing of a definite indemnity, so that she and her people may know what they have got to meet and then meet it?

Mr. SMITH of Georgia. I will give the Senator my views upon that subject with great pleasure. I regard it as utterly indefensible to hold an unsettled charge against the people of Germany. I think every influence this Government has should be brought to bear to induce a decision with reference to it—to let the people of Middle Europe know what they are to pay and fix their plans for the future to meet it. I should like to see the sum fixed and bonds accepted, that it might be made liquid, sold perhaps in part by the countries receiving the bonds. I think the fair and just thing to a beaten foe is to tell them what they are to pay and give them a chance to live.

But even though that is a hindrance—and I recognize it as a hindrance—I have been satisfied that large quantities of raw material will be, with satisfactory securities, purchased in Germany and in Central Europe.

Mr. WALSH of Montana. Mr. President——

Mr. SMITH of Georgia. One moment, please. I would say probably not half as much as if their war indemnity and their future liabilities were settled, but they must have work to live at all.

I now yield to the Senator from Montana.

Mr. WALSH of Montana. With the permission of the Senator from Georgia, I desire to remind the Senators who have precipitated this discussion that the position which they have advanced now is the position which was taken by the American commissioners at the peace conference. The view thus expressed was very ably presented by the financial representative on the commission, Mr. Baruch, and it is no new argument for anybody speaking in the name of the United States, but I desire to remind the Senators of that treaty as entered into between Germany and all the other Allies, the Allies other than ourselves. If it is to be changed in any way it must come from

negotiations between them and Germany. There is nothing that the United States can do about the matter except to urge, persuade, and I remind the Senators that in view of the situation we are in at the present time our suggestion concerning an amendment of that treaty would probably not be received hospitably.

Mr. SMITH of Georgia. It would not be very persuasive, the Senator thinks?

Mr. WALSH of Montana. No.

Mr. THOMAS. I have made no such suggestion. I am aware of the good work done by Mr. Baruch as our representative upon the reparations commission, but unfortunately he could not have his way. I think there is one thing, however, that we can do, and that is to continue our policy of keeping out of that treaty.

Mr. SMITH of Georgia. Mr. President, I have expressed several times upon the floor of the Senate my views with reference to the treaty, and am rather indisposed to enter into a discussion of the treaty unless it comes back here for our consideration. I only was pleased to express my agreement with the Senator from Colorado about the value to the world of a settlement of the indemnity which is to be required from Germany, and if we are in a position to use any good offices, if we should at any time in the near future be in a position to offer advice which might be heeded, I trust that all the influence of our Government may be thrown on the side of bringing to an end the indefinite condition of the indemnity and place it, if possible, in a shape where it will be fixed, where it will be settled by a bond issue, and where it may take the shape of a liquid obligation, no longer handicapping the industrial condition of the world.

But, Mr. President and Senators, coming back to the War Finance Corporation, there is no possible harm it can do, even if the Senators who have asked a few questions are not satisfied that it did not do more before it was suspended. There is every reason to believe that it can do a vast deal of good, that it can help broaden credit and help take care of credit essential to our exports into central and southern Europe, for even Italy and Spain have asked for credits beyond the ordinary banking credits.

Now, the banks may extend the credits to the exporter, but it would be difficult for them to carry those credits as long as may be necessary. If the bank knew that the War Finance Corporation was in a position to assist if the bank needed assistance, it would act with more liberality and with less hesitation. The same thing is true of the exporter.

As has been before stated, it is not simply the financing actually to be done by the War Finance Corporation that would bring the benefit. It is the encouragement and the backing it would give to exporters and bankers to handle the credits themselves. The War Finance Corporation will greatly aid the export corporation organized under the Edge Act. I believe that the overwhelming sentiment of the bankers and business men of this country is that this contribution to the rehabilitation of our export trade, this contribution to the reestablishment of our markets, is essential in the present condition of our country.

Mr. CALDER. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from New York?

Mr. SMITH of Georgia. I do.

Mr. CALDER. I hesitate to interrupt the Senator, but I must leave the Chamber in a moment, and I desire merely to comment at this time upon the point the Senator has made in his remarks.

As chairman of a special committee of the Senate I had occasion to visit the western and southern sections of the country during the last month. Much of the information given by Mr. Meyer before the Agricultural Committee was obtained by him in traveling through the country with me and assisting me in the work I was doing. My committee had under consideration the question of the housing shortage and matters of thrift, transportation, and fuel as related to housing. We took upon ourselves to inquire carefully into the condition of the Nation's finances. We asked the bankers, we asked the business men, we asked the merchants, we asked everybody that might be interested in the rehabilitation of the country's business just what they thought of this very proposal that the Senator from Georgia is discussing, and I will say to the Senator and to the Senate that almost without exception we found the conservative business men and bankers of all that section of the country—and I speak now of the country west of the Alleghanies—almost a unit in favor of the revival of the activities of the War Finance Corporation. They believe that the psychology of its revival would be helpful to business; they believe that, as the Senator has stated, the activity of the corporation in the way of encouraging exports, without even advancing money at all, will be very helpful; and they believe the country could do no better than to adopt this suggestion at this time. They suggested other means of helping business, but this seemed to be the one in which there was no risk to the country and a manner in which credit could be given and guarantees of credit could be gotten and one through which the country would run little or no risk.

If the Senator will permit me, I should like merely to read a paragraph from this morning's New York Herald, which the Senator knows is the great conservative newspaper in the East.

Mr. SMITH of Georgia. I will not only permit the Senator to do so, but I shall thank him for doing it.

Mr. CALDER. Among other things, this editorial says:

> A merciless flogging has been administered to trade and industry in this country during necessary deflation. Producers directly and consumers indirectly have paid a penalty far and above any sins they ever committed. Producers have listened to sermons about increasing production and satisfying the foreign demand as a means of cutting down taxes and keeping a balance on the right side of the ledger. There is more corn, more cotton, more wheat, more copper, more steel; there are more textiles and more shoes than the country can consume, but there is only a restricted outlet for our surplus to the markets filled with eager buyers abroad.

The editorial goes on and commends the action of the Committee on Agriculture and Forestry and the Members of this body in urging that steps be taken to revive this corporation, which the Senator so splendidly advocates.

Mr. SMITH of Georgia. I thank the Senator. I spent three weeks in New York City just prior to the convening of Congress. I then had an opportunity of conferring with quite a number of prominent bankers and thoughtful business men, and I can not recall a suggestion from one that was not favorable to the resumption of the activities of the War Finance Corporation and that did not indicate a belief that great value could be expected from the resumption of its activities.

As I have stated and as others have stated a number of times, not alone what it would do, but the psychological effect of its resumption of operations as an agency of the Government, the Government thereby recognizing the importance of our exports and showing its willingness to help lead in the export work for 12 months after the proclamation of peace, would be profoundly beneficial.

Mr President, I offered on yesterday an amendment, the real feature of which is to add, after the word "agricultural," the words "and other," so that the joint resolution will read "to resume the activities of the War Finance Corporation * * * with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets."

If the Senate wishes to do so, I am willing to see the language left "agricultural," but I really do not think it ought to be so restricted. I think it should apply to all lines of industry that may be helped, and at the proper time I shall ask for the adoption of my amendment adding the words "and other," so that it will read "agricultural and other products."

There is one other amendment also in the second section of the joint resolution which I propose, in line 16, by striking out the words "of extension." I think, as expressed, it might be understood to apply simply to the renewal of notes rather than the extension of credits as an original proposition. So I have suggested the striking out of the words "of extension."

Mr. KING. Mr. President, before the Senator resumes his seat and after he has concluded his remarks, I should be very glad to propound one or two questions, with his permission.

Mr. SMITH of Georgia. I now yield to the Senator for the questions.

Mr. KING. Mr. President, I have been very much interested in the observations which have been made by the distinguished Senator from Georgia, and with much that he has said I am in hearty accord. I confess, however, to a lack of understanding of the explanation which the Senator has made with respect to the functions of this corporation when it shall have been revived, as to its powers, and particularly with reference to the obligations of the Government. I can not understand a system of bookkeeping—for, if the Senator will pardon me, this is more than a question of bookkeeping—I can not understand a system of bookkeeping which places under the control of this corporation, to use my expression of a moment ago and the Senator's expression, as a potential force, backing its stock issue, $500,000,000 or $1,000,000,000, and yet at the same time that act does not create an obligation against the Government. It seems to me that when this corporation shall be revived—and I assume now that it is defunct——

Mr. SMITH of Georgia. I object to the term "revived," because I do not concede that it is dead. I want to substitute "resume operations" for "revive." The joint resolution says

"revive," but I wish to substitute "resume operations," because I deny it is dead; I do not concede at all the right of the Secretary to kill it.

Mr. KING. Well, assume that it is not dead, but is in a moribund condition.

Mr. SMITH of Georgia. It is asleep.

Mr. KING. As I understand now, it has not a billion dollars or five hundred million dollars to its credit upon the books of the Treasury. I assume, therefore, that by some process of bookkeeping, which doubtless was authorized, the credit which it received in the beginning has been charged against it and the Treasury has been reimbursed for the original payment. Now, if this moribund organization——

Mr. HITCHCOCK. Mr. President, if the Senator will permit a correction there——

Mr. KING. Yes.

Mr. HITCHCOCK. I have discovered what has become of that $500,000,000. In his report the Secretary of the Treasury says:

> The entire capital stock of the War Finance Corporation, $500,000,000, has been issued and is held by the Treasury. This and its reserve fund of about $25,000,000 are invested to the extent of about $422,000,000 in United States bonds, notes, and certificates of indebtedness, and to the extent of about $103,000,000 in other loans and investments.

Mr. SMITH of South Carolina. They can pass that to the credit of the corporation when it resumes operations.

Mr. KING. If this organization, then, shall resume, it will mean that there shall be placed to its credit the amount of capital stock which it is presumed to have.

Mr. SMITH of Georgia. I think it is to its credit now; it owned those bonds into which it put its money. I do not think the Secretary of the Treasury has any authority at all to end it. To suspend its operations was the limit of his authority, and I doubt whether he had that authority; but the bonds in which this money was invested belonged to the corporation.

Mr. KING. May I ask the Senator another question? If this corporation owns those bonds, it is evident it has not paid the Government the amount which it obtained from the Treasury of the United States. Therefore, the Treasury of the United States, unless it has sold the bonds for the purpose of replacing the money which was placed to the credit of this organization or has taken the money from taxation, has a deficit which must be taken into account in determining the financial condition of the Treasury of the United States.

Mr. SMITH of Georgia. I consider that that $500,000,000 is still the property of this corporation; that nobody has had the right to take it from it. It drew about $125,000,000, and has still to its credit about $375,000,000—I use round figures. That amount should be to its credit on the books of the Treasury. It had been invested in bonds and Treasury certificates, and the amount should be to its credit on the books of the Treasury, if the books of the Treasury are properly kept.

Mr. SIMMONS. Mr. President, I can explain that matter to the Senator. The corporation invested, I should say, $120,000,000 in securities, which has not been paid back. It then drew out the balance, or practically all the balance, of its funds in the Treasury——

Mr. KING. Amounting to $500,000,000?

Mr. SMITH of Georgia. What was left of the $500,000,000.

Mr. SIMMONS. Yes; and bought Liberty bonds. Those Liberty bonds have been turned over to the Treasury and they have been given credit now for those Liberty bonds, which restores their account to the same position in which it was before they drew this money out and purchased Liberty bonds; so that the corporation now has actually to its credit upon the books of the Treasury about $385,000,000.

Mr. KING. If the Senator will pardon me, if it got from the Treasury of the United States $500,000,000, which it must have done in order to have invested part of it in bonds and to have loaned the residue, and then repaid the Government the amount received, and it has now received back credit upon the books of the Treasury of the United States for this amount, and if we now revive this corporation we must reappropriate $500,000,000, or the bonds which the Senators say are to its credit, in order that it shall have either stock or assets, or whatever you please to denominate the funds, with which it shall guarantee the loans which it shall make.

Mr. SIMMONS. No; the Senator is wrong. They have that credit there now, and it is not necessary to appropriate any money. They have simply restored to the Treasury the money which they temporarily took out.

Mr. KING. Does not the Senator understand that by the revival of this organization we will restore to it, upon the books of the Treasury of the United States, credit to the extent of three hundred and some odd millions of dollars?

Mr. SIMMONS. Why, it already has it. We do not have to restore it. It already has it.

Mr. KING. Then, if it has that credit, how has the Treasury of the United States been paid for the amount which it advanced when the corporation was organized?

Mr. SIMMONS. Why, in Liberty bonds which were purchased by the War Finance Corporation. The Senator knows that the War Finance Corporation was in the market buying Liberty bonds for the purpose of stabilizing the price of those bonds.

Mr. KING. I understand that; yes.

Mr. SIMMONS. It bought those bonds of the Government, and turned those bonds over to the Treasury, and the Treasury gave it credit for the bonds on the books.

Mr. KING. Where did it obtain the money with which to purchase the bonds?

Mr. SIMMONS. It drew it from the Treasury, out of the funds appropriated.

Mr. KING. Exactly.

Mr. SMITH of Georgia. We have appropriated $500,000,000 to it, and it drew the $500,000,000. It put the money into bonds. The Treasury redeemed a part of the bonds held by this corporation, the statement shows, and when it redeemed them it gave the corporation credit on its books for the money.

Mr. KING. I understand that perfectly. Then it is obvious that the Government of the United States is out $500,000,000 through an appropriation.

Mr. SMITH of Georgia. Absolutely; and it has the stock of this corporation.

Mr. KING. It means, then, if I understand the Senator's contention, that a revival of this corporation permits it to make loans, and back of those loans will be these Liberty bonds which have been purchased by the money appropriated from the Treasury, which will be a guarantee for the payment of the obligation.

Mr. SMITH of Georgia. Back of the loans will be the obligation of the United States to pay the $375,000,000 that this corporation has to its credit in the Treasury—yes; that is just what I mean. It has one hundred and twenty-six millions and more of assets, and this additional amount is to its credit in the Treasury, and its credit in the country, and the credit on which it sold its notes before was the fact that the Government appropriated $500,000,000 to take all of its stock.

Mr. GLASS and Mr. SIMMONS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Georgia yield; and if so, to whom?

Mr. SMITH of Georgia. I desire to yield to whoever wants the floor. I have been ready to yield for some time.

Mr. SIMMONS. I yield to the Senator from Virginia.

Mr. GLASS. Mr. President, the simple fact is that the Government, to the extent of $500,000,000, subscribed to the stock of this corporation. When the corporation ceased to operate it turned back to the Treasury, in bonds and credits, all of its assets. So that technically it has to its credit these bonds and these assets; but if it undertakes to draw them from the Treasury again in order to revive its activities, the Treasury must go out and by the use of certificates of indebtedness borrow the money at 6 per cent interest in order to replenish the funds of the corporation.

I do not care to be understood at this stage as either opposing or favoring this proposition. I am simply stating that fact.

Mr. SIMMONS. Mr. President——

Mr. KING. Mr. President, if the Senator will yield to me, that is exactly the situation as I have apprehended it; but, as I understood the Senator from Georgia, he was attempting to demonstrate that there had been no obligation in the past nor would be in the future upon the Treasury of the United States.

Mr. SMITH of Georgia. Oh, not at all.

Mr. KING. That is, that the Treasury of the United States could advance this money, but keep it by bookkeeping within its coffers, and that there is no obligation or liability upon the part of the Government of the United States, and still it would be available as a basis upon which to predicate the loans that might be made by the corporation or to obtain credits to facilitate trade with foreign countries.

Mr. SMITH of Georgia. Not at all. On the contrary, I have said that the Government subscribed $500,000,000 for the stock and took the stock, and that that $500,000,000, whether left with the Government or in the vaults of the War Finance Corporation, constituted its capital, and if in the Treasury the Government would be liable for $500,000,000 if the notes of the War Finance Corporation were issued and were not met. It is the basis of its credit, absolutely and unqualifiedly. I never doubted it.

Mr. KING. I understood the Senator to say that the War Finance Corporation paid back the loan or the $500,000,000

originally appropriated; but the last observation of the Senator places a different construction on the matter.

Mr. SMITH of Georgia. That the War Finance Corporation paid back the loan it made from the public?

Mr. KING. No, no; that it paid back to the Treasury of the United States the $500,000,000 which at the outset it obtained from the Treasury of the United States.

Mr. SMITH of Georgia. No; I did not say that. The War Finance Corporation actually received from the Treasury approximately $125,000,000. The balance of the $500,000,000 has been in the Treasury to the credit of the War Finance Corporation all of the time, except when it was invested in Government securities. Subsequently the Treasury paid off these securities, bonds, and Treasury certificates, and the credit again went to the War Finance Corporation upon the books of the Treasury.

Mr. KING. Mr. President, then, if I understand the Senator, he will accede to this statement made by Secretary Houston:

> The Treasury has acted as depositary for the corporation. Its funds are represented by a cash credit on the books of the Treasury. If the corporation should draw against that credit, the Treasury would have to borrow to get the money. If activities were resumed, the Treasury or the corporation would have to borrow in order to make the loans.

Now, if the Senator assents to that, may I inquire whether, if the War Finance Corporation is revived and it does make loans, what provision will be made for the Treasury of the United States to get the money in order to meet such loans?

Mr. SMITH of Georgia. No additional provision at all.

Mr. KING. Where will the Treasury of the United States get the money?

Mr. SMITH of Georgia. We do not expect the Treasury to furnish a dollar. We expect the corporation to finance its own paper, just as it did before.

Mr. KING. May I ask the Senator if he thinks it would be honest or sound finance, or to the credit of the United States, or to the credit of the Treasury of the United States, if upon a revival of this organization this corporation loaned $50,000,000, for the Treasurer of the United States not to place to the credit of the corporation immediately $50,000,000 in cash in order to meet the obligation?

Mr. SMITH of Georgia. If the corporation loaned $50,000,000 without disposing of its bonds or raising it otherwise, the Treasurer would undoubtedly meet the $50,000,000.

Mr. KING. If the corporation should issue its own paper, and some one was unwise enough to accept it without the obligation of the Government behind it in the form of an appropriation or suitable security, does not the Senator think it would be the duty of the Treasurer of the United States, if we revive this organization, to immediately credit this organization in cash with the amount of the loan?

Mr. SMITH of Georgia. No. The Treasurer now credits it with $375,000,000 and it has the balance of this $500,000,000 in other assets. It to-day has a cash capital of $500,000,000 plus the $26,000,000 it earned—$375,000,000, in round numbers, being in the Treasury. Its notes are perfectly good.

It sold its notes to the amount of $200,000,000 before. The only notes it gave it sold to the public. I said it had paid off its notes. Those were the only obligations it had. The $500,000,000 was the obligation of the Treasury to it, for we had appropriated $500,000,000 from the Treasury in payment for the capital stock of the corporation. We provided in the original bill that the National Government should be the sole stockholder and that it should take $500,000,000 of the stock from time to time, with the approval of the Treasurer and certain other officials, and it was taken, and it now has to its credit $375,000,000 in round numbers.

Mr. KING. May I ask the Senator if it controls the $375,000,000 which is to its credit?

Mr. SMITH of Georgia. I think it can control that sum absolutely.

Mr. KING. And upon its making a loan, if it had to back that loan with Government bonds, would it have the power to make a requisition upon the Treasury of the United States for the equivalent of that loan?

Mr. SMITH of Georgia. For the $375,000,000?

Mr. KING. Well, for whatever the loan amounted to.

Mr. SMITH of Georgia. I think it can call on the Treasury for what is to its credit there, every dollar of it—the whole of the $500,000,000 that it has not drawn.

Mr. KING. Suppose that it had to have cash in order to give the benefits sought to be obtained, or securities which would readily command cash. Could it take from the Treasury those bonds, which I understand have been deposited there, and vend them in the market?

Mr. SMITH of Georgia. Not at all.

Mr. KING. How would it obtain the cash?

Mr. SMITH of Georgia. This is what I understood has taken place, although I may be inaccurate in this:

When the Liberty bonds or the Victory bonds were being sold, and at other times, the War Finance Corporation bought them, and bought some on the market a number of times. It invested its $385,000,000 in bonds. The Secretary of the Treasury, as I understand, called in and redeemed certain bonds, and he took the bonds of the War Finance Corporation, and having taken the bonds the Treasury held and redeemed them. Instead of paying the corporation the cash the Treasurer gave it credit on the books of the Treasury, which was the depository of the War Finance Corporation, for the value of those bonds which the War Finance Corporation had held. So the War Finance Corporation has given up the bonds that it bought, and the Treasury owes it the value of the bonds.

That is my understanding of the matter. I think I am right about it.

Mr. KING. Mr. President, I think the Senator is right. The misunderstanding between the Senator and myself arose out of this fact:

I understood the Senator's position to be that the $500,000,000 which was originally appropriated by Congress and credited to the War Finance Corporation had been paid back to the Treasury of the United States either in the shape of assets, obligations of individuals or corporations which the organization held, or United States bonds which the organization had obtained from the Treasury and purchased by it, and therefore that the Treasury of the United States, to use common parlance, was made whole, the Government was made whole; that it had the $500,000,000 back again under its own control without any string or any obligation whatever with respect to it; that the present purpose is to revive this corporation and to place a lien—if I may be permitted that expression—upon the $500,000,000 which had been covered back into the Treasury of the United States, either in the shape of Government bonds or other securities, and to abstract it from the Treasury for the purpose of loaning it to exporters; and further that this transaction would involve only a little bookkeeping, which would show that the United States had parted with no money, and that at the same time this corporation would have $500,000,000 to its credit, available for loans to the interests provided in the resolution.

Mr. SMITH of Georgia. The Senator certainly misunderstood me. I never had such a thought in my mind. The confusion, I think, must have grown out of the fact that I suggested it had redeemed its note obligations. I was referring to the two hundred millions of notes that it sold to the public. I was referring to obligations it issued and paid off to the public. Those were the only obligations it had. It never had any obligations to the Treasury. We appropriated the money to it. The obligation was by the Government to pay for its stock, and when I was referring to an obligation I was referring to a technical obligation, a promise to pay by this corporation, and the Senator no doubt was referring to what he considered its obligation to finally make the Treasury good, and that is the way the confusion arose. I relied upon this $500,000,000 capital of this corporation as a basis for the issue of its paper. I do not think it will be compelled to draw a cent from the Treasury. I think it can finance its work by the issue of its paper, by the indorsement of the paper of banks, by the utilization of the securities it receives for its loans; that it can bring out of hiding investment money that is not now engaged in active occupations, and instead of being injurious to the general condition, drawing this investment money and putting it to service will be a contribution to the general financial condition in the country, and as this money goes back into the communities where goods are moved and marketed, that money will quickly go to pay off debts and back into the banks and back into the reserve banks, to bring back normal conditions and to revive the general purchasing power of the country.

Let me read this sentence, and then I will close:

> Secretary HOUSTON. The Treasury has acted as depositary for the corporation. Its funds are represented by a cash credit on the books of the Treasury. If the corporation should draw against that credit, the Treasury would have to borrow to get the money. If activities were resumed, the Treasury or the corporation would have to borrow in order to make the loans.

That may be true. The Treasury might be compelled to issue short-time certificates to raise the money if called on by the War Finance Corporation, but the corporation, as has been fully explained, contemplates financing its own affairs and not using money from the Treasury.

Mr. KING. If that is the process which is to be followed, would the Senator object to a modification of the resolution so that it will not compel the Treasury of the United States or this organization to sell Government securities, thus further inflating the credits of the country, in order to obtain the money with which to make loans to individuals?

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Mr. SMITH of Georgia. I do not think we should in any way change the status of the fund that belongs to this corporation in the Treasury. I think it is in proper shape now, and should remain in that shape, to furnish a basis for disposition of obligations of the War Finance Corporation, thereby placing it in position readily to raise money and perform the great national and international task before it.

It will serve our own people and help stabilize world industry so necessary for the peace of the world.

Mr. CAPPER. Mr. President, while we have this subject before us, I wish to read a telegram I have received from the State bank commissioner of Kansas, in which he says:

Kansas banks are unable at this time to properly take care of all credit required by farmers and stockmen in present emergency. Banking conditions are critical. Believe Congress should take action at once, with view to having either the Federal Reserve Board or some other governmental agency relieve the situation. Additional credit must be given producers without delay. Urge Congress to act promptly on this matter.

I have some 18 or 20 other telegrams from State and national bankers of Kansas, and I think they tell the same story. I think they urge action by Congress in line with the resolution which we now have before us.

Mr. President, due to the unprecedented collapse of credit facilities in the great agricultural regions of the West, 26 country banks in North Dakota have closed their doors in the last 30 days because they could not collect from their farmer debtors. The farmers could not pay their notes because the tremendous slump in prices for farm products within a few short weeks had cut in half the price of practically everything they had to sell. By all rules of business and economics these farmers should have been more than able to meet their notes in the bank. But they were not. Instead, the slump in farm prices, wholly unjust and out of proportion to the declines in other commodities, had pushed them toward bankruptcy and ruin. The fall in prices of farm products this year means a loss to the farmers of more than $6,000,000,000.

There is not a living market for farm products in the United States to-day. Where there is not a living market no industry can exist, not even the unappreciated and overburdened industry of agriculture. Mr. President, the closing of these Dakota banks is a forerunner of much worse to come if we do not heed the warning. It indicates that agriculture, our biggest business and the foundation of our wealth and prosperity, is close to demoralization and collapse. It indicates that the food scarcity that has threatened us before is again approaching, and it says as plainly as can be that all the rest of the country will go down with it once agriculture collapses. Unless relief comes soon this country is in for one of the greatest breakdowns in its history. The signs are plain, and out in the Middle West and the West, where the food you eat is produced, the rumblings are unmistakable.

Mr. President, we have gone about this thing of deflation all wrong. The farmer has been made the goat so often that it was thought he could be safely made the goat again in this big task of deflation. But we have leaned on him too long. The burden has become too great. He can not carry it. He will not carry it. He has said so and is saying so to-day.

If this warning is not apparent to you, consider the unprecedentedly large receipts of breeding animals, of cows, heifers, and calves, brood sows, and immature pigs that have been dumped on the market in the last month or six weeks. The farmer has been forced to dump them, to dump them on a slumping market, at ruinous prices. In line with the drastic deflation policy which Washington has insisted upon, the banks demanded their money and the farmer had to pay. The banks are not to blame. In the West, at any rate, the banks have gone the limit in assisting the farmers.

The week of November 15 broke all records for shipments at the Chicago stockyards. Farmers dumped 4,503 carloads of 111,966 head of cattle in six days. Those shipments included thousands of breeding animals; more than that, there were 15,281 calves, thousands of which would normally have stayed on the farm to make beef or as breeding animals. It is certain that an unusually large proportion of that record week's shipment were cows that should have remained on the farm for breeding purposes.

The same thing has been happening at the other four big western live-stock markets and in all the little markets. Cows, heifers and calves, sows and immature pigs that should never have been shipped have been dumped by the thousands of cars. Steers and shotes that were not ready for market have been dumped. All because of the most pitiless, unrelenting, short-sighted, and unfair policy of deflation that the Washington and Wall Street financial powers ever have forced on any industry in this country.

You will remember that last year we were all alarmed lest the farmers could not produce food for us. The farmers were short on capital. They needed credit urgently. The financial powers saw to it that credit was transferred to the producing country, for they feared that otherwise there might be a scarcity of food and that terror and anarchy would breed from hunger. We urged the farmers to produce. It was necessary for orderly deflation and social order. So down from the reserve banks and the big city banks credit was handed to the farmer through the country banks.

The farmers took this credit to run their business. They raised their crops. They accepted the steadily declining markets as inevitable, asking only that the decline be kept in just proportion with other commodities. But with garnering in of the greatest harvest the country has ever known, and with the fear of hunger's unrest removed another 12 months the financial powers inaugurated a wholly different policy. Without warning a few weeks ago the country bankers began hammering the farmer. They began forcing him to sell wheat, cattle, hogs—anything, everything. He would dump a load of unfinished cattle on the glutted market, knowing that he would depress prices still further, but he could not help it. The banks forced him. They couldn't help it. Further up, the city banks were hammering them. Further up the reserve banks were hammering, and still further up the financial powers that control that so-called public utility—credit—were hammering, hammering, hammering. And every blow struck the farmer. The powers that had so graciously lent the farmer money to grow food for them were demanding it and taking from him every cent he could scrape together, no matter how great the sacrifice to himself, his family, or his industry.

From June 1 to December 1, No. 2 mixed corn, the grade on which corn trading is based, slumped approximately 70 per cent, or from $1.90 a bushel to less than 60 cents a bushel in Kansas City and to 30 cents a bushel at country shipping points. One Kansas farmer took a load of 25 bushels of corn to his local elevator the day before Thanksgiving, to get his wife a pair of shoes. He also took along a hide from a young beef he had killed. He got $7.50 for the 25 bushels of corn and $2 for the hide, but for an ordinary, serviceable pair of woman's shoes he had to pay $10. The shoes cost him all of the price of the load of corn and of the hide and he had to dig up 50 cents to complete the payment. Do you know of any deflation in staple commodities that equals that? You do not, for nowhere has deflation been carried to such an inhuman extreme as with the farmer.

Mr. President, that is a homely example of just what is happening throughout a great part of our country to millions of our people. Two farmers down at Hickory Point, Tenn., killed a couple of young beeves, or calves, in November. The two hides weighed 40½ pounds. They paid $1.58 to ship them to St. Louis, and after the hides had been sold and all expenses paid one man got back eleven 2-cent stamps and the other received 29 cents in stamps.

That is another homely little example, a thing to be passed over with a smile by the unthinking. But it is human, and it is the meanest kind of pure injustice and unfair dealing that grows into great suffering and social upheavals. And those pieces of injustice are being multiplied by tens of thousands to-day, multiplied again and again every time the helpless farmer is forced to sell a bushel of grain or an animal to liquidate along the pitiless line that his creditors have ordered him to follow.

Lack of credit is choking agriculture to death. The men who are shipping breeding stock to market are eager to keep their herds. Almost all of them are solvent, going concerns if given decent business treatment. They know they can weather this storm easily if the Federal Reserve Board will adopt a more liberal policy in rediscounting agricultural paper. Do not think that it is just the little hand-to-mouth farmer who is being bled to death. The same power is squeezing the big farmers and the big ranchers, men with hundreds of thousands invested, and they, too, are having to dump their live stock into a glutted market to satisfy the banks. With the best security in the world, they can not get loans.

Farmers from almost every State in the West and Middle West have written me in the last few weeks complaining that they can not get credit under any conditions. Their banks are refusing any and all kinds of security they say. Yet they have the best kind of security to offer—foodstuffs. A country banker in western Kansas went to Kansas City in November to get money for farmer customers. He offered a bushel of wheat as security for every 30 cents lent him. He came back home without a cent. The financial interests and the reserve banks had shifted credit to the farming country only to help produce this year's harvests and after these harvests were in the farmers

existed solely as the scapegoats on whom they proposed to dump the burden of deflation.

Mr. President, last summer quite a few big corporations from the industrial centers circulated their paper among country banks. They were good concerns and they took quite a bit of money from country banks, but now when the farmers are suffering for credits none of that money comes back to them. You can not blame the bankers for buying that paper. It was good, sound investment. Everybody expected tighter money, of course, but no such shortsighted, industry-killing program was anticipated. The financial sages talked orderly and equitable deflation, and the Secretary of the Treasury was so placid that he suspended the War Finance Corporation, a thing that never should have been done, for if that aid to trade was needed it is needed now, and it should be put back in operation just as quickly as is practically possible. I particularly call your attention to the action of the recent governors' conference, including the governors of nearly every State in the Union, which made a special appeal to Congress to come to the relief of stricken agriculture by means of an amendment to the Federal reserve act. These governors expressed the opinion that the unremitting credit strain throughout the agricultural section made it imperative that this Congress should arrange for a supply of temporarily additional currency to provide relief in this unprecedented situation.

Mr. President, more adequate credit is an absolute necessity to the life of agriculture to-day and to the food supply of our cities in the future. Lessened production next season is a certain consequence if this relief is not granted. Normal food production can not be continued until agriculture is properly financed.

As I said, lack of credit is sending breeding animals to market in trainloads. There has been no wool market for seven months, and a Wyoming sheepman who shipped recently to Kansas City paid $2.10 a sheep for freight and received $1.75 a head for his sheep. Naturally he is being forced out of business. Yet there is scarcely any noticeable decline in the retail prices of food. The cut in shoes has been small and the cut in clothing only nominal. The farmer must pay 12 cents a bushel to get corn husked and then sell it for 30 to 40 cents. He pays $10 to $11 for coal that used to cost him $4 and $5, and in many western counties he will burn corn this winter for fuel. Two ounces has been added to the loaf of bread in my home town, which is doubtless a fair example of the cut in bread prices, while more than $1.25 a bushel was taken from the price of wheat and 96 cents a bushel from corn between June 1 and December 1.

Clearly the farming business can not exist unless credit conditions and market conditions are remedied soon. The farmers can not pay the prices charged for commodities with the prices they receive for their products. A few months ago 30 bushels of corn would buy a good suit of clothes. Now, even with the small cut in clothing prices, it requires more than 100 bushels of corn to buy the same suit. A bushel of wheat would buy 10 gallons of gasoline last June. It will buy little more than 5 gallons now. And so it goes with everything he buys and worse than that with the money he borrows, if he can borrow, for he often pays 10 per cent interest and more, and as security he signs a property statement on everything he possesses.

We can refuse our own farmers credit or can grudgingly give them credit at ruinous rates with a property statement on everything they own, but our Wall Street bankers never hesitated when the Cuban sugar planters needed financing.

They sent money to Cuba in the face of a falling market, while here at home they have forced their own farmers to ruin their own markets to pay back their loans. We can supply Wall Street with billions for gambling, we can advance the railroads more than a billion dollars on a broken-down transportation system, and we can finance the profiteering Cuban sugar planters, but we can not show decent business justice to our own farmers. It is true that the Federal reserve bank denies that credit has been denied to agriculture. But we all know in Kansas that that credit is entirely inadequate. The Federal reserve bank at Kansas City has charged as high a rate of interest as 20 per cent per annum this year.

Mr. President, farmers have got to have a fair credit system. The sooner they get it the better it will be for the entire country. The big corporation that does not wish to float long-time bonds at present rates issues short-time certificates and there is a money market suitable for its needs. The commercial house that needs 30, 60, and 90 day credits finds the deposit banks suited to its business. But for the farmer there are no credit facilities. He must do business largely through deposit banks, which can not safely deal in the length of time paper that farmers must give. Except the cattle-loan companies, which are limited in their operations, he has absolutely no adequate credit accommodations.

The great necessity for developing a financial system that makes allowance for the peculiar conditions governing the business of agriculture and that will adequately meet the special needs of the farmer has never been more apparent than in the present agricultural crisis. Ordinary commercial credit will automatically flow to the point where it secures the largest returns. In a time of financial stringency, the speculators will pay any figure for credit. The farmer can not compete with call money, with speculative money, or with money for foreign exploitation. Let me assure you the farmer is not seeking an economic advantage by which he may exact an inordinate profit. All he asks is that his credit needs may be met as freely and on the same terms as are enjoyed by other business men. He has no right to ask for more.

Inasmuch as the present situation has been largely brought about by necessary Government interference with what would otherwise be the restraining effect of the law of supply and demand, it is quite reasonable to appeal to the Government—which was compelled to create this situation—to relieve it so far as it may do so without violation of economic principles. Precedent for such action in behalf of the agricultural interests may be found in the action of the Government in relieving the railroads of too sudden a readjustment on their return to private ownership. It can not be denied that the farming industry is just as important to the foundations of national prosperity as the transportation industry.

Mr. President, I wish to call the attention of the Senate to the excellent suggestion presented to the Senate Committee on Agriculture a few days ago by the Farm Mortgage Bankers' Association of America, as follows:

> If the banks in the reserve centers could transfer this burden to some other agency for a year's time there would be released an entirely adequate amount of credit for present needs of both agriculture and general business and for the relief of country banks which are now compelled to exercise undue pressure on their customers, and, worse still, to refuse to furnish their farmer customers essential credit for carrying on their operations. This relief is fundamental to the relief of the other needs enumerated below, and mature consideration suggests a revival of the War Finance Corporation as the best immediately available agency for taking over this burden. We therefore urge the immediate revival of the War Finance Corporation with specific powers and instructions to accomplish this end, with the stipulation that the corporation should assume no paper carrying a higher rate than 7 per cent. This measure is intended for relief, not as a means of profit.

Congress must solve this problem, and as one remedial measure it must reestablish foreign trade relations that our surplus crops, live stock, and our cotton may find a market. In considering remedial measures the War Finance Corporation should be authorized to resume operations at once. There is no other way to market the 12,000,000,000 bales of this year's cotton crop and our other great surpluses. The renewal of trade with Europe will give some relief, especially for the South. With the reestablishing of foreign trade Congress should see to it that agriculture is afforded equitable credit accommodations along with the other lines of industry in this country. There is no reason why a solvent farmer should not have credits as cheaply as any other business man.

Mr. President, my great concern is for what I know to be the most vital matter before this Nation prompts me as never before to urge this Congress to recognize our national dependence upon the agricultural interests of this country for our immediate prosperity and its ultimate effect upon our civilization.

A constructive national policy toward agriculture developed on sound lines, and that may be safely applied, is our great need. I believe that the future history of this country will be determined by the problem of food; its production, its distribution, its cost, and by the depletion of the soil's fertility, and the loss of its young people. The necessity of practical cooperation between the Government and the farmer and the protection of the Nation's food resources was never so acute as now. We are asking for LO class legislation or special favors, but, Mr. President, I believe it is imperative that the present acute situation should have the best attention of Congress at this moment, and all possible encouragement given to a stricken industry.

Mr. FLETCHER. Mr. President, I will not venture upon any discussion of the joint resolution at this time. Indeed, I doubt if it will be necessary at any time because I think the Senate is in favor of the measure and I hope sincerely that it will be passed. I think the benefit that will flow from it is of immense consequence and the indirect benefit probably will be greater than the direct benefit.

At this time, however, I desire to ask that there be printed in the RECORD two short communications which I have, one from

the National Board of Farm Organizations and one from the commissioner of agriculture of Florida.

The PRESIDING OFFICER (Mr. HENDERSON in the chair). Without objection leave is granted.

The letters referred to are as follows:

NATIONAL BOARD OF FARM ORGANIZATIONS,
Washington, D. C., December 9, 1920.

Senator DUNCAN U. FLETCHER,
Senate Office Building, Washington, D. C.

DEAR SENATOR FLETCHER: You undoubtedly know that during the month of October two important joint agricultural meetings were held here in Washington in which we strongly protested the action and policies of the Secretary of the Treasury and the Federal Reserve Board with respect to the agricultural credit situation, and in which we strongly favored the rehabilitation of the War Finance Corporation.

S. J. Res. 212, which I understand you are favoring, is undoubtedly a step in the right direction, and I believe that its passage will be of material benefit not only to the farmer producers of this country, but also to business in general.

Sincerely, yours, CHAS A. LYMAN, *Secretary.*

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THE STATE OF FLORIDA,
DEPARTMENT OF AGRICULTURE,
Tallahassee, December 7, 1920.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

DEAR SENATOR FLETCHER: The purpose of this communication is to earnestly urge your valued cooperation and influence in securing the passage of a joint resolution by Congress reviving the War Finance Corporation. The purpose of this is well understood by all Senators and Members of Congress.

I think it should be renamed and called the foreign finance corporation or export finance corporation. The war is over; let's leave off the word "war."

It is unnecessary for me to go into a lengthy discussion of this measure and I shall not take up your time to do so; but I do want to drop this suggestion: Unless something is done to open up markets for American farm products such an exodus from the farms will take place as has never before been known. This will be a most serious outcome of our neglect and lack of statesmanship.

There is nothing radical nor unreasonable in meeting the emergency that all agree exists, and only Congress has the power to put in motion the machinery which can save the day.

There is another point which I would like to suggest: Whatever means may be necessary should be used to have the Federal Reserve Board regulate its deflation policy so as to discriminate between productive and nonproductive loans—restricting the nonproductive without crippling the productive industries. A combination of the deflation of currency and the collapse of foreign markets has created a condition which will force a twenty-five billion dollar crop produced in the United States to be sacrificed for $15,000,000,000. This will mean financial ruin and such discouragement to agriculture as to be positively alarming.

With kindest regards, I am, W. A. MCRAE,
Commissioner of Agriculture.

Mr. SMOOT. Mr. President, I ask the Senator from North Dakota [Mr. GRONNA] if he knows of anyone else who desires to speak to-night? If there is no vote to be taken upon the joint resolution to-day we may as well adjourn until to-morrow.

Mr. GRONNA. I was in hopes that we could dispose of the joint resolution to-day, but the Senator from Colorado [Mr. THOMAS] indicated this morning a desire to speak upon it, and, of course, if he is not ready to-day it will go over until to-morrow.

Mr. THOMAS. I stated that I wanted to familiarize myself with the hearings before taking the floor. I have read about one-third of the testimony this afternoon and expect to finish the balance to-night. I will be ready to go on in the morning.

Mr. GRONNA. I can assure the Senator that I do not wish to hurry him unduly.

Mr. NORRIS. I have no objection to taking that course if we can have some kind of an understanding that we shall dispose of the joint resolution to-morrow. I presume that there is a feeling in favor of an adjournment from to-day until Monday, but I would not like to take a step like that before the joint resolution is disposed of. I do not seek any unanimous-consent agreement, but this measure ought to be disposed of to-morrow. I am willing to let those who are opposed to it take up the time talking, if we can then get a vote. Is there anyone else who wants to talk to-morrow in addition to the Senator from Colorado?

Mr. KING. I may desire to submit some observations.

Mr. NORRIS. Could not the Senator from Utah do that to-day?

Mr. KING. I prefer to do it to-morrow. It will not take long. If I do take any time it will not be to exceed half an hour.

Mr. NORRIS. I dislike to adjourn at this hour if it is not certain that to-morrow we shall finish the joint resolution.

Mr. SMITH of South Carolina. From what I can learn, there are very few Senators who will make any speeches on the joint resolution, and the speeches will be very short. I do not see why we can not get through with it in a short time to-morrow.

Mr. KENYON. Mr. President, I want to say this about the unfinished business: I think those interested in it have had no objection to temporarily laying it aside for the consideration of the joint resolution, but there are some amendments to the bill proposed by members of the committee, and I thought we could dispose of them to-day and have them agreed to and then have the bill reprinted, so that we can have it before us in the amended form on Monday.

Mr. SMOOT. That can be done the first thing to-morrow morning.

Mr. GRONNA. If the Senator from Utah will yield——

Mr. SMOOT. Certainly.

Mr. GRONNA. Let me suggest to the Senator from Iowa that we lay aside the joint resolution at this time and proceed with the unfinished business, so that the Senator may offer his amendments now, in order that the bill may be reprinted and be ready for use on Monday.

Mr. KENYON. Why not do that? It will only take 10 minutes.

Mr. NORRIS. Yes; let us do that to-day.

Mr. SMOOT. Very well.

Mr. KENYON. Will the Senator from North Dakota offer the amendments, or shall I do so?

Mr. GRONNA. I prefer that the Senator from Iowa shall offer them. I ask unanimous consent that the unfinished business may be laid before the Senate.

The PRESIDING OFFICER. Is there objection to the request of the Senator from North Dakota?

MEAT-PACKING INDUSTRY—FEDERAL LIVE STOCK COMMISSION.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3944) to create a Federal live stock commission, to define its duties and powers, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. KENYON. I offer the following series of amendments that have been practically agreed upon by most of the members of the committee. I shall then ask that the bill be reprinted, with those amendments printed in italics.

Mr. KING. May I ask the Senator from Iowa whether that will be done so that the bill in its amended form will be available to-morrow or Monday?

Mr. KENYON. I assume that the joint resolution will occupy to-morrow, but the reprint of the bill will be available to-morrow at any rate.

The PRESIDING OFFICER. The amendments offered by the Senator from Iowa will be stated in their order.

The ASSISTANT SECRETARY. On page 2, line 20, strike out the words "commonly known as stockyards" and insert the words "maintained and conducted at or in connection with a public market."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 2, line 23, between the word "for" and the word "sale" insert the word "purchase," and strike out the words "feeding, watering, or," and at the end of line 23 insert the words "or slaughter in commerce."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 3, line 2, between the words "such" and "business," insert the words "slaughtering or preparing."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 3, line 5, after the word "commerce," strike out the words "or of" and insert "and any trader or commission man or other person"; at the end of line 5, page 3, add the words "wholly or partly"; and in lines 6 and 7 strike out the words "on a commission basis."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 3, line 21, strike out the words "such rules and regulations as may be issued thereunder."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 9, line 24, between the words "unfair" and "unjustly" insert the word "or," and between the words "discriminatory" and "or" insert the words "practice or device in commerce"; and in line 25, before the word "deceptive," insert the words "in any," and between the words "device" and "in" insert the words "to cheat or defraud."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 10, line 14, after the word "commerce," strike out the words "in any line of foodstuffs."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 10, strike out the paragraph lettered (f) and insert in lieu thereof the following:

(f) Otherwise act or conspire, combine, agree, or arrange with any other person to do or abet the doing of any act contrary to the provisions of this act, or refuse, neglect, or fail to act, or conspire, combine, agree, or arrange with any other person to refuse, neglect, or fail to act in accordance with the provisions of this act."

The ASSISTANT SECRETARY. Strike out section 14 as printed and insert in lieu thereof the following:

SEC. 14. No operator shall engage in any unfair or unjustly discriminatory practice or device in commerce or in any deceptive practice or device to cheat or defraud in commerce, or charge, collect, receive, or demand any unreasonable charge or rate for any service in commerce performed in connection with the business of such operator. The commission may, after hearing upon complaint or upon its own initiative, determine and fix, and by rule, regulation or order prescribe fair and reasonable practices, charges, and rates to be observed by operators, and fair and reasonable terms and conditions upon which the service of operators in commerce shall be rendered or performed.

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 11, strike out all of section 15, beginning with line 22, so the section as amended will read:

SEC. 15. It shall be the duty of every packer and operator to comply with the provisions of this act and approved regulations and orders which the commission may from time to time prescribe in conformity with this act.

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 12, line 14, between the word "required" and the word "for" insert the following:

The commission may in its discretion prescribe uniform systems of accounts and records, and require the installation and use thereof by packers or operators. If such uniform systems are prescribed and required by the commission, no packer or operator shall keep any account, record, or memoranda other than those prescribed or approved by the commission.

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 13, line 8, between the words "matter" and "any," insert the following:

No person shall be excused from attending and testifying or from producing documentary evidence before the commission, or in obedience to subpœna of the commission, on the ground or for the reason that the testimony or evidence, documentary or otherwise, required of him may tend to criminate him or subject him to a penalty or forfeiture, but no natural person shall be prosecuted or subjected to any penalty or forfeiture for or on account of any transaction, matter, or thing concerning which he may testify or produce evidence, documentary or otherwise, before the commission in obedience to subpœna issued by it: *Provided*, That no natural person so testifying shall be exempt from prosecution and punishment for perjury committed in so testifying.

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 15 strike out from line 1 to the word "if" in line 9 and insert in lieu thereof the following:

or of any rule, regulation, or order issued hereunder, it shall afford to such packer or operator a reasonable opportunity to be heard in person or by counsel and through witnesses, under such regulations as the commission may prescribe, at a hearing before the commission, at a time and place designated in a written notice served upon such packer or operator.

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 15, line 11, between the words "or" and "any," insert the word "of."

The amendment was agreed to.

The ASSISTANT SECRETARY. On page 16, line 17, after the word "notice," strike out the word "of" and insert in lieu thereof the word "to."

The amendment was agreed to.

The PRESIDING OFFICER. The Senator from Iowa has requested unanimous consent that the bill be reprinted, showing in italics the amendments proposed by the committee which have been agreed to. Without objection, it is so ordered.

Mr. SMOOT. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 15 minutes p. m.) the Senate adjourned until to-morrow, Saturday, December 11, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 10, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We thank Thee, our Father in heaven, for the incomparable life and character of the Jesus of Nazareth, the holy one of Israel. Not a philosopher nor a theologian, He did not organize a church but He taught the most sublime principles that ever fell from the lips of mortal—the fatherhood of God and its corollary the brotherhood of man; I am the way and the truth and the life. No man cometh unto the Father but by me. We pray that His spirit may enter into the heart of man that righteousness, love, and good will may reign supreme in all the world; that men may learn war no more, but do unto others as they would be done by. In His spirit. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE RULES.

The SPEAKER. In justice to the very efficient Journal clerk, whose accuracy and knowledge have been of great value to the Chair and to the House and whose serious illness we all deplore, the Chair thinks he ought to state that the error which it was thought last night had been discovered in the Journal proves on further investigation to have been imaginary, as the matter had been properly journalized in accordance with the RECORD. Therefore the correction of last night was entirely unnecessary.

RESIGNATIONS FROM COMMITTEES.

The SPEAKER laid before the House the following resignations from committees, which were accepted:

COMMITTEE ON RIVERS AND HARBORS,
HOUSE OF REPRESENTATIVES,
Washington, D. C., December 10, 1920.

Hon. FREDERICK H. GILLETT,
Speaker of the House, Washington, D. C.

MY DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Rivers and Harbors.

Respectfully, yours,

S. WALLACE DEMPSEY.

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HOUSE OF REPRESENTATIVES,
Washington, D. C., December 10, 1920.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I hereby tender my resignation as a member of the Committee on Foreign Affairs.

Respectfully, yours,

JOHN JACOB ROGERS,
By S. WALLACE DEMPSEY (by request of Mr. ROGERS).

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HOUSE OF REPRESENTATIVES,
Washington, D. C., December 10, 1920.

Hon. FREDERICK H. GILLETT,
Speaker House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: I beg to tender my resignation as a member of the Joint Commission on Postal Service.

Sincerely, yours,

MARTIN B. MADDEN.

INCREASE OF FORCE AND SALARIES IN PATENT OFFICE.

Mr. NOLAN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill H. R. 11984, disagree to all the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from California asks unanimous consent to take the bill H. R. 11984 from the Speaker's table, disagree to all the Senate amendments, and agree to the conference asked for by the Senate. The Clerk will report the title of the bill.

The Clerk read as follows:

H. R. 11984. To increase the force and salaries in the Patent Office, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from California?

Mr. GARNER. Reserving the right to object, Mr. Speaker, who is the Democratic ranking member of the committee?

Mr. NOLAN. Mr. CAMPBELL of Pennsylvania, but Judge DAVIS of Tennessee would be the conferee.

Mr. BLANTON. Reserving the right to object, for the purpose of delaying even for a few days what might be final action on the bill, since this very materially increases the wages, in some instances as high as $500, I must object. This is no time now in the course of readjustment of matters for increase of salaries.

The SPEAKER. The gentleman from Texas objects.

IMMIGRATION.

Mr. JOHNSON of Washington. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. TILSON in the chair.

Mr. JOHNSON of Washington. Mr. Chairman, I yield 10 minutes to the gentleman from Minnesota [Mr. KNUTSON].

Mr. KNUTSON. Mr. Chairman, my parents came to this country as immigrants, and in the very nature of things I would be inclined to oppose any proposition looking toward the suspension of immigration to this country for the period of two years were it not for the fact that I realize the imperative necessity for some legislation along this line.

The present bill is merely a stop gap. It proposes to suspend immigration only for the period of two years. It is thought that in that time the Immigration Committees of both Houses

of Congress will have time to go into the question of immigration thoroughly and report out a permanent measure that will meet the needs of the times. Also that in the next two years the great unrest that is now manifest all over the world will have subsided to a marked degree.

I wish to call your attention to the paragraph on page 3 of the committee report, which contains some very interesting figures with reference to the number of immigrants who have come to this country during the past year.

In July practically 56,000 came to our shores. In August 58,000, in September 70,000, in October 74,000. This was at Ellis Island alone, and the figures do not take into consideration the number of immigrants that come in through other ports of entry. It is safe to say that would add 10 or 15 per cent to the figures I have read.

Now, these figures do not represent the maximum number of people who wish to come to this country; they represent the maximum number who came in under the present facilities for handling them. If there were sufficient tonnage afloat to-day to bring everyone here from Europe who wished to come we would have in round numbers 10,000,000 or 15,000,000 immigrants coming to this country in the next year.

In the first place, we have not the facilities for taking care of this number, and the industrial unrest all over the country would be aggravated by such an influx. It is being constantly aggravated by the large number of immigrants coming to this country at the present time. I read in a newspaper the other day that there are over 60,000 unemployed in the city of Detroit alone. If we allow a half million, or a million, or a million and a half to come to this country in the next year to aggravate an already bad situation, as far as unemployment is concerned, it is merely going to create more unrest in the country.

Mr. SABATH rose.

Mr. KNUTSON. I shall yield a little later on to my friend from Illinois. A great objection to the people who are coming to this country at the present time is that they are unskilled, common labor. Very few are willing to go into the rural sections and help solve the farm-labor shortage. We have no place for that sort now. Few of our factories are working full time. These immigrants come here and settle in the large and congested centers, where the problem of housing is already acute. We are not getting the class of immigrants that we did 10, 20, 30, or 40 years ago. Most of those who came prior to 1900 went onto farms or took up land. They became producers, while those that we receive now, or at least 60 per cent of them, will become consumers and will contribute comparatively little toward the material development of this country.

The committee has gone into this question very carefully. There have been extensive hearings on this proposition in both the Sixty-fifth and the Sixty-sixth Congresses. Everyone who wished to be heard appeared before the committee, both for and in opposition to the proposed bill. A measure similar to this was introduced in the Sixty-fifth Congress and reported out favorably by the Immigration Committee. The bill reported out at that time provided for a suspension of four years. Mr. Powers, of Kentucky, who was then a Member of Congress, and myself submitted a minority report wherein we favored reducing the term from four to two years. Otherwise this is practically the same measure as the one reported out to the Sixty-fifth Congress.

Mr. SIEGEL rose.

Mr. KNUTSON. I prefer not to be interrupted just now. Every mail brings letters from all over the country asking for the enactment of this legislation, and I feel that no time should be lost in passing this measure, because if we do not do something very soon we are simply going to be flooded with people from other countries. They are coming in now at a rate where we can not sift them out, and the worst part of it is that a large percentage of the people we are receiving now are radical in their political opinions. I spent three months in Europe during the past summer, and while over there I talked with a number of American representatives, consular agents, and others, and all viewed the situation with alarm. As a result of information gathered, I am willing to state on my reputation as a Member of this House that several foreign Governments are financing or facilitating the movement of radicals to this country. Before the war immigration from Spain was practically unknown. Two weeks ago when I visited Ellis Island I found that nearly 2,000 immigrants from that country were received in one day. Portions of Spain are a seething mass of anarchy, and many of the malcontents are being gathered and dumped onto us. How long are we going to stand for it? I do not know when there has been a proposition before this Congress that I have considered of greater importance than this, because my feeling is that something must be done and done at once. We can not allow the Governments of Europe to dump their bolshevists and communists onto us. We have no place for them. We have more of that kind now than we know what to do with. We ought to deport those that we have. I sincerely hope when this measure is put upon its passage that there will not be a dissenting vote. [Applause.]

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. JOHNSON of Washington. Mr. Chairman, I yield 15 minutes to the gentleman from Texas [Mr. Box]. [Applause.]

Mr. BOX. Mr. Chairman, I think the House can safely act on the proposition that the situation as presented in statements by my colleagues on the committee has not been overstated. I have tried to view the situation sanely, and I fear that we have not ourselves realized, nor have we made the country realize, just what is involved. I have seen this throng of newcomers at New York; I have seen them at San Francisco on the Pacific coast. The people of California have not overstated their case. The New York grand jury, a portion of whose report was read to you yesterday, has not overstated the case. Personally, my only objection to the bill is that it does not go as far as I think it should go. I think I have noticed a disposition to somewhat apologize for the legislation by gentlemen saying that it is just a suspension; that it does not undertake anything drastic or anything of that kind. To be plain with you, I think the bill does not go far enough.

I include as a part of my remarks some extracts from the report of the committee accompanying this bill:

> Seventeen steamship agents recently told Hon. F. A. Wallis, commissioner of immigration at Ellis Island, that immigration to the United States had but barely started; that if these companies had ships available they could bring 10,000,000 immigrants in one year's time. This statement does not take into account the possible German immigration due upon the termination of the existing technical state of war.
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> The committee has confirmed the published statements of a commissioner of the Hebrew Sheltering and Aid Society of America, made after his personal investigation in Poland, to the effect that "If there were in existence a ship that could hold 3,000,000 human beings, the 3,000,00 Jews of Poland would board it to escape to America."
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> A study of the new immigration from central Europe convinced many members of the Immigration Committee that the arriving immigrants are not those who might go to the farms; that they are not agriculturists, but mainly additional population for our principal coastal cities and congested industrial districts. * * *

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. BOX. I will.

Mr. JOHNSON of Mississippi. Some of the members of the Committee who have discussed this subject have given figures concerning immigration entering Ellis Island. Can the gentleman give the number who enter at other ports? No one seems to have covered that important point.

Mr. BOX. We have not the exact figures but the understanding is that about from 80 to 85, possibly 87, per cent are now coming through New York.

Mr. SABATH. Here is the report I received to-day giving the total immigration up to July 1, for the last year; that is, the fiscal year 1920.

Mr. BOX. The gentleman asked for the relative figures; it is about 85 per cent, I think.

Mr. Chairman, I can see how one who is more concerned about the present and future welfare of people in foreign countries than the good of those already here can look at this subject from a standpoint different from ours. But only a misconception can divide us and the country into two groups, one consisting of immigrants and their friends, and the other of natives seeming to have a different interest. Let the newly arrived immigrants, their kinsmen who have been here longer, and their most sympathetic friends among us understand that unless America is preserved, natives, older immigrants, and newcomers will be involved in a common calamity. If we make another Europe or Asia here, the work of our fathers will have been destroyed, and immigrants and their children will have left the old home and journeyed far, only to find here the same lack of opportunities and the same miseries which they left in the unhappy land across the sea. If America is lost, the world will grow visibly darker, even to the people of foreign lands, and all that is worth living for will have been lost by us, whether we came recently or our fathers came long ago.

Let me define what I mean by the loss of America. I do not mean the loss of territory. The land between Maine, Puget Sound, Los Angeles, and Key West will remain and be called America for ages, but that alone does not satisfy me. As fond as we are of the land and the name, they are not the dearest things. I do not mean that American cities or rural sections

would be depopulated or that our wealth would be destroyed soon, if a hundred millions of Europeans, Japanese, and others like them should come in the next 20 years. Cities and their population and wealth might be greatly increased, but a country can be full of big cities and be very unhappy. Europe, Japan, China, and India are full of teeming cities, and yet millions of their people are leaving for America. The presence of many big cities does not assure the preservation of things that good Americans love most. We might continue to multiply our cities and their population, and yet might create here the same unhappiness from which immigrants are trying to escape.

Neither does wealth increase happiness, nor brains, nor does it enlarge the human soul. Certainly it does not increase purity, nor justice, nor the love of liberty. It was not the wealth of America that made it the wonder of the world in Revolutionary times and for half a century afterward. Many of the men who came here then were drawn by an affinity between them and America's spirit. Now that we are rich other considerations may prompt them to come. The affinity between wealth and its seekers is far below that between liberty and its lovers. "When wealth increases, men decay." America might gain a whole world, and yet lose its best self, that which distinguishes it from the lands whose people in millions are leaving them now.

The loss of what things would amount to a loss of America, even though territory, name, population, cities and wealth remain?

Law, with its just and orderly administration, bringing opportunity, safety, and peace, is one of them. The people who are coming or preparing to come from Mexico and Europe have not been trained in the schools of order but have stewed in disorder—the disorder of war, the disorder of persecution, the disorder of revolution, the disorder of anarchy. Just now there is a world plague of senseless destructiveness, making it appear that misguided men may by their folly change an unhappy world into a weltering hell. Not all the teachers and disciples of this insane rage are among the newcomers, but the others would find few hearers and still fewer instruments of their hatred and destructive insanity among natives or immigrants who have been here long enough to come to themselves.

Another thing which would de-Americanize America would be a population or citizenship with divided allegiance—a hyphenated populaton, a hyphenated citizenship. The ills which beset countries are numerous and serious enough to require the whole-hearted loyalty of all the people. Big home problems and foreign difficulties can be adequately met only when there is a united and supremely loyal citizenship, permitting no illicit love affairs with outside affinities to divide and debauch the national household. Domestic and foreign policies vital to us concern important interests, touch sensitive nerves of other nations. When parties or public men are afraid to do this or that because the Irish vote might be estranged, the German vote alienated, or the Italian vote driven away, demoralization, weakness, and dishonor have already come. When millions of voters have foreign attachments which segregate them from Americans having no controlling outside love, then millions are not thoroughly Americanized and yet are sufficiently numerous and influential as to control the balance of power in national contests. "A house divided against itself can not stand." Europe has been divided against itself since before Romulus built the little wall around the village on the Tiber. We are importing millions of these same people, divided as between each other and too often segregated from us, and our parties and politicians are playing these foreign attachments against each other and against their own Government when partisan ends can be served by it.

Oh, the shame of it!

What elements of dissolution are lurking in it!

The relationship and spirit of American industrial life can be changed to the undoing of America. We want no peasant or peon or coolie class nor caste system dividing us into an upper and a lower world. The countries whose people are fleeing from them have such relationship between labor and the rest of mankind. Their coming promotes that condition here. When men put their thumbs in their vests and speak of importing "labor," they are not thinking of men and women to become neighbors, friends, and associates; they are speaking of underlings, whose coming will not increase the attractiveness of labor to America. Their employment rather tends to drive young Americans out. Let me illustrate: The first employees of the New England cotton mills were nearly all from the adjacent farms and villages. A French writer who visited Lowell in 1834 says that of 7,000 employees 6,000 were young women, the daughters of neighboring farmers. Charles Dickens, who visited Lowell at that time, was deeply impressed by the sight of these happy American girls, well dressed, extremely clean, healthful, and refined. He says that they were no degraded brutes of burden. They had libraries, musical instruments, and the conveniences, comforts, and refinements of life.

But immigrants poured in, so that the Immigration Commission, composed of Senator LODGE and a Republican majority and Democratic minority membership, composed of those who had investigated the subject thoroughly, found that at the time of making its report nine-tenths of the employees were foreign born, and one-tenth native born, instead of more than five-sixths, as formerly. Young Americans would delight to join that interesting company of well-dressed, refined, reading, singing, young American employees, but they would avoid the other company and avoid labor, because it put them in such company and in a place so different in the estimation of the community. Every man acquainted with the industrial history of the South during and since the days of slavery knows that the importation of black people tended to drive the white people out of labor and tended to dishonor labor in the minds of proud young white people. It promoted idle helplessness among one class and a disposition to let the work be done by slaves and so-called "poor white trash."

During the past summer your committee was for several weeks engaged in the investigation of the Japanese question in California and Washington. We learned that in many of those flowering and fruitful communities in former times the young American people from the homes, schools, and colleges went gladly to the berry fields and orchards during the summer and found wholesome, attractive, and profitable employment in gathering such crops as grew in Eden, and that they no longer do so. We inquired why. The young men said, "Oh, that has become a Jap's or a Chink's job." Mothers said, "We can not afford to have our daughters working side by side with oriental coolies." Both old and young look upon the present company and work of the fields as degrading. By this means young Americans were driven from the fields of California, as their cousins had been kept from the fields of the South and from the factories of New England.

Bringing such labor but perpetuates and magnifies the evil it professes to remedy. The evil thrives and grows when fed on the medicine which gentlemen propose as a remedy for it. And, what is more serious, it tends to separate America into an under and upper world, divided by a very thin crust, above which are those who care nothing for the crowd beneath, while those below hate and seek to destroy those above. Under such an industrial status America as we know it would cease to be, but the status would not continue, but would develop into Russian chaos.

If time permitted, I could further specify phases of our life which, one after another, can be so modified as to leave the territory, name, a vast population, and wealth, and yet make this the gathering place of a throng strange in thought, word, and action, jarring and warring against each other, a people and a life which Washington, Jackson, Lincoln, McKinley, or Cleveland, and the Americans of their day would have promptly disowned. In many places this situation is developing now.

In Placer County, Calif., Japanese own or occupy 17,000 out of the 20,000 acres of gardens, vineyards, berry fields, and orchards—a veritable Paradise spot, more than three-fourths of which gives the odors of bloom and fruit to oriental nostrils.

If you want to know what it is to keep the skin and skeleton of American life without its meat, go into California rural villages and see the land occupied by orientals and observe whole families of them everywhere in the fields on the Sabbath. At the very same time you see a few lonely looking Americans, some men and a few women and children, going to their Christian churches to worship. Busy villages, where few Americans can be seen, where American churches look desolate and the new Buddhist temple appears to be more prosperous. It is a long way from early Puritan churches in New England, or Christ Church, where Washington worshipped in Virginia, to a new Buddhist temple in California, but the progress from one to the other is the process which I am trying to describe.

My home is 2,000 miles from California, but I am at one with her people. That land must be kept by them and their children.

As the grass, shrub, and tree life of fields and woods of the whole world has been extended, made, and modified over and over again by its carriage on wind and water and otherwise, so the world of men has been, and will be, distributed, placed, shaped, and reshaped by human migration. This is a factor of first magnitude in our life and that of the world—the old world of the past and the living world of now. It is moving in all the world to-day, and we of the United States of America are in the middle of the movement. No other tide ever swept

the affairs of men, carrying in it more that moves the foundations of human life or more power to replace and reshape the whole structure, than does the tide of human migration that now moves from all lands to America. The desire of the mistreated and crowded-out of all humanity is to get here. So far as I have found or heard suggested, no other country in all time was ever before the place to which so nearly all homeless, hungry, misplaced men desire to migrate. This, if not controlled, will multiply and hasten the effects of this society-changing, world-changing influence on us and make us essentially different, or undo us more thoroughly than was ever done to any great people before.

Earthquakes, glaciers, receding seas, uprising land, and cooling continents have changed the face of the earth on which man makes his home. No less surely the coming and going tides of human migration will change the races of men, their condition and institutions. Men can do little toward shaping the surface of continents, but this Nation can do much to control these migrations moving to it in such volume.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SABATH. I yield five minutes additional to the gentleman from Texas.

Mr. BOX. Its action should be along two lines; first, it should control and restrict the number coming. Because this bill promises some good results in that direction, I shall support it, though I would like to see it much stronger.

The next line of action should be toward Americanization. America's plan to Americanize immigrants and their children already here should be thoroughly like America in the bigness of its proportions, its comprehensiveness, its intensity, and in the persistence and unrelenting determination behind it.

I have introduced a bill providing for action along this line for the consideration of the committee and my colleagues in the House. I do not claim that it is the only plan; it may not be the best plan; but the committee it going to hear more from me on this subject, and so will the House, if it is as kind as it has uniformly been to me in the past.

Mr. Chairman, I ask leave to revise and extend my remarks

The CHAIRMAN. The gentleman asks leave to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Mr. Chairman, how much time has the gentleman consumed

The CHAIRMAN. The gentleman consumed four minutes.

Mr. BOX. I yield back the one minute.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

The committee informally rose; and the Speaker having resumed the chair, a message in writing from the President of the United States was communicated to the House of Representatives by Mr. Sharkey, one of his secretaries:

IMMIGRATION.

The committee resumed its session.

Mr. JOHNSON of Washington. Mr. Chairman, I desire to yield 10 minutes to the gentleman from Ohio [Mr. WELTY]. [Applause.]

Mr. WELTY. Mr. Chairman and gentlemen of the committee, when one considers the history of immigration during the last century he comes to the conclusion that this country has not had any immigration policy up to February 5, 1917. What we have done during the last 100 years is a matter of patchwork, making a law here to apply to this emergency and another law to apply to another emergency without having the vision to prepare one which would apply to the future and cover conditions generally. Just now we are confronted with a condition which to some of us is alarming, because the aliens who come to our shores largely go to the overcongested populous centers, such as New York, Chicago, Cleveland, and Baltimore. I suppose probably 90 to 95 per cent of the aliens coming to our shores remain along the coast and in large cities. No matter if those aliens were agriculturists before they came here, they go into these larger centers, already overcrowded, tearing down the standard of living and the standard of wage.

This question confronts us, gentlemen: Are they tearing down the standard of living and wage? A hundred years ago we find that those who came to this country, 94 to 95 per cent of them, went upon farms to till the soil. But now a large portion come not to produce but to consume. And the House has a bill to exclude aliens, that we might possibly have another moment to catch our breath, for we know not how to solve the problem of immigration. We postpone, little dreaming that procrastination is the thief of time.

It reminds me of a story that Lincoln told about Congress. He said that a farmer had a tree which fell into a fertile field, and when he continued to plow around it he was asked why he did so. The farmer replied, "It will not burn, because it is too soggy, and it is too tough to cut and too heavy to haul away." It seems as though with this immigration question we are simply plowing around a fertile field without solving our problems.

Mr. Chairman and gentlemen of the committee, I was hoping that instead of having this bill of exclusion we might have some constructive measure which would look into the future and place our immigration upon a basis so that we could sift those who come to our shores; so that we might accept those who are desirable; so that we might receive those who will assimilate with the great American spirit. But it seems that Congress is not ready to tackle this problem.

Canada has learned her lesson. She does not continually give offense whenever she excludes immigrants from a certain nation or any alien group that could not assimilate with the Canadian life and population. The matter of immigration is regulated by an administrative body capable of acting when the needs require action. Why should not we prepare a standard known as the American standard, and then we can tell the immigrants who come to our shores, "Here is our standard. We will be pleased to open our doors if you accept it; but if you will not, our ship is in the harbor." Instead of that, whenever we are confronted with a proposition of this kind we are also confronted with those who want to capitalize their ideas. I have the greatest respect for the gentleman from California, the chairman of the Military Committee, but when he points out the menace and makes a speech urging us to prepare for war, why does he not give us a solution and urge us to solve the problem once and for all instead of widening the breach by advocating military preparedness? It seems to me if this Congress would establish a board of five or six men who would study this problem, with power to admit aliens on conditions that those already here of that ethnic group become Americans and accept our American standards, we might solve our problems. In other words, let us tell those of other countries, "We will accept your nationals, provided those who are here do not tear down the standard that we call America."

Then, in this way we would shift the burden from off of our shoulders upon that alien group who refuses to accept our ideals and who do not assimilate with us. But instead of that, it seems as though there are those who want to keep this problem alive for the purpose of foisting upon this country a large military force—universal military training, if you please—and saddle a soldier on the back of each individual in our country. After the chairman of the Foreign Relations Committee returned from his trip to the Orient, according to the press reports, he urges us to build the largest Navy in the world. And it seems the Nation across the Pacific heard that and voted 600,000,000 yen for their navy, and it is said that they made arrangements with England for the purpose of buying ships from her. She has already, according to the reports, made arrangements with Germany to build her submarines, so that she may preserve what she thinks is her self-respect. The same old story which brought on this World War. Oh, you can keep this problem alive if you want to do so. You can make a plaything out of it for the purpose of waving the flag in our face and telling us that we must have a large standing Army; that we must be burdened as taxpayers in order to maintain the largest Navy in the world, if you please. And yet your problem will remain unsolved.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WELTY. Will the gentleman from Illinois yield me some time?

Mr. SABATH. I yield five minutes more to the gentleman.

The CHAIRMAN. The gentleman is recognized for five additional minutes.

Mr. WELTY. The literacy test has done something, but it fails to meet our ideals. For instance, the other day, while our committee was visiting Ellis Island a citizen of this country came from California. He had a ranch there and was going to marry a Czecho-Slovak at Ellis Island. He met his bride. But he was not permitted to marry the young lady, because she could not pass the literacy test. If he had only known, he probably could have gone 3 miles from the United States and married there and thus made her an American citizen. They refused to permit that young lady to enter the United States. Another case that came up while there is of a woman who came here in 1908. A couple of months ago she left to bury her mother, and when she applied for readmission at Ellis Island she was excluded because she could not pass the literacy test. And yet she was here before the literacy test was passed. She was here, my friends, when we voted that she could be a citizen of this country. But she was excluded.

There are a great many matters of that kind that work an injustice. No doubt in both of those cases that I have cited the people will be admitted in time, after they have gone through the red tape of the departments, and then, perchance, in a week or six months the man from California may be permitted to marry the young lady. But all this time we are entertaining his bride at Ellis Island at the expense of the Government. And I suppose the domestic in course of time, after she appeals her case to the Secretary of Labor at Washington, and perchance from there it goes through red tape to the Secretary of State, and then back again, may in six months come into this country.

Mr. VAILE. Is not the gentleman advised that she is being entertained at the expense of the steamship company in the United States?

Mr. WELTY. But when the steamship company finds that we admit the bride, and she becomes the wife of the ranchman from California, then in justice we must return the money for keeping that bride at Ellis Island. For we made a mistake, otherwise we would not have admitted her. What I want to say is this: Instead of having the red tape in admitting our aliens, we ought to cut it. We ought to have some one at Ellis Island who can act there in those cases. If the bride looks good to him we ought to say to the ranchman, "God bless you, take her and go back to your ranch in California." And if the other woman was entitled to admission because she was here in 1908, in the name of all that is fair and just she ought to be admitted. But she was not admitted. The steamship company pays first, and then we will assume payment, because the judge having final jurisdiction says she ought to be admitted.

The CHAIRMAN. The time of the gentleman has again expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. KELLY of Pennsylvania having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed the following resolution:

Senate resolution 396.

Resolved, That the Senate expresses its profound sorrow in the death of the Hon. JOHN HOLLIS BANKHEAD, late a Senator from the State of Alabama.

Resolved, That as a mark of respect to the memory of the deceased the business of the Senate be now suspended to enable his associates to pay proper tribute to his high character and distinguished public service.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect to the memory of the deceased the Senate do now adjourn.

The message also announced that the Vice President had appointed Mr. WALSH of Montana and Mr. FRANCE members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments," for the disposition of useless papers in the Interior Department.

The message also announced that the Senate had disagreed to the amendment of the House of Representatives to the bill (S. 643) entitled "An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia," had asked a conference with the House on the disagreeing votes of the two Houses thereon, and had appointed Mr. WADSWORTH, Mr. SUTHERLAND, and Mr. CHAMBERLAIN conferees on the part of the Senate.

IMMIGRATION.

The committee resumed its session.

Mr. VAILE. Mr. Chairman, in behalf of the chairman of the committee, I yield five minutes to the gentleman from Kentucky [Mr. SWOPE].

Mr. SWOPE. I will yield that time to my colleague, the gentleman from Kentucky [Mr. ROBSION].

Mr. VAILE. Then, Mr. Chairman, I will yield 10 minutes to the gentleman from Kentucky [Mr. ROBSION].

The CHAIRMAN. The gentleman from Kentucky [Mr. ROBSION] is recognized for 10 minutes.

Mr. ROBSION of Kentucky. Mr. Chairman, I desire to make a unanimous-consent request to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. JOHNSON of Washington. I yield to the gentleman from California [Mr. RAKER] 15 minutes.

Mr. RAKER. Mr. Chairman and gentlemen of the House, I consider this bill as one of the necessary reconstruction bills following the World War. It is not a question of just what should be the amount or kind or character of immigration to this country. We need and always have required a reasonable amount of immigration. But it is apparent from the investigation of the committee that beyond all question there are now in the United States something like 15,000,000 people who are not American citizens. There are coming to the shores of America now all the way from 65,000 to 150,000 people a month. In other words, immigration at the present rate will amount to over a million and a half a year. Our country is not determined as to just what it wants to do, and the people of the world are in the same condition, even more so than in this country. Hundreds and thousands of them are trying to get out from under the burden that has been placed on them by virtue of the war. They are not seeking necessarily the benefits of this country because they want to become citizens and be a part and parcel of America and to carry out the principles upon which this Government is founded. The great majority of those who have come already since the armistice and of those who are seeking admission now are dependents. They are not farmers or laborers, but are coming to live upon their relatives and friends and on the bounty of this country. The evidence shows that beyond all question. With the large number of contagious diseases that are prevalent in the Old World, many hundreds of persons afflicted with those diseases are bound to land on our shores, notwithstanding the inspection here, because the inspection as to physical and mental condition is exceptionally poor, on account of the fact that there are not enough inspectors or agents. Many of the immigrants who arrive here just practically walk off of the vessel on the landing planks and scatter promiscuously among the people of this country. So under the conditions which exist to-day it is better to let immigration be suspended, and to let us assimilate those who are here now, than to continue this overflow of the many, many undesirables who are coming at the present time. That is the purpose of the committee in reporting this bill. It excludes all. There is no discrimination against any country or race. All are excluded with the exception of Government officials and certain relatives of those who are now living in this country. We allow a man 24 years old to go abroad and be married if he desires and to bring his wife to this country. Notwithstanding these exceptions, the Secretary of Labor has the power to make investigations, and it is his duty, if there is any possible reason, notwithstanding the relationship of these people, why they should not be admitted to this country, to see that they are excluded, and that is one of the purposes of the bill.

Now, no one can object to a clearing up of this business. No one can object to putting our own house in order. No one, no matter how anxious he is for immigration, can object to our taking time to assimilate those who are here, to see that they are citizens; that they take unto themselves the principles of this country and study its institutions, in order that we may further extend our work of Americanization, so that those who have come to this country within the last 10 years may become citizens; that they may love, honor, respect, and assist in maintaining our Government; and that they may imbue their children with the same ideas. Instead of that we find communities in this country that are as foreign as to language and thought as any city in any foreign land to-day. That must be avoided, and now is the time to stop.

Mr. MCKEOWN. Will the gentleman yield there?

Mr. RAKER. I yield for a question only.

Mr. MCKEOWN. Does the gentleman's committee propose legislation at this session to prevent that condition existing in this country?

Mr. RAKER. Yes; we are working on it now. We have been at work for the last two years. The work of Americanization is going on every day, and hundreds of thousands of foreigners are being put in the way of becoming good American citizens. We ought to expend more money for better investigation, to the end that this work may be carried on in connection with the various State functionaries that are doing such splendid work. Now, on the question of investigation, I wish to show one of the necessities for it.

In the smaller communities over the country the men who are naturalized appreciate the naturalization. They realize that they have gone through some process of form or substance of what is meant to become an American citizen. Without making any complaint or criticism, I want to call the attention of the committee and the attention of the gentleman from New

York, who says it is all in the naturalization, to the method in the large cities. Now, in the meantime, during this suspension we will be able to report to the House bills on naturalization correcting and modifying the present law so that they will get a better realization of what they are doing than we are getting to-day. But you must give us time to do it and give the public time to do it.

Here is a sample of the naturalization in the large city of New York that occurred last year in the presence of this committee, not only once but several times. You can be naturalized in the Federal courts or the State courts when it is a court of record. One hundred and twenty-five applicants appeared before the judge, with 250 witnesses. Think of it a moment; in 90 minutes, the State court of New York, in the city of New York, naturalized 125 citizens. The bailiff says, "All of you from Italy come forward, get around here, stand in there, line up, come on, hold up your hands. Br— br— br— br—. Sit down. All of you who come from Austria come forward, get in line, stand up, hold up your hands. Br— br— br— br—. Sit down. All of you who come from England come forward, hold up your hands. Br— br— br— br—. Sit down." They went through 10 nationalities, and when they got through the court made a two-minute examination as to American citizens, and said, "So help you God," and that is the theory of the instruction to these men as American citizens.

Now, in the city of New York, or in any other large city, it is so crowded with business that the judge can not give a sufficient length of time to examine the witnesses that come before him or examine the applicants as to where they come from, their knowledge of the English language, and whether or not they ought to be admitted as citizens.

Mr. MASON. Will the gentleman yield?

Mr. RAKER. I will yield to the distinguished ex-Senator.

Mr. MASON. I want to call the gentleman's attention to the fact that before the judge passes upon the admission of these applicants the papers are all examined and made out by the proper officers.

Mr. RAKER. Oh, yes; the committee spent some time in the presence of these officers who examine these papers and persons. We found the same method of examination in the Naturalization Bureau. Here were two little rooms, 10 by 12, and in one room five stenographers and assistants and in the other six or seven, and they were crowded so thick with applic .nts that they bumped against each other. They brought the applicant in with two witnesses, and the witnesses were asked, "Do you know this man; will he make a good citizen; and would you like to be an American citizen?" "Yes." "Well, go on." And they are run through there like sheep, dropping a little pebble when you get 100. That is the way they examine them in New York by the Bureau of Naturalization.

Now, the committee has not taken any second information on this. They saw what was going on in the Bureau of Naturalization. They saw it not only once but several times, and in the courts also, by these men who were being naturalized.

Now, that is one remedy—suspend immigration for two years until we get those here naturalized. Let these applicants have some conception of what it means to become an American citizen. We should make a sufficient appropriation so that the Bureau of Naturalization, in conjunction with the superintendents of the counties of the various States and the city superintendents may get these men and women into these night schools where they may receive instruction as to what this Government means, so that they will be able to read and write and understand the genius of our Government.

Now, a great part of that will be done in the next two years, relieving them of the enormous burden and expense. Then when the two years have passed and gone and things will have been changed here, conditions abroad will have settled down to a better state, people will be more contented than at the present time, and we will be able to enact an immigration bill whereby we will be able to admit to this country the aliens from another country who have some conception at least before they come here that they are going to become a part and parcel of this country and spend their remaining days on American soil and be imbued with its principles and where they will be protected by society instead of having a purpose to destroy this Government, as has been done for the last four years. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. WELTY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection to the request of the gentleman from Ohio?

There was no objection.

Mr. JOHNSON of Washington. Mr. Chairman, I yield to the gentleman from Maine [Mr. HERSEY].

Mr. HERSEY. Mr. Chairman, I can not discuss this matter in the short time yielded me, and I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN (Mr. LEHLBACH). Is there objection to the request of the gentleman from Maine?

There was no objection.

Mr. SABATH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. ROWE].

Mr. ROWE. Mr. Chairman; I am not so much afraid of the immigrant as some Members of this House appear to be. I have lived in the city of New York a great many years and have met and had business relations with a great many who came over as immigrants. Up to 1914 we received into this country a net of about a million a year. This year we will probably receive into this country 700,000 or 800,000. Of every two who come to this country one is going back. There is no great reason why we should take this up at this time. The people who come here are not of a poorer class than those who have come here during the last 20 years. I know considerable about the conditions. I was present at Ellis Island, went down on the ship that sent the 249 undesirables back to Europe, where they should have been sent long ago. I have been twice during the month of November to Ellis Island to see what the conditions were at that place. The last time I was over to Ellis Island I took with me a prominent citizen of the State of Iowa, because in the papers of Iowa he had read very often that undesirables were coming to this country, and wanted to see for himself the conditions at the island. That was about three weeks ago. The island was full of people and we had a splendid opportunity to examine the situation. We spent more than three hours there. When he came back on the boat and met several people at dinner that night I remember that the very first remark he made was to the effect that the immigrants whom he saw coming in at Ellis Island were of a much better class than one would believe from reading the newspapers of his own State or the papers of Chicago.

The fact is that in this country we need laboring men and women of certain classes. We are paying now in the city of New York for ordinary shovelers to dig trenches in which to lay a sewer or a water pipe from $4.50 to $6 a day. We are paying from $6 to $9 a day for hod carriers. It is not because we have not plenty of men in this country. The fact is that our people of the second generation in this country will not carry a hod or dig a trench. We need the men on the farms. We have a great need in this country of competent women to do housework, and there are in Europe men who are willing to do this hard work in America and women who are capable and willing to do the housework. I believe in restrictions. I would have a very careful examination. I would not have it made under labor-union organizations. They represent only about one-ninth of the laboring men in this country. They should not have the power of saying who shall come and how the laws of this country shall be administered in respect to who is to be permitted to come into the Nation. I want to have restrictions. I think that for a limited time we might stop immigration in this country long enough so that Ellis Island may be made a proper place in which to receive all of the immigrants who desire to come into the country.

Mr. JOHNSON of Washington. Is not that exactly the purpose of this bill—a suspension of 22 months?

Mr. ROWE. Yes; but 22 months is too long. We are a very incompetent Congress if we can not prepare laws and prepare Ellis Island to receive immigrants within 12 months. If that is the fact, then we ought to be ashamed of ourselves and of the Congress of the United States. On the other hand the very best material can be received by us from Europe. Why not pick out not all of them, not two-thirds of them, but a third of the men and women who want to come to this country, the very best material of all Europe, as workingmen and working women, and have them come into this country, and come regularly. It seems to me that while we need more restriction, we need a more careful examination of applicants to this country. They should first be carefully examined on the other side by officials of the United States duly authorized to examine there, and then, having reached this country perhaps it is best that we should still submit them to a further examination. On the other side they can know whether a man or woman is desirable, whereas on this side we are not qualified to judge of that fact.

I yield back the remainder of my time.

Mr. SABATH. Mr. Chairman, I yield five minutes to the gentleman from Oklahoma [Mr. MCCLINTIC].

Mr. McCLINTIC. Mr. Chairman and gentlemen of the committee, I feel that the Immigration Committee is entitled to the thanks of this body for bringing in a bill of this kind during the early part of this session. There is an old saying, "A stitch in time saves nine," and this saying, in my opinion, is apropos of the condition that exists in the United States at the present moment with relation to the need of a law which will protect the citizens of this country from the foreign immigrants who are fleeing to our shores to escape the heavy taxation in the war-devastated regions of Europe.

Some time ago it was my privilege to visit Ellis Island, not as a member of the committee but as a private citizen interested in obtaining information relative to the situation which exists at that place. I stood at the end of a hall with three physicians, and I saw them examine each immigrant as they came down the line, rolling back the upper eyelid in order to gain some information as to the individual's physical condition. I saw them place the chalk marks on their clothing which indicated that they were in a diseased condition, so that they could be separated when they reached the place where they were to undergo certain examinations. Afterwards I went to a large assembly hall where immigrants came before the examiners to take the literacy test, and the one fact that impressed me more than anything else was that practically every single immigrant examined that day had less than $50 to his credit.

Mr. GOLDFOGLE. Will the gentleman kindly yield?

Mr. McCLINTIC. I will.

Mr. GOLDFOGLE. Will the gentleman recognize the fact that many of the most excellent citizens of this country came here without $50 in their pocket, made their way, and builded splendidly for the welfare of the country?

Mr. McCLINTIC. That may be true; but there is not a Member of this House who could have looked upon that body of immigrants as I did that day but what would recognize that they were of an undesirable class. Practically all of them were weak, small of stature, poorly clad, emaciated, and in a condition which showed that the environment surrounding them in their European homes were indeed very bad.

It is for this reason that I say the class of immigrants coming to the shores of the United States at this time are not the kind of people we want as citizens in this country. It is a well-known fact that the majority of immigrants coming to this country at the present time are going into the large industrial centers instead of the agricultural centers of the United States, and when it is taken into consideration that the large centers are already crowded to the extent that there is hardly sufficient living quarters to take care of the people it can be readily seen that this class of people, instead of becoming of service to the communities where they go, they will become charges to be taken care of by charitable institutions. The week I visited Ellis Island I was told that 25,000 immigrants had been unloaded at that port. From their personal appearance they seemed to be the offcasts of the countries from which they came.

The cost of living in the United States has increased several hundred per cent in the last few years. Those who are coming to our shores are not able to speak our language; they only have a small amount of money on hand, and it is only a question of a few weeks until their resources will all be used up. I have been told that there are certain individuals in this country who make it their business to exploit immigrant labor coming from certain countries. The immigrant, realizing that he can not speak our language, naturally turns to a former countryman for help, and instead of enjoying the fruits of his labor a large portion of what he earns is taken from him as a commission for the assistance given him. If the immigrants coming to this country were of a class that sought employment on the farms and were capable and willing to render this kind of service to the Nation, then there would be no reason for this legislation. However, the opposite is true, and instead of becoming producers they at once become consumers, thereby working a hardship on every industry throughout the Nation.

I am sure that the United States Congress has no desire to cast any reflection against the citizens of any country. However, the law of self-preservation is one that must always be observed and respected, and it is for this reason that the American citizen, regardless of the occupation he follows, must be protected from being undermined by this class of people.

The Nation at the present moment is going through a reconstruction period. Thousands in many of the large cities have recently been thrown out of employment. Conditions from many standpoints have been gradually growing worse. The first duty of our country is to provide employment for our own people, and until normal conditions can be restored it will be the part of wisdom to close the doors of our country until every condition can be restored to a normal basis. It is for this reason that I am supporting this bill, and I hope to see it enacted into a law by this Congress.

Mr. SABATH. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. DONOVAN].

Mr. DONOVAN. Mr. Chairman and gentlemen of the committee, I agree in the main with the remarks of my colleague from Brooklyn [Mr. ROWE], and I think he epitomizes in a fair, judicial manner the circumstances with which we are confronted. The gentleman from Kentucky [Mr. ROBSION] made a correlative statement of immigration with our imports which implied that we should set up a barrier against all things foreign. Of course, such a policy should be deprecated. I prefer the constructive criticism of the gentleman from Brooklyn, where he laid down something definite that might be worked out for the benefit of our country and for these people who seek liberty under our Constitution; his suggestion that there be agencies distributed throughout Europe and other countries where these people would be checked up and investigated and the good taken from the bad and permitted to come here is, I think, feasible, just on the same basis and manner as our consular agents and commercial agents. The Department of Commerce has already initiated an activity along that line. I believe in restriction, reasonable and fair, and I am of the opinion that 2 years or 22 months is arbitrary and excessive. I believe it is unnecessary, of course, to refer to every American born or every foreign born who is in this House who is at best an immigrant only in different degrees. There is one, however, my colleague, JOHN MACCRATE, who sits on the Republican side of this House, who will have served by March 4 next, one term in this Congress, born in Scotland within the last 40 years, a resident of Greater New York, and which the great electorate of that city honored on November last with one of the greatest possible honors that could be given to a man within that State, elected him, this young Scotch immigrant, for a period of 14 years, at a salary of $17,500 a year, as justice of the supreme court. Here is a young man of sterling character and of admitted legal ability who would have, if this law was in force when he was a wee lad, been denied this distinction and honor. He is a type of many others who would be excluded if this measure were passed as proposed. I believe it has not been given the thought and consideration from a technical standpoint which should be given to it. My friends, as it is now reported I oppose it and hope that it will be so corrected to fit the circumstances where the immigrants who are desirable and anxious for our advantages can come to this haven of the oppressed, this land of promise and opportunity, and contribute in its development and advancement. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIEGEL. Mr. Chairman, I yield eight minutes to the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, I am not in condition to do this subject justice, but I can not be silent—I think from a sense of duty—while this bill is so hurriedly passed through the House of Representatives. I want to say for my fellow immigrants [laughter] in the House—you are all immigrants; what have you got big heads about; every one of you. If this bill had been passed 50 or 100 years ago hardly any of the House would have been here. It would have kept the Pilgrim Fathers out. They had no passports. The meanest thing about this bill—and I say that with all respect to my good friends who framed it—is that the whole theory that this was to be the land of the free and the home of the brave and an asylum for the oppressed is destroyed by it. You must have a passport if you want to escape the rule of Lenin and Trotski.

You can not escape unless you get a passport from them, and this Government does not recognize the Soviet Government. It would have kept Kossuth out when he came to speak here for the liberty of Hungary. It would have kept Thomas Estrada Palma out, who came to speak for the liberty of Cuba. He could not get a passport from Spain, and to-day this little island of Cuba is blossoming, a beautiful, strong, young Republic. You propose to-day by this bill to say that no man, however good or strong of arm, that no man, however much in love with the principles of our Government, can come from India or Ireland or South Africa without a visé of the king. By article 10 we guaranteed the territory of all nations. The people knocked that out. You now propose to enact into law that provision by guaranteeing that the kings of the earth shall not be deprived of their right to govern the brain, blood, and bone of all their subjects. An honest, brave man fleeing from the power of the king you propose to deport and send him back to prison or the gallows if he lands on our soil without the consent of his master, the king.

To my colleagues on the Republican side, let me say to you, gentlemen, you are making a mistake personally and politically. But, bigger than that, you are making a mistake for your country. All of the treaties that we have will be amended or abrogated by this law, except possibly where there is a special treaty like that with Japan. We want peace and good fellowship. By this bill you turn the people of the world against us. You put into the mind of every man, woman, and child all over the world that this great country has suddenly drawn the cloak of seclusion about herself. You say by this bill, "Young man, have you got money?" "Yes." "Royal blood?" "Yes." "Do you want to go to school?" "Yes." "Come in." But if the Norwegian stands here with a strong hand and warm heart, in love with the doctrines of your country, you say to him, "Stay out unless you can go to school."

The trouble about this, my brother immigrants, is that the fault has been in the execution of the law we have. No man can come here who does not subscribe to our doctrines. The description given by my friend the gentleman from California as to granting of citizens papers in our courts was not fair. I have seen them go through the United States courts. They are all examined. I saw them stand there. They did go fast before Judge Landis the other day, I noticed, but every one of them had been examined; their papers had been examined; the living witnesses were there as to their character and reputation.

The trouble in the immigration subject is where it has been all the while for eight years—inefficiency and incompetency in the execution of the laws. We do not need this law to shut out these people who want to come here. We do need—and the people have spoken—to give a new administration to this Government. And I hope and pray that the law we have will be enforced and that there be no more talk about the danger of the immigrants coming into this country and the danger and hysteria about the bolshevik. This country can take care of itself. All the Bolsheviki in the world can not hurt us. They may disturb us for a while, but the Bolsheviki can not come in here under the present law. The people have given you a new administration; we will have a new Attorney General; we will have a new administration of the department. Let us see what they can do. Let us see whether they can not protect the American people from the things you are talking about. But to me the most unsentimental, the most selfish, un-American, unpatriotic thing is the ungodly desire to crowd every man off the earth because we do not want to compete with him. We get a prejudice; and you know that largely the basis of this is the prejudice against the Jews. Tell the truth about it. We are not afraid to speak the truth, are we? There is a prejudice against the Poles; there is a prejudice against the Germans; there is a prejudice against the Irish.

It is a prejudice also against any nation in the world that is seeking to adopt the doctrine of self-government, that has the cruel hand of Great Britain at her throat. South Africa wants to be heard. By unanimous vote of her Congress she declared for self-determination. Within the memory of us here now, we saw Great Britain kill that young republic. They want a chance to come here. Her people want that chance. But they have got to get a visé from the king, George.

There is war in Ireland. Ninety per cent of the people have spoken for self-determination. They have established a de facto government. We are not neutral. We refuse to recognize one but do recognize the other. Some of them want to come here. I remember my great leader, sir, in politics, was John A. Logan. I remember that he saved the day at that critical hour in the war, and I remember that he was the son of an Irish immigrant. They want to come here. Here is this poor, brave woman, Mrs. McSwiney; she could not be here 24 hours if we passed this bill, without a visé from the king. He is not her king. The people of that country have spoken. A larger percentage of Ireland are back of De Valera to-day for president of Ireland than there was back of George Washington when he established our Republic. A larger percentage are for that freedom to-day in Ireland than was back of Abraham Lincoln when he maintained the Union—a larger percentage of the people.

The CHAIRMAN. The time of the gentleman has expired.

Mr. MASON. I would like to have two minutes more.

Mr. SIEGEL. I yield two minutes more to the gentleman.

Mr. MASON. Just one illustration of this selfishness of us immigrants, the Masons through Scotland and the Campbells from the same country. A lot of you came along from Ireland and some from Germany. You are here now and have gotten on your feet, and do not want anybody else to have a chance.

I read a legend once of an old stingy grouch who was in hell, and who appealed to an angel to help him. The angel said, "Name one good thing you ever did and I will try to help you." He said "I gave a carrot once to a poor boy." Immediately a carrot appeared before this grouch in hell. They got hold of him and began lifting him out of the pit, and just as they were going to deposit him out of hell-fire and damnation, he saw some other fellows clinging with him to the carrot. He said, "Get out of here. This is my carrot." And the angel very properly dropped them all back to hell, where they belonged. [Laughter.]

Gentlemen, this is not our carrot alone; it is not your world, your country alone; it is not my country. The people who have developed this country have come from all over the world. England is not the mother, but all of Europe. We have made this country. You have good laws; let us enforce them. Let us have a President in evidence on the 4th of March who will appoint men to see that those who come in here are sound of limb and of mind and can become good American citizens. It is a part of the world. It is not your country or mine alone; it is God's country. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. DONOVAN. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from New York asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Mr. Chairman, I yield 10 minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Chairman, I speak on this measure as an old-fashioned American, as one who comes of a stock so long in America that there is no record of when they came. So that I may be pardoned, I hope, for taking an old-fashioned American view of this question and for not adhering to some of the remarks which have been made upon this bill. I hold to old-fashioned ideals of Americanism and not to the new-fangled, narrow, and chauvinistic spirit of nationalism. I still believe in the principles of Jefferson, in the principles recognized in the American Constitution, and in some of the old ideals for which our ancestors labored and fought.

It has been charged that this bill is an anti-Semitic bill, that it is aimed particularly at the Jews of Europe who are seeking to come here. To such an extent, if any, as the bill has the Jew particularly in view and aims at his exclusion, the bill is irredeemably bad. I have no hesitation in saying that.

I read in the report of the committee a very significant statement, a statement of sinister significance, found on page 6, which is this:

> The committee has confirmed the published statements of a commissioner of the Hebrew Sheltering and Aid Society of America made after his personal investigation in Poland, to the effect that "If there were in existence a ship that could hold 3,000,000 human beings, the 3,000,000 Jews of Poland would board it to escape to America."

I also read in the appendix, on page 11 of the report, comment on the situation as to applications for passports for emigration from Rumania:

> Bucharest: Possibly 10 per cent of applicants are Rumanians from Transylvania or the Old Kingdom. The remainder are Jews, mostly from Bessarabia and Bukovina, practically all, except women and children, being petty merchants or salesmen. It should also be noted that the proportion of men emigrating is increasing and that not a few are probably fugitives from Ukrainia who have managed to obtain Rumanian passports. Ninety per cent of applicants are Jews of both sexes and all ages.

I wonder, in the light of those statements, why it is that the Jews of Ukrainia and Rumania are seeking to escape, and why the Jewish population to the last individual is seeking to escape from Poland. I wonder why it is. Their economic situation is not more severe than the balance of the populations of those countries. There exists no reason, so far as I can conceive, unless the Jews are meeting in the countries of their nativity with oppression and abuse on racial and religious grounds. I can draw no other inference from the fact when a nation's entire population of a certain race and religion is seeking to escape from that nation.

I read with deep indignation accounts of Poland's anti-Jewish pogroms, of the butchery of men and women in cold blood. The stories of these atrocities were denied by representatives of Poland. Now we find them verified by the wholesale flight of the Jewish population. I can not forget that the new State of Poland was brought into being by the aid of America and her associates in the Great War; that we have succored and sustained the Poles, furnished them supplies, and loaned them money from the public funds. More than that, we furnished many millions of dollars in supplies and munitions with which Poland might repel the bolshevist invasion. I am deeply disappointed by the failure of Poland to appreciate the spirit in which American aid was given. America can not, and will not,

be partner and companion with bloody-handed oppression of race and religion.

I have in mind also that Ukraine and Rumania are reaching out their hands to us for help. Already we have given substantial aid to Rumania. These people must be made to know that our country will not countenance rapine and murder; that we will not aid those who commit atrocities upon a harmless and inoffensive people.

The present "white" Government of Hungary owes its existence in part to aid and sympathy extended by our Government. It has repaid our humanitarianism by a "white terror" of its own. A recent dispatch states that 15,000 Jews have been gathered in Budapest and condemned to deportation. They are being persecuted on racial and religious grounds.

One bright spot in that part of eastern Europe, where Jews live in large numbers, is Lithuania, from which no reports of oppression and pogroms have come. Lithuania seems disposed to treat the Jews fairly, and although some of its largest cities are more than half Jewish, Lithuanians are not trying to come to America in overwhelming numbers. It speaks splendidly for the Lithuanian people and their spirit of democracy and humanity.

It is a pathetic fact, one of the deepest pathos, which should wring the heart of every humanitarian, that after all the Jews have suffered in the terrible war they must now abandon the countries for which they offered their lives and flee to a distant land to escape religious and sectarian persecution.

Of all the peoples of the world, no people, unless it may be the Armenians, have suffered so universally and so greatly because of the Great War as the Jews. Living, as they do, chiefly in eastern central Europe, in territories which were ravaged and overrun again and again by the contending forces, crushed under foot by every invader, their homes destroyed, their families outraged, their possessions swept away, their desperate situation to-day makes overwhelming claims upon the humanity and sympathy of all mankind.

They served in our own Army. They offered their lives in support of our flag. They served in the allied armies, in the armies of Germany and Hungary and Austria and Poland and Russia, and no man anywhere can point his finger at the Jews as a people and say that they shirked their patriotic duty. But now, having served and having done their best, having suffered alongside of the most unselfish, they find themselves persecuted and driven away from the countries they fought for; they must abandon their homes; they must come to a strange country; they must seek new hopes and new fortunes in a distant land. The situation must appeal to any heart that has any sympathy.

The Jews as we have them in America—and of course we have them from every country of Europe—furnish a valuable element in our people. I would not have them away. It is too late to say that the Jew can not be assimilated in America. We have the Jew in such numbers that there is no use in discussing that question any longer. He can be assimilated; he has been assimilated in the past, and he will be assimilated in the future. There are no people who come to this country who are so ready to lay aside their allegiance to foreign governments, to foreign flags and foreign institutions, and to embrace those of America.

We had a good deal of spy hunting during the recent war. We had charges of men being slackers and of being objectionable hyphenates. Men were charged with disloyalty, with loving some other country better than America. But nobody pointed to the Jews and said they were guilty. On the contrary, the Jew was always willing to say, "I am an American, I love America, I am willing to stand by the institutions of my adopted country." No Jews in America were partial to Hungary or to Germany or willing to betray our cause and our flag in behalf of any country that lay across the seas. Always they held our institutions and our interests above those of their native land.

And I say it is a peculiarly pathetic situation which is presented here just after the war, when we have had this splendid evidence of Jewish loyalty and patriotism as citizens. It is a peculiarly pathetic situation that here is presented a bill that is aimed at the Jews. I am not willing to have this bill aimed at the Jews. We should attach to it certain reasonable and proper amendments which would open the doors of this country as an asylum to people like the Jews and the Armenians, who are being oppressed at home on racial or religious grounds. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. HUDDLESTON. Mr. Chairman, I ask leave to extend my remarks.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. MASON. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Illinois makes the same request. Is there objection?

There was no objection.

Mr. SABATH. Mr. Chairman, will the gentleman from New York [Mr. SIEGEL] use some of his time now?

Mr. SIEGEL. How much time have I left, Mr. Chairman?

The CHAIRMAN. The gentleman has 21 minutes remaining.

Mr. SABATH. That includes the seven minutes used before.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield me four minutes of his time?

Mr. SABATH. How much time have I remaining, please?

The CHAIRMAN. The gentleman has 22 minutes remaining.

Mr. SABATH. I will yield two minutes of my time to the gentleman from Washington.

Mr. JOHNSON of Washington. I have one minute, and that will give the gentleman from Wisconsin three minutes to close the debate.

Mr. SIEGEL. I will yield two minutes.

Mr. JOHNSON of Washington. That will be five minutes in which to close the debate.

Mr. SIEGEL. I yield five minutes to the gentleman from Kansas [Mr. WHITE], a member of the committee.

Mr. WHITE of Kansas. Mr. Chairman, it is variously estimated that there are now in this country from 1,000,000 to 2,000,000 idle laborers. It would seem to me that under the conditions which are developing in this country, and becoming more acute from day to day, it would be an unwise policy to leave unchecked the great influx of immigration now coming in our direction. It is frivolous for any man to say that wages have not been reduced when four cotton mills in a single week announce a working schedule of from one to two days per week. Banks are failing, factories are closing, and I say to you, gentlemen, that there is no more effective or fatal way to reduce wages than to announce the closing of factories and the cutting down of working schedules.

I take it, gentlemen, that the American Constitution was written for America, and in this bill you find the vindication of one of those great principles announced in this preamble, and that is the promotion of the general welfare. Gentlemen, I could not oppose this bill unless I were to assume an international benevolence of which I am not the possessor. I am not the kind of American who would surrender that which is most valuable to us to those who can give us nothing and who promise us nothing in return. We are to-day in the throes of the most terrible reaction and readjustment that this country has ever experienced in my memory, and I remember as a boy the readjustment subsequent to the Civil War. My distinguished colleague from New York [Mr. SIEGEL] in his remarks was disposed to emphasize the defects of our Americanization work; but with all its defects, which are obvious, the opponents of this bill should remember that it proposes to minimize the aggravation of that condition which would result from the opening of our doors. [Applause.]

The gentleman from Illinois [Mr. SABATH] presented, as an offset to the employment situation, that if it were true that wages were declining, if it were true that there is unemployment in the United States, that those coming to our shores might return; but the fact is that they would not return to the war-desolated and socially disorganized countries of Europe, but would be well content, and no doubt supremely happy, to work for a wage of one-half or less the American standard and account it a good living wage when measured by their lower standards of living, and these immigrants would displace our own laborers and inevitably degrade our high standards of life heretofore maintained by the American laborer.

Nor is it pertinent to this subject for gentlemen to assert that there is no surplus of farm labor, for gentlemen should know, if they are informed upon the subject, that the labor coming is not adapted to the farm. It seldom seeks agricultural employment. If it were from England, Ireland, France, Belgium, Denmark, Norway, or Sweden, it might and could be very usefully so employed. It may well be stated here at this time, for be it known that farm labor is skilled labor and it requires a generation to produce a successful farmer. He must know a thousand things that other men do not know and of which they have not even a remote knowledge. There is to-day no inducement for any man here in this country nor yet for anyone outside of this country to come here to engage in agriculture. In the brief time allotted me I can not recapitulate the hard conditions now pressing down upon and threatening the utter ruin of that great industry, which more than any other one thing furnished the sinews of war in the great world struggle between the systems of an autocratic power and free government. The farmer is not resentful. He

is not revolutionary and he is not splenitive and rash. But the commercial injustice, the relative inequality of the prices of his products as compared with the prices of all that he buys and all the ultimate consumer buys, the evidence of which condition is apparent on every hand and which no one denies, may easily be the most serious problem confronting the American people and the American Congress.

Do gentlemen contend there is not inevitably a reduction in wages impending, an important reduction? Do gentlemen believe that the farmer who can not sell his product for 50 per cent, in many instances, of the price obtainable for the past three years will pay six, eight, and ten dollars per day for labor to harvest, thrash, and care for his crops? They must, perforce, reduce cost of production by reducing the cost of labor or they must reduce production and thus maintain prices, if it shall be possible to do so, or they must be themselves reduced to abject industrial ruin. The object of the predicted enormous influx of immigration presents a serious question from the social viewpoint. We know that there are here to-day a large number and millions more ready to come that are not readily assimilable. We can not for any reason afford to assume an attitude of indifference to a situation which threatens to vitiate our civilization.

Mr. SIEGEL. I yield five minutes to the gentleman from Massachusetts [Mr. WALSH].

Mr. WALSH. Mr. Chairman, I have been unable to ascertain from the gentlemen who are members of this important committee just what is the reason that impels them to report such a drastic piece of legislation. We are told that hovering in the distance there are millions of people seeking to come to the United States. If that be true, and if that be the reason, why is it necessary to say that none of them shall come, in order that the citizens of our country shall be protected? We have also been told that there are many undesirable classes in Europe who are seeking admission here. If that be the reason, is it necessary to shut out those who are desirable? Oh, I recall when the section of the country which is now so very ably represented by the distinguished chairman of the Committee on Immigration [Mr. JOHNSON of Washington] was not so particular about who should come or in what numbers should come the immigrants; when certain great cities on the western coast were anxious to outstrip their sister cities in population, and they invited immigrants and others to come there irrespective of their previous condition or their present fortunes.

I was a little astounded to hear the present occupant of the Chair [Mr. FESS], who presides over this committee with such grace and ability, announce yesterday the doctrine of organized labor, that not only should we cut out the cheaper-made goods of Europe from our markets but that we should absolutely prevent admission here of the laboring classes who might perhaps be willing to work in open shops at a lesser rate of wages than those who belong to organized labor and to the unions.

I believe we are acting upon insufficient knowledge; that we are attempting to take too radical a step. We are making too wide a departure from the policy heretofore enforced in this country. We are attempting to cure a slight disease, a slight blemish upon the tail of the dog, by cutting off his tail behind his ears.

Two years! Who expects that this unrest is going to continue in this country for two years? I listened with great interest to the distinguished industrial expert from the plains of Kansas [Mr. WHITE] when he cited the instance of one or two factories running four days a week. Why, my friends, there are nearly 30,000 factory employees idle in the city which I feebly struggle to represent, together with the rest of my congressional district in this House. Those factories are idle to-day. The looms are silent, and only two or three are working upon anywhere near a full schedule of time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIEGEL. I yield to the gentleman three minutes more.

Mr. WALSH. Mr. Chairman, that is not because of the fault of immigrants coming to our country. It is because of an economic situation. It is because under the existing schedules of the tariff we are unable to compete with foreign goods. But who shall say the time has come when we must say, "We have grown to 105,000,000 people, and we will rely upon those within our own borders for the further increase in our population"?

I agree with the committee that the time has come to give serious attention to the immigration question and to see that thousands and hundreds of thousands who after they get here turn out to be undesirables should be excluded; but I do not believe that the proper way to go about that is to shut up the gates and lock them fast for two years, as you do practically in this bill. In the first place, that period is altogether too long. Two years are a long time. In the second place, I believe that we can tighten up the existing immigration laws. We can give more funds to the department to enforce the law; and we can see to it, as it will be seen to within a few short weeks, that men are put in positions of trust in that department who will enforce the law according to its letter and spirit, a thing which has not been done during the past few years. But I feel that if you close these gates, lock them fast for two years, you are but postponing conditions, and that you are doing an injustice not only to many desirable immigrants who come here with a firm faith in our Government, with a firm intention to abide by its laws and become good citizens, but you are going to do an injustice to many of those now in this country who may desire others to come here and make a success in life as they have done. I trust that the committee will not seriously oppose an amendment to reduce the period within which all these immigrants practically should be excluded. [Applause.]

Mr. SIEGEL. Mr. Chairman, I yield the gentleman from Texas [Mr. PARRISH] two minutes.

Mr. SABATH. And I yield, Mr. Chairman, to the same gentleman three minutes.

Mr. PARRISH. Mr. Chairman and gentlemen of the House, during the 10 years immediately preceding the outbreak of the European war the average number of foreigners coming to this country annually amounted to more than 1,000,000. Since the war, due to lack of transportation facilities, the average has not been so great, but we are now told that an average of from three to five thousand foreigners land daily in New York for admission to the United States, and this represents only about 80 per cent of the foreigners coming into this country through all places of entry. During the years of the immediate future the number of immigrants to this country will be limited only by the carrying capacity of the ships available for passage. In fact, we are reliably informed that 2,000,000 Germans are now anxious to get immediate passage to the United States, and it is said that the entire population of Poland, estimated at 3,000,000 persons, would take passage to the United States to-day if the opportunity were afforded.

Italy has sent large numbers of her population to this country during recent months and no doubt will send large numbers in the near future unless some action is taken by the United States. In fact, due to the remarkably unselfish and effective part that the United States took in the recent World War, our country has become the favored nation of the world, and the unfortunate, dissatisfied, or adventurous people of every nation on earth are now turning to this country, and unless this Congress takes some action staying the mighty tide of immigration that is flowing in our direction we are going to find millions of foreigners landing in this country as fast as it is possible for them to get here.

An inspection of the character and kind of immigrants coming to this country at this time convinces us that the great per cent of them are nonproducing and nonsupporting men and women. In fact, it is estimated that between 80 and 90 per cent of those reaching our shores in recent months have been consumers only, and without any visible means of support; and it goes without saying that such a mass of population as this will add to the number of unemployed in our country, already variously estimated at from 1,000,000 to 2,000,000 men, and will further tax the capacity of the producers of this country.

Not only are a large majority of the immigrants nonsupporting, but from past experience we know that a large per cent of them, at least, are not in sympathy with America and American institutions, and a good majority make up the criminal class that is causing so much concern throughout the entire United States. Mr. William Shadduck, foreman of Kings County grand jury, New York, recently reported the conditions actually existing in his county, and in this connection made use of these significant paragraphs:

> A study of the record of our proceedings shows that all of the homicides and most of the graver, more desperate, and heinous crimes were committed by foreigners, who palpably have no understanding of the genesis or genius of American institutions. They not only have not been assimilated, but seemingly are unlikely under present conditions ever to be assimilable.
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> The facts as to many of these crimes show the presence in this city of foreign colonies whose existence is a perpetual menace to the lives and property of our law-abiding and law-loving citizens. From the testimony of witnesses, some of whom were participants in these heinous crimes, it has been clearly revealed that interracial hatred, with their attendant feuds and vendettas, have been transplanted to this country. These feuds have been aggravated and perpetuated by the increase and extension of these foreign colonies.

If the grand juries of the other sections of the United States where foreign elements predominate were to make reports, I have not the slightest doubt but that we would find great unanimity in their reports corroborating the report of the grand

jury of New York. As a matter of fact every President who has fallen at the hand of the assassin has gone down by the murderous blow of a man of foreign extraction.

Such facts as these have not escaped the American people and must not escape the Congress of the United States. If we fail at this critical hour to protect America and American institutions, we will fail in the discharge of our plain duty and obligation to the 105,000,000 people whom we represent. This is not a trivial or passing matter, but is one that reaches to the very foundation of our Government, and in my candid judgment threatens to disturb and disrupt our institutions built up at a cost of so much sacrifice by those who have given their lives that America might survive the test of time.

The time once was in the history of this country when America was looked upon as the home of the downtrodden people of all the nations of the earth, but we have arrived at a new and different era in our history; new conditions have arisen among the people of the world. Beyond the seas there are being taught new and strange doctrines. Socialism, bolshevism, and anarchy are playing unusual parts in the history and welfare of those nations, and are threatening the very foundation of their governments. Bolshevism and anarchy may draw their slimy trail across the map of Europe and write their destructive doctrines into the history of the nations over there, but never with my vote or influence will they make their unholy imprint upon America or American institutions. It is absolutely imperative that this Congress close the door at this time to all immigration except those whose entrance is provided for by the provisions of this bill, such as children and parents of citizens, travelers, scholars, and so forth, in order that we may have time to make sure that this country and its institutions shall not be impaired or destroyed by the foreign element.

We stand to-day, as never before in the history of the world, as the leaders in thought and democracy, and are emulated as never before by the other nations of the world, and if we are to make secure the place we have taken in history we must take time now in the mad rush for money and in the disturbed days of demobilization and reconstruction to save this country to Americans, American ideals, and American institutions, and to see that our standards and ideals are not poisoned or lowered by the incoming hoards from other countries of the world.

The district which I have the honor to represent believes in American institutions and ideals and their sentiments are shared by the millions of other American citizens who are willing to throw aside any idea of gain or commercialism for the good of America and for the welfare of American citizens, and I for one believe we should close the doors until we have had time to study the conditions of the world and the conditions of our own country and make secure our own future; we must close the doors until we have had time to Americanize those who have already cast their lot with us; we must close the doors until we have had time to seek out those foreigners who will not take Americanization and who will not become lawabiding and patriotic citizens, and drive them from our shores forever; we must close the doors until such time as the Congress of the United States may pass legislation that will safeguard our people and make sure that those who come to this country hereafter will become American citizens, loyal to the American flag, and will give up allegiance to any king or potentate or authority beyond the seas. I am an optimist, not a pessimist, but unless we deal with this question with a firm hand, it is my conviction that in the near future the loyal and patriotic citizens of the United States will be called on to assert themselves in a way not now dreamed of to save themselves from the poisonous influence of the foreign element that is now implanting itself in the very root and foundation of our country. We must suspend immigration entirely until this has been accomplished, and, in my judgment, it will take more than 2 years, probably 5 or 10, to accomplish this result.

The American youth in battles across the sea in the great world conflict, by his bravery and patriotism, added new luster to the glory of our flag; after the war had ended and during a celebration of the anniversary of armistice day, a number of those young men were shot down in cold blood for no other reason than that they wore the American uniform, and those boys fell victims of the anti-American and anti-Government movement that is being built up by a sentiment existing in this country opposed to America and American ideals. Such occurrences as those ought to bestir us to immediate action and cause us to make sure that we speedily put an end to the further coming in of such persons as will encourage those who would destroy our country. We all have, or should have, the same purpose, and that is to add to the glory, power, and influence of this Nation and to preserve uncontaminated the true American spirit of the fathers who built this Government and laid well the foundation of its institutions, and we can most effectively accomplish this result by closing the door to dangerous influences, and give us time to teach more Americanism and less Europeanism. [Applause.]

Mr. SIEGEL. Mr. Chairman, I yield four minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Chairman, if I understand this bill correctly it would apply to a case like this. There exists to-day in Ireland a very deplorable condition, as everyone will admit. What is going to be done there I do not know, but I apprehend that the British Government is likely to adopt more drastic methods than it has up to the present time. That condition might exist in any other country in the world. Under the terms of this bill, as I understand them, if an Irishman seeks to escape in the end from the drastic measures adopted by the British Government and succeeds in getting a vessel which will carry him from his own shores and lands him in America, he will be returned by us to the British Government to be tried and convicted of treason, perhaps, and perhaps to be hung.

I will not vote for any bill or law which proposes that a liberty-loving citizen anywhere in the world, attempting a revolution at home to secure what he believes is his liberty and his right, driven from his shores, lands on ours, shall be turned by our Government over to another Government to be hung. [Applause.]

The same situation may arise in Mexico. It is said that the Guatemalan Government has a man in confinement who was formerly president of that Republic.

If he should manage to escape from his confinement and find a vessel which would bring him to the United States, he would be returned by our Government to the Guatemalan Government and punished by it. I doubt whether the time has come when liberty-loving America should say that we will not permit, under any conditions, the entrance into the United States of people from abroad who are being persecuted or prosecuted, as you please, because they are attempting to obtain freedom at home.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. SABATH. Mr. Chairman, does the gentleman want a few minutes more?

Mr. MANN of Illinois. Oh, I have expressed myself, I think.

Mr. SABATH. I am very glad to yield to the gentleman three or four minutes.

Mr. MANN of Illinois. I do not desire to trespass upon the time which other gentlemen want.

Mr. SABATH. I yield four minutes to the gentleman. He can make a much better speech than I can.

Mr. MANN of Illinois. Oh, I would rather hear my colleague talk. I do not understand there is any escape from the proposition which I have made. If at the time of the revolutions in South America men had fled from their country to the United States seeking liberty, they would have been returned under this law, to be punished for treason. I have always been educated to believe in the love of liberty and that this is a liberty-loving country, the light of which shines over the world. Yet it is proposed to say here to people throughout the world, "You submit to the tyranny of the Government under which you live, or, if you escape to us, we will return you to that tyranny." Tyranny exists in many countries of the world, notwithstanding the recent war and our efforts to bring universal peace. There is trouble and there will continue to be trouble in many of these countries. How far we ought to go in restricting immigration I do not undertake to say. For many years I voted against the immigration bills in the House, but finally voted for the last one, because we were told that under the terms of that bill, if enacted into law, our Government would be able after the war to keep out the horde of immigrants that might seek our shores. Whether it is because of lack of enforcement of the law that this is not done I do not undertake to say. I have no doubt that everywhere people are looking to the United States as the land of liberty and safety and home. I am not willing to say that if they seek to establish good government at home by revolution that we shall say, "Suffer; you can not enter our doors." [Applause.]

Mr. SABATH. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman and gentlemen of the committee, the gentleman from Kansas [Mr. WHITE] stated that we are in the throes of a tremendous reaction. He spoke the truth, but I do not agree with his conclusion, that the situation, grave as it may be, justifies the alarm that is manifested in this House. We are, it is true, in the throes of a tremendous reaction, but I regret to say that the reaction shows a tendency to

fall back into pure materialism and selfishness. We seem to be going back upon all the noble traditions of our country. The lessons of the war are lost and we seem to have borrowed from Europe, and even from Asia, the very worst traits of narrowness and provincialism.

Let us get together on a fair and square basis. Let us reduce the argument to a common denominator. There is no one here, so far as I am able to discern, who, standing in opposition to this measure, has ventured to suggest that he was opposed to the exclusion of the unfit and undesirable. I will go further than any advocate of this measure and say that migration unchecked and uncontrolled may prove as great an evil as an armed invasion. It seems to me that it is not playing fair to suggest that the opponents of this bill desire to open our doors for the free and unrestrained access of foreign hordes. We do not take this position. Our attitude, at least my attitude, is rather to check the stream of migration by deliberate and well-thought-out safeguards; to control its course and regulate its stream in accordance with the industrial needs of our Nation and our ability to assimiliate. The aggregration of strange peoples in our large centers of population is undoubtedly a hardship to themselves and a menace to our traditions and to our institutions. As a rule, they do not think in the same terms as the population among which they are thrown, and the inevitable result is the formation of colonies where the traditions, bad as well as good, of the land of their origin are perpetuated.

As distance is said to "lend enchantment to the view," and as "absence makes the heart grow fonder," it is common knowledge that these colonies of the foreign born cherish an exaggerated fondness for the land of their birth, often to the detriment of American interests. They forget the hardships of their earlier environment, the poverty and misery, the tyranny and persecution, and at times display an utter lack of appreciation of the opportunities and advantages that they have enjoyed under the American flag. Whenever the attitude of their adopted country does not seem to harmonize with the apparent interests of their fatherland and the question, by any chance, is projected into the political arena, they steer their course not by the measure of benefit to accrue to this country but by its effect upon the land of their birth. The majority of this House, whose committee is responsible for this measure, have profited by this disposition of the foreign born in the recent election, and the wonder is that they should so soon after their phenominal victory kick over the ladder on which they climbed to power.

I am not at all resentful at the attitude taken by the foreign born. I hold that the basic principles which governed our ancestors and whose generous spirit of toleration and humanity made this country the haven of the oppressed of the world are of deeper import than any argument predicated either upon expediency or resentment. It may be that the threat of immigration is as grave as the majority would seem to indicate. It may be that the character and condition of the hordes who are knocking at our doors for admission are as debased as represented. That, however, I seriously question. But I am thinking it will be interesting to note the reaction when the friends and the relatives of the races criticized in the majority report of Congress come to reflect upon the subject.

For instance, in Appendix A of the report, on page 9, we find an expression of views as to the character and undesirability of the proposed immigrants from the different lands and races:

AUSTRIA.

Vienna: Sixty per cent of the present emigrants are of the Jewish race, 20 per cent of the German race, and 20 per cent of other races. The favorite occupation of these emigrants is merchant or clerk.

GERMANY.

Berlin: It is estimated that 2,000,000 Germans desire to emigrate to the United States if passport restrictions are removed.

The Germans who proceed to the United States are not of the most desirable class, due to the fact that military service is at present, in most cases, an absolute bar.

ITALY.

Catania: Practically all the emigrants from this district are of the peasant class. For the most part they are small in stature and of a low order of intelligence.

NETHERLANDS.

Rotterdam: The great mass of aliens passing through Rotterdam at the present time are Russian Poles or Polish Jews of the usual ghetto type. Most of them are more or less directly and frankly getting out of Poland to avoid war conditions. They are filthy, un-American, and often dangerous in their habits.

POLAND.

Warsaw: Concerning the general charteristics of aliens emigrating to the United States from Poland and the occupation or trade followed by them reports indicate such to be substantially as follows:

(a) Physically deficient:

(1) Wasted by disease and lack of food supplies.

(2) Reduced to an unprecedented state of life during the period of the war, as the result of oppression and want.

(3) Present existence in squalor and filth.

(b) Mentally deficient:

(1) Illy educated, if not illiterate, and too frequently with minds so stultified as to admit of little betterment.

(2) Abnormally twisted because of (a) reaction from war strain, (b) shock of revolutionary disorders, (c) the dullness and stultification resulting from past years of oppression and abuse.

(c) Economically undesirable:

* * * * * * *

Report of April 6: Approximately 100,000 persons are desirous of immediately leaving Poland for the purpose of coming to the United States. Ninety-five per cent of these persons are of the very lowest classes of the country and are considered to be thoroughly undesirable. Many of these persons have trachoma and other quarantinable diseases and come from typhus-infected areas. They are filthy and ignorant and the majority are verminous.

Report of May 15: Typhus conditions have shown little, if any, improvement. Some organizations interested in sending certain classes of Polish citizens to the United States are objecting to quarantine restrictions and are endeavoring to avoid regulations through transshipment through other countries. Some emigrants are objecting to certain sanitary provisions, such as the removal of beards and clipping hair.

ROUMANIA.

Bucharest: Possibly 10 per cent of applicants are Roumanians and are from Transylvania or the old Kingdom. The remainder are Jews, mostly from Bessarabia and Bukovina; practically all, except women and children, being petty merchants or salesmen.

* * * * * * *

This is unquestionably a serious arraignment; but if it is examined closely it will be found that there is hardly a single disability mentioned that is not amply guarded against in the existing immigration law. We can exclude the criminal, the mentally defective, the unclean, and the unhealthy under the laws as they stand. Why is it necessary to enact further laws or to close the doors completely? It has been vaguely suggested during the course of this debate that racial and religious intolerance has been permitted to enter into the question and may perhaps have been the controlling factor. The emphasis laid upon the Jewish question in the above extracts lends some color to the opinion.

I believe in the regulation of immigration. That would be wholesome and salutary. We could easily regulate the stream by directing our consuls abroad to only approve the passports of such numbers of immigrants as there is a possibility of employing in useful industry. We could make it a condition precedent to their immigration. Such a course would be absolutely defensible. It would preclude the charge of intolerance and put all nations and races on the same basis. It would solve the Japanese question and meet the objections of the Pacific coast States against the importation of Japanese labor. Japan could not take any offense and that troublesome question would be settled once and for all time.

Under the proposed plan of two years' absolute exclusion we would offend all nations and races and bring upon ourselves the charge of being the modern hermit nation. Not only that, but we block our own economic progress. We deny ourselves the benefit of the refreshing and healthy flow of labor into channels where it is most needed. To-day household help is at a premium in our cities, and I have often listened to the complaint here in this House by the Members representing farming constituencies that farm help is not obtainable. Even now these Members are clamoring to have exceptions added to the measure permitting them to import Mexican and Canadian help at certain seasons of the year. Such a course is selfish and economically unsound. It invites undesirable foreigners into our land to earn money that had better be earned by our own population and then permits their return to their home lands to spend their earnings. It would be much better, in my estimation, to make the help needs of the agricultural sections of our country known in the great city sections and invite the vast army of unemployed into the fields. Such a course would help to settle the sparsely populated States and distribute our population equitably.

The last census of the United States shows that 51 per cent of our inhabitants are centered in cities and towns. We can not exist long as a nation if this movement is permitted to continue and grow. The Immigration Committee had a great problem on its hands, but they took the wrong course in trying to settle it by a scheme of absolute exclusion. Their solution is the lazy man's "open sesame." Their solution is a confession of weakness. If they had proposed a plan of intelligent regulation, they would have had the earnest support and cooperation of every man in this House.

In settling the immigration question we should ever keep in mind that the influx of a good, healthy stream of immigrants is always desirable and should be encouraged. It will always prove a great public benefit, if it is only directed into zones

where it can be employed advantageously, without creating unreasonable competition with American labor. The mixture of blood in the United States has proven to be the salvation of our Nation. We hear men boast of the purity—by which they mean the unmixed origin—of their racial blood. It is nothing to boast of. Inbreeding is always the source of racial deterioration. I commend to your attention the book written by a friend of mine, an able newspaper man, who often sits in this gallery.

I refer to "America's To-morrow," by Snell Smith. In that book he reviews the rise and fall of nations and has evolved the law that a transfusion of the blood of several stocks throughout a period of 300 years produces an entirely new people, which at the maximum of strength, caused by the admixture, conquers its rivals, expands into empire, and does its work in the world. Speaking of the American people, he says that "strengthened and developed though they may be physically, by centuries of hardship and struggle, their brawn and quickness flow solely from an amalgamation of the blood of the peoples of many lands into one."

I know that this theory is double-edged in its conclusion; but while indicating caution in the character of the admixture it absolutely squelches the argument that the truest perfection in our national character may be attained without any admixture whatever. In its final analysis it justifies the conclusion that the founders of our Republic were correct in the establishment of the principle of toleration and humanity in laying the foundations of our national structure, whereby they have truly made this great country of ours the land of the oppressed and the home of the free. The measure before us is a confession of weakness. The committee fly in the face of our entire history. They have been laboring for 22 months, and now their only solution is a panicky appeal to close the doors for two years. I agree with them that it is proper to exclude the unfit and undesirable. By all means let us do it, but you can do that by expanding the present law. You can do it by regulation. It is not necessary to adopt a plan of exclusion which is so utterly repulsive to all of the noble traditions upon which this country was founded.

The CHAIRMAN. The time of the gentleman from New York has expired.

By unanimous consent leave was granted to Mr. GRIFFIN to revise and extend his remarks in the RECORD.

Mr. SABATH. Mr. Chairman and gentlemen of the House, I hope it is not necessary for me to state to you that I have the interest of my country at heart and that it is not my intention to do anything that would operate injuriously to the welfare of our Nation. I wish to also assure you that I am just as serious as any Member of this House in the desire to keep out every undesirable. The chairman of the Immigration Committee, I am sure, will bear me out when I say that I have at all times cooperated with the committee in preparing, aiding, and advocating legislation that would make it possible not only to eliminate the immigration of the undesirables, but also to strengthen our deportation law. The gentlemen from Minnesota, Kentucky, and Texas charge that the present immigration is undesirable and that the sections of this country to which this immigration goes are suffering from unemployment and lack of housing facilities.

Mr. Chairman, the charges that are being made against the present-day immigration are by gentlemen who come from sections who receive no immigration and who are not in position to know as much about that question as those who come from and live in the cities and in the States that absorb most of the present-day immigration. Is it not singular that up to this moment not a single gentleman coming from our great cities or our great States who, I am sure, are better acquainted with the immigration question than those from the rural districts, has said a word in behalf of this legislation; but, on the contrary, like myself, feel it is hasty, uncalled for, unnecessary, and unjustified.

Mr. FOCHT. The gentleman realizes that those men who came then to be American citizens and that those who come here now do not intend to stay her, and do not stay here, but run away with their money and go back to Europe.

Mr. SABATH. That is not the truth.

Mr. FOCHT. Give me time and I will prove it.

Mr. SABATH. I will give the gentleman all of the time he wants some day.

Mr. FOCHT. All right; give me the time and I will be glad to do it.

Mr. SABATH. Mr. Chairman, I did not yield for misstatements; I yielded for a question; and I say to the gentleman that anyone who makes that statement is mistaken, because the people coming to-day are coming for the same purpose as those who came 100 years ago. I have heard statements and insinuations like the gentleman has made from other gentlemen, but they could never prove their assertions. Mr. Chairman, a few years before the war the gentleman and others questioned the loyalty of those people who were coming then, and I am proud to say that those very people demonstrated that they were as loyal and as patriotic as any.

They enlisted and fought side by side with the American born and in a way that won for them praise and admiration of all who were in position to see and hear of their many heroic deeds.

Mr. Chairman, the arguments in favor of this bill and the charges that are being made were made over 100 years ago. The restrictionists of those days classed the people coming to this country then as undesirable and favored their exclusion. The same arguments were made as to the tendency of the immigrants to congest in the cities, and it was maintained that the effect of immigration was to reduce wages and lower the standard of living.

The report of the Immigration Commission quotes the following from Nile's Register of 1817:

> The immigrant should press into the interior. In the present state of the times we seem too thick on the maritime frontier already.

Consider that statement carefully, gentlemen, for you must remember that it was made when the immigration did not reach 5,000 a year.

Again, in the second annual report of the managers of the Society for the Prevention of Pauperism in New York City, 1819, we find the following:

> As to the emigrants from foreign countries, the managers are compelled to speak of them in the language of astonishment and apprehension. Through this inlet pauperism threatens us with the most overwhelming consequences.

In the year following this report only 8,385 immigrants came to this country, and yet we find these men speaking of this immigration in language of "astonishment and apprehension."

It would seem, as years went by, that no difficulty had been experienced in the assimilation of these immigrants that had been the cause of such great apprehension, and therefore they were immediately classed as "desirables," whereas those seeking admission a few years later were still regarded as a menace. In a paper entitled "Imminent dangers to the institutions of the United States of America through foreign immigration," and so forth, published in 1835, the author compares the immigration of earlier years with that of his day, and says:

> Then we were few, feeble, and scattered. Now we are numerous, strong, and concentrated. Then our accessions of immigration were real accessions of strength from the ranks of the learned and of the good, from enlightened mechanic and artisan and intelligent husbandman. Now immigration is the accession of weakness, from the ignorant victims of the priest-ridden slaves of Ireland and Germany or the outcast tenants of the poorhouses and prisons of Europe.

Remember these are the sentiments expressed in the year 1835, when there were less than 50,000 people admitted.

At a meeting of the delegates of the Native American National Convention, held in Philadelphia on July 4, 1845, an address was delivered in which occurred the following statement:

> It is an incontrovertible truth that the civil institutions of the United States of America have been seriously affected, and that they now stand in imminent peril from the rapid and enormous increase in the body of residents of foreign birth imbued with foreign feelings and of an ignorant and immoral character.
>
> The almshouses of Europe are emptied upon our coast, and this by our own invitation, not casually or to a trivial extent, but systematically and upon a constantly increasing scale.

In 1845, the year this address was delivered, some 114,000 immigrants came to make this country their future home.

All of the quotations I have used refer to a class of immigrants which to-day even the most rabid restrictionists refer to as "desirable."

The birth of the Republic and the inception of the agitation for the exclusion of immigrants were coeval. The demand has been insistent, unreasonable, and unsubsiding. Born of prejudice, this desire to shut out foreigners grew up with eyes closed to the light, blindly ignoring all knowledge that would demonstrate the folly of its reasoning.

In the earlier days its advocates stubbornly refused to read with unprejudiced eyes a single page of the country's history upon which was chronicled a patriotic deed or which recited an achievement of any character that was the contribution of the class marked for their disfavor. Impelled by motives that were completely out of harmony with the fundamental principles of the Republic, this element never gave thought nor consideration to the economic effect of exclusion or restriction of immigration, but persisted with a zeal that bordered upon the fanatical in its attempts to foist upon the country views that were narrow and ill advised. Statesmen of every decade of our national life

have been confronted with this question, but to their everlasting credit those clothed with power and exercising influence in shaping legislation have turned deaf ears to the prayers and threats of the exclusionists and continued the liberal policy adopted by their forefathers.

Mr. Chairman, some of the supporters of this bill have maintained that our country is becoming too thickly populated, that we already have within our borders nearly all the people we can accommodate, and that for this reason it is imperative that immigration be restricted. This statement, like so many others emanating from the opponents of immigration, is misleading. The fact is that in 1910, according to the Bureau of the Census, the density of population of the United States, or, in other words, the average number of people per square mile throughout the United States, was only 30.9. Contrast this average density with that of some of the individual States, such as Illinois, with a density of 100.6; Ohio, with a density of 117; Maryland, with a density of 130.3; Pennsylvania, with a density of 171; Connecticut, with a density of 281.3; and Massachusetts, with a density of 418.8. They talk of this country being overcrowded. Why, 125 years ago the density of population of Maryland was greater than that of the United States to-day.

These restrictionists talk about our country becoming too thickly settled. Let us consider some of the European countries. In Germany we find there are approximately 312 people to every square mile; in Italy, 315; and in the United Kingdom, 374. Just think, gentlemen, with a population of only 300 to the square mile this country could support over 900,000,000. Is it not the height of absurdity to claim that immigration should be restricted because we have no room for these people?

Mr. Chairman, it also has been stated by those favoring the passage of this measure that the immigrants all flock to the large cities, there to increase the present congestion. This is not true. It may be a fact that these immigrants go, first, to the cities, but their residence there is only temporary. Gentlemen, I state without fear of contradiction, that there is nothing closer to the heart of the immigrant than his desire to become possessed of a piece of land which he can call his own, and he does this at his first opportunity. Hundreds—yes, thousands—of these people are leaving the cities each year and settling on farms. The statistics will show that a large percentage of the people residing in the rural districts of the northern, western, and northwestern sections of our country are of foreign birth or foreign parentage.

I have before me figures taken from a report of the Bureau of the Census which shows that in 1910 in the States of New York, New Jersey, and Pennsylvania 31 per cent of the rural population was of foreign birth or foreign parentage; in Ohio, Indiana, Illinois, Michigan, and Wisconsin 32 per cent was of foreign birth or foreign parentage; in Minnesota, Iowa, Missouri, North Dakota, Nebraska, and Kansas 40 per cent of the people residing in the rural districts were of foreign birth or foreign parentage; in Montana, Idaho, Wyoming, Colorado, New Mexico, Arizona, Utah, and Nevada we find the percentage the same—40 per cent of the rural population is foreign born or of foreign parentage; and, lastly, in the States on the Pacific coast—Washington, Oregon, and California—we find that over 42 per cent of the people who are making their homes on the farms are of foreign birth or of foreign parentage.

Now, Mr. Chairman and gentlemen of the House, I ask you if this is not proof that the immigrants do go on the farm; that they do not all remain in the larger cities?

For the further edification of the gentlemen who are of the opinion that this influx of immigrants is harmful to our country, I wish to read some additional statistics taken from a report of the Director of the Census, which show that in the States of Ohio, Indiana, Illinois, Michigan, and Wisconsin 75 per cent of the farm land is improved, whereas in Delaware, Maryland, Virginia, West Virginia, North Carolina, South Carolina, Georgia, and Florida but 46.7 per cent is improved. In the States of Minnesota, Iowa, Missouri, North Dakota, South Dakota, Nebraska, and Kansas 70.6 per cent of the farm land is improved, as contrasted with 53.9 per cent in Kentucky, Tennessee, Alabama, and Mississippi.

Mr. Chairman, from the hasty statements made by a number of gentlemen it would appear that there is no law against immigration and that all aliens can come in without restraint, regulation, or examination. Our present laws are strict enough in every respect. We now exclude idiots, imbeciles, feebleminded persons, epileptics, insane persons, paupers, persons likely to become public charges, professional beggars, persons afflicted with tuberculosis or a loathsome or contagious disease, persons mentally or physically defective, persons who have been convicted of a crime or misdemeanor involving moral turpitude, polygamists, anarchists, prostitutes, contract laborers, assisted aliens, and all who are admitted must have passports viséed by our consuls in the respective countries from which they come.

Mr. Chairman, it is to be regretted that so many Members of this House should be misled by false statements relative to the tremendous number of immigrants coming to the United States. The only justification for such statements is due to wild, unreliable articles from men who willfully double and in some cases quadruple the number of immigrants that are coming. I regret that even the committee, due to the haste in preparing their report, should have fallen a prey to these erroneous, yes, false and misleading, articles. These statements and articles emanate from sources whose only aim is to mislead, prejudice, and alarm the American people. I have in my hands a report from the Secretary of Labor and of the Commissioner General of Immigration, which is marked "confidential," and which is not to be released until the 16th of this month. This report shows that for the fiscal year 1919 the total immigration to the United States was 237,000, while the number of aliens who departed was 216,000, an increase only of 20,790. The same report for the fiscal year 1920, which ended June 30, 1920, shows that the total immigration amounted to 621,000 and that 428,000 departed, a total increase in the fiscal year 1920 of 193,000, and the majority of these are the wives and children of our own citizens and of those who have filed their declaration of intention of becoming American citizens.

These gentlemen are endeavoring to make the country believe that within the last few months millions of immigrants have come to our shores. I hope that the membership of this House will not rely upon the willful misstatements and articles of professional propagandists and paid lobbyists, but will investigate carefully all statements coming to them from such sources.

From the same sources come wild statements of the great unemployment which they variously estimate from two to four millions. These statements are just as unfair as those in regard to the millions of incoming immigrants. I maintain, though this is the slackest and dullest time in the year and that, due to the financial depression created by certain interests, there has been a lull in some of our industries and some lay offs of employees, but in a majority of cases it will be found that it has been done not because there is not enough work on hand but for the purpose of forcing down wages. It has been noticed in many instances within the past 10 days or two weeks that where lay offs have occurred the men have been reengaged wherever possible at a lower scale of wages.

During the months of December, January, and February we always find some people unemployed. This is due to the fact that many industries are at a standstill in the winter months, and to the further fact that thousands of farm employees, having no work on the farms, come to the large centers to seek employment during that period. But even with the influx from the farms and with the lay offs from some of the industries, I find in every newspaper of the large cities that there are three times as many advertisements for help as there are advertisements for situations wanted. Even if people are out of employment in certain sections of our country, I am satisfied that within three months there will be a greater shortage of labor than has been experienced during the summer of 1919 and 1920.

In the current number of the American Federationist Mr. Gompers, the veteran head of the American Federation of Labor, says:

> The world needs production. The employers have been saying so for months. They began with the armistice and continued until a few days ago. Now they have stopped saying so.
>
> The reason is not that the world's needs have been satisfied. The reason is twofold: Inflation is coming out of the business structure, and in the process employers see what they believe to be an opportunity to cut wages, though there has been no inflation in wages; secondly, the more unscrupulous employers believe that by laying off workmen with an announcement of curtailment necessities, the same or other workmen can be hired within a brief time at a sufficient wage reduction to make the temporary reduction justifiable from a profit point of view.

The following extract of a communication to me from the National Federation of Construction Industries speaks for itself:

> It is evident that a proportional relationship exists between our national requirements for skilled labor and unskilled labor, over which we have no control except in so far as our inventive genius may devise tools of production by which the effort of labor is made more effective. Experience has shown that the law of supply and demand applies in employment the same as in the material market. If the supply of unskilled labor in the United States begins to exceed its proportional relationship to skilled labor, immigration automatically adjusts itself because of the decreased demand for unskilled labor. Any attempt artificially to regulate the fundamental law of supply and demand in the labor market through the restriction or stoppage of immigration can result only in national disaster; for it will be seen that, if immigration were to be stopped, the necessary proportion which must exist

between skilled and unskilled labor, without which industry can not survive, could be maintained only by a curtailment of production to permit demotion of labor into unskilled capacities in sufficient numbers to restore the balance which must be maintained between skilled and unskilled labor. The direct result of such curtailment of industry would be disastrous to our national welfare for the reason that the law of supply and demand as it relates to commodities would operate to obtain a higher price level because of decreased production.

Mr. Chairman, in the interest of those who are so unduly alarmed as to the conditions and prosperity of our Nation, I have hastily prepared a statement which, if closely studied by these alarmists, will allay their fears as to the future and will compel them to wonder at the great strides our Nation has made in the last 50 years. It shows that though our population has increased threefold our wealth has increased sixfold, our exports twentyfold, and that the value of farm products has increased nearly tenfold. I regret that I have not been in position to secure the complete statistics, but I insert those which I have been able to secure:

Statistical statement comparing conditions in 1870 and 1910 with those of the latest available year.

	1870	1910	1919
Population	38,558,371	92,174,515	106,736,461
Wealth	$30,068,518,000	.....	[1]$187,739,071,090
Money in circulation	$676,284,427	$3,102,355,605	$5,766,029,973
Per capita	$17.51	$34.33	$54.33
Individual deposits in all banks	$2,182,512,744	$15,283,396,251	$32,703,114,000
Deposits in savings banks	$549,874,358	$4,070,486,247	$5,902,577,000
Imports, total	$435,958,408	$1,556,947,430	$3,095,720,068
Exports, total foreign and domestic	$392,771,768	$1,866,258,904	$7,920,425,990
Manufactures for use in manufacturing, exported	$13,711,708	$267,765,916	$922,401,664
Manufactures ready for use, exported	$56,329,137	$499,215,329	$2,563,350,160
Manufactures, total (except foodstuffs) exported	$70,040,845	$766,981,245	$3,485,751,824
Farms and farm property, value	$8,944,857,749	$40,991,449,090	.....
Manufactures produced, value of	$4,232,325,442	.....	[2]$24,246,434,724
Wages paid in manufacturing	$775,584,343	.....	$4,079,332,433
Spindles in operation	7,132,000	28,267,000	34,931,000
Coal mined.....tons.	29,496,054	447,853,909	605,546,343
Petroleum produced.....gallons.	220,951,290	8,801,404,416	[3]14,948,964,072
Pig iron produced.....gross tons.	1,665,179	27,303,567	[3]39,054,644
Iron and steel manufactures, exported	$13,483,163	$179,133,186	$968,520,154
Railways, mileage in operation	52,922	249,992	[4]266,059

[1] 1912. [2] 1914. [3] 1918. [4] 1917.

Mr. Chairman, for several days I have been striving to ascertain the source of the misinformation that has been used in arguments in behalf of this measure, and not until to-day have I been able to find that they are based principally upon an article written a few days before the election by Frederick Boyd Stevenson. It purports to be an interview with Commissioner Wallis, who, the writer states, has revolutionized Ellis Island. It undoubtedly is from this article that the distinguished chairman of the Committee on Immigration and Naturalization and the other members of the committee who are advocating this bill secured their inspiration and information. I do not desire to make any charges or even insinuations as to why the interview was given or printed two days before the election, but I do charge that the gentlemen in using some of the guess figures of the contemplated or expected immigration and some paragraphs bearing on the class of immigrants were unfair not only to this House and the country but also to the commissioner. I make this statement because they have only used the most prejudicial statements and figures, ignoring completely whatever may have been stated in explanation.

The writer of the article states that of the 430,000 immigrants, 173,000 have no occupation, but he also states that 182,000 were women and children. Does he expect that all the women and children should have an occupation? He also lays great stress on the point that among these 430,000 immigrants an old woman 70 years of age came to a son, who had a wife and five children, and that should the son die, the five children, who no doubt were born in this country, and the wife and mother would become dependent upon charity. He does not know whether the son had property of his own, or whether the children may be of an age to earn their own living. In response to that statement I can not help calling attention to the fact that neither the commissioner nor the writer can point out many cases of those who become charges or dependent upon charity, and he will not find a single one of the Jewish race in a public charitable institution.

The gentlemen who have favored the passage of the bill and who have quoted from this article so frequently have failed to quote the commissioner when he stated that he is not a believer in the illiteracy test, and that a man may not know one letter from another but still make an honest and useful citizen. I wonder why they have not read that paragraph?

For the purpose of showing how unfair some of the advocates of this legislation have been by selecting a few short paragraphs out of this lengthy statement, I insert a greater portion of that article, which was originally published by the Brooklyn Eagle and which has been reproduced and reprinted and sent broadcast by the restrictionists bureau:

The greatest problem in America to-day is immigration.

Under the new régime at Ellis Island, where 90 per cent of the immigrants to this country arrive, important physical, mental, and moral changes have taken place and are still taking place. Under a former régime physical, mental, and moral conditions were a disgrace, an abomination, and a menace. Filth has given place to cleanliness, brutality has given place to kindness, and degradation has given place to uplift.

The immigrant who comes to Ellis Island to-day is treated as a human being. The changes to-day are due to the splendid administration of Frederick A. Wallis, the present commissioner of immigration at Ellis Island. Great as these changes are, important as they are in influencing the lives and actions of the future Americans, composing as they do part of the solution of the overtowering problem that must be solved, there is another part of the problem that outranks them and reaches far above them. That part concerns the whole future of the United States of America. The beginning and the end of that major part of the problem is embodied in the questions:

What benefit will the United States receive by the admission of aliens to this country?

What detriment will accrue to the United States by the unrestricted admission of aliens to this country?

On the answers to these two questions hang the rise or the fall of a mighty nation.

For three hours the other day I talked with Commissioner Wallis on immigration. He explained to me the work he has done in the five months in which he has been in control. He told me of the efforts he has been making to create the impression in the newcomers to this land of the free and this home of the brave that it is a land of the free and a home of the brave in fact and deed as well as in song and story. He told me of the impressions he has sought to convey to the frightened and dazed foreigners that America welcomes them here if they come with the spirit of America in their hearts.

"But," said Mr. Wallis, as the climax to our talk, "if among 1,000 aliens seeking entrance to America we suspect that there is even one who is plotting against America I would rather refuse admittance to the 999 worthy than to take the chance of admitting the unworthy one. So long as I am in charge here my slogan shall be:

"'When in doubt, deport!'"

There is room in the United States for all who are sincere. There is room here for all who can be helpful to the country; for all who want to grow up with and become part of the United States.

There is not room here for anyone who promises to be a charge upon the United States or a burden to the people. There is not room here for anyone who is not in full accord with the Constitution of the United States and who does not possess the spirit which created the Constitution.

Now, to what extent are the people who are coming to this country to-day imbued with the qualifications that will make them desirable citizens and to what extent are they imbued with the qualifications that will make them undesirable citizens?

First of all, what sort of people do the United States need at the present time?

We need workmen.

We need mechanics—carpenters, masons, plumbers, tinsmiths, engineers—skilled workmen of all kinds.

We need day laborers—men to build railroads, roads, dig ditches.

We need miners to get the coal out of the mines.

We need men to run the street railroads—conductors and motormen.

We need farmers to plow the millions of unutilized lands, to sow the harvests, and to gather the harvests now rotting on the fields while millions are suffering for the want of food.

We need servant girls—millions of them—women and girls who are ready to go into good homes and get the benefits of the families in those homes, and do honest work and not expect to be the "lady of the house."

We need cooks and waiters.

We need laundry women and laundry men.

We need drivers for milk wagons and grocery wagons and delivery wagons.

We need help in our factories and shops and in our big industrial plants.

We need all sorts of help.

We do not need men and women whose first thought upon coming to this country is how much they can squeeze out of the country in wages and how little they can give in help.

We do not need men and women whose first thought upon learning conditions here is to mount soapboxes and public school rostrums and try to convince those who have been contented with those conditions that the conditions are all wrong.

These are a few of the men and the women whom we want and whom we don't want.

What kind are we getting?

It is gratifying, Mr. Chairman, however, to find once in a great while a member of the judiciary of our country taking an interest in the immigration affairs of the Nation, and in this connection I wish to insert an editorial appearing in the Chicago Daily News of December 4 dealing with an address of Judge Evan A. Evans, of the United States Circuit Court of Appeals, delivered at Indianapolis, which shows that that able jurist has studied the question from an honest, unbiased standpoint, and that he has been able to discern the far-reaching effect upon our country should immigration be stopped. His suggestions of improvements in dealing with the immigrants and the means we should employ to assist them to more quickly become good and useful citizens of our great Nation in a great measure meet my

views and should receive the attention and study of the membership of this House. I regret that time will not permit me to read the editorial, but with the permission of the House, I shall insert it in the RECORD:

JUDGE EVANS ON IMMIGRATION.

In the comparatively short and informal address which Judge Evan A. Evans, of the United States Circuit Court of Appeals, delivered at Indianapolis and which was published in the Daily News of yesterday were contained many valuable and thoroughly practical suggestions to Members of Congress and students generally of the twin questions discussed, namely, immigration and naturalization. In fact, a whole legislative program is outlined in Judge Evans's observations, which comprise six definite proposals.

Judge Evans believes in keeping the doors open to deserving foreigners, but he advocates the following notable improvements in our methods of dealing with immigrants:

More careful investigation of the qualifications of applicants for admission; provision for a five-year probation period for all admitted immigrants, they during this period to be required to learn the English language, under penalty of deportation for failure to do so; legislation expressly stipulating that naturalization is a privilege contingent upon good behavior, and that the commission of any one of certain designated offenses be made legal ground for the revocation of the privilege; a substantial increase in the naturalization fee, but not for the benefit of the Treasury.

There should be a national fund, Judge Evans asserts, for the sole purpose of assisting the newcomer to America from the day of his admission until he is settled and able to support himself in comfort. He should be protected from oppression and at the same time prevented from aggravating such evils as unemployment and urban congestion through ignorance or inertia. He should be directed to places that need workers and have undeveloped resources.

America is for Americans, Judge Evans well says, in the broad enlightened sense that only those who wish to become citizens and useful, honest members of the great community should be welcomed and permitted to stay. Those who do not value American institutions and are not appreciative of American advantages have no possible claim on the hospitality of the Nation. But there is still ample room for thrifty, upright, industrious, well-intentioned foreigners who desire to contribute to the welfare of the country while taking legitimate advantage of its exceptional opportunities.

As to the deplorable conditions under which the immigrants are being brought here, permit me to call your attention to the fact that for years I have advocated and insisted on legislation that would eliminate the hardships to which the steerage passengers are subjected, insisting that they should be accorded more humane treatment not only while aboard ship but also on arrival at our ports. The delays to which these immigrants have been subjected at Ellis Island also are to be regretted and conditions there should be immediately improved. If the Congress had appropriated a sufficient sum of money to enlarge the medical force as well as the force of inspectors these conditions would not exist. I hope that at least a portion of the tremendous sum which is collected from these immigrants by the imposition of the head tax will be utilized to improve the conditions at Ellis Island, and that provision will be made for a force that will be sufficient to handle this temporary increased immigration. I hope that these gentlemen who have described the conditions will aid me in securing the appropriation and also the enforcement of the provisions of our laws for the protection of steerage passengers.

In conclusion, I will suggest that some of these gentlemen from the Southern States who so strongly favor shutting the doors of immigration for 10, 20, or a longer period of years should read the evidence given by the cotton growers and sugar-beet growers and others when they appeared before the Committee on Immigration and Naturalization at the last session of Congress, appealing for the suspension of the immigration laws to enable them to secure labor to pick the thousands of acres of cotton and to harvest the sugar-beet fields, which they claimed they could not do unless a permit was granted to import illiterate Mexican laborers. I also suggest that they read the article which appeared in the Washington Star on December 9, which I also take the privilege of inserting in the RECORD.

FIGHT IMMIGRATION BAN—SOUTHERN BUSINESS INTERESTS TO OPPOSE ACTION BY CONGRESS.

NEW ORLEANS, *December 8.*

The general immigration committee, which was recently formed by representatives of various interests in Louisiana, Arkansas, and Mississippi, met here to plan a vigorous fight on proposed congressional legislation restricting or barring immigration into the United States for the next few years.

Resolutions were adopted urging the board of directors of the New Orleans Association of Commerce to take prompt action in opposing the Johnson bill, which proposes to stop all immigration for two years. The committee also asked the board to take action in connection with any other bill which may at any time be introduced in Congress that will in any way limit or restrict the amount of farm labor that might be available for this country.

I also will read from the booklet just issued by the Federal Trade Information Service the following:

The most valuable asset any country has is its people; indeed, without population no country has any value. The changes which take place with the advance of years in the distribution, character, and occupation of a country's inhabitants properly may be considered the most important changes, of any nature whatsoever, which enter into national experience.

The growing supremacy of the United States among the nations of the world has resulted from the ever-changing distribution of its population. Had the American people remained through the decades within a few restricted areas near the seaboard, the vast natural resources of the land would not have been brought forward to serve, not only our own people but the whole world.

Mr. Chairman, were it not for the fact that I do not desire to abuse the privilege granted me I could insert hundreds upon hundreds of other letters, resolutions, and articles that have come to me within the last few days, protesting against the enactment of this pending legislation, but I have not heretofore and shall not now abuse the privilege. I also realize that it matters not what additional arguments, facts, and proofs I might submit it will have no possible effect upon the prejudiced membership of this House. As stated before, I feel that the Senate will not be carried away by this hysteria and pass the bill in its present form, but if that body should fall a prey to the propaganda now being carried on for this bill, I feel that President Wilson, who history will accredit as the greatest Executive, statesman, and humanitarian, will, without doubt, refuse to approve such legislation.

Mr. PARRISH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SCHALL. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent to extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Washington. Mr. Chairman, I believe I have five minutes remaining.

The CHAIRMAN. Yes.

Mr. JOHNSON of Washington. I will yield that five minutes to the gentleman from Wisconsin [Mr. KLECZKA].

Mr. KLECZKA. Mr. Chairman, there are some who oppose the pending measure because they do not believe that the existing conditions warrant the temporary restriction of immigration at the present time; it is, however, very evident that the country is becoming alarmed by both the growing avalanche of immigrants and the increasing unemployment at home.

There are others who, discounting the abnormal world conditions of to-day, believe that immigration should at all times be free and unrestricted. This, I believe, is but enunciating a doctrine to which present-day America can not afford to subscribe.

I believe that a sound national protective policy demands that immigration to this country should at all times be regulated and controlled, based on the principle that changing conditions require appropriate legislative adjustments. The world to-day is facing unparalleled conditions. The tremendous upheaval and reconstruction abroad and the economic and social readjustment at home demand not only amendments and changes in the immigration law, but necessitate efficient new legislation.

I subscribe to what the gentleman from Illinois [Mr. MANN] has said about America being a harbor of refuge, but I also believe that the first law of nations, as of individuals, is the law of self-protection. [Applause.] One of the essential rights inherent in sovereignty and independence of nations is that of self-preservation. To temporarily restrict immigration for a reasonable length of time as a precautionary measure is the exercise of the national power of self-preservation. The arguments and reasoning which controlled the formulation of an immigration policy 10 years ago can not logically be applied to the present situation.

All of the available reports show that there is a constantly growing and unprecedented influx of immigrants to the American shores from all parts of the Old World. Notwithstanding the difficulties in transportation, notwithstanding the abnormal differences in international exchange of money, notwithstanding the hardships and difficulties of land travel in Europe, and all of the various obstacles in obtaining permission to leave their native land, immigration from foreign lands during the past months has been increasing at an alarming rate. The tidal wave of immigration has been constantly assuming greater and greater proportions until it now promises to exceed all records. If the experience of the recent past is any criterion, the situation is one of grave concern and calls for prompt and effective measures and safeguards.

For the past few months, even under restrictions that survive war time, immigrants have been pouring into the port of New York in such large numbers that officials have been overwhelmed and all facilities overtaxed. We can readily foresee what the ensuing year may bring, with the inevitable removal of war-time restrictions from certain countries and when ocean travel will be stripped of the prevailing difficulties and inconveniences. Immigration will only be limited by the extent of transportation facilities.

I am not unmindful of the fact that there has been and will be considerable emigration of foreigners from America. This, however, will by no means offset the enormous number of immigrants. The available data also proves that those who left America during the past year for a visit to the lands of their birth are returning in large numbers. The distressful conditions in their native countries, consequent upon the war, the lack of opportunity of obtaining gainful employment prompts them to return to America as speedily as they can obtain necessary return passage.

The pending bill can not be called really a suspension measure. It should be properly called a restrictive measure. The provisions permitting the admission to this country during the life of the law of certain classes of blood relatives is rational and humane. It is designed to eliminate separation of families and prevent heartaches. It will enable the dependents of naturalized American citizens and of declarants for American citizenship who are residing abroad to join their families.

Some advocate the unrestricted admission of immigrants because of their desire to obtain a surplus of unskilled workmen. In normal times and in periods of industrial, agricultural, and commercial expansion we need unskilled labor on the farm and in the various industries. In the past it was the labor of the immigrant that supplied this need. He was engaged in occupations that produced the raw material upon which skilled labor depended for employment. But the present and immediate future will not witness a shortage of unskilled laborers. The present surplus in the labor market from all present indications will remain for some time. The gentleman from Illinois [Mr. MASON] who voiced his opposition to the pending measure, has himself recognized this condition and has introduced a few days ago a resolution seeking a solution of the problem of the unemployed. A large number of unemployed always tends to reduce the scale of wages and under existing conditions such a reduction would not only reduce the standard of living conditions of the American laborer, but would produce want and suffering. The interest of the Nation and of all its classes is paramount to that of any small class which is only actuated by self-interest. Extensive immigration, like that now in progress and coming at a time of business depression and in a period of readjustment which produces not only uncertainty but temporary stagnation in business and industry resulting in unemployment, will increase suffering among those already here and those who come later. The first duty of America is to relieve the present acute conditions and by all available means provide employment for those who are here. American labor is entitled to first consideration. When the surplus of unemployed will be absorbed, we can open our gates to admit those who would make desirable citizens.

The proposed measure will not only accord protection to American labor and to all classes of our population, but will provide protection to the immigrant himself. The welfare of those whom we admit to this country can not be ignored. When we permit the immigrant to land on our shores, we assume a certain moral obligation for his welfare. Permission to enter here implies a tacit assurance that he will find opportunity of employment and of betterment of his own and his family's condition. A desire to escape from burdensome conditions and hardships is not the sole reason for the increased immigration in recent months. The compelling factor is the expectation of highly remunerative employment. Under existing conditions he will be unable to find employment and with the million or more now without work and the thousands coming daily to our shores, the problem of the unemployed will become constantly more acute.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. KLECZKA. I will.

Mr. MADDEN. I would like to ask, if the gentleman will permit, why it is that a provision is contained in this bill to permit people to come in here from Mexico as many times as they want on the payment of the head tax, if it is necessary to keep the people out because of unemployment?

Mr. KLECZKA. That section of the bill only continues in force the existing law, which permits otherwise admissible aliens to be temporarily admitted from certain contiguous territory, for a period not exceeding six months under rules prescribed by the Immigration Commissioner with the approval of the Secretary of Labor. My personal view is that Federal legislation of the character of the pending measure which affects the entire country should not afford special advantages to certain sections thereof.

Unemployment always creates dissatisfaction and unrest and any cause that increases the number of unemployed accentutes and increases the danger of discord and strife and trouble. With the energies of the people directed to the solution of domestic problems and the promotion of domestic contentment and tranquillity, we can not encourage or permit the existing difficulties to be increased. The admitted aliens, if they fail to find employment, will become sadly disillusioned in their hopes and expectations, and will not only become a burden to the community but will become an easy prey of revolutionary agitators and fomentors of strife.

Personally, I believe that since the pending measure is one of emergency the life of the bill should not extend beyond the probable existence of the conditions which call for its enactment. Hence I believe that the period of restriction should be limited to one year. I do not believe in a policy of permanent exclusion of desirable and necessary immigration, nor in the adoption of unreasonable and drastic and harsh restrictive measures. To-day, however, there is no visible limitation to the excess immigration which is threatening us; there is almost a world tendency to emigrate to America. To admit all of the peoples who are fleeing from the economic chaos of their own countries is simply to transfer the chaos to our own land.

If this measure is adopted, it will enable Congress to study conditions and formulate new and necessary legislation providing means and measures not only for the assimilation of immigration but likewise for its proper distribution, to the end that the standards of living and employment of American workers will not be impaired, and to the end that the desirable immigrant himself will have that protection and opportunity of self-development which will enable him to share all the privileges, advantages, and responsibilities of American citizenship. [Applause.]

The CHAIRMAN. The time of the gentleman has expired. All time has expired. The Clerk will read.

The Clerk read as follows:

Be it enacted, etc., That as used in this act—

The term "United States" means the United States and any waters, territory, or other place subject to the jurisdiction thereof except the Isthmian Canal Zone; but if any alien, or any alien seaman, leaves the Canal Zone or any insular possession of the United States and attempts to enter any other place under the jurisdiction of the United States nothing contained in this act shall be construed as permitting him to enter under any other conditions than those applicable to all aliens, or to all alien seamen, respectively;

The term "immigration act" means the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States"; and the term "immigration laws" includes such act and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens; and

The word "alien" includes any person not a native-born or naturalized citizen of the United States, but this definition shall not be held to include Indians of the United States not taxed nor citizens of the islands under the jurisdiction of the United States.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. I would like to make an inquiry. What is the special reason why at this time we should forbid any immigration into the Philippine Islands, and what is the special reason for forbidding any European immigration into Hawaii, inasmuch as if immigrants went there they might help us overcome the preponderance of Japanese now there?

Mr. JOHNSON of Washington. This amendment is made to apply to the Philippine Islands. The reason is the original immigration act is made to apply in the same manner, unless superseded by an act passed by the Philippine Legislature.

Mr. MANN of Illinois. It is perfectly patent that the Philippine Legislature could not act instantly, and if they wanted to have immigration continued there it would be a long time before they could permit it under the terms of this bill. Now, is there any necessity at present? Have they asked for legislation? Is there a condition over there which makes it advisable to prevent anyone going into the Philippines? In other words, we are trying to give them self-government, and we pass a law, and under that they pass a law, I assume. Now we propose to butt in and pass another law, which they can not change until it is too late to be of any effect.

Mr. JOHNSON of Washington. The present act applies to the Philippines and is enforced there by the commissioner of the United States, as I understand it.

Mr. MANN of Illinois. Your present act authorizes the Philippine Legislature to pass an immigration law itself.

Mr. JOHNSON of Washington. Yes.

Mr. MANN of Illinois. Now, they could pass an exclusion act, I assume, if they wanted to, approved by the President. But they have not done so. They are satisfied with the existing law, so far as I know, anyhow. Of course, I do not know what the circumstances are. I doubt the desirability of Congress passing any more laws respecting the Philippines than are desirable.

Mr. VAILE. The gentleman will notice that the bill under present consideration provides in section 4 that the provisions of this act are in addition but not in substitution of the acts

of the immigration law. The immigration law, I think, as the chairman has stated, provides for the action of the Philippine Island by the Philippine Legislature.

Mr. MANN of Illinois. The existing immigration law, and this bill, for that matter, gives to the Philippine Legislature authority to pass immigration laws approved by the President.

Mr. VAILE. They will do so then.

Mr. MANN of Illinois. But we put this law into effect, and before they can pass a law and have it approved the time has expired. We put this law into effect against them. They have had a chance to do it themselves, but they have not done it.

Mr. JOHNSON of Washington. Has the gentleman an amendment to offer exempting the Philippine Islands?

Mr. MANN of Illinois. I have not prepared any amendment.

Mr. JOHNSON of Washington. Personally, I am inclined to agree with the gentleman, and I have an amendment that I can offer.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MANN of Illinois. Mr. Chairman, I ask unanimous consent for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. Now, how about Hawaii?

Mr. JOHNSON of Washington. Hawaii is in a different class. It is a Territory of the United States.

Mr. MANN of Illinois. I understand.

Mr. JOHNSON of Washington. Hawaii is suffering now from a shortage of citizen population. She is in danger of being a military possession, being controlled by a military government.

Mr. MANN of Illinois. I think so. I think Hawaii is in danger because the great mass of the people who work there are Japanese. They have a very large Japanese population, and the children of the Japanese population born there are citizens of the United States. It is highly desirable to get the Portuguese or any other European nationality to send their people to Hawaii and let them remain there, and have families there, rear children there, and become the class who do the work there, instead of compelling the Hawaiians to depend upon the Japanese. It would be easy, of course, to forbid those people coming to the United States from Hawaii. I think you have already done that. I make this suggestion, because the one thing that impressed me when I was in Hawaii with a number of other gentlemen over here was the desirability of bringing a class of people into Hawaii who would work, besides the Japanese, and not make the workmen there exclusively Japanese.

Mr. JOHNSON of Washington. You might provide some way where the political refugees from various broken places in Europe might go to Hawaii.

Mr. MANN of Illinois. That might be a good thing.

Mr. JOHNSON of Washington. Mr. Chairman, I have an amendment which I wish to offer.

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. JOHNSON of Washington: Page 1, line 6, after the word "Zone," insert the words "And the Philippine Islands."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. GARD. Mr. Chairman, I move to strike out the last two words for the purpose of asking a question.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last two words.

Mr. GARD. Mr. Chairman, I note that the bill, on page 1, provides for something in relation to alien seamen, and I believe it carries no definition of what an "alien seaman" is, as does the general immigration law, which we passed in 1917, and I am wondering whether the chairman of the committee deems it advisable to insert in the bill a definition of "alien seamen" as it would appear in that law?

Mr. JOHNSON of Washington. This bill is in addition to the present law, and that definition stands as you find it in the act of February 5.

Mr. GARD. I make the inquiry because the words "United States" are defined, and "citizen of the United States" is redefined in this bill, and the word "alien" is redefined in this bill. I ask whether it was necessary to define the words "alien seamen"?

Mr. JOHNSON of Washington. I do not think it is necessary.

Mr. WALSH. Mr. Chairman, I rise in opposition to the amendment of the gentleman from Ohio [Mr. GARD], in order to ask the chairman of the committee if he took into consideration the conditions in Porto Rico, whether this should apply there, or whether they have sufficient labor there to take care of agricultural needs?

Mr. JOHNSON of Washington. I think so, and a very low rate of wages. We are not going into all of those islands, any more than we can help, to regulate their affairs.

Mr. WALSH. You did take into consideration their condition there?

Mr. JOHNSON of Washington. You mean personally or by examination and inquiry?

Mr. WALSH. Yes, sir.

Mr. JOHNSON of Washington. Yes.

Mr. WALSH. Well, would the gentleman object to an amendment including Porto Rico in the amendment that he has offered?

Mr. JOHNSON of Washington. I shall not object. I shall oppose such an amendment. The gentleman might offer it if he desires.

Mr. WALSH. Then will the gentleman tell the grounds of his opposition? I do not desire to offer an amendment which the chairman would oppose.

Mr. JOHNSON of Washington. From the best information we have available we understand that there is little or no immigration to Porto Rico.

Mr. WALSH. The molasses crop can be adequately handled with what they have, I take it?

Mr. JOHNSON of Washington. Yes.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

SEC. 2. Except as otherwise provided in this act, from 60 days after the passage of this act, and until the expiration of two years next after its passage, the immigration of aliens to the United States is prohibited, and during such time it shall not be lawful for any alien to come from any foreign port or place, or, having so come, to remain within the United States.

Mr. SABATH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SABATH: Page 2, line 18, strike out the word "sixty" and insert "one hundred and twenty."

Mr. SABATH. Mr. Chairman, of course, personally, I do not expect to vote for the bill, but if it must pass—and I hope it will not—I hope that we will at least give these people who already have made all arrangements, who have sold all they possess for the purpose to pay for their passage and transportation into the United States, a chance, an opportunity to come. This bill may go into effect shortly. Under it we are giving them only 60 days. It will be absolutely impossible for these people to secure passage within 60 days. Meanwhile they have disposed of their households, they have disposed of their homes or the little property which they possess, and if this law goes into effect they will be made beggars.

I know that it is not the intention of the majority in the House, it matters not how the majority of the committee feel, to be unfair and to be unreasonably harsh, and it is for that reason that I am offering this amendment, hoping that this additional time may be given to these unfortunate people who have placed themselves in the position they are in, especially in view of the fact that they had a perfect right to rely on the expectation that there would be no such harsh, unjust, and un-American legislation enacted as is proposed in this bill. It is for that reason that I am offering this amendment, hoping that the majority of the Members of this House will see the justice of my contention.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chairman announced that the noes appeared to have it.

Mr. SABATH. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 24, noes 52.

So the amendment was rejected.

Mr. SIEGEL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SIEGEL: Page 2, line 19, after the word "of" strike out "two years," and insert in lieu thereof "six months."

Mr. SIEGEL. Mr. Chairman, since this debate commenced we have been told by practically all of the members of the committee that this is simply a temporary measure, designed to temporarily keep out certain elements of immigration which are deemed undesirable. We have also been informed that the committee proposes to prepare a comprehensive measure which

will cover the entire subject. None of us knows at this time what conditions will prevail in this country within the next three or four months, but I am a sufficient optimist to believe that we are going to have better business and economic conditions than prevail to-day.

Under this measure as it is at the present time no brother or sister of any person in the United States, whether a citizen or declarant, can possibly come into the United States, and I thought that by simply making it six months, until we get a comprehensive bill, we will be serving not only the country but act fairly and squarely to those who have come here and are helping to make the Republic stronger in every way.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. SIEGEL. Certainly.

Mr. SNYDER. I would like to ask the gentleman, since the committee has been 22 months in preparing an emergency bill, if he thinks that within six months they can prepare a comprehensive general bill?

Mr. SIEGEL. Let me answer my colleague that if he would realize that it is simply 13 months since the so-called Siegel resolution was passed here—last November a year ago—that we went to the western coast for the purpose of satisfying certain gentlemen that we should personally observe the Japanese conditions, and that our work at Ellis Island resulted in 249 anarchists being sent away on the *Buford*, I believe the committee has performed valuable services. I would at the same time call his attention to the fact that it has not been the fault of the committee, but that of the department in administering the present law that the abuses in the present instance have come to light and because Congress has not made a sufficient appropriation.

Let me add, Mr. Chairman, that if the administrative officials had acted expeditiously under the law as it is, it would have been unnecessary to bring in that resolution. At this very moment the Secretary of Labor has not acted on the Martens case, which has been pending about a year. If there is no evidence against him sufficient to find that he comes under the terms of the act, then, in justice to him, he should have been formally discharged. If otherwise, then the people are the sufferers.

I should like to say also to my colleagues that I could change and relieve the congestion at Ellis Island very quickly if Congress would abolish the office of Commissioner of Immigration and in lieu thereof place the Assistant Secretary of Labor at Ellis Island, so that he could act on each and every appeal promptly. If an immigrant is not fit mentally, morally, or physically, or if he is a crook, criminal, or an anarchist, see that he is sent back by the next ship. But you do not do that. Under the present law you bring the appeals from Ellis Island to Washington, and here they take from a week to four or five months before the appeals are acted upon. If you had your Assistant Secretary of Labor at Ellis Island to pass on the question, you would not only get rid of all the correspondence and delay, but you would relieve the congestion. For many reasons that is the policy which should be adopted.

Now, I propose a six months' limitation again for this reason: We are very unfair in this bill. Do you realize that thousands and thousands of brothers and sisters will be kept out whose applications for admission have been viséed under our law, which does not expire until March 4, 1921? They have disposed of everything they have got. A soldier boy came to me yesterday. He lost an arm in the service of this country. He said, "Under this bill you keep out my brother and sister. I was good enough to fight for you and to give up my right hand for you, but you keep out my brother and sister." That is what he said to me yesterday. I urge you to make this six months, so we can bring in a proper bill and enact proper legislation, after careful consideration as to what is best for America. Under the unanimous consent to extend my remarks, I feel that the people of the country can best understand my views upon this important question by giving them the minority views, which are as follows:

The undersigned members of the Committee on Immigration and Naturalization dissent from the report of the majority of the committee on H. R. 14461. The bill was introduced on Monday, December 6, 1920. Although there was a desire for a hearing in opposition to this measure, and an opportunity was asked for the presentation of facts bearing thereon, a hearing was refused. The report of the majority of the committee favoring the enactment of this bill only became accessible to us on Tuesday, December 7, 1920. In the short time that has been allotted for the presentation of the minority report we are therefore constrained to present our objections with extreme brevity and are of necessity limited in the presentation of facts.

The purpose of the bill is to prohibit practically all immigration for a period of two years. This is so drastic a change in the historic policy of the United States as to be startling. Immigration practically began a century ago. During that time the doors of opportunity have been kept open. Men and women of various nationalities have been welcomed here and they have become incorporated in our population. Without them the United States would not have reached the development of its resources or that degree of prosperity that has been achieved. They have added valuable elements to American citizenship. It is well known that a large proportion of Americans are either immigrants or the descendants of immigrants of the first and second generations.

They will be found among the leaders in the commercial, industrial, and professional activities of the United States. The ranks of labor, skilled and unskilled, have been recruited by them. They have added intellectual, moral, and spiritual values as well. They have done their share in the national defense. During the Civil War they fought for the preservation of the Union, and during the great conflict that has just been waged they constituted a large proportion of those who served in our Army and Navy.

From August, 1914, until the present year immigration was practically suspended because of the war and of the lack of transportation. Although the exact data are not at this moment accessible to us, it will be found that during the same period emigration from the United States reached a very high figure, so that covering a period of six years the number of emigrants from the United States about equaled the number of immigrants. In the meantime the demand for man power in practically all of the American industries has greatly increased and can not be met except through the medium of immigration, particularly that of unskilled labor.

There is, therefore, no occasion for the extraordinary haste manifested in the attempt now made to enact this prohibitory measure without giving to it the consideration and deliberation that its importance demands. Nothing can be more unfortunate than legislation inspired by hysteria.

The majority report shows that it was not until July, 1920, that there developed a perceptible flow of immigration. Much is made of the fact that in that month the number of immigrants arriving at Ellis Island was 55,900; in August, 57,874; in September, 70,052; and in October, 74,665. As against these arrivals the departures in September were 35,689 and in October 25,597. These are not abnormal figures. The total immigration from January 1 to December 1, 1920, was 840,509. The total number of departures from the United States during the same period was 366,915. The net immigration, therefore, during the period of 11 months was 473,594. Prior to 1914 there were a number of years in which the net immigration exceeded 1,000,000, and there was no difficulty in absorbing this influx.

The majority have, in their report, as we believe, unfairly selected three days for the purpose of showing that on them a large number of immigrants arrived at Ellis Island. That is not a proper test. But even if it were indicative of the average number of arrivals, which it certainly is not, the total number per annum would not exceed the number of immigrants arriving here annually for a series of years prior to 1914.

Apparently the committee was impressed by the fact that, when it visited Ellis Island on a recent occasion, it was found that the number of inspectors stationed there was insufficient to attend to the immigrants with sufficient expedition and that as a result there was a congestion of aliens. The remedy for this state of affairs, that has frequently been called to the attention of Congress, is not to prohibit immigration. It is rather to improve the administration of our existing immigration laws. Long before the war it was well known that the number of inspectors, examining physicians, clerks, and interpreters was inadequate, that the compensation that was paid to those who had been provided was insufficient to procure the high degree of efficiency called for by the duties imposed by the law. The bill as reported makes no attempt to relieve these conditions. No consideration is given even to the subject of creating a sufficient staff of inspectors and physicians to serve along the Canadian and Mexican borders. There are 76 points of entry along our northern boundary. There are only 23 examining physicians there at the present time to perform the duties imposed upon them by the statute, although it is estimated that 12,000,000 are passing to and from Canada annually.

As bearing on the subject of administration, one of the subscribers has for a long time urged the abolition of the office of commissioner of immigration at Ellis Island and the assignment there of an Assistant Secretary of Labor, in order that appeals may be promptly passed upon. The delays that are now occasioned because of the loss of time in transmitting appeals to Washington are intolerable. They are unfair to the Government as well as to the immigrants. By adopting the plan proposed, much of the existing congestion could be eliminated and substantial economies introduced. It is obvious that under the existing methods a considerable clerical force is required, both at Ellis Island and in Washington, to attend to the correspondence occasioned by the appeals taken that might otherwise be dispensed with.

There has been and is no reason for the inadequate policy of administration at Ellis Island that has been pursued in the past and for necessitating the transaction of business there in a manner which is necessarily inefficient because of the lack of inspectors and physicians. Under the present law it is contemplated that every immigrant shall be examined by two physicians, but in a large number of cases this can not be done because of the lack of an adequate staff. Congress has failed to make the necessary appropriations, overlooking the fact that the United States has collected in head taxes in the past nine years from the immigrants that have arrived here approximately $11,000,000 in excess of all appropriations heretofore made by Congress for the enforcement of the immigration laws, including all administration expenses. The theory on which the head taxes have been levied has been that they should be devoted to an effective supervision of the arriving immigrant and to his protection against exploitation.

The reason for the increased head tax was to effectuate these purposes.

Yet the immigrants have been made the source of revenue without regard to the crying need for improved methods of administration.

The majority report calls attention to the fact that many of the new immigrants are not such as might go to the farms and that a large proportion of them were bound for cities. The exclusion of these immigrants would not tend to solve the problem of urban and rural distribution. That affects our present population as much as it would any increase in our population due to immigration. The subject is one that requires careful and scientific study. It can not be disposed of by the rule of thumb. The committee has not attempted to enter upon such a study. On the same theory all of our problems might be met after a fashion by a policy of prohibition. It is intimated in the majority report that in some of the cities named there is unemployment and a lack of housing facilities. There is no evidence to warrant the statement that a state of unemployment exists except sporadically or voluntarily. On the contrary there is everything to indicate that there is sufficient opportunity for employment for those who desire it throughout the country. So far as housing facilities are

concerned, there is every indication that the artificial restraints against building that have to a large measure been the cause for such dearth of housing as has existed are rapidly disappearing, and to some extent will be diminished through immigration.

The majority report refers to estimates that have been made that from 2,000,000 to 8,000,000 Europeans are seeking to migrate to the United States. There is nothing in the report or otherwise to warrant these estimates. It is well known that men are given to exaggeration. Congress should not act on this kind of evidence. A man seated at his desk in Washington or New York, ignorant of European conditions, can just as easily estimate the number of immigrants at 10,000,000 in a single year as at one-tenth that number. The utter absurdity of the estimates is, however, apparent on its face, and the majority report very properly refers to it as "idle."

The majority report is especially unfortunate in its references to the number of Jewish immigrants arriving in this country. Classification according to the religion or race of immigrants is without justification. It is opposed to that Americanism that prevailed in the past. The data contained in Appendix A attached to the report are at the most ex parte statements very likely based upon information furnished by prejudiced and unfriendly local authorities.

The inaccuracy of the generalizations becomes at once apparent to those familiar with conditions. Speaking of the immigrants from Poland, it is said "that immigrants of similar class are to be found already in the United States who, taken as a class and not individually, have proven unassimilable." The splendid record and conduct of the 3,000,000 of immigrants of that nationality who are now in this country amply refute that charge.

While it is true that, since last July, a considerable number of immigrants have come to the United States from eastern Europe, that is due to the fact that, before the outbreak of the European war, members of the families of these immigrants, in many instances the head of the household or the supporting member of the family, had come to this country for the purpose of establishing a home, with the expectation of having the members of the family who had been left abroad rejoin them as soon as it was practicable. The intervention of the war made this impossible until communication was once more restored. As soon as that occurred there was a laudable effort on the part of the members of the family who had arrived in this country to bring about a reunion of the broken family circles. Hitherto this practice has been encouraged. It has been regarded as in the public interest. The majority report, however, seeks to decry this natural demonstration of love and affection, of duty and humanity.

It is insinuated that a Polish labor commissioner has stated that 225,000 Jews "have been furnished this year with funds for passage to the United States." If the inference is sought to be deduced that any moneys have been thus supplied in violation of the immigration laws, it is utterly unfounded. We are reliably informed that no moneys have been sent abroad except by members of the family residing in the United States to those of the same family residing abroad, in order to enable the latter to be reunited with those who had legitimately come to the United States in advance. To forbid such action would not only be brutal, but would not be tolerated by any right-thinking citizen. If there has been any violation of the law; it can be easily ascertained and prosecuted. We are confident, however, that the most careful investigation would disclose that whatever has been done for the relief of the distressed in eastern Europe has been most laudable. It would be a sorry day in American history if our country, that has heretofore been an asylum for the persecuted, were to slam its doors in the faces of those who have been and continue to be the victims of oppression, persecution, and discrimination in the lands in which they live. When the literacy test was adopted, an exception was made as to its application in the cases of those who were subjected to discriminatory laws and regulations, as well as to overt acts of persecution because of their race and religion.

A reading of the majority report would lead one to believe that this truly American policy is to be departed from and that the very fact that a people has been subjected to suffering of an unexampled character should be made the basis of adverse legislation. Thus the majority has called attention to the fact that 80 per cent of the passengers coming on the steamship *Rotterdam* and 90 per cent of those coming on the *New Rochel* are Jews. We are credibly informed that is due to the fact that those steamers sailed from ports which were accessible to the Jews coming from the various parts of Poland; just as the immigrants arriving on steamers leaving from Italian ports bring Italians, and those from Scandinavian ports those of Scandinavian descent. Representative Siegel had occasion to speak to many of the immigrants arriving on the *Rotterdam* in the presence of three other members of the committee. He found that practically all of them were women and children who were coming to this country to rejoin the heads of their families and other near relatives in the United States. The children were especially intelligent and would unquestionably within a very brief period be thoroughly assimilated.

The allusions to the Jews contained in the majority report are offensive, although we can not believe that they are intentionally so. We would not refer to these allusions were it not for the fact that they have a tendency to create in this country an atmosphere of prejudice against all immigrants and because of the further fact that there has recently been conducted a secret and malicious propaganda designed to arouse prejudice against the Jews in various parts of the United States.

We point to the fact that although the Jewish population of the United States does not exceed 3,000,000, not less than 225,000 Jews served in the Army and Navy of the United States during the late war, thus supplying a quota much greater than their numbers would have required. They served honorably and faithfully. Jews of New York composed the "Lost Battalion," which achieved immortality in the Forest of Argonne.

At the time war was declared many of the advocates of the proposed legislation feared that on account of the numerous races and nationalities in America we would not present a united front to the common enemy. The war showed that although there might have been newcomers from Italy, Poland, Ireland, Czechoslovakia, and many other European countries they had become fighting Americans. They entered each battle determined to win. They fought side by side with the native born and demonstrated their loyalty to their adopted country.

We are opposed to this bill because it is based on unsound premises, because it is unnecessary, and because it will inevitably prove injurious to the public welfare. The creation of such a precedent as it affords will tend to legislation productive of isolation and to the retardation of our national growth.

So far as the national prosperity of the country is concerned, this bill is bound to injure the mass of our workers who are skilled. It is admitted by every fair-thinking American that what we need in this country is the so-called common labor. Again, the average American does not compete with what we call the unskilled laborer. Most of the work requiring the exertion exclusively of brawn and muscle has been furnished chiefly by the immigrant. Under this bill the unskilled laborer will not be allowed to enter. The skilled laborer can come in. This is a fact which should interest every employer and employee, as we know that the skilled laborer will not desert his position in order to do unskilled work. Where the unskilled worker is to come from will become a serious problem should the bill pass.

The bill is likewise objectionable in that section 4, which is intended to permit certain persons to be brought into the United States, provides that only a citizen of the United States 21 years of age or over who may secure such permission under regulations prescribed by the Secretary of Labor, and then he is permitted only to bring his parent, grandparent, an unmarried son under 21 years of age, an unmarried or a widowed daughter, a grandson under 16 years of age whose father is dead or unmarried, or a widowed granddaughter whose father is dead. It does not even allow him to bring his wife.

The bill is further objectionable in that it makes the Secretary of Labor the sole judge as to whether a person shall be admitted. He must be satisfied that the relative is likely to prove a desirable resident of the United States, and in that event he may issue a permit to the applicant under such regulations as he may prescribe which shall authorize the immigration officers at the port of entry to examine such relative upon arrival at such port. In other words, instead of creating a legislative standard of admission, the entire subject of admission becomes one of special favor. If there is anything that should be avoided in American legislation it is that of making the right to enter the United States a matter of discretion on the part of an administrative officer instead of a matter to be regulated by the Congress of the United States.

ISAAC SIEGEL.
ADOLPH J. SABATH.

Mr. MADDEN. Mr. Chairman, I am in favor of this amendment. I believe it should be adopted. In the first place, we ought not to put a perpetual embargo on immigration. In the next place, if we are to put an embargo on at all, it should be put on pending the development of such legislation as is thought to be necessary to meet the case. In the next place, if you can not prepare legislation to meet the case in six months, you can not prepare it at all.

Again, if you make this for two years you may regret it. If you make it for a year you may regret it. If you make it for six months, and you find it necessary to continue it, you can reenact the legislation. My own judgment is that the conditions do not justify a period of exclusion for longer than six months, and I believe that before six months have elapsed you will find men in the executive branches of the Government who will prove beyond any question that you do not need any further exclusion legislation at all. The legislation now on the books is sufficiently rigid, if properly enforced, to meet every case with which the country is confronted. I believe we ought to be just to ourselves. We realize that the laws have not been enforced, that many people have been permitted to enter America who should have been excluded, but that was not the fault of the law. That was the fault of those who failed to execute the law properly. Now we are going to have a change of government, and the time is fixed when the change will take place, and I undertake to say that the man who is to be President after the 4th of March will appoint men to office who will execute the law as it is written. [Applause.] I believe that if the law is executed as written you will not need this legislation. But pending that, and to give a sufficient opportunity for the study of the question by the incoming administration, I am willing to vote for this exclusion act for the period of six months. I would not be willing to go beyond that.

Mr. FESS. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. FESS. That would leave only four months, since there are 60 days before it will take effect, and that would give only three months after the new administration comes in.

Mr. MADDEN. That would be plenty of time to give them all the opportunity to put themselves in a position to execute the law, and I honestly believe, as I have said, that if the law now on the statute books is properly executed it will prove to the people of America that we have every law on the books that we need.

Mr. FESS. Will the gentleman yield further?

Mr. MADDEN. Yes.

Mr. FESS. If the gentleman will make that one year instead of six months I am not so sure but what I will vote for it.

Mr. BUTLER. I will vote for it.

Mr. MADDEN. I think one year is too long a time.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I want to call your attention to the fact that on January 29, 1919, practically two years ago, a bill similar to this in principle was unanimously reported. Only two members of the committee filed minority views, and they said it should be two years instead of four which the bill provided. The Committee on Immigration, with a new chairman, and the majority having control of that committee, after going over the facts, have investigated the matter and have determined that it was a mistake that the House did not pass that bill when it was

presented. They have found that immigration should be suspended. It is growing more acute all the time, and anyone who is desirous of making an investigation not only at Ellis Island but Boston, Philadelphia, and the West where aliens enter can not help coming to the conclusion that with all the readjustment conditions in this country and abroad it is in the interest of the community, to say nothing about the interests of our own country, that we should suspend immigration until we can get on our feet.

The most remarkable thing I have heard in this House for 10 years, since I have been here, has just been delivered by the gentleman from Illinois, that on the 4th of March there will be a "change of Government." My God, gentlemen, is it possible that we have come to that state of affairs. I want to call your attention to this fact—you talk about the administration of the law now on the statute books.

You all know, the members of the committee all know, and you ought to tell it to the House, that the gentleman who has had the most to do with the administration of the immigrant law is a man who has been in the service of your party for the last 15 years, and that 90 per cent of all the men in the service are civil-service men, and 80 per cent belong to your party. It is an absolute fact and all you have to do is to go and look at the record. Why discuss and cavil over the question of the enforcement of the law when it has been brought to your attention by the Commissioner of Immigration that in every port where the immigrants enter there are not sufficient men to guard and protect the country. The Commissioner of Immigration and Naturalization said that the men can come over the line at will. He had sent men back as often as six times, and there is no law on the statute books whereby it makes it a crime for a man to enter the country from Canada or Mexico. We can not get a bill to that effect.

Why complain when your committee has refused repeatedly to make sufficient appropriations and when you took off the guards on the Mexican border where the Japanese and Chinese can come right through anywhere on a stretch of 100 miles? On the Canadian border you have taken off inspectors, and every man in the service who has testified before this committee says that there are not enough men in the service to guard the borders and keep these men from entering. Now be honest, be frank, be fair and criticize yourselves. Do not place the burden on these men who are doing their best irrespective of the party to which they belong. Do not come in here and criticize when you deliberately refuse to give them enough men to enforce the law.

Mr. WALSH. Will the gentleman yield?

Mr. RAKER. Yes.

Mr. WALSH. Is that the only reason the gentleman gives for the nonenforcement of the law, because of lack of force?

Mr. RAKER. Yes; I think I can state that absolutely.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GARD. Mr. Chairman, I desire to offer an amendment to the amendment proposed by the gentleman from New York. That is, to strike out the words "six months" in the amendment of the gentleman from New York and insert in place thereof "one year."

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 19, after the word "of," strike out "six months" and insert in lieu thereof "one year."

Mr. GARD. Mr. Chairman, I am led to offer this amendment, because I do not believe it to be the purpose of the committee or the purpose of the House to adopt at this time a definite policy of exclusion. The chairman of the committee has said that this is a temporary matter, a matter of expediency. Other members of the committee have said that it was not alone a temporary necessity and one of expediency, but they were in favor of a longer time of extension. So that I fear that under the guise of what is called a temporary extension we may be writing a bit of permanent immigration law. So if it be as the chairman of the committee has said a temporary expediency, if it be but a recognition of the hysteria at home and the hysteria abroad, then why not place it at such a time as will enable this excellent committee on immigration to formulate a law. The policy of the United States has always been a policy of the open door to every person, no matter how humble he is, to come to this country and who was willing to accommodate himself to our ways and customs, and to submit to our form of government and become an American citizen. It has been the refuge of the oppressed of all nations, and I do not think it timely now that we in this hurried fashion should write what may be a permanent policy of our Government.

So, following the suggestion of the gentleman from New York, following the original argument of the chairman of the committee, I say that recognizing the hysteria abroad and recognizing the fact that hundreds of thousands of men and women are under such conditions over there that they embrace any opportunity to come to this country, I say this can be reconciled in one year, and it will enable the committee to write a law, and that is what the people of the country want. They do not want to have to stand on a policy of exclusion, but the people of America want a reasonable and sane immigration law, a law which will protect the United States, protect the citizens of the United States, and will admit only such as are willing to make good citizens of the United States. In a year this can be done because I am confident that with what investigation the committee has now had an additional investigation of one year, there will be afforded abundant opportunity to submit to the House of Representatives or the Congress of the United States a definite and proper policy of immigration.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield for a question?

Mr. GARD. If I have the time.

Mr. BANKHEAD. Has the gentleman taken into consideration the fact that if his amendment should be adopted it would provide, then, for exclusion for only a period of 10 months?

Mr. GARD. I understand that.

Mr. BLANTON. Mr. Chairman, I offer the following substitute, which I send to the desk and ask to have read.

The Clerk read as follows:

Substitute offered by Mr. BLANTON: Page 2, line 19, after the word "of," strike out the words "two years" and insert in lieu thereof the words "26 months."

Mr. BLANTON. Mr. Chairman, if we were to adopt the amendment offered by the gentleman from New York [Mr. SIEGEL], known as the six months' amendment, the actual period during which this law would be in force and effect would be only four months. If we were to adopt the amendment offered by the gentleman from Ohio [Mr. GARD], known as the one-year amendment, the actual period during which immigration to this country would not be allowed would be only 10 months, because the law is exempted from operation for 60 days after its passage. The law does not go into effect until two months after its passage. The committee told us that it was their purpose to make this law apply for four years, but because of the opposition, I believe, of two or more of the committee, who insisted upon reducing the time to two years, the committee finally adopted the views of the minority and made the proposed law apply for what is commonly believed two years.

Mr. SIEGEL. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In a moment. The committee led us to believe that they were giving us a two-year act; that they were to exclude immigration for two years, when, as a matter of fact, according to the reading of the bill, even if the committee bill be adopted, immigration will not be excluded for two years but for only a year and 10 months. I think that the smallest period of time needed by this Government to readjust matters, to rehabilitate affairs, is two years.

Mr. VAILE. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. In just a moment. The gentleman can get recognition in opposition to my amendment.

Mr. VAILE. I do not want recognition, but I do want to ask the gentleman a question.

Mr. BLANTON. In just a moment, and then I will yield. The gentleman from New York says that his New York laborers will not work in the ditches; that you can not get them to work in the trenches; that you must have foreign labor to do that. The time is coming, if it is not already here, when some American laborers are going to be glad to get jobs working in the ditches, and some of us here may be glad to get jobs of that kind if we do not stop the present modus operandi of running the Government business. We have got to readjust, we have got to protect this country, and we have got to protect the honest laborers of this country, many of whom now are out of jobs. What are we going to do with the millions of people who say they are out of jobs now, if we let these hungry immigrants come in from abroad and take the very bread and meat out of the mouths of their wives and little children? I yield to the gentleman from Colorado.

Mr. VAILE. I want the gentleman to yield, to see if I can not bring the committee back into the light of his smile. If he will be good enough to read the report on page 7, he will find the following:

Section 2 is the two years' suspension, with an allowance of 60 days to take care of those on the seas or who have made a start for the United States.

Mr. BLANTON. That is what I say.

Mr. LANGLEY. Is not my friend from Texas making a pretty good protectionist speech?

Mr. BLANTON. Right along that line, if the gentleman from Kentucky will read the figures which I put in the RECORD yesterday, he will see that to a certain extent I am with him on that ground. [Applause.] The point I am trying to make now is that we do need this committee bill; that we do need this 1 year and 10 months. If you adopt my amendment, you exclude the 60-day exemption from the period of the operation of the law, and by making it 26 months we actually will get a full 2-year period of operation, when there will be no immigration from abroad.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MANN of Illinois. Mr. Chairman, I offer to amend the substitute offered by the gentleman from Texas by striking out the word "twenty-six" and inserting the word "fourteen."

The CHAIRMAN. The gentleman from Illinois offers an amendment to the substitute offered by the gentleman from Texas, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. MANN of Illinois to the substitute offered by Mr. BLANTON: Strike out the word "twenty-six" and insert in lieu thereof the word "fourteen."

Mr. JOHNSON of Washington. Mr. Chairman, I am quite willing to accept that amendment, and on behalf of the members of the committee sitting at the table at this time I accept the amendment offered by the gentleman from Illinois [Mr. MANN].

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Illinois to the substitute offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. MONTAGUE) there were—ayes 87, noes 25.

So the amendment to the substitute was agreed to.

The CHAIRMAN. The question now is on the amendment of the gentleman from Ohio [Mr. GARD].

Mr. RAKER. Would we not have to vote first to adopt the substitute?

The CHAIRMAN. If the substitute should be adopted there would then be no opportunity of voting upon the amendment of the gentleman from Ohio. Without objection, the Clerk will again report the amendment of the gentleman from Ohio.

The Clerk read as follows:

Amendment by Mr. GARD to the amendment offered by Mr. SIEGEL: Strike out "six months" and insert in lieu thereof "one year."

Mr. GARD. Mr. Chairman, since my amendment is practically incorporated in the amendment to the substitute of the gentleman from Texas, offered by the gentleman from Illinois, which has been adopted, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The question now recurs upon the amendment in the nature of a substitute of the gentleman from Texas as amended by the amendment of the gentleman from Illinois.

Mr. MANN of Illinois. The question is upon the substitute as amended.

Mr. SIEGEL. Mr. Chairman, I think the vote is on the amendment offered by me.

Mr. MANN of Illinois. The question is on the substitute as amended.

The CHAIRMAN. The question is on the substitute as amended.

The question was taken, and the substitute as amended was agreed to.

The CHAIRMAN. The question now is on the amendment as amended by the substitute.

The question was taken, and the amendment as amended by the amended substitute was agreed to.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Amendment by Mr. RAKER: Page 2, line 21, after the word "to," strike out the word "come" and insert in lieu thereof the words "enter the United States." And in line 22 strike out the word "come" and substitute the word "entered."

Mr. JOHNSON of Washington. The committee accepts these amendments.

Mr. CLARK of Missouri. Mr. Chairman, the chairman of the committee can not accept an amendment.

The CHAIRMAN. The Chair was going to put the amendments. The question is on agreeing to the amendment offered by the gentleman from California.

Mr. GARD. Mr. Chairman, I rise to discuss the amendment. May we have the amendment reported again?

The CHAIRMAN. Without objection, the amendment will be again reported.

There was no objection.

The amendment was again reported.

Mr. GARD. Does the chairman of the committee think the incorporation of the word "enter" in the place it does carries out the original legislative intent of the prohibition of the coming of the alien? In other words, it seems to me there are three elements to be embodied. One is the coming of the alien, the other is the entrance, and the other is the remaining. Now, in the original text it prohibits the coming of the alien and the remaining of the alien. And it seems to me the text was deficient in respect to the prohibition against entrance; but as it is now, the prohibition is removed against coming and instead entrance is substituted which would leave it defective, following the original text, of prohibiting the coming of the alien. In other words, does the gentleman intend to make threefold this prohibition against the coming, entrance, and remaining of the alien? If he does, I suggest most respectfully the word "come" should be allowed to remain and the word "enter" should be placed before the word "to" in line 22.

Mr. JOHNSON of Washington. It makes very little difference what word we use we can not stop a man starting to come to us, but we can prohibit them against entering the United States. That comes down to the principle the Japanese have put to the people of this Government. They do not recognize that there is any surreptitious coming to us and——

Mr. GARD. That which I desire to call to the attention of the gentleman is that by the retention of the word "come" there may be some effect upon the other side—that is, they can not start from a foreign shore to the United States.

Mr. JOHNSON of Washington. Yes; but we can not legislate for the other side.

Mr. GARD. Certainly we can not legislate but we can give expression to the term. It seems to me that it can best be supplemented by the word "come" in addition to the words "enter and remain." However, I may be wrong. I accept the judgment of the chairman of the committee.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from California.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 3. (a) Section 2 shall not apply to otherwise admissible aliens lawfully resident in the United States, nor to otherwise admissible aliens of the following status or occupations, when complying with the requirements of this section and with all other provisions of the immigration laws:

(1) Government officials, their families, attendants, servants, and employees;

(2) Travelers or temporary sojourners for pleasure, business, or curiosity, who may enter the United States during the time of suspension of immigration for a period not exceeding six months each, which period may be extended in individual cases by the Secretary of State;

(3) Bona fide students who may enter the United States solely for the purpose of study at educational institutions particularly designated by them; and upon graduation, completion, or discontinuance of studies they shall not be entitled to remain in the United States.

(b) An alien belonging to one of the classes or persons enumerated in subdivision (a) shall be permitted to enter the United States only upon presentation of a valid passport or other official document in the nature of a passport (hereinafter referred to as a passport) satisfactorily establishing his identity, nationality, and to which of the classes so enumerated he belongs, together with a signed and certified photograph of the bearer attached. A wife, or a female child under 21 years of age, or a male child under 16 years of age, may be included in the passport of a husband or parent, but a photograph of each must be attached to the passport. Each male child 16 years of age or over must carry a separate passport.

(c) Each such passport must be viséed by an American consulate, or a diplomatic mission if specially authorized, in the country from which the holder starts on his trip to the United States, and if such country is not the country to which he owes allegiance the passport must also be viséed by a diplomatic or consular officer therein of his own country. In all cases the passport must also be viséed by an American consulate, or the diplomatic mission if specially authorized, in the country from which the alien embarks for the United States, or if he comes by land, the country by which he enters the United States.

(d) Each alien coming within the provisions of this section, except a duly accredited Government official, must furnish to the American diplomatic or consular officer who visées the passport in the foreign country from which he starts on his trip to the United States, and to the American authorities at the port of entry or elsewhere in the United States, a written declaration setting forth: (1) The date and place of the bearer's birth; (2) the nationality and race of his father and mother; (3) the place of the bearer's last foreign residence and the other places, if any, where he has resided within the past five years; (4) if he has ever been in this country, the dates and objects of his visits and the places and addresses where he resided or sojourned; (5) the date set for his departure for the United States, the port of embarkation, and the name of the ship on which he is to sail, if he goes by water; (6) names and addresses of persons acquainted with the applicant in the country from which he starts and in the United States, if any; (7) the expected duration and object of his proposed visit to this country, the documentary or other proofs of such objects submitted, and the place or places in the United States where he expects to sojourn or reside; (8) that the bearer knows and understands

the provisions of the immigration laws, excluding certain classes of aliens from the United States, and is certain that he does not fall within any of such classes; (9) that the bearer understands that if, on arrival at a port of the United States, he is found to be a member of a class excluded by the immigration laws, he will be deported if practicable, or, if for any reason deportation should be found to be impracticable, will be held in detention in an immigration station or other place of confinement, and that he is, with full understanding thereof, assuming all risks involved in a possible return trip in consequence of being rejected under such law.

(e) A wife or minor child who does not expect to reside with the husband or father in the United States must carry a separate declaration.

(f) Each declaration must be affirmed or sworn to before a consular officer, or a diplomatic officer of the United States if specially authorized, and signed in triplicate, and a photograph of the declarant must be attached to each copy with an impression of the official seal. The declaration must be made at least two weeks before the date of intended departure, except in cases of extraordinary emergency. One copy of the declaration must be filed in the embassy, legation, or consulate by which the passport is first viséed, one copy forwarded immediately to the Commissioner of Immigration or inspector in charge at the port of entry by which the declarant expects to enter the United States, and one copy fastened to the passport of the declarant in such a way that it may be removed upon his departure from the United States. The copy last mentioned must be presented with the passport to the official at the port of entry into this country who examines passports, and to the immigration official who inspects the holder, and to such other officials in the United States as may be authorized to inspect such documents.

Mr. SNELL. Mr. Chairman, I would like to ask the chairman in regard to paragraph 2 of page 3. It seems to me that that paragraph opens the bill wide and allows every person to come into these United States except the honest man who wants to come in here and go to work. If something could be done to keep out and leave at home the people who are coming to this country for pure curiosity and agitation I should think it would be better than to keep out men who come here for honest, legitimate purposes, and I would like to have the chairman of the committee explain what it means in the first two lines of section 2, what the word "curiosity" means and what it covers?

Mr. JOHNSON of Washington. The present law had a long list of exemptions to the provisions of the immigration law——

Mr. SNELL. I know; but this is a prohibition act.

Mr. JOHNSON of Washington. This is a suspension act, but it permits those who were entitled to travel between countries and had the right to come and go to continue to do so, and provides a continuation of the passport law and makes the passport regulations apply to those who come and go between countries. The treaties carry such intent, and this just follows the usual language of treaties. Now, it is not possible to make a suspension law that overlooks that fact, and the suspension or prohibition acts that have been introduced in the last four years have had that defect. After making the suspension they immediately come around and made exceptions, by name, of doctors, lawyers, nurses, teachers, civil engineers, but did not say any other kind of engineer.

Mr. SNELL. Is it not a fact, under the exemption from this section, the very people would come into this country who would give us more trouble and be apt to be against our laws and our institutions than any other class of people?

Mr. JOHNSON of Washington. If they have passports they have to be viséed by the consul, and the only place the State Department can exercise the visé business is in regard to this section in the immigration law which applied to the anarchist, the dynamiter, the revolutionist, the man opposed to all forms of government, and so on, and this clause of the immigration law is absolutely written into the instructions of consuls in regard to viséing passports. The State Department thinks it can not say to a man who is evidently a paralytic that they refuse the visé. They warn him.

He comes just the same; and when he is at Ellis Island, and held there among the temporarily detained, his relatives get busy and ask his Congressman, among others, to intercede in his behalf and take the matter down to the Secretary of Labor, who sits there and whose word is final, and who, if there is pressure enough, must almost invariably give way.

Mr. SNELL. Would it be contrary to various treaties if the words "or curiosity" were stricken out of this bill?

Mr. JOHNSON of Washington. I do not care what words are used. The words "business or pleasure" might be sufficient—tourists or men of business.

Mr. SNELL. The word "curiosity" would cover any class on the face of the earth.

Mr. VAILE. The gentleman must remember that they must have passports.

Mr. SNELL. They do now. Mr. Chairman, I move, on page 3, line 7, that the words "or curiosity" be stricken out.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SNELL: Page 3, line 7, after the word "business" strike out the words "or curiosity."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. JOHNSON of Washington. Mr. Chairman, that being adopted, we want to offer an amendment to strike out the comma after the word "pleasure" at the end of line 6 and insert the word "or," so that it will read "pleasure or business."

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 7, line 6, after the word "pleasure" strike out the comma and insert the word "or."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. KLECZKA. Mr. Chairman, I offer an amendment which is agreed to by the entire committee.

The CHAIRMAN. The gentleman from Wisconsin offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KLECZKA: Page 3, line 15, strike out the period and insert a semicolon. After line 15, insert a new subdivision as follows:

"(4) Ministers of any religious denomination."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. KLECZKA. Division, Mr. Chairman.

The committee divided; and there were—ayes 51, noes 15.

So the amendment was agreed to.

Mr. LUCE. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LUCE: Page 2, line 25, after the word "aliens" insert, "who have been or who at the time this act takes effect are."

Mr. LUCE. This amendment is aimed at the situation contemplated by section 7 of the bill, under which aliens coming from near-by territory will be admitted for only six months.

In my district there are about 50,000 persons who were born, or who had a parent born, in Canada. About 30,000 of these come from Nova Scotia, New Brunswick, or Prince Edwards Island, and are among our most valuable citizens.

Mr. JOHNSON of Washington. If they are citizens, they are not in trouble in any possible way in this or any other bill.

Mr. LUCE. Part of them are citizens, to be sure; but whether citizens or not, they are substantial and useful neighbors, they have occasion frequently to go back to the places of their birth. They may work with us for a few months, and then illness or slackness of labor takes them home, to return when strong again or when the activities of industry warrant. They are going back and forth all the time between New England and these adjacent Provinces. About two-fifths of these people from beyond the line are French Canadians, who for the most part work in our factories and are among our most useful toilers, thrifty, industrious, law-abiding. It will be, I think, unfortunate to interpose any barrier in the way of this constant going and coming which is so beneficial to the whole community. It seems, however, after consultation with the committee, that perhaps it will be impossible to escape the six months' requirement in section 7. But I am told by an expert in these matters, in whose judgment I think the committee places great confidence, that possibly the situation will be largely met by this amendment which will secure that any person who at any time has been lawfully resident or who at the time of the passage of the act is lawfully resident of the United States, may go to and fro between the countries without hindrance. Possibly this amendment may be acceptable to the committee.

Mr. JOHNSON of Washington. Is the amendment offered to section 3?

Mr. LUCE. To section 3.

Mr. GARD. Will the gentleman from Massachusetts yield for a question?

Mr. LUCE. Yes.

Mr. GARD. As I got the gentleman's proposed amendment it is to insert after the word "lawfully," on line 25, page 2, the words:

Who have been or may be at the time this act goes into effect residents of the United States.

Mr. LUCE. Before the word "lawfully," instead of after it.

Mr. GARD. Does not the gentleman think that the first words he uses are words of very great extent, because if this amendment is adopted he would say that a man who was lawfully resident of the United States 20 years ago and has gone back to some other country and stayed there 20 years, under this amendment could come in again.

Mr. LUCE. That is perfectly true, and I can see no damage to the welfare of the country that will occur by such a one who would return.

Mr. GARD. If there is to be any test of the immigrant it certainly should be applied to one who, while he was lawfully in the United States, returned and went back to his mother country for 20 years, and then comes to the United States again. If he is to come in again after having been there and wants the benefits of our institutions, after leaving them and having been away for 20 years, he should at least qualify, I think.

Mr. LUCE. I think the gentleman will find a requirement of qualifications already in the section, which says, "to otherwise admissible aliens." Every qualification imposed by the law will be still in effect.

Mr. DEWALT. Mr. Chairman, will the gentleman yield for a moment?

Mr. LUCE. Certainly.

Mr. DEWALT. Would your amendment obviate this difficulty: A is resident in the United States of America. A acquires citizenship, remains here for a year or more. A then goes to Germany and acquires citizenship there. Would he then be, by the provisions of your amendment, admitted to the United States?

Mr. LUCE. That depends upon the interpretation of the word "admissible," with which I am not acquainted.

Mr. DEWALT. But I put it as a legal proposition. My judgment is that he would be admitted to the United States. And if that is so, the gentleman's amendment ought not to be adopted.

Mr. BEE. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Certainly.

Mr. BEE. I am not familiar with the decree in the Goldman case. Would it be possible under this provision for Emma Goldman and Alexander Berkman to return to the United States?

Mr. LUCE. I do not think they would be admissible under the existing law.

Mr. SABATH. Mr. Chairman, answering for the gentleman, I wish to say that even if the amendment should be adopted Emma Goldman, or anyone else from Europe would be offensive, because this applies only to Canada, Cuba, and Mexico.

Mr. JOHNSON of Washington. No. The gentleman from Massachusetts, in referring to this section, anticipates the previous one.

Mr. SABATH. What I desire to ask is, Does the gentleman expect to offer his amendment later on, as he has expressed the idea that he wishes to do in section 7?

Mr. LUCE. It is my intention to offer that amendment if this does not prevail. The gentleman to whom I referred as an expert in these matters said this was the best way to meet the doubt. He said that the words "lawfully resident" are uncertain, and that they ought to be clarified, and this is the way to clarify them. If the gentleman from Colorado [Mr. VAILE], whom I now see on his feet, will explain what those words mean I shall be glad.

Mr. VAILE. I have one suggestion as to what they mean, and that is that there are two clauses in section 2 to which it does not apply. One clause, the latter, is to "otherwise admissible aliens." The clause to which the gentleman's amendment applies, "other admissible aliens," covers those now lawfully resident in the United States, and he suggests that we add to that "those who have been or are now lawful residents of the United States." Would not that apply to Emma Goldman and Alexander Berkman, who once were residents of the United States?

Mr. LUCE. The gentleman's insertion of the word "now" discloses the difficulty.

Mr. VAILE. If the gentleman will repeat his language again I shall be glad. I did not catch it as it was read by the Clerk. I understood it was "whoever had been resident in the United States."

Mr. LUCE. Yes. I am told that this word "resident" is held to be met by six months' residence, a purely arbitrary interpretation. What I am trying to clarify is "lawfully resident," an uncertain phrase, by some legal definition.

Mr. VAILE. I think that, of course, would be a question of intention. A man might be away for a short time, as, for instance, on a few days' absence in Canada, with no intention to take up a permanent residence there. He would still be a resident of the United States.

Mr. LUCE. Here is an illustration: In the Waltham watch factory, in my city, there are a large number of persons employed who live in the Canadian Provinces. Suppose work is slowing down, the force reduced. Those people are going home to the Provinces. What test shall be applied when they desire to come back when work revives? Are they or are they not lawful residents?

Mr. VAILE. Did they give up their residence in the United States, or did they have a residence in the United States? What is their intention?

Mr. LUCE. That is purely a matter of conjecture. My contention is that those people ought to be allowed without any interference to return whenever the conditions warrant their employment in this factory.

Mr. VAILE. I should think they should take up a residence in one place or other, and if they are permanent residents of Canada they would come under the provisions of the bill as prepared by the committee.

Mr. LUCE. These are mostly young women.

Mr. VAILE. I know that this country appeals to young women.

Mr. DEWALT. Mr. Chairman, I desire to have recognition from the Chair.

The CHAIRMAN. A few moments ago an amendment was pending, and an amendment to that amendment, a substitute, and an amendment to the substitute. The Chair started to put those amendments in their usual order, putting the amendment to the amendment first, then the amendment to the substitute, then the substitute, and finally the amendment to the amendment, whereupon a storm of protest arose, joined in by such veteran parliamentarians as the ex-Speaker of the House, the gentleman from Missouri [Mr. CLARK], the gentleman from Illinois [Mr. MANN], and the gentleman from Massachusetts [Mr. WALSH]. The parliamentary clerk at that time had had no opportunity to look up the precedents in the matter. Under such pressure the Chair yielded, and put the question upon the amendment to the substitute before putting the amendment to the amendment. In doing this the Chair erred. I wish to make this correction now, so that it will not hereafter be considered as a precedent.

The gentleman from Pennsylvania [Mr. DEWALT] rises in opposition to the amendment.

Mr. DEWALT. Mr. Chairman, if I correctly understand the amendment proposed by the gentleman from Massachusetts, then, in substance, it is this, that anyone who has been lawfully a resident of the United States, and may have become a citizen of the United States, if he afterwards leaves this country, and perhaps may have acquired citizenship in another country, he would have the privilege, by the gentleman's amendment, to come back into this country, and not be subject to the restrictions of this bill. Am I correct in stating that as the gentleman's proposition? I think that would be the effect of the gentleman's amendment.

Now, let us take the situation as I tried to propound it to the gentleman from Massachusetts a few moments since. I am to-day a citizen of the United States, but I came from a foreign country, we will say. For some reason, best known to myself, either a business reason or hostility to the present Government, I leave the United States and go to Germany, admittedly a hostile Government to us. I there again acquire citizenship by remaining in Germany the specified length of time, and then for some reason I determine to come back to the United States. By the provisions of the gentleman's amendment I would be entitled to come back. Now, I say that is all wrong. [Applause.]

Now, in the next place, while I grant that the peculiar conditions affecting labor in the gentleman's district appeal to me, it ought to be met in a different way; just what way that is I do not know.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. DEWALT. Yes, sir.

Mr. JOHNSON of Washington. Inasmuch as the committee thought it best to agree to accept an amendment which was offered here to reduce this temporary suspension of 14 months by 2 months, making it a year, 2 months less than was contemplated, any condition that might arise in any quarter bordering on Canada would exist for only one year. A resident domiciled here and going back to Canada needs only one extension.

Mr. DEWALT. I understand that, and therefore the more reason for objection to the amendment. Now, I yield to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. The gentleman bases his illustration on one who has citizenship. He might go further, because lawful residence does not require citizenship.

Mr. DEWALT. I grant you that, but I was taking an extreme case, in order to show the great fault of the amendment.

Mr. WINGO. Let me give the gentleman another more extreme illustration than that. Suppose there had been a citizen of Austria in the United States when war was declared, and that he went back to Austria and fought against the United States. Yet he was a lawful resident of the United States.

Mr. DEWALT. Then he could come back.

Mr. WINGO. Then he could come back under the gentleman's amendment?

Mr. PELL. Would the Austrian whom the gentleman cites be otherwise admissible?

Mr. WINGO. As soon as the treaty of peace was proclaimed he would be.

Mr. DEWALT. When the treaty of peace was ratified he would be eligible for reentrance if the gentleman's amendment is adopted.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts.

The amendment was rejected.

Mr. RAKER. I move to strike out the last two words. So that there may be no misunderstanding, the chairman of the committee did not intend to state what he did a moment ago. The committee did not agree upon the 14 months' proposition

Mr. JOHNSON of Washington. I undertook to say that the members sitting on this side had accepted it.

Mr. RAKER. Of course, that is a different proposition. I want to call the attention of the committee to provision 3 of section 3 on page 3 of the bill. It is a vitally important section, and has caused a great deal of trouble, but the committee believe they have obviated the difficulty which now exists. Under the present immigration law the exemptions apply simply to "students." Under that law many hundreds—and I use the word "hundreds" advisedly—of aliens have come to this country, have stayed sometimes a day, sometimes a week, and sometimes longer at the universities and schools, and then have gone out as common laborers, using that provision as a subterfuge to get into this country. The present subdivision 3 requires "bona fide students" and the applicant must designate the particular institution which he desires to attend. The further subdivision that is intended to cure that situation is section 12 on page 10 of the bill, whereby the Commissioner General of Immigration is to issue all the rules and regulations to carry out the provisions of this act, which will, of course, apply to this subdivision; and the committee understand and feel satisfied that the Secretary of Labor and Commissioner of Immigration, either the present one or if there should be another one appointed later, will issue rules and regulations under which the student will have to advise the Commissioner General of Immigration, and through him the Department of Labor, when he completes one of the three provisions provided in this subdivision, the first of which is graduation.

This contemplated student who has been admitted as a bona fide student will have to designate by writing to the Secretary of Labor when he graduates. Then we have a complete record of him, and after he graduates he will then be entitled to return home, and if he does not will be deported. Second, when he completes his studies, whether he graduates or not. The third provision, which eliminates the present imperfection in the law, is when he "discontinues" his studies. This does not mean a temporary discontinuance, because the school closes for the holidays or for vacation or because the term ends for the summer and he is going back in the fall. But when he discontinues his studies that bona fide student will be compelled under the rules and regulations promulgated by the Department of Labor under section 12 of this bill to notify the Secretary of Labor, and there will therefore be a complete record of all the students who enter, where they are, when they graduate, when they complete their course, or when they discontinue their studies.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. May I have one minute more?

The CHAIRMAN. The gentleman asks unanimous consent that his time be extended one minute. Is there objection?

There was no objection.

Mr. RAKER. By this means we will avoid the present dissatisfaction. It will cause harmony, will make better feeling, and the country will be more open than it is to-day to admit any qualified man or woman who can come up to the qualifications of admission to this country, so far as health is concerned, to come to our institutions or learning, so that they may graduate and get the benefit of our various schools, seminaries, colleges, and other institutions of learning, and then return to their homes and benefit their own people, but not use the law as a subterfuge to come here as common laborers. We believe we have met this situation clearly and fully.

Mr. VOLK. Mr. Chairman, before offering an amendmen I should like to move to strike out the last word in subsection 3 on page 3 for the purpose of asking a question for information. That subsection provides:

> Bona fide students who may enter the United States solely for the purpose of study at educational institutions particularly designated by them; and upon graduation, completion, or discontinuance of studies they shall not be entitled to remain in the United States.

I wish to ask if this would apply to the Rand School in New York City?

Mr. JOHNSON of Washington. In my opinion we have laws now for the deportation and sending out of the United States of those who are anarchists, those who preach the overthrow of organized government, the assassination of officials, and so on. Students coming in will be required to designate the educational institution which they intend to attend, and any person designating the Rand School would be subjected to a particular scrutiny as to where he came from and what his policies were with reference to certain matters covered in our present immigration laws, with regard to deportation, which I think would cover that.

Mr. VOLK. Suppose a student matriculates in one institution and thereafter he transfers to the Rand School. Would this law cover his case?

Mr. JOHNSON of Washington. I think so.

Mr. FESS. Is the Rand School a real school?

The CHAIRMAN. Does the gentleman from New York [Mr. VOLK] yield the floor?

Mr. VOLK. I should like to offer the following amendment.

The CHAIRMAN. The gentleman from New York [Mr. VOLK] withdraws his pro forma amendment and offers the amendment which the Clerk will report.

The Clerk read as follows:

> Page 3, line 15, insert a new section:
> "SEC. 5. Otherwise admissible aliens who at the time of the passage of this act have in good faith applied for and are in possession of a properly viséed passport."

Mr. VOLK. Mr. Chairman, the purpose of this amendment is so evident that I think it hardly needs any discussion. It was stated here on the floor that vessels are held in ports which are crowded with immigrants who want to get here. These people may be three or four months in reaching this country. They may be three or four months before they get a vessel to bring them here. If these people are left in foreign countries and must return to their original country, having sold all their possessions and subject to persecution, as they will be, for trying to leave the country, they will be in a bad situation. Therefore I believe that if in good faith they have applied for passports at the time of the passage of this act and are in possession of properly viséed passports they should be allowed to enter, and the 60-day limit should not apply to them.

Mr. JOHNSON of Washington. Mr. Chairman, I think it must be apparent to the members of the committee that if you cut the prohibition at one end and extend the time at the other you will lose all advantage of the act. These people have applied, of course, in good faith for their passports, but they have not got the passports, and on top of that the Italian Government has sent word that they are proposing to suspend the issue of passports from there. The Italian Government notifies us that they would like to have the time extended to six months.

Mr. RAKER. If this amendment is adopted, you might as well do away with the bill, because there are millions who have made applications for passports, and they would come over here by the millions.

Mr. HUSTED. I would like to ask the chairman of the committee if he does not think the bill could except those who have applied for and actually hold passports viséed by the American consular officers at the time the bill goes into effect?

Mr. JOHNSON of Washington. My impression is that the State Department is endeavoring to have the viséing of passports greatly reduced. In addition to this act, the State Department is doing all it can to prevent people, as they are, moving hundreds of miles to find the United States consular office where they can stand in line and get passports. It is proposed by the State Department, whether this bill passes or not, to put up great posters in the language of foreign countries warning them against trying to come to this country.

Mr. HUSTED. I see that it would not be practicable to cover everybody who has applied, but I do not see any good reason for excepting those who have not only applied but who

actually hold visèed passports. I imagine many of those would not be able to get transportation in 60 days.

Mr. BEE. Mr. Chairman, I move to strike out the last word. I want to call the attention of the chairman of the committee to some of the provisions in this section 3. Of course, I understand what the general proposition is, but you provide that those who enter for the purpose of studying at an educational institution may be admitted. The educational institution might mean a public school. If you put the restriction on students who come here to study in institutions of the first class, that would make it definite, and I throw that out as a suggestion.

Now, is it possible if a man comes from England or Ireland and enters the University of California or of Texas or Harvard University, stays four years, graduates at the head of his class, acquires not only a thorough knowledge of the institutions of this country but a thorough education, that he must go back to the country from which he came at the end of the four years, no matter how good a citizen he might become if permitted to remain? I think that they might require him to enter institutions of the first class, remain until he graduated, and then upon graduation let the matter be determined as to his fitness, unless—and the gentleman from California can tell me if I am correct—unless the purpose is to exclude a certain class that ought to be kept out of the country altogether. If you are afraid that they will come in, then it might be that the tail will go with the hide.

Mr. MILLER. Would not the act expire before he completed his study for four years.

Mr. BEE. I imagine if this act is passed and it proves beneficial, as some of its proponents claim, it will be extended.

Mr. RAKER. Mr. Chairman, if the gentleman will yield, he has first to attend an educational institution designated by him. He may designate half a dozen, he may designate a high school in Massachusetts, he may designate Harvard University or the University of California. He will be entitled to go through all of these schools. The gentleman's suggestion that he should have an examination after he has passed through these institutions is hardly practicable. Let him return, and after he goes back to his own country, and after the suspension of two years, then if otherwise admissible he can come back here.

Mr. BEE. Would he not be able to enter a primary school under this?

Mr. RAKER. Yes; why not? A primary school or a high school or university, but do not let him come, as in many instances they have, as students and within a week quit the school and go to work.

Mr. BEE. I am not discussing that phase of it; I am discussing the question of a man coming here and becoming a bona fide student in an institution of the first class.

Mr. FESS. I think that my friend has overlooked the differentiation that lies between the word "student" and the word "pupil." You never speak of a student going to a secondary school. One who attends a secondary school is a pupil or a scholar.

Mr. BEE. That is not a legal definition, is it?

Mr. FESS. Yes.

Mr. BEE. But surely one can be a student in a primary class.

Mr. FESS. Oh, he would then be a pupil, not a student in a primary class. The word "student" is applied to institutions of higher learning.

Mr. BEE. Does the gentleman contend that the word "student" is a legal expression, applied to an institution of higher learning?

Mr. FESS. I insist that the term "student" is not applied to one attending any institution below the rank of one of higher learning.

Mr. BEE. By custom.

Mr. FESS. And the word "pupil" or "scholar" are used as applying to those attending secondary schools. This is the legal language.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. BEE. Yes.

Mr. LAYTON. Do I understand that any bona fide student of any nationality, professing any particular form of political philosophy—a Bolshevist, or a socialist, or anything of that kind—is permitted to come in under this provision?

Mr. BEE. Yes.

Mr. RAKER. Oh, no; no. The gentleman should not be misunderstood. He must be "otherwise admissible." A Bolshevist, an I. W. W., a revolutionary, an anarchist, shall not come in, student or otherwise.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SMITH of Michigan. Mr. Chairman, I have an amendment which I desire to offer to section 3.

The CHAIRMAN. There is an amendment already pending offered by the gentleman from New York, and unless the amendment of the gentleman from Michigan is an amendment to that amendment his amendment is not yet in order.

Mr. SMITH of Michigan. Mr. Chairman, I ask unanimous consent that the amendment of the gentleman from New York be again reported.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the amendment of the gentleman from New York be again reported. Is there objection?

There was no objection.

The Clerk again reported the amendment offered by Mr. VOLK.

Mr. VOLK. Mr. Chairman, I ask unanimous consent to modify my amendment by striking out of it the words "have in good faith applied for or," making the amendment read:

Otherwise admissable aliens, who at the time of the passage of this act are in possession of properly visèed passports.

The CHAIRMAN. The gentleman from New York asks unanimous consent to modify his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will report the amendment as modified.

The Clerk read as follows:

Amendment offered by Mr. VOLK: Page 3, after line 15, a new subdivision:

"Subdivision (5). Otherwise admissable aliens who at the time of the passage of this act are in possession of properly visèed passports."

Mr. MANN of Illinois. Mr. Chairman, I desire to make an inquiry. I probably shall not vote for the bill, and the bill probably will not become a law before the 3d or 4th of March, if it becomes a law at all. How many passports can be issued between now and then, and how many immigrants can actually be brought into the country within a year after that on the available vessels?

Mr. JOHNSON of Washington. Mr. Chairman, I read the figures here yesterday that the passport visés of 17 principal places had increased very rapidly in the last quarter—that is, up to September.

Mr. MANN of Illinois. What I want to know is if they can visé as many passports between now and the 4th of March as they can bring in for the next year.

Mr. JOHNSON of Washington. Yes; and more.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. VOLK].

The question was taken, and the Chair announced that he was in doubt.

The committee divided; and there were—ayes 20, noes 22.

So the amendment was rejected.

The CHAIRMAN. The gentleman from Michigan [Mr. SMITH] offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SMITH of Michigan: Page 3, lines 13 and 14, after the word "upon," in line 13, strike out the word "graduation," and in line 14 strike out the words "completion, or," and after the word "studies," in line 14, insert "before graduation," so that the paragraph will read: "and upon discontinuance of studies before graduation."

Mr. SMITH of Michigan. Mr. Chairman and gentlemen of the committee, the purpose of this bill is to prevent undesirable citizens of other countries coming into the United States. If there is a person who desires to be educated, or if there is a reason why a person should be admitted into our country, if that person wants to be educated and wants to learn and wants to study and wants to become a good citizen of the United States, it seems to me he ought to be admitted. That appeals to me. If a person wishes to come into the United States for that purpose, there is no other purpose that appeals to me that is before and above that of acquiring an education. Now, we allow——

Mr. JONES of Texas. Will the gentleman yield?

Mr. SMITH of Michigan. In just a minute. Now, we allow resident aliens to remain here, and if a person comes here and graduates from one of our institutions, in the light of civilization, in the light of good citizenship, it seems to me if he has taken a degree from Harvard or from Yale or the University of Michigan, Cornell or Stamford, or any other of our great educational institutions, and desires to practice law, medicine, or any other profession and live according to the ideals of our institutions after he has graduated and gets his diploma, after he has the certificate of one of the colleges of our country, is

a good citizen and entitled to graduate, he ought to remain here at his pleasure as long as he is a good citizen.

Mr. DAVEY. Will the gentleman yield?

Mr. SMITH of Michigan. A short question, because my time is limited.

Mr. DAVEY. I would like to ask the gentleman if it is a guaranty of good citizenship for a man to graduate?

Mr. SMITH of Michigan. It is to me. If he has so graduated, there is no better guaranty of citizenship.

Mr. JONES of Texas. If the gentleman will yield further, Is it not possible under the terms of the gentleman's amendment to take a 6-weeks course in some college that graduates men in a very short time and yet comply with the literal terms of the gentleman's amendment?

Mr. SMITH of Michigan. If he has a certificate of graduation—why the present law is the literacy test. A man needs only to read 40 words in his own language. What does that signify besides graduating from college? They say this amendment will allow anarchists to come in. If that is so, we ought to send the anarchists out we now have here. They ought to be deported and ought not to be permitted to remain here. Whoever advocates the overthrow of our Government by force or violence ought to be hunted down the same as a traitor for treason. That is all it is. [Applause.] You say this might allow a man advocating such a doctrine as that to come in. Well, under the present law and under our institutions——

Mr. BLANTON. Will the gentleman yield?

Mr. SMITH of Michigan. I will.

Mr. BLANTON. Does my friend from Michigan realize that just before the last election nearly one-third of the senior class of a university in one of the States not so far from Washington expressed a preference for Eugene Debs, a convicted traitor to his country, now in the penitentiary under our laws?

Mr. SMITH of Michigan. I never heard of that, and I hope I never will again.

Mr. BLANTON. Well, it is a fact.

Mr. SMITH of Michigan. Those are the ones who are giving us trouble to-day, and I do not believe in this sabotage, anarchy, or treason. Neither do I believe in the destruction of our institutions or our grand Republic. I believe in law and order. I would punish to the extent of the law, and use the entire force of our Government to expel, all of those radicals; but I say in the interest of education and good citizenship that these people who graduate ought to remain. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. HENRY T. RAINEY. Mr. Chairman, I have an amendment to offer.

The CHAIRMAN. There is an amendment pending. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The question was taken, and the amendment was rejected.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY: At the end of line 15, on page 3, insert a new provision as follows:

"5. Bona fide farm laborers who may enter the United States solely for the purpose of engaging in labor on a farm or farms or in a truck garden or truck gardens, and upon the completion or discontinuance of such employment they shall not be entitled to remain in the United States."

Mr. HENRY T. RAINEY. Mr. Chairman, I ask unanimous consent to speak for 10 minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HENRY T. RAINEY. Mr. Chairman, I want to ask the attention of the committee, and the serious attention of the committee, to this amendment which I propose. It permits the admission of farm laborers to work on farms or in truck gardens and requires them to leave the country whenever they discontinue that employment, and they can not engage, under this amendment, in any other employment while they are in this country. There is nothing new about legislation of this character. In Germany before the war they had most rigid immigration laws excluding skilled laborers but not excluding common laborers. A common laborer, a man who wanted to work on a farm, could be admitted always to Germany before the war under the limited passport system which prevailed there.

When his work was finished he was compelled to leave, and he could not engage in any skilled employment. And Germany protected by the most rigid laws any interference with skilled laborers who worked with machines. Her approaching supremacy among the industrial nations at the outbreak of the war was due largely to this fact, that she reserved for skilled employment her own laborers and admitted the cheap laborers from Russia and from Italy within her boundaries to work on the farms and even to dig ditches and sewers in the cities and to build subways. The bill we are considering is presented now largely at the demand of organized labor, in order to keep up to their present standard the living wages they are now receiving. But organized labor does not enter this field. It refuses to enter the field of work upon farms.

A great commission firm in the city of Chicago has just advised the raisers of sheep to feed their sheep to hogs. They are not valuable enough on the markets to be even manufactured into fertilizers. Farmers are selling corn at 50 cents a bushel and at less than that. With the high-priced labor they are compelled to employ, they are producing corn at a loss. This year farmers, unless they are relieved in some way, will produce wheat at a loss, as well as all kinds of bread grains. They are not organized. Their attempts to organize I am afraid will fail. But I want to tell you what they will do unless they can get cheaper labor on their farms. They can not compete in labor prices with the prices that are being paid by the great industries. You will find farmers, who are able to till a small part of their farms with their wives and their children, tilling their farms and producing sufficient foodstuffs for themselves, but just as little in addition to that as they possibly can. The farming industry is up against it in this country at the present time as no other industry is.

Mr. SUMNERS of Texas. Will the gentleman yield for a question?

Mr. HENRY T. RAINEY. I will.

Mr. SUMNERS of Texas. I ask this for information. If this amendment is adopted will it not put this cheap labor in competition with the farmer who with his family is trying to make a little money in addition to a living?

Mr. HENRY T. RAINEY. Certainly not. It gives him an opportunity to employ cheaper labor and produce something of a surplus for these high-priced laborers in our factories who are moving to keep up the high wages they are now receiving.

Mr. WALSH. Will the gentleman yield?

Mr. HENRY T. RAINEY. I will.

Mr. WALSH. Would not the adoption of this amendment stimulate the exodus of the colored laborer from the South to the industrial centers?

Mr. HENRY T. RAINEY. I do not think so at all.

Mr. WALSH. Well, there has been, as the gentleman knows, quite a lively movement along that line.

Mr. HENRY T. RAINEY. I am aware of that. But the colored laborer of the South is not going to be employed in the skilled industries to any considerable extent.

Mr. WALSH. They are employed in large numbers in the city of Chicago.

Mr. HENRY T. RAINEY. In the stockyards?

Mr. SABATH. They imported about 60,000 in the last few years.

Mr. JOHNSON of Washington. Remember that under this short-term extension you can bring the labor from Jamaica, Brazil, or Mexico, wherever you can find labor cheap enough to go to that employment.

Mr. HENRY T. RAINEY. Or in the Eskimo country at the north.

Mr. JOHNSON of Washington. In the Eskimo country, or in the island of Java, where there are 35,000,000 people.

Mr. HENRY T. RAINEY. Certainly. If the farmer is going to be compelled to produce foodstuffs, or is expected to do so. You can not compel him to do it; at the present price he must have cheap labor. My proposition will not interfere with organized labor in the least.

Mr. JOHNSON of Washington. Has the gentleman any information to the effect that the very thing that is setting central Europe on the move is the very thing that happens here, where the farmer draws into his shell and says, "I will raise only enough for myself"?

Mr. HENRY T. RAINEY. The farmer here will do that very thing. The farmer can not be compelled to be a philanthropist always. [Applause.] He can not be compelled always to work for nothing for the people who live in the cities. He can not be compelled always to work for these wage earners who are organized and who get $8 and $10 a day. He must have an opportunity to make something for himself.

Mr. JOHNSON of Washington. Yes. What has produced this great movement in central Europe? As we get it, the farmers have done that thing, for the reason that their products have been taken by the cities or gobbled up by the army.

Mr. HENRY T. RAINEY. My proposition is to bring them here and produce cheaper foodstuffs.

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Mr. JOHNSON of Washington. What we got here up to September 30 was 2.8 per cent of farmers and about 3 per cent farm laborers. Even among those coming now are men who had once been jewelers or watchmakers, and so on, whose occupation is gone when the farmer draws in his business.

Mr. HENRY T. RAINEY. Oh, they bring in here farm laborers from Italy, the best farm laborers in the world; but the big industrial establishments gobble them up in New York as fast as they come—these industries which pay high wages that the farmer can not expect to pay.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. JONES of Texas. By what process will you be able to keep them on the farm when they come here?

Mr. HENRY T. RAINEY. By the same process that you keep students in colleges who are to come here under this bill, and compel them to go back; by the same process that you now apply to criminal aliens when we want to get rid of them. There will be numerous people in the localities where they work who will know them and who will know all about them.

Mr. JONES of Texas. In order to relieve the farms you would have to have a large number of such farm laborers, and it would require a great army of people to keep track of them.

Mr. HENRY T. RAINEY. It is a perfectly simple proposition. It was worked out in Germany under provisions exactly similar to this before the war, and it can be worked out here. The working or administrative sections of this very clause are sufficient to accomplish the fact that they can not engage in any other employment.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. CARAWAY. Would not an employer of that labor fall under our peonage statute? If a man is compelled to engage in a certain occupation, would not the farmer who employed that man in that labor be subject to indictment and trial under the peonage law in the United States?

Mr. HENRY T. RAINEY. Certainly not.

Mr. CARAWAY. Why not? If a man is compelled to labor or suffer a disadvantage if he does not continue in that occupation——

Mr. HENRY T. RAINEY. He is not compelled to labor by the farmer. He will come in here to work on a farm at his own volition. The farmer does not make him work.

Mr. CARAWAY. I am not antagonistic to the gentleman's proposition. I am simply asking for information. If the laborer is compelled to stay in a particular employment or suffer disadvantage, is not that exactly what our courts have said constitutes peonage?

Mr. HENRY T. RAINEY. No. Let me ask my friend, for whose legal opinion I have great respect, this question: Who would be guilty of that offense?

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HENRY T. RAINEY. Mr. Chairman, may I have three minutes more?

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for three minutes more. Is there objection?

There was no objection.

Mr. HENRY T. RAINEY. I will say to the gentleman that the laborer comes in by permission of the United States Government and under a contract with the United States Government to work at this employment and none other. The United States Government can not violate the peonage laws.

Mr. CARAWAY. Our friends amended the Constitution. Legislatures have proposed to meet that situation so as to provide that we could not compel the negro to work overtime. Now, in a situation where there is any kind of penalty attached to a man's quitting labor that he does not like there becomes a condition of enforced servitude. An act of a landlord attempting to make a man pay all his debts before he could remove his effects and quit the place of his employment has been held a violation of our peonage statute.

Mr. HENRY T. RAINEY. It would not be possible for such a condition as the gentleman describes to occur in this case.

Mr. LAYTON. The gentleman's idea is that the farmer should have cheap labor in order that he might have a greater profit?

Mr. HENRY T. RAINEY. In order that he might have some profit. He is not getting any now.

Mr. LAYTON. Some profit?

Mr. HENRY T. RAINEY. In order to produce foodstuffs——

Mr. SABATH. And reduce the cost of living.

Mr. LAYTON. Do you think it possible in these United States to have a cheap class of labor upon the farm and high-priced labor in industrial pursuits?

Mr. HENRY T. RAINEY. Certainly; that is true. Wages vary now on the farms and in the industries. There are men in Pittsburgh who as laborers during the war got $1,000 a month. Of course, wages vary and always will vary.

Mr. LAYTON. During the war prices went up absolutely upon an equal plane, from the bootblack up.

Mr. HENRY T. RAINEY. Yes; but they are not coming down on an equal plane.

Mr. LAYTON. But they will.

Mr. HENRY T. RAINEY. The farmer is getting the worst of it.

Mr. LAYTON. That is true, but other things will come down also.

On motion of Mr. JOHNSON of Washington the committee rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, had come to no resolution thereon.

THE PANAMA CANAL.

The SPEAKER laid before the House the following message from the President of the United States, which, with the accompanying documents, was referred to the Committee on Interstate and Foreign Commerce:

To the Senate and House of Representatives:

I transmit herewith, for the information of the Congress, the annual report of the Governor of the Panama Canal for the fiscal year ended June 30, 1920.

WOODROW WILSON.

THE WHITE HOUSE,
10 December, 1920.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. REED of West Virginia, indefinitely, on account of illness in his family (at the request of Mr. GOODYKOONTZ).

To Mr. BLACK, for 10 days, on account of sickness in his family.

To Mr. CAMPBELL of Pennsylvania, for to-day, on account of important business.

LEAVE TO EXTEND REMARKS.

Mr. SMITH of Michigan. Mr. Speaker, I ask unanimous consent to revise and extend my remarks.

Mr. KLECZKA. I make the same request.

Mr. GARD. Is it understood that these requests relate to remarks on the pending bill?

The SPEAKER. The Chair assumes so.

Mr. RAKER. I make the same request.

Mr. HENRY T. RAINEY. I make the same request.

The SPEAKER. The gentleman from Michigan [Mr. SMITH], the gentleman from Wisconsin [Mr. KLECZKA], the gentleman from California [Mr. RAKER], and the gentleman from Illinois [Mr. HENRY T. RAINEY] ask leave to revise and extend their remarks. Is there objection?

There was no objection.

LEAVE TO WITHDRAW PAPERS—MARTHA A. WADE.

Mr. MCKINLEY, by unanimous consent, obtained leave to withdraw from the files of the House the papers in the case of Martha A. Wade (H. R. 11218, 66th Cong., 2d sess.), no adverse report having been made thereon.

ADJOURNMENT.

Mr. JOHNSON of Washington. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock p. m.) the House adjourned until Saturday, December 11, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

185. A letter from the Secretary of the Interior, transmitting report as to the right of Stevens and Ferry Counties, in the State of Washington, to the payment of taxes on allotted Indian lands under existing law; to the Committee on Indian Affairs.

186. A letter from the Secretary of the Treasury, transmitting statement from various bureaus and offices of the Treasury De-

partment showing in detail what officers and employees performed travel on official business from Washington to points outside of the District of Columbia; to the Committee on Expenditures in the Treasury Department.

187. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Postal Service for mail-bag equipment, fiscal year 1921, payable from postal revenues (H. Doc. No. 914); to the Committee on Appropriations and ordered to be printed.

188. A letter from the Secretary of the Treasury, transmitting statement showing the number of employees and their compensation in the Bureau of Engraving and Printing whose compensation is paid from "Expense of loans" and "Compensation of employees" as carried in the sundry civil act, but who are detailed for duty in the bureau; to the Committee on Expenditures in the Treasury Department.

189. A letter from the Secretary of the Treasury, transmitting recommendation for repeal of legislation authorizing acquisition of a site for a subtreasury at New Orleans; to the Committee on Public Buildings and Grounds.

190. A letter from the Secretary of War, transmitting report showing names of all purchasers of nitrate of soda in accordance with public resolution 39 (66th Cong.); to the Committee on Expenditures in the War Department.

191. A letter from the Secretary of the Navy, transmitting draft of requested legislation for appropriation and authorization for transfer of certain material for building tenders for the Navy; to the Committee on the Merchant Marine and Fisheries.

192. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriation required by the Bureau of Internal Revenue for expenses of collection of the revenue for 1921 and for refunding taxes and collections for prior years (H. Doc. No. 915); to the Committee on Appropriations.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 14776) granting a pension to John Halpen, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. GREENE of Massachusetts: A bill (H. R. 14895) to provide for the transfer of the steamship *Martha Washington* to Cosulich Societa Triestina di Navigazione, an Italian corporation of Trieste, and directing the United States Shipping Board to make delivery of the said steamship and to determine, award, and pay just compensation for use of the said steamship; to the Committee on the Merchant Marine and Fisheries.

By Mr. SINCLAIR: A bill (H. R. 14896) authorizing and directing the President of the United States to appoint a commission to investigate and report to Congress a general system for the cooperative marketing of all farm products; to the Committee on Agriculture.

By Mr. FOSTER: A bill (H. R. 14897) providing monthly payment of pensions; to the Committee on Invalid Pensions.

By Mr. GODWIN of North Carolina: A bill (H. R. 14898) authorizing preliminary examination and survey for a third lock and dam in the Cape Fear River, N. C.; to the Committee on Rivers and Harbors.

By Mr. ESCH: A bill (H. R. 14899) to authorize aids to navigation and for other works in the Lighthouse Service and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 14900) to distribute the commissioned line and engineer officers of the Coast Guard in grades in the same proportions as provided by law for the distribution in grades of commissioned line officers of the Navy, and for other purposes; to the Committee on Interstate and Foreign Commerce.

Also (by request), a bill (H. R. 14901) to amend the interstate commerce act by adding at the end of section 20a a new paragraph, and to repeal section 10 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914; to the Committee on Interstate and Foreign Commerce.

By Mr. GOLDFOGLE: A bill (H. R. 14902) relating to certain laborers in the Postal Service of the United States; to the Committee on Reform in the Civil Service.

By Mr. McFADDEN: A bill (H. R. 14903) to amend section 10 of the act approved December 23, 1913, known as the Federal reserve act, as amended by the act approved March 3, 1919; to the Committee on Banking and Currency.

By Mr. YOUNG of North Dakota: A bill (H. R. 14904) to amend section 7 of the Federal reserve act, approved December 23, 1913, as amended; to the Committee on Banking and Currency.

By Mr. McARTHUR: A bill (H. R. 14905) to appropriate additional sums for Federal aid in the construction of post roads, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. McKEOWN: A bill (H. R. 14906) to establish cattle and farm products banks in connection with the Federal farm-loan banks, and for other purposes; to the Committee on Banking and Currency.

By Mr. LANGLEY: A bill (H. R. 14907) to increase the pensions of those who have lost limbs, or have been totally disabled in the same, in the military or naval service of the United States; to the Committee on Invalid Pensions.

By Mr. BRAND: A bill (H. R. 14908) authorizing the Secretary of War to donate to the White Plains High School, White Plains, Ga., one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. MOTT: A bill (H. R. 14909) to amend an act to reduce tariff duties and provide revenue for the Government, and for other purposes, approved October 3, 1913; to the Committee on Ways and Means.

By Mr. NOLAN: Resolution (H. Res. 611) discharging the Committee of the Whole House on the state of the Union from the consideration of H. R. 11984, and agreeing to the conference requested by the Senate thereon; to the Committee on Rules.

By Mr. BRIGGS: Joint resolution (H. J. Res. 401) authorizing and instructing the Secretary of the Treasury and War Finance Corporation to revive the activities of the War Finance Corporation and to direct the Federal Reserve Board to cooperate in affording necessary relief in the present emergency; to the Committee on Banking and Currency.

By Mr. BLACKMON: Joint resolution (H. J. Res. 402) authorizing the erection on public ground in the city of Washington, D. C., of a memorial to the dead of the First Division, American Expeditionary Forces, in the World War; to the Committee on the Library.

By Mr. MONAHAN of Wisconsin: Joint resolution (H. J. Res. 403) authorizing the painting of a full-length portrait of Abraham Lincoln, and placing it in the Hall of the House of Representatives; to the Committee on the Library.

By Mr. WELLING: Joint resolution (H. J. Res. 404) to suspend the requirements of annual assessment work on mining claims during the year 1920; to the Committee on Mines and Mining.

By Mr. ZIHLMAN: Joint resolution (H. J. Res. 405) authorizing the appropriations of certain funds now in the Federal Treasury to the credit of the District of Columbia, and authorizing an appropriation for the enlargement of the present water system of the District of Columbia; to the Committee on the District of Columbia.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 14910) granting a pension to Malissa Main; to the Committee on Invalid Pensions.

By Mr. BABKA: A bill (H. R. 14911) for the relief of E. A. Schwarzenberg; to the Committee on Claims.

By Mr. BRUMBAUGH: A bill (H. R. 14912) granting an increase of pension to Mary G. Patton; to the Committee on Invalid Pensions.

By Mr. BURDICK: A bill (H. R. 14913) granting a pension to Mary J. Hennessey; to the Committee on Invalid Pensions.

By Mr. ESCH: A bill (H. R. 14914) granting a pension to Sarah S. Williver; to the Committee on Invalid Pensions.

By Mr. GOODYKOONTZ: A bill (H. R. 14915) granting a pension to William J. Vanhoose; to the Committee on Invalid Pensions.

By Mr. HAUGEN: A bill (H. R. 14916) granting an increase of pension to Joseph J. Nedd; to the Committee on Pensions.

Also, a bill (H. R. 14917) granting an increase of pension to Zara Dayton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14918) granting a pension to Sylvia Ferington; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14919) granting a pension to Margaret E. Craig; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14920) for the relief of James T. Farrill; to the Committee on Military Affairs.

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By Mr. HULINGS: A bill (H. R. 14921) granting a pension to Minnie M. Raysor; to the Committee on Pensions.

By Mr. IGOE: A bill (H. R. 14922) for the relief of Mary Neaf; to the Committee on Military Affairs.

By Mr. McARTHUR: A bill (H. R. 14923) granting an increase of pension to Charles A. Marcy; to the Committee on Pensions.

Also, a bill (H. R. 14924) granting an increase of pension to Theodore Hansen; to the Committee on Pensions.

By Mr. MAHER: A bill (H. R. 14925) granting a pension to Margaret Whelan; to the Committee on Pensions.

By Mr. MASON: A bill (H. R. 14926) for the relief of James Baird; to the Committee on Military Affairs.

By Mr. MEAD: A bill (H. R. 14927) granting a pension to Veronica Deckarz; to the Committee on Pensions.

By Mr. MOON: A bill (H. R. 14928) for the relief of the heirs of Robert E. L. Rogers; to the Committee on War Claims.

Also, a bill (H. R. 14929) granting an increase of pension to James W. Scott; to the Committee on Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 14930) granting an increase of pension to Malcolm G. Brenholtz; to the Committee on Pensions.

Also, a bill (H. R. 14931) granting an increase of pension to Frederick W. Gruber; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 14932) granting a pension to Minnie W. Caswell; to the Committee on Invalid Pensions.

By Mr. PURNELL: A bill (H. R. 14933) granting an increase of pension to Mary E. Graham; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14934) granting an increase of pension to Angeline Coolman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14935) granting an increase of pension to Amanda L. Townsend; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14936) granting a pension to Minnie M. Field; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14937) granting a pension to Catherine Moler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14938) granting a pension to Mary I. Bennett; to the Committee on Invalid Pensions.

By Mr. HENRY T. RAINEY: A bill (H. R. 14939) conferring upon William A. Kirby the rank of major, and for other purposes; to the Committee on Military Affairs.

Also, a bill (H. R. 14940) granting a pension to Sarah E. Hall; to the Committee on Invalid Pensions.

By Mr. RAMSEY: A bill (H. R. 14941) granting a pension to Lillian S. Dodds; to the Committee on Invalid Pensions.

By Mr. RHODES: A bill (H. R. 14942) granting an increase of pension to Margaret Gibbons; to the Committee on Invalid Pensions.

By Mr. SHERWOOD: A bill (H. R. 14943) for the relief of I. J. Shelley; to the Committee on Claims.

Also, a bill (H. R. 14944) for the relief of William H. Keenan; to the Committee on Claims.

By Mr. SELLS: A bill (H. R. 14945) granting a pension to George W. Burleson; to the Committee on Pensions.

By Mr. STEENERSON: A bill (H. R. 14946) for the relief of William Roof; to the Committee on Military Affairs.

Also, a bill (H. R. 14947) granting a pension to Ole L. Rindahl; to the Committee on Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 14948) granting a pension to Lucy J. Popejoy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14949) granting a pension to Annie Dabney; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14950) granting a pension to Jerry H. Fryar; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14951) granting a pension to Carl D. Watters; to the Committee on Pensions.

By Mr. THOMPSON: A bill (H. R. 14952) granting an increase of pension to Ida L. Baker; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4366. By the SPEAKER: Petition of representatives of 1,500,000 farmers, members of the American Farm Bureau Federation, Indianapolis, Ind., favoring legislation that will help farmers over the present crises; to the Committee on Ways and Means.

4367. Also, petition of the faculty and students of the Massachusetts Agricultural College, protesting against the inclusion of the national parks and monuments in the water-power act of June, 1920; to the Select Committee on Water Power.

4368. By Mr. BRIGGS: Petitions of George Washington Chapter, Daughters of the American Revolution, of Galveston, Tex.; Ladies' Aid Society of Anne Trueheart Memorial Presbyterian Church; Community Club of Galveston; District Women's Christian Temperance Union; Galveston Art League; K. & L. of S., No. 1800; Ladies' Hospital Aid Society; Merrie Wives' Milk Fund for Public Schools; Civic Planting, Woman's Health Protective Association; Veuve Jefferson Davis Chapter, No. 17, United Daughters of the Confederacy; Consolation Club; Evergreen Circle, No. 73; Woman's Naval Service (Inc.), of Galveston; Galveston Lodge, No. 34, Degree of Honor; Galveston Review, No. 41, of the Woman's Benefit Association Macabees; Dingeman Hive, No. 881, Macabees; Alexander Lodge, No. 45, Ladies' Brotherhood of Locomotive Firemen and Enginemen, in support of the early passage of the Sheppard-Towner maternity and infancy bill; to the Committee on Interstate and Foreign Commerce.

4369. By Mr. CANNON: Petition of sundry citizens of Illinois, protesting against colored French troops in Germany; to the Committee on Foreign Affairs.

4370. Also, petition of sundry citizens of Illinois, protesting against legislation for the public protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4371. By Mr. DARROW: Petition of the National Geographic Society of Philadelphia, opposing the establishment and control of irrigation storage reservoirs in the Yellowstone National Park by commercial interests; to the Select Committee on Water Power.

4372. By Mr. ESCH: Petition of the American Library Association, in annual conference assembled at Colorado Springs, Colo., urging the passage of Senate bill 2457 and House bill 6870; to the Committee on Education.

4373. By Mr. FULLER of Illinois: Petition of the Rockford Life Insurance Co., of Rockford, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4374. Also, petition of Local Union No. 54, Painters, Decorators, and Paperhangers of America, favoring amnesty for all political prisoners and repeal of the espionage law; to the Committee on the Judiciary.

4375. Also, petition of the Barber Coleman Co., of Rockford, Ill., favoring the enactment of a law to punish acts of commercial bribery; to the Committee on the Judiciary.

4376. Also, petition of the Rockford (Ill.) Women's Club and the Rockford Hospital Association, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4377. Also, petition of the Western Central Stove Manufacturers, favoring repeal of the excess profit tax for 1920; to the Committee on Ways and Means.

4378. Also, petition of F. A. Roziene, president of the National Association of Vicksburg Veterans, of Chicago, Ill., favoring the passage of the volunteer officers' retirement bill; to the Committee on Military Affairs.

4379. By Mr. GARRETT: Petition of Mr. J. G. Stoker, county chairman, Weakley County Sheep Growers Association, of Drisden, Tenn., favoring the passage of the truth in fabric bills S. 3686 and H. R. 11641; to the Committee on Interstate and Foreign Commerce.

4380. By Mr. IRELAND: Petition of members of the Woman's Club of Pekin, Ill., urging passage of House bill 10925 and S. 3259; to the Committee on Interstate and Foreign Commerce.

4381. Also, petition of various citizens of Peoria, Ill., concerning the proposed establishment of a Federal department of health; to the Committee on Appropriations.

4382. By Mr. KING: Petition of the Kewanee (Ill.) Womens Club, favoring the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4383. By Mr. LONERGAN: Petition of Sanford (Conn.) teachers, favoring the exclusion of national parks from operation of the water-power bill; to the Select Committee on Water Power.

4384. By Mr. MacGREGOR: Petition of the Railway Mail Association, regarding report of the Joint Congressional Wage Commission; to the Committee on the Post Office and Post Roads.

4385. By Mr. O'CONNELL: Petition of the Merchants' Association of New York, favoring a revision of the present income-tax laws; to the Committee on Ways and Means.

4386. Also, petition of the directors of the East Brooklyn Savings & Loan Association, recommending amendment to the present income-tax law; to the Committee on Ways and Means.

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4387. Also, petition of the Silk Association of America, New York City, favoring change in the present revenue laws; to the Committee on Ways and Means.

4388. Also, petition of Local Union No. 791, United Brotherhood of Carpenters and Joiners of America, of Brooklyn, N. Y., favoring a bonus for veterans of the late war; to the Committee on Ways and Means.

4389. Also, petition of the American Library Association, in annual conference assembled at Colorado Springs, Colo., urging the passage of S. 2457 and H. R. 6870; to the Committee on Education.

4390. Also, petition of J. H. Williams & Co., of Brooklyn, N. Y., favoring a change in the present method of handling foreign commerce and urging appropriation for same; to the Committee on Appropriations.

4391. By Mr. SINCLAIR: Petition of the Women's Federated Club of Grace City, N. Dak., protesting against the passage of legislation permitting the waters of our national parks to be used for commercial purposes; to the Committee on the Public Lands.

4392. By Mr. TAGUE: Petition of the Aberthaw Construction Co., of Boston, Mass., favoring 1-cent postage on drop letters; to the Committee on the Post Office and Post Roads.

4393. By Mr. TEMPLE: Petition of the Women's Club of Beaver, Pa., favoring the passage of the Smith-Towner bill and the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4394. Also, evidence in support of H. R. 14731, granting a pension to Sarah A. Vale; to the Committee on Invalid Pensions.

SENATE.

SATURDAY, *December 11, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee with our daily tasks because we are engaged in a struggle for the supremacy of truth. We know that truth in its highest form emerges only as the result of human effort and human consecration. We turn to Thee praying Thee to give us the purpose of heart, to give us the spirit of endeavor and of consecration, that we may deliver the forces of our lives for the establishment of the truth here and everywhere. Save us from error. Save us from compromising with half truths. Give us the spirit of perfect consecration to the truth as it is in Jesus. We ask it in His name. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

INTERDEPARTMENTAL SOCIAL HYGIENE BOARD (H. DOC. NO. 892).

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a report of the United States Interdepartmental Social Hygiene Board for the first fiscal year ended June 30, 1920, which was referred to the Committee on Public Health and National Quarantine.

BONUS TO EMPLOYEES.

The VICE PRESIDENT laid before the Senate a communication from the United States Employees' Compensation Commission, transmitting, pursuant to law, a statement showing the average number of employees receiving the increased compensation of $240 per annum for the four months of the fiscal year 1920, which was referred to the Committee on Appropriations.

PUBLICATIONS ISSUED BY DEPARTMENT OF INTERIOR.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a statement showing the various publications issued by the department during the fiscal year ended June 30, 1920, which was referred to the Committee on Printing.

ANNUAL REPORT OF ATTORNEY GENERAL.

The VICE PRESIDENT laid before the Senate a communication from the Attorney General, transmitting, pursuant to law, the annual report of the Attorney General of the United States for the fiscal year ended June 30, 1920, which was referred to the Committee on the Judiciary.

PETITIONS.

Mr. ELKINS presented a resolution in the nature of a petition adopted by the Slovak League of America, Assembly 141, at Clarksburg, W. Va., relating to the partition of the Czecho-Slovak Republic, which was referred to the Committee on Foreign Relations.

He also presented a resolution in the nature of a petition adopted by the Slovak League of America, Assembly No. 259, of Monongah, W. Va., relating to the partition of the Czecho-Slovak Republic, which was referred to the Committee on Foreign Relations.

He also presented a petition from the Chamber of Commerce of Casper, Wyo., praying for the enactment of legislation increasing the compensation of employees of the Postal Service, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution in the nature of a petition of Local Union No. 2942, of the United Mine Workers of America, urging that further prosecution and imprisonment of violators of the espionage act be abandoned, which was referred to the Committee on the Judiciary.

Mr. McCUMBER presented a petition of the M. J. McElvain Post, No. 152, of the American Legion, Fullerton, N. Dak., praying for the enactment of legislation to pay ex-service men a bonus, which was referred to the Committee on Finance.

Mr. HARRIS presented a resolution in the nature of a petition passed by the cotton farmers of Cobb County, Ga., in mass meeting, praying for the enactment of legislation increasing the price of cotton, which was referred to the Committee on Agriculture and Forestry.

Mr. KENDRICK presented a resolution in the nature of a petition adopted by the annual convention of the American Federation of Labor and approved by the Hanna Local Union, No. 2335, United Mine Workers of America, Hanna, Wyo., praying for the enactment of legislation granting amnesty to political prisoners, which was referred to the Committee on the Judiciary.

He also presented a petition of the Natrona County Stockgrowers' Association, at Casper, Wyo., praying for the enactment of legislation permitting honorably discharged soldiers and sailors be permitted to enter upon and take up 640 acres of the unoccupied public domain without residence or improvements, which was referred to the Committee on Public Lands.

EMBARGO OR TARIFF ON WOOL.

Mr. WARREN. Mr. President, yesterday certain telegrams and letters in the way of petitions were presented regarding the sheep and wool industry of this country, among others the returns from the Chicago market on a very considerable shipment—some 2,000 or more head—of sheep which it seemed netted the producer only a fraction over 32 cents per head.

Wishing to ascertain something of the condition of the market elsewhere I wired yesterday to one of the large sheep-growing concerns in the West for their latest returns on mutton shipped to Kansas City, and I have in my hand a telegram in reply stating that the "net per head, ewes, was $1.22¼." That was the Kansas City market upon good sheep. The sheep-growing concern referred to, which has been many years in the business and which shipped these sheep, has been at an expense of from $7 to $12 a head in raising animals of that kind during the past few years.

While speaking of the market on mutton, I might as well mention the market, or rather lack of market, for wool. This same western concern received for its wool clip of 1919 a net return of two hundred and sixteen thousand and some odd dollars over and above all shipping and selling expenses. The clip from that same corporation is now lying in Boston, equally good, possibly better, and would not bring in the gross, from all the indications that I am enabled to secure, $100,000, and from this will have to be deducted something over $25,000 for transportation of the clip more than 2,000 miles, the commission percentages, storage, grading, and so forth. In other words, it would not bring at the present time more than about one-third of what it brought a year ago, even if it could be sold at all; and, of course, the expenses of raising the present year's clip have been higher than they ever were before.

I have a great many letters and telegrams respecting the extreme distress that prevails in the wool-growing industry. Of course there is some distress in the agricultural line as to all products, but these particular products—sheep and wool—seem to be the ones which suffer most and which will result, unless quick relief is afforded, in very many financial failures. The worst of it is that such failures are not confined altogether to the growers, but from documents that I have in hand, and

many more in my office, bankers in those communities that are undertaking to carry these farmers through, as they have done before and as is usual in all parts of the country, are in deep trouble, and so they are sending in many of these petitions. I do not propose to burden the RECORD with any particular number, but I am going to read one or two expressions contained in some of them. I have one letter from an individual grower, a very conservative man, and from that I quote:

Am writing about the necessity for an embargo or temporary relief on wool at the present session of Congress. It seems to me that the Government owes us something after fixing wool prices at less than the market price during the war—

And that is a fact—

and it seems to me that it would be to the advantage of the country at large to save this industry from absolute ruin. After having gone through the period of high wages and operating expenses, increased tremendously by the drought and hard winter, we have no market for wool on account of the foreign wool dumped in here with no tariff and the advantage to the importers of the present exchange rates, giving them a premium of some 30 per cent.

Here is a letter from a banker situated in the very heart of the wool-growing section——

Mr. SIMMONS. Mr. President, I wish to ask the Senator a question, if he will yield to me for that purpose.

Mr. WARREN. Certainly.

Mr. SIMMONS. The Senator said that foreign wool has been dumped in here because we had no tariff. I will ask the Senator if he thinks that is the only reason why it has been dumped here?

Mr. WARREN. No.

Mr. SIMMONS. Is it not a fact that the chief reason why we have had the heavy importations of wool lies in the fact that the American market was able to take the surplus wool from abroad, while many other countries which had heretofore been the chief market for such wools were not in a condition to take them in the usual quantity?

Mr. WARREN. The Senator is speaking in the right direction, but does not cover the entire ground. The wool was brought here very largely by the Government of the United States, which feared that the wool produced in this country, even though it were all absorbed, as it was absorbed at their own figures, would not carry them through. So they imported enough to keep the manufacturers busy in manufacturing the cloth needed by the Government, and were forehanded enough so that at the time the armistice came they had on hand some 600,000,000 pounds of wool, which was made up quite largely of wool brought from foreign countries, and which has very much helped to glut the market, since the War Department has engaged in wool selling almost continuously from that time.

As the Senator from North Carolina has said, this was a market where there was money for wool; there was an equally good market with the British Government. The British Government agreed to take the wool of all of the growers in its Provinces at an agreed price during the war, and until some years thereafter; in other words, until June 30, 1920.

Owing to high freights across the water and the good market here, the wool market was sustained until May last, when, in fact, it dropped nearly out of sight in value in almost the twinkling of an eye. Inside of 10 days wool that had started in transit on its way to reach a market about equal to that of last year found no market, and now lies dead in the eastern markets, while the cost of handling, owing to high cost of labor and advanced freight rates, and so forth, is greater than ever before.

I will read a quotation from the letter written by a banker. He says:

I have nothing to add to what you may know better than I do. The only purpose of this letter is, if possible, to add weight to the tide of current opinion in this country which would urge that immediate legislation be enacted to save the sheepmen and others from going broke. Many of them are badly crippled, and some are sure to fall. There has been something very far wrong in any system of government that immediately following a war setting up an almost exclusive barrier against foreign importations would permit not only the free importation of foreign wool but permit those wools to come in with a bonus to the foreign importers of an amount equal to the difference in exchange, which is now about 30 per cent, as I understand it.

The writer further says:

I do not think we could be accused of having been free and easy in the matter of loaning money last year, as at that time there was the usual 50 per cent margin. What I have said of the sheepmen applies more or less to the other branches of the live stock and farming industry. I do not know what is going to become of us unless there are early remedies applied.

Mr. President, I have only a word to add, and that is that the sheepmen, with all other producers, had expected lower prices for their products; they have, so far as they could, provided for a recession of prices; but there is nothing in history equal to the severe and crushing giving away of the wool market. As I have indicated, and as was brought out here yesterday, the same condition largely applies to the live-stock market. So to-day the grower of sheep, not being able to sell wool at all has to ship the live stock, has to go out of business, and put the sheep upon the market although they net him not much more than the freight, and his debt to the banker still confronts him.

Is that industry worth saving to the country? If it is worth saving something in the way of an embargo or of a measure equally effective and immediate, no matter how disagreeable or repugnant it may be to our ideas of ethics and the ordinary rule of legislation, must be enacted. It is an extremity in which this industry is appealing for immediate help, and the emergency is so acute as to be actually startling.

Of course we had very low prices and severe stress in this industry in 1893 and 1894, after we had had a season of free wool, but the condition which existed then came on more gradually and was nothing in comparison to the present distress. I want to indorse what the Senator from Utah [Mr. SMOOT] said yesterday, that this industry will absolutely perish unless some relief is soon afforded it.

An embargo for a few months against all receipts of wool from foreign countries could, it seems to me, hurt no one. Those countries have large stocks of wool for home consumption. So have we. And while prices might not be greatly increased wool could be sold for home consumption and the congestion would thus be relieved.

I send to the desk for reference to the Committee on Finance certain letters, many of them being from bankers, which I have received.

The VICE PRESIDENT. The communications will be received and referred.

Mr. WARREN presented a letter in the nature of a petition from Mr. G. C. Muirhead, president of the Stockgrowers' State Bank, of Worland, Wyo., favoring an embargo or restoration of the tariff on wool, which was referred to the Committee on Finance.

He also presented a telegram and letter in the nature of a petition from Hon. John Clay, of Clay, Robinson & Co., of Chicago, Ill., favoring an embargo or restoration of the tariff on wool, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from Mr. E. P. Heald, Cody, Wyo., favoring an embargo or restoration of the tariff on wool, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from James T. Elliott, editor of the Sheep and Goat Raisers' Magazine, San Angelo, Tex., favoring an embargo or restoration of the tariff on wool, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from Hon. A. H. Marble, president of the Stock Growers' National Bank, of Cheyenne, Wyo., favoring an embargo or restoration of the tariff on wool, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from Mr. Roscoe M. Wood, member of the executive committee of the National Wool Growers' Association, of Douglas, Wyo., favoring an embargo or restoration of the duty on wool, which was referred to the Committee on Finance.

He also presented a letter in the nature of a petition from Hon. Ira B. Casteel, vice president of the Stock Yards National Bank, Denver, Colo., favoring an embargo or restoration of the tariff on wool, which was referred to the Committee on Finance.

DAUGHTERS OF THE AMERICAN REVOLUTION.

Mr. MOSES, from the Committee on Printing, reported the following resolution (S. Res. 397), which was considered by unanimous consent and agreed to:

Resolved, That the report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1919, transmitted to Congress by the Secretary of the Smithsonian Institution, pursuant to law, be printed as a Senate document, with illustrations.

JOHN SULLIVAN—CHANGE OF REFERENCE.

Mr. MOSES. I move that the Committee on Military Affairs be discharged from the further consideration of the bill (S. 4513) to correct the military record of John Sullivan and that it be referred to the Committee on Naval Affairs. The reference was made by error.

The motion was agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HALE:

A bill (S. 4601) for the relief of Lewis Myshrall; to the Committee on Military Affairs.

By Mr. ELKINS:

A bill (S. 4602) providing for the appointment of an additional district judge for the southern judicial district of the State of West Virginia; to the Committee on the Judiciary.

By Mr. UNDERWOOD:

A bill (S. 4603) extending the time for the commencement and completion of the bridge or bridges authorized by an act entitled "An act to authorize the Gulf Ports Terminal Railway Co., a corporation existing under the laws of the State of Florida, to construct a bridge over and across the headwaters of Mobile Bay and such navigable channels as are between the east side of the bay and Blakely Island, in Baldwin and Mobile Counties, Ala.," approved October 5, 1917; to the Committee on Commerce.

By Mr. WATSON:

A bill (S. 4604) granting a pension to Lewis V. Boyle (with accompanying papers); and

A bill (S. 4605) granting a pension to Gilbert Adams; to the Committee on Pensions.

By Mr. JOHNSON of California:

A bill (S. 4606) to amend section 24 and section 256 of the Judicial Code; to the Committee on the Judiciary; and

A bill (S. 4607) to provide compensation for maritime workers of the United States suffering injuries while in the service of merchant vessels of the United States, their owners, or charterers, and for the dependents of such maritime workers in case of death, and for other purposes; to the Committee on Commerce.

By Mr. KENYON:

A bill (S. 4608) to amend section 1 of the act entitled "An act making appropriations for the construction, repair, and preservation of certain public works on rivers and harbors, and for other purposes," approved July 27, 1916, and section 1 of the act entitled "An act to provide for the control of the floods of the Mississippi River and of the Sacramento River, Calif., and for other purposes," approved March 1, 1917; to the Committee on Commerce.

By Mr. JONES of Washington:

A bill (S. 4609) to regulate marine insurance in the District of Columbia; to the Committee on the District of Columbia.

By Mr. RANSDELL:

A bill (S. 4611) to establish and maintain a forest experiment station in the Southern States; to the Committee on Agriculture and Forestry; and

A bill (S. 4612) for the relief of Harold Kernan; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 4613) to establish in the Interior Department a bureau of veteran reestablishment, and for other purposes; to the Committee on Finance.

REGULATION OF TRAFFIC IN THE DISTRICT OF COLUMBIA.

Mr. DILLINGHAM. Mr. President, Mr. William P. Eno, of this city, has for many years given especial attention to traffic regulation in large cities and has been instrumental in bringing about many reforms. He has recently prepared a bill relating to the same subject in the District of Columbia. So, at his request, I introduce a bill, which I ask to have referred to the Committee on the District of Columbia.

The bill (S. 4610) to provide standard general highway traffic regulations and adequate special highway traffic regulations for the District of Columbia was read twice by its title and referred to the Committee on the District of Columbia.

NET EARNINGS OF FEDERAL RESERVE BANKS.

Mr. STERLING. I introduce a joint resolution, and, because of the importance of the subject and its immediate interest, I ask unanimous consent that it may be read.

There being no objection, the joint resolution (S. J. Res. 222), relating to the use of the net earnings derived by the United States from the Federal reserve banks in the years 1921 and 1922, being the earnings accrued and accruing during the years 1920 and 1921, was read the first time by its title, the second time at length, and referred to the Committee on Banking and Currency, as follows:

Joint resolution (S. J. Res. 222) relating to the use of net earnings derived by the United States from the Federal reserve banks in the years 1921 and 1922, being the earnings accrued and accruing during the years 1920 and 1921.

Whereas it is anticipated that the net earnings derived by the United States from the Federal reserve banks during the years 1921 and 1922, being the earnings accrued and accruing during the years 1920 and 1921, will exceed $100,000,000;

Whereas such earnings are derived from interest charges collected from the borrowing public; and

Whereas it is deemed to be in the public interest at this time that such earnings should not be withdrawn from the use of productive industry; and

Whereas there is a scarcity of credit for the orderly marketing of farm products and the production of live stock: Therefore be it

Resolved, etc., That the Secretary of the Treasury, in his discretion, may use not to exceed in the aggregate $100,000,000 of the net earnings which shall be derived by the United States from the Federal reserve banks during the years 1921 and 1922, being the earnings accrued and accruing during the years 1920 and 1921, as hereinafter provided:

Immediately upon the receipt by the Treasury in 1921 of such net earnings for the year 1920, and the receipt in 1922 of such net earnings for the year 1921, the Secretary of the Treasury shall advise the Federal Farm Loan Board of the amount available for the purposes hereinafter designated, and the Federal Farm Loan Board shall thereupon immediately allot the same to the several Federal land bank districts in proportion to the needs of such districts for the purposes described.

The sums so allotted to the several Federal land bank districts shall, upon the request of the Federal land bank of any district, approved by the Federal Farm Loan Board, be placed with such Federal land bank as financial agent of the Government of the United States, to be used for the purpose of purchasing paper based on staple agricultural products or live stock.

Any Federal land bank, as such financial agent, may purchase, in the name of the Government of the United States, with the funds so deposited from banks within its district, whether members of the Federal Reserve System or not, paper based on staple agricultural products in the hands of the producer or on live stock, according to regulations to be prescribed by the Federal Farm Loan Board.

No loan purchased under this act and based on agricultural products shall be for a period longer than nine months, and no loan based on live stock shall be for a period longer than two years.

No Federal land bank shall purchase from any bank, under the provisions of this act, paper in an amount greater than three times the capital and surplus of the selling bank, nor shall any paper be purchased from any bank located in a reserve city.

All loans purchased under the provisions of this act shall be indorsed and guaranteed unconditionally by the bank selling the same to the Federal land bank.

Loans purchased under the provisions of this act shall bear interest at the rate of 6 per cent per annum, payable in advance, if the loan be for a period of six months or less; if for a longer period than six months, payable semiannually in advance, but any borrower, under the provisions of this act, may be charged for the expenses incident to his loan a sum to be approved by the Federal Farm Loan Board, not exceeding an amount equal to 2 per cent per annum for the period of the loan, of which 1½ per cent may be retained by the indorsing bank and one-half of 1 per cent by the Federal land bank making the loan.

No loan shall be purchased by any Federal land bank, under the provisions of this act, which exceeds 85 per cent of the cash value of the staple agricultural products or live stock by which such loan is secured.

Any paper purchased by any Federal land bank, as herein authorized, may be by such bank renewed or extended wholly or in part and the proceeds of any paper collected may be by the proper Federal land bank reinvested as herein authorized: *Provided*, No paper shall be so renewed, nor shall any loan be so made as to create a maturity later than January 1, 1924.

The several Federal land banks shall so administer the trust as financial agents of the Government as to complete their transactions hereunder as near as may be by January 1, 1924, and shall forthwith thereafter account for and pay over to the Treasury all moneys collected, both principal and interest.

Such money when paid into the Treasury shall be subject to the uses prescribed by the second paragraph of section 7 of the act approved December 23, 1913, known as the Federal reserve act, for the net earnings derived by the United States from Federal reserve banks.

EXCLUSION OF ALIENS.

Mr. HARRIS submitted an amendment proposing to prohibit for five years the immigration of aliens to the United States, intended to be proposed by him to the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, which was referred to the Committee on Immigration and ordered to be printed.

INDIAN CLAIMS.

Mr. HARRISON submitted an amendment proposing to refer to the Court of Claims the cases of the Choctaw, Chickasaw, Cherokee, Creek, and Seminole Indians, arising under or growing out of any treaty stipulation or agreement with the United States, intended to be proposed by him to the bill (H. R. 10105) conferring jurisdiction upon the Court of Claims to hear, examine, consider, and adjudicate claims which the Choctaw, Chickasaw, Cherokee, Creek, and Seminole Indians may have against the United States, and for other purposes, which was referred to the Committee on Indian Affairs and ordered to be printed.

MINING CLAIMS.

Mr. WARREN submitted an amendment proposing to extend the time for suspending the law during the year 1921, which requires that $100 worth of labor be performed on all mining claims of the United States, intended to be proposed by him to the joint resolution (S. J. Res. 216) to suspend the requirements of annual assessment work on mining claims during the year 1920, which was referred to the Committee on Mines and Mining and ordered to be printed.

THE WOOL INDUSTRY.

Mr. WALSH of Montana. Mr. President, some attention was given on yesterday morning to the question of the appropriate committee for the consideration of the so-called embargo bill. Since then my attention has been called to the bill introduced

by the Senator from Utah [Mr. SMOOT] which is a bill (S. 4557) to provide revenue and to maintain the wool-producing and manufacturing industries of the United States in a condition of preparedness for national requirements.

It was the opinion of the Senator from Utah that the bill should appropriately go to the Committee on Finance, and I have not been understood as offering any objection to that reference, but the Senator will observe that the title of the bill characterizes it as a bill to raise revenue, and it purports to amend the revenue act. Now, if it is such, of course, this body has no jurisdiction over the subject at all.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Montana that the reason why I introduced the bill was because it might be possible to agree with Members of the House that whichever body could act first should do so. It does change and will necessarily change the revenue law because of the fact that manufacturers of woolen goods are involved, upon which there is a duty, and it repeals certain sections of the law and necessarily will have to do so.

I am not going to push its consideration in the Senate, if after conference to-day with the chairman of the Committee on Ways and Means of the House he desires that the House shall act first. I shall not ask for any action upon it here in that event, but if after that conference he has no objection to it or there is no objection upon the part of Members of the House, to hasten the matter, I shall ask that it be considered by this body, although the bill does not raise revenue, but prevents the collection of it.

Mr. WALSH of Montana. That is not really the matter to which I have desired to direct the attention of the Senator. Of course, the Senator must expect that in this body there will be some opposition to the measure, and anyone opposing the measure in this body may immediately arise and assert, and he must be sustained, that this body has no jurisdiction whatever over the subject, and we can not get consideration for the measure at all in this body. So I suggest, in the interest of expedition, that the Senator consider whether the bill is really a measure for raising revenue.

Mr. SMOOT. It does not raise revenue. The bill is to amend the act that is recited in the title of the bill.

Mr. WALSH of Montana. If that is the case, then there is no use in this body doing anything at all about it. Indeed, we can not do anything about it until the House of Representatives acts. My own opinion about the matter is that the Senator is in error on that point. The Constitution provides that bills for raising revenue shall originate in the House of Representatives. We do not propose to raise any revenue; we propose to prevent revenue from being raised; and therefore my own opinion about the matter is that the bill is not a bill of which the House of Representatives has original and exclusive jurisdiction. But I suggest to the Senator that the form in which the bill is prepared lends much strength to the argument that it is such, and accordingly that this body has no jurisdiction.

Mr. SMOOT. That question will be discussed if it is decided to bring the bill before the Senate for action before action is taken in the House. I rather agree, and have stated so in the Committee on Finance, that the position just taken by the Senator from Montana is the correct one, and it will be discussed, and I shall take the same position as the Senator if the question is raised. I do not want to have any feeling between the Senate and the House, and therefore I have asked for the conference to which I have referred. That conference will take place to-day. The Senator, I think, has the same idea that I have in relation to the necessity for the legislation.

Mr. WALSH of Montana. I suggest to the Senator that if he introduce a bill embracing just the last two lines of his bill, namely, "the importation of wool, manufactures of wool, wool wastes, and wool on the pelt are hereby prohibited," that is all he needs. If he will refer that bill to some committee other than the Committee on Finance this body might then, it seems to me, appropriately proceed to consider it. If we find, then, any differences arise between the House and the Senate those could be very readily adjusted and the Senator could go on with the consideration of the matter in this body. But it occurs to me that we will not be permitted to take a step under the bill introduced by the Senator as it stands now.

Mr. SMOOT. I think otherwise. I think that if we get this legislation enacted into law we must not antagonize the House, and therefore I am going to take every precaution that I can to see that there is no difference between the two bodies.

Mr. WALSH of Montana. That is my purpose, and I suggest to the Senator that he is precipitating it by this course.

Mr. SMOOT. I think the suggestion of the Senator would meet the same objection that the bill I have introduced has met. The bill which I have introduced simply covers the situation and explains in detail just what the legislation is.

REDUCTION OF ARMAMENTS.

Mr. WALSH of Montana. Mr. President, it will be recalled that under article 8 of the covenant of the League of Nations the council is charged with the duty of preparing plans for the reduction of armaments, to be submitted by it to the various Governments for their consideration and action. The council has entrusted to a commission created by it the work of drafting such a plan, to be submitted to it, and when approved by it—if it shall be approved—to the various governments.

The commission, proceeding with its work, immediately encountered the embarrassing fact that the United States was not in any manner represented. Obviously no plan for a reduction of armaments could receive the approval of the other great powers of the earth unless the United States joined in the plan, a consummation to be wished but not likely to be reached unless it should participate in the formulation of the plan; and, the situation being presented to the council, an invitation was sent by it to the Government of the United States to send a representative to sit with the commission thus created by the council when it should consider such, such representative to act in a consultative capacity.

To this invitation the President of the United States sent a letter declining, in the course of which he said:

> The President of the United States is deeply interested in this question and is most desirous of cooperating to this end, but as the Government of the United States is not a member of the league he does not feel justified in appointing a commission to take even a de facto participation in the deliberations of the council or of the commission acting on behalf of the council in the execution of provisions in the covenant of the League of Nations.

That appears to me to be an utterly inadequate reason for not sending a representative from this country to engage in this great work. To me it appears to be a matter of entire indifference in connection with the effort thus inaugurated, whether we are or are not members of the League of Nations. The great powers other than the united nations are engaged in what appears to be a bona fide effort to bring about a reduction of armaments. I can see no reason why we should not participate in that effort.

I feel not only that the position taken is utterly inadequate to justify a determination not to participate, but that it will be regarded by the world as so inadequate and indefensible that the conclusion will naturally be indulged that we declined for some reason other than that which is thus stated, and it is an easy step from that to the conclusion that we do not desire to participate in the movement because we are opposed to any plan for a general reduction of armaments, and from that to the conclusion that we are opposed to any reduction in armaments because we have imperialistic designs, calculated to excite suspicion in the minds of the people of many of the nations of the earth. That, to my mind, would be an utterly unjust and unfounded suspicion. I know the people of the United States harbor no such purposes, and I am entirely convinced that they have never receded from the position which they have long maintained, that there ought to be a general plan arrived at by all the great powers for a reduction of armaments.

Mr. President, we are advised that the estimates for the Army and Navy of the United States for the current year mount to the almost inconceivable sum of a billion and a half dollars. If there were no other reason, the condition of the world at the present time would give force to the suggestion that a reduction ought to be accomplished in order to relieve the labor of the world from the ever-mounting cost of armaments.

The position of the United States upon this subject has often been expressed. I refer to the last formal expression, found in the Naval appropriation act of 1916, from which I read as follows:

> It is hereby declared to be the policy of the United States to adjust and settle its international disputes through mediation or arbitration, to the end that war may be honorably avoided. It looks with apprehension and disfavor upon a general increase of armament throughout the world, but it realizes that no single nation can disarm, and that without a common agreement upon the subject every considerable power must maintain a relative standing in military strength.
>
> In view of the premises, the President is authorized and requested to invite, at an appropriate time, not later than the close of the war in Europe, all the great Governments of the world to send representatives to a conference which shall be charged with the duty of formulating a plan for a court of arbitration or other tribunal, to which disputed questions between nations shall be referred for adjudication and peaceful settlement, and to consider the question of disarmament and submit their recommendation to their respective Governments for approval. The President is hereby authorized to appoint nine citizens of the United States, who, in his judgment, shall be qualified for the mission by eminence in the law and by devotion to the cause of peace, to be representatives of the United States in such a conference. The President shall fix the compensation of said representatives, and such secretaries and other employees as may be needed. Two hundred thousand dollars, or so much thereof as may be necessary, is hereby appropriated and set aside and placed at the disposal of the President to carry into effect the provisions of this paragraph.

Mr. President, I can very readily understand how, in view of events that have transpired within the past year and a half, the President of the United States should have made such a reply. I dare say that if he had sent a representative in accordance with the courteous invitation extended by the council of the league, it would be charged upon many hands that it was another effort upon his part to force us into the League of Nations and that he was, despite what has transpired, actually participating in its deliberations. I undertake to say that if the great powers of the earth had, without reference to the council, extended an invitation to the United States to send a representative to meet representatives sent by them for the purpose of considering a reduction in armaments, no one would be heard to urge that such an invitation should be declined. What is the difference if they choose to send the invitation through the council of the League of Nations, they to be represented by their delegates to the council rather than by representatives selected for that specific work?

But, Mr. President, the Senate of the United States, as I conceive it, has a duty in this matter as well as the President of the United States. This body is a necessary and integral part of the treaty-making power. We can not fail, as it seems to me, to take cognizance of this invitation extended to the Government of the United States to participate in this effort to accomplish a reduction in armaments.

Accordingly, I offer the resolution which I send to the desk, and ask that it be read.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 308) was read, as follows:

Whereas pursuant to article 8 of the covenant of the League of Nations, wherein it is recited that "the members of the league recognize that the maintenance of peace requires the reduction of national armaments to the lowest point consistent with national safety and the enforcement by common action of international obligations," the council of the league has appointed a commission with authority to formulate plans for such reduction, to be, when approved by the said council, submitted for the consideration and action of the several Governments; and

Whereas it is reported that the said commission labors under some embarrassment in its work by reason of the fact that the United States is not represented either on the said commission or the said council; and

Whereas the people of the United States have long hoped for some international agreement for the reduction of armaments, not only to preserve peace but that the labor of the world may not be unnecessarily burdened with the ever-mounting cost of maintaining armed forces in accordance with the policy of the powers in the past; and

Whereas the said council of the League of Nations has addressed to the President of the United States a communication inviting it to designate a representative to sit with such commission in a consultative capacity during the study by the commission of the question of the reduction of armaments: Now, therefore, be it

Resolved, That the President be, and he hereby is, requested to express to the council of the League of Nations the earnest desire of the Government of the United States to cooperate with the commission so by the said council appointed and with the said council in the formulation of plans looking to a general reduction of armaments, for submission to the several Governments for their consideration and action, and that he be, and he hereby is, further requested promptly to designate, with due authority, such representative.

Mr. WALSH of Montana. Mr. President, just one word touching the second request of the resolution, namely, that a representative be designated by the President to participate in the discussions as requested. I should like very much, indeed, if favorable action is taken on the resolution, to have it so arranged that the nomination by the President should be sent to the Senate for confirmation. I am not sure that that can be accomplished, although I daresay it can, and I want to suggest the means by which it can be done.

Mr. LODGE. Mr. President, this seems to be a resolution of very great importance, and I think it ought to go to the Committee on Foreign Relations.

Mr. WALSH of Montana. It was my purpose, of course, to ask that it go there.

Mr. LODGE. I beg pardon; I did not know that that was the purpose of the Senator.

Mr. WALSH of Montana. The Constitution gives to the President of the United States power to make treaties by and with the advice and consent of the Senate. Our practice is that the initial negotiations are with him. He may conduct them in person or he may designate some representative to act for him. The discussions to be entered upon would be in the nature of negotiations for a treaty, and I think it is understood by the world now that no agreement of the kind proposed can be entered into by the United States only upon the advice and consent of the Senate, two-thirds of its members concurring. It has been the practice for the President to designate, without the concurrence of the Senate, negotiators of treaties. That practice was followed in the negotiation of the treaty of Ghent. It was challenged at the time, but the validity of the exercise of such power by the President I believe has never since been seriously questioned.

Notwithstanding that, Mr. President, in the particular circumstances which confront us, I should like to have the matter considered carefully by both Houses of Congress, and to see taken the judgment of both on the proposition as to whether we ought not to meet in the most hospitable spirit any proffer coming from any responsible quarter of an opportunity to join in arranging a plan for the reduction of armaments.

The expression to be desired might be accomplished by a bill providing for the appointment of negotiators, substantially like the provisions of the act of 1916, to which I have adverted. If the suggestion is deemed by the Committee on Foreign Relations to be of any value, its recommendation can be made accordingly. That is, I desire primarily to test the temper of both Houses of Congress with respect to disarmament—essential, I believe, to the salvation industrially of the world.

Mr. BORAH. Do I understand that this is a joint resolution?

Mr. WALSH of Montana. No; it is a Senate resolution. I ask that it be referred to the Committee on Foreign Relations; I also ask that the invitation extended by the council of the league and the reply of the President of the United States thereto be printed in the RECORD.

The VICE PRESIDENT. Without objection, it is so ordered.

The matter referred to is as follows:

[From the Washington Herald, December 6, 1920.]

UNITED STATES "CONSULTANT" INVITED ON LEAGUE'S WAR BOARD—STATE DEPARTMENT UNDECIDED ON ACCEPTING GENEVA PROFFER TO SEAT AMERICAN ON MILITARY COMMISSION.

The League of Nations at Geneva has transmitted to the State Department an official invitation to name American representatives to sit in a "consultative" capacity on the permanent military, naval, and air commission of the league.

It was announced at the State Department last night that the Government had not as yet made up its mind what its eventual attitude toward the proposal would be. A high authority in the department expressed the opinion that as the United States is not a member of the league it was hardly likely to avail itself of an opportunity to participate even "consultatively" in a league commission.

The communication telegraphed by M. Hymans, president of the council, reads:

"The council of the League of Nations, acting on a unanimous recommendation of the permanent military, naval, and air commission of the league, passed at its meeting in Geneva on November 25, invites the Government of the United States to name representatives to sit on that commission in a consultative capacity during the study by the commission of the question of the reduction of armaments, a study which the council has requested the commission to undertake forthwith.

"The permanent advisory commission was constituted by the council of the league at its meeting in Rome last May and held its first session at San Sebastian in August. The commission is at present composed of military, naval, and aerial officers of States represented on the council of the league. Its decisions are purely advisory and not in any sense binding, but they represent the common technical judgment of the experts of many countries.

"It would, of course, be perfectly understood that the presence of the representatives of the United States would in no way commit the American Government to whatever opinions may be finally put forward in the report of the commission. Nor indeed can that report itself be more than a basis for the consideration by the members of the league of the measures of reductions in armaments which united action may enable them to achieve. Nevertheless, just as in the case of the financial conference at Brussels the presence of an American representative, whose function was only that of giving and receiving information, was an important factor in the success of the work of the conference, so it can not be doubted that the general consideration of the subject of the reduction of armaments will be greatly facilitated if the Government of the United States can see its way to be represented in a similar manner at the meetings of the permanent advisory commission.

"The problem is one to which public opinion in all countries attaches the highest importance.

"It is unnecessary to point out that the reduction of armaments is essential for the well-being of the world and that unless some measures of relief can be found by international cooperation for the excessive taxation due to armaments the general economic situation must become increasingly worse.

"The council in extending this invitation can not but hope that the Government of the United States, particularly in view of the attitude of America toward the question of the competition in armaments, will not refuse to associate itself with the Governments of the members of the league in beginning the preliminary work necessary for ultimate success and to lend to the present effort an assistance which can in no way encroach upon its own perfect liberty of action."

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WILSON DECLINES LEAGUE INVITATION—TELLS COUNCIL HE DOESN'T FEEL JUSTIFIED IN NAMING DISARMAMENT ENVOYS—BARRED BY NONMEMBERSHIP—PRESIDENT DECLARES UNITED STATES IS IN SYMPATHY WITH PLANS OF COMMISSION.

[By the Associated Press.]

President Wilson yesterday declined the invitation of the League of Nations to send delegates to take part in the discussions of the disarmament commission.

The President informed the League of Nations council that inasmuch as the United States was not a member of the league he did not feel justified in appointing a commission "to take even a de facto participation."

The United States, however, the President declares, is in sympathy with any plan for world disarmament.

SENDS REPLY TO HYMANS.

The reply was transmitted yesterday through the State Department to Paul Hymans, president of the council. It follows:

"I have the honor to acknowledge the receipt of your cablegram of December 1 inviting the Government of the United States to name

representatives to sit with the military, naval, and air commissions of the league in a consultative capacity during the discussion by the commission on the reduction of armaments, the consideration of which is to be undertaken by it forthwith at the request and on behalf of the council.

ADMITS A DEEP INTEREST.

"The Government of the United States is most sympathetic with any sincere effort to evolve a constructive plan for disarmament, which is necessary for the economic rehabilitation, peace, and stability of the world. The President of the United States is deeply interested in this question and is most desirous of cooperating to this end, but as the Government of the United States is not a member of the league he does not feel justified in appointing a commission to take even a de facto participation in the deliberations of the council or of the commission acting on behalf of the council in the execution of provisions in the covenant of the League of Nations."

The VICE PRESIDENT (at 12 o'clock and 45 minutes p. m.). The morning business is closed.

FINANCING OF AGRICULTURAL OPERATIONS.

Mr. GRONNA. On yesterday, before adjournment, the unfinished business, Senate bill 3944, was laid before the Senate, with the understanding that the War Finance Corporation joint resolution should be taken up. I therefore ask that the unfinished business be laid aside temporarily so that Senate joint resolution 212 may be taken up for consideration.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 212) directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country.

Mr. SMOOT. Mr. President, I have not had time to discuss this joint resolution with the chairman of the committee, and I am going to take just a few minutes of the Senate's time to call his attention to section 2 of the joint resolution.

I can not conceive why section 2 is in this joint resolution, and there are certain expressions in it which I know it is impossible to interpret. I can not see why the Senate should undertake to direct the Federal Reserve Board, by language which no one can understand and will not tend to secure the object the Senator introducing the joint resolution had in mind. For instance, it says, "That the Federal Reserve Board is hereby directed to take such action as may be necessary."

That is a broad expression, Mr. President; who knows what will be necessary; and I do not know of any direction in the past by Congress to any agency of the Government couched in such words.

Then it proceeds to say:

To permit the member banks of the Federal Reserve System, in accordance with law and consistent with sound banking.

Another very strange expression to be enacted into law.

Following that it says, "by permitting the rediscounting of such notes of extension at the lowest possible rate of interest." If that were interpreted by the Federal Reserve Board literally, it would be 1 per cent or less. Section 2, it seems to me, will not clarify things, but will bring into the law expressions which it will be impossible for members of the board to follow.

I can not see any reason for section 2 to reach just what the committee has in view; that is, to revive the War Finance Corporation. If it is revived, then the act creating the corporation will be in force, and that provides just what the corporation can do.

Mr. BORAH. Mr. President——

Mr. GRONNA. If the Senator from Idaho will pardon me a moment, the Senator from Utah has failed to read that portion of the paragraph which is vital, and that is the language, "in accordance with law and consistent with sound banking."

Mr. SMOOT. I read that.

Mr. GRONNA. Can the Senator imagine any language more definite than that particular language?

Mr. SMOOT. Yes. If the Senator had said, "in accordance with law" and left out the words "and consistent with sound banking," it would have been understood by all. What is deemed "consistent with sound banking"?

Mr. BORAH. That is the question I wanted to ask.

Mr. SMOOT. One man may say one thing, another man may say another, and I do not see how we can direct the Federal Reserve Board to proceed in a way that will be "consistent with sound banking."

What we ought to do, if we are going to direct them to do anything, is to say positively what we want them to do; and I think that "in accordance with law" is sufficient, because I do not believe they have any right, nor should they have, to proceed in any other way than in accordance with law. When this corporation is revived, then the act creating the War Finance Corporation will be in force again, and they will operate under that law. I think that is all the Senator wants.

Mr. GRONNA. Mr. President, so far as I am personally concerned, I can assure the Senator from Utah that it would be very satisfactory to me to strike out the language "consistent with sound banking," if the Senator from Utah is satisfied with the language, "in accordance with law." I shall not now take the time of the Senate or speak further in the Senator's time, but I had assumed that any man who had had anything whatever to do with banking would at all times know what "sound banking" means.

Mr. SMOOT. There are men appointed on boards and commissions in the departments who never before in their lives followed the business which they are appointed to handle. I do not believe that any man ought to use his judgment as to what sound banking might be, if it conflicts in any way with the law.

Mr. GRONNA. There can be many theories, but there can be only one practice or method of sound banking, and no one knows that better than the Senator from Utah.

Mr. SMOOT. Then, Mr. President, it seems to me that the only thing to do is to strike out section 2. Perhaps it will shorten this discussion, as far as I am concerned, if the Senator will really tell me why section 2 is in this joint resolution. What is the object of it?

Mr. GRONNA. The object of section 2 is this: That the committee recognized, as every Senator will recognize, that some of this relief must come with the cooperation of the Federal Reserve Board.

Mr. SMOOT. They can only do it under the law.

Mr. GRONNA. If the Senator will permit me, a careful reading of the War Finance Corporation act will show that it is exactly in compliance with the law. The Senator will upon reflection see that it is nowhere in opposition to or in violation of the provisions of the War Finance Corporation act.

Mr. SMOOT. If section 2 becomes a law, can the Federal Reserve Board do more than they can now do under the law?

Mr. GRONNA. It is more of a suggestion. As the Senator from Georgia [Mr. SMITH] so well said yesterday, the first section is absolutely mandatory. Section 2 is a very helpful suggestion——

Mr. SMOOT. I am not criticizing section 1.

Mr. GRONNA. Because every business man knows that much valuable relief can be given through the Federal Reserve Board cooperating with the War Finance Corporation. Nobody knows that better than the Senator from Utah.

Mr. SMOOT. I expect, Mr. President, that both those agencies will act along the line that is provided by the laws which are upon the statute books. All the Senator wants to do is to revive the War Finance Corporation.

Mr. GRONNA. That is one of the objects.

Mr. SMOOT. If the Senator desires to do more than that, then this joint resolution is not sufficient. When the War Finance Corporation is revived, then it finds its power in the act approved April 5, 1918, by which the corporation was created. In this joint resolution we are not giving them any more power.

Mr. GRONNA. No.

Mr. SMOOT. There is nothing here that is giving more power to the Federal Reserve Board than they have under existing law. Therefore it seems to me that what the Senator wants to do is to revive the War Finance Corporation, and not say anything about the Federal Reserve Board, unless you want to amend the act creating it.

Mr. GRONNA. It is not the intention of the committee, so far as I know, to make any amendment to that law, nor do the provisions of this joint resolution amend the law in any respect, neither the original law nor the amendment which was enacted on March 3, 1919, which of course extended the jurisdiction of the War Finance Corporation to do business with foreign nations, as the Senator well knows. I have not had the time to confer with the other members of the committee, but so far as I am personally concerned I have no objection to striking out the language "and consistent with sound banking." However, I do insist that section 2 is material and important, and I would not be willing to strike it out.

Mr. SMOOT. Well, Mr. President, I shall certainly offer an amendment to strike out section 2 of the joint resolution when the time comes. I do not think for a moment that when the attention of Senators is called to it they will insist upon section 2 remaining in the bill.

Mr. SMITH of South Carolina. If the Senator will allow me, I think the main object of this section is to call the attention of the Federal Reserve Board to the high rate of rediscount obtaining now, and to the necessity, as a great many see it, of lowering the rate of rediscount on this class of paper, under the power which they have under the law. It is not without precedent that that is sought to be done, because in 1914 and 1915 the Federal Reserve Board gave a preferential

rate to agricultural paper. It did it for the benefit of the country, and it resulted in benefit to the country.

Mr. SMOOT. It was done under the existing law.

Mr. SMITH of South Carolina. It was done under the existing law. I think myself that perhaps the language "in accordance with law and consistent with sound banking" might be left out, and, going right to the heart of the matter, which is to give a preferential rate to agricultural paper, the section should read, just leaving out any reference to sound banking principles or "in accordance with law," as follows:

That the Federal Reserve Board is hereby directed to take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at the lowest possible rate of interest.

The Senator must remember that the rate of rediscount now is 6 per cent, and in North Carolina the usury rate is 6 per cent, so that a bank in North Carolina could not rediscount a dollar at Richmond. According to the Comptroller of the Currency the resources of the banks of the country are $53,000,000,000. We all know that there is money enough in this country and brains enough in this country to bridge the chasm between us and the nations of Europe, who need our commodities, and to get the securities that would be necessary to move our products from this country abroad; but the man who has the products is the man who has not the organization and the capital to relieve the situation, and the man who has not got them generally wants them to go down. That is the situation, and that is what we are trying to obviate now.

Mr. SMOOT. If that is the object of section 2, why not express it so that everyone will understand it? Section 2 does not say that at all. If that is what we want to do, we ought to amend the law and say that the rate of interest shall not be above a certain percentage.

Mr. SMITH of South Carolina. If the Senator will allow me to make a further observation, the law allows them now to use discretion in their rates of interest on certain classes of paper. Why, even the merchant dealing in the wool of the West and the cattle of the West and the cotton of the South is absolutely or practically without a market, not because there is not a potential demand, but because everybody has lost faith, because the word went out, "Deflate, deflate," and certain loans were called; and the intricate relations of all the business of this country are such that you can not vitally affect one without affecting every one. When you began to knock your ninepins down they all went down.

Why should we not say directly that it is the judgment of Congress that we should extend a preferential rate to the fundamental business upon which this country rests—agriculture?

Mr. SMOOT. The law now gives that right, and if we are going to change it let us say what we want them to do and not infer by language that they can act in any way they want to. The law now gives them the right to make different rates.

Mr. SMITH of South Carolina. The law now is for the War Finance Corporation to operate, but it is not operating, and we are directing it to operate.

Mr. SMOOT. You are rehabilitating that, and there is a question about its power to function.

Mr. SMITH of South Carolina. It is still the law.

Mr. SMOOT. There is a question about that. There is no need of going into that, because I think the Senate is pretty well convinced of the need for the rehabilitation of that corporation; but section 2 is an entirely different proposition. It has been stated upon the floor of the Senate that as a result of section 1 and the rehabilitation of the War Finance Corporation the corporation will not sell more bonds. If they are not going to sell more bonds nothing will come from the passage of this resolution. The War Finance Corporation will go into the market immediately and sell their bonds, and that is what we all understand they will do.

Mr. SMITH of South Carolina. If the Senator will allow me again, I do not know that the second section is so vital if the other functions according to its purpose and intent. But I do know that the rate of rediscount on commercial paper in this country now was raised to a point where it is for the express purpose of contracting the currency. Now that, in conjunction with the widespread propaganda, was the expressed policy of our Federal Reserve officials, that we must deflate, but perhaps they got the terms "deflation" and "expansion" mixed in their minds. However, whatever was their purpose they have accomplished it—there is no doubt about that—to the bankruptcy of the country.

We thought one of the elements that had entered in was their lack of inspiring confidence along certain fundamental lines, namely, the agricultural interests, and in expressing a preferential rate toward them and toward certain other things that might not be as necessary we would not only render real material aid but inspire confidence, the Government recognizing the fact that the agricultural interests of this country were the bedrock upon which everything rests, and that the prosperity of agriculture means our prosperity and its ruin our ruin. That is the object, I think, of section 2.

Mr. SMOOT. No matter how much I may desire to see section 1 passed, I do not want to make any statement upon the floor of the Senate that would not be justified. We have heard much about the deflation of currency. We have had no deflation of currency to the present time.

Mr. BORAH. May I ask the Senator from Utah a question for my own enlightenment? I know the Senator has given a great deal of consideration to this subject. I find from some figures which have been furnished me that New York City banks have on deposit from country banks at this time $1,021,211,022. That is money drawn from the country which ought to be out doing the service of the country. Does the Senator know of any method under the present law by which that condition of affairs could be remedied?

Mr. SMOOT. I will say to the Senator from Idaho that the law of each State requires that its banks shall have a certain percentage of their deposits on hand. No bank keeps the full percentage in its vault. Such banks deposit a part of their reserves in the New York banks and receive from 2 to 2½ per cent on their daily balances. The interest received is one reason they keep it there. Not only that, they keep credits in New York banks in order that they may issue drafts to their customers to pay their debts for eastern purchases and carry on all sorts of transactions that occur in all parts of the country. A New York draft is taken in San Francisco; it is taken in Kansas City; it is taken in Chicago; it is taken everywhere; and nearly every bank in the United States of any size keeps an account with the New York banks and receives 2 to 2½ per cent on their daily balances. That is one reason the money is held in New York, I will say to the Senator. If they had this money now in the banks in New York out in their own vaults, they could not lend any more of it than they are lending now, because of the very fact that the law requires that they shall keep a certain percentage of their deposits on hand.

Mr. BORAH. Does the Senator contend that the law requires that they shall keep this amount on hand?

Mr. SMOOT. The amount that is named, and a great deal more, in my opinion, I will say to the Senator. I do not think there is a bank now in the United States that has very much more on hand than the law requires. They are loaned down as low as at any time in the history of the country.

Mr. GLASS. Mr. President, I think I must have misunderstood the Senator from Utah if he contends that there is any law, National or State, that compels any bank to keep a balance in any correspondent bank in New York City.

Mr. SMOOT. I never made such a statement.

Mr. GLASS. The Senator from Idaho asked why the money was in New York.

Mr. SMOOT. And I told the Senator why it was in New York.

Mr. GLASS. I do not think the Senator from Utah was exactly accurate in his statement.

Mr. SMOOT. What did the Senator from Utah say?

Mr. GLASS. Perhaps I did not hear the Senator fully.

Mr. SMOOT. I think the Senator from Virginia did not understand what the Senator from Utah said.

Mr. BORAH. What I would like to know from some one who knows is why all this money is congested in New York City, where, we are informed, they are using it in large measure for purely speculative purposes and dealing in a class of securities which does not help the country in a crisis like this. This money seems to be used largely for loans on call at a very high rate of interest and for a class of business which serves the country in times like these very little indeed.

Mr. GLASS. I understood the answer of the Senator from Utah to be that it was drawn there by the payment of a low rate of interest on deposits. As a matter of fact it is drawn there to be loaned out as call money at a very high rate of interest.

Mr. SMOOT. This is what the Senator from Utah said, and the Senator from Utah knows what he is talking about——

Mr. GLASS. I do not deny that at all. Perhaps I did not understand the Senator from Utah aright.

Mr. SMOOT. This is what the Senator from Utah said. The Senator from Utah said that most of the banks in the intermountain country, in the West, and in the Middle West as well, maintain an account in the banks in New York City and the amount that is deposited in New York is a part of the

percentage of their deposits that is necessary to keep on hand. The reasons why banks deposit money in New York are twofold. One is that they must have funds in New York to issue drafts against the same to their customers to meet their customers' obligations and——

Mr. GLASS. For which there is no use at all under the Federal Reserve System, and the money kept in New York by the country banks is not there as a part of the legal requirements of the money on hand. That was all changed by the Federal reserve act. The money required to be kept on hand and deposited is kept with the Federal reserve banks and not with the New York banks or any other banks except the Federal reserve banks.

Mr. SMOOT. I know what we do in our banks. I know we count it as a part of the reserve; and I know other banks do it, so there is no need of discussing it.

Mr. GLASS. They have no right to count it.

Mr. SMOOT. I know they count it as a part of their reserve.

Mr. GLASS. They are not permitted under the law to count deposits with correspondent banks as a part of their reserve.

Mr. SMOOT. Not for the Federal reserve bank, but they are permitted to do so as to the amount of money on deposit that the States by law require, and I said that was under the State law, and the Senator from Idaho [Mr. BORAH] will sustain me in that statement.

Mr. GLASS. The Senator may be correct.

Mr. McLEAN. May I ask the Senator from Idaho [Mr. BORAH] if this statement which he has just read referred to the Federal reserve banks and member banks or all of the banks of the country?

Mr. BORAH. This is given to me as the amount of money on deposit in New York City banks by the country banks.

Mr. McLEAN. Very likely the 20,000 banks that are not in the system would account for a large portion of those deposits.

Mr. BORAH. In addition to that, the banks of eight of the large cities in the United States have on deposit in country banks $1,977,460,000. You see where the money of the country is. It is congested in these money centers, and the very object of the Federal Reserve System was to prevent that condition of affairs. The fact is that the Federal Reserve System does not seem to be operating as it was intended to operate. It looks like there was undue influence in some quarters. I trust I am in error, but this is not a healthy condition of affairs.

Mr. McLEAN. So far as the Federal Reserve System is concerned, I think the Senator will find that the reserves of the member banks are being deposited of course in the Federal reserve banks, and these reserves are kept there, and the eastern Federal reserve banks are now lending very largely to the southern and western banks, and there is no concentration of currency in New York.

Mr. BORAH. I beg the Senator's pardon, but I have the loans also which accompany this proposition to the country banks, and it makes very little difference in the sum total of the figures.

Mr. McLEAN. According to Gov. Harding's statement before the Committee on Agriculture on this very matter, the southern and western banks are now borrowing large sums from the eastern banks. The western banks are borrowing very largely from the eastern banks belonging to the Federal Reserve System. That was Gov. Harding's testimony.

While I am on my feet I want to say to the chairman of the Committee on Agriculture and Forestry that section 2 of this joint resolution is absurd, in my opinion.

Mr. SMOOT. It is perfectly absurd.

Mr. McLEAN. There is no question about that. It does not attempt to add one dollar to the reserves of the Federal reserve banks or of the member banks. When we pass a law directing the Federal Reserve Board to do all that may be necessary to extend credits to the farmers at the lowest possible rate of interest, we direct them to do what can not be done, unless we provide some way by which the reserves in those banks may be increased.

Mr. SMITH of South Carolina. If the Senator from Utah will allow me, I desire to ask the chairman of the Committee on Banking and Currency a question. In reference to the tremendous loans, which appear on paper, to the agricultural districts, South and West, East and North, I desire to ask, Has the Senator from Connecticut any way of ascertaining how much of these so-called loans are bond accounts, transferred to commercial accounts and rated now, in contradiction of promises, as commercial accounts, when they are really loans for the purchase of bonds?

To illustrate, this occurred in my State: A man was approached by a banker and asked to buy a $1,000 bond. He replied, "I have only a $2,000 credit with your bank to run my farm, and if I take this $1,000 bond—and you say you will carry 90 per cent of it—it will be charged against my commercial account." The banker said, "Oh, no; this loan will stand on its own bottom; this bond will be a distinct loan and will take care of itself." When the spring opened and the farmer went to open his account the rate of interest on the bond, in moneys that he might draw, was increased beyond the rate that the bond bore, and it was charged to his commercial account. That, I am informed by bankers, was universal all over this country. The volume of seeming loans to our agricultural interests consists merely in the conversion of the indebtedness of the people who, buying beyond their means under the promise that the loans would be carried as special bond loans, find them now converted into commercial loans, which are charged against their commercial account, thereby stagnating everything.

Mr. McLEAN. Mr. President, if the Senator from Utah [Mr. SMOOT] will pardon me, the question of the Senator from South Carolina [Mr. SMITH] is one which would have to be answered by the members of the Federal Reserve Board. Of course, whatever has been done, has been done according to law. The Senator from South Carolina does not dispute that. The pending joint resolution does not undertake to change the law. I might reply to the Senator from South Carolina by again quoting Gov. Harding's testimony before the committee. He said that there were cotton growers in the South who were trying to get accommodation from the banks to hold cotton that was grown in 1917 in order to peg the price of that cotton until they could sell it for a profit. Probably that is one of the reasons why the members of the Federal Reserve Board have been trying to conserve the resources of the Federal Reserve System and to direct them to the accommodation of the legitimate commercial needs of the country.

Mr. SMITH of South Carolina. I will say to the Senator from Connecticut, if the Senator from Utah will permit me——

Mr. McLEAN. If the Senator will pardon me one moment, I think this question is one which has to be faced in a courageous way. My sympathies are entirely with the purposes of the joint resolution, but I am not in favor of enacting legislation which is purely deceptive. I think we had better tell the whole truth about the situation and not try to fool the farmers. If the chairman of the Committee on Agriculture and Forestry or the Senator from South Carolina can point out that section 2 of the joint resolution will provide a single additional dollar for the accommodation of farmers seeking credit, I will withdraw my objection. That can not be done under the section. The officials are left to administer this section according to law, and it is absurd to direct them to do everything that is necessary to provide the farmers of the country with money at the lowest possible rate of interest when we know it is an impossibility.

Mr. SMITH of South Carolina. Why is it an impossibility?

Mr. McLEAN. Because we have not the reserves.

Mr. SMITH of South Carolina. The Comptroller of the Currency, in a public statement which I have in my pocket, which he issued some time in October, officially declared that there was enough gold reserve held by the Federal Reserve System to issue $2,000,000,000 more of circulating notes than were then outstanding, and that was in the midst of the deflation period.

Mr. McLEAN. I want to tell the Senator that the reserves in some of the Federal reserve banks are now below the legal requirement and that the average is close to the legal requirement.

Mr. SMITH of South Carolina. Yes; and if the deflation and destruction of prices go on—and we have changed the basis of our credit to where it is largely a commodity basis—we shall not have any reserve in any of them.

Mr. SMOOT. Now, Mr. President——

Mr. POMERENE. Will the Senator allow me to make a suggestion?

Mr. SMOOT. Yes; I will yield to the Senator.

Mr. POMERENE. I realize that the Federal Reserve Board has had very serious difficulty in determining what should be the discount rate, and we must not forget while we are trying to serve a certain clientele that it is the course they have taken which has kept our financial system safe, and which can differentiate it from some of the financial systems of Europe. Let me suggest to our friends who are seeking to serve certain localities—and I sympathize with them; I realize the difficulties under which they are laboring—that existing conditions do not affect the agricultural interests any more than they affect the manufacturing or commercial interests. More than that, let me make the suggestion that it is not the rate of discount which the Federal reserve bank may decide to be the proper rate of discount that is going to control the rate of interest

which is charged to their customers by the banks of the several States. In the State of Ohio, for instance, the legal rate is 6 per cent; the contractual rate may be 8 per cent; in many of the States the legal rate is 10 per cent; and if we have a discount rate of, let us say, 5 or 6 per cent, who is to get the difference? Will the customer get it or will the local bank get it?

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, I can state that in 1914 and 1915 and a part of 1916, I believe, a preferential rate was given agricultural products, and that the banks themselves allowed a lower rate for the benefit of the farmers. There may be some instances where that was not so. The Senator from Ohio knows that the higher the rediscount rate necessarily the nearer will it be to the legal rate in a given State; the margin between the two will grow smaller.

Mr. GLASS. Mr. President, apropos of what the Senator from Ohio has just said, the major provocative for raising the rate of rediscount by the Federal Reserve Board and the Federal reserve banks was the fact that there were thousands of banks in this country located in the States in which the rate of interest was high which were almost subsisting by the profits they made out of rediscounts. They were getting money from the Federal reserve banks at 5, 5¼, and 6 per cent and loaning it to their customers at 10 and 12 per cent. Thus the system placed a premium on rediscounting rather than responding to the commercial requirements of the country.

Mr. SMITH of Georgia. Are not the national banks limited to 8 per cent in connection with the interest charge to their customers?

Mr. GLASS. There is a considerable money-making profit in the difference between 5¼ or 6 per cent and 8 per cent, if the volume of transactions be large enough.

Mr. SMOOT. Mr. President. I do not know where I left off when I was interrupted half an hour ago, but I was answering, I think, a question asked me by the Senator from Idaho [Mr. BORAH]. I had made the statement that the western banks held deposits in the banks of New York for the purpose of issuing drafts against their accounts and meeting the requirements of their customers in connection with the purchase of goods in all parts of the United States. I know the Deseret National Bank, of Salt Lake City, a member bank, keeps a deposit in New York all the time. I know they have never loaned on time a single dollar of the money deposited in New York, and I know that they have never speculated in a commodity or stock from the time that they were organized up to the present day. They do, however, as I have said, keep a deposit in New York for the accommodation of their customers and to facilitate their own business. They also draw interest upon their daily balance.

Mr. GLASS. I hope the Senator did not understand me to deny that proposition. I said they are not legally obliged to keep deposits there.

Mr. SMOOT. Nor did I say that they were; I have never intimated such a thing. I said that they kept deposits there because they could draw 2 per cent or 2½ per cent on their daily balances and because they desired deposits there for the accommodation of their customers.

I know, Mr. President, that there has been a great deal of money made by the little banks by the rediscounting of paper, getting money from the Federal reserve bank in the district in which they are located and then lending the money just as the Senator from Ohio [Mr. POMERENE] has said they have done; but there are many of the banks, I believe, that have not followed that practice. I know the bank in Provo, of which I am president, has never discounted a cent of paper from the day that it was organized down to the present time. It has never asked assistance of another bank, and I hope and trust that it never will be compelled to.

However, what I desired to do was to call the attention of the Senate to the absurdity of section 2 of the joint resolution. I do not want the farmers of the country to think for a moment that section 2 places one dollar more at their command than is at their command to-day. Why is that section of the bill here? I think it would be better for the Senate of the United States to strike it out. Let us say what we want; that is, to rehabilitate the War Finance Corporation, and when it is rehabilitated to employ $500,000,000 of capital stock. Section 12 of the act creating the corporation gives them the power of making loans, as I remember, to the extent of six times the amount of the capital stock, or $3,000,000,000. Let us not deceive ourselves. How much money are we going to advance and how are we going to get it? There is only one way to get it, and that is to sell bonds, as provided by the law.

I am not saying this in opposition to the measure at all. If a Senator can show me what section 2 will do toward assisting the agricultural interests of the United States I will admit that I was wrong. But there is nothing in it, Senators.

Mr. SMITH of Georgia. Mr. President, I have suggested adding in the seventh line, after the word "agricultural," the words "and other products," so that it will read "the financing of the exportation of agricultural and other products."

Mr. SMOOT. That is right. Everybody must admit that that is right. Why should we direct an agency of the Government of the United States, organized for the purpose of assisting the exportation of all kinds of goods, that it shall from now on grant assistance to one class? We want to be fair to ourselves. We want to do such things that at least the American people can point to us and say that we are using good judgment.

Mr. SMITH of South Carolina. Mr. President, of course the chairman of the Agricultural Committee is here, and other members of the committee, but I want to say, in justification of myself as a member of the committee and as one helping to report out this joint resolution, that it was the opinion of the committee as expressed in my hearing that the law was such that if the War Finance Corporation were rehabilitated they already had power to look after these other industries; but, on account of the fact that agriculture and cotton were suffering more than anything else by the very nature of the case, since they are not organized and have no reserve capital like our corporate interests in this country have, we just attempted to emphasize here the needs of agriculture, though not to the detriment of the others. Of course the War Finance Corporation will operate for the aid of others, but we drew particular attention to the distressing condition of agriculture.

Mr. SMOOT. Mr. President, I would have voted for section 1 of the measure just as it is, because if the War Finance Corporation is rehabilitated I know what it will undertake to do, but we are not going to get any more money from section 2, and if we rehabilitate the War Finance Corporation with its $500,000,000 of capital, and section 12 of the law, authorizing the sale of bonds to six times that amount, or $3,000,000,000, that ought to take care not only of the agricultural interests of the country but of every other interest. I want to say that if we can not take care of the country on that basis the country will not be taken care of, because more bonds than that can not be sold in this market. In fact, it would be an impossibility to place that amount. So why load down a measure with a provision that is so inconsistent, that means nothing to the industries of the country, and that means nothing to the farmer in the way of assistance?

I think it is the part of wisdom for the Senate to strike out that section, and I think the joint resolution would have a far better chance of passing in the other body, the House of Representatives, if that were stricken out, because when it goes to the House it may be the means of holding it up for discussion for a long, long time. What is wanted is immediate relief. Time is of the essence of this thing. There is suffering at this very moment, not only on the part of the producer, but on the part of the banks that are loaning and have loaned the producer money.

It is impossible for the stock men of the West to borrow more money. How are they going to get feed for their cattle this winter? How are they going to take their sheep from the summer range to the winter range, and provide for carrying them through the winter, unless they get immediate relief? Senators, let us not put anything in this joint resolution that is going to take time by bringing on discussion.

Mr. GRONNA. Mr. President, does the Senator understand that the provisions of the War Finance Corporation act mean that that corporation can deal with anyone except banks—that it can deal with any individual in the way of furnishing him money?

Mr. SMOOT. I have the act here, and I will read it.

Mr. GRONNA. Is it not true that through the general course of business the money will be placed with the banks?

Mr. SMOOT. Why, Mr. President, of course anybody that gets a salary, or that borrows a dollar from any source, as a general thing deposits the money in a bank.

Mr. GRONNA. I mean the transactions will be made through the banks.

Mr. SMOOT. Why, certainly; unquestionably.

Mr. GRONNA. Then, I ask the Senator from Utah, and also the Senator from Connecticut, why is it so absurd to call the attention of the banks that get this money to the requirement of the law that they shall loan to these people at a liberal rate of discount? The Senator must not overlook the fact that the Committee on Agriculture and Forestry has held extensive

hearings; and if he will refer to page 53 he will find, in the statement of the governor of the Federal Reserve Board, that he calls attention to the fact that since January 27, 1920, when the word went out raising the rate of discount, the loans have decreased. Now, what difference does it make whether you have the banks full of money or not if the public are not going to get the money? Does that help the farmer, I will ask the Senator from Utah?

Mr. SMOOT. The Senator from North Dakota is a banker himself; and I will ask him if a farmer at the present time made application to his bank and the bank's reserves were as low as it was safe for them to be whether he would make the loan?

Mr. GRONNA. I shall be very glad to answer the Senator. I have never dealt with the Federal Reserve Board; I have never had a dollar from the Federal reserve banks; I have never rediscounted with them.

Mr. SMOOT. Neither have I.

Mr. GRONNA. But if I could have the advantage and the benefit of this particular law, I could extend that benefit to the farmer, and I could not do it in any other way.

Mr. SMOOT. Mr. President, the Senator is a banker, and he knows that if he will take up the bank statements that were issued last month he will find that nearly every bank in the United States is loaned to the very limit of safety. They are not going to take any chances of loaning below the amounts the law requires that they shall hold on hand against their deposits. If they do, those who know the banking business know what will happen to them. Therefore I say to the Senator that the money that will come from the sale of these bonds ultimately will find its way into circulation. That is the object of it. That is what it is for. If it is not going to do that, then let us not pass the resolution.

Mr. GRONNA. Does not the Senator from Utah overlook one important fact? In the amended law of March 3, 1919, the War Finance Corporation is permitted to do foreign business to the extent of a billion dollars. That is the way the Senator understands the law, is it not?

Mr. SMOOT. Does the Senator from North Dakota mean the Edge law?

Mr. GRONNA. No; I mean this law, the War Finance Corporation law.

Mr. SMOOT. Yes; as I remember it.

Mr. GRONNA. I know that one citizen who was a member of the War Finance Corporation intended that we should extend our business with foreign nations. We do not depend for that extension entirely upon the sale of bonds. We want to sell our products, and the only way we can dispose of them is to seek a market in foreign lands.

Mr. SMOOT. Mr. President, we do not need any legislation for that purpose.

Mr. GRONNA. I will say to the Senator that this legislation will remedy that.

Mr. SMOOT. Why, yes; because of the very fact that we have to advance the money in order to do it; that is all. The Senator knows that Germany has not the money now to buy the wheat of this country, or the wool of this country, or the cotton of this country. We might just as well understand it as not. The people of Germany have not got it; and if they are going to buy these products they will have to get credit or advances in order to do so.

Mr. GRONNA. I agree with the Senator.

Mr. SMOOT. I want to say to the Senator that when the revenue bill was under discussion we were asked here upon the floor of the Senate time and time again how much money our Government was going to loan to foreign countries and when we were going to stop such loans. I answered the question as briefly as I could by saying that I did not know how much it would be, but it would be equivalent to the amount of the balance of trade between the two countries. England did not have the money; France did not have the money; the money was not in the world to pay such trade balances, and we would simply have to loan them the amount of the difference between the trade of the United States and the trade of those countries; and that is what we did.

Mr. GRONNA. The Senator from Utah and I do not really disagree on the questions that are fundamental; and if the Senator will pardon me for digressing a little from the real question that he is discussing, I think what I am about to say is pertinent to this discussion. If the Allies do not have the money necessary to set up this vanquished nation in business—I do not know that they intend to do it, but I am going to state my own views with reference to that matter. If I owe the Senator from Utah a large sum of money, he is too good a business man to tie my hands and my feet and prevent me from earning a dollar. If the Allies of Europe want money or credit for the people of that nation, it is their business to make the arrangements that will make it possible for this Government to extend credit, which it can do, I will say to the Senator, without the use of any money. We can extend our credit by selling our products to the people of that country, and nobody knows it better than the Senator from Utah; and that would be a business proposition.

If the Allies are in earnest and really intend to give the people of Germany a chance to make good in paying their debts to the Allies, and if unable to extend credit to Germany, then they should make it possible for us to extend credit, because we are able to do so; but before we can consider such a proposition we must know absolutely that the securities are good.

Mr. SMOOT. That would be all right if the producer would furnish the credit to the foreign countries; but the producer has to have the money, and somebody has to pay him the money, and somebody has to extend the credit to the foreign nations, and that is what the War Finance Corporation is going to do if anything comes from this legislation. Why, we can not lift ourselves up by the straps of our boots. We can not extend credits to foreign countries, and with the same money and at the same time pay the producer for the goods that are shipped to the foreign countries. That is impossible.

Mr. GRONNA. I think we all agree on that. If the Senator will pardon me for interrupting him, I want to read to him just a short paragraph from the statement made by the governor of the Federal Reserve Board. What does he say? After giving the various amounts which have been loaned and stating how the loans have been extended, he says:

> It is evident that any continuation of such a rate of increase as that would soon exhaust the resources of any banking system, no matter how strong. However, from the 27th of January, 1920—

I said 1919 a moment ago; I should have said 1920—

> when Federal reserve bank discount rates were advanced, until the present time there has been only a moderate increase in the invested assets of the Federal reserve banks, but a substantial increase in the volume of Federal reserve notes outstanding, and while the angle of ascending credit during the period September 19, 1919, to January 27, 1920, was 45 degrees, the angle since the 27th of January has been but about 2 degrees.

What does that mean? It means that at the very time the farmer is ready to garner his crop and dispose of his crop there is a deflation; there is an absolute stop to the using of the resources. How is he to get along with that sort of a condition? You force the farmer's product upon the market immediately, and what does it mean? It means that he must dispose of it at any price he can possibly get.

Mr. SMOOT. We have gone far afield, Mr. President, from what I rose to discuss, and I do not think it is necessary for me to take any more time of the Senate.

I am just as much interested in this legislation as the Senator from North Dakota [Mr. GRONNA] is interested in it. I know the situation of the farmers in this country just as well as he. I know the situation not only of the farmer but of the stock raiser, and of nearly every interest in the United States. We are having now hundreds of men knocking at the doors of the Finance Committee asking that all the losses for 1919 be credited upon their tax account for 1920.

I know, Mr. President, there are very few institutions of this country which are going to come out even this year when depreciation of the value of their holdings are considered, very few of them; and when we had the excess-profits tax under discussion on this floor Senators will remember that I told them then that the profits which the invoices showed were in bricks and mortar and machinery, which at some day or other would not be worth 10 cents on the dollar, and we find that to be the case to-day. When everything was advancing—all manufactured goods, all products, everything that was sold by the merchant—most anyone could have shown a profit in his business if he had taken his invoice at the increasing prices. The advances were enough to show an immense profit every time he took stock. And he took his stock that way, and he paid his taxes upon it, and it seems strange to me that men could not see what was coming.

I was in hopes after the signing of the armistice that reconstruction would be begun at once and gradually reach to the point where business would be upon a sound basis again. But no; the business men of the country did not take action looking to that end. They held up the prices just as long as it was possible. They kept up those extremely high prices and compelled the people to pay them, and now, Mr. President, the slump has come, and prices have been declining so fast that it has almost destroyed business.

So, Mr. President, all I want the Senate to do is to pass legislation which will pass the House as soon as possible to meet the situation, and section 1 will do it without any section 2.

Let us at least be consistent, and let us strike out section 2 of this joint resolution, and then let it pass.

Mr. HARRISON. Mr. President, I did not expect to say anything touching this measure, but I do not like to be indicted for doing such an absurd thing as the Senator from Utah [Mr. SMOOT] seems to think the Agricultural Committee has done in incorporating section 2 in this joint resolution.

If section 2 is absurd, section 1 is absurd. Neither of these sections amends the law or changes the law in the slightest. Both of the sections contain merely an expression of opinion, an expression of desire upon the part of the Congress as to what should be done.

Let us see the absurdity which the Senator from Utah says is incorporated in section 2. If we are guilty of doing an absurd thing, I want to call the Senator's attention to the fact that about 30 governors from every part of the United States have not agreed with him. They did not think it an absurd thing. There was a conference of governors from various sections of the country, and one of the recommendations they unanimously agreed upon was to ask the Federal Reserve Board to do that which section 2 requests shall be done by the board.

Mr. NORRIS. Mr. President——

Mr. HARRISON. And I noticed that the present governor of the great State of Utah was there in person, and that the incoming, the next governor of the great State of Utah was there also. I yield to the Senator from Nebraska.

Mr. NORRIS. The Senator has just said what I was going to call his attention to.

Mr. SMOOT. I think the governors wanted legislation in order to assist the agricultural interests of the United States, as well as the others, but I do not think any one of them read section 2. I do not think they ever read a line of it.

Mr. McLEAN. I would like to ask the Senator from Mississippi if he has a copy of the resolutions as adopted by the governors?

Mr. HARRISON. Yes; I have a copy of them, and I will read it for the edification of the Senator from Utah.

Mr. McLEAN. I have read it, and I know that the principal resolution is that Congress pass finance legislation of some sort, or words to that effect.

Mr. HARRISON. I will read the part in which they asked that the War Finance Corporation be revived, and other relief. The resolution provided:

> Let the Federal Government create a finance corporation of some sort—
>
> And so forth.
>
> The Federal Reserve Board should be urged and authorized to advise all banks to adopt a liberal policy of renewals.

Mr. SMOOT. That is entirely a different proposition.

Mr. HARRISON. That is practically what section 2 does.

Mr. SMOOT. That is, the Federal Reserve Board was to do that.

Mr. HARRISON. The Federal Reserve Board.

Mr. SMOOT. Yes.

Mr. HARRISON. That is what we are asking them to do in this resolution. I am afraid the Senator from Utah did not read section 2.

Mr. SMOOT. Oh, yes; I did.

Mr. HARRISON. He always reads everything. I am surprised he did not read it.

Mr. SMOOT. I have read it to-day.

Mr. HARRISON. Section 2 provides:

> That the Federal Reserve Board is hereby directed to take such action as may be necessary to permit the member banks of the Federal Reserve System, in accordance with law * * * to grant liberal extensions of credit to the farmers of the country——

Mr. SMOOT. Oh, no.

Mr. HARRISON. I will get back to the other proposition. That is what the Senator objected to most vociferously. It continues:

> To grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them—

And so forth. I left out this one proposition just after "in accordance with law," "and consistent with sound banking." The Senator from Utah objects to the words "and consistent with sound banking."

The Committee on Agriculture thought that by incorporating that provision we were clothing it with some conservatism; we really pointed out to the Federal Reserve Board that in extending this liberal credit to the farmers of the country, while they must follow the law, they must also do nothing inconsistent with sound banking. So if we should adopt a motion that might be made by the Senator from Utah to strike out "consistent with sound banking," we would be putting the United States Senate on record as being against the provision of the law which said to act "consistent with sound banking."

We merely call to the attention of the Federal Reserve Board that in making credits they should follow a liberal policy, and that they should charge as low a rate of interest as is possible "in accordance with law and consistent with sound banking."

It may be that the Federal Reserve Board can not loan any more money because their reserves are not large enough.

Mr. McLEAN. Mr. President, right there——

Mr. HARRISON. If they can not do that, then it does not say that they shall do it, because it expressly provides that they can do nothing that is not consistent with sound banking or in accordance with the law.

Mr. McLEAN. Mr. President, may I interrupt the Senator to ask him a question?

Mr. HARRISON. Certainly.

Mr. McLEAN. Section 2 provides that they shall do all that is necessary to enable the member banks to accommodate the farmers. The Senator has just said that they may find that this can not be done.

Mr. HARRISON. Yes.

Mr. McLEAN. Would it not be better to use the word "possible" instead of "necessary," then?

Mr. HARRISON. I do not know that I would have any objection.

Mr. McLEAN. Do you want to compel them to do a thing which they can not do?

Mr. HARRISON. The Senator from Connecticut [Mr. McLEAN] and the Senator from Utah [Mr. SMOOT] know that what we are doing here is that which the Senate of the United States should not be called upon to do.

Mr. SMOOT. Yes; that is right.

Mr. HARRISON. I do not care if the Secretary of the Treasury is a Democrat—and I have very high regard for him; I think he is a splendid man—on this proposition I differ with him, I differ with him absolutely, because I believe that the War Finance Corporation should be revived, and that liberal credits should be extended to the agricultural interests of the country in this very unusual and deplorable situation. The Congress of the United States four months after war was ended thought the War Finance Corporation should be continued, and adopted an amendment to keep it functioning. It should be functioning now, and should not have been closed by the order of the Secretary.

Section 2 does not change any law; it merely expresses an opinion of the Congress of the United States. Section 1 does the same thing—changes no law, adds nothing to the law, but merely expresses an opinion of the Congress of the United States that this War Finance Corporation should be revived.

I asked the Secretary of the Treasury while he was on the stand, "What if a majority of the Congress should differ with you as to the advisability of reviving the War Finance Corporation? How could we get it started and going?"

He said, "By passing a resolution directing me to do it."

So we are merely following the suggestion of the Secretary of the Treasury, and I believe that both of these sections should remain in the bill. It might give some relief to the great agricultural interests of the country. I am opposed to striking out section 2. I do not believe it is an absurd proposition. I believe when the Federal reserve banks make sixty or seventy millions of dollars a year it is possible for them to reduce their rate of interest so that some of the people can be taken care of who need to be taken care of. I am opposed, Mr. President, to the amendment suggested by the Senator from Georgia [Mr. SMITH]; that is, that other products should be added in this resolution. I believe in facing this proposition in a courageous way.

What do we want here? The War Finance Corporation under the law to-day could make loans, if it were functioning, to the manufacturing interests, as well as to the agricultural interests. It could assist every interest in the country.

By passing this joint resolution, and specifically pointing out the agricultural interests, it does not prevent the War Finance Corporation, if it should be revived, from continuing to loan to other interests in the country for export; not at all. But we know that when depression comes, the first interest to feel the depression is agriculture. That is the breaking point, and they have felt it for months—yea; for almost a year. Twelve months ago the things they produced they could sell at a reasonable price; and those necessaries they needed, they cost highly, yet they survived because of the prices they received for their products. But to-day the prices of the farmers' products is reduced about fourfold, while for the things he buys he is compelled to pay approximately the same. Cotton in my

country has been reduced from a dollar a pound to 18 cents a pound, and certain grades of cotton can not be sold at all. The price of wheat to the farmers in the West has been greatly reduced, but the things they buy have not been proportionately reduced. Oh, just a little bit it may be, but not much. I think they will come down after Christmas, but the retailers are holding on just as long as they can. The crash is bound to come, but up until this good hour there has been no such depreciation in the things that the farmer has bought as has been in the things he produced and has had to sell.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. GRONNA. I ask unanimous consent that the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Is there objection? The Chair hears none.

Mr. GRONNA. I ask that the Senate proceed with the consideration of Senate joint resolution 212.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Senator from Mississippi will proceed.

Mr. HARRISON. Now, some Senator said that the value of exports has increased during all this time and gave figures to bear out that statement. That may be true, but I know that one product in bales for export has not increased. I read the testimony of Mr. Meyer. Mr. Meyer, on page 14 of the hearings, says this, and I merely cite this to show that while the value of exports may show an increase and may show large, when you take certain products and give the volume, it does not show an increase. Mr. Meyer says:

> Whatever the figures in dollars may be, the amounts are what interest the producer. The farmer does not produce dollar exports; he produces bales of cotton and bushels of wheat and products measured in pounds and tons. You may be misled by the dollar value of exports, and you may be misled on the total figures. The statisticians say that the volume is 25 per cent in excess of what it used to be before the war. But I have made a little compilation of the cotton situation, simply as an index. The exports from September 4 to November 27, 1920, were 1,481,450 bales—about the same as last year up to date. These 1,481,450 bales compare with the last prewar year, 1913, for the same period, when the amount was 3,837,139 bales, and the year before that it was 3,808,429 bales, and the year before that it was 3,710,514 bales.

And so on down the line, showing that we are not exporting within 2,000,000 bales of cotton of what we were before the war, and we are now trying to revive the War Finance Corporation so that it will help in the exportation of this and other commodities.

I am against adding other products, because we know that the basis of prosperity in this country is agriculture, and it is agriculture that needs help right now. They must have help now. They are laying their plans for their future crops, and they need to be financed. Mr. Meyer, in his testimony, said this when the War Finance Corporation closed. I asked the question of the Secretary of the Treasury if it should be revived whether he could show any preference in making loans, and he took the view that they could not. I think he is wrong. I think the board could say what loans they ought to make, but he takes a different view of it; and so we would be placed in the attitude, unless it is specified and pointed out to the War Finance Corporation that we wanted the agricultural interests taken care of, that they might make all these loans to some one else and aid other industries and not aid this that we think is vital and necessary at this time.

Here is what Mr. Meyer said:

> Under more or less similar arrangements the War Finance Corporation financed the export of $12,000,000 of wheat to Belgium and $5,000,000 of condensed milk to various countries in Europe. At the time that it was requested by the Secretary to suspend financing exports it had applications involving the export of $17,500,000 of copper—

That was not financed, because the War Finance Corporation closed—

> $2,200,000 fabricated steel to Italy; $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky; $4,000,000 cotton to Czechoslovakia for a large southern exporter; $25,000,000 cotton to Czechoslovakia for a group of southern bankers; $3,000,000 for cotton to Italy by a group of bankers; $9,000,000 by a group of bankers for export of cotton to Italy; $24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States; $2,400,000 by a group of bankers for coal to Italy; $4,000,000 by a group of bankers for cotton to Italy; $4,000,000 for ships to be bought or constructed in this country for Italy—in all, $100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

He said that the reason these loans had not been made to carry on the agricultural exports was because it was a slower process to get the loan arranged for them than for the others. So it is merely as a protection to this great interest upon which the prosperity of the country is based, namely, agriculture, that I think it should be pointed out specifically in the resolution to be taken up, and that in no way will it affect the board in making loans to other interests in the country. The effect of the passage of this resolution will be good. It should help the situation. The least we should do is to pass it, and do it now. That is all I desire to say.

Mr. McCUMBER. Mr. President, I wish to call attention to some imports of grain into the country during the last month. I first wish to call attention to the fact that during the whole year of 1919 we imported 5,405,405 bushels of wheat. Now, that was a whole year's importation. In October of 1920, in a single month, we imported 10,517,528 bushels. A telephone message to the Department of Agriculture brings the response that in all probability the November importations will be at least 12,000,000 bushels. Thus, in a single month of 1920 we have imported twice as many bushels into the country as we imported in the 12 months constituting 1919.

Now, Mr. President, I am going to support by my vote the joint resolution introduced and which is in charge of my colleague. I am not certain that it will produce all that we would like to secure, but I do believe that it will be helpful in giving encouragement and confidence to the export business, and it may help us to export a few of the bushels of grain that we are now importing.

But why not apply an effective remedy? If a merchant finds that he can not sell half of his stock of goods that he now has on hand, he quits buying. Do Senators know of any reason why, when a Government finds that it has more goods than it can use in the United States and is attempting to find some place to sell them, that it should not also quit buying? Why should we be buying Canadian wheat at the rate of 10,000,000 to 12,000,000 bushels a month and at the same time be seeking for some method by which we can export not only that many bushels but in addition export our own surplus?

In other words, while we acknowledge that we have a surplus in the United States which must be exported, we are still allowing that surplus to be increased at the rate of 10,000,000 to 12,000,000 bushels per month.

I know a great many Senators are fearful of the word "embargo," but there has not come a single resolution from one of the commercial bodies of my State asking for relief which has not asked that an embargo be placed upon the importation of these articles. They seem to think that the President of the United States has the power under present law to declare an embargo. I do not think he has, I will say candidly. I do not know of any power that is imposed upon the President to apply an embargo restriction except in that contained in the anti-dumping law. In order to constitute dumping into the country it must be established that the product is being sold from the importing country for export cheaper than it is sold to its own citizens. I do not understand that that is the case in Canada.

Therefore I do not think, under the present law, that we could apply any embargo restrictions. But we can make the law. We can do it in a very few minutes if we see fit. We could pass it through the Senate if we saw fit. We could stop this enormous importation of wheat into the United States. There is a bill now before the Finance Committee or the Committee on Agriculture and Forestry asking that such embargo be placed for one year; of course, for a less time if we finally get a tariff bill that will prevent the excessive importation. That is reaching the situation right where it is. The trouble is we have too much grain in the United States for home consumption and we are adding to that trouble by increasing the number of bushels at the rate of about 10,000,000 to 12,000,000 per month.

Now, Mr. President, I hope we will get some benefit from the joint resolution under discussion. I have little faith, I admit, but I think there is an opportunity for it to do some good. I have tried to ascertain how we are going to get the money, because that, after all, is the real crux of the situation. We say "give credit to Germany and Austria." I hope we can do it. I hope we can take the obligations of those Governments and furnish them with the money, but where are we going to get the money? That is the question. If the banks have loaned to the limit of their ability on the basis of safety we can not get it from the banks.

We hope to sell bonds. The bonds, if they can not be bought by the banks, will have to be bought by the public, by the people generally; but if the banks have not got the money the

people have not got the money, because what they have is in the banks as a rule. I do not think they will subscribe very liberally at the present time even for bonds to furnish money to buy these crops, though I hope they will. But what little it can do, if it is only a very little, ought to be done. Anything that we can do in relieving the situation ought to be done.

We ought to apply any remedy that we think will be in the slightest degree effective; but I again suggest that the most important remedy, a remedy that would be quickly effective and would show its effectiveness in an immediate response by way of an increased price of these products, would be to prevent their importation.

We can not get anything for our wool; wool is coming into the country in enormous quantities; and I am informed—and I believe credibly—that the Australian and New Zealand and Argentine wool crop is now ready to be thrown into the country in greater quantities than ever before. Now, I simply say that so long as we have enough wheat in the United States to supply the American people with flour for a full year, and then some to spare, I would stop the importation of wheat under the present exigencies. If we have wool enough in the United States to make all the clothes that we shall need for the next year—and I am informed that we have—I would stop the importations of wool until the farmers could get a price that would allow them at least to buy the cloth with which to clothe themselves.

The situation, Mr. President, is a most serious one, and I have not as yet heard of any remedy which I think will be adequate to meet it. The remedy of an embargo would be more valuable than any other possible remedy at the present time. If we can not get that, I shall cheerfully vote for the pending joint resolution, from which we hope to secure at least some benefit.

Mr. HARRIS. I offer an amendment to the joint resolution, which I send to the desk.

The PRESIDING OFFICER (Mr. CURTIS in the chair). The Senator from Georgia offers an amendment, which will be stated.

The READING CLERK. On page 2, section 2, line 16, it is proposed to strike out the words "the lowest possible rate of interest" and to insert "not exceeding 6 per cent per annum."

Mr. HARRIS. I will ask the Secretary to read the section as it would stand with the amendment which I have proposed inserted.

The PRESIDING OFFICER. The Secretary will read as requested.

The READING CLERK. As proposed to be amended, the section would read:

SEC. 2. That the Federal Reserve Board is hereby directed to take such action as may be necessary to permit the member banks of the Federal Reserve System, in accordance with law and consistent with sound banking, to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them by permitting the rediscounting of such notes of extension at not exceeding 6 per cent per annum.

Mr. HARRIS. Mr. President, I desire to state that I should favor the rate of 5 per cent interest instead of 6, but I think the amendment I have offered will meet objections which have already been urged against section 2. In my State the legal rate of interest is 8 per cent and the discount rate of the Federal reserve bank is 7 per cent. Many of the smaller banks in my State are not willing to take the risk for the difference in the rate of interest. For that reason many of our farmers are not getting accommodations in carrying their crops which they otherwise would get if the rediscount rate were made lower.

The distressing financial condition in the agricultural sections of our country, especially in the South and West, can, in my judgment, be relieved to a great extent by the Federal reserve banks reducing their rediscount rate and by resumption of the activities of the War Finance Corporation. In Georgia, my home State, many farmers have been unable to borrow money and hold their cotton for prices anything like the cost of production, and are selling it to-day at less than half what it cost to produce. The rediscount rate charged by the Federal reserve banks is 7 per cent and the legal rate of interest in Georgia is 8 per cent. With unsettled conditions, many of the Georgia banks were unwilling to loan a large amount on cotton for a profit of only 1 per cent; they claim the risk is too great.

My amendment reduces the rediscount rate of the Federal reserve banks to not exceeding 6 per cent. I would gladly make it 5 per cent, but it would meet serious opposition in the Senate, and I hope the Federal reserve banks will not exceed that amount. If they make the rediscount rates to the banks at even 6 per cent, the banks of the South would loan to the farmers the necessary money to hold their cotton for prices that would enable them to sell at a price equal to the cost of production, and aid the farmers in selling cotton to the European countries at a fair price. The world is in greater need of cotton than ever before. There is less cotton on hand to-day, considering the needs of the world for cotton goods, than ever before in our history. The Federal reserve banks were not organized to make money, but to meet conditions that exist at this time.

Mr. SMITH of South Carolina. Mr. President, I do not intend to take any great length of time of the Senate in discussing the pending joint resolution. I think a majority of the Senators present see the necessity for the action contemplated by the proposed legislation. The situation is such that no one can be dogmatic as to what has caused the present conditions, nor can he accurately forecast the future. There are, however, some causes which have contributed to the present unfortunate situation with which we are all acquainted and which we appreciate. There are certain forces that were not in operation heretofore, even before the war, which have tended to bring about a condition which the Federal Reserve Board and other authorities thought it was their duty to correct.

I do not read very well from manuscript; I should prefer to speak in reference to this matter just as I feel about it; but in order not to allow the feelings which I have on this subject to influence what I have to say, I shall now read from manuscript some observations in reference to the causes which have brought about existing conditions.

The condition that now obtains throughout the country is not the result alone of post-war forces; perhaps in a way it is brought about in a less degree by post-war forces than by certain other influences.

Our Federal Reserve System in 1914 supplanted our old banking and currency system. It perhaps became a workable plan, or, in other words, the machinery and the principle of the Federal Reserve System got into practicable operation about 1915. It was a radical departure from the old system in that it placed in the hands of the Government the control of the banking business of this country. This necessarily gave to the Federal Reserve Board and the officers of the regional banks almost unlimited power in the control of the currency of the country, so that whatever attitude they assumed toward finance and commerce was immediately and powerfully effective throughout the Nation and the world. On account of our almost unlimited resources available, geographical position, and the combination of other fortunate circumstances, together with this new and wonderful system of banking, the main feature of which system was its elasticity and its power to mobilize or capitalize the resources of the country, we easily and rapidly became the bankers of the world. Money, gold, and credits poured into this country from Europe especially, and elsewhere, during the war in exchange for our commodities and foreign securities for our credits. The result was an unusual demand for our commodities and unusual facilities for liquifying or cashing them. Prices rose in this country to unusual points, partly because of the unusual demand caused by the war, and partly because of our new system of banking.

After the armistice was declared it was natural to suppose that there would be a readjustment, but no one ever dreamed that we had first to paralyze commerce, bankrupt agriculture and all producing and commodity handling institutions, before we should again assume the sane and normal function of business. We seem to have acted on the principle the old farmer announced when in attempting to burn out the débris that had accumulated around an old wooden rail fence he burned up the fence. He consoled himself for his loss by saying that he had a nice clean place to build a new one.

There is no justification whatever for the present condition of affairs in this country. As I see it, the causes are so manifest that one need not be surprised that we are in the condition in which we find ourselves. The causes as I see them are these:

First. The power to expand or to operate the elasticity of our currency system necessarily carries with it the power to contract. Those Government officials clothed with this power have in their hands the fate of the commerce of this country. The influence that they exercise determines in a large degree the prosperity or the depression of our commercial and industrial life. The business men, the bankers, and the financiers of this country are more or less dependent upon it and, consequently, are influenced by the action and attitude of our Government officials in charge of our exchange system. When, therefore, it was announced and reiterated that the policy of our Federal Reserve System was to deflate the currency, to restrict credits, it naturally had an immediate effect upon everyone engaged in business. Under modern conditions the close and intimate relation of every kind and character of business and commerce makes it well-nigh impossible radically to affect one without

in greater or less degree affecting every other one likewise and in like manner. Consumer and producer are not in distinct classes, but each one is both. The producer of one article is the consumer of another, and so there is no line of cleavage between the two classes. The policy thus announced was vigorously put into operation. The banks were insistently required to call certain classes of loans and the rate of rediscount was made very high. In addition to this and apparently for the purpose of carrying out the same policy, the War Finance Corporation was discontinued. This corporation was created by Congress to meet the very condition that now exists, and the amendment adopted to the original act in the latter part of the last session had a similar object in view.

It appears from the testimony of Mr. Meyer before the hearing of the Agricultural Committee on Senate joint resolution 212 that—

> There were being negotiated at the time of the discontinuance of the War Finance Corporation applications involving the export of $17,500,000 of copper, $2,200,000 fabricating steel to Italy, $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky, $4,000,000 cotton to Czechoslovakia from a large southern exporter, $25,000,000 of cotton to Czechoslovakia for a group of southern bankers, $3,000,000 for cotton to Italy by a group of bankers, $9,000,000 cotton by a group of bankers to Italy, $24,000,000 for the export of cotton by a syndicate of bankers headed by one of the largest national banks in the United States, $2,400,000 by a group of bankers for coal to Italy, $4,000,000 by a group of bankers for cotton to Italy, $4,000,000 for ships to be bought and constructed in this country for Italy. In all $100,000,000 in applications, promising practical results, with adequate security according to the opinion of the directors of the Finance Corporation.

He says further in reference to the above:

> These are not repetitions; they are separate applications. * * * In addition to these definite purposes various other negotiations are under way for further extensive loans, which, no doubt, would have materialized in large financing of exports of various kinds of American products.

Therefore it is not surprising that we find ourselves in the condition now prevalent.

Just let me take for a moment the situation as it is. There is not a Senator here who does not know that there is nothing half so sensitive as capital; money, cash, is the most timid of all the agencies used in commerce. Therefore, when by the act creating the Federal Reserve Board we made the financing of the country a Government function it goes without saying that the attitude of those having it in charge immediately affects every commercial and financial interest of the country. When the board announced its policy of contraction of credits and raised the rate of its discount, and then pari passu with that the War Finance Corporation was discontinued, notice was served on the public that the very center and source of the Nation's circulating medium was adverse to any further expansion of business, or at least were in favor of its contraction along such lines as they themselves deemed necessary.

With the announced policy of our banking governors to restrict credits, to deflate prices, and the chairman of the War Finance Corporation, the Secretary of the Treasury, arbitrarily discontinuing the operation of the War Finance Corporation, the whole business world was filled with apprehension, skepticism, and the effect is the condition under which we now find ourselves. It has been pointed out that during this period the credits extended have equaled to or exceeded the period of prosperity just preceding.

In the colloquy I had this morning with a number of Senators it was pointed out that in certain sections of the country credits are equal to or in excess of the credits during the period preceding deflation.

I wish to call the attention of the Senate to the fact that the trouble is our excessive bond issues. Under the law we made the bonds issued by the Government eligible to rediscount at the Federal reserve banks and to become the basis of the issuance of Federal reserve notes. At the time of the passage of that law there were less than a billion dollars of United States bonds outstanding; to-day there are approximately $25,000,000,000 of bonds outstanding. Those who bought the bonds and received credit at the banks for carrying them were assured that they would not be charged up to the commercial accounts of those thus borrowing. Farmers, merchants, bankers, business men throughout the country took these bonds in the small banks on that assurance. Now the rate of rediscount on these bonds has been raised, and they have been transferred to the commercial accounts; and I am going to insist that the officials here give me a statement as to what per cent of the so-called loans extended to the agricultural centers of this country consists of transferring bonds to commercial accounts and what per cent consists of actual commercial credits granted for real commercial purposes.

It seems to be the policy of this Government at this time to be solicitous of and to take care of those who own bonds, while the actual producing classes of the country, upon whom its prosperity depends, must be restricted in credit for fear of inflation of the currency through the extension of credit on the bonds. We ought fearlessly and bravely to meet that issue, and to take some action taking care of the bonds owned by those who bought them in good faith, and not have them placed against the commercial credits of this country. I understand that it has been the universal practice of the banks to transfer these bond credits to the commercial account.

I do not believe that we would have had any such condition as that now confronting us had the policy of those having these matters in charge been such as to inspire confidence rather than fear and apprehension. With practically all of the raw material of this country now at prices far below the cost of production, and some of them with no market at all, the future does not look very inviting. With the tremendous obligations of this Government to be met, and those who are to produce the material out of which the ultimate wealth of this country must come broken and bankrupt, the probabilities are that our deficit will be doubled and trebled rather than gradually diminished. The estimates of the income of the Government, based upon incomes and profits, will have to be revised; and if a sales tax should be imposed, with the purchasing power of the country at large practically destroyed, the expectations of those advocating such a tax also will be disappointing.

There has been criticism of the seeming tendency or of the actual fact of the country coming to Congress for relief in this situation. Why should it not, when by an act of Congress the control of the situation was made a Government function? I am not adversely criticizing the act of Congress that made the banking of the country practically a Government function. I consider the Federal reserve act one of the greatest pieces of constructive legislation ever passed, and I believe it is our hope now, if properly and wisely used. The world needs all the staple products that we can produce. It may not have the cash to pay, but surely the energies of these nations, the man power, the brain power, plus the material resources of the several nations, are adequate security for the extension of such credit as we may allow them to use our resources to our benefit.

The War Finance Corporation act was passed to enable us wisely and efficiently, broadly and impartially, to meet this very situation; to extend credit to our corporations upon adequate security, and to foreigners upon like security, without favoritism and without special interests being served.

As showing the attitude of the English Government with regard to this very problem, I quote from a news item to one of our news services in this country:

> We have had the privilege of a confidential talk with a gentleman close to Lloyd-George and a participant in the councils of the Government, regarding the politico-commercial policy to be pursued. We report the interview substantially as follows:
>
> "The British Government's confidential reports and figures show that other countries, previously among her best customers, are now crying for goods, and that these countries could absorb the entire maximum exportable production of the United Kingdom. Nevertheless, the dislocation of the natural relations of supply and demand has resulted in the building up of a great volume of surplus supplies in England which can not be moved. The official figures placed before the cabinet show that Great Britain is trading feebly, if at all, with nations of the white race aggregating 300,000,000 people. The Government can not run the risk of social unrest involved in a stoppage of industry and commerce. It is its first duty to assure the prosperity of its own people. It will, therefore, reopen trade with any part of the world where trade can be got, irrespective of protests.
>
> "Conversations of an important character have taken place unofficially and informally between industrial leaders and members of the cabinet to consider concrete means for stabilizing particular industries which are threatened in the immediate future not only with severe curtailment but with actual closing down. Lack of purchasing power in foreign markets, adverse and fluctuating exchange, money stringency, exaggerated agitations against profiteering, and restriction of credit were adduced as factors which had undermined confidence."

I presume that in England the very same propaganda had been spread broadcast as in this country; that there was undue profiteering, and that there had to be a reduction of the existing currency.

Mr. KING. Mr. President, may I interrupt the Senator?

The PRESIDING OFFICER (Mr. KIRBY in the chair). Does the Senator from South Carolina yield to the Senator from Utah?

Mr. SMITH of South Carolina. Yes.

Mr. KING. I hope I did not misunderstand the Senator. Does the Senator seek to convey the view that there has not been undue profiteering in the United States; that prices have not been maintained at too high a level?

Before the Senator answers that, may I suggest to him that contrary to what one might expect, when the armistice was signed, instead of prices going down gradually and steadily and persistently until they reached a proper level there was a

slight sagging and then a rise, and that rise continued until quite recently, as a result of which, it seems to me, the prices everywhere in commodities and perhaps in labor were entirely too high, and were abnormal. Does the Senator seek to convey the idea that there ought not to have been a reduction in commodity prices and in prices generally in the United States following the war?

Mr. SMITH of South Carolina. I answer the Senator by saying that I think the reduction in prices should have been governed by the law of supply and demand, and that it was no part of a governmental function to go out and state that prices must come down. That was for the business world to do. Especially was that unfortunate when the Government at that time had the machinery conveyed to it by law by which it could enforce radically, and as the result shows disastrously, its decrees.

Answering specifically the Senator's question about profiteering, I think there was and always will be profiteering, but I think that the cry against profiteering in this country was largely exaggerated. I will explain what I mean by saying that the little bootblack got 15 cents for shining a pair of shoes when heretofore he had gotten 5 cents; so that from the bootblack to the highest commercial interest there was a tremendous rise in the price, and a larger volume of currency was necessary to liquidate it. The very genius of the Federal Reserve System was that when there was a vast amount of commodities in this country there would be an adequate circulating medium to represent them, and not the old, rigid, inflexible rule of 1863. That would have enhanced values had it been allowed to operate as we who passed the law thought it would operate. That, in conjunction with war conditions, did inflate prices; but prices would have been deflated by the very course of trade without making the world believe that the Government had set its face against a further continuance, right or wrong, of these conditions; because, as I said before, you could not pick out certain businesses and refuse credit to them without destroying the whole commercial structure.

We have a law against cornering; we have a law against undue restraint of trade; and that was sufficient without the fear that was cast into the hearts of the world at large by the radical procedure of raising the rate of discount and denying credit, and creating the sentiment of fear and apprehension. I think the War Finance Corporation was one of the most splendidly conceived ideas, in that it supplemented the Federal Reserve System by looking after the kinds of paper, foreign and domestic, that might be received and discounted, and doing it impartially as a governmental function and an aid to corporations that otherwise might not be able to get it, enabling them to do business and create healthful competition.

Mr. KING. Mr. President, if the Senator will still pardon me——

The PRESIDING OFFICER. Does the Senator from South Carolina further yield to the Senator from Utah?

Mr. SMITH of South Carolina. I do.

Mr. KING. I venture to suggest to the Senator the fact that for months following the armistice, more particularly during the latter part of 1919 and the beginning of 1920, not only in both branches of Congress but throughout the United States, there was a persistent demand that prices should fall, and appeals were made to Congress for legislation that would call for a fall in prices. The Senator will recall that the President of the United States communicated with Congress, and suggested certain remedies which should be adopted for the purpose of bringing down prices to a proper level, and Congress was very much interested in that; and, as I recall, numerous hearings were ordered either in this branch or in the other branch for the purpose of determining what legislation should be enacted in order to bring prices down.

I do not think there has been any deflation. As a matter of fact, the Senator, I am sure, knows that the amount of paper rediscounted by the Federal reserve banks has been very much greater in 1920 than in 1919; and the Senator knows that hundreds of millions of dollars have gone into new enterprises—indeed, that the list of incorporations of new enterprises in 1920 has scarcely been exceeded in the history of the United States.

Mr. SMITH of South Carolina. Oh, Mr. President, I do not know that I shall accede to the statement that more loans have been extended and more paper rediscounted. That is a proposition that it would take more time than I would care to consume this afternoon in going over, and in referring to this very bond proposition to which I have called the attention of the Senate. In my own time I am going to lay before the Congress the facts as to what per cent of the so-called loans extended consists in commercializing these bond loans, rather than in letting them stand on their own bottom.

This quotation continues:

It was brought out that a congestion of goods has blocked the flow of trade, and that the situation was so serious that some of the oldest and strongest merchandising firms in London will find it difficult to meet their obligations unless given relief. It was decided in the conferences that the clot of goods must be removed. The general solution proposed was to ship these goods to countries which have an exportable surplus of raw materials, but which require credit and organization such as can not be supplied adequately by private firms, but which could be dealt with if the Government enthusiastically assisted associations of business men. It was urged that the Treasury officials had assumed an obstructionary attitude toward the British export credit scheme. It was decided that this attitude must be changed at once. The crisis in all its phases was presented to Sir Robert Horne, president of the board of trade, who will set the pace for the other Government departments. The administration in liberal terms of money of credits already voted by Parliament for meeting exactly just such a position will be pushed forward without great delay. It is regarded as reproductive expenditure in the national interest, and bold policies on broad lines may be expected.

The last and closing paragraph of this seems to me should be the attitude of those who have the welfare of this country at heart. It is as follows:

The theory animating the whole process will be that a pound of sterling spent abroad in creating conditions to rehabilitate exchange of goods and to restore the economic balance of nations will be worth 10 pounds of sterling spent in the United Kingdom.

Mr. SIMMONS. From what was the Senator reading?

Mr. SMITH of South Carolina. I was reading from a communication sent to this country by one closely associated with Lloyd-George and the Parliament of Great Britain, showing the policy of that country in regard to the present crisis, which seems to be similar to that in this country.

Mr. President, whatever else may be said, this fact stands out paramount, that the attitude of our governmental officials has gone further than I believe it should go. They started an avalanche which they are unable to check, and Congress alone has the power to restore confidence to the American people, by showing that they are in sympathy with any move which will look toward aiding them in getting their exports abroad, and at least receiving the cost of production in this country.

Talk about there not being money! We financed a $26,000,000,000 war in order to save our country from being ruined by the influx of an alien foe; yet, when the war is over, with our resources practically untouched, with our recuperative power unimpaired, with the development of our country still as potential as ever, we are confronted with the statement that we are powerless to even capitalize or even aid those who are not only to spell the prosperity of this country, but upon whom the prosperity of the world largely depends.

Wealth is not money; credit is an evidence of confidence, and real wealth is no more money than a biscuit is a gold dollar. We have destroyed the confidence of the people and of the commercial and the financial world, and what we should do here in this body is to give voice to the sentiment that to the fullest extremity this Government will come to the rescue of those who produce the raw material, who by the very nature of the case are the first to suffer.

We do not even retard the operation of a natural law by any artificial laws we may pass, and things will move along the line of least resistance in every department of the universe, and the first to feel the effects of these restrictions of credit and these demands that there be a contraction of the currency was the man who had no resources, but had the commodity which the other could realize out of, and the consequence has been that cattle and sheep and hogs, farm products in every form, have fallen below the cost of production, and the farmer left helpless and alone. We seem to have forgotten that he made his crop at the peak of prices, and that his only way to recoup is to get out of the sale of this present crop at least the cost of production. He has no other way to recoup himself. Every other business has some manner by which it can recoup its losses by sale; but the farmer, when he has made his crop, has in it the investment of the high-priced material that he made it with, and when he sells it at a loss, it is gone forever. It is for that class that I am standing here to-day and pleading, for the man whose crop is still to be sold, the man who is now obtaining a price that would not give him anything like the cost of production.

The second part of this joint resolution, as pointed out here by the Senator from Mississippi [Mr. HARRISON], was to call attention to the fact that the agricultural classes of this country, under the governmental function of the Federal Reserve Board, should be granted a lower rate of interest on properly executed agricultural paper than any other class of our commercial life, because upon them depends, in the last analysis, the ultimate success of every other business in this country.

I do not believe there should be a modification of section 2, but I would not object if the desire of those who wish it were

carried out; but, so far as the intent and purpose of it is concerned, it is as essential as section 1, to serve notice on the Federal Reserve Board that the people of this country recognize that agriculture is in a class to itself and more helpless than others, and that therefore they should have a preferential rate, in order to feed and clothe the masses of this country and aid in feeding and clothing the starving nations of Europe. I believe it would be a good business policy and a piece of good statesmanship if we should furnish them money to run their business without interest at all, because enough interest would be made out of the manufactured proceeds of what they produce to more than repay the country, and I hope, Mr. President, that both these provisions of this joint resolution will pass.

It is very easy for us to sit off at a long distance and talk about the farmer being independent, and talk about him taking along with other people his losses. There is not another business in America to-day, practically speaking, that is not organized to protect itself, except the farming classes of America. And whether you will have it so or not, Congress is the only organization the farmer can now look to for a fair and square deal in protecting him from the encroachments of organized power, and that is the reason these two amendments are here.

Mr. SIMMONS. Mr. President, I am pleased to note the strong expressions of approval on the part of Senators of the purpose of this resolution. Its passage will bring about what I, with certain other Senators, sought to accomplish last summer, and will, I hope and believe, help the farmers of the country to protect themselves in some measure at least against further losses from the condition it seeks to remedy.

I do not share the doubts entertained by some as to the effectiveness of the revival of the War Finance Corporation for the purposes expressed in the resolution as a means of mitigating the agricultural situation, nor do I share the apprehension likewise expressed that its revival will involve the withdrawal of large sums from the Treasury needed to meet the obligations of the Government. In support of these doubts and apprehensions it is said that the only fund that will be practically available to the corporation, if revived, is the $375,000,000 now standing to its credit on the books of the Treasury, and as to this fund it is claimed that while its withdrawal for this purpose at the present time would be embarrassing to the Treasury the amount would be inadequate to accomplish any substantial relief.

It is also argued that the comparatively small amount loaned by this corporation during the war, when operating under its war powers, to banks on advances made by them to industries whose operations were necessary or contributory to the war shows it was not a potential factor in accomplishing its original purpose. Again, it is alleged that the even smaller amounts loaned by it to finance our exports under the amendment to the original act of March 3, 1919, was of little assistance in promoting and facilitating these exportations.

In my judgment, none of these several contentions are justified by the facts. Let me briefly review the situation with respect to these several matters:

When this Government-owned corporation was created the war industries it was intended to aid were having serious difficulty in getting advances, either from banks or from private investors, because they feared in the conditions then existing they would be unable to rediscount their paper.

But when this corporation was organized for the purpose of financing these very industries with the Government practically behind it, with a paid-in capital of $500,000,000, all subscribed and owned by the Government, and with a potential loaning power of $3,000,000,000, these apprehensions were removed, and the resulting confidence produced a situation with respect to credits which made resort to the War Finance Corporation unnecessary, and as a result of this psychological effect the corporation was called on but to a limited extent for help.

Again, shortly after the armistice, we were suddenly confronted by a serious situation in our foreign trade on account of the unsettled conditions in Europe. Exportations of our products to those countries was arrested because of the inability of the banks and private investors to extend the credit needed to enable these countries to buy our products. To meet this situation, on March 3, 1919, we amended the act creating this corporation, and it was authorized to extend credit to banks making loans to finance exportations. The psychological effect in this instance, as in the other instance I have just referred to, was the same. It inspired confidence in investment in securities based upon bank advances on exports and it was again found unnecessary to resort to the corporation for any great amount of credit.

The same thing happened shortly after the beginning of the European war, when, on account of the temporary embargo upon exportations of our agricultural products, the price of these products fell until there was practically no market for many of them. This was especially true with reference to cotton. There was practically no buyers on the market for it. Cotton fell to 5 cents. That meant there ceased to be a market for cotton in this country. That, of course, created a situation in the South both grave and menacing. To meet this emergency and avert this threatened disaster the Secretary of the Treasury, Mr. McAdoo, announced that he was prepared to deposit $500,000,000 by way of deposit in the banks of the South and the West, if necessary, to protect the cotton and wheat growers, not to withhold these products from the market but hold them until there was a market for them. The effect of this action of Secretary McAdoo was electrical. Banks and the private investors came at once to the relief of the farmers, and, as I recall it, it was not necessary for the Secretary to deposit but a very limited amount—about fifty millions of the sum mentioned—for the purpose of protecting the farmers in these sections from threatened ruin.

Mr. President, until about the middle of May of this year, when the Secretary of the Treasury, Mr. Houston, suspended the operation of this corporation under the amendment of March 3, 1919, we were having no serious difficulty about financing our exports, and the business of the country was moving smoothly. Shortly after this corporation ceased to function business and credit conditions began gradually to become unsettled and unsatisfactory, and conditions grew rapidly worse when in September the Federal Reserve Board promulgated certain suggestions to reserve and member banks intended to bring about deflation and restrictions in credits. Mr. President, as a result of the present financial and credit situation the farmers are threatened with ruin largely because of financial and export conditions practically the same as existed at the time the adoption on March 3, 1919, of the amendment to the finance corporation when McAdoo came to their assistance in 1914. Early in September the Secretary of the Treasury was appealed to to revive this corporation that it might function in the emergency then so ominously threatening to bankrupt the farmers of the South.

It was urged in this behalf that the crops were just beginning to move and that it was of the utmost importance that the channels of foreign trade in these products should be kept open. At the same time a relaxation in the restrictions on credits was urged upon both the Secretary of the Treasury and the Reserve Board. Now, Mr. President, the farmers of the country believe that if the War Finance Corporation had then been rehabilitated and the stringent rules of credit had then been modified in behalf of loans made to enable them to have protected themselves temporarily until market conditions could be stabilized, while there doubtless would have been substantial reductions in the price of farm products, the disastrous slump which followed his refusal would have been avoided.

The present distressing situation of the farmers does not affect agriculture alone. It affects practically every other industry in the country. It is estimated that as a result of these conditions our farming population has suffered a loss in purchasing power aggregating between six and eight billion dollars as compared with last year. It is impossible that this condition should not affect those engaged in other industries. Every man engaged in making and selling goods and wares will of necessity feel the effect. If the farmer is ruined, the manufacturer, the merchant, the wholesaler, the jobber, and the laborer will have in the end to bear their share of the general depression which will follow. For a time they may minimize or ward off the blow, but it will inevitably come.

Those of us who are advocating this measure believe that the rehabilitation of the War Finance Corporation, thus affording the farmers of this country a credit to which they can resort of one and a half billion of dollars and a reasonable modification of the credit policy of the reserve banks in behalf of agricultural products, will materially help in the present situation. If this legislation was intended or calculated to help the farmers alone or to help them to the injury of some other industry or interest, it might be open to the charge that it is class legislation, but it is not and does not. It is not class legislation to help the farming industry, because this legislation in helping this basic industry to protect itself against ruin and keep on its feet will at the same time help to relieve the universal depression in every line of business which in a large part has been brought about by the overwhelming misfortune which has befallen our agricultural population and the disaster which is certain to befall every industry if help is not promptly

extended to the producers of the raw material essential to the other great industries of the country.

Mr. President, I wish to address myself for a few minutes to the suggestion and argument urged here and elsewhere that the rehabilitation of the War Finance Corporation will mean the withdrawal, greatly to the embarrassment of the Treasury, of large sums of money on deposit in that institution of the Government to its credit. I do not believe there is anything in this contention, because I do not believe it will be necessary for that corporation, if reestablished, except for a very short period in the beginning of its operations, to withdraw from the Treasury any considerable amount of the $385,000,000 now to its credit. Of course, I know it would be inconvenient, not to say somewhat embarrassing, at this time to have that amount of its funds now available to meet current expenses of the Government withdrawn for other purposes. I realize that.

But, as I have said, I have no idea that that will be necessary, and I am confident whatever part of it may have to be temporarily withdrawn will be returned as soon as the corporation can get its machinery in active operation again and place its bonds on the market.

There will, I think, be no difficulty now, as there was none when it heretofore offered them, in selling the bonds of this corporation. It is a corporation every dollar of the capital stock of which is owned by the Government, and while the Government is not legally liable, there is a general feeling that the Government is morally bound, and therefore would not allow any holder of its securities to suffer loss. This corporation, if revived, will, under the amendment of March 3, 1919, have authority to issue bonds to the amount of a billion dollars. Mr. Meyer, the able former managing director of this corporation, in his statement before the Agricultural Committee, said it sold while in operation about $200,000,000 of its bonds without serious trouble, and predicted an easy market for them now. But it is said that bonds may not sell so easily now as then. Mr. President, if not, why not? Certainly not because of any lack of available money, for there never was as much money in the United States for investment in safe securities as there is to-day. It may not be in circulation, unfortunately, but it is here in even larger quantity than last year, when everybody's pockets were bulging with money and our enormous excess of exports has increased the amount then in pocket. The funds available from the sale of these would make this corporation abundantly able, in cooperation with the Edge law export corporations recently authorized and that now are being formed in the different sections of the country, to finance the situation we have now under consideration.

Mr. President, without reference to the cause of the trouble I think no one acquainted with the facts will deny the serious plight in which the agricultural classes to-day find themselves.

Bad as it undoubtedly is in the grain and live-stock producing sections it is even, as I have before intimated, worse in the cotton and tobacco growing States of the South. Indeed it would be difficult to overstate the seriousness of the situation which confronts the farmers of these States.

Such part of their crops as they have by force of circumstances already been compelled to sell, has brought less than one-half the cost of production and in many cases less than the cost of the fertilizer used in their production, and if they are forced to sell the balance for prices now obtaining the part unsold will likewise fall far below the cost of production.

The tenant classes, and they are numerous, who raise their crops largely under mortgage or lien, have in most instances had to turn over their whole crops to the fertilizer and supply men and are left practically without anything to start upon the next crop. The landlord, who generally indorses the obligations of his tenants for fertilizer and supplies, in many instances finds the liability thus incurred exceeds his rents. It can not be said in any true sense that there is or has been during this fall a market in the South for either tobacco or cotton. The extreme money stringency which has prevailed there since early in September has driven from the markets to a great extent the local or so-called independent buyers who have heretofore bought and exported largely of these products, thus maintaining competitive conndditions and stabilizing the market.

Whatever the cause of these conditions and whoever may be responsible for them, I think it will be admitted they lend themselves to the exploitation of the speculator and make easy the monopolization of the market, if it may be called a market, for the product by a few great exporting and industrial corporations backed by unlimited money and credit, who deal in these raw commodities, and invites a drive to capture the crops of this great section of our country at starvation prices.

Let those who fear if money is loaned the farmers on their cotton they will hold it from the market for higher prices to the injury of the consumer not overlook the fact that those who are now buying it for half cost are much more likely in due time by the same process to exploit the consumer to a much greater extent than the farmer could.

The PRESIDING OFFICER (Mr. DIAL in the chair). The question is on the amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. THOMAS obtained the floor.

Mr. SPENCER. Will the Senator from Colorado allow me to present at this time a proposed amendment to the joint resolution?

Mr. THOMAS. I yield for that purpose.

Mr. SPENCER. I send to the desk a proposed amendment in the nature of a substitute for the pending joint resolution, which at the proper time I shall move.

The amendment intended to be proposed by Mr. SPENCER is to strike out all after the resolving clause and insert:

That in the judgment of the Congress the War Finance Corporation should resume its operations.

SEC. 2. That the Federal Reserve Board should fully cooperate in such renewed activities of the War Finance Corporation.

Mr. THOMAS. Mr. President, the address of the Senator from North Carolina [Mr. SIMMONS] indicates the excitement under which the Senate, in common with the country, is now laboring. It will explain, and possibly excuse, the speed with which the pending joint resolution has been reported out of the committee and laid before the Senate for immediate consideration. It discloses a state of mind almost hysterical in character, under the influence of which we propose to legislate in the direction indicated by would-be beneficiaries and take chances upon a successful issue. We are not dispassionately considering a very important proposal by giving it that careful and exhaustive investigation which should precede any measure designed to bring the Government to the financial aid of a portion of its people at the expense of the remainder.

At the last session of the present Congress the question of the high cost of living constituted one of our great problems, and each political party was casting or attempting to cast upon the other the responsibility for its existence. For a period long anterior to the commencement of the German war the country was confronted with a continued and progressive rise in prices, under the operation of which the great majority of the American people were suffering and some of them intensely. Those living upon fixed incomes, upon salaries, and upon wages found it difficult to meet the requirements which these prices imposed upon the necessities of life, and their suffering was almost universal. They erroneously held the Government responsible for these conditions and clamored for relief, a clamor to which we quite as erroneously responded, sometimes by the enactment of legislation aimed at its consequences instead of its causes.

Some of us thought that these inflated price conditions could not continue. Some of us warned the country from this floor that the reaction would come, inevitably, and with it a period of suffering, and possibly of disaster. We were justified in this attitude by the history of other nations and of other crises. We called attention to the operation of a law as inexorable as the law of gravitation, and to the folly of avoiding or repealing that law by human statutes. We realized that the evil was a great one. In discussion the cause of it was frequently, perhaps I may say generally, ascribed to the speculators and the profiteers, to the cornering of the market, and sometimes to the destruction of necessities in order that the supply might not overcome the demand.

During the campaign the Republican Party charged the Democratic Party with responsibility for the high cost of living, and seem to have proven their case pretty effectually, if one may judge from the ultimate result. The Democrats countered by the same process of crimination and recrimination, but all contended against the evil. Inasmuch as the Republican platform has been confirmed by the popular verdict, I may refer to it:

The prime cause of the "high cost of living" has been first and foremost a 50 per cent depreciation in the purchasing power of the dollar, due to a gross expansion of our currency and credit. Reduced production, burdensome taxation, swollen profits, and the increased demand for goods arising from a fictitious but enlarged buying power have been contributing causes in a greater or less degree.

That is but another way of saying that the high cost of living was due to inflation, and of course it was more largely due to that condition than to any other.

Then follows a condemnation of—

The unsound fiscal policies of the Democratic administration, which have brought these things to pass, and their attempts to impute the consequences to minor and secondary causes. Much of the injury wrought is irreparable. There is no short way out, and we decline to deceive the people with vain promises or quack remedies. But as the political party that throughout its history has stood for honest money and sound finance, we pledge ourselves to earnest and consistent attack

upon the high cost of living by rigorous avoidance of further inflation in our Government borrowing, by courageous and intelligent deflation of overexpanded credit and currency, by encouragement of heightened production of goods and services, by prevention of unreasonable profits, by exercise of public economy and stimulation of private thrift, and by revision of war-imposed taxes unsuited to peace-time economy.

Mr. McLEAN. Mr. President, which platform is that?

Mr. THOMAS. This is the Republican platform.

Mr. McLEAN. The other is very much the same.

Mr. THOMAS. Oh, yes. The only difference is that each seeks to "pass the buck" to the other as regards the responsibility for these conditions.

Mr. SMITH of South Carolina. So far as the buck will pass.

Mr. THOMAS. Yes.

Then follows a condemnation by the Republican Party of the Democratic Party for "failure impartially to enforce the antiprofiteering laws," to which the Democrats counter by pledging the party to—

a policy of strict economy in Government expenditures and to the enactment and enforcement of such legislation as may be required to bring profiteers before the bar of criminal justice.

The same old cry, so far as strict economy is concerned, on the part of both parties. It is remarkable that the people have stood the repetition of that rot so long. There is no intention, no desire, no purpose on the part of either of the great parties to practice economy, and the people would not let them do so if they attempted it.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, in 1909 and 1910, I believe, I served on a committee investigating the high cost of living—even at that time.

Mr. THOMAS. Oh, as I stated at the opening, the high cost of living has been a problem growing out of a condition that began to manifest itself long before 1909, due very largely to inflation, as represented by our constantly increasing indebtedness—I mean State indebtedness, public-utility indebtedness, and municipal indebtedness—and also by an extension of the activities of the Government, requiring added revenue, and consequently added sources of revenue, for the National Treasury.

Mr. President, in the discussion of this subject—that is to say, the high cost of living—which used to come up here every morning, we were substantially agreed that inflation must cease before high prices would disappear or even dwindle, and we were also agreed that production on one hand and thrift upon the other were the essentials to this change, and we also advised the public not to buy when they could help it. I had the honor to make a speech upon that subject, I think last April, which attracted some attention throughout the country, and which succeeded the so-called overalls program, aimed at this identical condition, and as a protest against the price of clothing. It seems that the people to a far greater degree than we supposed have followed the advice thus given, so that a decline in the retail business of the country soon became apparent. It may be that instead of following this counsel the purchasing power of the consumer has reached its climax; but, at any rate, the change came, and about that time came the collapse in Japan, where the identical preceding conditions had been in operation until the commerce and the buying power of the people could stand it no longer, whereupon the banks were obliged to curtail credit, the huge structures of speculative business collapsed, and that great empire found itself in the throes of a panic. Again the warning was sounded in this country by its thoughtful and experienced people, who perceived in this the beginning of the change soon to occur in our very midst.

About this time the Federal Reserve Board raised the rate of discount, if my memory serves me correctly; and, with all due respect to the opinions of Senators differing from me here, I think the only mistake made by that board was in postponing such action so long. If this new system of banking is to function as it was designed to function, then it must exercise its power to raise the rate of discount for the purpose of preventing speculation and reducing credits, just as it is expected to relax that policy by a reduction of the rate of discount when more money is needed and greater credit should be extended; and, in my judgment, no man familiar with the condition of affairs in this country from the armistice up to that time can successfully deny the proposition that our credits, both public and private, had swollen almost beyond endurance.

Mr. SMITH of South Carolina. Mr. President, will the Senator allow me to ask him a question in reference to the raising of the rate of rediscount?

Mr. THOMAS. Certainly.

Mr. SMITH of South Carolina. Does not the Senator think that raising the rate of discount is almost a useless method of seeking to discourage speculation? Is it not true that you intensify speculation, because the speculator rarely pays very much attention to the rate of discount he pays, providing he can get the wherewithal to make his venture, while the real business man is discouraged from investing at the high rate of discount?

Mr. THOMAS. Mr. President, the speculator flourishes in times of inflation. He is as much the natural product of an inflated credit condition—which, of course, means high prices—as maggots are the product of a decaying carcass. The speculator is not the cause, but the consequence, of this plethoric condition of credit and of finance.

I agree that the mere act of increasing the discount rate does not put a stop to speculation; but I was about to say when the Senator interrupted that the Federal Reserve Board did more than that. It caused intimations to be made whereby the lending of call money for speculative purposes upon the exchanges in New York and other cities was for the time being terminated. I wish there were some way of prohibiting entirely the making of loans for those purposes. I do not know that there can be; but the remarkable feature of this measure, and of the days that have elapsed since this session of Congress began, is that we seem to have reversed our processes, and instead of denouncing the high cost of living we now propose to mobilize the assets of the Nation for the purpose of prolonging its dominion.

Mr. SMITH of South Carolina. If the condition now is worse than the other, why not go back?

Mr. THOMAS. The condition now here may be worse than the other.

Mr. SMITH of South Carolina. It seems so to me.

Mr. THOMAS. But it is as absolutely unavoidable——

Mr. SMITH of South Carolina. Why unavoidable?

Mr. THOMAS. It is as absolutely unavoidable as is the penalty that comes always to man for the violation of a fundamental law. I have heard a number of causes ascribed for this unfortunate condition. The Senator from South Carolina ascribed it to the action and policy of the Federal Reserve Board. The Senator from North Carolina [Mr. SIMMONS] sees a huge financial conspiracy, which has culminated, or is about to culminate, in the destruction of an essential class of a great national community.

We can easily determine the cause, Mr. President, by a review, however hasty, of the action of economic laws in other times under similar conditions, and I affirm that there has never been a period in the history of civilization in which great periods of inflation and speculation have not inevitably brought about panics, depression, suffering, disaster, and despair. If Senators familiar with history can place their fingers upon a solitary exception to this sequence of cause and effect, I will confess that I might be mistaken. I have not been able to find one, and I have been curious enough to read economic history from the days of the feudal system.

The wars of the Spanish Succession, away back in the first part of the eighteenth century, in the prosecution of which Great Britain contracted an enormous debt, for that period—a debt, by the way, which she has not yet paid and which she never will pay—brought this statement from the Craftsman, published in London, in 1736, some time after the return of peace:

The vast load of debt under which the nation still groans is the source of all those calamities and gloomy prospects of which we have so much to complain. To this has been owing that multiplicity of burdensome taxes which have more than doubled the price of the common necessaries of life within a few years, and thereby distressed the poor laborer and manufacturer, disabled the farmer to pay his rent, and put even the gentleman of plentiful estate under the greatest difficulties to make a proper provision for his family.

The student familiar with Allison's History of Europe need not be told of the consequences of inflation caused by the Napoleonic wars. They paralleled this situation, and, what is worse, they were accompanied, which I trust will not be the case here, by bread riots, insurrections, and other revolts against authority and against social and economic conditions, by those suffering from their consequences. The result of the Franco-Prussian War, not quite so extreme, was of similar character, and we, Mr. President, after our vast expenditures in the Civil War in the early sixties, had our period of inflation, both of prices and of speculation, followed by an effort at deflation shortly after which came the terrible panic of 1873, a panic which reduced the agricultural classes to the lowest depths of dependence and poverty; a panic which closed hundreds of banking institutions; a panic which placed a pall upon our manufacturing industries from which they did not recover until 1879; a panic whose immediate and disastrous consequences extended through four or five long years of discipline and of suffering.

We discovered by bitter experience that the way of extrication from the morass was to work and save and do what we

could to rescue as much as possible from the disaster of the wreck. Dependent upon that self-reliance and confidence in the individual which is the glory of the Anglo-Saxon, we retrieved our fortunes and regained our normal prosperity.

Mr. FLETCHER. The Senator will not forget the Black Friday of 1869?

Mr. THOMAS. No. That preceded the panic of 1873. That was one of the dire consequences not only of inflation, but of speculation, and was the result of an effort to secure a corner in gold, which commanded a premium, and the use of which in our foreign exchanges and for the payment of our national obligations was absolutely essential.

But the panic of 1893 followed the wildest days of speculation and inflation I have ever known, chiefly in real estate, throughout the country. I know everything east of Denver on the plains was laid out in town lots until we met a similar extension from Kansas City, and it is said that a would-be purchaser was shown some lots by a Kansas City real estate dealer during that period, which he declined to buy, and came to Denver to look for a better bargain. His Denver real estate dealer took him out and showed him the identical lots, which seemed to form part of an addition to both of those great cities.

From 1887—and there was a little flurry then—to 1893 we indulged in an orgy of development and of speculation and of inflation. Then came the harvest of suffering and of tears which paralyzed the business energies of this country for several years afterwards.

Talk about the farmer—in our section of the country it wiped him almost from the map.

Mr. SMITH of South Carolina. It always does.

Mr. THOMAS. The story is told that in 1894 an old farmer concluded to sell his 160 acres if he could find anybody who was fool enough to buy it, so one day he met a tenderfoot with a pony, and he asked this fellow who had the pony if he would trade his pony for some real estate. He said he would. So the farmer offered him 80 acres for his pony, and when the deed was drawn he found the fellow could not read, so he just rung in the whole 160 acres on him, and thus got rid of his encumbrance entirely.

Now we are face to face with an identical situation, and we are confronted by a resolution designed to overcome it containing a preamble reciting that this is "unprecedented and unparalleled." There are plenty of precedents and plenty of parallels, and there always will be so long as man is foolish enough to pay no heed to the signposts of history and the teachings of economic law, which we can no more violate with impunity than we can the laws of gravitation, or the laws of the tides, or any other of those great and immutable rules by which nature and economics are governed.

I think, Mr. President, that one result of this measure, which is bound to pass, will be to penalize the thrift we have been preaching, by taking away what we have been able to save during this period of high prices, and turning it over to those who have been unmindful of conditions, not alone the agriculturists, but others who are just as much entitled to the guardianship and protection of the United States as any others of its citizens, if that be one of its functions.

Mr. SMITH of South Carolina. The Steel Trust, for instance.

Mr. THOMAS. No, not the Steel Trust; yet I may say that if we are going into the business of indemnifying losses, we can not particularize between citizens, no matter how far apart they may be in the matter of earthly possessions.

But I call to mind the fact, Mr. President, that there are in this country a vast number of manufacturers with immense quantities of goods on their hands that cost infinitely more than the price of production, who are to-day facing bankruptcy, which is bound to overtake a great many of them; and I contend that those people are just as much entitled to the overlordship of the Government as are the farmers and the raisers of other products, because their work, although not as essential, of course, to our physical existence, is as essential to our modern civilization as any other pursuits. What are you to do with these 2,000,000 men who are out of employment because of the shutting down of these places, due to the lack of orders? Do you tell me that a man who has a family and who depends upon his everyday work for their support, and who is thrown out of employment is not also entitled to Government protection, if we are to extend it as is proposed here? Where will you dare to draw the line?

Mr. President, if I had time I might run the whole gamut of society, and I think demonstrate that when the Government goes into the business of paternalism it can play no favorites. If it does, it is bound to have trouble, and ought to have trouble, upon its hands.

What do we propose to do here? First, to revive the activities of the War Finance Corporation, "and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural products to foreign markets."

I think I would support that, not because I believe it will prove to be the remedy desired, but because I have the very highest opinion of the ability and business efficiency of Mr. Eugene Meyer. I have great confidence in his judgment as to what can be accomplished by the revival of this institution. I am sorry that Mr. Meyer in his testimony referred, in a somewhat undignified and unjust way, to the statements of the Secretary of the Treasury, who in my judgment is an honest, conscientious, capable, and patriotic official, a man who has done and who will continue to do his duty as he sees it; who does not pretend to infallibility, but who is entitled to that respect and that consideration to which every honest man is entitled in official life, no matter what his politics may be. But I do not believe, Mr. President, that this experiment will greatly relieve the situation.

In the first place, the United States must borrow $380,000,000 or its equivalent, and that at a time when it is itself faced, according to the statement of the Senator from North Dakota [Mr. McCUMBER] yesterday, with a deficit of one and three-quarter billions of dollars on the 30th day of next June.

I say it must borrow it, because it appears from the statement of the Secretary of the Treasury that this sum, at the time the activities of the War Finance Corporation were suspended—and that is also sustained by the statement of Mr. Meyer—was transferred to another fund, and I think credited upon the national debt. Now, if a banking institution has a capital of $380,000,000, which capital is hypothecated, we will say, or removed or changed or diverted or converted to some other purpose, it is exhausted, and the only way to restore it is to restore it. I do not know how that can be done except by using the credit of the United States for raising that amount of money on bonds. I do not care what you call it, it must be money or its equivalent, and if this disaster is so enormous, and I have no doubt it is, pray tell me to what extent this borrowed $380,000,000 will go toward the process of resuscitation?

Do not forget now that the agricultural interest is only one of many that are clamoring here for relief. Even the Senator from Utah [Mr. SMOOT], usually cool-headed and retaining his presence of mind, is hysterical enough to tell us that the wool industry will perish unless we place an embargo upon the importation of all other wool. That industry is coming here for relief. So is the live-stock industry, and these will be followed in their train by a multitude of others, using this precedent and invoking the agency of the War Finance Corporation for its preservation.

Why, this $380,000,000 will be so relatively insignificant that I venture to predict that before the winter is over we will be called upon to supplement it several times over. It is a pretty big job, even for the United States Government, to take care of the personal fortunes, amend the commercial casualties, repair the business and productive failures of 105,000,000 people, and especially when it is itself so overburdened with debt that it is almost as bad off as those it would seek to relieve.

There is no one here, and by that I mean no one at present appearing in Washington, lobbyist or otherwise, who seems to have much concern about poor old Uncle Sam. I read a statement in the Literary Digest a little while ago that there are 125 lobbies in Washington. President Wilson got after what he called an insidious lobby in 1914 and cleaned it up, as he thought; but that seems to have been merely the prolific parent of a brood of lobbies, representing races, business pursuits, social, philanthropic, economic, and other activities, all of them clamoring for Uncle Sam's money and assistance, and none of them particular about the consequences of their success to the Federal Treasury.

I do not know what the result will be, but if when we add to our deficiency and to the capital of the War Finance Corporation $2,450,000,000 which the House has voted for a bonus and which is to be pressed upon the consideration of the Senate, thus creating, if it passes—and it will pass if a roll call is demanded; I will gamble my soul on that—that much more debt to be added to this poor old gentleman's ever-increasing burdens, where is he to get all the money needed for the War Finance Corporation? The Senator from North Carolina [Mr. SIMMONS] says there is more money in the country than ever before, and that is true; but the Senator from South Carolina [Mr. SMITH] says it is the biggest coward in the world, that there is nothing so timid as capital.

Mr. SMITH of South Carolina. That is true.

Mr. THOMAS. It is true sometimes; sometimes there is nothing more reckless. It is either one or the other; it goes from one extreme to the other. But none of it is liable to be invested where a reasonable certainty of a fair profit is not in sight. We can stretch the credit even of the Government of the United States until it snaps, and we are making a good start in that direction.

What the next Congress will do I do not know, and for what it does do I shall not be responsible, thank God, even in part. I have no doubt that it will enact a tariff law that will make poor old Aldrich green with envy, if indeed he does not turn in his grave. I have not a doubt that everything will be protected that is not embargoed, and between the embargo and the prohibitive tariff we will then enter upon a career of international trade and exchange in which we will sell to the rest of the world and let them do the buying among themselves.

That reminds me, Mr. President, just here of the testimony of Mr. Scroyer, a very estimable farmer from Nebraska, who, it seems, has been a Democrat, but now is a Republican, because he wants a tariff on corn and wheat and everything that the farmer produces. Speaking of his surplus, on page 9 he says:

> We want immediate export. If you want to make provisions for a relief, we want the Federal land banks restored. We had that, and that gave some relief.

Then again he demands exports. He wants an export of his surplus and demands it at once. In other words, this gentleman represents a prevailing idea that we can penalize the products of other countries without at all affecting the sale of our products to them. We are going to put an embargo upon wool—there is no doubt about that, I think—and I have received letters, and I have no doubt others have, demanding embargoes upon other things, upon the principle that if it is good to embargo wool it is good to embargo other commodities, and so it is.

How are we to find a market for our surplus with the countries upon which these embargoes are to operate? Human nature—and I think even President Wilson is convinced of it now—is about the same at all times and in all countries. Other nations will inevitably apply laws of retaliation to American commerce, and ought to, in consequence of which, while our wall may be very high for them it will be too high for ourselves, and the exports which this very intelligent and estimable gentleman wants so badly and which I concede that he should have are to be excluded by the remedies that he proposes to extend to others suffering equally from this deflation in prices.

Now, Mr. President, I can understand how, according to Mr. Meyer, it will be possible to encourage the formation of associations and companies who will undertake to finance and to export some of these commodities and create a market for them and who will assume the financial responsibilities, subject to the security that can be offered by these corporations, and which may in some degree alleviate this situation. But what puzzles me is where these goods are going. Yesterday I read in the papers, and I have not seen it contradicted, that Argentina had declined to receive $12,000,000 worth of American merchandise, or rather her merchants had declined to receive it, because the difference in the rate of exchange between Argentine money and the American dollar is so great that they could only take those goods at a heavy loss, and therefore they refused to receive them at all.

If Argentina is in that situation what shall we say of Germany and of Austria, and in fact of all of the countries of Europe, with the possible exception of Great Britain, whose rates of exchange are even worse, as compared with the American dollar, than those of South America, and which therefore can not, without the most ruinous sacrifice, secure exports from the United States?

The fall in exchange operates as a bounty upon exports from the country where the exchange is lowest, and that, I may say to the senior Senator from North Dakota [Mr. MCCUMBER], in my judgment fully accounts for the importation into this country of Canadian wheat, because the exchange between Canadian money and American money is in favor of Canada, and consequently it gives her so much of a bounty on her exports that she can afford to undersell the American producer.

I do not think the relief against this is in the tariff at all. I may be mistaken. It must come from a regulation and a steadying of exchange, and that must come very largely by agreement and by support and by credits from nation to nation, followed by the balancing of exports with imports.

One reason why this slump, as it has been called, and properly so, has become acute is due not to the needs of our products in other countries, but to their inability to pay for them. International trade is simply exchange, and only balances are paid for in cash. We can not sell our goods to Germany—and I speak of Germany because it is the principal commercial nation with which we have to deal on the Continent—because Germany's power to purchase has practically disappeared; it is merely negligible; and, inasmuch as the commercial structure of central Europe is based almost entirely upon that of the German Empire, the same condition applies to the newly created nations, and largely to Austria and more largely to Italy.

Mr. President, we have spent several months in this distinguished body since the war in discussing one part of the German treaty, and we have been so intent upon our controversy over that part that we have paid little or no attention to the main body of the treaty itself.

A recent book published by Mr. John F. Bass, and entitled "The Peace Tangle," to my mind the most important contribution thus far made to the literature of the subject, emphasizes the deplorable fact that the peace conference was totally indifferent to the economic situation in Europe and to the economic consequences of the peace it negotiated. They created new sovereignties and tried to fix their boundaries. They penalized Germany and Austria, the latter almost to the point of extermination. But they took no note of that great economic structure, the fruit of the experience of nearly a century, which had been built up in central Europe by nations interdependent upon each other and connected or linked together by a series of natural streams, of canals, and of railroads. The Allies were so intent, in other words, upon indemnities, upon disarmament of the erstwhile foe, and upon the creation of new sovereignties that they lost sight of that more fundamentally important condition, the need of which to the peace and prosperity and happiness of peoples is absolutely indispensable. The consequence is that the economic structure and policy of all of central Europe has collapsed, and each one of the new nations, when not engaged in internecine trouble, is endeavoring to create a sort of commercial system of its own. The result is pandemonium. For example, Czechoslovakia will supply Austria with coal for her foundries only upon condition that Austria shall in return furnish Czechoslovakia the entire product of those foundries.

Trieste is one of the great harbors, if not the greatest harbor, of the Adriatic, to which before the war was tributary nearly all the overseas commerce of Austria, including Czechoslovakia, a part of Poland, Hungary, Jugo-Slavia, or Slavonia—it is about all a man's reputation is worth to try to pronounce some of those names—but now there is a distinct railroad system for each, a distinct set of duties for each, and a distinct determination of each to retain in its own possession all cars that may come within its physical jurisdiction. The result is that Trieste is doing no business; it can not. An equal result is that there is a paralysis of interchange of commodities by these people among themselves. As is inevitably the case, these trade controversies are fruitful parents of war and bloodshed, and the peace of Europe to-day is, in my judgment, threatened more imminently by commercial conditions, or rather the lack of them, than by anything else. They need what we have to sell; their people in the many sections are starving for the lack of the ordinary necessities of life. Certainly we want to export to them, but commerce is a cold-blooded affair, and depends upon exchange. If those people have money with which to buy these products, they can have them; if they have products which they can exchange for them, we can supply their needs; but if they have neither we may stand upon this floor and talk until doomsday, we may pass all the tariffs or abolish all the tariffs that the mind of man can conceive, and yet this stale condition will continue—plenty and plethora in one land, want and starvation in others. Hence, I do not see how it is possible for the War Finance Corporation or for any other organization to create markets when none can exist because of the absence of conditions which are indispensable to them.

Of course it is said that we can supply credit and by supplying credit we can furnish the means with which to pay for our own goods. It was stated yesterday that Germany was our second best customer in Europe before the war, and she was; but so long as Germany rests under the burden of an indefinite indemnity, so long as she is in the hands of a receivership composed of the members of the Reparation Commission, so long as what she produces is to be taken from her and to be given to the Allies as indemnity, with no certitude of its ever ending, and with no assurance as to the final definite amount, so long will her energies be paralyzed, so long will her power to purchase be dormant, and so long will it be impossible for her to recreate that trade which at one time took so much of our products and afforded mutual prosperity to both countries.

It is hardly necessary for me to say that I am no sympathizer with Germany; I fully agree that she brought her punishment upon herself; but if, as Mr. Wilson once said, we must be just to those to whom we wish to be just as well as just to those to whom we do not wish to be just, and if we are to permit 70,000,000 people to regain their feet and become a factor in the productive energies of the world, then the economic features of the treaty should be changed and changed as soon as possible. We are partly responsible for the structure of the treaty, but the Senate has so far, I am pleased to say, withheld its assent from that document; and I believe if the people had understood as much about the treaty as they did about the covenant of the league the vote at the last election would have been practically unanimous, even in the South.

So much, Mr. President, for the possibility of creating markets where markets can not possibly exist in the absence of conditions which are essential to the international exchange of commodities.

Some reflections have been made here, not intentionally, however, upon the attitude and action of the banking interests of the country toward the farmers. So far as I am able to judge, the local banks have gone to the limit in extending credit to producers, and in some instances I am very sure to producers not satisfied with prevailing prices, but who have desired to hold for better ones. I am not complaining of that; that is human nature. In one sense it is profiteering, but it is the natural and therefore the perfectly legitimate action of the owner of those articles the market price of which does not meet with his expectations or desires. But it is unfortunate, nevertheless, in view of the fact that, the market price of commodities having fallen to such a degree, the banker himself is embarrassed. A national bank in the town of Sterling in my State suspended the other day. The Comptroller of the Currency tells me that its assets are perfectly good, and consequently he does not intend to appoint a receiver, but they consist of farm and live-stock paper upon which it can not at present realize. He also informed me that such is the situation very largely throughout that section of the country.

It seems to me that the banks may need the protection of the Government quite as much as those whom they have attempted to protect in turn, and, instead of condemning them for a supposedly niggardly course, we should condemn them for having stretched their credit too far, and by that means brought their depositors in danger and subjected them to unnecessary losses.

I do not understand that so far as the western banks are concerned there has been any sort of evidence of an intention upon their part to take advantage of the situation to refuse to extend credit as far as they dare or to press for payment by the foreclosure of securities. I think, generally speaking, they have acted according to the spirit of the Federal reserve act, feeling that, in the absence of those conditions which made panics inevitable under the old system, they could take more chances, and, therefore, under the circumstances, did take them.

Mr. President, the amendment which the Senator from Georgia [Mr. SMITH] has offered, and which the Senator from Mississippi [Mr. HARRISON] opposes, because he thinks that the power to favor other interests now exists, is not only a very natural addition, but an inevitable one. The Senator from Georgia proposes to insert the words "and other" after the word "agricultural" on the seventh line of the second page of the joint resolution, so that the provision will read:

> And the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of the agricultural and other products to foreign markets.

I think that is a desirable amendment if we are to carry through this legislation at all, because otherwise the legislation is distinctly class legislation, and to that I am opposed. I grant you there are precedents enough, God knows. The Senator from Kansas referred to a precedent for the advance of the amount needed for the capitalization of the War Finance Corporation. I repeat, there are precedents enough. When we took the tariff off sugar back in the eighties, if I remember correctly, we allowed Louisiana to put her hand into the Treasury up to the elbow and take out what was necessary in the shape of a bounty to equalize the difference between the cost of her production of sugar and the cost of production abroad. Since I have been a Member of the Senate there has been about as much class legislation, perhaps, as has been enacted in any similar previous period of time.

I regard every duty placed upon an article for the sole purpose of protection as a bounty of the Government to the favored individual. There is plenty of precedent for it. I regard every pension paid to an able-bodied man who has done his duty to his country by serving it as a bounty, as an appropriation from the Treasury to men representing a particular class. So it is too late, if I were so disposed, to object to that feature of the joint resolution as class legislation; but it is class legislation, pure and simple, if the amendment of the Senator from Georgia is not adopted; and, disguise it as you will, class legislation is socialistic legislation; and it is strange that men will preach against the doctrine of socialism, and sometimes upon this floor cast reflections upon men who do profess to believe in that doctrine, and then deliberately apply it in legislation themselves.

Of course, all other products are just as much entitled to the benefits to flow from special legislation as are the farmers or the wool growers or the live-stock men or those engaged in the production of cotton. If I go into a manufacturing enterprise and invest my money, and on account of the fall in the price of the product, whatever the cause, not only in my institution but in all others similarly situated, I am threatened with ruin, because I must sell, if at all, at a sacrifice below the cost of production, why am I not also entitled to the protection of the Government? Why should not Uncle Sam make me whole?

I was handed this memorandum yesterday:

> I had $1,700 stock in a little corporation which the war busted. It is just wound up, and I charge up a loss of $561. What are you going to do for me?

That is a perfectly fair question—a perfectly fair question. I say, "You went into this enterprise with your eyes open, as a citizen, and took chances." The Government is not organized as a universal hospital to cure the commercial and economic accidents and diseases of all mankind. It was created to protect the citizen, and enable him to function on his own account; and I think, Mr. President, that the most pernicious consequence of this kind of legislation is the fact that it is depriving the people of the country, the good old Anglo-Saxon stock, of that element of self-reliance, personal ambition, and the desire to succeed, which lies at the foundation of all individual and national prosperity.

Why should I exert myself unduly in order to succeed, if, when I fail, the Government is to catch me, and act as a parachute to land me safely on the ground? We are coming to it very rapidly; and why should a man exercise thrift, and accumulate something beyond the cost of living, if when he has a little property it is to be taken from him and given to the man who is thriftless, or unfortunate, however thrifty he may be? That is our modern idea, so far as our practice goes, of government; and, as a consequence, we have these 125 lobbies to which I have referred, all with their hands and their tongues out, and both stretched in the direction of the United States Treasury.

I was called into the lobby a short time ago, just before I began to speak, by some gentlemen who are here who want some money for good roads. They said they certainly expected that I would assist them to the best of my ability. I told them I would. I informed them that up to this time I had unsuccessfully opposed every such measure, and by opposing theirs I would guarantee its passage. I also told them that inasmuch as we only had a little deficiency of a billion and a quarter staring us in the face, and a demand for two and a half billions for bonus, and a bill practically appropriating five hundred millions now before the Senate, if there was anything left I thought they ought to have it for good roads; and consequently I assured them that I would oppose the bill; hence they would receive it unless the bottom of the Treasury should be reached, in which event they ought to apply and perhaps would be treated as preferred creditors.

Mr. President, I have now discussed the first section of the joint resolution, notwithstanding the fact that I announced at the beginning that I should not oppose it by my vote. I do not, however, by keeping silent desire to be reproached hereafter for the ineffectiveness of the remedy when it comes to operate. I know that it is foredoomed to failure, and that we must go through the same course that our fathers have gone through under similar circumstances—a hard, bitter experience, filled with suffering and sorrow and misfortune, either now or at some other time before we get back to normal conditions. I have too high an opinion of the yeomanry of America to think that they are not capable of it. I was a boy in the South during the war and a few years afterwards. That country had been swept by the desolation of war, and everything that was left became the prey of the scalawag and the carpetbagger. To add to our misfortune, there was a hostile Central Government ruling the white people of that country with a rod of iron.

No people ever faced a more dismal and awful prospect, but they did not perish. They rose supreme to the occasion, and, undaunted, grappled with foes, political and economic, overcame

both, and made their country one of the most beautiful and prosperous in all the world.

What my people in the South did then they can do now, and they would do it but for the fact that this generation has been educated into the notion that Uncle Sam is a universal dispenser of bounties upon all adverse occasions.

Why, Mr. President, I remember shortly after the declaration of war with Germany that there was a universal dislocation of business everywhere, and cotton conditions in the South were as bad, if not worse, than they are at present, and some of our southern Senators—I am saying it with all due respect—then lost their heads and introduced a joint resolution providing for the issuance of $250,000,000 of bonds, the proceeds whereof were to be invested in cotton, to be held until cotton reached 10 cents a pound. They thought it was absolutely necessary to save the South. They were perfectly honest in it. In fact, I think some of them went so far as even to menace the solidarity of the Democratic majority in this body if we did not pass it; but we rejected it, and I think properly, and the South still lives, still proud, still prosperous, and still defiant, thank God!

When the mints of India closed practically every silver mine in the West closed, and that brought disaster to my section of the country, and a very severe one, followed shortly afterwards by the panic known as the panic of 1893. Senators from my State and from the other silver-producing States iterated and reiterated in this body the certain destruction of the civilization of the great Rocky Mountain region if silver was not restored, and I believe them just as honestly as my friend the Senator from Georgia in 1914 believed that that $250,000,000 bond issue was necessary to save his State.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Colorado yield to the Senator from Georgia?

Mr. THOMAS. I do.

Mr. SMITH of Georgia. I did not believe it necessary to save our State, but I believed that it was wise. I still believe it was wise, and I think it was a horrible blunder that is was not done.

Mr. THOMAS. I am glad the Senator stands by his guns. That is right. I honor him for it; but I did not agree with him then, and I do not agree with him now.

Mr. SMITH of Georgia. Furthermore, if the Government had pursued the policy suggested, the Government would have made a large sum from its investment, and our exports would have brought a normal price, instead of having brought about one-half of what they should have brought.

Mr. THOMAS. If the function of the Government is to go into business and to make money by taxing the people, why, of course, that may be. I do not know; but I am going to be just as candid as the Senator is. I am going to admit that I was mistaken. What I apprehended never happened. It was found that we could not get silver coinage, and so we went to producing gold and zinc and lead and everything else of a mineral or metallic character that we could dig out of the ground. While I think it was a mistake, and always will to my dying day believe that the demonetization of silver was little short of a crime, I have been cured of the notion that its coinage was absolutely indispensable to the commercial existence of any people or any section of the people. So, I do not want to lose my head again; and the difficulty is that the country has lost its head just now.

Mr. SMITH of Georgia. Mr. President, will the Senator pardon me for just a moment?

The PRESIDING OFFICER. Does the Senator from Colorado further yield to the Senator from Georgia?

Mr. THOMAS. I do.

Mr. SMITH of Georgia. I did not consider it essential to the prosperity of the South or of the cotton-growing States. I believed at the time that there was a condition which could be justly and properly and wisely relieved, growing out of the war.

Mr. THOMAS. Whatever the Senator's idea was—and of course I take his statement for that—the fact is that the calamity which roused him to such action did not occur. In fact, Mr. President, nine-tenths of our troubles never do occur, except by anticipation.

Mr. SMITH of South Carolina. Perhaps we have not any troubles now.

Mr. THOMAS. Yes; you have some now—there is no doubt about that—but they are not half as bad as you think they are, and I am satisfied that the future will demonstrate the truth of my statement. Legislation of so supreme an importance and character ought to be enacted, as I stated before, only after the most profound consideration and by dispassionate and unexcited men, and that we are not.

Now, Mr. President, a few words regarding the second section, and I will relieve the Senate from further torture. The second section provides:

That the Federal Reserve Board is hereby directed to take such action as may be necessary to permit the member banks of the Federal Reserve System, in accordance with law and consistent with sound banking, to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at the lowest possible rate of interest.

My first criticism of the second section is that it conveys to the country the impression that the Federal Reserve Board has not been doing its duty, that it has been derelict in a crisis to the people of the United States. The committee did not mean it so, I concede fully, but that is the impression, in my judgment, which will be conveyed from one end of this country to the other among responsible people. It is a reflection upon the Federal Reserve Board, not an intentional but an inevitable one.

I read the hearings carefully. I have known the workings of the Federal Reserve Board, and I contend that in the discharge of their functions they have sought to do, and I think nearly always have done, their duty well. It takes a brave man, in a crisis, to perform his duty, and the law that is worth anything must be equal to the crisis which confronts it, and which was anticipated at the time of its enactment because of past experiences. I know of nothing more dangerous and damnable to a commercial people than inflation, except deflation, because the last is immediate and much more drastic, and consequently deflation should come gradually, and that has been the case with the Federal Reserve Board, because to-day, so far as our circulation goes, it has not been reduced, but has simply been held stationary and hardly that.

The Senator from North Dakota called attention to the fact that the governor of the Federal Reserve Board said that up to a certain time last spring the increase of our currency had an angle of about 45°, from which time it has assumed one of about 2°. That is the sort of deflation, Mr. President, that ought to be practiced.

But that is not the thing which is responsible for this situation. If this angle of increase had been maintained at 45° or more it would have come just the same. It is absolutely inevitable. The terrible part of it is that it came so suddenly; that is, relatively it was sudden. But it has been coming for months, and it has come as a consequence of the refusal of the people of the United States to be held up any longer with high prices. It seems to me that the consumers of this country have a right to complain that, now they are face to face with a reduction in prices, the Congress of the United States is executing a military maneuver of right-about-face and legislating to keep them up.

Talk about political consistency. As acrobats Congress can give a political convention cards and spades; that is, if this is a sample of the sort of legislation which is going to follow now. We ran like a pack away from high prices. We are now running like a pack away from low prices, and when you consider that the consumer of America constitutes the principal class—the man of salary and the man of fixed income and the wage earner, next to the farmer, constitute the greatest class in the country, and the farmer is also a consumer—I think that, subject to the needs of the producers of the country, we should welcome instead of attempting to repel the inevitable return of a decent standard of livelihood.

I concede, Mr. President, that the prices of necessities to the consumer have not kept ratio to the fall of prices to the producer. That is unfortunate. It costs the farmer to-day and it costs the consumer everywhere who supports the retail business of the country pretty nearly as much to live as ever, and especially if he has to travel and patronize any of the hotels of the country. But that only indicates what is almost always the case, that the prices of the distributor to the actual consumer are the last to come down, due very largely, first, to the fact that the public must continue to purchase what is absolutely necessary and also to the fact that the retailer can not so readily readjust himself to the change—that is, his overhead charges, his credits, and so forth. There may be a consequent disaster; but I venture the prediction that after the holidays are over retail prices will fall very rapidly. They have to. I know of no way of avoiding it, like the general situation, which may be stemmed for a short time, perhaps, but inevitably it must come, and I think the sooner we meet that fact and go through the valley of the shadow and get back to the old conditions the better it is going to be for us.

I agree with the Senator from Utah [Mr. SMOOT], Mr. President, that the second section is practically meaningless. It directs the Federal Reserve Board "to take such action as may be necessary to permit the member banks of the Federal Re-

serve System, in accordance with law and consistent with sound banking, to grant liberal extensions."

That power exists under the present law. The Federal Reserve Board does not make any loans. The Federal Reserve Board does not direct the member bank where it shall receive credits or discounts. The Federal Reserve Board can not tell the Riggs National Bank of Washington what loans it must make and what loans it must not make. It can examine its loans, and does do so, in order that rules of sound banking may not be ignored or departed from. The trouble is that they have done all they can do under the law, and unless they do more under this proposed law, then complaint will be made, and it will be made with great insistence, that they have ignored the direction of Congress, by paying no attention to its joint resolution. I do not believe that there is a Senator upon this floor who, as a member of the Federal Reserve Board, would have changed the policy which it has followed, or who would under this direction change its policy. And yet I think there can be no doubt that unless something radical and drastic is done, the members of this board will be denounced, as they have been frequently and unjustly denounced, not always here, but in other places as well.

I recall—I think it was in August, 1919, though perhaps I do not get the date correctly—when this body passed a resolution upon the subject of deflation, the general impression being then that credits were being extended too far, and calling upon the board for information upon that subject, which was duly furnished.

That is all right; we have the right to do that. But in a crisis like this, to pass a law directing this board to do something which in its judgment it ought not to do is to interfere with the principles of sound banking, with the judgment and discretion of men who know their business and who were appointed to perform it. We can not afford, in my judgment, without threatening the integrity of the entire system, to enact resolutions and statutes amendatory of a great banking act for the purpose of meeting an emergency that seems to threaten a part of our people. If you set the precedent there will never be such a thing as contraction of currency in the United States. If you set the precedent the board will function as a body merely designed to extend credits and increase the circulation, and when that is done you will have plenty of money, but it will be rotten, just as the money of nearly all the nations of Europe is to-day. We produce more than we can sell. We produce more than there is a market for, and the problem of the farmer is the problem of distribution and of markets.

I read from a review entitled "Economic Conditions," issued by the National City Bank, this short extract:

> This slump in business conditions has demonstrated again that the great movements in the business world which make good times or bad times are spontaneous and beyond control. They are due to mass action and mass psychology. The business of the country depends upon the purchases and policies of tens of millions of individuals, and when they become generally possessed of a spirit of confidence and go ahead with their planning and spending under its influence we have a period of prosperity. The difference between free spending and careful economy by all the people of this country means a vast difference in the volume of trade and the level of prices.
>
> A state of full prosperity is seldom long maintained, because it means a balanced state of industry, and the balance may be disturbed by many influences, originating at home or abroad. The war gave an enormous but unhealthful stimulus to the industries and brought on the rise of wages and prices. Following the war there was another abnormal period, due to scarcity resulting from the war and the release of demands that had been in restraint. The actual scarcity was exaggerated in many instances, as in the case of clothing and sugar, by an insistent demand which would be supplied at any price. A market in which demand exceeds supply is commonly called a seller's market, on the theory that the seller names the price, but the prices upon many commodities in the latter part of 1919 and early part of 1920 were made by a scramble of buyers and the bidding of dealers eager to supply them. There was a shortage of cloth and of sugar, but the market was overstimulated by the action of buyers, who in many instances tried to get more than they really wanted in the expectation that the limited supplies would be allotted or to provide for the future. Nobody was more deceived than the dealers and producers.

I do not see, Mr. President, if it be true that the masses buying, or the failing of the masses to buy, is the factor which determines operations, and it is a fact, and particularly where a market is a seller's market, as ours has been so long, that any direction to extend credit to producers upon the security of the agricultural products now held by them, by permitting the rediscount of notes, of extension, or otherwise, can affect this situation. It is largely beyond the power of human control, and there is, as we all at least should know, a limit to human legislation. We can not legislate July weather into January. We can not change the course of the planets around the sun. We can not legislate figs upon thistles, and, with all due respect to the present presiding officer [Mr. SHEPPARD in the chair], I do not believe we can legislate virtue into the average man. These are things which are beyond the realm of human statutes, and, generally speaking, when we try to regulate them the result is either disastrous or ridiculous.

Mr. President, I shall ask for a separate vote upon these two sections, to the end that the Senate may discriminate between them.

Mr. GRONNA. Mr. President, I was in hopes that we could dispose of the joint resolution to-day. There never was a time in the history of the Nation when remedial legislation of this sort was as urgent as it is to-day. I am sure that every Senator realizes that.

However, I certainly do not wish to deprive any Senator of the fullest opportunity to speak. I could not do that if I wanted; but I wish to state my position; I do not wish to say to any Senator that he can not have all the time he wants to discuss this joint resolution. I realize that it is an important measure. I also realize that at this time we do not perhaps have a quorum, but we can get a quorum here. I do not know of a time when it was more necessary or more important than the present to get a quorum and to keep Members here until pending legislation is disposed of, when banks all through the country are suspending and closing their doors, when farmers are unable to dispose of their products for the very reason that they can not obtain money, when the money is being locked up.

If we can have an understanding that we shall take a recess until 11 o'clock on Monday, and that those who are here present will give unanimous consent at that time—I am not asking that it be done now—to vote not later than, say, 3 o'clock on Monday, perhaps we could make time by taking such action.

Mr. KING. Mr. President, may I say to the Senator from North Dakota that on Monday a number of very important committees will meet for the first time at this session. Some of those committees are called for 11 o'clock, others for 10 o'clock. I suggest to the Senator to move a recess until 12 o'clock. I am sure that a vote will be had upon Monday on the joint resolution.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nebraska?

Mr. GRONNA. Certainly.

Mr. NORRIS. Can we have an assurance, as much as we can get under the circumstances, without going through the formality of submitting a unanimous-consent request, that we will vote not later than 3 o'clock on Monday if we take a recess until 12 o'clock on that day?

Mr. KING. So far as I am concerned, I should be very glad to assure the Senator of that and use what little influence I may have to that end.

Mr. THOMAS. I beg to assure the Senator that I am ready to vote now.

Mr. NORRIS. So am I; but there are some Senators who want to be heard upon the joint resolution. I have refrained from talking in order that I might do my part toward getting a vote as soon as possible.

We had an understanding, I thought, as much as we could have an understanding without calling the roll and going through the formality, that we would vote to-day if we would consent to an adjournment yesterday at an hour which was proposed and which was a very early hour for adjournment. We expected in all good faith that there would be a vote to-day.

Mr. KING. May I say to the Senator that I do not think he will make any progress toward getting a vote by indulging in any criticism. I am sure there is no disposition upon the part of any Senator to delay the vote.

Mr. NORRIS. The Senator will not dispute that statement? The Senator was here yesterday.

Mr. KING. I do not know anything about it.

Mr. NORRIS. The Senator was present.

Mr. KING. I can assure the Senator so far as I am concerned that I know of no one who will vote against the joint resolution. My present intention is, after one or two amendments are agreed to, to vote for it. I am sure there are two Senators who desire to submit some observations upon the measure, and I have no doubt in the world that if we take a recess until 12 o'clock on Monday the measure may be disposed of by 3 o'clock.

Mr. SMOOT. Mr. President, I wish to call the Senator's attention to the fact that nearly every hour this afternoon has been taken by Senators in favor of the measure.

Mr. NORRIS. And that includes the senior Senator from Utah.

Mr. SMOOT. I am perfectly aware of that. I am not criticizing anyone, if anyone wishes to speak. The Senator from Colorado [Mr. THOMAS] is the last one who has spoken this afternoon, and I am quite sure from what I have heard that there is no more discussion to be had, except by the junior Senator from Utah [Mr. KING], and possibly one other Senator.

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So far as I am concerned, there can be a vote at 3 o'clock on Monday.

Mr. NORRIS. There was no one who had any doubt yesterday that we would get to a vote to-day, and we adjourned with that understanding. I am perfectly willing to concede to every Senator the right to debate the joint resolution as long as he wants to do so.

Mr. THOMAS. I must confess my ignorance of that understanding. I had no such understanding, although I fully expected that there would be a vote to-day, because from what I heard I supposed that I was the only Senator who wanted to say anything further on the joint resolution. However, I did not understand that there was any assurance that there would be a vote to-day.

Mr. NORRIS. One Senator speaking, as a rule, brings forward other Senators. Senators have spoken to-day who would not have spoken if it had not been for some things that were said by other Senators that they thought ought to be answered. I think the senior Senator from Utah [Mr. SMOOT], a very ardent supporter of the joint resolution, was engaged for a couple of hours in criticism of it, and that brought on some discussion from other Senators who wanted to answer him.

Mr. SMOOT. I resent that, because I was on the floor for an hour and 10 minutes, and I do not think I had more than 15 minutes of the hour and 10 minutes.

Mr. POMERENE. May I ask the chairman of the committee one question? Is he going to insist seriously on section 2 in its present form?

Mr. GRONNA. I wish to say to the Senator from Ohio in all candor that there are members of the committee who are very strongly in favor of the section.

Mr. POMERENE. I wish to say that the first section of the joint resolution has my sympathy, and so far as I know now I expect to vote for it; but I do not like to move a wrecking train into the Federal Reserve Board at this time, and that will be the effect of section 2 of the joint resolution.

Mr. GRONNA. The Senator realizes that there is a great deal that may be said with reference to the action of the Federal Reserve Board.

Mr. POMERENE. That may be.

Mr. GRONNA. Every Senator here and every man in the country who has had any business to transact knows that farm paper has been ineligible—and we might as well speak plainly.

Mr. POMERENE. I am in sympathy with the Senator again in wanting to help along the cause of rural credits, and I am going to help that along to the best of my ability, but I am not going to help wreck the Federal reserve banks, if I can prevent it.

Mr. GRONNA. May I say to the Senator that we are not charging the Federal Reserve Board with any violation of the law, or even violation of rules. We are simply directing. The Secretary of the Treasury in all kindness, when he was asked by the Senator from Mississippi [Mr. HARRISON] what he would do, made the very courteous reply to the committee, "If you will direct me to do so and so," I think he said we would be glad to do it. It is not a criticism of anybody.

Mr. GLASS. The response of the Secretary of the Treasury had reference only to the resumption of the activities of the War Finance Corporation, and not to the implied criticism of the Federal Reserve Board.

Mr. GRONNA. There is no criticism of the Federal Reserve Board.

Mr. GLASS. Oh, there is a very direct criticism of it, a very unjust criticism of it, and a criticism that is not based upon the facts.

Mr. GRONNA. The Senator from Virginia has a right to his opinion, and I have a right to mine.

Mr. GLASS. Precisely.

Mr. GRONNA. I shall be glad at some future time to discuss the question with the Senator from Virginia, and would do so now if it were not my desire to have the joint resolution acted upon at this time.

Mr. POMERENE. I am not prepared to say that the Federal Reserve Board has done all that it ought to do. Perhaps it has done some things it ought not to have done; but I am perfectly clear in my own mind that the Federal Reserve Board can handle the business of the Federal reserve banks a vast deal better than the Congress of the United States.

Mr. HEFLIN. Mr. President, no one else has suggested a situation that I have in mind, and I feel that it is important just here to bring it to the attention of the Senate. I shall not now discuss the wisdom or unwisdom of the ruling of the Federal Reserve Board in raising the rate of interest this year above that charged last year. We obtained money last year at 4½ per cent in the cotton-growing States, and the banks that handled the cotton business and other agricultural products made a little money in handling the agricultural business of our section. This year the rate of interest was raised to 7 per cent, and banks in Alabama could only make 1 per cent in handling such matters, our legal rate being 8 per cent. The increased interest rate had a similar effect in other States of the South and West. The effect of that in the South and West was that call money having gone up to 12 per cent and higher in New York, money seeking the place where it could earn the most interest went—a great deal of it—from those sections to the speculative centers, where the higher rate of interest was paid, and the speculating interests of New York have had all the money they desired to use on the exchanges in beating down the prices of agricultural products.

Mr. President, I am not charging that the Federal Reserve Board raised the rate of interest for the purpose of keeping money out or of driving money out of the South and West at the crop-moving time—the time that it was needed most. I am merely relating what really happened to the business of the farmer in the South and West, and I feel that Congress has the right to instruct, and I intend to vote to instruct or direct the Federal Reserve Board to go directly to the rescue of the farmers of the country immediately because they are in dire distress. We are seeking to deliver them from the sharks and speculators who take advantage of their distress and profit by their misfortune. It is no reflection upon the Federal Reserve Board for Congress to specifically direct its attention and activities toward a matter of such grave importance as preventing the useless and criminal loss of billions of dollars to the farmers of the United States. That is what I felt should be said at this time, Mr. President.

Mr. GRONNA. Mr. President, in view of what has been said by many of the distinguished Senators and with the assurance they have given us that they will be willing to let this measure come to a vote on Monday, probably about 3 o'clock, or probably a little later, I move that the Senate take a recess until 12 o'clock Monday.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until Monday, December 13, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *December 11, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, Father of all souls, draw near to us as we draw near to Thee; inspire us with great thoughts that in all our efforts we may strive to fulfill Thy desires; let Thy kingdom come in all hearts, that wrongs may be righted and brotherly love obtain throughout this perturbed world; that peace may possess our souls and make the world a safer and happier place to dwell in. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

ADJOURNMENT FOR THE HOLIDAYS.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns on December 23, it adjourn until Monday, December 27.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns on Thursday, December 23, it adjourn until Monday, December 27. Is there objection?

Mr. GARNER. Reserving the right to object, this request contemplates an adjournment from Thursday until Monday?

Mr. MONDELL. Yes; so as to give Members one day to get home and one day to return after Christmas.

Mr. SNELL. Is that all the vacation that is intended to be taken at the holiday season?

Mr. MONDELL. That is my thought. I have talked with a good many gentlemen on both sides, including the leader on the Democratic side.

Mr. SEARS. Mr. Speaker, I make the point that no quorum is present.

The SPEAKER. The gentleman from Florida makes the point that no quorum is present. Evidently there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

Accordingly the doors were closed and the Sergeant at Arms was directed to notify the absentees.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Ferris	Kreider	Robinson, N. C.
Anthony	Fish	Lea, Calif.	Romjue
Bacharach	Freeman	Lonergan	Rose
Baer	Fuller, Mass.	Luhring	Rouse
Blackmon	Gallagher	McCulloch	Rowan
Booher	Gallivan	McDuffie	Rubey
Britten	Gandy	McFadden	Sanders, Ind.
Browne	Ganly	McKenzie	Sanders, La.
Brumbaugh	Godwin, N. C.	McKinley	Sanders, N. Y.
Caldwell	Goodall	McLane	Sanford
Candler	Goodwin, Ark.	McLeod	Scully
Cantrill	Gould	Maher	Sells
Casey	Graham, Pa.	Mann, S. C.	Sims
Chindblom	Greene, Mass.	Mason	Sisson
Christopherson	Hamill	Mead	Smith, N. Y.
Clark, Fla.	Hamilton	Merritt	Snyder
Classon	Hersman	Mooney	Steele
Costello	Howard	Morin	Stevenson
Crago	Hulings	Nelson, Mo.	Stiness
Cramton	Hull, Iowa	Nelson, Wis.	Sweet
Crowther	Igoe	Nolan	Taylor, Colo.
Currie, Mich.	Ireland	Patterson	Tinkham
Davis, Minn.	James, Mich.	Phelan	Vare
Dent	Jefferis	Rainey, Ala.	Volk
Donovan	Johnson, Ky.	Ramseyer	Walters
Dooling	Johnston, N. Y.	Reber	Whaley
Doremus	Kahn	Reed, N. Y.	Wise
Drane	Kennedy, Iowa	Reed, W. Va.	Young, Tex.
Emerson	King	Riddick	
Evans, Nev.	Kitchin	Riordan	

The SPEAKER. Three hundred and thirteen Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns on Thursday, December 23, it adjourn to meet on the following Monday, December 27. Is there objection?

Mr. GARD. Reserving the right to object, what is the proposition as to the session on New Year's day on the succeeding Saturday?

Mr. MONDELL. I want to take that matter up with Members on both sides before making any request, because I am not certain what the view of the House might be.

Mr. GARD. Would it not be well for the gentleman to take it up before making this request, so that the two may be considered together, and that we may know definitely in regard to it?

Mr. MONDELL. I think the only question as to the following week is whether we shall adjourn from Friday until the next Monday or from Thursday until the next Monday, as we propose to do on Christmas.

Mr. GARD. The plan would be to adjourn from Friday or Thursday to the following Monday?

Mr. MONDELL. Yes.

Mr. BLANTON. Reserving the right to object, will the gentleman from Wyoming also promise that gentlemen may have one day to get home, New Year's at home, and one day to get back?

Mr. MONDELL. I find that some of the Members with whom I have talked are of opinion that we should not have the extra day at New Year's, but I am not going to make a request with regard to that until I have talked with more Members.

Mr. BLANTON. Mr. Speaker, that leads me to this question: There are unfortunate Members who live in parts of the United States where it takes more than one day, two days, or even more than three or four days to get home, and more than three or four days to get back. Has the gentleman from Wyoming anything in his mind with reference to Christmas presents and New Year's presents for those unfortunate gentlemen?

Mr. MONDELL. I belong to the class, so far as my geographical location is concerned, to which the gentleman refers. I never go home at Christmas vacation, because the distance is so great that even with a longer vacation there is no time.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming? [After a pause.] The Chair hears none, and it is so ordered.

IMMIGRATION.

Mr. JOHNSON of Washington. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the immigration bill, with Mr. TILSON in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. When the committee rose yesterday evening there was pending an amendment offered by the gentleman from Illinois [Mr. HENRY T. RAINEY].

Mr. RAKER. Mr. Chairman, I rise to oppose the amendment.

Mr. VAILE. Mr. Chairman, I rise to oppose the amendment.

The CHAIRMAN. The gentleman from California is recognized.

Mr. SABATH. Mr. Chairman, I ask unanimous consent that the amendment now pending offered by the gentleman from Illinois [Mr. HENRY T. RAINEY] be read for the information of the committee.

The CHAIRMAN. Without objection, the amendment will be again reported.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY: At the end of line 15, on page 3, insert a new provision as follows:

"5. Bona fide farm laborers who may enter the United States solely for the purpose of engaging in labor on a farm or farms or in a truck garden or truck gardens, and upon the completion or discontinuance of such employment they shall not be entitled to remain in the United States."

Mr. RAKER. Mr. Chairman and gentlemen of the committee, it is a delightful thing that one can differ with a man's views and ideas and still be the warmest friend of the author of a proposition. That is my attitude in respect to this amendment. The statement by the proponent of the amendment that there should be cheap farm labor to my mind is a statement of something that can not and should not exist. There can not be such a thing in the United States as cheap farm labor if we use that word to mean that we are to obtain labor from foreign countries that will come here and work more cheaply than American citizens who now live upon those farms. Such a thing would be disastrous to the farming interests. It would be disastrous to the city interests, and, far and above all, it would be disastrous to our country. If you permit a class of cheap farm laborers to come in, and that is the purpose of the amendment, you would then make the condition on the farm such that the American citizens there to-day would leave the farm because of the cheaper labor employed upon the farm which would be imported from foreign countries, and the American citizen, the boy and the girl raised on the farm, would go to the city.

Mr. LAYTON. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Not at present. No such condition as I picture should be permitted in this country. The farmer should be able to receive enough from his produce, no matter what his farm produces, so that he can pay his laborers, his own boys, his own daughters, or the sons and daughters of his neighbors a fair, remunerative wage, so that they may live as American citizens, and the amount of wage should be as high as the wage in any city of the United States.

Mr. LAYTON rose.

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Delaware?

Mr. RAKER. I decline to yield at present. My second proposition is that it would produce a congestion in the cities. If there are higher wages in the cities, necessarily it will induce the farm laborers to leave the farm and go to the cities more than is the case at the present time.

The reasons which I have given are incidental, temporary business matters, and, while they are to some extent important, they are not important as compared to the vital question involved in the adoption of such an amendment. To adopt this amendment would engraft upon the laws of this country a slavery, a serfdom, a peonage that does not even exist in the Old World, and clearly we can not establish a policy of that kind here. Let us read the amendment. It provides:

And upon the completion or discontinuance of such employment they shall not be entitled to remain in the United States.

Let us say that a man comes over here to labor on the farms. He is a live, robust man. He may make a good citizen, but he has come for the purpose stated and must after the employment of that season or that year on the farm leave or he will find himself unlawfully in the United States. Second, he might bring with him his wife, and after the termination of that employment the wife and the man would be compelled to leave, while in the meantime there may have been born to that family an American citizen. You are then compelled—and under this law it could not be done—to take from this country by deportation this laborer on the farm with his American-born child. Third, there is no inhibition with respect to his marrying while

here. He might marry the daughter of a neighboring farmer, if you please, or he might marry a laboring girl who came here, and from that union there might be born an American citizen. Upon the completion or the termination of that employment this man and woman must leave the country, and this American-born child, who has the same right as any other American citizen born in this country, sees its father and mother deported, it being left here an infant from 3 to 5 years of age.

Can such a piece of legislation be enacted by the American Congress, and can we then say that we stand for equality and right, for the development of humanity? I want to say to you that the farmers of this country are not demanding that kind of legislation. They are not seeking cheap, low labor. They are seeking a high class of labor. They are seeking American citizens who can do their work and who will do their work, and when they have worked sufficiently upon the farm, a sufficient length of time, they go out to school or into some other business.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to speak for one minute more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. RAKER. After their labor has been completed, instead of being deported, they should be permitted to acquire land, to acquire additional farm land, to become a part and parcel of the country, to be naturalized, to be American citizens, to assume all of the rights and responsibilities and duties of an American citizen. I want to say to you that I do not believe this country will ever inaugurate by an act of Congress a system of peonage that does not exist in the most barbarous countries of the world to-day. I submit that this amendment for every reason should be defeated.

Mr. SUMNERS of Texas. Mr. Chairman——

Mr. JOHNSON of Washington. Mr. Chairman——

The CHAIRMAN. The gentleman from Washington, chairman of the committee.

Mr. JOHNSON of Washington. Mr. Chairman, I would like to ask unanimous consent that debate on this amendment be closed.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that debate on this amendment be closed.

Mr. GREEN of Iowa, Mr. McARTHUR, and others. Mr. Chairman, I object.

Mr. JOHNSON of Washington. Let us see if I can make an agreement. Mr. Chairman, I will withdraw my request.

Mr. GREEN of Iowa. Mr. Chairman, I favor this amendment. I do not favor this bill, and yet I accept it as the best that can be done at this time, because I believe immigration ought to be checked. I think and have thought that instead of a wholesale stoppage of immigration we should have a bill imposing a definite system for keeping out the undesirable classes.

Mr. JOHNSON of Washington. Will the gentleman yield?

Mr. GREEN of Iowa. I am unable to yield to the chairman; the chairman has had an abundance of time. If we had such a bill as that I would gladly support it. In default of it I shall take this bill with what amendments we can get. There never has been a time in the history of this country, in late years at least, when there was enough farm labor. It will not be possible to obtain it if this amendment is carried, and yet it is the very class we want most. The evils existing under the present system arise largely from the fact that the immigrant crowds, I might say herds, in the large cities. There he remains in communities by himself, where often he does not even have an opportunity to learn the language of this country, much less its customs and ways, and he never becomes Americanized. The farm laborer goes into a community, where he is surrounded by the American spirit that exists on the part of the American farmer and shortly becomes Americanized and becomes one of the best citizens we have. This is always the result. Gentlemen talk about the evils that might result from this amendment. We have this permission now and none of these evils have existed by reason of farm laborers coming in. On the contrary, we found it necessary in order to get certain kinds of work done that the Secretary of Labor should issue permits to bring in certain kinds of labor in order that that work might be done at all. These laborers have been permitted to remain in this country only so long as they continued at certain kinds of farm labor. Refuse to pass this amendment and that work will not be done. Certain kinds of food that ought to be cheap in this country will be high without any corresponding profit or benefit to the farmer. This amendment, Mr. Chairman, would help this bill greatly. It permits the very class we need most to come into this country and no harm could possibly come from it. All the provisions of the present immigration law as it now stands are reserved in the closing clause of the bill, and the fears of the gentlemen that an undesirable class would come in have no force, because they would be prevented by this provision. As a matter of fact, no such results have obtained in the past, and therefore, Mr. Chairman, I favor the amendment and hope it will be adopted.

Mr. CARAWAY. I want to discuss this amendment. I have no doubt if it should prevail and the bill finally becomes a law and under its provisions immigrants should come to these United States and become farm laborers every man who employs one of them could be convicted of the offense of peonage. If not, I do know this, that a condition of serfdom nearly akin to slavery could be established in this country. I know if that class of foreigners were brought to this country to work on farms with the restriction that they could engage in no other occupation under the penalty of being deported that you could establish peonage in this country that for effectiveness would amount to actual industrial slavery. If a man should come here and be permitted to work on the farm, but denied the opportunity of engaging in any other occupation, under the gentleman's agreement among farmers that one farmer would not employ another farmer's help, they could reduce that man to such a state of peonage that he could actually transfer title to that immigrant with the title to the land on which he labored. [Applause.] Many States have laws against enticing labor. If you go to one man's place of business or to his farm and hire his help away, you have committed a misdemeanor, and upon conviction can be fined and imprisoned. Under the laws of those States, if this bill were to become the law, a laborer who had come here subject to its provisions were to become a farm hand in that State, since no one could entice him away—that is, hire him away—from his employer, and since he could not engage in any other kind of occupation, he would be a mere chattel. The Constitution, however, would annul this law. It provides that no man can be held to involuntary servitude, except upon a conviction by a court of competent jurisdiction for crime, and this would be involuntary servitude, under penalty that every man who did not submit to it would be deported. Under it families could be divided, fathers be taken from their children, husband be taken from his wife and children, and sent into some foreign country. All this could and would befall him unless he submitted to employment upon a farm and some particular farm. Necessarily an agreement would grow up that his employment should be always by the first man with whom he was so employed. I am astonished to find that the advocates of this amendment come from that section of the United States that so bitterly opposed slavery when it was an institution in the South. [Laughter and applause.]

Mr. WILSON of Louisiana. This amendment?

Mr. CARAWAY. This amendment. There is not a man living south of Mason and Dixon's line who is going to vote for this amendment, and no one seems to be opposed to it who lives north of that line. [Laughter and applause.] I am glad you gentlemen applaud it. Let me tell you something else. I believe every one here wants to help the farmer if he can. I think also 90 per cent of the membership of this House were reared on the farm, and it is a great pity most of us got off of it. [Laughter and applause.]

Mr. McARTHUR. For the farms or the country?

Mr. CARAWAY. For the country. If we really want to legislate for the farmer's benefit, instead of giving him laborers give him markets. There is not a farmer in America who is not crushed by economic conditions. Yet we stand here pretending that we want to legislate for him. If we really want to legislate for him let us bring out some measure to give him markets and protect him from the people who exploit him every year.

Fourteen times before we harvested a grain of wheat this year the speculators had sold the crop, and every man made a profit out of it except the man who grew it. The gamblers have sold the cotton crop over and over again in New York and New Orleans at a profit, but the men who labored through all the heat of summer to produce it have now to give it away in order that these speculators can enjoy the profits of his labor. If we want to legislate for the farmer let us get this bill out of the way and do it, and not merely pretend we are doing something for him. I want to close the gambling exchanges, stop exploiting farmers, stop sitting supinely by while he perishes. Give the farmers markets and a square deal. But returning to this measure, instead of limiting immigration for 2 years, I am willing to make it 20. I do not deny that desirable citizens of America have been born in foreign countries and have come here good men; but I do deny they are any better than the American-born citizens, and we have as many

citizens here now as we need. I am not crazy to exploit every resource of this country during our lifetime. I wish to leave some of the resources of this country to our children and our children's children who come after. I have no patience with those who cry out all the time for an increased population, and do so solely that they may grow rich off of the unearned increment of the increase of population. This is an American bill. [Applause.] If the condition of people in the country of their birth is bad, I am sorry, but still I am not willing to destroy our own institutions and to take from our children the opportunities that our fathers through their foresight and their sacrifice created for us. This heritage was handed down to us by our fathers, and I hope we may have the patriotism and the courage to hand it down to our children and our children's children unimpaired. [Applause.]

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman and gentlemen, I think most of us must realize the truth of the statement made by the gentleman from Arkansas, that any provision of the kind that would bring labor into the United States to be bound to a certain task at a specified place would create a peonage system, which we can not afford to even think of adopting.

Dismissing that, I ask the attention of the Members to a statement which I think must be made. Perhaps the statement should come from the Committee on Foreign Affairs, but even if it comes from the chairman of the Immigration Committee, it may advise Congress and warn the country that the exodus from central Europe is serious and dangerous. The State Department knows this to a certainty. That department has handed to me enough paragraphs from its consular officers for use in this report on this bill to serve as a warning. Because certain consular officers report an excess of Jews seeking passport visés at certain places this bill has to be assaulted as an anti-Semitic bill. It is not. I care not whether the influx is Jewish, Moslem, Pagan, Buddhist, Christian, or what not. The country does not want it. It brings too many who are anti-Government and anti-God. We do not want Japanese, Chinese, Hindu, Turk, Greek, Italian, or any other nationality until we can clean house. [Applause.] While engaged in that work we do not want any more bread lines than we can help. I warn you that this country can not stand this influx.

The immigration coming now is the most undesirable that ever came to the United States. Look out! How strange it is to hear men on the floor favor this influx, to see them oppose this bill, and then to hear them beg for provisions that would deport them for attending some school like the Rand School!

The CHAIRMAN. The time of the gentleman has expired.

Mr. JOHNSON of Washington. Mr. Chairman, I ask unanimous consent for an additional five minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. JOHNSON of Washington. I do not care so much one way or the other about the cutting of the suspension period from 22 to 14 months. This bill is a stopper. It is proposed as a stop-gap proposition. The passport regulations, if you consider we are acting under them, will die with any declaration of peace. The extension of the war-passport business dies with this Congress. You have got nothing then to put up against your influx of immigration except the literacy test and certain health regulations.

I have said that this bill is a stop-gap. It is not an effort to write an entirely new immigration act. But even those who want something done propose amendments as if this were an effort to write the whole law over again. The members of the committee have gone as far as they could to meet objections. Listen to this debate and then you can tell the country why we do not get needed immigration legislation. While considering an immigration bill you can discuss the matter of farm labor for hours and still be not out of order.

Gentlemen, has the United States come to the point that each citizen must have his own serf on his farm, or in his factory, or in his home? Every problem that is proposed has run through the committee. You see the samples of debate on the floor.

The Nation cries out through the press, from the Los Angeles Times, on the Pacific coast, which is not a labor paper, to the Saturday Evening Post, of Philadelphia, on the Atlantic, as well as the papers in between, both great and small, to do something to stop the influx. But when the time comes to do it each one of us has a pet amendment, and although we are friendly to the effort to stop the influx, we weaken the proposal. [Applause.]

Before this measure shall have been many days in the committee of another body this country will have some additional reports from State Department officials. Before this bill can be made into law you will see ships coming into Ellis Island with immigrants hanging over the edges. Some ships have established fourth-class steerage rates. Go to Ellis Island and look at the conditions, visit the immigrant ships and see the conditions that prevail. See how bolsheviki and discontents can be made overnight.

Fail to pass this bill and you will not have even passport restrictions after March 4. Fail to pass this bill and then reach peace and you will add to our immigration all the Germans, Austrians, Hungarians, Bulgarians, and Moslem Turks who can raise the money to buy steamship tickets.

Go to the State Department, Congressmen, and read the reports for yourselves. [Applause.]

The CHAIRMAN. The gentleman from Texas [Mr. SUMNERS] is recognized.

Mr. SUMNERS of Texas. Mr. Chairman and gentlemen of the committee, this amendment from the standpoint of its philosophy, with due respect to its author, is the most remarkable proposition, in view of the experience of this country, that I have known in all my time in Congress. We of the South tried the experiment of bringing into this country people to do our physical labor. Through generations to come we shall pay the penalty for violating that great law of life which God Almighty announced to Adam at the gate of the Garden of Eden. [Applause.]

Now, what is proposed here? Is it to bring these people here and give them the boon of American liberty? No; but to make them do our physical labor. That is the proposition; that is the first proposition. It is un-American and unsound, as measured by the experience of the races of men in the realm of government.

Now, another proposition: They propose to put this cheap labor into competition with the man who is trying to build a little home out in the country. There is no getting away from that. We know that the foundation of government is the owned home. No government can be stronger than its foundation. What do we propose to do? We propose to bring these peoned men here from Europe, and if a man has a little 25 or 30 acre farm, place him in competition with a man who with this cheap labor is operating a farm of some hundreds or thousands of acres. These farm homes are the strength of government in the country. The strength of government there is not represented by the big landowner who lives in town and rides around in his automobile. I have no prejudice against those folks. I own a pretty good size farm myself. I am not speaking for or against a class. I speak for my country now. We know that the strength of this country has its fountain head in the rural district. We know that. Now, we propose to-day to let the man with two or three thousand acres of land hire this cheap labor and put it in competition with the man who is raising a family on his own little farm.

There is no getting away from that. Anyone who has any sense knows that. What will be the result?

The result would be to drive from the farm the bright American boy, send him to town, and fill his place with a man who has the badge of peonage on him, who will hate the country because it will not permit him to engage in avocations that are more remunerative than farming. In the name of common sense, gentlemen, what are we driving at here? Pardon a personal reference, but I want you to know that I know what I am talking about. I own, as I said, a farm. It is paid for. I have a neighbor of good old American stock. He was formerly a tenant; by industry and economy he got together enough money to make a payment on a farm. He is trying desperately to pay for it and to give to his children enough education to make them intelligent, useful American citizens. I have three other neighbors, my personal friends, owning large tracts of land, who live in the city of Dallas. Pass this amendment and we can fill our places with this cheap European immigration, hire overseers, and make money selling our produce at a price which would wipe out every hope that this other farmer ever had of paying for his farm. One of us could buy that farm, and probably would buy it, and we could hire some more of these peons to work it. Not only is that true, but it would drive away the tenant of American citizenship. On my farm there is a man of good old American stock, whose ancestors have fought the battles of this country and supported its institutions since the beginning of the Government. He is raising a fine family, who work in the fields; a credit to any community. This family loves the country and is needed there. Pass this amendment and if I should follow the suggestions of my self-interest, I would dispossess this man and send his family away, to what place I can not guess, and put an overseer in his place. Wouldn't that make a fine country! What

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sort of response do you suppose we would get from such people as that in the hour when it became necessary for the defense of the Nation that it call for the rendition of the supreme service and the supreme sacrifice? I have no prejudice against my neighbors who live in the city where I live. They are my friends, but it is the man, the real farmer, living on his own farm, who constitutes the great national asset and not the absentee landlord, who lives in the city. I am not trying to serve my friends. I am trying to serve myself. I am trying to serve my country and guard the fountain head of its strength against this proposed pollution.

You talk now about not having people enough to produce our food. We have produced this year enough to bankrupt the farmers of this country, and we know it. Are not prices cheap enough now? What peculiar right have these town folks? If they do not want to pay the price now, let them go out and go to work and produce these things for themselves. [Applause.]

That old idea that we have that we must have somebody else to do our work should be dismissed from our thoughts. I want to tell you that the most serious mistake that you can make is to have the positions of manual labor held by those people, whose blood can not be bred into the generations to come, into the entire population. There is no question of doubt about that at all. Yet gentlemen come here and seriously propose that the positions of labor shall be held by people who have the badge of inferiority upon them and a limit set upon their possibilities of service in this country. I say with all due respect to the distinguished gentlemen who are advocating this amendment, it is a most remarkable proposition, in view of the experience of my own people.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. SABATH. Does the gentleman know that last year——

Mr. SUMNERS of Texas. I yielded for just a question.

Mr. SABATH. A large delegation of citizens of the gentleman's State appealed to the committee so that they would oppose legislation to suspend immigration in order that that imported labor could be used on the farms of that State?

Mr. VAILE. I want to say that the gentleman now addressing the House was not one of that delegation. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. SUMNERS of Texas. Mr. Chairman, I ask unanimous consent for two minutes more.

Mr. SABATH. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for five minutes more.

Mr. SUMNERS of Texas. I do not mean to be discourteous.

The CHAIRMAN. The gentleman from Illinois [Mr. SABATH] asks unanimous consent that the gentleman from Texas [Mr. SUMNERS] may proceed for five minutes more. Is there objection?

There was no objection.

Mr. SUMNERS of Texas. Gentlemen, I am not here to-day to represent any large or small delegation of people from anywhere on earth. I stand here with my responsibility as a Representative of the American Congress to the best of my ability representing my Nation. [Applause.] I am representing my Nation to-day.

Now, let us see what is proposed. Let us see the situation. Take this picture: Here is the country out here. Here is a man who has two or three hundred acres and here is another man who has 25 acres, but he has some strong, clear-eyed American boys who hope for that day when they can make enough to buy another 25 acres at their daddy's side, and they hope to do that out of the earnings they will make from the sale of their daddy's products. What do you propose to do? You propose to bring peons here to work on the farm of the fellow who owns the automobile, who will be able to produce commodities at a price that will make impossible the realization of the ambition of those clear-eyed American boys. That is what you propose to do. [Applause.]

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. SABATH. Does the gentleman know that the bill makes it possible to bring in that kind of labor that the gentleman objects to, from Mexico and Canada and Newfoundland?

Mr. SUMNERS of Texas. I am speaking to the pending amendment.

Mr. VAILE. If the gentleman will pardon me, the bill does not do that.

Mr. SUMNERS of Texas. The vote is going to be on this amendment.

Mr. VAILE. Will the gentleman allow me to answer the gentleman from Illinois?

Mr. SUMNERS of Texas. No; because I want to beat this amendment. [Applause.]

Mr. VAILE. The situation is in good hands. [Applause.]

Mr. SUMNERS of Texas. Now, gentlemen, I speak as a southern man, and I have a right to be heard here, because I know what I am talking about. A few years ago I asked a man who lived in one of the old Southern States how many of the sons of former landowners and slave owners owned land in his county, and he said he did not know of but one plantation that was not owned by the sons of the overseers and the sons of the "poor white trash." That is the sort of penalty a people has to pay when they think that somebody is a little too good to work. It is the greatest curse that ever came to a nation on this earth when it gets into its head that it has to have a "laboring class." I was talking to a man from New England a little while ago, and he said, "Who is going to build our sewers?" Do you think they have sewers only in that part of the world where the people are able to import somebody to dig their sewers?

You will not let these people come into the towns. Why? Because you are afraid of organized labor. [Applause.] That is the plain truth about it. If there is any philosophy resting under this bill, why do you propose to let them come into the country? Because you are not afraid of the farmer. All you expect to have to do at the next election time is to go out there and soft soap him and "honeyfugle" him, and tell him of the things you are going to do for him, and ask him about the turnip patch and the old gray mare and about the boy who had a stone bruise on his heel when you were at his house last year. [Laughter.] That is what you think. But the time has come, gentlemen, when agriculture can no longer be considered as an inexhaustible commissary to feed business, but it must be recognized as a business in itself, and we have got to deal with agriculture upon this proposition, that agriculture must bid for every boy on the farm against every industry in the country. In the name of common sense, how do you expect agriculture to hold enough of our own people in that place which I say, in the light of human history, is the breeding ground of the Nation and the fountainhead of its strength? [Applause.] But you propose to drive them out and to fill their places with folks whom you are not willing to have live in town. That is what you propose by this amendment. Think of it. You propose to drive them out by these imported hordes from Europe, by the people whom you are not willing to have live in town. You propose to destroy every hope of every country boy who has a poor father of living there and making an honest living in the country, and eventually of building there a home for his own wife and his children. There is no other conclusion than that. Why do you want these people? You want them in order to reduce the price of farm commodities. What is the effect? It will reduce the ability of agriculture to bid against industry in order to hold enough of our own people to produce the meat and bread to keep our people alive. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. McARTHUR. Mr. Chairman, I rise in opposition to the amendment. I am in favor of this bill, and I am opposed to this amendment. I am not going to discuss the points that have been so thoroughly covered by a number of gentlemen who have preceded me, but there are one or two features of this amendment that I do want to call to the attention of the House.

In the first place, there is no necessity for an influx of farm labor into the country at this time. In the issue of the morning Oregonian which came to me this morning I read that there are 10,000 idle men in the city of Portland. Those conditions obtain throughout the country. We will have an ample supply of farm labor in this country to take care of our agricultural necessities if some of the men who are bound to live in town will go out in the country and help grow the crops and tend the cattle ranges and the sheep ranges.

Now, there is one other point, and then I am through, and that is this: If we make this exemption and if, for example, 25,000 of these laborers are admitted to go on the farms, we will soon have a demand from the Department of Labor for about a thousand or more deputies, Government agents, and spies to keep watch on these fellows. Let us not set up a class of labor in this country that has to be watched by Government officials, so that when it is out of a job it has to be deported. We have enough people on the Government pay roll at this time. Let us not bring about a condition that makes it necessary for us to hire hundreds and perhaps thousands more Government employees and add to the expense of the taxpayers.

Mr. LAZARO. Will the gentleman yield?

Mr. McARTHUR. I will.

Mr. LAZARO. The distinguished chairman of the Committee on Rules [Mr. CAMPBELL of Kansas] the other day in presenting the rule called attention to the fact that later on a tariff bill would

be brought in to exclude foreign products from competition with American products. Now, if that is true, can a Republican Member of the House from an agricultural section consistently vote for the Rainey amendment to permit foreigners to come here to this country and produce products made in competition with American farmers?

Mr. McARTHUR. Mr. Chairman, that involves a very wide range of discussion which is not germane to this amendment. I see the smiling countenance of my friend from Kansas [Mr. CAMPBELL], who is undoubtedly capable of answering the question himself. I hope the amendment will be voted down. [Applause.]

Mr. JONES of Texas. Mr. Chairman and gentlemen of the House, I do not intend to cover the ground that some of the others have covered, but I want to call attention to this effect of the amendment offered by the gentleman from Illinois. The amendment would allow any and all immigrants from European countries, without limit, and makes no provisions for keeping them on the farms. In order to afford any appreciable relief to farming conditions in this country it would be necessary to have thousands or hundreds of thousands of laborers, and it would be as impossible to keep those people on the farm as anything that you might conceive. If you permitted hundreds of thousands of people to come into this country under the guise of laboring on the farms, you would be forced to increase the number of Government officials a hundred thousand in order to keep watch on those people and keep them on the farms, because our experience with immigration has taught us that there are men who make it their business to get people into this country who have no funds with which to meet conditions that they find when they arrive here, and, of course, they drift right into the cities. The moment you turn a lot of people loose on the farms you would have them leaving the farm and going to the city at once, and you might just as well strike out the enacting clause of this law as to pass this amendment. This amendment would simply operate as a subterfuge to get unrestricted immigration. I see no reason for making any exception of this character, for, as my colleague so well pointed out, if you made the exception and put them on the farms, and even though you could keep them there, you would simply enable temporarily a few men to go on the farms, and you would soon have a worse condition than ever. There are some people who want the price of farm products gauged down to the basis of cheap labor, and that is what those who are opposing this bill want.

I am in favor of a law which will keep out the flood tide of bolshevists, anarchists, and bomb throwers, who are anxious to spread their poisonous doctrines throughout this country. If a bill is not passed, millions of immigrants will sweep over this land and our institutions as well as form of government will be in danger.

Much has been said on this floor about making farm life attractive. Now, to my way of thinking, the way to relieve the condition on the farms of this country is not by trying to make farm life more attractive, as some people say, by giving them some of the modern conveniences, but the way to relieve the condition on the farm is to make farm life profitable, to furnish the farmer a market, credits, a chance to dispose of his products, and then the conveniences will come in the ordinary course of events.

The thing I want to call your attention to before I sit down is this, that I can see no reason for cutting the period of the operation of this law from two years to 14 months, as is provided by the amendment of the gentleman from Illinois. [Applause.] My friend from Washington said that it was in the nature of a fill in, while other legislation might be prepared. Now, we do not want to be put in the position at the end of this year in which we will have to consider other rush legislation to fill in again.

Mr. JOHNSON of Washington. Will the gentleman yield; will the gentleman accept the reason now?

Mr. JONES of Texas. In just a moment. Here is what I want to say, why not make this law operative for a longer period and if a new bill is ready in the meantime we can pass it, and that will, by implication, repeal the law we are now making? Sometime ago we passed a law, and now we are passing a filling-in law. What is the use of cutting it down to 14 months and limiting its operation while we are preparing a new law? Why not let it run two or three years, at least, and if we get a bill ready sooner we can enact it, and either by express provision or by implication repeal the present law? [Applause.] For that reason I hope some member of this committee will call for a record vote, and a separate vote, on the amendment of the gentleman from Illinois, and I hope that amendment will be defeated and the bill be permitted to remain as it was originally when brought before the House. [Applause.]

In view of the fact that the farmer and his problem have been brought into this debate frequently, I desire to have read from the Clerk's desk the following resolutions, which were passed at a mass meeting of farmers:

PAMPA, TEX., *December 5, 1920.*

Hon. MARVIN JONES,
House of Representatives, Washington, D. C.

DEAR SIR: A mass meeting of farmers held in this city in connection with the meeting of the National Wheat Growers' Association December 4, 1920, passed the following resolutions by unanimous vote and ask that the same be read and printed in the CONGRESSIONAL RECORD:

"*Resolved*, That it is the sense of this meeting that the policy now being followed of withdrawing money from circulation is too radical and is of doubtful benefit;

"*Resolved*, That whereas the price of wheat and other grains have reached a price far below the cost of production, thus bringing loss and demoralization to all farm industries, the price now obtainable we fully believe to be fictitious, brought about by cunningly devised exploitation through the Grain Exchange of Chicago, we therefore ask that you use your best efforts to obtain absolute facts as to the good or evil of gambling in grain futures. If, as we fully believe, the effect is harmful to the public, then we respectfully ask that you seek a remedy; be it further

"*Resolved*, That you use your influence and vote for all measures that will legitimately benefit farm industry in this country. We do not hesitate to say that it is our opinion that the agricultural interests of this country should be afforded the same consideration that is extended to other industries of much less importance."

Praying your assistance in our behalf, we most respectfully submit the resolution as adopted for your consideration.

NELS WALBERG, *President.*
C. C. DODD, *Secretary.*

I also desire to insert here a discussion of this problem from the pen of Mrs. Warner:

BACK TO THE FARM.

[By Mrs. Phebe K. Warner.]

"Good-by, ma. Good-by, pa.
"Good-by, mule, with your old hee-haa."

This is the song our farm boys sang just four short years ago. Then turning their backs on the barn door and the kitchen door they faced their doom with the other millions to make the world safe for democracy. The mothers and sisters on the farm dried their tears with their aprons till their soldier sons disappeared beyond the horizon—to join the nearest training camp. Then with a courage never known before they turned their faces toward the fields. Food, food, food, was the cry that rang across the waters and around the world. The world must be fed. The world must have bread.

And the Government said, give us your boys and your bread and the Government will give you $2 per bushel for your wheat. And with plenty of boys and plenty to eat we can conquer all the foes of the whole world. And the fathers and the mothers on the farm gave their boys, and they went forth into the fields to sow and to reap that they might help save the people and the Government. And they accepted $2 per bushel for their wheat. After they had paid $5 per day for every day of help they had had. And they hauled it to town and poured it willingly and gladly into the granaries of the Government.

And, behold, what did they do next? Across the Continent and out into every home in our Nation came the first, second, third, fourth, and then the victory call for Liberty bonds. And the farmers and their wives loved their sons and their neighbors' sons and their Nation's sons. And straightway they extended the mortgages on their farms and they paid the extra interest and the extra income tax and used the $2 per bushel received for their wheat to buy Liberty bonds. Those who did not have wheat used their corn and cotton and cattle money to buy bonds. And they not only bought bonds, but in answer to every call for Red Cross and community service they went over the top and the World War was won by American men, American money, and American food.

And our Government at Washington arose and said, "See what we have done." What power, what loyalty, what obedience, what sacrifice! Truly, no other nation hath ever seen such unity of spirits as this." And the nations of the whole world, with one accord, turned their hopes for protection and care and food and clothing toward the farms of America. And the call went forth to the farmers, "Plant more, plant more. Turn up your clocks an hour. Get up earlier, work harder, and work longer, for the world is starving and the farmers of America must save the world else it perish." And the men and women on the farms heard the cry and they straightway went into the fields another year and planted more abundantly, and they labored longer and harder, because the harvest was so great and the laborers so few and high priced and inefficient. But they labored with a song of peace and joy in their hearts, because the war was over and they now hoped to not only help feed a starving world, but they hoped to sell the surplus crops for enough to pay the debts and mortgages that had been neglected to support the Government. And they hoped to send the boys and girls away to school, who had been held at home to take the place of the soldiers.

But, alas! In a moment, a most treacherous moment in the business life of the farmer, his hope was gone. His high-produced products took a fall. Cotton, corn, cattle, wheat, pork, and all, dropped below the cost price and left the loyal, overworked patriots of the farm with less than nothing to pay their neglected and accumulated obligations.

And to-day millions of farmers are wondering what has become of the Government they fought for, the Government they toiled for, the Government they sacrificed the very blood of their own sons to save? It saved others. We helped it to save other nations. Why has it forsaken its own? The faith of the present fathers in a government of the people, by the people, and for the people was never before so near the breaking point. What will it mean to this Nation to lose the confidence of its food and clothing producers?

Is it true that a government strong enough to conquer the world can not protect its own people from a few gambling rascals? The words "back to the farm" never meant less to our people than at this very hour.

Mr. LAYTON. Mr. Speaker, I desire to present only a brief statement of my views on the measure now pending before the House.

I shall vote for this bill with all that pleasure which comes from a conviction conceived by indisputable facts and nourished by calm reason. One of my chief gratifications arising from the presentation of this measure to the House is due to the fact that in effect it is a national declaration that this domain of ours is for our own use, and that in the future we propose to so regard it, and to jealously safeguard it. It is a declaration that all its beneficent opportunities and inviting conditions will be given or withheld at our own pleasure, subject to our duty to ourselves and that we safely owe to other people.

Ours is the only national domain in the world that seems to be regarded as belonging to everyone who desires to enter into it. This situation is due to the fact that in the past we have given an almost universal welcome to the people of every race and clime. This policy grew out of the unparalleled opportunities presented by a vast and rich domain singularly inviting to the adventurous and liberty-loving peoples of all nationalities, and so gave birth to the desire to develop this domain and to exploit its vast resources as rapidly as possible. This purpose has been wonderfully accomplished. While this policy, however, has given us a marvelously rapid development, the fact remains that we have become the most polyglot nation in existence and possess in our citizenship great numerical elements so diverse in social, religious, and political conceptions as to furnish a source of imminent danger to the country. The time has come, and is now at hand, when we should change our former policy of immigration. Owing to the chaotic conditions prevailing in humanity throughout the whole world, brought about by the war, with its resulting poverty, destruction of property, loss of opportunity, and the destruction of family ties, millions of people on the other side of the Atlantic and Pacific are clamoring for the opportunity to emigrate to this country. We are threatened by a veritable tidal wave of the discontented, the impoverished, and the unsettled populations of Europe and even of parts of Asia. This condition furnishes an immediate menace to our own welfare. Unless provided against, it will disturb labor and the housing conditions in our populated centers, now already overtaxed. It will increase to an alarming extent discontent through want and need and suffering, which, if not alleviated by national or community effort, will inevitably lead to disorder, crime, and hunger riots.

If we are to extend our present open-door policy into the future, there is a practical certainty that our Government will fall or, at least, become so tainted and contaminated by foreign ideas and purposes as to lose all of its original character and beneficence. The time has come for the country to proclaim in no unmistakable terms its intention in the future to safeguard its own citizenship with a more meticulous care than it has ever exercised in the past, and that its settled determination will be to admit into our citizenship no one who is not adaptable, who is not assimilable, and who does not furnish ample reasons for believing that this citizenship is eagerly sought after by reason of a real love for our Government and its institutions. Certainly the time has come to exclude all those whom we know by former experience have shown that they are not assimilable, and that they, while living under our flag, secretly cherish the flag of another nationality. Especially should that class be excluded who admittedly come to our country for the purpose alone of obtaining a higher wage, living, however, in the meantime at a lower level, with the fixed intention of saving all they can in order to return in a short time to their own country.

I take it for granted that there is no dispute as to the right of any country to say who shall and who shall not enter as an immigrant. This right is not only a matter of adjudicated international law, but if there had been no adjudication of such a principle, in the very nature of things it would stand out clearly as an axiom, inasmuch, by necessity, such a principle lies at the bottom of national sovereignty, and is a fundamental principle as well of national preservation. It is as distinctly true of a nation as of the individual home. The home is precious to the individual exactly in proportion as it is his, and his alone. If every passer-by can enter therein and claim the same privileges and rights as the owner of the home enjoys it would lose at once its crowning glory of peace and rest and security. For a long time to come we have enough foreign elements fusing in our national crucible to command our utmost attention. It is a question, a very grave question, whether we have not already too many.

Let us pass this measure at once. Let us shut out the horde that threatens to overwhelm us and earnestly bend all our efforts to amalgamating the foreign elements we already have in order to make out of them homogeneous American citizens. There is no question that to accomplish this it will require all the energies we possess—national, State, and community. In conclusion, let me emphasize the fact that our first duty is to our own country. That is what we are sent to this House for. We are the Representatives of the American people, elected to safeguard their interests. We are not the Representatives of Poland, of the Balkan nations, or of Italy, or of Ireland, or of Japan. The war in Europe has undoubtedly produced a condition equivalent to a vast seismic disturbance involving social, economic, political, and even religious foundations. There either is or is not a menace to the United States from this source. If there is such a menace, we should stand together for the enactment of law that will safeguard our own country. I do not admire the attitude of those who are hostile to this bill and eventually will not vote for it, but who seek to limit its operations. Logically, it would be just as easy for Congress to repeal an exclusion act covering a period of 10 years as it would be to reenact the measure, if necessary, every 12 months. The debate so far reveals very clearly a greater devotion to constituencies than to the general welfare of the country, which of itself justifies a change in our national policy, at least until we have digested and assimilated not the average immigrant but those who sit in professional chairs and even occupy seats in this House. The man is blind who does not see that the Nation is suffering from acute indigestion, a national dyspepsia, induced by overloading the stomach of the body politic with a mass of indigestible stuff. We should exercise the greatest care in the future over this matter of immigration. The time has come to stop the silly prattling that this country of ours is an asylum for every man on earth, regardless of the effect upon the integrity of our institutions and the happiness and welfare of the people.

Mr. QUIN. Mr. Chairman, I did not expect to say anything on this bill, but when such an amendment is offered as is proposed by the gentleman from Illinois, to admit the whole scum of creation into the United States under the false pretense of lowering the price of farm products and benefiting the American Nation and American people, I can not sit silent.

To begin with, this ought to be a permanent law. Congress should go further and prevent all foreigners from coming into the United States to live. Our institutions must be safeguarded. I shall vote against the amendment reducing the time from 24 months to 14 months. This amendment now under consideration proposes to allow foreigners to come into the country on the pretense that they will be farmers. To my mind, that is almost an insult to the people of this country who realize the real situation.

All of the undesirable, congested city populations of Europe that would be obnoxious to the people of the United States and to the institutions of this country would pretend that they were farmers in order to come to the United States. All of them would certainly pretend to become farmers. Let us see; if they were legitimately allowed in the United States and to go on the farm to produce food and raiment, what would be the ultimate result? Every man who has this year raised wheat, corn, meat, cattle, and other food crops for sale has lost money, and every one knows that the farmers who have produced wool and the cotton and the sugar and the rice for people to consume, at this very hour can not get the cost of production. Some of these commodities will not bring enough to pay for the fertilizer and the cost of labor, not counting the interest on the investment in the farm lands and the equipment—the mules and the stock and the improvements necessary to produce such crops. Every one knows that the warehouses are full of grain, stockades filled with cattle, and the prices that are offered are less than it cost to produce them. Wool in the West will not bring the actual cost of production. Cotton in the South to-day can not be sold at the price that is offered for it, or only about one-half of what it cost to produce that commodity, not only for the United States but for the entire civilized world.

Now, sugar in the South—I do not know what it costs in the West—is to-day selling at a price less than it costs to make it. There is no market for rice. I do not know, my friends, if this amendment were adopted and all of these hundreds of thousands were allowed annually to come into the country and went on the farms of the country whether there would be such an overproduction as to actually drive out of business men who have their money invested in farms or not. As it is, I know that the farmers can not make money, and to have such an amendment as this injected into the bill would be an injustice to our country and an irreparable wrong to the farmers of this country. The small farmers working their lands with their children can hardly live at the present low prices of farm products.

Mr. KNUTSON. Will the gentleman yield?

Mr. QUIN. Yes.

Mr. KNUTSON. It is plain to be seen that the gentleman has given very careful attention to this question. Does the gentleman think that the amendment was offered in good faith?

Mr. QUIN. Oh, I can not impugn the motives of the gentleman who offered the amendment. The only fear I have is that it might pass, because I know what influences in this country have done this, and that they want to continue to import this foreign element here. There are some selfish interests in the United States that want all of this type of immigration to come in for the purpose of lowering the cost of labor. I shall vote against this amendment. [Applause.]

Mr. FOCHT rose.

Mr. JOHNSON of Washington. Mr. Chairman, I desire to make an effort to close debate upon this amendment. I ask unanimous consent that all debate upon the amendment close in five minutes.

The CHAIRMAN. Is there objection?

Mr. HENRY T. RAINEY. Reserving the right to object, who is to get the five minutes?

Mr. FOCHT. I would like to have five minutes myself.

Mr. SABATH. Mr. Chairman, reserving the right to object, 40 minutes have been taken on the part of those against the amendment and only 10 minutes in favor of it. I desire to have at least 5 minutes.

Mr. JOHNSON of Washington. Then, Mr. Chairman, I ask unanimous consent that debate upon this amendment close in 15 minutes.

The CHAIRMAN. The gentleman from Washington asks unanimous consent that all debate upon this amendment close in 15 minutes. Is there objection?

There was no objection.

Mr. FOCHT. I had hoped that there might be given in the discussion of this amendment every opportunity to the distinguished gentleman from Illinois [Mr. HENRY T. RAINEY], because I am anxious to hear what reason he can give for undertaking to impose upon the American people through the adoption of this amendment as a part of this bill such an iniquity, such a menace as it would be bound to bring about. I understand now that he is going to enlighten us, and I hope he may have every opportunity to emphasize the subject.

Yesterday a statement was made here—in a sense of humor, I suppose—to the effect that the proponents of this bill all seem to come from the agricultural country, from the wide, bounding, expanding plains of the West. Humorous remarks were directed to Mr. CAMPBELL of Kansas.

Mr. Chairman, I do not happen to come from the plains of the West, but, on the contrary, I come from the great industrial State of Pennsylvania. Unfortunately for that great Commonwealth, probably the greatest single division of government on earth, for long years we have been harrassed and menaced by probably more of this product from the slums of Europe than all of the other Commonwealths of the United States together. Therefore, I speak with definite knowledge of what a calamity it would be if we do not pass this bill and permit further the influx of these people from Europe, and truly those now coming constitute a most undesirable element of humanity.

If this is a matter of humanity, if it is a matter of pity and compassion on behalf of the poor, downtrodden people of Europe, then, rather than have them come here with the doubtful productive capacity on the part of the head of the family, with the burden of keeping probably a family of five or six members, it would be far better for us to load our ships with the products of this country and feed them over there and let them stay there, where we are supposed to have saved the world for democracy for them. The idea which has been expressed here in respect to bringing these people from Europe to work is a mistaken idea and an erroneous notion, for they work only when they please. In my district, where many of these foreigners live, they work only when it suits them; they have no moral sense of obligation to an employer at all. A man with capital may undertake to open up a coal mine. He will set up his breakers or open a drift and cut the vein, making his calculations on a certain production of tonnage. Instead of bringing out that tonnage these people will work often only three days a week and then go rabbit hunting the rest of the time.

I want to say to you gentlemen from the South, with whom I very seldom agree on matters with respect to public economy—and certainly we differ widely upon the question of the tariff—that I am proud of the position you take on this measure and I offer you the hand of fellowship in our efforts to protect American citizens who are already here, the descendants of men who made this country, who made the sacrifices, and their families and interests, and I applaud with you the idea that we are not going to divide any more with the rest of the world until we have settled many now present and all-consuming questions at home. I hope in compensation for what you are doing here to-day to help protect the northern cities and the northern sections from any further importation of this class of people that we can in some way just help you solve the race question in the South. [Applause.]

Mr. SABATH. Mr. Chairman, it seems to me that some of these gentlemen who are opposed to this amendment are not familiar with the bill now pending. If their contention is correct, surely the committee has erred in embodying section 5 and section 7 into the bill——

Mr. HENRY T. RAINEY. Is it not true that under this bill as it stands now farm labor can be brought in from Mexico, Cuba, Newfoundland, and Canada?

Mr. SABATH. Yes. It can for six months. In the first place, in section 5 we exempt from the operation the importation of persons to be employed as domestic servants, so that all those who need domestic servants will have the privilege, not of engaging them here but of importing them. The gentleman from Pennsylvania [Mr. FOCHT] is very familiar with that provision. Surely, if his contention is correct as to the general position, he must vote against this section 5.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. SABATH. For a question.

Mr. RAKER. Is it not a fact that section 7 was put into the bill and discussed by the committee and the distinguished gentleman now speaking for the sole purpose of aiding interchange between business men in Mexico and the United States and Canada and the United States, and that it had no relation to farm labor?

Mr. SABATH. I have now spoken relative to section 5. I shall come to section 7, but it seems to me that the gentleman from California is afraid of what I am going to say about section 7 and for that reason he propounds the query to me before I have a chance to say anything about it. I will tell you why that section was put in it. It is because the New England and the southern Representatives in 1919, in 1918, and even this year appealed to the committee for relief, to enable them to import Mexican and Canadian farm labor, because they could not find the labor they needed so much upon their farms, the cotton and the sugar-beet plantations.

Mr. VAILE rose.

Mr. SABATH. In a moment. I admit that it will relieve the condition on the Canadian border, and I am not opposed to it. Inasmuch as we produce about eight billions' worth more annually than we can consume, I believe that we should place ourselves on the friendliest possible terms with other nations, so that the farmers, the manufacturers, and the laborers can find an outlet for this great surplus that is being produced by this great and glorious country—and that with the assistance of the "undesirable" men in the district of the gentleman from Pennsylvania [Mr. FOCHT].

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

Mr. SABATH. I yield first to my colleague on the committee and then I yield to the gentleman.

Mr. VAILE. I call the gentleman's attention to the fact that section 7 provides for admission during the period of suspension of "otherwise admissible aliens" and that that means those who can pass the literacy test, which means further that Mexican laborers certainly can not be admitted under that section.

Mr. SIEGEL. Will the gentleman yield a moment; there is nothing in this bill to prevent the Secretary of Labor from doing what he did in 1918, to allow all the wet backs and dry backs to come in from Mexico for farm labor.

Mr. SABATH. Of course not. In 1919, as the report shows, there were 40,000 Mexicans and others admitted upon the special appeals of the farmers of the South and the farmers of the West, to relieve a condition that then existed. I will now yield to the gentleman from Pennsylvania.

Mr. FOCHT. The gentleman spoke of the surplussage of production here. Will the gentleman be willing in order to equalize that, vote for a tariff against the wheat from Canada and corn from the Argentine Republic? Answer that, I have asked the gentleman a question.

Mr. SABATH. I will answer it. If it would be for the best interest of the people of America; yes.

Mr. FOCHT. I will remember that.

Mr. SABATH. But how can a tariff aid or benefit the American farmer? Does not the gentleman know that we import wheat and corn only in negligible quantities, and that only for seeding purposes? The facts are that we export 50 bushels of wheat and corn for every bushel we import. The facts are

we raise millions and millions of bushels of wheat and corn above what we can consume.

Mr. FOCHT. Why is it coming from Canada now?

Mr. SABATH. Because, I am informed, that our farmers are holding it for a higher price and refuse to ship or sell. The gentleman from Arkansas [Mr. CARAWAY] and other gentlemen from neighboring States are greatly alarmed about the future of our country and about the deplorable conditions that now exist. They are all pleading to close our doors to the world and, at the same time, appeal that the avenues of trade to America's products be found and established. Others, again, like the gentleman from Pennsylvania [Mr. FOCHT] and the gentleman from Minnesota [Mr. KNUTSON], deplore an increase in the imports and demand high tariffs. Both groups fail to realize that if we start a policy of discrimination, as is contemplated by these gentlemen, the other countries may retaliate, and, instead of taking our tremendous surpluses, will secure their needs and deal with other countries.

What, then, will become with the nearly $8,000,000,000 worth of surplus wheat, corn, cotton, and manufacturing products which we exported in 1919 and which may increase by $500,000,000 this fiscal year? At the same time I wish to ask the gentleman if it does not require some labor to make possible the harvesting of the tremendous crops and to produce these extraordinary quantities of merchandise that we have and hope to continue to supply the world with. We have been in position to produce these enormous quantities of everything because we have had the labor. Every enlightened and far-seeing country that has been increasing its production and its exports and thereby its wealth has not only permitted foreign labor to come in but has offered special inducements to it. This, however, the gentlemen, due to the veil of prejudice, can not see. They utilize, without examination or investigation, every unfavorable utterance and article, it matters not from whom it emanates. It matters not how irresponsible the person that utters it, they use it on the floor to prejudice the minds of the American people in favor of this and similar bills, little realizing that in years to come they will be obliged, in justice to themselves, to retract and apologize for it and for enacting the legislation that is sought to be enacted in this bill, Mr. Speaker, notwithstanding that I pointed out that a century ago the same attacks were made against the then incoming immigration as has been made on this floor during the last few days on the present immigration.

Mr. Chairman, if the gentlemen who have been making these unwarranted and unfair attacks upon the present immigration would only examine the statements that have been made here and elsewhere about those that came only two or three generations ago, I feel that if they are not altogether selfish and have any feeling whatever they would hesitate before making these assertions. I have the gentleman from Oklahoma [Mr. CARTER] to thank for this observation, because of his remark that if this law should have been enacted 500 years ago his people would still be the possessors of this great and wonderful hemisphere. He inquired how many would be here to-day, and I inquire if such a law had been enacted only 200 years ago—yes, 100 years ago—how many of you gentlemen would be here to-day, and I can go further and say, if such a law had been enacted 60 or 80 years ago, I am sure many of you gentlemen who are so strenuously advocating the passage of this bill would not be here to do so.

I am satisfied that the American people are not in favor of this legislation, and I am positive that they will resent it. In fact, I know it will not become the law, because I doubt very much whether the Senate will ever be carried away as you seem to be, but if it should I have the utmost confidence that this great man, yes, the greatest man that ever occupied the White House, will ever approve of it, and you will not be able to pass it over his veto.

Mr. HENRY T. RAINEY. Mr. Chairman, in five minutes it will be impossible for me to answer the absurd objections urged to this amendment. In the first place, it is seriously argued on this floor by a gentleman, for whose legal acumen I have always had the greatest respect, that if this amendment were adopted it would impose a system of involuntary servitude in this country and that the farmer who employed labor under those circumstances will be guilty of peonage. Why, nothing can be further from the fact. The laborer who comes in under this amendment comes to this country because he wants to come here; he comes here because he agrees to work on the farm; he comes here because he agrees to work nowhere else; and he comes here because he voluntarily agrees to leave this country when his work on the farm is over. Is there any system of involuntary servitude in that proposition by which the farmer can be held liable? Why the contract of the laborer is with the Government of the United States. He comes here for this purpose and for no other purpose and that disposes of the argument, of course, of involuntary servitude.

Mr. GREEN of Iowa. Will the gentleman yield for a suggestion in that connection?

Mr. HENRY T. RAINEY. Yes.

Mr. GREEN of Iowa. The gentleman is well aware and all the members of the committee are well aware that this same thing has been going on here, as we have had agricultural laborers introduced here and that nobody has ever raised the constitutional question.

Mr. HENRY T. RAINEY. Yes; I am coming to that question. And it is very seriously argued that this would be an iniquity. I will undertake to say without fear of any successful contradiction that since the morning stars sang together no commercial nation, no nation that has ever had any standing in the world, excluded from its boundaries common labor of any description for any period of time, and no country has excluded skilled labor for any period of time from its boundaries except Germany. This country never did and no nation in the world ever did. Exclude from this country the labor of men who are willing to perform the drudgery on farms? Why the proposition is absurd. And on the theory that it will keep wages up on the farm if we keep them out? Why wages are so high now farmers can not pay them. Farm labor in this country has disappeared and disappeared entirely. In the wheat sections and corn sections and dairy sections of the United States there are no more farm laborers. Farmers exchange labor between themselves in order to get their crops harvested and on the market. If this amendment does not prevail now, I promise those gentlemen that when we reach section 7 I propose to try to offer another amendment. You can not stand for the things in section 7 and be against this amendment. It is argued that the farm laborer coming here might marry and have children, and that it will disrupt family ties and compel him to go away when they quit their employment. The same thing might be said to apply to the Mexican laborer who continues to come here under the bill as drafted. The same thing might be said to apply to students coming here who are compelled to leave when their work in the colleges is over. The same thing might be said as to the excepted class of pleasure seekers who come here and are compelled to go away when the purpose for which they come is ended; and to all these excepted classes who come in under the bill and go away when the thing for which they came is ended.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HENRY T. RAINEY. Mr. Chairman, may I have three minutes more?

The CHAIRMAN. The Chair is informed that the time for debate has been fixed.

Mr. HENRY T. RAINEY. Yes; but I am asking unanimous consent to speak for three minutes more.

Mr. SABATH. Mr. Chairman, I hope unanimous consent will be granted.

Mr. FOCHT. Mr. Chairman, I hope the committee will give the gentleman ample time. I would like to have his views.

Mr. SABATH. I ask unanimous consent that the gentleman may have an additional three minutes.

Mr. JOHNSON of Washington. As the gentleman says the proposition will be up on another section I shall be compelled to object.

The CHAIRMAN. Objection is heard. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 3, strike out all of lines 11 to 15, inclusive.

Mr. BLANTON. Mr. Chairman, on yesterday I called the attention of the gentleman from Michigan [Mr. SMITH] to the fact that certain students of a certain university just before our recent election had indorsed a convicted traitor of this country who is serving a term in the penitentiary. He seemed very much surprised. I now want to cite him to the particular university. I quote from this excerpt placed in my scrapbook out of one of the Ohio papers just before the election. I will read the following excerpt from it:

In a straw vote on the presidential election taken by the University News, official newspaper of the student body of the University of Cincinnati * * * Eugene Debs, Socialist, ran third with 42 votes. * * * The greatest surprise of the straw voting was the strength shown by Debs at the medical college. He ran first with 33 votes to Harding's 32 and Cox's 15. This represents the vote of a majority of the seniors and freshmen of the medical college.

I call attention to this because it is a serious matter. We are admitting students from abroad, men who claim to be students, and yet who enter the universities of our land for no other purpose than poisoning the minds of the American youth whom we send to the various institutions of this land, and are away from their home, away from the influence of the fireside, and they meet with this kind of instruction. I am sorry to say it is permeating a good many institutions of learning in this land. Only a week ago it was reported here in the Capitol that in the great university of Princeton, our great Princeton University president, Dr. Hibben, even, was harboring socialism. I knew that was not correct. I knew that was false on its face, because I knew Dr. Hibben, and I took occasion to write him and ask him about the circumstance. And I want to read his letter, because the fathers and mothers of this land who have boys in the great Princeton University have a right to know that it is sound American doctrine only that is permitted to be fostered there. I read his letter:

PRINCETON UNIVERSITY, PRESIDENT'S ROOM,
Princeton, N. J., December 6, 1920.

MY DEAR MR. BLANTON: I am very glad that you have given me the opportunity through your letter, of denying the statement which appeared in one of the Washington publications that I have indorsed socialism. I have been and am thoroughly opposed to socialistic doctrines of every degree and kind.

Some time ago our undergraduates wished to organize a society for the study of socialism. Nearly all of the young men in it, with the exception of a very few, have strong convictions of antisocialism. It seemed to me wise to allow these men to pursue an intelligent, though by no means a prejudiced, study of socialism, rather than create a reaction in favor of socialism by forbidding their meetings.

My only direct relation to the society is the request which came through its president to suggest the names of two speakers whom they might invite to Princeton to present the arguments against socialism. This gives me an opportunity which I am very glad to seize. I am now in consultation with Prof. Fetter, the head of the department of economics and social institutions, as to the men whom I shall suggest to the society. We wish to get the strongest men in the country to present their views. In our department of economics and social institutions we have no one in the teaching staff who has any tendency toward socialism of any kind.

I hope, wherever you hear me quoted as being an advocate of socialism you will give it a very emphatic denial.

With warm regards,
Faithfully yours,
JOHN GRIER HIBBEN.

Mr. THOMAS L. BLANTON,
Representative from Texas.
House of Representatives United States,
Washington, D. C.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent for two minutes more.

The CHAIRMAN. The gentleman asks unanimous consent to proceed for two additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. SABATH. Was this letter from the president of the Cincinnati University?

Mr. BLANTON. Oh, no. Before reading this letter I had just called attention to the fact that it was even reported that socialism was harbored in so great an institution as Princeton University. It is a great satisfaction to me that Dr. Hibben reports it is not harbored there. But I want to say this: It does permeate a good many of the great institutions of this land. Education, proper, wholesome, the right kind, is the salvation of this Republic, but when you get education that teaches the undermining of the fundamental principles of our Constitution, when you get education that seeks to undermine law and order and our Government, then you get an education that is most dangerous in the extreme.

I want to say in regard to this particular clause in the bill which permits so-called students to come, that those students may be 50 years of age. One of them might be Alexander Berkman if he were not so well known. He is a student, a student of socialism. Lenin and Trotski are both students. If they were not known, if we were not onto their modus operandi for undermining good government, they could come here and enter the institutions of learning in this land and scatter their seeds of poison for months and years even before we would find it out. I want to say that this is a dangerous clause. I want to say that it should come out of here. The boys of the United States who are in the universities of our land, the boys of this country, are more important to me than would-be students from abroad.

The CHAIRMAN. The time of the gentleman from Texas has again expired.

Mr. SIEGEL. Mr. Chairman, I rise to oppose that amendment. By virtue of certain treaties existing between the United States and various nations, certain students are permitted to come to this country to enter West Point, Annapolis, and other universities. None of these students can come into America unless they obtain a passport from their own country. It must be viséed by the United States consul at the very place from which they start, and again it must be viséed by the United States consul at the port of embarkation. They must be physically and mentally and morally fit in order to enter the United States. They are subject to all of the restrictive provisions which are found in the immigration law.

Now, my friend from Texas [Mr. BLANTON] all the time walks over to this side of the House appealing to us over here, perhaps because he has more faith in this side than he has in his own. I appeal to the entire House when I am speaking, asking the entire House to carefully consider what we are trying to do. A student coming to the United States, if he does anything wrong, can be immediately deported. He is not an exception. Do not let us because of aroused hysteria or because some university medical college takes a vote—and some of these young men voted for Debs, with HARDING next, and probably a week or two later they might have been all for HARDING—do not let us consider it any reason why we should shut our doors to students who come here to attend our colleges and universities. The great trouble is that many people have an idea that with constantly tinkering with treaties and immigration laws we are going to change the condition of the mind of the American people. It is the enforcement of the law, as you will find, which is at fault, if you will take the time to examine this entire subject carefully. I say the attempt to tinker with this provision, which is in every treaty, is the most ridiculous thing we can try to do, and makes us the laughing stock of the world. A student who enters the United States under those conditions can be sent out in 24 hours if he violates our laws, if the administrative authorities will only act. For that reason I am opposed to this amendment.

Mr. SABATH. Mr. Chairman, under the present law it is permissible for students to enter the United States, and, as has been stated by the gentleman from New York [Mr. SIEGEL], we have treaties with nations which permit them to send their students to our colleges and universities. For a long time there has been complaint that the treaty and the agreement have been abused. The committee, in their desire to eliminate any possible abuses that might have existed, felt that they should insert this paragraph, and if the gentleman from Texas [Mr. BLANTON] will read paragraph 3 he will see that that provision is a safeguard. It provides that bona fide students who may enter the United States for the purpose solely of study at educational institutions particularly designated by them, and that upon graduation or completion or discontinuance of studies they shall not be entitled to remain in the United States. It has been charged that continuously students from certain countries would come in and within a short space of time would abandon their studies and, in violation of agreement, take positions in various industries. It is to prevent this abuse that this paragraph has been inserted, and the gentleman from Texas should favor this provision, because it is an additional restriction and burden placed upon them, that they must give not only the place to which they go, but also the university which they desire to attend. So I say if the gentleman from Texas would study this provision with his usual care he will come to the conclusion that it is a safeguard against an improper entry on the part of those students who came, as is claimed, as students, but accepted other employment in violation of the privileges granted them.

Mr. EVANS of Nevada. Mr. Chairman, I would like very much to see this amendment prevail. The whole bill is intended for the protection of Americanism. That is the most important part; that is the very heart of it. I earnestly hope that this amendment will prevail.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLANTON].

The question was taken, and the amendment was rejected.

Mr. ROGERS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Massachusetts.

The Clerk read as follows:

Mr. ROGERS offers the following amendment: Page 6, line 23, insert the following as a new paragraph:

"(g) The visé of a passport of an alien may, under regulations prescribed by the Secretary of State, be refused if the applicant would be dangerous to the public safety or obviously be liable to exclusion if allowed to present himself at a port of the United States for admission: *Provided*, That such applicant, if rejected by the officer of the United States to whom application was originally made, may appeal to the Secretary of State: *And provided further*, That the issuance of a visé to an alien by a person duly authorized to issue such visé on behalf of the United States shall not relieve said alien or the steamship company transporting him from the operation of any provision of the laws of the United States."

Mr. ROGERS. Mr. Chairman, under this bill we continue for the period to come the present practice of requiring a consular visé from our consular representatives abroad before an alien shall be allowed to start for the United States. That consul to-day and under this bill would have no discretion whatever in turning back even an obviously unfit alien. That is to say, a man who was a leper, who was a degenerate, who was clearly unfit to be admitted to the United States upon any conceivable theory under the provisions of the immigration laws themselves, might come before him seeking a visé. Yet the consul would have no option, provided the man's papers were regular, and although he could see at a glance the unfitness of the man for admission, that consul would have no right to refuse a visé.

My contention is that if we are going to continue this elaborate system of consular visés that has grown up during the war, we ought to make it of some value. Of course, we all agree that the consuls of the United States abroad must be consuls primarily, and can not impose the elaborate tests which are necessary for the adequate enforcement in detail of the immigration laws. But I submit that for the welfare of the country and for the welfare of the individual immigrant also the consul ought to have some discretion to refuse the visé in cases where, as I say in the amendment, the applicant would be obviously subject to exclusion if he presented himself at a port of the United States. I assert that this is necessary for the protection of the country, because it imposes an additional test upon the immigrant. It puts him through a double sieve.

The immigration-enforcement officers are frequently liable to error. The consular administration of the law, even if my amendment were adopted, would still be liable to error. But if you impose the two exactions, if you put the immigrant through the double sieve, you run just so much the less chance of having him creeping into the country when he should not be allowed to do so.

Take it also from the standpoint of the immigrant. I can not conceive of a more horrible experience than for an immigrant to leave for a port of the United States with his passport from the consul duly visèed—which he thinks, ninety-nine times out of one hundred, is all that he needs, and means that he has full authority to enter this country—and then, when he gets to a port of the United States he finds that he has not passed the barrier at all and that he must comply with the provisions of the immigration laws. Then that man is sent back in his steerage hole in which he came to this country. There can not be a more hopeless feeling than that immigrant has when the news comes to him that he must return to the country whence he came and he realizes that his savings of a lifetime have been sacrificed in order to make this useless journey.

If the consul had the right to refuse in obvious cases, it is true that you will not correct the difficulty invariably, but you will correct the difficulty in a very large percentage of cases.

For these reasons, Mr. Chairman, both from the standpoint of the country and from the standpoint of the individual immigrant, I believe that to give the consular representatives of the United States at the various ports of the world some discretion in the granting or withholding of visés will be extremely salutary. What is the use of having this elaborate system of visés if a consul can not in some degree, at least, say yes or no to the man who asks for the visé?

Mr. MANN of Illinois rose.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. MANN of Illinois. Mr. Chairman, I ask unanimous consent that the gentleman may have five minutes more.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] asks unanimous consent that the gentleman from Massachusetts [Mr. ROGERS] may have five minutes more. Is there objection?

There was no objection.

Mr. ROGERS. I yield to the gentleman.

Mr. MANN of Illinois. Suppose a consul now refuses to visé the passport. What happens?

Mr. ROGERS. So far as I know, no process of appeal is permitted. This amendment would erect the machinery of appeal.

Mr. MANN of Illinois. The gentleman said practically that the consul was required to grant his visé. What is there that requires the consul to visé a passport?

Mr. ROGERS. Because he has no discretion to refuse it under the instructions that go to him from the Department of State.

Mr. MANN of Illinois. That is an instruction. That is not the law.

Mr. ROGERS. I do not think there is any law that requires the State Department to give an American citizen a passport or to give a foreigner seeking to come to this country a visé of his passport.

Mr. MANN of Illinois. The gentleman knows very well that when it comes to an American citizen going abroad, when he seeks the visé of his passport from the representative of a foreign country, it is not obligatory on the representative of the foreign Government to visé his passport, and that the visé is frequently and constantly refused. Now, why should we make a regulation which in effect does away with the visé, because the gentleman says the consul must visé a passport when requested? Why do not the consuls have the authority to refuse the visé now? Who can compel them to visé a passport?

Mr. ROGERS. Of course, the consuls are controlled by the regulation of the Department of State.

Mr. MANN of Illinois. That is the regulation of the Department of State.

Mr. ROGERS. That is a regulation with the force of law, and the Department of State has always gone upon the theory that it had no discretion to refuse to visé on the ground that the applicant would probably be inadmissible under the immigration laws.

Mr. MANN of Illinois. Is not this viséing business something that the Department of State itself inaugurated under the war power, without any direct legislation on the subject?

Mr. ROGERS. There has been a good deal of legislation by Congress on the subject. The most recent provision that I think of was in the Diplomatic and Consular appropriation bill that became effective July 1.

Mr. MANN of Illinois. Does that require a consul to visé a passport upon request?

Mr. ROGERS. Oh, no. I specifically stated that there was no requirement of law.

Mr. MANN of Illinois. Then, if the consul refuses to visé a passport the only way the matter can be reached is by the Department of State removing the consul?

Mr. ROGERS. Yes.

Mr. MANN of Illinois. That is a matter of regulation.

Mr. ROGERS. Or direction.

Mr. JOHNSON of Washington. The Department of State is asked right along to direct consuls to visé passports. Letters are written to the Department of State by Congressmen, Senators, and others. A consul refuses to visé the passports of some foreigner. The person in the old country writes to his friends in this country and they go to their Congressmen or Senators and ask them to write the Department of State to have the Department of State request the consul to visé the passport.

Mr. MANN of Illinois. So the authority exists for the State Department at least to permit consuls to refuse to visé a passport or to visé it, as they see fit.

Mr. ROGERS. I think that is true.

Mr. MANN of Illinois. But the gentleman's amendment practically requires the consuls to visé all passports unless obviously the applicant could not come in under the immigration law.

Mr. ROGERS. The State Department—I am frank to say that I can not tell for what reason—has always taken the view that there was no right to use the passport law as an adjunct to the enforcement of the immigration law.

Mr. JOHNSON of Washington. The reason being that Secretary Lansing, when the Department of State asked for an extension of the passport law, gave his word to the committee of which the gentleman [Mr. ROGERS] is a member, that the State Department would not attempt to override the Department of Labor, and the State Department to this day is run on the word given by Secretary Lansing to the House Committee on Foreign Affairs.

Mr. ROGERS. If the bill went through without the proposed amendment, does the gentleman conceive that under any circumstances a consul would have the right to refuse a visé for the reason that the applicant was inadmissible under the immigration laws?

Mr. JOHNSON of Washington. No.

Mr. ROGERS. That is precisely what I am trying to reach in this bill, to provide that the consul shall have the right to refuse.

Mr. MANN of Illinois. He can refuse to visé a passport for any reason or for no reason. He is not required to give a reason for refusing to visé the passport of an applicant. He can do as he pleases about it.

Mr. ROGERS. The State Department holds that it has no right to enforce the immigration laws under existing law, and that a visé can not be refused an applicant on that ground. I propose to give the State Department the power to do that thing.

Mr. SABATH. Is it not a fact that a great many visés are refused?

Mr. ROGERS. Visés are sometimes refused, I understand——

Mr. SABATH. Upon what authority——

Mr. ROGERS. If the gentleman will let me answer his first question, I shall be glad to do so. I understand that visés are refused on the ground that the applicant if admitted to the United States would be a dangerous element to our political institutions. I think that is the only ground upon which visés are now refused.

Mr. SABATH. But they have the discretion to refuse.

Mr. JOHNSON of Washington. Mr. Chairman, I desire to oppose the amendment. I have nothing to complain of in the argument of the gentleman from Massachusetts; it may be all right, but to adopt that we may run into the very danger that we incurred in the last Congress by amending in one paragraph all the immigration laws we have. It might be a good thing. When the time comes, in the next House I hope we may have a select committee to try and write some immigration and passport laws which will be in harmony. That committee should be composed of members of the Immigration Committee and the Committee on Foreign Relations, and perhaps some others. I am of the opinion that we would not help the passport law by any such a blanket paragraph as that offered by the gentleman from Massachusetts. Therefore I oppose the amendment.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

The question was taken, and the amendment was rejected.

Mr. SABATH. Mr. Chairman, I move to strike out the last word of paragraph 2, and I do so in order to make an inquiry of the chairman pertaining to the visé provision. Paragraph 2 exempts from the operation of this bill travelers or temporary sojourners for pleasure or business, and they are subject to the regulations in the passport provision. Now, we will say that a man who is in sympathy with the soviet government of Russia, a substantial business man, desires to come to the United States for the purpose of business, to purchase large quantities of foodstuffs and other merchandise. As I understand it, unless he can secure a passport from his own government he could not enter the United States. Is that correct?

Mr. JOHNSON of Washington. Yes; that is correct. But being a citizen of Russia, he would probably do what other Russians have done, go to some other country and secure the passport of some one else. But he can not start on a passport from a government that our Government knows nothing about.

Mr. SABATH. It would apply to any Irishman that would desire to come here on business if Great Britain should refuse to give him a passport?

Mr. JOHNSON of Washington. No; that condition will not arise. The provision of the present law is that Austrians, Bulgarians, and Turks who served as noncommissioned officers in the army during the World War can not be admitted. That is the present passport provision.

Mr. SABATH. That was a war measure, but this is not intended as a war measure.

Mr. JOHNSON of Washington. The gentleman certainly does not want us in this bill to recognize any country that this Government has not yet recognized?

Mr. SABATH. No; I wanted to know the effect it would have on the commercial relations with other nations.

Mr. JOHNSON of Washington. The gentleman knows as much about that as any of us in the House.

Mr. SABATH. Well, I did not have a chance to make the inquiry when the bill was before the committee, because the bill was only before the committee for about an hour, and during that time there was no opportunity offered to make any inquiry, as the gentleman well knows.

Mr. JOHNSON of Washington. The gentleman could have made such an inquiry at the hearings.

Mr. SABATH. Yes; if he had the time.

Mr. MOORE of Virginia. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 5, line 1, after the word "years," strike out the semicolon and insert the words "and what has been his occupation during that period."

Mr. MOORE of Virginia. Mr. Chairman, I think there will be no objection to that amendment. The declarant is called upon to make a full statement as to his antecedents except he is not required to say anything about his occupation so far as I have been able to discover. He ought to be required to say what his occupation has been.

Mr. JOHNSON of Washington. I see no objection to that amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia.

The question was taken, and the amendment was agreed to.

Mr. GARD. Mr. Chairman, I offer an amendment on page 5, beginning at line 7. After the word "of," insert the word "five."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 5, line 7, after the word "of" and before the word "persons," insert the word "five."

Mr. GARD. Mr. Chairman, I offer this amendment for the purpose of placing some limit on the number of names which one may put in his application. The language has no limit. It says:

Names and addresses of persons acquainted with the applicant in the country from which he starts and in the United States, if any.

It seems to me that in the interest of proper application there should be some number of names required; otherwise it is up to the discretion of the different applicants. I have no definite idea whether it should be 5 or 10, but I have placed it at 5.

Mr. JOHNSON of Washington. These questions are all on blanks furnished by the State Department at the Government expense. It requires the names of those in the country from which the immigrant comes and also in the United States, if any. He might not be acquainted with five people in the United States, perhaps only one.

Mr. GARD. That refers to the country from which he starts.

Mr. JOHNSON of Washington. I thing that is an administrative matter and not necessary to be put in here.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken and the amendment was rejected.

Mr. RAKER. Mr. Chairman, I offer the following amendment—I have not had time to call it to the attention of the committee, but I think it will be agreed to—as a new subdivision at the end of subdivision 9:

(10) A police certificate from his native country; and (11) a certificate of health.

The CHAIRMAN. The gentleman from California offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. RAKER: Page 5, after the word "law," in line 24, insert "(10) a police certificate from his native country; and (11) a certificate of health."

Mr. VAILE. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. VAILE. Let me call the attention of the gentleman to the fact that he proposes to add this as one of the things which are to be set forth in the written declaration. How is an alien going to set forth in his declaration a police certificate, unless he quotes it, and then it will not be the document which the gentleman desires.

Mr. SABATH. Perhaps the gentleman means his police record.

Mr. JOHNSON of Washington. Where is he going to get his health certificate?

Mr. RAKER. This is a statement for him to present at the time he presents his declaration. He presents the original certificate from the police which every alien must have and carry.

Mr. VAILE. Not every alien. Some countries do not have that practice.

Mr. RAKER. I am talking now of their own home country.

Mr. VAILE. Not all of them.

Mr. RAKER. Yes; the records show that.

Mr. VAILE. How about England?

Mr. RAKER. The record shows that he carries a certificate, and he puts that in his boot, or in his sock. I want to read what was said by the Commissioner of Immigration at Ellis Island upon this subject. It is important and vital. He says that if we have that in the law it will do more to prevent undesirables coming to this country than any other thing that we can enact. Before I read that I yield first to the gentleman from Colorado.

Mr. VAILE. Would a person coming from England have his police record in his sock?

Mr. RAKER. If he has one there, yes.

Mr. VAILE. But the gentleman does not say "if he has one." He says he must set forth in his declaration his police record.

Mr. RAKER. If he has one it goes in, just as you provide here for his stating the names of his relatives. If he has not any he can not name them, and therefore he would not be able to come here.

Mr. LEHLBACH. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Yes.

Mr. LEHLBACH. You say "from his native country." Suppose a person born in Austria or Italy in his infancy has gone to Great Britain and has become a naturalized citizen of that country. How is he going to get his police record in his native country? A baby 6 weeks old has no police record.

Mr. RAKER. Then he would not comply with this provision. If a baby 6 weeks old can not produce his record, he can not produce what this bill provides for.

Mr. LEHLBACH. Then, I say, suppose a native-born Austrian, German, or Italian in his infancy is taken by his parents to Great Britain and becomes a naturalized subject of Great Britain. How is he going to produce a police certificate from his native country? A man's native country is where he is born, not the country of which he happens to be a subject.

Mr. RAKER. He will get one. I want to read now what the commissioner says.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to proceed for five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Not until I have concluded the reading.

"The first essential in the immigrants who are coming to this country," said Commissioner Wallis, "is for this Government to see that we are getting the right kind of people. I am no believer in the illiteracy test. A man may not know one letter from another and still make an honest and useful citizen. Since the war we have been getting the bulk of our immigrants from a few countries, but I believe that in the future we shall receive people from nearly all the countries of Europe. I have been given to understand on good authority that we shall soon have considerable immigration from Scandinavia, and I learn from an equally good source that many Dutchmen are preparing to come to America. These Dutchmen are well to do, and many of them are men of considerable means. The reasons for their leaving their country is that so many foreigners from the war-stricken countries of central Europe have been settling in Holland that the conditions there have become disagreeable. And then I learn that there are fully 8,000,000 people in Germany who are anxious to come to the United States and are only waiting until we sign the peace treaty with Germany. Now, if the class of immigrants of whom I have just spoken come to this country, it will add greatly to the desirability of our new population."

"What is the greatest menace in immigration against which this Government has to guard?" I asked.

"Bolshevism and I. W. W.ism," he said. "Just to-day I obtained information that the I. W. W. was planning for an extended propaganda to be spread among the immigrants as soon as they landed in this country. That is the greatest evil which we have to meet. We are trying to offset this propaganda by the propaganda of the Y. M. C. A. and other organizations that preach the doctrine of Americanism. But where there is the least suspicion that false doctrines of radicalism prevail in the would-be immigrant we keep him out. I am now planning to organize a system that will greatly facilitate us in determining whether or not the immigrant is desirable. What I want to bring about is to have the immigrant obtain in his native country a police certificate before he applies for admission to this country. This police certificate will give his entire record and tell us if he is an honest man or a criminal, a good citizen or a plotter. In addition to a character certificate I want every immigrant to have a certificate of health. We must guard against contagious diseases in this country. And when we obtain these certificates of character and health we must still continue with our examination on this side of the ocean. We must be as vigilant here is we are now."

"So the two most vital points to be considered in the admission of the alien to this country are:

"1. His character.

"2. His health?"

"Yes," said the commissioner.

Put these things in and we meet the condition and the experience of these men who are admitting thousands a week—20,000, according to his report, come in there in a week. He says that this will do more to relieve the situation, to make a showing of the man's character and a showing of the condition of his health than anything else, and why not put it in this bill? It will aid to protect our immigrants from the Bolshevists, from the I. W. W., from the criminal, the plotter, and at the same time protect the health of our country.

Mr. SABATH. Does not the gentleman know that he is speaking now of an immigration bill and of immigrants that he believes should be permitted to come in here?

Mr. RAKER. Oh, I yield for a question.

Mr. SABATH. I mean the gentleman who is writing this article.

Mr. RAKER. This article will apply to any alien that lands on the shores of America who desires to enter the United States, whether temporarily or permanently. He should not be a criminal; he should not be a plotter, an anarchist, a Bolshevist, and his health should be good. He should not be permitted to bring into this country contagious disease which in the Old World, because of starvation, is now sweeping away tens of thousands, sending them to their graves. We should not permit them to enter who are diseased, and if you want to make the immigration bill effective, then put the safeguards around the health of your people, put safeguards round the ideals that they seek, and only a few words added to this bill will bring about what one of the best immigration officials says will assist him in doing effective work at Ellis Island.

Mr. VAILE. Mr. Chairman, I rise in opposition to the amendment. The amendment proposed has a great deal of merit in the idea, but it is an idea which is applicable to immigrants who come here for permanent residence. It is an idea, in other words, applicable to an immigration bill rather than to a bill for the suspension of immigration. It would apply to only a small class of people in this bill, such as travelers or temporary sojourners here for business or pleasure, students, and employees of Government officials. It would apply mostly to people from our border countries who are otherwise admissible—that is, mostly merchants and business men of Canada and Mexico. It might be a very proper thing to insert it in an immigration bill when the subject is revised to let in larger classes. As applied to this bill, I hope the amendment will not be adopted, and I ask for a vote upon it.

Mr. SABATH. Mr. Chairman, the gentleman from California [Mr. RAKER] has read an article which purports to be written by the deputy commissioner of immigration at Ellis Island. He points out what he believes should be the law relative to immigration. Now, I fully concur with the recommendation that the commissioner makes, but I doubt very much whether the gentleman from California will agree with me, because the commissioner recommends the elimination of the literacy test, and I desire to ask the gentleman from California whether he believes that we should now repeal the literacy test and in lieu thereof adopt the provisions which the immigration commissioner recommends? If he does, I am fully in accord. I am ready and willing now to vote for any bill that the commissioner has reported, with all the safeguards and with all the provisions to which the gentleman from California has now called our attention.

Mr. RAKER. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. RAKER. Just at this time it is not necessary to modify or change the provisions of the literacy test——

Mr. SABATH. Well.

Mr. RAKER. I have not answered the gentleman yet.

Mr. SABATH. I yielded to the gentleman for a question.

Mr. RAKER. If an alien coming to this country is a bolshevik——

Mr. SABATH. Mr. Chairman, I can not yield for a speech. I yielded only for a question.

Mr. VAILE. Mr. Chairman, I demand the regular order.

Mr. SABATH. I have not yielded to the gentleman from California to answer more than one question, because I did not propound more than one question, and he has not answered it, and I do not desire any other information, because I do not ask it. Now, the amendment which he offers, as has been stated by the gentleman from Colorado, really is impossible of enforcement. The gentleman from California is endeavoring to amend a provision which it is absolutely impossible to amend in the way in which he desires.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to amend my amendment by adding the following. After the word "country" add "if any is required by his native country."

The CHAIRMAN. The gentleman from California asks unanimous consent to modify the amendment as stated. Is there objection?

Mr. WALSH. Mr. Chairman, reserving the right to object, I would like to have the amendment read as modified.

The CHAIRMAN. For information, the Clerk will report the amendment as proposed to be modified.

The Clerk read as follows:

Page 5, line 24, after the word "law," insert "10, a police certificate from his native country, if any is required by his native country, and 11, a certificate of health."

The CHAIRMAN. Is there objection to the proposed modification?

Mr. WALSH. Mr. Chairman, I object.

The CHAIRMAN. Objection is made. The question is on the amendment offered by the gentleman from California.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 4. (a) A citizen of the United States 21 years of age or over, who is a resident of the United States, may, under regulations prescribed by the Secretary of Labor, apply to him for permission to bring into the United States or send for an otherwise admissible parent, grandparent, unmarried son under 21 years of age, unmarried or widowed daughter, grandson under 16 years of age whose father is dead, or unmarried or widowed granddaughter whose father is dead; and any alien who has declared, in the manner provided by law, his intention to become a citizen of the United States, and who is a resident of the United States, may make like application in reference to an otherwise admissible husband or wife, unmarried son under 21 years of age, or unmarried or widowed daughter.

(b) If the Secretary of Labor is satisfied that the entry into the United States of such relative would not be in violation of the immigration laws, and that such relative is likely to prove a desirable resident of the United States, he may issue a permit to the applicant, under such regulations as he may prescribe, which shall authorize the immigration officers at the port of entry to examine such relative upon arrival at such port. Thereafter the right of such relative to admission shall be as provided by the immigration laws, except that it shall not be subject to the act entitled "An act to prevent in time of war departure from and entry into the United States, contrary to the public safety, approved May 22, 1918," or to the provisions of any proclamation, order, rule, or regulation made thereunder, and except that the literacy test may, in the discretion of the Secretary of Labor, be waived in the case of such relative.

Mr. SIEGEL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 7, line 3, after the word "admissible," insert the word "wife."

Mr. SIEGEL. Mr. Chairman, this is a committee amendment in order to clear up the question of whether a citizen of the United States who became a citizen during the time his wife was abroad might have the right to send for her. In view of the fact that it is a committee amendment, and in view of the fact it is evident to everybody that a man who becomes a citizen should have the right to send for his wife, I ask for a vote.

Mr. GARD. Mr. Chairman, I move to amend the amendment of the gentleman from New York by including the words "or husband."

Mr. SIEGEL. I will accept the amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. GARD to the amendment offered by Mr. SIEGEL: After the word "wife" insert the words "or husband."

Mr. VAILE. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Ohio yield?

Mr. GARD. If I have the floor, I yield.

Mr. SIEGEL. I will yield to the gentleman for a moment.

Mr. VAILE. Mr. Chairman, I desire merely to call the attention of the committee to the different legal status under the present law between the wife and husband. The wife, of course, takes the nationality of her husband, but her husband, at the present time, does not take the nationality of the wife if she becomes an American citizen, so the gentleman is stating a somewhat different idea and a very extensive additional idea by the proposed amendment to the amendment of the gentleman from New York.

Mr. GARD. I believe I do not fully gather the objection made by the gentleman. It seems to me if a woman is a citizen of the United States at this time she should have the same right to send for her husband as a male citizen would have to send for his wife.

Mr. VAILE. She should have that right possibly, but at the present time a wife is not an American citizen when her husband is a foreigner; in that case she takes the nationality of her husband.

Mr. MANN of Illinois. May I make an inquiry of some gentleman?

Suppose one of the American nurses went to France during the war and had been lucky or unlucky enough to fall in love with a Frenchman and wanted to marry him and have him come to the United States to live. He could not come under this law. Suppose she goes over and gets married to him, does she lose her citizenship?

Mr. SIEGEL. She does at the present time.

Mr. MANN of Illinois. And she could not bring her husband back?

Mr. SIEGEL. No.

Mr. MANN of Illinois. That shows how unfair it is.

Mr. RAKER. Mr. Chairman, I offer an amendment to strike out the entire section.

The CHAIRMAN. Does the gentleman from California offer a substitute for the amendment now pending?

Mr. RAKER. Of course, the amendment is a perfecting amendment.

The CHAIRMAN. The amendment is not in order at this time. The question is on the amendment to the amendment.

The question was taken, and the Chair announced that the noes seemed to have it.

Mr. GARD. Division, Mr. Chairman.

The committee divided; and there were—ayes 21, noes 35.

So the amendment to the amendment was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from New York.

Mr. NEWTON of Minnesota. Mr. Chairman, I rise in opposition to the amendment. I would like to ask the gentleman from New York, with the amendment in the law as has been mentioned here, what effect would that have upon the situation that was set forth here by the gentleman from California two or three days ago, where a Japanese in this country marries through proxy over in Japan. Now, would that permit the wife married by proxy to come into this country?

Mr. SIEGEL. Under the gentlemen's agreement at this time Japan is not permitting any such brides to come over here and such marriages are not permitted. And none has arrived.

Mr. NEWTON of Minnesota. That condition is passed?

Mr. SIEGEL. That condition is passed.

Mr. VAILE. It is because of Japan's voluntary attitude in construing the law.

Mr. SIEGEL. We are still running along under the gentlemen's agreement with Japan. There is nothing here to prevent those who went from California, 50,000 of them, to come back with their wives. It is a different construction altogether.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York [Mr. SIEGEL].

The question was taken, and the amendment was agreed to.

Mr. SIEGEL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk proceeded to read the amendment.

Mr. RAKER. Mr. Chairman, I have an amendment to strike out the entire section.

The CHAIRMAN. The amendment offered was to perfect the text, and therefore would have precedence over the gentleman's amendment. The Clerk will report the amendment of the gentleman from New York.

The Clerk read as follows:

Amendment of Mr. SIEGEL: Page 7, line 3, after the word "parents," insert the words "brother or sister under 21 years of age."

Mr. SIEGEL. Under the exception of this section 4, no man in the United States can send for his younger brother or sister under any condition. This amendment of mine would give him permission to send for a younger brother or sister under the age of 21 years. The reason why I urge it very strenuously is this: There are a number of young men in this country who served in the Army and otherwise, and if this bill goes into effect as proposed under section 4, under no conditions can they send for the younger brother or sister, regardless of whatever the age might be. I think a brother or sister under that age is just as dear to a citizen of the United States as a grandson, for instance, or some of the other exceptions that have been made. I therefore urge its adoption.

Mr. MANN of Illinois. Will the gentleman yield for a question, in order that I may understand his proposition?

Mr. SIEGEL. I will.

Mr. MANN of Illinois. Under the provisions of the bill as it now exists, a boy who served in the war can send for his parents?

Mr. SIEGEL. Yes.

Mr. MANN of Illinois. And if the parents have been fortunate enough to have a baby, brother or sister, they can not bring that child with them?

Mr. SIEGEL. That child must stay in Europe.

Mr. MANN of Illinois. The gentleman's amendment is designed to permit them to bring their infant along with them?

Mr. SIEGEL. Yes.

Mr. BLANTON. But a party who desires to bring his sister or brother over, has he not had since November 11, 1918, to do that very thing?

Mr. SIEGEL. I want to say to the gentleman from Texas that there are any number of cases where men have tried for a year and even over two years to locate those near and dear to them and to learn what has happened over there. In many instances no letters have been received for three or four years, and now at last word is coming through from various parts of Europe showing some of them to be alive, where parents have been killed. This reaches those only under the age of 21 years.

Mr. BLANTON. That would embrace innumerable persons.

Mr. SIEGEL. No; it would not, because a person must be a citizen of the United States. It does not reach an innumerable lot, but a small number in comparison to those who would ordinarily come in. I appeal to the gentleman along those lines.

Mr. BLANTON. The bill has been cut down to recognition for only one year.

Mr. SIEGEL. I want to say a man here in this country loves his brother and his sister as much as a grandfather loves his grandchild.

Mr. BLANTON. He has not thought of sending for them.

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Mr. SIEGEL. Oh, yes. He has tried in every possible way to do it, and in numerous cases I can point out to the gentleman he has tried very hard to do it. Our State Department and Red Cross have tried to help, but unsuccessfully.

Mr. BLANTON. I am sure everyone in the gentleman's district who has appealed to him since the armistice was signed has had his brother or sister brought over.

Mr. SIEGEL. I want to say to the gentleman that that is not so.

Mr. BLANTON. Then the gentleman has not done his duty.

Mr. SIEGEL. The gentleman does not mean that, and he is talking without being familiar with conditions.

Mr. JOHNSON of Washington. Will the gentleman from New York accept a modification of his amendment, so it would read on page 7, line 4, "grandparent, unmarried son or brother under 21 years of age," and in line 5, "unmarried or widowed daughter or sister"?

Mr. SIEGEL. Yes; I have no objection to that. I will modify it accordingly.

The CHAIRMAN. The gentleman from New York asks unanimous consent to modify his amendment. Is there objection?

Mr. NEWTON of Minnesota. Reserving the right to object, Mr. Chairman, does the gentleman understand that that would take in not only a natural brother or a natural sister, but that it would permit an adopted brother or sister to come in?

Mr. SIEGEL. I do not believe that is my construction of it.

Mr. NEWTON of Minnesota. Would the gentleman object to the qualification of "natural brother" or "natural sister"?

Mr. SIEGEL. I will accept that.

Mr. NEWTON of Minnesota. That would avoid the difficulty.

Mr. MANN of Illinois. That might be construed as an illegitimate brother or sister.

Mr. SIEGEL. Mr. Chairman, I withdraw my request for unanimous consent to modify. Will the Clerk kindly report my amendment again?

Mr. BANKHEAD. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Clerk will report the amendment as proposed by the gentleman from New York.

The Clerk read as follows:

Amendment offered by Mr. SIEGEL: On page 7, line 4, after the word "son," insert the words "or brother," and on page 7, line 5, after the word "daughter," insert the words "or sister."

The CHAIRMAN. Is there objection to the modification?

Mr. NEWTON of Minnesota. Reserving the right to object, would the gentleman object to putting in the words "blood brother" or "blood sister"? There is objection to putting in the word "natural" in there.

Mr. SIEGEL. I want to say to the gentleman from Minnesota that some of our friends here who are authorities on the question think it might lead to lots of confusion.

Mr. NEWTON of Minnesota. What I want to do is to avoid the possibility of letting in any wholesale number of adopted brothers and sisters.

Mr. MANN of Illinois. It will be only for a year anyhow.

Mr. SIEGEL. There is an investigation after it is done, anyway, by the Secretary of Labor over here.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BANKHEAD. Mr. Chairman, I rise to oppose the amendment for the purpose of asking the chairman of the committee [Mr. JOHNSON of Washington] or the gentleman from New York [Mr. SIEGEL] whether or not they can give the committee any approximate estimate as to the number of citizens of the United States who might bring in their brothers and sisters under the age of 21 under this provision? I want to call the attention of the chairman of the committee to the fact that there are a good many of us on this side of the aisle who have undertaken to follow the gentleman on his immigration bill, and we are somewhat distressed over here to note his gradually growing practice of accepting amendments to his bill absolutely weaknening and destroying the purpose for which the bill was contemplated.

Now, here is the gentleman from Washington, the chairman of the committee, proposing to accept without protest amendments without offering to the House any explanation or information as to what number of these undesirable immigrants would come into the country, and I ask the chairman of the committee if he has any information on that subject, because if he has I think we are entitled to the benefit of it.

Mr. JOHNSON of Washington. I would be glad to answer frankly. This paragraph is designed to liberalize the paragraph for citizens of the United States, presumably here, who are naturalized, to bring in members of their family. We do not draw distinctions—they are citizens. We give them the right to send for their blood line. The number can not be large. It has been the custom to allow it heretofore. The most upright people who have come to the United States and pursued our customs and taken out first papers and finally their final citizenship papers and who have been of us and with us have been allowed to send for their relatives. I can not estimate the exact number that would be involved. It has been done in many cases, and always the good blood that has come to us has been from those who have come here and taken out citizenship papers. If we go too far, the whole paragraph will be made so liberal that it will probably be lost. But I can not see any objection to the amendment. If we are letting sons in, we might also let in brothers under 21, unmarried, or sisters under 21.

Mr. BANKHEAD. I fear that the result of the enlargement of the exemptions to the restrictions is going to be that you are going to embrace enough of these immigrants to fill up all of these ships that you talk about that ought to be taken out of the service. The gentleman knows that hundreds and thousands of people in the United States have taken out their citizenship papers who still have in these prolific countries of Central Europe hundreds of thousands of brothers and sisters whom they seek to bring in here.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. RAKER. Here is the last report of the Commissioner of Immigration at Ellis Island, in which he says:

Of these 430,001, 247,625 were men and boys and 182,376 were women and children. Many of the women were old women—feeble and dependent. Nearly all of them were going to sons or other relatives, but in many instances those sons or other relatives had all they could do to provide for their own immediate families. A case in point was brought to my attention the other day. A feeble woman of 70 years had come here to her son. Her son had a wife and five children to support. He was earning the wages of a day laborer. In the event of his death or of accident to him there would be five children and the old mother dependent upon charity.

Mr. BANKHEAD. Exactly. I just wanted to call the attention of the chairman of the committee to the danger he is assuming here in allowing such liberality of amendment to this bill which he has brought in and stood sponsor for.

Mr. JOHNSON of Washington. If the amendment goes in at all it should be in its place and voted either up or down.

Mr. BOX. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. BOX. I want to know whether consideration has been given to the fact that there is a great number of native-born Japanese on the Pacific coast, who can bring in their brothers and sisters under that clause?

Mr. JOHNSON of Washington. The statistics show that they would not be native-born citizens of 21 years of age within the time in which this act would be effective, in 14 months. Out of the 150,000 Japanese or orientals out there on the Pacific coast there is not one in 5,000 or in 10,000 who has reached that age.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York [Mr. SIEGEL].

The question was taken; and the chairman announced that the noes appeared to have it.

Mr. SIEGEL. Mr. Chairman, I ask for a division.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 31, noes 24.

Mr. BANKHEAD. I ask for tellers, Mr. Chairman.

The CHAIRMAN. The gentleman from Alabama demands tellers.

Tellers were refused, 18 members, not a sufficient number, seconding the demand.

Accordingly the amendment was agreed to.

Mr. VAILE. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Colorado offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. VAILE: Page 7, line 13, after the word "daughter," strike out the period, insert a semicolon, and add: "but no application may be made under this paragraph in case of any relative by adoption."

Mr. VAILE. This amendment is offered to answer the criticism made with regard to adopted relatives.

Mr. GARD. I desire to call attention to the fact that in the proposed bill, in line 11, page 7, it permits one who is an alien, but a resident of the United States, to make application in reference to an otherwise admissible husband or wife; so that we have the remarkable situation under this bill of the House a minute ago preventing a citizen of the United States sending for her husband, while you permit one who is an alien to send for her husband. I submit that there should be some correction in the interest of harmony in the bill.

Mr. JOHNSON of Washington. When a man is a citizen his wife is presumed to be a citizen also, so you propose to add something to what is already a citizen's right.

Mr. GARD. No. It would seem to me that if you grant the right to an alien to send for her husband, you should certainly have that same privilege accorded to a citizen of the United States.

Mr. BLANTON. That is a right a citizen already has. A man who is a citizen of the United States has a right to send for his wife, because she is a citizen.

Mr. GARD. But that does not give the wife who is a citizen the right to send for her husband.

Mr. BLANTON. If the wife is a citizen, she would have the same right.

Mr. STEPHENS of Ohio. If the wife has a foreign husband, she is not a citizen of the United States.

Mr. BLANTON. No; she would not be a citizen of this country.

Mr. GARD. The bill gives the right to an alien who has declared her intention to become a citizen of the United States to send for her alien husband.

Mr. STEPHENS of Ohio. She is an alien, and under this she can send for her husband.

Mr. GARD. I understand that; but what I have been contending for is that a woman who is an American citizen should have the same right to send for her husband.

Mr. VAILE. There can not be any such thing as a woman citizen with an alien husband. If the husband is an alien, that makes his wife an alien.

Mr. MANN of Illinois. Perhaps the gentleman can explain how, while a woman with a foreign husband can not be a citizen of the United States, she can still declare her intention to become a citizen of the United States while she has a foreign husband. Supposing she is the wife of a foreigner, can she become a citizen of the United States without her husband becoming a citizen?

Mr. SIEGEL. Yes.

Mr. MANN of Illinois. Gentlemen have assured us that she could not.

Mr. SIEGEL. Some of the courts are admitting them and some of the courts are not admitting them.

Mr. MANN of Illinois. That shows that the law on the subject is not settled.

Mr. SIEGEL. No; it is not settled. The naturalization bill which we have on the calendar here——

Mr. MANN of Illinois. That is not the law.

Mr. SIEGEL. No; that is not the law; but that tries to cover the subject.

The CHAIRMAN. The time of the gentleman from Colorado [Mr. VAILE] has expired.

Mr. SABATH. I do not know whether this matter is clear to the chairman of the committee or not. Of course, I know it is clear to the other gentlemen, because they know all about it; but the gentleman from Ohio [Mr. GARD] propounded a question the contention of which is correct, namely, he maintains that it is possible for an American woman who has acquired citizenship or who was born here as an American citizen, but who might have visited Europe and married over there, to come back to the United States. Is it contended that she has lost her citizenship because she has married a foreigner who has never been in the United States?

Mr. SIEGEL. Yes. The law is that the moment she marries a foreigner she has lost her American citizenship. The gentleman is probably familiar with the fact. He has reported out several bills to repatriate a number of these women. In the event that her foreign husband dies, ipso facto she gets her citizenship back.

Mr. VAILE. That is one of the planks on which the next Republican Congress was elected.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Colorado [Mr. VAILE].

The amendment was agreed to.

Mr. DAVEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DAVEY: Page 7, line 7, after the word "dead" insert a period. Strike out the words "and any alien who has," and all of lines 8, 9, 10, 11, and 12, and the word "daughter," on line 13.

Mr. DAVEY. Mr. Chairman, it seems to me that the purpose of inserting this provision—that is to say, the purpose of the committee—was undoubtedly to liberalize the bill. It also seems to me that they have gone too far in their efforts to liberalize it, and I fear that their generous impulses may leave so many loopholes that the very purpose sought to be accomplished by this bill will be largely lost. Gentlemen, I believe it is safe to say that there are hundreds of thousands of foreign born in this country who have declared their intention to become citizens but who have never availed themselves of the right and have let the time limit expire. It means nothing for an alien to declare his intention unless he actually completes the operation and assumes the full rights and responsibilities of citizenship. I believe that we owe nothing to the man who has merely declared his intention to become an American citizen and that we owe nothing to any man until he becomes a full-fledged citizen.

If I am not mistaken, it is admissible for an alien to declare his intention within two years. We have a flood of aliens in this country now—all too many, I think, for the possibility of proper assimilation—and it seems to me that if we permit this provision to remain in the bill it liberalizes it to the point of danger and will permit of great abuse. I can imagine under this provision a rush of newer aliens to make declaration of intention merely to provide themselves with technical grounds to evade the terms and purpose of this bill.

If this is to accomplish the purpose which the proponents claim, it must to a very large degree close the doors and allow this country time to adjust itself to the aliens within our borders, to show them the heart and spirit and purpose of America, to make Americans of them as far as their temperament and character make possible. I have nothing against aliens as such. My own father was an immigrant, who came to this great land of freedom and opportunity nearly 50 years ago, not so much to escape something on the other side, but chiefly because America called to him with an irresistible call, as it has to so many other millions of Europe's best blood.

But, gentlemen, America needs to be protected now against too great an influx of those who do not and can not appreciate our country and her institutions and whom we can not assimilate by any process. We have got a job on our hands to take care of those who are here, some of whom are decidedly of the wrong kind. I would do no injustice to the American citizen, but I believe we owe nothing to those who have merely declared their intention until the time when they become possessed of full citizenship. And especially do we owe nothing to those aliens the hundreds of thousands of whom have declared their intention and have made no honest effort to complete the undertaking in good faith, who have never taken advantage of the sacred opportunity of American citizenship.

This matter of citizenship in America is a great unmatched privilege. To us it is a priceless heritage, to be guarded with jealous care. To the newcomer it must be equally significant and precious if America is to remain secure. We have handed it out too carelessly and too generally. We need to tighten up. It is right that this bill should be reasonably liberal toward full citizens of foreign birth, but it ought never to leave the bars down for the benefit of aliens in America of whatever status.

Mr. SABATH. Mr. Chairman, I rise in opposition to the amendment. I regret exceedingly that the gentleman has been misinformed as to this provision when he states that all of these declarants have refused or neglected to become citizens, or have failed to comply with the laws.

Mr. DAVEY. If the gentleman will permit me, I want to correct the gentleman. I made no such statement. I said there were hundreds of thousands who had not completed their naturalization.

Mr. SABATH. I do not know whether the gentleman is aware of the fact that it is necessary for a declarant to wait three years after filing his declaration of intention before he can be finally naturalized. Unfortunately during the last few years, due to the conditions of the war, many applicants only too anxious to be naturalized have been prevented from becoming citizens through no fault of theirs. In many cases they appeared two, three, and five times to be examined, but due to the lack of force which we have failed to provide the Naturalization Bureau they were unable to be examined in due time, and consequently the delay. I know that in many instances some applicants or declarants have been waiting for years to be naturalized, have made application several times, and have pleaded that their applications be considered, but have not succeeded.

Mr. McKEOWN. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. McKEOWN. Is there any provision now requiring them to complete their naturalization papers in any given time?

Mr. SABATH. There is.

Mr. McKEOWN. What is the time?

Mr. SABATH. Seven years. If they file a declaration of intention, they must complete it within seven years, other-

wise the statute of limitation runs against them and it becomes necessary to file a new declaration.

Mr. BOX. Will the gentleman yield?

Mr. SABATH. Yes.

Mr. BOX. Is it not true that under this bill, after the bill goes into effect, an alien can file his intention one day and the next day make application to get his parents or relatives from Europe?

Mr. SABATH. That might be true, after the bill passes.

Mr. BOX. Is not that what this language means?

Mr. SABATH. That is what the bill provides. It is not yet a law, and I know it will not be a law, because I have confidence that even if the House passes the bill and if the Senate passes the bill the President will be compelled to veto such a piece of legislation.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Ohio.

The question was taken; and the Chair being in doubt, a division was ordered, and there were 14 ayes and 29 noes.

So the amendment was rejected.

Mr. RAKER. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 6, line 24, strike out all of section 4.

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, may I have the attention of the chairman of the committee? If this subsection "a" should be passed just as written, then, so far as concerns the alien who declares his intention subsequent to the passage of the act, would he be within the provision of the subsection, or is it intended to limit the right to one who declares his intention to become a citizen prior to the passage of the act? I simply want to ascertain how wide is the field of admission.

Mr. JOHNSON of Washington. I did not quite catch the gentleman's question.

Mr. MOORE of Virginia. Assuming that the act becomes effective on the 4th of March, and that on the 4th of July an alien declares his intention to become a citizen, would he be included in this particular subdivision?

Mr. JOHNSON of Washington. Yes; I think so, provided he goes to the Secretary and gets his permit, remembering all of the time that this has been reduced to 14 months.

Mr. MOORE of Virginia. You do not intend to limit the provision to those who declare their purpose prior to the enactment of the law?

Mr. JOHNSON of Washington. The last few lines of that liberalizing clause is that if men send for their wives after taking out their first papers, which they may do on arriving in the United States, they are better off than if they do not.

Mr. MOORE of Virginia. I do not think the gentleman understands the question that I am trying to propound.

Mr. JOHNSON of Washington. I think the law indicates that those who declare their intention after this becomes a law will be included.

Mr. MOORE of Virginia. According to the best information that I can get, there are something like two or three million aliens here, probably nearer three million than two million, who have not yet taken out their naturalization papers.

Mr. JOHNSON of Washington. Oh, more than that.

Mr. MOORE of Virginia. And a very large percentage of them have not even declared their intention.

Mr. BLACK. But they will all declare now.

Mr. MOORE of Virginia. Of course.

The Clerk read as follows:

SEC. 6. Nothing in this act shall be held to repeal the provisions of the joint resolution approved October 19, 1918, entitled "Joint resolution authorizing the readmission to the United States of certain aliens who have been conscripted or who have volunteered for service with the military forces of the United States or cobelligerent forces," or any amendment thereto.

Mr. JOHNSON of Washington. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 8, lines 9 and 10, strike out the words "Nothing in this act shall be held to repeal the provisions of the" and insert in lieu thereof the word "The," and on page 8, lines 14 and 15, strike out the comma and the words "or any amendment thereto" and insert in lieu thereof the words "it is hereby amended by adding thereto a proviso reading as follows:

"*Provided*, That if any such alien shall on arrival at a port of the United States be found to be afflicted with a loathsome or contagious disease, such alien shall not be readmitted until he shall have been treated in hospital and the disease reduced to a noncontagious disease."

Mr. JOHNSON of Washington. Mr. Chairman, the necessity for that amendment is apparent on its face. Since the signing of the armistice two years have elapsed and still we permit certain men who went out to come in under the joint resolution of October, 1918, and if they are afflicted with disease we want them to be taken care of in hospitals.

Mr. WALSH. Where are they to be treated—in hospitals in this country?

Mr. JOHNSON of Washington. Yes. They will have to be treated exactly the same as we undertake to treat other diseased aliens who are found on arrival here, and also sailors and seamen.

Mr. WALSH. Is there any considerable number of this class?

Mr. JOHNSON of Washington. I think not. This is a protective clause, necessary on account of the lapse of time.

Mr. RAKER. Mr. Chairman, what is the purpose of this amendment?

Mr. JOHNSON of Washington. Where soldiers were permitted to come back under joint resolution of October, 1918, two years or more having elapsed, they must be in good health when they come into the United States.

Mr. RAKER. Is not that resolution in force to-day?

Mr. JOHNSON of Washington. Yes; it is in force as a resolution; but we have to carry it in the form in which we carry it in this bill.

Mr. RAKER. It prohibits the entrance of people afflicted with loathsome or contagious diseases.

Mr. JOHNSON of Washington. We have to carry it, because it admits a diseased class. The amendment is brought to me by the Department of Labor, and I think it is proper.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Washington.

The amendment was agreed to.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to ask the chairman a word or two about section 5. I notice that it refers to the fourth provision of section 3 of the immigration act. Is it the intention of section 5 to make another class in addition to what is already enumerated in proviso 3?

Mr. JOHNSON of Washington. I will explain that this measure is not intended to supersede the immigration act. It provides certain suspensions, and among the provisions referred to is one to the effect that if certain skilled labor of any particular kind can not be found in the United States it can be brought in. For instance, take the maker of eyeglasses or diamond cutters.

Mr. McKEOWN. Is it to include an additional class to those already enumerated?

Mr. JOHNSON of Washington. This undertakes to carry a provision in the present immigration law to the effect that if you can not find certain skilled labor in the United States you can let them come in from the outside.

Mr. McKEOWN. The language of section 3 in the immigration act, to which I suppose reference is made, is that the provisions of the law applicable to contract labor shall not be held to exclude professional actors, artists, and so forth.

Mr. JOHNSON of Washington. Oh, that is not the provision. It is the fourth provision of section 3. The gentleman is on the wrong page.

Mr. VAILE. This refers to skilled labor, if otherwise admissible, which may be imported, if labor of a like kind can not be found in this country.

Mr. McKEOWN. Mr. Chairman, I ask unanimous consent to withdraw the pro forma amendment.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 7. During the period of suspension provided for in section 2 otherwise admissible aliens who have resided continuously in the Dominion of Canada, Newfoundland, the Republic of Cuba, or the Republic of Mexico for at least one year, and who are not persons of the classes hereinbefore exempted, may be temporarily admitted, for a period not exceeding six months, from such countries, under such rules governing entry, inspection, temporary stay, and departure as may be prescribed by the Commissioner General of Immigration, with the approval of the Secretary of Labor.

Mr. JOHNSON of Washington. Mr. Chairman, I offer a committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 8, line 20, strike out all after the word "year" down to and including the word "exempted" in line 21.

Mr. JOHNSON of Washington. Mr. Chairman, the text has words which are unnecessary in the paragraph and the amendment takes out the words in line 21, "and who are not persons of the classes hereinbefore exempted," which are unnecessary. I ask for the adoption of the amendment.

Mr. WINGO. Mr. Chairman, I simply take advantage of the right to oppose the amendment so as to discuss another matter in the same paragraph. In the first line of section 7 I find the word "suspension." In a hurried examination of the bill I believe this is the only place where the word "suspension" is used. I ask the chairman of the committee if I am correct, if it is the only thing outside of section 14 that indicates that the present existing laws are simply suspended during the life of this act. Is there any other place which covers the question?

Mr. JOHNSON of Washington. The gentleman means a suspension of the law?

Mr. WINGO. The present existing laws.

Mr. JOHNSON of Washington. Immigration is suspended for the life of the bill now as amended for 14 months.

Mr. WINGO. That is the point. Mr. Chairman, I am one of those who have always believed we were too lax in admitting the foreign born to the United States. I will not go into the distinctions I have always made in the classes I was willing to bring in, but we have reached that point that a great many men predicted during the last 20 years where everybody admits that there should be what the chairman this morning called at least a "stop gap" for a while, so we can take stock and clean house and find out where we are. I really hailed with delight the press reports on this bill, because I thought really we were going to restrict immigration for two years. As one who carefully examines the provisions of every act he has to vote upon and as a lawyer trying to understand that upon which I am called to vote, I have found my enthusiasm for this measure waning. I have found that I am forced with deep regret to the conviction that this bill at best is but a "French gesture." My candid opinion as a lawyer is that this bill will not exclude one single immigrant that the present existing law does not exclude. If I vote for it it will be because of the supposed sentiment that it does restrict immigration at least for a while. I shall have to be satisfied, though, that the word "suspension" used here in section 7 does not leave us at the end of the 14 months' period worse off than we are now. Why? Let me submit this proposition to the lawyers of this House: Section 2 makes the sweeping provision that it is an absolute bar to immigration with certain exceptions. Reading those exceptions and reading the provisions of the bill you will find that the text of this law covers the whole question of immigration and the admission of immigrants to this country, and how any judge undertaking to interpret the intention of Congress can escape the conclusion that Congress took up the whole subject matter and legislated on it, and thereby by implication repealed all other laws in reference to it is something I can not understand. I am met with the suggestion that section 14 says that—

> The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws.

Now what does that mean? That is just about as clear so far as the legal proposition I suggest as one would be providing that white shall not be interpreted as black, nor shall black be interpreted as white. It is in addition to but not in substitution for. If any provision of this act contravenes any part of the existing statute the court will say by necessary implication the conflicting statute is repealed. Of course without saying this in section 14 if there is any new provision not covered by existing law it is in addition to the present existing law. Does section 14 say that the provisions of this act are in addition to and not in substitution for the provisions of existing laws, and that such laws shall continue in full force and effect at the expiration of the suspension period provided by this act?

The CHAIRMAN. The time of the gentleman has expired.

Mr. WINGO. May I have three minutes more?

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. WINGO. Now, Mr. Chairman, I want to suggest to the lawyers on the committee in a friendly way that section 2 makes a broad general bar of immigration, subject to certain exceptions. Then you state those exceptions that cover nearly every class the present laws do. If you consider it as a lawyer, how can you escape the conclusion that Congress had taken up the whole subject matter and rewritten the law and stated that at the expiration of one year or two years there shall be no law? That is my humble interpretation as a lawyer, and I suggest to the lawyers on the committee that when you get to section 14 you make your expressed intent clear, and that is for two years your present immigration laws shall not control so far as the provisions set out in this particular act are concerned and at the end of the two years or 14 months that your present laws go into operation again. If that is the meaning, why not make that declaration by a clear specific provision of the statute? If you do not do it, gentlemen, you will be charged with having deliberately placed upon the statute books a sham and a hypocrisy—and they will use stronger language than the language I have used—that the bill at best is but a "French gesture," and in voting for it I shall vote for it on the theory that its expressed intent meets with my general convictions upon the subject.

Mr. SEARS and Mr. BOX rose.

The CHAIRMAN. The gentleman from Texas [Mr. Box] is recognized.

Mr. BOX. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

Mr. JOHNSON of Washington. Mr. Chairman, we have an amendment pending.

The CHAIRMAN. An amendment is already pending, offered by the gentleman from Washington [Mr. JOHNSON]. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The CHAIRMAN. The gentleman from Texas [Mr. Box] offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. BOX: Page 8, after line 16, strike out lines 17, 18, 19, 20, 21, 22, 23, 24, and 25, inclusive.

Mr. BOX. Mr. Chairman, I do not wish to argue the amendment.

Mr. SEARS. Mr. Chairman, I would like to offer a perfecting amendment. That strikes out the paragraph.

The CHAIRMAN. The gentleman has that right.

Mr. SEARS. On page 8, line 18, after the word "Canada," insert a comma, and insert "Bermuda and Bahama Islands."

Mr. SABATH. Mr. Chairman, the amendment of the gentleman from Texas will strike out the entire section.

The CHAIRMAN. There is another amendment now pending. The amendment of the gentleman from Texas will come later.

Mr. SEARS. Mr. Chairman, I trust the chairman of the committee will not oppose the amendment I have offered.

The CHAIRMAN. The gentleman from Florida [Mr. SEARS] offers an amendment, which the Clerk will report.

The Clerk read as follows:

> Amendment offered by Mr. SEARS: Page 8, line 18, after the word "Canada," insert "Bermuda and Bahama Islands."

Mr. SEARS. Mr. Chairman, during the period of the war under certain legislation the Secretary of Labor was directed to permit Bahama negroes to come into Florida for the purpose of growing our vegetable crop. This class of labor only stays about three months and then goes home. There can certainly be no objection to that amendment. I see that under this section citizens of Mexico are permitted to come to this country, and unless this amendment is granted it will do a material injury to the growers, many of them being northern people. You can not get labor in this section, because it is only for a few weeks. They take the boats and go and bring the laborers over under certain restrictions, and after they are through with them they go back.

Mr. MOORES of Indiana. Mr. Chairman, I move as an amendment to the amendment of the gentleman from Florida the amendment which is in the Clerk's hands.

The CHAIRMAN. The gentleman from Indiana moves a substitute to the amendment of the gentleman from Florida, which the Clerk will report.

The Clerk read as follows:

> Amendment of Mr. MOORES of Indiana as a substitute to the amendment offered by Mr. SEARS:
> "Page 8, line 18, after the word 'Newfoundland,' insert 'Bermudas, the islands of St. Pierre and Miquelon, the British, Dutch, and French possessions in the West Indies and Central and South America, and the Republic of Panama.'"

Mr. MANN of Illinois. I make the point of order that is not proper as offered to the amendment of the gentleman from Florida [Mr. SEARS].

Mr. MOORES of Indiana. Is it not an amendment in the sense that it enlarges his amendment? It adds the adjacent islands.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] will please submit just what his point of order is.

Mr. MANN of Illinois. In the first place the amendment is not offered in the same place in the bill. I suppose the chairman will discover that by looking at it. It could be offered at the same place in the bill.

The CHAIRMAN. The gentleman from Illinois is right. It is not offered at the same place.

Mr. MOORES of Indiana. Mr. Chairman, I ask unanimous consent to offer it after the word "Canada" then, and I would like to be heard on it for a few minutes.

Mr. MANN of Illinois. Well, I withdraw the point of order.

Mr. BANKHEAD. Mr. Chairman, let us have a vote on the Sears amendment.

The CHAIRMAN. The gentleman from Indiana [Mr. MOORES] is recognized to speak in support of his amendment to the amendment of the gentleman from Florida.

Mr. MOORES of Indiana. Mr. Speaker, when the Diplomatic appropriation bill was presented to the House last summer it was presented originally in the form in which this bill is. For reasons of expediency it was so amended to follow substantially the form which I have stated in this amendment. The reason for that is this: We have with England, with France, and with the Netherlands treaties which contain the "favored-nations" clause, and they are entitled to similar treatment. There is no reason for including the Dominion of Canada which does not include the Dominion of Newfoundland. There is no reason for including Newfoundland which does not apply to those almost microscopic islands, the islands of St. Pierre and Miquelon, which belong to France, adjoining Newfoundland, which is a small distance away. The Bahamas are a separate possession of Great Britain and the Barbados are a separate possession and Jamaica is a separate possession. But the British possessions in the West Indies, which are practically only a short distance from the coast of the United States, would entitle all the British possessions adjacent to the United States, although not touching it, to like treatment. There is no reason why we should not treat Panama, which is under substantially the same form of government, as Cuba. It is under almost an American protectorate. There is no reason why we should not treat Panama or the people of Panama as we treat the people of Cuba and Mexico. It seems to me we are in constant communication with the Bahamas, and those people come and go. There is no reason why they should be excluded. We are in constant touch with Barbados, and their people ought to be included. And the amendment is reasonable because it includes the small countries in like situation belonging to England and France. And the island of Curacao, for instance, belongs to Holland, and Martinique belongs to France, and we are in constant touch with them. We grant permits of six months to the Mexicans and the Canadians, and why should we not grant permits to citizens of Great Britain, citizens of France, and of the Netherlands, who have to come and go?

Mr. McKEOWN. Does the gentleman's amendment include Santo Domingo and Haiti?

Mr. MOORES of Indiana. It does not.

Mr. McKEOWN. Does it include Nassau?

Mr. MOORES of Indiana. It does.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BANKHEAD. When the gentleman from Indiana [Mr. MOORES] offered his amendment, a point of order, as I understood, was made against it by the gentleman from Illinois.

The CHAIRMAN. The gentleman from Illinois withdrew it.

Mr. DEWALT. Will the gentleman from Indiana yield?

Mr. MOORES of Indiana. I yield to the gentleman from Pennsylvania.

Mr. DEWALT. I suppose the gentleman is advocating his amendment under the favored-nation clause?

Mr. MOORES of Indiana. The most-favored-nation clause.

Mr. DEWALT. Under the favored-nation clause, as no doubt the gentleman understands it and as I understand it, the British possessions would give the same right to our citizens as we are now attempting to grant to the citizens in a portion of their territory?

Mr. MOORES of Indiana. That is true.

Mr. DEWALT. What you are attempting to do, then, is to include some other possessions of England and Holland under the favored-nation clause, and therefore you say it is just that they should be included?

Mr. MOORES of Indiana. Yes; I think so.

Mr. HENRY T. RAINEY. Mr. Chairman, I desire to offer an amendment. Not long ago I presented an amendment which the committee did not accept, an amendment which would provide for the admission of farm laborers during the period of exclusion provided for in this bill, provided they came here as farm laborers, to go back when the work was over.

Section 7, the section we are considering now, provides that farm laborers can come here from Canada, Newfoundland, the Republic of Cuba, and the Republic of Mexico under such limitations as the Commissioner General of Immigration, with the approval of the Secretary of Labor, may impose for a period not to exceed six months. In other words, under the bill as drawn, laborers for the fruit orchards of the Northwest and for the lumber mills of the Northwest can come over here, but farm laborers who want to work in Illinois and Iowa can not come. Under the bill as drawn now, Mexicans can come to this country and can work in the sugar-beet fields of the sugar-beet sections of the West, but they do not work in wheat fields nor corn fields.

Mr. JOHNSON of Washington. Those in Mexico and Canada can come when otherwise admissible under the literacy test and on the payment of the head tax.

Mr. HENRY T. RAINEY. Yes. Under the bill as now drawn, the railroads can continue to do as they do now and bring them in from Mexico if otherwise admissible. I want to know what is the objection to admitting farm labor from any country in the world, if otherwise admissible, under such rules and regulations as the Commissioner of Immigration and the Secretary of Labor may prescribe, and I want to offer a substitute for pending amendments which would have the effect of admitting laborers under this section for six months, if otherwise admissible under the law, except from oriental countries. I will ask the Clerk to report my amendment.

The CHAIRMAN. The Chair will state that one substitute for the amendment is already pending. Until that is disposed of another will not be in order.

Mr. HENRY T. RAINEY. Very well. I will offer it later on.

The CHAIRMAN. The question is on agreeing to the substitute amendment offered by the gentleman from Indiana [Mr. MOORES].

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. WALSH. A division, Mr. Chairman.

The CHAIRMAN. The gentleman from Massachusetts asks for a division.

The committee divided; and there were—ayes 20, noes 34.

So the substitute amendment was rejected.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer a substitute amendment.

The CHAIRMAN. The gentleman from Illinois offers a substitute amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY: In lines 18 and 19 of page 8, strike out the words "in the Dominion of Canada, Newfoundland, the Republic of Cuba, or the Republic of Mexico," and insert in lieu thereof the following: "in the country from which they come, except oriental countries."

Mr. HENRY T. RAINEY. Mr. Chairman, this amendment is offered not in the interest of favored nations, but in the interest of all the people of this country, so that no one section of this country can be favored by this section of the bill to the exclusion of other sections.

The bill as drawn now permits laborers to come here for the lumber camps in Maine and in the Northwest. They can get labor in New England from Canada for a great many purposes under this bill. Labor can come here from Cuba under the bill as drawn for the purpose of working in the vegetable-producing sections of Florida. Labor does come here from that section.

This amendment simply excludes those countries in the world, oriental countries, from which what we usually consider undesirable labor comes, and extends the benefits of section 7 and its exemptions to the entire country and to all the industries of this country, including wheat farmers and corn farmers and all those who produce food animals or are engaged on dairy farms.

The CHAIRMAN. The question is on agreeing to the substitute amendment offered by the gentleman from Illinois.

The question was taken, and the substitute amendment was rejected.

The CHAIRMAN. The question is now on agreeing to the amendment offered by the gentleman from Florida [Mr. SEARS].

The question was taken; and on a division (demanded by the chairman) there were—ayes 22, noes 38.

So the amendment was rejected.

Mr. HUDSPETH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Page 8, after the word "aliens," in line 17, insert a comma and add the following: "including those applying for admission temporarily, pursuant to the last proviso in section 3 of the immigration act."

Mr. HUDSPETH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken; and on a division (demanded by Mr. HUDSPETH) there were 22 ayes and 39 noes.

So the amendment was rejected.

Mr. LUCE. Yesterday the committee demurred at a provision which would permit the entry into the United States of an alien who in some period of the past had lived here. In view of that, will the chairman of the committee explain whether the first clause of section 7, in line 17, means that an alien is to have resided continuously in the country concerned for one year before the time of the passage of the act or means that he must have there resided at any time for one year continuously?

Mr. JOHNSON of Washington. At the time he applies for admission.

Mr. LUCE. In the case of a Canadian who has been working in Buffalo in the course of the last 12 months and has been residing there, but has returned to Canada, can he secure entry under the provisions of this section, not having resided continuously for the preceding year in the Dominion of Canada?

Mr. JOHNSON of Washigton. My impression would be that not having resided in the country in which he claims he lived or belonged, if he goes out of the country where he is now domiciled, namely, the United States, he has to come back under this passport provision.

Mr. LUCE. If he has not resided continuously in Canada one year, but has been working some part of the year in Detroit or Buffalo, he is precluded from returning?

Mr. JOHNSON of Washington. Yes; under section 7.

Mr. LUCE. Mr. Chairman, I withdraw my pro forma amendment and offer the following amendment:

The Clerk read as follows:

Amendment offered by Mr. LUCE: Strike out all of section 7 and insert in place thereof a new section, as follows:

"SEC. 7. During the period of suspension provided for in section 2, otherwise admissible aliens who have been citizens of the Dominion of Canada, Newfoundland, the Republic of Cuba, or the Republic of Mexico, for at least one year prior to the passage of this act, may be admitted from such countries under such rules governing entry and inspection as may be prescribed by the Commissioner General of Immigration, with the approval of the Secretary of Labor."

Mr. LUCE. This amendment is not alone of importance to the people of Buffalo, Detroit, Toledo, Sandusky, Lockport, Ogdensburg, and all other places along the border, but also it is of importance to the manufacturing interests of New England. Lest somebody may not have heard my statement yesterday, permit me to repeat that in my own district dwell about 50,000 persons who were born in Canada or who had one parent born in Canada. There are several thousand of them undoubtedly who are still citizens of Canada. They are frequently journeying to and fro, coming to us when work is plenty, returning when work is slack. From my city of Waltham, for example, it may prove that many watch-factory operatives will have returned to Canada within the last 12 months prior to the passage of this act. Such operatives will be absolutely forbidden from returning to their positions in the factory during the period of this suspension. This thing would bear with extreme hardship on the State of Maine, where many hundreds of Canadians come in to work in the factories and also to work in the logging and river driving operations. It would be an extreme hardship to many who have been working in Vermont and northern New York. I can not believe that the committee ever contemplated any such situation as would be produced by putting a barrier in the way of persons who have been working in this country, while leaving no barrier of consequence in the path of persons who have not been working in this country.

The committee surely can not intend to make it impossible for an operative whom we have trained in the delicate art of making watches to return while permitting the untrained persons who have never been engaged in the manufacture of watches to enter. The same thing is true of the operatives of our textile mills and the workers in the automobile factories in Detroit and Cleveland and other places which perhaps next summer will resume activities as before.

The bill in effect says that no such person at home when the law takes effect shall come here if he has been here within a year. He may come only if he has not been within a year.

To meet this absurd situation I have rewritten the section so that it will take down all unusual barriers in the way of travel back and forth between the United States and these adjacent countries by persons who have been citizens of these adjacent countries for a year. There will be little chance of fraud under this provision. It will be impossible for aliens from across the sea, whom we so much fear, to secure citizenship temporarily in Mexico or elsewhere and forthwith come here. They must have been citizens for a full year. From those who have been such in adjacent countries for a year I would remove the barriers.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. TREADWAY. Mr. Chairman, I move to strike out the last word. I am in hearty accord with my colleague from Massachusetts [Mr. LUCE] in his effort to care for working people who have been in this country or who may at the present time be in this country, who have had occasion to return to Canada or other adjacent countries. I have had before the Department of Labor within the past few months a very marked instance of the kind of hardship to which he refers. A skilled employee in a paper mill in my district was sent by his employers to Canada. It was actually a part of his service to go over to Canada to train men in a factory belonging to that company in Canada. When it came time for them to order him to return to this country, the barrier is put in his way and he is prevented from returning, except that the company by whom he is employed shall give a bond, and then he can stay only six months. The section which my colleague criticizes will continue that condition or make it worse, and I think that the committee having this very important matter in charge ought to be agreeable to the acceptance of either the amendment of my colleague or some similar amendment which will not deprive a man of the opportunity of remaining in this country and securing citizenship. The man to whom I refer had applied for his first papers, but this fact gave him no advantage. By temporarily visiting Canada, due to the order of his employers, he is now prevented from returning here, a condition which I am sure is not only a hardship to the man, but a distinct disadvantage to the employers themselves, who have frequent occasion to send men back and forth across the Canadian border. I can see no merit in a law which prevents a skilled workman from returning here after once having been in this country and temporarily going back to Canada.

I have had a long correspondence with the Department of Labor in connection with this particular case, and have been positively refused any relief under the statute as applied by Assistant Secretary Post. If the amendment offered by my colleague will correct this situation in the future, I certainly hope that for the benefit of the employer as well as the employee in many cases in my State and elsewhere it will be adopted.

The CHAIRMAN. The question is on agreeing to the amendment of the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. RAKER) there were—ayes 36, noes 37.

Mr. LUCE. Mr. Chairman, I demand tellers.

Tellers were ordered, and Mr. LUCE and Mr. JOHNSON of Washington were appointed to act as tellers.

The committee again divided; and the tellers reported—ayes 41, noes 62.

So the amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas [Mr. BOX].

The Clerk read as follows:

Amendment by Mr. BOX: Page 8, after line 16, strike out the section.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. BOX. Mr. Chairman and gentlemen, I am very much afraid that the presence of this paragraph will weaken the law. We have witnessed here to-day a great many demands for exception in favor of this class or that class, and I doubt the wisdom of retaining this paragraph. It provides for the temporary admission of people from the countries named, though they will, of course, have to pass the literacy test and pay the head tax and can not be brought in as contract laborers. I think that the bill could be made applicable to border travel without weakening it in this manner. I shall have to submit this, however, to the judgment of my colleagues.

Mr. JOHNSON of Washington. Mr. Chairman, in opposition to the amendment permit me to say that I think that we will find that this provision as written in the bill is necessary under treaties which we have. It is similar, with the exception of the six months' restriction, to that which is in the present law, and the only way that can be provided for the exchange as between contiguous countries with the people of the United States. I hope the amendment will be rejected.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of Washington. Yes.

Mr. WALSH. Do I understand the chairman of the committee to say that there are treaties with any nation which require us to admit nationals of any nation temporarily under some such arrangement as is contemplated in this section?

Mr. JOHNSON of Washington. Not exactly; but of course, as the gentleman understands, most treaties guarantee the right of nationals to come and go, but with regard to Canada and the United States we have a particular reciprocity with regard to the coming and going of citizens.

Mr. WALSH. What I would like to know is why it is provided that nobody shall come in here except students and one or two other classes and then in section 7 it is provided that the commissioner general may admit anybody he wants to temporarily, provided they are otherwise admissible—that is, if they can pass the literacy test and conform with the other provisions of the law.

Mr. JOHNSON of Washington. For a period of six months: Let me explain how the thing works. People come from Canada now freely. They are asked to show their business cards either on trains or boats. They satisfy the inspector very quickly that they are here on a temporary business visit. However, if a man comes along who is likely to stay here, they take his head tax, and it is held for six months. If the man never calls for the head tax, it is assumed that he has remained in the United States. If he returns to Canada within the six months and asks for the head tax back, he gets it. That is the arrangement between Canada and the United States.

Mr. WALSH. Will not the effect of this section be that instead of permitting aliens to come in here and reside temporarily from these countries, it will permit them to come in here for a vacation of six months. It does not provide that they have got to work.

Mr. SIEGEL. They can come in for business.

Mr. JOHNSON of Washington. Under regulations that can be made.

Mr. WALSH. Can a regulation provide that the man must work on a farm or in a factory, must pick cotton, for instance? Can the Secretary impose any such restriction, provided he can pass the literacy test and pay the head tax? The Secretary of Labor can provide that he must work picking cotton?

Mr. JOHNSON of Washington. No. He will not provide anything of the kind. As a matter of fact, the gentleman from Texas asked me about this a minute ago and got a statement out of me the other day at the conclusion of a 20-minute speech, when I was foolish enough to yield to him when he would not yield to me to correct a statement. As a matter of fact the Secretary of Labor in the past couple of years probably made a mistake in permitting Mexicans to come in here to do certain work on certain farms.

Mr. TIMBERLAKE. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I rise for the purpose of asking the chairman of the committee a question with reference to section 7. I am very much interested in the proposition of endeavoring to preclude entrance into this country of a class of workers that has been heretofore admitted to take care of a certain class of labor which can not and has not been able to be handled by our American laborers. I refer to the sugar-beet culture in Colorado. In my district there are 11 sugar-beet factories.

Mr. JOHNSON of Washington. Let me ask the gentleman a question. That can be cultivated by Japanese or Chinese labor?

Mr. TIMBERLAKE. It might if obtainable. But we found the best labor for that is the Mexican laborer, and we have heretofore been able to get a permit from the Secretary of Labor for this labor to come into the United States for the season of the crop work and then return. The question I desire to ask the chairman is whether under section 7 that would be permitted by this bill?

Mr. JOHNSON of Washington. Yes; if they can read and pay the head tax and want to pick the beets, they can come in.

Mr. MANN of Illinois. With this modification, if the gentleman will permit, that if they were here this summer they can not come next summer. They can come the summer after that.

Mr. TIMBERLAKE. We can not do without that labor for the beet crop of next season.

Mr. MANN of Illinois. If this becomes a law, those who work here this summer can not come in next summer.

Mr. JOHNSON of Washington. They would not come. They earn so much money they will not come in. They will stay down in Mexico and spend their money in singing and dancing.

Mr. TIMBERLAKE. Permit me to say, and to correct the chairman, that this same character of labor has come into Colorado for the last four seasons under permit by the Secretary of Labor. If this provision will prohibit that, I am opposed to it.

Mr. WALSH. Will the gentleman yield?

Mr. TIMBERLAKE. Yes.

Mr. WALSH. What is the gentleman's position, that these laborers should be permitted to come into Colorado and work in the beet fields and when they get through they must go back to Mexico, but other aliens who might make desirable citizens shall not be permitted to come in at all from any other country?

Mr. TIMBERLAKE. I do not believe that unobjectionable aliens should be excluded entirely from coming.

Mr. SABATH. Mr. Chairman, within the last half hour or so we have heard from nearly every section of the country. The gentlemen from the New England States, from the Western States, and from the Southern States have fairly explained the need of common labor in America, and notwithstanding when it comes to a vote they will vote to preclude the securing of that much-needed labor. They are pleading for their own sections, and are willing that they should have the benefit, but they are not willing that other sections that are in need of labor should have it. I fully appreciate that if the committee had taken a little more time and given more attention and consideration to this legislation the chances are that a bill could have been prepared and submitted to the House that would have eliminated these objectionable features. What amuses me the most is this: For years we have heard gentlemen on the floor of this House complain against these "birds of passage," those people who come here, earn money, and then leave and go home. Mr. Chairman, for years this was the strongest objection raised against immigration, namely, that they come only for the purpose of making some money, and after a few years leave and take it with them. This entire afternoon we have heard pleas on behalf of these very people, that we should permit them to come and after they have earned their money we should tell them to take that money and go back from whence they came. And these appeals in behalf of such aliens come from gentlemen who at all times favored and advocated stringent, yes, complete restriction, and the same gentlemen, notwithstanding their appeals for relief for their sections of the country, will, nevertheless, I am sure, vote for this bill. Mr. Chairman, what these gentlemen advocate is special class and sectional legislation which I can not help designating as special-favor legislation. I believe that we should have legislation that is fair, that is just to all, so that there should be no discrimination as is contemplated by this bill. I hope in view of the fact that the chairman has stated that we can not finish the bill to-day that he and the other gentlemen responsible for bringing in this bill may meet this afternoon or Monday and during that time amend it so that they may come in with at least some sections that will meet with the approval of gentlemen who desire to legislate intelligently and justly to all sections of the country.

Mr. TREADWAY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LANHAM. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LUCE. Mr. Chairman, I make the same request.

Mr. DAVEY. Mr. Chairman, I make the same request.

Mr. SABATH. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none. The question is upon the amendment offered by the gentleman from Texas to strike out the section.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 8. Any alien who at any time after entering the United States is found to have been at the time of entry not entitled under this act to enter the United States, or to have remained therein for a longer time than permitted under section 3 or section 7, shall be taken into custody and deported in the manner provided for in sections 19 and 20 of the immigration act.

Mr. McKEOWN. Mr. Chairman, I move to strike out the last word. I want to ask the chairman of the committee if there is any provision in our present naturalization laws rather going to the point as to where an alien after having been admitted and naturalized and proves himself to be a disloyal citizen such naturalization papers can be set aside?

Mr. JOHNSON of Washington. I think probably in cases of fraud it can be done. However, this is an immigration bill and not a naturalization bill.

Mr. McKEOWN. I understand. I want to say this section deals with the deportation of the aliens who have secured entrance into this country and who are not entitled to be here.

I wanted to take this opportunity to say that the question that is giving this committee so much trouble is the same cause of all trouble on the question of immigration, and that is the commercial side of immigration. Various contractors, various persons, interested financially, without regard to the consequences upon the country, are responsible for the trouble Congress is having to-day in trying to stop the great flood of immigration to this country. It is because the people have been admitted to this country for gain, for money, for profit. This country has always been a haven of refuge for those who have been persecuted religiously or politically. It has always been a refuge for a man who wanted to come to a country where he could have freedom and enjoy it, but because certain financial interests found it more profitable to bring cheap labor into the United States, men who had no regard to the results and con-

sequences to this country, brought in thousands of undesirables and caused the necessity for the Congress to act now. I believe that every man admitted to this country and to whom naturalization papers have been granted, and who has been guilty of disloyal conduct, ought to have his papers revoked. There ought to be an amendment to the naturalization act, making provision that any man naturalized who afterwards becomes disloyal or utters words that tend to destroy our form of government, should have his papers revoked, and be deported from the United States. [Applause.]

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

Mr. KELLY of Pennsylvania. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KELLY of Pennsylvania: After the word "act," on line 7, page 9, add a new section, as follows:

"SEC. 9. That any alien who, in pursuance of the fourth section of chapter 12 of the act of Congress approved July 9, 1918, entitled 'An act making appropriations for the support of the Army for the fiscal year ending June 30, 1919,' has withdrawn his declaration of intention to become a citizen of the United States with the object of escaping military service, shall, on the warrant of the Secretary of Labor, be taken into custody and deported in the manner provided in sections 19 and 20 of the immigration act; and any such alien who shall have left or who shall hereafter leave the United States, or who shall have been deported under any provision hereof, shall be excluded from the United States."

Mr. JOHNSON of Washington. Mr. Chairman, I will have to make a point of order against that.

Mr. KELLY of Pennsylvania. Will the gentleman withhold it?

Mr. JOHNSON of Washington. I will withhold it for a few minutes.

Mr. KELLY of Pennsylvania. Mr. Chairman and gentlemen of the committee, I sincerely hope that the chairman will not make the point of order against this amendment. In his own original draft of this immigration bill he had the exact wording of this section as I have offered it. While it may be subject to a point of order on a technicality, I am convinced that it should be made a part of this measure.

Mr. Chairman, this measure has been termed a "stop-gap," an emergency law, in order to give us time to work out permanent policies. For what policies? Not alone for a fixed immigration policy but for an Americanization policy which will deal with the vexing problems occasioned by the presence of a great number of aliens now within the borders of this Nation.

Mr. McKEOWN. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I yield to the gentleman.

Mr. McKEOWN. Does not the gentleman think that a provision should be made that unless aliens learn the English language and read and write it in five years they should be deported?

Mr. KELLY of Pennsylvania. I certainly do. But I believe that in order to encourage these strangers to learn the language of America it is necessary to show that it is worth while. The value must be put into this knowledge, and that can best be done by showing that those who scorn American citizenship shall not be favored above those who do become citizens and learn the language of America. It is for that reason I have introduced this amendment providing for the deportation of all those who escaped military service by the cancellation of their first papers of American citizenship.

Of our 105,000,000 souls, 15,000,000 are of foreign birth and 20,000,000 more are of foreign or mixed parentage. Ten per cent of our population can not read the laws which they are presumed to know. Out of the first 2,000,000 men drafted in the Great War to "make democracy safe around the world" an amazing percentage could not read their orders nor understand them when they were delivered.

It was in the light from the fires of war that the Nation came to see the importance of Americanization. In facing the challenge of autocracy, with all American resources pledged to its overthrow, it was suddenly discovered that the United States was almost in the position in which the dual monarchy had found itself, with unassimilated populations and separate nationalities.

The melting pot had failed in its function, if in fact it had ever existed. There had been no fusing of the various elements in the body politic into one ingot of purpose. Instead there were dross and stones, the scum of the melting pot. There were millions of people in America still thinking as Germans, or Italians, or Croatians, or Poles—not Americans.

In many communities there were colonies of folks from foreign lands who retained their national language, customs, and habits and deliberately excluded everything American while they cherished everything foreign.

In one Pittsburgh suburb an investigation disclosed that in a single district, comprising six city blocks, there were 2,600 residents, of whom only 12 were American citizens. Many of these persons had been in this country more than 20 years, but they frankly stated that they had no intention of becoming American citizens.

In marshaling America's resources for war it was found that the message had to be carried in a score of languages to these peoples who were in America but not of America. The plans of the draft law, Liberty loans, food and fuel regulations, Red Cross, and other activities had to be conveyed in other tongues than the language of America.

It was discovered also, when Uncle Sam called for soldiers to wage the battles of the Nation, hardly 10 per cent of the immigrants arriving here in the past 10 years had declared their intention of becoming citizens. As aliens these residents in many instances gave no answering response to the call for military service. In some 2,200 instances, those who had taken out first papers of citizenship canceled them, so that they might revert to the status of aliens and escape military duty.

Now, Mr. Chairman, the complete Americanization of America is not a political question nor is it a debatable issue. If America is to endure, it must be made a Nation and not permitted to remain a "polyglot boarding house."

That can only be accomplished by proving that American citizenship is a valuable thing, that it means privileges and rights as well as obligations. If we are to persuade these newcomers to become real members of America, they must be shown that there is a real advantage in knowing how to speak and read and write the language of America and a real advantage in knowing the meaning of the laws and institutions of this country.

If we permit these 2,000 or more declarants to cancel their first papers of citizenship to avoid the obligations which should be theirs, we say, in effect, that it is safer and wiser to remain aliens and avoid American citizenship.

Mr. MANN of Illinois. Did not many of these men enlist in foreign service?

Mr. KELLY of Pennsylvania. No; I am informed that these declarants who have been recorded in Government departments, as I have given them, are those who withdrew their first papers in order to escape military service, and who did escape military service, both in this country and in their homelands.

Mr. MANN of Illinois. I know a great many who did that because they wanted to go into foreign service.

Mr. KELLY of Pennsylvania. The section as I have offered it expressly states that only those who canceled their first papers in order to escape military service shall be deported.

Now, Mr. Chairman, I insist that any real Americanization policy must be based upon the idea that American citizenship is a possession of value and that the blessings of life in America shall go to her sons and daughters, native and naturalized, rather than to those who deliberately evade all obligations and remain aliens and who withdraw their declarations in an hour of peril.

Mr. WALSH. I want to ask if the gentleman knows that many of those who withdrew their first papers subsequently accepted positions in industries that had formerly been filled by Americans who went to the front with the colors?

Mr. KELLY of Pennsylvania. That is precisely the fact. A number of these declarants in my district and in other large industrial districts canceled their declarations, claimed the benefit of alienage, and then took the jobs in mills and factories which had been left vacant when American lads went out to war, and they drew down inflated war-time wages at the same time.

For my part I am in favor of taking these men at their word. They said they were outsiders. I am in favor of making them outsiders by putting them on shipboard and seeing that they never return again to the soil they have dishonored. [Applause.]

Mr. Chairman, the problem of Americanization can not be solved by piecemeal and in fractions. It is a task big enough for the whole American people. It must be accomplished at last in the local communities in the public-school houses, where the children may learn Americanism in our educational system, and where the adults also, in the public-school headquarters of the community, may become members of the community together. And one way to assist that is to give an object lesson as to the value of American citizenship by deporting those who had declared their intention to become citizens and to renounce all allegiance to foreign

prince, State, or potentate, and then, when the test of service came, hastened to forswear that declaration and proclaimed themselves aliens.

I hope that no point of order will be made against this amendment, and that it will be written into the bill. [Applause.]

Mr. JOHNSON of Washington. I am compelled, Mr. Chairman, to make the point of order on the ground that it is not germane.

The CHAIRMAN. What is the ground of the gentleman's point of order?

Mr. JOHNSON of Washington. That it is not germane to the bill, and it is not germane to the section.

Mr. KELLY of Pennsylvania. It is a new section.

Mr. SABATH. This is presented in a new section.

Mr. MANN of Illinois. This relates to the enforcement of another act which is entirely apart from this act.

The CHAIRMAN. Section 9 of this bill refers to sections 18 and 20 of the immigration act. This amendment also refers to sections 19 and 20 of the immigration act. The gentleman from Pennsylvania [Mr. KELLY] offers his amendment at the head of section 9 rather than before, and it seems to the Chair that if germane at all, it is germane to section 9, rather than before it. That refers to the amendment of sections 18 and 20 of the immigration act.

Mr. KELLY of Pennsylvania. The section applies to sections 18 and 19 of the immigration act. My amendment refers to exactly the same sections of the immigration act.

Mr. JOHNSON of Washington. Mr. Chairman, these proposed deportations are of people guilty of violations of a certain war act. It is not germane to this matter. For the information of the chairman and the gentleman I may say that outside of the point of order, as chairman of the committee, at any time I am prepared to report that bill adversely. You can not discuss the facts here in a few moments.

Mr. KELLY of Pennsylvania. I want to call attention to the fact that deportation is provided for in section 8. Here is deportation provided for in section 9, a little different in its bearing, but having the same purpose as section 8. I submit it is perfectly germane in this bill to provide for the deportation of those people, as well as those who are provided for in the bill that we are now considering.

Mr. MANN of Illinois. Section 8 provides for the deportation of aliens who violate this act. Section 9 only provides that that deportation shall be in accordance with the provisions of sections 18 and 20 of the immigration act. It does not provide for any deportation for violation of the immigration act, but only for deportation for violation of this act. Here is a proposition to put in a provision for deportation for some offense that is not referred to in this act at all. It has no relationship with anything in this act. It is entirely foreign to the provisions of this act. It certainly is not germane to the provisions of the bill.

The CHAIRMAN. Does the gentleman from Illinois say that section 8 or section 9 of the bill does not amend the immigration act?

Mr. MANN of Illinois. I think it does not at all. It provides for certain deportations in section 8 for violations of the law on the part of those who entered the United States in violation of this act. They are not entitled to enter the United States under this act. Section 9 of the bill provides only for methods, as I understand it, and not for any additional deportation. The only deportations authorized in this act are for violations of this act. Now, of course, if this act had provided that people who violated the immigration act should be deported, then it would be quite permissible to put a further provision in it in reference to the immigration act. But this bill does not cover that at all, as I understand it.

Mr. WALSH. Mr. Chairman, it seems very clear that this is not an amendment to sections 19 and 20 of the immigration act. It is simply defining the procedure that shall be followed in enforcing this act. Instead of writing in sections 19 and 20, the committee could have employed the same language as is used in the immigration act without referring to those sections, and thereby it would not have been an amendment at all; but this, as the gentleman from Illinois points out, is simply providing for cases under this act; and in deporting under this act for violation of this act they say the procedure shall be the same as that employed in some other act; but that does not thereby amend that other act. It seems to me that the language confines it to violations of this act.

Mr. BLANTON. Will the gentleman from Massachusetts yield?

Mr. WALSH. Yes.

Mr. BLANTON. Does not this provide deportations in addition to those provided by sections 19 and 20?

Mr. WALSH. It does not. It provides for deportation for violations of this act, and it uses the same procedure that is employed in sections 19 and 20.

Mr. BLANTON. But they are deportations in addition to those provided for in sections 19 and 20.

Mr. WALSH. Oh, yes.

Mr. BLANTON. Then, if they are in addition, why are they not amendments to the deportation act?

Mr. WALSH. Because they are not deportations for violation of that act.

Mr. BLANTON. But they are deportations?

Mr. WALSH. Of course, they are deportations.

The CHAIRMAN. The Chair is ready to rule. The only question in the mind of the Chair was as to whether either section 8 or 9 of the bill amends sections 18, 19, or 20 of the immigration act. Upon such examination of that act and of the bill under consideration as the Chair has been able to make, he is unable to see that the bill under discussion amends the immigration act in any respect. It does provide for the use of some of the machinery provided in the immigration act, but as stated by the gentleman from Massachusetts [Mr. WALSH] it might have provided for this machinery in language of its own and thereby accomplished the same purpose. At any rate it does not appear in any respect to amend the immigration act.

The amendment offered by the gentleman from Pennsylvania [Mr. KELLY] clearly proposes to amend the immigration act, and therefore the Chair thinks it is not germane to this bill. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

SEC. 11. Any person who substitutes any name for the name written in any document herein required, or any photograph for the photograph attached to any such document, or forges or in any manner alters any such document, or falsely personates any person named in any such document, or issues or utters any forged or fraudulent document, or presents to an immigrant inspector or other Government official any forged or fraudulent document, and any person other than the one to whom there has been duly issued any document prescribed by this act who presents to an immigrant inspector or other Government official any such document, shall be guilty of a felony and upon conviction thereof shall be fined in a sum not exceeding $1,000 or be imprisoned for a term of not more than five years, or both.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. What documents are included in this section other than passports?

Mr. JOHNSON of Washington. Declarations.

Mr. WALSH. Applications for passports?

Mr. JOHNSON of Washington. I do not know what they call them, but I understand that in getting a passport a man pays $1 for the declaration and $9 for the visé, and then there is his other passport from his country. I imagine those to be the documents.

Mr. WALSH. How does this penalty compare with that provided in the title of the espionage law, which provides a penalty for tampering with or forging passports? Do I understand that there is no penalty? Does the gentleman contend that there is no penalty for doing these things now, and that therefore the committee reports this section to cover it?

Mr. SIEGEL. If the gentleman will yield to me for a moment, I will answer his question. This declaration, made to the Secretary of Labor in order to bring some one over to this country from Europe, is a new proposition entirely. It has never existed before. Therefore that provision is required. In other words, an alien in this country or a citizen desiring to bring some one from Europe will have to make application to the Secretary of Labor.

Mr. WALSH. Well, this would include the passport.

Mr. SIEGEL. This will include the passport, but there is some doubt, of course, as to whether you can punish some of the people on the question of passports.

For instance, I notice that in New York yesterday they arrested two agents of the Department of Justice for violation of the visé law. They were to receive $300 for allowing a visé to go through, but they were arrested on the ground of conspiracy.

Mr. GREEN of Iowa. On page 5, where it refers to documents, that would include all documents.

Mr. JOHNSON of Washington. I think it would meet any that could be reached on this side.

Mr. SIEGEL. I have my doubts as to whether in this country you could punish anybody on the other side for a violation of law on that side.

Mr. GREEN of Iowa. This does not refer to persons over there.

Mr. SIEGEL. Yes, it does. This statement which is mentioned on page 5, the applicant is supposed to fill out. He is supposed to give the information where he is going, where he has come from, what people he knows over there, and so forth.

Mr. GREEN of Iowa. The gentleman from New York does not understand me. Suppose he brings over a forged document and certificate purporting to be signed by somebody over there when the whole thing is a forgery. Would not this section apply to that?

Mr. SIEGEL. It would. I will say that I do not know of any other case where we have tried to punish anyone in this country for any false certificate made on the other side.

Mr. WALSH. You are imposing a severe penalty which apparently the committee is not certain to what it applies. Why do you want another penalty for forging passports when we already have a severe law?

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. SIEGEL. I ask unanimous consent that the gentleman's time be extended five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. WALSH. I would like to ask the chairman of the committee why he has written a new penalty which by the language will include passports when there is already a severe penalty for that offense now?

Mr. JOHNSON of Washington. We want men punished for forging passports as far as we can reach them.

Mr. WALSH. But there is a law covering that, why have two?

Mr. JOHNSON of Washington. If you do not want it you can turn it down, but I think you need it.

Mr. WALSH. I do not see why you need a law covering the forging of passports when you already have it in the espionage law. I would like to know what documents this law applies to other than passports and photographs.

Mr. VAILE. There is the declaration sworn to before the consular officers.

Mr. WALSH. In title 9 of the espionage law you will find the declaration is covered. To make any false statement of application for passports the fine is $2,000 and not more than five years. And it applies to whoever forges or counterfeits or mutilates. That is the passport provision in the espionage act. If there are other documents than the included, there can be no objection to penalizing their alteration or forgery.

Mr. JOHNSON of Washington. In the gentleman's opinion, would it improve it to have a clause "unless otherwise provided by law"?

Mr. WALSH. I do not think that would correct it.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last two words. It seems to me that this provision is necessary. The declaration provided by this statute and contained on pages 4 and 5 provide among other things that it must state the expected duration and the object of the immigrant's visit to this country. In addition he must present documentary or other proof of the object, showing the places where he expects to visit.

Mr. JOHNSON of Washington. We are now attempting to reach other forgeries besides those of the passport. A suggestion has been made that if an amendment is offered on line 19 "in other cases not provided by law" that that might cure the defect.

Mr. GREEN of Iowa. Probably there is duplication as stated by the gentleman from Massachusetts.

Mr. JOHNSON of Washington. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 10, line 19, after the word "shall" insert "in cases where no other penalty is required by law."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. LONGWORTH. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee whether he intends to pass this bill to-night. It is quite late and this is Saturday.

Mr. JOHNSON of Washington. I think we have now passed the contentious portion of the bill. We have yet to strike out the enforcement of this act in the Philippines and to insert two parentheses. It has been suggested that we should go as far as having the previous question ordered to-night so that we can have a vote on Monday morning.

Mr. LONGWORTH. Does the gentleman think that he will get through in a short time?

Mr. JOHNSON of Washington. I think in five minutes, unless something develops which I can not see now.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 12. The Commissioner General of Immigration shall, with the approval of the Secretary of Labor, issue such regulations, not inconsistent with law, as may be deemed necessary and appropriate to place this act in full force and operation, except that regulations for the viséing of passports under section 3 shall be made by the Secretary of State. Such regulations shall include special rules for the application of this act to the cases of aliens coming to the United States from or through contiguous foreign territory, and to the cases of aliens entering across the land boundaries for temporary stay or at frequent intervals; also special rules to insure that the provisions of this act, of the immigration act, or of any law, convention, or treaty relating to immigration shall not be violated by aliens arriving at ports of the United States employed on vessels as seamen, and that, at the same time, the enforcement of such laws shall not interfere with the operation of the act approved March 4, 1915, entitled "An act to promote the welfare of American seamen in the merchant marine of the United States, to abolish arrest and imprisonment as a penalty for desertion, and to secure the abrogation of treaty provisions in relation thereto, and to promote safety at sea."

Mr. JOHNSON of Washington. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. JOHNSON of Washington: Page 10, line 25, before the word "except" strike out the comma and insert a parenthesis, and on page 11, line 2, after the word "State" and before the period insert a parenthesis.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. MOORES of Indiana. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. MOORES of Indiana: Page 10, line 21, strike out "The Commissioner General of Immigration shall, with the approval of the Secretary of Labor."

Mr. MOORES of Indiana. Mr. Chairman, it seems to me that the Department of Agriculture, the Department of State, and the Department of Commerce are certainly as much interested in the proper enforcement of this act as is the Department of Labor. I believe that the act will be more fearlessly and justly enforced if the rules and regulations under it are prepared by the President, with the cooperation of the three departments named, than if the rules and regulations are prepared simply by the Department of Labor. For that reason I have offered this amendment. I want a reasonable enforcement of this act, if we must have it, and I believe we will get a more reasonable and a fairer enforcement of the act if the rules and regulations are made by the President than if they are made by the Department of Labor.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Indiana.

The amendment was rejected.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word. I feel like apologizing at this hour of the afternoon for trespassing upon the patience of the committee, but I feel very sincerely that the committee, probably without mature consideration, has made a great mistake in adopting the amendment proposed by the gentleman from Illinois [Mr. MANN] limiting the operation of this suspension to 14 months after the passage of the act, which, in effect, limits this operation only to a period of 12 months. If we are confronted in this immigration question with a serious peril and a menace to the country—and I feel sure that we are—then I think we should not attempt to limit the period of suspension to 14 months. I feel sure the committee has not overdrawn the picture in stating in its report as follows:

The flow of immigration to the United States is now on in full flood. The need for restrictive legislation is apparent. The accommodations at Ellis Island are not sufficient for the avalanche of new arrivals; larger cities have not houses for them; work can not be found for them; and, further, the bulk of the newer arrivals are of the dependent rather than the working class.

I submit this question to your intelligent judgment. If we have a situation which we are seeking to correct, is it reasonably probable or apparent that within one year, in this period of economic reconstruction and adjustment, we will have advanced so far in this country that all of these objectionable features will have been eliminated, or is it not more humanly probable that instead of the conditions at the expiration of a year being as they are now pictured by this committee they will be infinitely more aggravating? The latter is my deliberate judgment, and if you are to enact a suspension of immigration for the protection of the interests of the American people, it seems to me that it should not be met by us purely on the

principle of a temporary stop-gap, but that in view of the facts with which we are confronted the time has come when the American Congress should have the courage to enter upon a permanent policy of preventing the indiscriminate admission of aliens into this country.

You pass this bill and put it into effect only for 12 months—12 months passes very rapidly in the legislative annals of the country and the economic progress of the country—and before the expiration of next summer the Committee on Immigration are going to have this very same identical problem to solve. The House of Representatives and the Congress of the United States and the Executive are going to be confronted with even more aggravated conditions than those with which we are confronted in reference to this grave, acute question to-day, and it seems to me, gentlemen, to be the part of wisdom, of prudence, of reasonable foresight, to follow the firm conviction and judgment of the majority of the committee who reported this bill, and when a separate vote is demanded upon the Mann amendment to vote that amendment down and let this bill stay in its effect as was provided by the committee.

Mr. FESS. Will the gentleman yield?

Mr. BANKHEAD. I would be glad to yield to the gentleman from Ohio.

Mr. FESS. I voted for the amendment in the belief that at the end of the year if the needful continuation was apparent it would take a very short time to extend it another year.

Mr. BANKHEAD. But the gentleman well knows the psychology of legislation and the practical difficulties of securing legislation. It is infinitely easier to repeal an existing measure than it is to pass constructive legislation and especially when there are so many conflicting opinions as there are upon this question of immigration, and I submit to the judgment of the gentleman from Ohio if it would not be easier at the expiration of one year, supposing we put in the two-year period of suspension, if the condition justified, to pass a bill repealing it or allowing the suspension to cease, than it would to get the legislative machinery started and pass a new bill extending for a further period the restrictions of this legislation?

Mr. GREEN of Iowa. If the gentleman will permit, I would suggest that the bill was not originally permanent, and if we are to act permanently, would we not be better informed a year from now as to what we ought to do?

Mr. BANKHEAD. But we can be well informed and act if the conditions justify it—and I do not think they will, although we have received promises of great remedial legislation by our friends who will soon come into full control in the country, for I believe the economic conditions of this country are now such it would take a longer period than one year for them to be restored, and I hope that this House, upon reconsideration, will put in the two-year period of suspension. [Applause.]

The CHAIRMAN. Without objection the pro forma amendment is withdrawn. [After a pause.] The Chair hears no objection.

The Clerk read as follows:

SEC. 13. This act shall be enforced in the Philippine Islands by officers of the general government thereof, unless and until it is superseded by an act passed by the Philippine Legislature and approved by the President of the United States to regulate in the Philippine Islands the subjects covered hereby, as authorized in the act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916.

Mr. JOHNSON of Washington. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out all of section 15.

Mr. JOHNSON of Washington. Mr. Chairman, this amendment is necessarry because we struck out the application to the Philippine Islands earlier.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

SEC. 14. The provisions of this act are in addition to and not in substitution for the provisions of the immigration laws.

Mr. JOHNSON of Washington. I move to renumber section 14 number 13.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 12, line 5, strike out the figures "14" and insert in lieu thereof the figures "13."

The question was taken, and the amendment was agreed to.

Mr. MILLER. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. MILLER: Page 12, strike out section 13, and insert in lieu thereof the following:

"SEC. 13. This act shall not be construed to repeal, alter, or amend existing laws relating to the immigration or exclusion of Chinese persons or persons of Chinese descent. Nor shall this act be construed to repeal the immigration act, nor to alter or amend such act except as provided herein; but such act as herein modified shall be and remain in full force and effect. Nor shall this act be construed to repeal, alter, or amend the act approved October 16, 1918, entitled 'An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes,' as amended."

The CHAIRMAN. The Chair calls the attention of the gentleman from Washington to the fact that section 13 has been stricken out of the bill and section 14 has been renumbered section 13.

Mr. WALSH. Mr. Chairman, I reserve the point of order on the amendment.

Mr. MILLER. The Clerk properly read section 13, and I ask unanimous consent that the substitute be numbered section 13.

Mr. WINGO. The Clerk read it as number 14.

The CHAIRMAN. The Clerk read it correctly, but the Chair called the attention of the gentleman to the fact that what is now in the bill as section 14 has been renumbered section 13. Now the gentleman's amendment calls for the striking out of section 13.

Mr. MILLER. That is right.

Mr. WINGO. It strikes out the text, which has been amended and numbered 13. I think he has the amendment correctly written. It is a substitute for section 14, which is now section 13.

Mr. MILLER. Mr. Chairman, the phraseology——

Mr. WALSH. I reserve a point of order, Mr. Chairman.

Mr. MILLER. The substitute, section 13, which I have submitted to the chairman of the committee, is a confidential print of the original bill providing that the Chinese exclusion act shall not be amended or altered by this legislation. We have a Chinese exclusion act, my colleagues, which is now effective upon the Pacific coast and with which we are all satisfied. There are 400,000,000 Chinamen across the Pacific that are trying by some subterfuge or another to break into the United States. Under the existing law they understand the matter exactly as it is. Now, if we leave the Chinese exclusion act just as it is and affirmatively say in this legislation that the Chinese exclusion act shall continue, we will have no trouble upon the Pacific coast.

And besides that, under the present law the Chinese merchants can come to the United States, and a very promising trade is now coming on the Pacific through the Chinese merchants of China and of this country. Now, it is my judgment that the original print of this bill covers all of these points that I have undertaken to suggest to my colleagues, and it will make it much more effective and be much better for us on the Pacific coast.

Now, under section 13 as it is now written, the provisions of this bill are in addition to the existing law. So no Chinese merchant out of China can come to the United States and trade with the American merchant or merchants of his own country in the United States. It safeguards everything and makes the relations much plainer, and out of all the interpretations by the department of the various phases of the Chinese exclusion act it will remain just where it is, and no Chinaman can come to the United States.

Mr. RAKER. The amendment the gentleman offers is in identical language with the immigration act itself in relation to the Chinese exclusion. I will read:

That this act shall not be construed to repeal, alter, or amend existing laws relating to the immigration or exclusion of Chinese persons or persons of Chinese descent, except as provided in section 19 hereof, nor to repeal, alter, or amend section 6, chapter 453, third session Fifty-eighth Congress, approved February 6, 1905, nor to repeal, alter, or amend the act approved August 2, 1882—

And so forth.

That was put into that act for the purpose of the very thing the gentleman is now discussing. The Chinese exclusion act has been settled by both countries and by the highest courts of the land. Now, by putting it in this act it puts it at rest and leaves the people in China and the people of this country absolutely satisfied, and avoids any possible complication.

Mr. MILLER. That is my view, and I hope the committee can see its way clear to accept the amendment.

The CHAIRMAN. What is the point of order of the gentleman from Massachusetts [Mr. WALSH]?

Mr. WALSH. That there is nothing in this act that is germane to reenacting, or reestablishing, or reaffirming the provisions of the Chinese exclusion act.

Mr. WINGO. Mr. Chairman——

The CHAIRMAN. The Chair will hear the gentleman from Arkansas.

Mr. WINGO. This bill does undertake to absolutely bar all immigration, subject to certain exceptions. Now, the substantive part of the act bars all kinds, including Chinese, out absolutely. It says "all immigration." Then it undertakes to make the exception. Now, the gentleman's contention might be, and it is, that this act does not alter or, as he has it, does not affect the Chinese exclusion act at all. Then it would certainly contravene the rule to affirmatively declare that fact in the closing provision of the bill, which is the customary way.

The CHAIRMAN. What does the gentleman think of this provision where it says:

This act shall be and remain in full force and effect?

Does that add anything to that law?

Mr. WINGO. What is the Chairman reading from?

The CHAIRMAN. From the amendment.

Mr. WINGO. The act says:

That this act shall not be construed to repeal, alter, or amend existing laws relating to the immigration or exclusion of Chinese persons or persons of Chinese descent.

Nor shall it change the immigration act or amend such act as provided herein shall be in full force and effect. I think that relates back to the amendment as made herein. The point is, what is the object of the amendment the gentleman has offered? It is to make clear and specific what the committee seeks to do by shorter language in the text reported. Now, what is the object of section 14 as reported by the committee? It is to be sure that the provisions of this act shall not be construed as repealing, what? The general immigration laws or special immigration laws, nor shall it repeal any of these deportation statutes.

Mr. WALSH. Mr. Chairman, I withdraw the point of order.

Mr. CONNALLY. Mr. Chairman, I offer a substitute for the amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment by way of a substitute. The Clerk will report it.

The Clerk read as follows:

Amendment offered by Mr. CONNALLY as a substitute for the amendment offered by Mr. MILLER: Page 12, line 4, strike out the section and insert "SEC. 13. The provisions of this act are cumulative of existing laws, and shall not be construed as repealing existing laws."

Mr. MILLER. It prohibits Chinese merchants from coming to this country and dealing with Chinese merchants here.

Mr. CONNALLY. As I understood the gentleman from Washington, his object was simply to preserve existing laws as relating to the Chinese question.

Mr. MILLER. Yes.

Mr. CONNALLY. This amendment does that exactly.

Mr. MILLER. Mr. Chairman, will the gentleman yield?

Mr. CONNALLY. Yes.

Mr. MILLER. Under this bill the Chinese merchant could not come to this country, because you exclude him under the earlier sections of the bill.

Mr. CONNALLY. Why do you want him here?

Mr. MILLER. That is where our trading comes from. He comes here and trades with Chinese merchants here.

Mr. CONNALLY. I have been consistent and have voted against amendments offered for my section to bring in laborers; it seems to me all we ought to do in this section is to say that this legislation is cumulative of existing laws and in nowise repeals existing laws.

Then when the limitation of the life of this bill expires the present immigration laws will again operate, unless your Immigration Committee, with rather unusual speed, brings in a comprehensive piece of immigration legislation to cover the whole field of the subject; and if the gentleman's amendment undertakes to do what he says it does, then I think the Chair was wrong when he overruled the point of order, because it is legislation on a subject not covered by this bill and is not germane to this section. It seems to me the object of this committee is simply to make it clear that section 13 provides that this act is simply cumulative of existing laws and does not in any wise repeal existing laws, and that upon its expiration existing laws will continue to be in force and effect.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield right there?

Mr. CONNALLY. Yes; I yield to the gentleman from Virginia.

Mr. MOORE of Virginia. I want to ask the gentleman if this language does not express the gentleman's view and express what is intended?

Mr. CONNALLY. I shall be glad to hear the gentleman.

Mr. MOORE of Virginia. "The provisions of the immigration laws shall remain in full force and effect except as modified by this act."

Mr. CONNALLY. I will say to the gentleman that that language would meet my views with this exception: In preference to picking out any particular law and saying it is in full force and effect, I would say, "all laws are in full force and effect," because this bill covers passport legislation and other things in addition to immigration legislation.

Mr. MOORE of Virginia. But the earlier part of the bill has taken all those laws in. My suggestion is that if we say "all laws relating to immigration shall remain in effect except as modified by this act," we will have exactly the status the gentleman contemplates.

Mr. CONNALLY. We not only want all the immigration laws now in force and effect to continue, but we want all other existing laws that are touched by this bill to continue in force and effect except as this bill is cumulative thereof. We do not want to modify the passport laws except as modified for the time being by this act; and whenever you undertake to pick out one act and specify it, you thereby exclude from your saving clause other acts now in existence. You accomplish your whole purpose by saying "existing laws." That covers the whole earth. That covers all laws.

Mr. MOORE of Virginia. On page 2, in the definition clause, it is stated that "the term 'immigration laws' includes such act"—that is, the immigration act—"and all laws, conventions, and treaties of the United States relating to the immigration, exclusion, or expulsion of aliens." Now, if we say in the final provision that all immigration laws shall remain in full force and effect except as modified herein, will not the whole object the gentleman has in mind be attained?

Mr. CONNALLY. I would simply say "existing law." The gentleman says "immigration laws." My term is more comprehensive than his. The gentleman uses the language "as modified by this act." We do not modify any existing acts. If we "modify" existing laws, we should to that extent repeal them. Our intent is not to repeal them but to continue them in effect. We leave them in full force and effect, except by this act we say that in addition to the provisions and barriers set up by other legislation, we set up for a stated period additional prohibitions and restrictions on immigration. I think there is, however, very little difference between our views.

The CHAIRMAN. The question is on agreeing to the substitute offered by the gentleman from Texas [Mr. CONNALLY].

The question was taken, and the amendment was rejected.

Mr. MOORE of Virginia. Mr. Chairman, I offer this amendment.

The CHAIRMAN. As a substitute for the Miller amendment?

Mr. MOORE of Virginia. Yes.

The CHAIRMAN. The gentleman from Virginia offers a substitute for the Miller amendment.

Mr. MOORE of Virginia. So that the provision shall read as follows:

The provisions of the immigration laws shall remain in full force and effect except as modified by this act.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Virginia.

The Clerk read as follows:

Amendment offered by Mr. MOORE of Virginia: Page 12, line 4—"SEC. 31. The provisions of the immigration laws shall remain in full force and effect except as modified by this act."

Mr. WINGO. I offer an amendment to the substitute to add the words "or suspended" after the word "modified."

Mr. MOORE of Virginia. I accept that suggestion.

The CHAIRMAN. Without objection, the substitute will be modified as suggested. The Chair hears no objection. The question is on agreeing to the substitute as modified.

The question being taken, the substitute as modified was rejected.

The CHAIRMAN. The question recurs on the amendment offered by the gentleman from Washington.

The question being taken, the Chair announced that he was in doubt.

On a division there were—ayes 18, noes 24.

Accordingly the amendment was rejected.

The CHAIRMAN. By direction of the rule, the committee rises automatically.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. TILSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, had directed him to report the same back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The SPEAKER. By the rule, the previous question is ordered. Is a separate vote demanded on any amendment?

Mr. BANKHEAD. I demand a separate vote on the Mann amendment.

Mr. WINGO. My understanding was that the House would not vote on this bill to-day. Under the rule, the previous question having been ordered—I ask so that Members may understand it—will the bill be taken up for disposition the first thing Monday morning?

The SPEAKER. Yes.

Mr. BANKHEAD. And the question will be on my demand for a separate vote.

Mr. WINGO. Some gentlemen understood that when the bill was taken up they would have the right to demand separate votes on various amendments. With the understanding that the Chair will submit that request——

The SPEAKER. The Chair will do so.

Mr. WINGO. That will be entirely satisfactory. Otherwise I should demand a separate vote on each amendment.

The SPEAKER. The Chair will submit the question whether a separate vote is demanded on any amendment when the bill is taken up for consideration.

DECEMBER SALARIES OF CONGRESSIONAL EMPLOYEES.

Mr. GOOD. Mr. Speaker, I ask unanimous consent for the present consideration of the joint resolution which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from Iowa offers a joint resolution, which the Clerk will report.

The Clerk read as follows:

Joint resolution (H. J. Res. 407) authorizing payment of the salaries of officers and employees of Congress for December, 1920, on the 20th day of said month.

Resolved, etc., That the Secretary of the Senate and the Clerk of the House of Representatives are hereby authorized and directed to pay to the officers and employees of the Senate and House of Representatives, including the Capitol police, their respective salaries for the month of December, 1920, on the 20th day of said month.

Mr. GOOD. This is the customary Christmas salary resolution.

The SPEAKER. Is there objection to the present consideration of the joint resolution?

There was no objection.

The joint resolution was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

LEAVE TO PRINT.

Mr. FESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by our colleague, Hon. NICHOLAS LONGWORTH, before the National Association of Life Insurance Presidents, at New York, December 9, on public expenditures and taxation.

The SPEAKER. The gentleman from Ohio asks unanimous consent to insert in the RECORD an address on taxation delivered in New York by the gentleman from Ohio [Mr. LONGWORTH]. Is there objection?

Mr. DONOVAN. Is that the interview or address in which the gentleman from Ohio [Mr. LONGWORTH] stated that he spoke as the mouthpiece for the Ways and Means Committee?

The SPEAKER. The Chair does not know.

Mr. DONOVAN. And making reference to Mr. FORDNEY'S age?

Mr. FESS. That is not in the address.

Mr. DONOVAN. Then I make no objection.

Mr. LONGWORTH. Does the gentleman say I made any such statement as that?

Mr. DONOVAN. I understood it was stated in one of the Philadelphia papers that you made the statement that you spoke for the Ways and Means Committee, that as Mr. FORDNEY was aged that responsibility rested upon you. I was so informed.

Mr. LONGWORTH. Let me say that the gentleman from Ohio is very certain that he never made any remark that possibly could be construed in that way.

The SPEAKER. Is there objection?

There was no objection.

Mr. BLACK. Mr. Speaker, on page 145 of the RECORD of yesterday leave of absence was granted me for 10 days. I am happy to state that the circumstances under which that leave was granted no longer apply, and I ask unanimous consent that that be rescinded.

The SPEAKER. Without objection, it will be so ordered.

There was no objection.

By unanimous consent, leave to extend remarks on the bill was granted to Mr. MILLER, Mr. JONES of Texas, Mr. KNUTSON, Mr. NEWTON of Minnesota, and Mr. SIEGEL.

WITHDRAWAL OF PAPERS.

Mr. HAYS, by unanimous consent, was given leave to withdraw from the files of the House, without leaving copies, papers in the case of Jessie Smith, pension bill H. R. 7171, Sixty-sixth Congress, no adverse report having been made thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. FIELDS, for 1 week, on account of sickness.

To Mr. KING, for 10 days, on account of important business.

ADJOURNMENT.

Mr. JOHNSON of Washington. Mr. Speaker, I move that the House do now adojurn.

The motion was agreed to; accordingly (at 5 o'clock and 25 minutes p. m.) the House adjourned until Monday, December 13, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

193. A letter from the chairman of the United States Interdepartmental Social Hygiene Board, transmitting annual report on activities in the protection of soldiers, sailors, and civilians from venereal diseases and in the development of improved medical and educational measures for the control of such diseases; to the Committee on Interstate and Foreign Commerce.

194. A letter from the Secretary of War, transmitting detailed statement of the agreements paid and adjusted under section 1 of "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes," supplementing report submitted November 29, 1919; to the Committee on Expenditures in the War Department.

195. A letter from the Secretary of War, transmitting report covering publications issued by the War Department during the fiscal year 1920; to the Committee on Printing.

196. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Bayou Terrebonne, La., between Houma and Thibodaux; to the Committee on Rivers and Harbors.

197. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Kissimmee River, Fla.; to the Committee on Rivers and Harbors.

198. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of waterway from New Bern, N. C., to Wilmington, N. C., via Trent River and Northeast Cape Fear River; to the Committee on Rivers and Harbors.

199. A letter from the Secretary of the Navy, transmitting draft of requested legislation to authorize the President of the United States to classify and name vessels of the Navy; to the Committee on Naval Affairs.

200. A letter from the Secretary of the Treasury, transmitting report in connection with the proposed Federal cooperation with the State of New York in the use of a military hospital to be constructed in that State; to the Committee on Public Buildings and Grounds.

201. A letter from the Attorney General, transmitting the annual report of the Attorney General to Congress; to the Committee on the Judiciary.

202. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required for the acquisition of additional lands at headwaters of navigable streams, together with a draft of proposed legislation on the subject (H. Doc. No. 916); to the Committee on Appropriations and ordered to be printed.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 12912) granting a pension to Garrett Williamson, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HUDSPETH: A bill (H. R. 14953) to provide revenue and to maintain the wool producing and manufacturing industries of the United States in a condition of preparedness for national requirements; to the Committee on Ways and Means.

By Mr. RANDALL of California: A bill (H. R. 14954) to punish violation of the eighteenth amendment to the Constitution by American citizens in certain foreign countries; to the Committee on the Judiciary.

By Mr. KINKAID: A bill (H. R. 14955) to amend section 2 of the act of August 9, 1912 (37 Stat., 265), relating to liens in patents and water-right certificates; to the Committee on Irrigation of Arid Lands.

By Mr. MOTT: A bill (H. R. 14956) to amend the revenue act of 1918 and to establish a general sales tax; to the Committee on Ways and Means.

By Mr. MASON: A bill (H. R. 14957) to amend section 1044 of the Revised Statutes; to the Committee on the Judiciary.

By Mr. YOUNG of North Dakota: A bill (H. R. 14958) to amend the agricultural schedule of the revenue act of October 3, 1913; to the Committee on Ways and Means.

Also, a bill (H. R. 14959) to prohibit for one year the importations of wheat and wheat flour, rye and rye flour, barley, flax, oats and oat products, wool, swine, cattle, sheep, and all other domestic live animals suitable for human food; to the Committee on Ways and Means.

By Mr. ALMON: A bill (H. R. 14960) to classify the salaries of postmasters in post offices of the fourth class; to the Committee on the Post Office and Post Roads.

By Mr. ROGERS: A bill (H. R. 14961) to establish in the Interior Department a bureau of veteran reestablishment, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TINCHER: Joint resolution (H. J. Res. 406) relating to the use of net earnings derived by the United States from the Federal reserve banks in the years 1921 and 1922, being the earnings accrued and accruing during the years 1920 and 1921; to the Committee on Banking and Currency.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 14962) granting a pension to David Conrad Doup; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14963) granting an increase of pension to Elizabeth Fobes; to the Committee on Invalid Pensions.

By Mr. BROOKS of Illinois: A bill (H. R. 14964) granting a pension to Ophelia Matthews; to the Committee on Pensions.

Also, a bill (H. R. 14965) granting a pension to Lou Watson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14966) to correct the military record of Calvin S. James; to the Committee on Military Affairs.

By Mr. BUTLER: A bill (H. R. 14967) for the relief of Denise D. Marston; to the Committee on Claims.

By Mr. EDMONDS: A bill (H. R. 14968) for the relief of Ephraim Lederer, collector of the port of Philadelphia, Pa.; to the Committee on Claims.

Also, a bill (H. R. 14969) for the relief of Herman Schnell; to the Committee on Claims.

By Mr. FORDNEY: A bill (H. R. 14970) granting a pension to Lucy N. Pardee; to the Committee on Invalid Pensions.

By Mr. GARD: A bill (H. R. 14971) granting a pension to Lucy Banks; to the Committee on Invalid Pensions.

By Mr. GOLDFOGLE: A bill (H. R. 14972) granting a pension to Marcus Broderick; to the Committee on Invalid Pensions.

By Mr. GREEN of Iowa: A bill (H. R. 14973) for the relief of Anthony Wade; to the Committee on Claims.

By Mr. HAWLEY: A bill (H. R. 14974) granting an increase of pension to James M. Berry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14975) granting an increase of pension to Caroline Haines Willis; to the Committee on Invalid Pensions.

By Mr. HAYS: A bill (H. R. 14976) granting a pension to Mary L. Biggs; to the Committee on Pensions.

Also, a bill (H. R. 14977) granting an increase of pension to Minerva A. Ellis; to the Committee on Pensions.

Also, a bill (H. R. 14978) granting a pension to Phoebe Fairhurst; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14979) granting a pension to Maria A. Owens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14980) granting an increase of pension to Elizabeth Langley; to the Committee on Invalid Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 14981) granting a pension to Charles C. Egley; to the Committee on Pensions.

Also, a bill (H. R. 14982) granting a pension to Ina M. Robinson; to the Committee on Invalid Pensions.

By Mr. KINKAID: A bill (H. R. 14983) granting a pension to Julia Finley; to the Committee on Invalid Pensions.

By Mr. MAGEE: A bill (H. R. 14984) granting a pension to Emma E. Warner; to the Committee on Invalid Pensions.

By Mr. MASON: A bill (H. R. 14985) to award a medal of honor to Hon. Ivory Pike; to the Committee on Military Affairs.

By Mr. MERRITT: A bill (H. R. 14986) granting a pension to Maria C. Hill; to the Committee on Invalid Pensions.

By Mr. O'CONNOR: A bill (H. R. 14987) granting a pension to Mary R. Moon; to the Committee on Invalid Pensions.

By Mr. RICKETTS: A bill (H. R. 14988) granting a pension to Sylvester Fisher; to the Committee on Pensions.

Also, a bill (H. R. 14989) granting an increase of pension to Augusta Lambert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14990) granting a pension to Ferdinand Lambert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14991) granting a pension to Sarah Cutright; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14992) granting a pension to Phebe J. Clements; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14993) granting a pension to Sarah A. Rhoads; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14994) granting a pension to Mahala Printis; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14995) granting a pension to Drusilla Luce; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 14996) granting a pension to Martha Smallwood; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14997) granting a pension to Lucy Cottongim; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14998) granting an increase of pension to Margaret A. Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 14999) granting an increase of pension to Elmer H. Weddle; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 15000) granting an increase of pension to Isaac Trent; to the Committee on Pensions.

Also, a bill (H. R. 15001) granting an increase of pension to Edmund Hishley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15002) granting an increase of pension to James Foley; to the Committee on Pensions.

By Mr. SMITH of Michigan: A bill (H. R. 15003) granting a pension to Sarah J. Pratt; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15004) for the relief of Jabez Lumbert; to the Committee on Military Affairs.

By Mr. SMITHWICK: A bill (H. R. 15005) for the relief of Albert H. White, Mary E. Fowler, Lorena B. Winkler, E. E. White, and C. A. White; to the Committee on the Public Lands.

By Mr. SINNOTT: A bill (H. R. 15006) for the relief of E. W. McComas; to the Committee on the Public Lands.

By Mr. THOMPSON: A bill (H. R. 15007) granting an increase of pension to William Stevenson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15008) granting a pension to Rebecca E. Myers; to the Committee on Invalid Pensions.

By Mr. TINCHER: A bill (H. R. 15009) granting a pension to Ollie M. King; to the Committee on Invalid Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 15010) granting a pension to George F. Harter; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4395. By Mr. BRIGGS: Petition of president of the Galveston Cotton Exchange and Board of Trade, favoring an immediate revival of the War Finance Corporation; to the Committee on Ways and Means.

4396. Also, petition of Clarke & Courts, Galveston, Tex., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4397. By Mr. COLE: Petition of 18 citizens of Crestline, Ohio, favoring the passage of laws to protect our country from increased immigration; to the Committee on Immigration and Naturalization.

4398. By Mr. CURRY of California: Petition of California State Commission in Lunacy, favoring coordination of all Federal bureaus considering claims of disabled ex-service men; to the Committee on Interstate and Foreign Commerce.

4399. By Mr. DICKINSON of Iowa: Petition of sundry citizens of Manilla, Iowa, urging legislation for the relief of the farmers, bankers, and merchants of the country by remedying

the present condition of prices of agricultural products; to the Committee on Agriculture.

4400. By Mr. ESCH: Petition of National Council of the Sons and Daughters of Liberty, Philadelphia, Pa., urging the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

4401. By Mr. FULLER of Illinois: Petition of the National Sheep and Wool Bureau of America, favoring the passage of the French-Capper truth in fabrics bill; to the Committee on Interstate and Foreign Commerce.

4402. Also, petition of Mrs. Ira Couch Wood, chairman Child Welfare Division, General Federation of Women's Clubs, favoring the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4403. Also, petition of the Chicago College Club, favoring protection for the national parks; to the Committee on the Public Lands.

4404. Also, petition of the National Mirror Works, of Rockford, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4405. Also, petition of C. F. Baum Co., of Chicago, Ill., favoring an amendment of sections 214 and 234 of the revenue act; to the Committee on Ways and Means.

4406. Also, petition of the National Live Stock Exchange, opposing a tax on sales and especially on sales of any agricultural products; to the Committee on Ways and Means.

4407. By Mr. GALLIVAN: Petition of Eliza P. Emery and John S. Aimes, of Boston, Mass., opposing the Falls River Basin bill of Yellowstone Park; to the Committee on Water Powers.

4408. Also, petition of Eope Eddy Co., Sutcliffe & Co. (Inc.), Fred M. Blanchard, S. E. Hecht & Co., E. S. Parkhurst & Co. (Inc.), J. T. Meader Co. (Inc.), all business men of Boston, Mass., favoring a revision of the present income-tax laws; to the Committee on Ways and Means.

4409. By Mr. GOODYKOONTZ: Papers to accompany House bill 14915, granting a pension to William J. Vanhoose; to the Committee on Invalid Pensions.

4410. By Mr. IRELAND: Petitions of various citizens of Peoria, Ill., protesting against the establishment of a Federal department of health; to the Committee on Interstate and Foreign Commerce.

4411. By Mr. KIESS: Papers to accompany House bill 14562, granting a pension to Eunice R. Tripp; to the Committee on Invalid Pensions.

4412. By Mr. MERRITT: Petition of Ben Miller Council, No. 11, Junior Order United American Mechanics, Danbury, Conn., favoring the restriction of immigration and also favoring the passage of House bill 7, to create a department of education; to the Committee on Immigration and Naturalization.

4413. By Mr. MOON: Papers to accompany House bill 14929, granting an increase of pension to James W. Scott; to the Committee on Invalid Pensions.

4414. By Mr. O'CONNELL: Petition of Rigney & Co., of Brooklyn, N. Y., favoring an amendment to the revenue laws; to the Committee on Ways and Means.

4415. Also, petition of National Council Sons and Daughters of Liberty, Philadelphia, Pa., favoring the passage of the Johnson immigration bill; to the Committee on Immigration and Naturalization.

4416. By Mr. HENRY T. RAINEY: Petition of Mrs. Estelle Bolin and 30 other members of the Friday Club of Milton, Ill., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4417. By Mr. SNYDER: Petition of the employees of A. S. & T. Hunter, Utica, N. Y., favoring a five-months' daylight savings law; to the Committee on the Judiciary.

4418. By Mr. STOLL: Petition of the Tea and Topic Club of Timmonsville, S. C., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4419. By Mr. TEMPLE: Petition of the Civic Club of Allegheny County, Pa., in support of House bill 7, a bill to create a department of education; to the Committee on Education.

4420. By Mr. TINKHAM: Petition of the Massachusetts State Federation of Women's Clubs, favoring the passage of the Rogers bill (H. R. 12749), the Sheppard-Towner bill (S. 3259 and H. R. 10925), and the Smith-Towner bill (H. R. 7 and S. 1017); to the Committee on Interstate and Foreign Commerce.

4421. Also, petition of the Massachusetts State Federation of Women's Clubs, favoring an amendment to the water power bill that will protect the national parks and monuments; to the Committee on Water Powers.

SENATE.

MONDAY, *December 13, 1920.*

(Continuation of legislative day of Saturday, December 11, 1920.)

The Senate assembled at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Frelinghuysen	Lodge	Smith, Ga.
Ball	Glass	McCumber	Smith, Md.
Borah	Gronna	McKellar	Smith, S. C.
Brandegee	Harris	McLean	Smoot
Calder	Harrison	McNary	Spencer
Capper	Heflin	Nelson	Sterling
Chamberlain	Henderson	New	Swanson
Colt	Jones, Wash.	Norris	Thomas
Culberson	Kellogg	Nugent	Townsend
Curtis	Kendrick	Overman	Trammell
Dial	Kenyon	Page	Underwood
Dillingham	Keyes	Phipps	Wadsworth
Edge	King	Poindexter	Warren
Fall	Kirby	Ransdell	Watson
Fernald	Knox	Sheppard	Wolcott
Fletcher	La Follette	Shields	
France	Lenroot	Simmons	

The VICE PRESIDENT. Sixty-six Senators have answered to their names. There is a quorum present.

DIPLOMATIC RELATIONS WITH KOREA.

Mr. KNOX. Mr. President, I ask the indulgence of the Senate for a few moments only to call attention to a grave error in relation to our diplomatic history that I observed this morning in an editorial in the New York Herald. The New York Herald says:

> The withdrawal in 1912 of the legation of the United States from Korea, after we had in 1902 a compact with the Korean Government, was one of the most serious mistakes in American diplomacy.

There are Senators here who, I am sure, will recall the following: The last minister to Korea was Mr. Edwin V. Morgan, who was withdrawn in 1905. Since that time there has not been an American legation in Korea. Indeed, as early as 1906 Korea had yielded such control over her foreign affairs that American consuls in Korea were accredited to Japan.

Another outstanding fact is that in 1910, which was two years prior to this serious blunder in American diplomacy in withdrawing a legation which did not exist, Korea was annexed to Japan by solemn treaty between the two Governments, in which all of the sovereignty over Korea was ceded to Japan, and since that time has been governed as a part of the Japanese Empire.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented a petition of the Connecticut State League of Building and Loan Associations, of New Haven, Conn., favoring the promotion of systematic thrift and ownership of individual homes, which was referred to the Committee on Finance.

He also presented a memorial of the Radio Club of Hartford and Bridgeport, Conn., remonstrating against legislation proposing to regulate amateur wireless, etc., which was referred to the Committee on Naval Affairs.

He also presented petitions of the Board of Aldermen of Bridgeport; the Lincoln School, of Bridgeport; and the Council Cartier, 290, of l'Union St. Jean Baptiste d'Amerique, of Bridgeport, Conn., praying for the enactment of legislation to increase the salaries of post-office employees, which were referred to the Committee on Post Offices and Post Roads.

He also presented memorials of the Stamford Teachers' Association and the Women's Club of Seymour, Conn., remonstrating against the enactment of legislation commercializing the national parks, which were referred to the Committee on Commerce.

He also presented a petition of the Hartford Theological Seminary, of Hartford, Conn., favoring a mandate for Armenia, which was referred to the Committee on Foreign Relations.

He also presented a petition of the Berkeley Divinity School, of Middletown, Conn., favoring the assistance by Congress of the starving people of the Near East, which was referred to the Committee on Foreign Relations.

He also presented petitions of sundry Lithuanian citizens of Waterbury, New Haven, and Thompsonville, Conn., favoring the independence of Lithuania, which were referred to the Committee on Foreign Relations.

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He also presented memorials of the Canadian Athletic Club; Council No. 47, l'Union St. Jean Baptiste d'Amerique, and Council No. 114, l'Union St. Jean Baptiste d'Amerique, of Putnam, Conn., remonstrating against the enactment of the Smith-Towner bill, which were referred to the Committee on Education and Labor.

He also presented petitions of sundry women citizens of Hartford, Conn., and the Bridgeport Section, Council of Jewish Women, of Bridgeport, Conn., praying for the enactment of legislation for the protection of maternity and infancy, which were ordered to lie on the table.

He also presented a memorial of Ben Miller Council, American Mechanics, of Danbury, Conn., remonstrating against the immigration of undesirable aliens, which was referred to the Committee on Immigration.

AMENDMENT TO RULES.

Mr. CURTIS. I ask unanimous consent to submit a resolution to amend the rules, of which I gave notice on the 8th instant, and I ask that it be referred to the Committee on Rules.

There being no objection, the resolution (S. Res. 400) was referred to the Committee on Rules, as follows:

That clause 1 of Rule XXVI of the Standing Rules of the Senate be amended so as to read as follows, to wit:

1. All general appropriation bills shall be referred to the Committee on Appropriations, and no amendments shall be received to any general appropriation bill the effect of which will be to increase an appropriation already contained in the bill, or to add a new item of appropriation, unless it be made to carry out the provisions of some existing law, or treaty stipulation, or act, or resolution previously passed by the Senate during that session; or unless the same be moved by direction of a standing or select committee of the Senate, or proposed in pursuance of an estimate of the head of some one of the departments.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. CURTIS:

A bill (S. 4614) granting a pension to Ida May Hollister;

A bill (S. 4615) granting a pension to Sue C. Tozier (with accompanying papers);

A bill (S. 4616) granting a pension to Nancy P. Settle (with accompanying papers);

A bill (S. 4617) granting a pension to Jennie Denning (with accompanying papers);

A bill (S. 4618) granting a pension to N. Angie Vermillion (with accompanying papers);

A bill (S. 4619) granting an increase of pension to Andrew P. Larson (with accompanying papers);

A bill (S. 4620) granting an increase of pension to Henry S. Corp (with accompanying papers);

A bill (S. 4621) granting a pension to Hester A. Record or Ricketts (with accompanying papers);

A bill (S. 4622) granting a pension to James Mimford (with accompanying papers);

A bill (S. 4623) granting an increase of pension to Nancy J. Lee (with accompanying papers);

A bill (S. 4624) granting a pension to Mary Durham (with accompanying papers);

A bill (S. 4625) granting a pension to William Shurman Sharp (with accompanying papers); and

A bill (S. 4626) granting an increase of pension to Melville C. Mallicoat (with accompanying papers); to the Committee on Pensions.

By Mr. DILLINGHAM:

A bill (S. 4627) to limit the immigration of aliens into the United States; to the Committee on Immigration.

By Mr. BALL:

A bill (S. 4628) granting an increase of pension to Cordelia Safford; to the Committee on Pensions.

By Mr. MOSES:

A bill (S. 4629) granting a pension to Ursulia S. Dinsmore (with accompanying papers); to the Committee on Pensions.

By Mr. SMITH of Maryland:

A bill (S. 4630) to provide for an examination and survey to be made of Baltimore Harbor, Md., and the channels leading thereto; to the Committee on Commerce.

By Mr. FRELINGHUYSEN:

A bill (S. 4631) to reimburse the borough of Barnegat City, State of New Jersey, for expenses incurred by it in the construction of jetties and in other work having for its object the protection of the lighthouse and adjacent property belonging to the Government of the United States situate at Barnegat Inlet, in the State aforesaid; to the Committee on Claims.

By Mr. KNOX (for Mr. PENROSE):

A bill (S. 4632) granting an increase of pension to Kate E. Young; to the Committee on Pensions.

A bill (S. 4633) for the relief of Annie McColgan (with accompanying papers); to the Committee on Claims.

By Mr. SPENCER:

A bill (S. 4634) granting an increase of pension to Thomas H. Wilkerson; to the Committee on Pensions.

WILLIAM J. BOYD AND OTHERS.

Mr. LODGE submitted the following resolution (S. Res. 399), which, with the accompanying paper, was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he is hereby, authorized and directed to pay from the contingent fund of the Senate to William J. Boyd, Joseph B. D. Boyd, Mary Jane Saunders, and Margaret A. Raum, brothers and sisters and next of kin of George H. Boyd, late superintendent of the document room of the Senate of the United States, a sum equal to one year's salary at the rate he was receiving by law at the time of his demise, said sum to be considered as including funeral expenses and all other allowances.

LILLIE K. TITLOW.

Mr. LODGE submitted the following resolution (S. Res. 401), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Lillie K. Titlow, widow of Samuel C. Titlow, late a policeman in the Capitol, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

ZELDA R. FORE.

Mr. LODGE submitted the following resolution (S. Res. 402), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Zelda R. Fore, widow of James L. Fore, late a policeman in the Capitol, under the Sergeant at Arms, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

MARY NEAL.

Mr. LODGE submitted the following resolution (S. Res. 403), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Mary Neal, widow of Thomas Neal, late a laborer in charge of private passage in the Capitol, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

CAROLINE B. GASTON.

Mr. LODGE submitted the following resolution (S. Res. 404), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Caroline B. Gaston, widow of Alanson D. Gaston, late a messenger in the Capitol, under the Sergeant at Arms, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

SUPERINTENDENT OF SENATE DOCUMENT ROOM.

Mr. NEW submitted the following resolution (S. Res. 405), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Secretary of the Senate be, and he is hereby, authorized and directed to appoint William Grant Lieuallen superintendent of the Senate document room at the rate provided by the legislative, executive, and judicial act approved May 29, 1920, to be paid out of the contingent fund of the Senate until otherwise provided by law.

FINANCING OF AGRICULTURAL OPERATIONS.

The Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 212) directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country.

Mr. EDGE. Mr. President, I was necessarily absent during several days of last week when the resolution to revive the War Finance Corporation and some other suggestions in the interest of meeting the present agricultural situation were before the Senate. I wish to say just a brief word on the proposed action, having been very deeply interested in endeavoring to help solve problems that are closely allied to the problem which I think we are now facing in connection with the prices of food products.

I think it is unnecessary for anyone to state that if any practical method can be devised that will not generally disrupt economic conditions there could not possibly be a Member of this body who would not cheerfully and quickly vote to help

any class of citizens. At the same time I think it is our duty to approach the problem from the standpoint of all classes of citizens. I am finding it very difficult, frankly, to bring myself to feel that reviving the War Finance Corporation would be the wisest course or would to any considerable extent solve the present difficulty. I frankly admit that perhaps reestablishing the functions of the War Finance Corporation would be the least objectionable of many suggestions that I have read about as being possible to help meet the situation.

But after all is said and done we must, in my judgment, frankly face and realize this condition: It would be erecting simply a temporary structure. It would be artificial. It is for the admitted purpose of keeping up prices for foodstuffs. We have gone through a period ever since the armistice of general complaint because of the high cost of living, and yet in this particular case we will be directly, as I understand the matter, providing governmental aid, and that aid financially can only be secured in one way, by taxing the people or issuing bonds, which is one and the same thing in the final analysis, using a governmental agency to deliberately keep up prices.

I think we must realize that the only safe barometer of trade, the only enduring control of trade, is the natural law of supply and demand; but when we artificially erect a structure to keep up prices to a particular class because losses are impending—and they undoubtedly are—do we not simply put off the evil day and in the final analysis will not that and all other classes necessarily be compelled to accept their inevitable losses with interest added? I think it is very much better, with the world all upset, as it necessarily must have been following the Great War and following the necessarily unusual measures which we adopted during that time, for us to recognize that all classes, whether they be the farmers, the small manufacturers, or the cotton growers, or whatever their vocation or activity may be, must accept the inevitable loss or deficit in this necessary readjustment.

I had the pleasure of being in Chicago for a few hours last week at a conference of bankers, farmers, and range cattlemen, the conference consisting, I should say, of approximately 400 people, representing every corner of the country, called for the purpose of organizing a corporation to try to solve this very difficulty by having those interested help themselves, rather than to have the Government suddenly erect, as I have said, an artificial structure for temporary expedience. The response was immediate; the farmers present, together with all the representatives of other activities, voted unanimously that this was a practical method to pursue, and in a very few moments the necessary amount for flotation purposes was underwritten by those assembled. The idea was, as Senators well know, under the amendment which we passed at the last session to the Federal reserve act, to provide for furnishing credit in order to assist our exports.

It is said—and I think entirely correctly—that some of the wheat and cotton can be exported at fair prices if temporary help shall be given. The organization proposed to be formed in Chicago, without calling upon the Government to take part in financing any particular industry, is designed for that purpose. In my judgment I think the sentiment is universal to-day, generally speaking, amongst the public that they would like to see the Government out of business.

Mr. BORAH. Mr. President——

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from Idaho?

Mr. EDGE. I yield.

Mr. BORAH. I wish the Senator from New Jersey would state a little more in detail what it was that this body of men in Chicago did in the way of contributing to underwriting the present situation. I did not catch the details.

Mr. EDGE. I shall be very glad to do that. I passed over the matter hurriedly, because it is always my policy not to trespass upon the time of the Senate any more than is necessary, and I thought, perhaps, that what really happened in Chicago was generally understood. The corporation which was in process of formation there is to be organized under the amendment to the Federal reserve act providing for export financing. The underwriting, as I understand, it simply covering the amount of money which will be necessary to be assured in order to enable them actually to commence business, and not for the entire $100,000,000 of capital that is provided for, or at least that it is the intention finally to provide. But from all the indications of the various groups represented—and, as I recall, there were three distinct farmer groups represented there—all joined in recommending organization and realized that this was the only permanent solution. When there is a surplus or excess of products and it is not against the interests of our own country that it be exported, then Great Britain or France or whatever country may want to import go to this corporation. If the man in France can not pay the cash, he usually has some securities—the securities are taken over by this corporation. Upon those securities the corporation issues bonds or debentures to the American public, to farmers' organizations, who are going to sell their wheat, and so forth. The result is that the transaction is financed in the same way in which we would finance a domestic proposition through our national banks, only on a larger scale for international trade. And the Government guarantees nothing.

Mr. BORAH. Did this organization take any steps toward opening up some of the closed markets of the world in order that our products might get into them?

Mr. EDGE. Mr. President, this organization, of course, had only one general object, to attempt to furnish capital in order to give credit to those purchasers abroad who want to buy American goods. The question of diplomatic relations and the question of dealing with those countries with which I hope we soon will have intercourse are questions, of course, to be wrestled with alone by those men who are trusted with public responsibilities.

Mr. BORAH. My information has been—I do not know whether or not it had reference to the bankers who met at Chicago—that some of them have been very active in keeping those markets closed.

Mr. EDGE. I can not answer as to that, Mr. President. However, the atmosphere of the meeting in Chicago, the sentiment that was plainly evident in every corner of that chamber, and the determination and desire to help American producers could not, in my judgment, have been mistaken by anyone who happened to have had the opportunity to have been present. Its success will contribute greatly to the solution of some of the very problems we are facing.

Mr. SIMMONS. Mr. President——

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from South Carolina?

Mr. EDGE. Yes.

Mr. SIMMONS. Will the Senator inform the Senate when the hundred-million-dollar corporation, of which he speaks, was organized?

Mr. EDGE. The corporation is just in the process of organization. The meeting held in Chicago was for the purpose of interesting men engaged in and having to do with the export trade so that the corporation could be organized. It has not as yet, however, been organized.

Mr. SIMMONS. Its organization has not been completed?

Mr. EDGE. No; that was the first meeting, so far as I am informed.

Mr. CALDER. Mr. President, will the Senator yield?

Mr. EDGE. Yes.

Mr. CALDER. I wish to ask the Senator from New Jersey if the meeting held at Chicago took any action indicating their attitude toward the revival of the War Finance Corporation?

Mr. EDGE. Not while I was present. I left some time before they concluded their deliberations; but there was no discussion of that question while I was in the chamber.

Mr. CALDER. I should like to ask the Senator how long will it take before the corporation contemplated at the Chicago meeting can function if the organization is formed?

Mr. EDGE. The view was confidently expressed by men who are very much interested in the corporation that, in view of the present necessities and in view of the apparently universal desire to cooperate on the part of those who really want to sell their goods, they will actually be ready to do business before the 1st day of February, 1921; and I think there is every indication from their enthusiasm and determination that they will do so.

Mr. SMITH of Georgia. Mr. President——

The VICE PRESIDENT. Does the Senator from New Jersey yield to the Senator from Georgia?

Mr. EDGE. I yield.

Mr. SMITH of Georgia. It is true, then, that the sentiment there was almost unanimous that something must be done to aid in furnishing credits to broaden our foreign markets for the sale of our goods?

Mr. EDGE. Absolutely.

Mr. SMITH of Georgia. If the War Finance Corporation resumes its functions, we will add just that much more strength toward accomplishing the very object which that meeting desired?

Mr. EDGE. Mr. President, that is quite correct; but, despite frequent interruptions—and I am entirely ready to answer, so far as I can—what I am endeavoring to do is to impress upon the Senate, so far as I can, the difference between a governmental agency and private business initiative and

enterprise. That is all. There is not any question in my mind that the War Finance Corporation would do some temporary good, but I do not think the Government should be called upon at this time to exercise that particular function, and erect artificial agencies to keep up prices.

There is another point, and a very important point, which, perhaps, has not been brought out in this debate. If we keep prices up through some artificial agency of the character proposed, by issuing bonds, for instance—and when we issue bonds the public or somebody must absorb them—it means, of course, more or less financial interference. The same thing is true if we levy some other form of taxation. We can not spend money without getting money; and when we try to make money, as has been well evidenced by the experience of the past, we usually lose money. The only method by which we can get the money, of course, is through the issuing of bonds or by taking it from some Government appropriation which is based on a levy of taxes.

The business men of the country apparently are ready to finance themselves. They have been somewhat tardy, perhaps, in view of their opportunities, in forming the necessary financial institutions to carry on the work in a businesslike way, but they are now acting. I do not believe the people represented in Chicago, I will say to the Senator from Georgia, generally speaking, think it necessary for the Government actually to finance or to advance means in order to help relieve the present situation.

I started to make the point that if we put prices up of stocks in storage in this sudden artificial way we are going to be faced with just that much additional difficulty in trying to sell and export such goods. We read in the papers—and I assume that it is true—that importations are coming in every day, and that we must consider the question of embargoes. I do not doubt that there is something in that, but foreign prices are usually under ours, and now, if we attempt to raise our prices to our own people by using governmental means, at the same time we will make it all the more difficult for the farmers themselves to find a market to which to export their goods because of our higher prices.

Prices are going down all over the world as well as in America, and I think a large proportion of the people of this country are very glad that they are going down. I do not think that it is incumbent upon the Senate or upon Congress or that it is the duty of Congress to erect a temporary structure in this way in order to create a false market and to put ourselves to a greater or less extent in a position where we will not have the market long because of our prices.

Let us take our medicine and get through with this condition. We altered many policies during the war, and I think now we should get down to normal conditions and take our medicine and build on a great solid foundation rather than to rely upon governmental interference and governmental help. There are plenty of things for us to do; there are many things which it is necessary should be done in connection with taxation and transportation. We can, for instance, deal with the numerous profiteers between the coal mine and the retail dealer. All these things are proper governmental functions. There are many activities in which we can help to cooperate and assist, but merely to revive semiwar institutions or to issue bonds or to get money in some way or other temporarily to put up prices, in my judgment, is based upon a false principle. We must realize and recognize that in order to bring about permanent relief we must get down to the common sense basis of supply and demand and not artificial expedients.

Mr. KELLOGG. Mr. President, before the Senator takes his seat I wish to ask him to yield to me for a moment to ask a question.

Mr. EDGE. I am through, unless the Senator desires to ask a question.

Mr. KELLOGG. I should like to make a little statement and ask the Senator's opinion upon it.

Mr. EDGE. I will be very glad to listen to the Senator.

Mr. KELLOGG. Of course, the Senator realizes that the War Finance Corporation has not any power to loan money to anybody to carry products. It has power simply to loan money to aid in foreign commerce and in selling products abroad.

Mr. EDGE. Yes.

Mr. KELLOGG. Now, I wish to invite the Senator's attention to a condition which I am told exists, of which I am reminded by the question of the Senator from Idaho [Mr. BORAH].

I am told that practically all purchases of food products or farm products in this country are made by foreign Governments; that the citizens and dealers and corporations of foreign countries are not permitted to come here and buy products. The Governments appoint commissions, and those commissions are combining and forcing down the American market, and buying together as against a large number of scattered sellers all over the country who have not organized and who are not coordinated. Now, I desire to ask the Senator if he thinks that if corporations like the one in Chicago are organized, or the War Finance Corporation could aid in any way in coordinating their selling agencies so as to meet these foreign combinations in this country?

Mr. EDGE. I am very glad the Senator made that suggestion. I think one of the main activities and essential features of these so-called international corporations is to establish, in the various centers of Europe or South America or any country with which it is hoped we will deal, representatives of the corporations who will be in thorough touch with the local situation, which we can not possibly handle through our Department of State, or even through our Department of Commerce, with the small appropriation we have for foreign investigations. The idea of these corporations is to have men in all these centers who will be thoroughly familiar with trade conditions, so that we can have a real market, based on that type of investigation, which will make possible discovering just such conditions as the Senator mentions. I think the prospect of these corporations being generally formed is very good.

Mr. FRELINGHUYSEN. Mr. President, may I ask the Senator a question before he takes his seat?

Mr. EDGE. I yield.

Mr. FRELINGHUYSEN. Does my colleague understand that through the War Finance Corporation the export of cotton and wheat to Germany is to be financed?

Mr. EDGE. I understand that the joint resolution which the Senate is now considering does not limit the activities of the War Finance Corporation to any particular type of commodity.

Mr. FRELINGHUYSEN. Incidentally, it will furnish credit to Germany; will it not?

Mr. EDGE. It will have the opportunity to do so.

Mr. FRELINGHUYSEN. Yes.

Mr. EDGE. I see nothing, as far as I understand, to prevent it.

Mr. FRELINGHUYSEN. It might be interesting to the Senate to note an analysis which was made by a writer for one of the financial trade papers of New York. As part of a long statement, there is included this information:

> Before the war $12 out of $22 of our European export balance was owed by Britain. Her share has fallen in 1920 to less than $9. The weakest book debts in Europe are now ours. Our exports to Germany are growing by leaps and bounds. With the mark at less than 2 cents, why should a corporation of the United States Government, formed to prosecute a war against Germany, finance export to that country which increases by leaps and bounds? German faith aside, do we propose to finance, through our export trade, a treaty which has not yet assumed the form of a definite obligation for the repayment of money?

Mr. EDGE. That is very pertinent?

Mr. McLEAN. Mr. President, the question just propounded by the senior Senator from New Jersey [Mr. FRELINGHUYSEN] brings up a very important subject, and one that I do not believe can be handled by a discussion of this joint resolution; but I hope it is one that is being seriously considered by the administration at the present time.

With regard to the pending measure, I must agree with the sentiments expressed by the junior Senator from New Jersey [Mr. EDGE]. I am rather surprised, however, that he should take the position that he does against the pending measure, because, as I understood from the remarks of Senators on the other side of the Chamber the other day, the first section of this joint resolution is one that would greatly encourage the formation of these finance corporations. My impression is that it will aid, rather than injure, the organization of these corporations. You will remember that the Senator from New Jersey urged his bill a year ago as an emergency measure, and properly so. I think the bill passed on December 24, 1919; but, if my information is correct, the only corporation that has been formed up to date under that bill is one with a capital of $6,000,000. Meantime, this country in some way has succeeded in exporting to Europe over $6,000,000,000 worth of goods.

With some misgivings I am willing to support the first section of the joint resolution. I do this because it is something that we have already done. It is a temporary matter. It is in the line of legislation that has already been written upon the statute books. It is fairly drawn. It does not undertake to deceive anyone, and my hope is that it will do a little good. We all know that what the farmers need to-day and what everybody needs who has goods to sell is a market; and anything that we can do to help market those goods at a reasonable price—many times at a loss, no doubt—we ought to do. But I rose for the

purpose of saying that while I can support section 1 of this joint resolution with some misgivings, I can not vote for it if section 2 remains in it, for that is clearly deceptive.

We have no right to direct an administrative officer of this Government to do something which we know he can not do; and the very preamble of the joint resolution commits Congress to the proposition that it can not be done. I read it:

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market.

We here declare that the banks can not do this, and yet we order the Federal Reserve Board to do it, without providing for an additional dollar to the reserves. It is not fair to the Federal Reserve Board. It is not creditable legislation.

If section 2 is enacted, the press of the country will immediately publish the fact that Congress has directed the members of the Federal Reserve Board to do all that is necessary to permit the banks of the country to extend liberal credits to the farmers at the lowest possible rate of interest.

The first farmer that applies for a loan will be told by the banker that he does not care what Congress has done, he can not lend money that he has not got, and no law can compel him to do it. The farmer will be recommended to wait upon the Federal Reserve Board; and then the representatives of the farmers will come to Washington, and they will want to know of the Federal Reserve Board why it is that the banks are not supplied with money whereby they can extend liberal accommodations to the farmers at the lowest possible rate of interest. The members of the Federal Reserve Board—I should if I were a member—will say to these men representing the farmers, "If Congress was acting in good faith when it passed that law, then you had better go to Congress. We are in precisely the same situation that the member banks are. We have not got the money." The next thing they will do will be to come to Congress, and they will inquire of the authors of this joint resolution whether or not they were acting in good faith, and of course they were. The Senator from North Dakota [Mr. GRONNA] never acts otherwise; neither does the Senator from Nebraska [Mr. NORRIS]. The Senator from North Carolina [Mr. SIMMONS] says we have plenty of money; so does the Senator from South Carolina [Mr. SMITH]. They are all acting in good faith; and if we have plenty of money, then why not produce it? The next step in the program will be to raise the money.

Mr. SIMMONS. Mr. President, I think the Senator places somewhat of a misconstruction upon the meaning of the language which he read from the preamble of the joint resolution. Properly interpreted, I understand that to mean that in the conditions which have been created by the restriction of bank credits under the policy of the Federal Reserve Board, the banks are not able to furnish the money to finance these exports; not that the banks have not the money, but that the money is not available upon the security which the farmer is able to give.

The Senator will remember that some time during the middle of the summer, just before this disastrous slump in the South began, the Federal Reserve Board promulgated a rule of credit, and that rule of credit greatly restricted the credits which the banks had theretofore been giving, especially credits given to the farmer. One of its fundamental propositions was that the member banks would not be permitted to discount paper in the Federal reserve banks given for the purpose of enabling the withholding of crops from the market. By reason of that order, when a member bank is asked to lend a farmer money for the purpose of enabling him to withhold his product temporarily from the market in order to make better marketing conditions and to save himself against the loss incident to selling his product for one-half the cost of production, the bank says to him: "We can not lend you the money, although we may have a superabundance of money, because in case of an emergency, to meet our own obligations, we can not take the paper which you offer us to the Federal reserve banks and have it discounted." By reason of that restriction, the banks, though they may have the money—those in the South do not have it, but the Federal reserve banks in other sections have an abundance of money—though they may have ever so much money, they can not use that money to make advances to member banks that have discounted farm paper.

That is what the language means. The banks are not able to furnish the credit, because they are not able to discount the paper which they have taken for the advances they have been asked to make or have made.

Mr. McLEAN. Mr. President, if this preamble could be accompanied by the speech of the Senator from North Carolina, it might satisfy the farmers of his State; but it would not satisfy the farmers of my State, because they, when they read a law, go by the language of the law, and I think we have to do that in this case in conjunction with the statement of the governor of the Federal Reserve Board, who told the Committee on Agriculture and Forestry that the reserves of the Federal Reserve System would not permit——

Mr. SIMMONS. Does not the Senator think we can interpret the meaning of that language in the preamble with a view to conditions which actually exist, restricting credit and disabling banks from advancing money which may be necessary for the purpose sought to be accomplished?

Mr. McLEAN. The Senator from North Carolina knows that the members of the Federal Reserve Board have no authority over the conduct of the business of the member banks.

Mr. SIMMONS. The Senator knows that, of course; but the Senator knows, on the other hand, that the Federal Reserve Board have a perfect right to prescribe to the Federal reserve banks the policy which they shall pursue.

Mr. McLEAN. And the governor of the Federal Reserve Board says that he has done that to the best of his ability for the purpose of conserving the reserves of the system to accommodate the legitimate commerce of the country.

Mr. SIMMONS. If he has done it to the best of his ability, he has done it in a way that has paralyzed the ability of the member banks in the agricultural sections of the country to accommodate the farmers in their effort to protect their products from a sacrifice.

Mr. McLEAN. If that is true, then we must in some way direct the governor of the Federal Reserve Board, or the members of that board, to change their policy. This act does not do that. On the contrary, it says it is to be in accordance with the law as it is to-day, and they tell you that as they interpret that law they are doing all that can be done, that they have to have more funds.

Mr. SIMMONS. Does the Senator contend that there is anything in the law as it exists to-day that requires the Federal Reserve Board to promulgate a policy of the kind I have indicated?

Mr. McLEAN. Certainly.

Mr. SIMMONS. They can change that policy and still be within the law, and the suggestion intended to be conveyed in that language of the preamble is that it is the opinion of the Congress that the Federal Reserve Board ought to modify that policy in the interests of agriculture.

Mr. McLEAN. Then you must put them in a position where they will be able to do it.

Mr. KING. Will the Senator from Connecticut permit me, for information, to propound a question to the Senator from North Carolina apropos of the statement he just made? If the Senator from North Carolina will answer it, I shall be very glad if the Senator from Connecticut will yield.

Mr. McLEAN. I yield for that purpose.

Mr. KING. Does the Senator from North Carolina think that it is the duty of the member banks of the Federal reserve, or State banks, or private banks, to loan millions and hundreds of millions of dollars to farmers and stock raisers, in the face of falling markets, upon grain, and sheep, and cattle, and that the Federal Reserve Board should direct its members to make loans aggregating hundreds of millions, in order that the farmers may hold their grain and their other products in the face of the falling markets until, in the language of this joint resolution, they are permitted to sell them in a fair and reasonable market?

Mr. SIMMONS. Mr. President, I do not understand that the bank of the country are unable to extend this credit to the farmers if they are permitted to do it in a safe way, and a safe way to them is under conditions where they can, in case of emergency, rediscount the paper which they take.

If the Senator asks me the question whether, as a matter of public policy, the banks of the country should come to the relief of the farmers in this situation, I answer him, unequivocally, that as far as they are able with safety to themselves, as a matter of public welfare and public policy, they ought to extend to the farmers, in the conditions which we have now, all the credit that they possibly can safely extend to them. The Senator would not contend, I imagine, that it is in the interest of the country that the great agricultural products of this country, made at the highest price at which any crop was ever made in this country, shall be thrown upon the market and sold for one-half of the cost of production. Does not the Senator see that that policy and that course would mean the inevitable ruin of the farming element of this country, which constitutes probably a little more than one-half of our population?

Does not the Senator know that in the agricultural sections of this country every business interest, the banking interests,

the manufacturing interests, the commercial interests, depend upon the prosperity of the farmer; and can he not see that if the farmer is compelled to sell his products at one-half the cost of production, at the same time it pulls down the farmer that it will drag down every other legitimate business in the section of the country in which agriculture predominates? Does not the Senator, in the face of a situation of that sort, believe that it should be the policy of this Government, the policy of the financial institutions of those sections and of the whole country, to help the farmer, and in helping the farmer help the business situation in this country against such a disaster as would befall it inevitably in case the farmers are forced to sell their products for one-half what they cost to produce?

Mr. McLEAN. I am glad to know that the Senator from North Carolina is fast becoming a good protectionist.

Mr. SIMMONS. I beg pardon; I did not hear the Senator's remark.

Mr. McLEAN. I am glad to know that the Senator from North Carolina believes in protecting the producers of America against the ruin of foreign competition and provide a market for our home products.

Mr. SIMMONS. Mr. President, I am not advocating any such policy as the Senator indicates. I am advocating simply the policy of allowing the banks, not forcing the banks, but allowing the banks, as far as they are able, to help the farmer out in this situation. The Senator says I am attempting to protect by that policy the home producer against the foreign competitor. I can not understand the question, if the Senator will pardon me. I can not see its application to the situation we are discussing.

Mr. McLEAN. If I was mistaken, I am sorry. I withdraw the suggestion.

Mr. KING. Will the Senator yield to me for a moment? I apologize for trespassing.

Mr. McLEAN. I did not intend to occupy more than three minutes. I shall finish very soon now, I will say to the Senator from Utah. I would like to confine the consideration of the joint resolution in the minds of the Senate to section 2.

Mr. NORRIS. Mr. President, may I interrupt the Senator to say that I have been waiting for an opportunity to get the floor to offer, on behalf of the committee, a substitute for the second resolution, and if the Senator will permit I will offer it now, and he can discuss that substitute?

Mr. McLEAN. I shall be glad to have the Senator send it to the desk and have it read.

Mr. NORRIS. For the information of the Senate, on behalf of the Committee on Agriculture, I will say that at the proper time this substitute for resolution No. 2 will be offered.

Mr. BORAH. Let it be read.

The VICE PRESIDENT. The Secretary will read.

The Assistant Secretary read as follows:

SEC. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country, upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

Mr. McLEAN. As I understand the amendment, it withdraws the direction and merely expresses an opinion of Congress?

Mr. NORRIS. That is correct.

Mr. McLEAN. Well, Mr. President, it seems to me that when the Congress of the United States reduces itself to the practice of enacting legislation, preceded by long preambles and resulting in the expression of an opinion merely, we had better be engaged in some other business. I was not brought up to believe that that was the right way to legislate. It makes the situation worse instead of better, and it is a confession on the part of the authors of this bill that section 2 is ridiculous and would result in serious inconvenience for its authors before they get through with it. The farmers of the country are entitled to be told the truth, and we must act in good faith, and when they come here and want to know why the Federal Reserve Board can not furnish what, in the opinion of Congress, is necessary, they will be told that we have not furnished the money; and we must do it or stultify ourselves.

Mr. THOMAS. Mr. President, does not the Senator think that in this instance the opinion of Congress is apt to be less dangerous than the mandate?

Mr. McLEAN. If we pursue this course of legislation, it will be.

Now, Mr. President, we may as well tell the whole story; it is very short. No banking system can be devised which will save and protect from loss the producers of a great country like this on a rapidly falling market. We have heard much from the other side of the Chamber about this new banking system; that it is the greatest constructive piece of legislation since the Constitution of the United States; and some of them wonder why we drag in the Constitution when that law is mentioned. Some of us opposed it on the ground that while the system is much better than the one which preceded it, it is not nearly as good as it would have been if the gentlemen responsible for it had been willing to take good advice.

I am not going to criticize the system. I want it to succeed. But I want to say that there was not an expert or recognized authority who appeared before the Committee on Banking and Currency who did not warn the committee that if this system was constituted of more than five banks it would lead to precisely the situation which has presented itself here.

Moreover, Mr. President, there was not an authority or an experienced banking man who appeared before that committee, if my recollection is correct, who did not tell us that one bank would be much stronger and more effective than more. Right here I want to call the attention of the Senate to a statement of the governor of the Federal Reserve Board bearing upon this subject. It was, in substance, that the committee must remember that this is not a central banking system; that it is composed of 12 banks, each independently managed, over which members of the Federal Reserve Board have only limited authority, and we have a situation now which might well have been anticipated, where every one of those banks is trying its best to conserve its reserves against trouble.

Mr. GLASS. Mr. President——

The VICE PRESIDENT. Does the Senator from Connecticut yield to the Senator from Virginia?

Mr. McLEAN. I yield.

Mr. GLASS. The Senator indicates that the proponents of the Federal Reserve Banking System were unwilling to take advice. That might better be determined if the Senator would indicate what advice was rejected.

But right at this point I want to call his attention to the fact that the most strenuous objection urged from the other side of the Chamber to Federal reserve legislation was urged by the distinguished senior Senator from New York, Mr. Root, who contended that the bill as considered provided ample facilities for inflation, with no facility for contraction. Now, however, when that very facility for contraction, which was pointed out, is exercised by the board, Senators on the other side of the Chamber, as well as Senators on this side, complain of the fact and want to break down that very instrumentality of safety. If the Senator will indicate what advice was rejected, I will undertake to show that it was bad advice.

Mr. McLEAN. The Senator is entirely correct in his statement that the very men who a year ago were appealing to Congress, sending resolutions to the Committee on Banking and Currency, inquiring why some way could not be devised to deflate the currency and reduce prices, are now here expecting Congress and beseeching Congress to start the ball going in the other direction.

Mr. GLASS. The Senate itself, as the Senator knows, passed a resolution of implied censure of the board, demanding to know why it did not put into operation the facilities at its command for a contraction of the currency and for a mobilization of credits for the crop-moving period.

Mr. McLEAN. I wish to say to the Senator from Virginia that the very incidents which he has cited here ought to warn us against trying to compel the members of the Federal Reserve Board to do what a year ago we ourselves said they must not do—consent to any further inflation of the currency.

Mr. SMOOT. Mr. President, I have here the last statement, issued on December 1, 1920, by the Treasury Department, showing the circulating medium of the United States for the different years——

Mr. McLEAN. If the Senator has a long statement, I would rather he would not interrupt me at this time.

Mr. SMOOT. It is not a long statement. I simply want to say that the circulating medium of our country on December 1, 1920, was $8,281,659,486, a per capita for every man, woman, and child on that date of $59.41, whereas on December 1, 1919, the per capita circulation was $55.61. So there has not been very much contraction in the circulation of our currency.

Mr. SIMMONS. No one has suggested that there is any scarcity of money in this country. There is more money than there ever has been. There is more money than last year when everybody's pockets were bulging with money, because since then our excess of exports has been two or three billion dollars, and that has brought in additional money, and I know of no particular way in which money has gone out. There is an abundance of money; no one questions that at all in this country.

But the difficulty here is that by reason of the policy pursued by the Federal Reserve Board with reference to credits on farm products the banks in the agricultural sections are not able to rediscount the paper which they took.

Mr. SMOOT. I will not take the time of the Senator from Connecticut [Mr. MCLEAN] to answer, but I thank the Senator for yielding.

Mr. GLASS. Mr. President——

Mr. McLEAN. I yield to the Senator from Virginia.

Mr. SIMMONS. I had not finished. Does the Senator from Connecticut desire to take me off the floor before I have finished?

Mr. McLEAN. I beg the Senator's pardon; I thought he had finished.

Mr. SIMMONS. I beg the pardon of the Senator from Virginia.

Mr. GLASS. I supposed the Senator from North Carolina had finished.

Mr. SIMMONS. The Senator says that we have heretofore indicated the will of Congress that there should be some deflation in the currency and that there should be some reduction in the high prices that existed during the war and for a long period after the war. Undoubtedly that is true. No one is objecting to a moderate policy of deflation; no one is objecting to the banks doing a thing that will tend to reduce prices and not utterly destroy values.

The point that we make, the crux of our position, is that the Federal reserve banks, in endeavoring to put into operation a policy which in the main is correct, have made it so drastic as it applies to a particular class of interests in the country that if it is persisted in it means their ruin. There is a difference between the policy which gradually deflates, deflates all along the line, where there is a balanced fall in prices, and a policy which contracts prices or deflates prices as to one particular element of the people unequally and is unbalanced in its deflation of prices as to the others, in the first place; and in the second place, they are inaugurating a policy of deflation which is so drastic as applied to a particular class that it means destruction.

Now, the Senator says that we have no right to express even an opinion about this matter. We would not have a right in my judgment to express an opinion to the board that it ought to disregard the letter of the law; but there is a very marked difference between the rights of the Congress and the people to express an opinion with reference to a policy pursued under the law and the matter of disregarding a law. All the people combined have not a right to direct an agency or department of the Government to violate or disregard the law. Their remedy, if that is necessary, is to amend or repeal the law through their legislative representatives. But when you have a policy being pursued by an agency or department of the Government with reference to a question in which the whole people of the Union are interested, is it to be said that the people have no right to express their opinion as to the wisdom of the policy and as to the effect of the policy?

Mr. McLEAN. Not at all. Will the Senator permit me——

Mr. SIMMONS. But we do not contend and it is not contended here and it is not proposed here that the board violate it in any way. It is simply proposed here, if the Senator from Connecticut will pardon me, that we express our opinion as to the policy which the board has adopted with reference to certain drastic restrictions of credit.

Mr. McLEAN. Certainly not. Will the Senator permit me——

Mr. SIMMONS. We, as representatives of the people, have a right to express an opinion upon that as to whether it is wise or unwise, whether it is sound or unsound.

Mr. McLEAN. I have conceded all the Senator has asked, and now I wish he would allow me to proceed. There is no reason why Congress should not express an opinion. What I say is that when that opinion is expressed, and it is followed by a recommendation or direction to an administrative officer of the Government, we are acting in bad faith unless we put that officer in a position where he can respond to the opinion of Congress. That is all I meant.

Mr. GLASS. Mr. President——

Mr. McLEAN. If the Senator from Virginia will pardon me, I would like to reply to the Senator from North Carolina.

Only a few days ago the governor of the Federal Reserve Board appeared before the committee on this very subject. He is a very candid man, and in my opinion a very honest and able man. I believe he has done the best that he could do under the circumstances to save conditions and conserve the resources of the new banking system for the benefit of the legitimate commerce of the country. That is my belief. In any event, that is his opinion, stated to a congressional committee not a week ago, that it is impossible for him to do anything unless Congress puts it within his power to do it. Now, it is not only ridiculous, but we are acting in bad faith when we direct him to do what he told us a week ago can not be done unless we furnish the money and amend the law so that it can be done.

Mr. GLASS rose.

Mr. McLEAN. I will finish in a very few minutes. Unless the Senator from Virginia wishes to ask me a question, I would like to continue.

Mr. GLASS. I think, if the Senator will permit me, it might be useful to put in the RECORD right now the facts, in contradistinction to the theories that are being advanced here.

Mr. McLEAN. I would be very glad to have them.

Mr. GLASS. The Senator from North Carolina [Mr. SIMMONS] asserts the right of the Senate to express an opinion and I concur; but I contend that when we express an opinion it should be based upon facts and not upon imagination.

This talk about the drastic curtailment of credit and the contraction of credits and currency has no foundation in fact. Let us see what are the facts as opposed to the theories.

The Richmond Federal reserve bank, the bank of the fifth district, situated in the tobacco-growing section of the country and responding to the demands of commerce and of agriculture and industry in the section of the Senator from North Carolina [Mr. SIMMONS], is so far extended in its credits as that it, as other banks in the agricultural regions, had to avail itself of that provision in the law which permits one Federal reserve bank to rediscount its paper with other Federal reserve banks. Whereas the Richmond bank had outstanding rediscounts to the extent of $99,000,000 on November 20 of last year, this year it has rediscounts amounting to $122,000,000. So there is no contraction there. There is an expansion of credit to the extent of $23,000,000.

Take the St. Louis Federal reserve bank, responding to the requirements of that other great tobacco-growing section of Kentucky, with a branch at Louisville. There has been no contraction of credits or of currency in the St. Louis district. On the 20th of November of last year its rediscounts amounted to something like $64,000,000; on the 20th of November of this year they amounted to $134,000,000, an excess of credits over last year of $70,000,000.

Mr. POMERENE. What year? The Senator stated $134,000,000, but did not state the year.

Mr. GLASS. November 20 of this year.

Take the Atlanta bank, situated in the cotton belt, and let us see if there has been any drastic curtailment of credits or currency there. The Atlanta bank had loaned in November of last year $108,000,000; in November of this year $180,000,000, and increase of $72,000,000, or 80 per cent, in the expansion of credit.

Take the Federal reserve bank of Dallas, in the cotton belt. Last year it was rediscounting $44,000,000. On the 20th of November, this year, it was rediscounting $104,000,000, more than 100 per cent of expansion and not one dollar of contraction.

Take the Federal reserve bank at Chicago, in the great cattle and grain-growing region of the country. Its rediscounts last year were $234,000,000, and its rediscounts on the 20th of November of this year were $455,000,000, an increase of $221,000,000.

At Minneapolis, in the grain-growing and flour section of the country, the rediscounts advanced from $54,000,000 last year to $112,000,000 this year, an increase of over 100 per cent, or $58,000,000.

And so on down the list. So, when you talk about a drastic curtailment of credits——

Mr. POMERENE. Mr. President, I wish to ask the Senator if he can give the figures of the bank at Kansas City; I think it will carry out the same idea.

Mr. GLASS. That I intended to do.

Mr. BORAH. Also of the bank at San Francisco.

Mr. GLASS. Yes. The bank at Kansas City on November 20 of last year had rediscounts amounting to $98,000,000 and on the 20th of November of this year it had rediscounts amounting to $146,000,000, an increase of $48,000,000.

At San Francisco the rediscounts last year, on November 20, were $93,000,000, and this year, on November 20, were $154,000,000. There has been no drastic curtailment of credits or of currency there.

If the Senator from Connecticut will yield me just a moment further, I will point to the fact that the deposits of the New York banks have been reduced in this period of control, not of contraction, $1,400,000,000, which represents, as the Federal Reserve Board conjectures, the withdrawal of deposits from interior banks and the extension of not only that amount of

credit to the agricultural interests of the country, but a supplemental amount aggregating over $3,000,000,000.

Any sane man here or anywhere else is obliged to sympathize with the agricultural interests in the existing situation and to do anything that he may to relieve that situation; but I concur altogether with the Senator from Connecticut [Mr. McLEAN], the chairman of the Banking and Currency Committee of the Senate, when he says that we should be frank about this matter and not, to use a vulgarism, "pass the buck" to another body. If we want to do something for the farming interests, let us do it and let us not engage in this sort of pantomime. It reminds me of an amusing performance of Col. Mulberry Sellers I witnessed at a theater when I was a boy, where the player of the title rôle lighted his tallow dip and stuck it in the stove in order that his visitors might see the glow of the flame and imagine that they were warm in an atmosphere of zero. That is called psychology, and that is all we are proposing here when we imply this criticism of the Federal Reserve Board and pretend thereby that we are doing something to aid the agricultural interests of the country. We are doing nothing of the kind.

Now if I may, merely in a moment, say it while I am on my feet—and it will save another appearance—I have no very grave objection to the revival of the War Finance Corporation. It may have, momentarily, a wholesome psychological effect. It may save some interests, not alone the agricultural interests, from the rapacity of some money sharks, of which there are many; it may do some good. It was for that reason that, while Secretary of the Treasury, I protested against the discontinuance of its activities when the chairman, Mr. Meyer, wanted to take his hat from the peg and go home; but the effect will be merely psychological; that is all. Not an American farmer will be enabled to borrow a dollar which he may not now borrow.

The other section of the joint resolution is not based upon an intelligent comprehension of the real facts, and the Senate will do itself discredit to imply a criticism of the Federal Reserve Board, when it has only theory and opinion to present in opposition to actual facts and the truth.

Mr. McLEAN. Mr. President, I will say to the Senator from Virginia that section 2 of the joint resolution reminds me of the comment of a distinguished foreign ambassador upon taking his first drink of grape juice. He said, "It looks good, and it tastes good, but it does not accomplish anything." [Laughter.] I am ready to admit with the Senator from Virginia that the farmers are suffering losses; their injury is great. The only thing that I want to prevent is the addition of insult to that injury; and that is what section 2 will do unless we provide the ways and means, and that is not easily done.

We are in a similar situation to-day that we were in 1865. Congress then, by an almost unanimous vote, agreed to stand by Hugh McCulloch, then Secretary of the Treasury, in his efforts to deflate the currency; but then, as now, the pressure came on, and after the panic in England and prices started downward here, the same influences came to Congress and said, "This will not do." So they started the printing presses to work, just as we can do now. We can make Federal reserve notes legal tender, and we can postpone the day of wrath a year or two, but when it comes it will be very severe, as it was in 1873.

I wish to say to the Senator from South Carolina [Mr. SMITH] that the conditions are serious, and I am as willing as anyone to do anything that will result in actual assistance to the producers of the country, but I repeat that no banking system can be devised that will prevent loss on a rapidly falling market.

The American people have for several years enjoyed a sellers' market. For four or five years 95 per cent of the American people have had something to sell, either in brains or manual labor or goods or credit—I think 98 per cent of them have—and the going has been good. We were advised two years ago—we advised ourselves, and the advice was good—that the way out of this dilemma was to gradually reduce prices. I had the temerity to say then that a sudden and rapid reduction of prices was the worst thing that could happen in this country. It increases our national debt, for one thing. The national debt was contracted on purchases of war supplies at war prices, and must be paid by goods measured in dollars. When you cut the price of goods in two you require just twice as many days of labor to produce a dollar's worth of goods as before. It is not a pleasing thing to contemplate, but of the 95,000,000 or 98,000,000 people who had things to sell two years ago not one of them reduced by the fraction of a mill the price of the article in which he was interested. That was the trouble.

A few months ago it occurred to the American people that they were consumers as well as producers; but even then they were not willing to go the long and safe way home; they went across lots, through the ditches, and over the fences and organized a consumers' strike, which swept the country like a contagion. Nobody would buy anything.

Now, I should like to have the Senator from North Carolina suggest a remedy that is practicable. The farmers, of course, get hurt first and last. A manufacturer can suspend his operations for a season, but the farmer who suspends for a season usually suspends for good. If, however, we are going to help him, let us do something more than express an opinion or direct an administrative officer of the Government to do something which he has told us in advance he can not do and which we know he can not do. From 1865 to 1873 the American people tried to make gold out of paper, but they found they could not do it, and I do not believe it is worth while for us to repeat that experiment.

Mr. KING. Mr. President, will the Senator permit an inquiry for information?

Mr. McLEAN. Yes.

Mr. KING. Assume that this joint resolution will pass in its present form and that the Federal Reserve Board shall attempt to carry out the spirit of the resolution and rediscount the paper which may be tendered by the member banks, and suppose that the member banks are inclined to grant still further credits to the farmers and to the stock growers and to other persons, keeping in mind the fact that most of the banks now are below their legal gold reserve—Federal banks as well as State banks—I want to ask the Senator how if we should loan $1,000,000,000, $2,000,000,000, or $3,000,000,000 more through the State banks and Federal banks we would get the money for a proper reserve in the various banks? Where are we going to get the gold?

Mr. McLEAN. Does the Senator ask me where are we going to get it?

Mr. KING. Yes.

Mr. McLEAN. It can not be had. The Senator knows that as well as I do.

Mr. KING. Exactly.

Mr. McLEAN. We could land right where Germany is if we follow that policy to its legitimate result; we could issue fiat money.

Mr. KING. Then, how are we going to extend still further credits along the lines indicated by the joint resolution if our gold reserve now is depleted?

Mr. McLEAN. We can not do it; that is the point I am trying to make.

Mr. KING. That is exactly what I am trying to elicit from the Senator.

Mr. McLEAN. It is a physical impossibility, unless Congress takes the money out of the pockets of the people in taxes and buys more gold, if it can be bought. I do not know that it can be.

Mr. KING. It would follow, then, as I apprehend the Senator's position, that we would be compelled to resort to taxation to raise more money in order to meet the credit which is to be extended?

Mr. McLEAN. We could issue more bonds possibly and sell them and get money to buy more gold to replenish the reserves; but that has got to be done. I say that Congress, if it intends to do anything but deceive the farmer, should do the necessary thing. What the farmer needs is a market for his goods. He may think he wants extended credit, but my impression is that he needs a market. I think most of the farmers would be willing to sacrifice on their goods to-day if they could sell them at a price, but they can not get the market. That is a very serious thing for us to consider.

I am willing to go as far as any other Member of this body in providing a market here or abroad for the products of this country; but, as I have said, that is a question that I have not time to discuss and consider in relation to the pending measure. It is a very serious question; it is to-day occupying the minds of the bankers of this country and of everybody else who is interested in maintaining the political and industrial sanity of Europe. I repeat, it is a very important subject, but it all looks to providing a market for the farmers' goods.

In 1914 Senators on the other side of the Chamber complained that the farmers of the South could not sell their cotton because there was not money enough, and there was something like $480,000,000 issued under the Aldrich-Vreeland Act; but that did not help. I had the temerity to suggest to the Senator from Georgia [Mr. SMITH] at that time, as I think he will bear me out, that what the cotton growers needed was a market

for their cotton. They held a conference; they decided that what they needed was a market; and they organized a finance corporation of some sort in the South, with a capital of $100,000,000, to furnish credit to the growers of cotton; but I think the Senator will bear me out when I say they did not use $30,000 of that $100,000,000, because the market came along. Whether the farmers of the West want credit, want to go in debt still more extensively to hold their products, I do not know, but I do not think they do. I think they would much prefer to be provided with some kind of a market for their goods; and I think Congress ought to do everything it can, not to enable them to hold their goods expecting to make a profit that may be impossible, but to furnish some sort of a market.

Mr. SIMMONS. Mr. President, just one word further.

With reference to the fall in prices to which the Senator alluded a little while before he concluded his remarks, I think it should be borne in mind that the farming element of this country is about the only industry that in case of a sudden and disastrous slump in prices, such as took place in September of this year, can not in any way protect itself without assistance from the banks. The farmers have to take whatever price may be offered them. They are practically the only part of our people who have to do that, and they have not been able to prevent any degree of depreciation in the market price of their products that the purchasers of those products saw fit to demand. These purchasers have absolutely fixed the prices for the farmers. The farmers have been absolutely unable to protect themselves against this rapid decline. On the other hand, practically every other industry in this country has inherently possessed the power of protecting itself to some extent, and we have witnessed in this country the very anomalous spectacle of wholesale merchants throughout the country holding their products up to high prices after the prices of those products in other sections of the country had gone down.

We have seen manufacturers in this country holding up the prices of their products against this pressure on the part of the credit situation, and they are doing it to-day. They have suffered a loss to some extent, their prices have been reduced to some extent, but they have been able to protect themselves against a disastrous and a ruinous depreciation. So that the situation of the farmers is clearly different in that respect from the other industries of the country.

Now, I want to direct my attention to the statistics given by the Senator from Virginia [Mr. GLASS].

The statistics which the Senator from Virginia read were from November of last year, 1919, to November of this year, 1920. If the Senator had been able to segregate the credits that have been granted by these banks from the middle of September up to the 1st day of November his statistics would have been pertinent and illuminating, but he does not do that. He gives us the credits of the banks extending from November of last year to November of this year.

Mr. President, the order of the board of which we complain, the order which we say brought about this contraction in credits which has been so ruinous to the farmer, was made, if I remember correctly, in the middle of September, just about six weeks before the termination of the period for which the Senator gave statistics a minute ago. Up to that time a different policy had been pursued by the Federal reserve banks and the member banks, with the consent and acquiescence of the Federal Reserve Board. Up to September of last year credits were granted liberally—not only liberally, but generously—to every industry and for every purpose. Speculation was rife throughout the country, and especially in the South—speculation in lands, speculation in stocks, speculation in automobiles—and there was no difficulty in borrowers going to the banks and getting all the money that they wanted for 10½ months of the period to which the Senator refers.

Again, Mr. President, up to that time the farmers of the South and of the West had no difficulty in getting all the money they wanted. They planted larger crops because of the supposed world demand for their products. They cultivated those crops at a cost a third, probably more than a third, higher than the cost of the crops of the preceding year. The banks in that section were liberal in extending to them all the credits that they needed for the purpose of making this great crop at these high prices. It was during that period, when the cost of the farmer's operations was so high, when credit was so liberally extended for every other activity in which our people were engaged, that this large extension of credit was granted to the farmer.

But just as that crop was finished, just as that crop was ready for market in September came this order of the board restricting loans made to farmers for the purpose of holding their crops or for the purpose of financing their crops, and during that period the trouble was made. During that period I undertake to say that the credits extended were nothing like commensurate with the credits extended during a like period of the preceding year.

In confirmation of my statement here, and the statement of my colleagues from South Carolina and Georgia and Alabama, that the farm products of the South are to-day selling for less than one-half of the cost of production, I ask any Senator from the South who lives in an agricultural part of it, who is in close touch with the agricultural interests of that section, if that statement is not correct?

I again propound an inquiry to them with reference to the extension of credits. I want to ask that group of Senators who represent the agricultural interests of this country whether in the South or in the West the statement I have made is not correct, that beginning some time in September, about the time we began to market our crops of grain and cotton and tobacco, there was suddenly a restriction upon credits—not a moderate restriction, not a restriction calculated to bring down prices upon a gradual, sliding scale, prices of agriculture, prices of manufacture, prices of mines, and prices of forests—but immediately following that order there was a sudden cessation of this liberal credit that the banks had been extending all during the period when those crops were being made and being harvested?

Mr. GLASS. Mr. President——

Mr. SIMMONS. I ask that question of any Senator from the agricultural part of the country who disputes that as a fact, because the Senator from Virginia has said we are not talking about facts here; he says we are talking upon a phantom basis; and yet the facts upon which I rely are twofold: First, that the farming products of this country have slumped one-half, while the other products of this country probably have not slumped more than 25 per cent; secondly, that the contraction of credits of which we complain, especially as they apply to the farmer, began about the middle of September of the present year.

Mr. POMERENE. Mr. President——

Mr. GLASS. Mr. President, if the Senator will permit me, I have the figures for the very period that the Senator from North Carolina indicates, and they do not show anything of the kind.

Mr. SIMMONS. Then they represent loans made to others than farmers.

Mr. GLASS. As a matter of fact, the extensions in September are rather larger and show a greater difference than the extensions in November. I should be obliged to the Senator from North Carolina if he would define for us the order which he says has been issued by the Federal Reserve Board to curtail agricultural credits. There has been no such order.

Mr. SIMMONS. If I used the word "order," I probably was mistaken in the use of language. I meant the policy promulgated.

Mr. GLASS. The policy promulgated by the Federal Reserve Board was not a policy of restricting credits upon farm products. It was distinctly the contrary. It was an avowed policy of the curtailment of credits for nonessential things.

Mr. SIMMONS. That was a part of it.

Mr. GLASS. And nobody will say that the wheat grown by the farmer or the cattle fed or the cotton raised are nonessential things.

Mr. SIMMONS. May I ask the Senator if the Federal reserve banks were not advised against making loans based upon advances made to enable farmers to hold their crops from the market for a better price and better marketing conditions?

Mr. GLASS. To "hold" their crops! Now we are getting at the kernel of the whole proposition. The Senator would have the Federal reserve banking system—which had its very inception in the idea of accommodating commerce, a system intended to be responsive to the commercial requirements of the country—transformed into a speculative and investment banking system, not a system designed to aid in the purchase of goods and in the moving of goods, but a system designed to store goods, to keep them off the market.

If that is what Congress wants to do, if it wants to wreck the Federal reserve banking system and transform it from a reserve system into a system for investors and for speculators in commodities, it should have the courage to do that act of unwisdom in the open; but if it wants to maintain the existing system as a reserve system, always responsive to the commercial requirements of the country, why that it should do.

Mr. President, as I have pointed out, and as no Senator may gainsay, there has been no curtailment of credits. There has been an alarming expansion of credits. As I said a while ago, the chief assault upon Federal reserve banking legislation, when pending here, was the impressive contention of the

senior Senator from New York [Mr. Root] that it provided ample facilities for inflation and afforded no method of contraction. The answer made to that contention, not here, but elsewhere, was that the proposed legislation did furnish ample facilities for contraction; and among the facilities at that time cited was this very precautionary policy of the Federal Reserve Board. Now, when this facility is put into operation for the first time—and, if you please, Mr. President, put into operation at the suggestion of the United States Senate, which passed a resolution last May, curt in its tenor, directing the Federal Reserve Board to inform the Senate what it proposed to do to put a stop to this extravagance and this saturnalia of credit—it is sought here to subvert the original purpose of the law and we are asked to criticize the board for doing what the Senate itself called upon the board to do.

We ought to expunge this second section. It does no credit to the Senate. Perhaps it was not designed to inculcate a spirit of bitterness and of hostility on the part of the great agricultural interests of this country toward a banking and currency system, which literally saved those interests, as well as every other interest in this country, during the war and in this period of readjustment; but that precisely is what it would do, and the Senate ought not to be willing to array in hostility against this system the great farming interests of the country upon the groundless supposition that they have been denied credits when they have not been denied credits. The facts show that they have been extended an enormous amount of credit.

There was a time when we had a system under which neither credit nor currency might be obtained in such an exigency as that which now confronts the country; but happily that day has gone. We have a system now under which credits have been safely expanded. When a bank fails to-day it fails because it has been unwisely conducted; it fails because it has responded to demands which should have been rejected. That is clearly indicated in every press report of nearly every bank failure in this country.

If the distinguished Senator from North Carolina [Mr. SIMMONS] wants me to put in the RECORD the figures for September rather than those for November, I shall be glad to oblige him; I put him on notice, however, that his theory will no more be confirmed by the figures for September than by those for November.

It was intimated here the other day that at one time the angle of expansion for a brief period was 45 degrees, whereas the angle of expansion for a later and longer period was but 2 degrees. Mr. President, is there any sane human being who objects to the Federal Reserve Board putting a stop to the 45-degree angle, which meant ruin to the banking business of the country, ruin to the commerce and the industry of the country, irreparable ruin to the farming interests of the country? It meant that speculation was running riot, and the only criticism I make of the Federal Reserve Board in respect to that is that it did not begin to put a stop to commodity gambling soon enough. Had it done so, perhaps we should not have so far to fall. It let the situation get almost out of hand, and it applied the brakes none too soon. It did not apply them to the agricultural interests, as some Senators would have us believe.

The only suggestion of curtailment was as to nonessentials—automobiles, limousines, things of that kind. The day of reckoning for that sort of thing can not be escaped. It must come. I do not care how soon it comes; how soon I am compelled to have one automobile instead of two, or no automobile instead of one; or how soon other people less able to have any shall be deprived of the privilege of mortgaging their homes and their futures for this sort of thing. But there has been no "order" of the Federal Reserve Board circumscribing credits to farmers, and there is no commercial transaction of which I can conceive, or of which anybody else may conceive, which involves the legitimate purchase and movement of goods, which may not find accommodation, so far as the Federal reserve banks are concerned; not one.

Mr. McKELLAR. Mr. President——

The VICE PRESIDENT. Does the Senator from Virginia yield to the Senator from Tennessee?

Mr. GLASS. I yield.

Mr. McKELLAR. I think the Senator is mistaken in one respect. The cotton factors of my section of the country have been deprived of rediscounts in the Federal reserve bank.

If the Senator will pardon me, I will state the service which the cotton factors perform. They are those who in the spring of the year lend money to farmers directly, taking usually a crop mortgage and such other mortgages as they can secure. They lend the farmers money for the purpose of making the crops. Later on they lend other moneys for the purpose of gathering the cotton crop, ginning the crop, and marketing the crop, and when the cotton begins to come in, in the fall, the farmer ships the cotton to these factors, and the factors put their paper with the banks; and for the last eight years, under the rulings of the Federal Reserve Board, they have put their paper in the banks, secured by this cotton, as the very terms of the act provided, in my judgment.

Within the last 8 or 10 months those factors have been notified that they can no longer get credit, and they have denied that class of our people credit in the Federal reserve bank of which Memphis is a part, the St. Louis Federal Reserve Bank. That situation I know exists, and I wanted to call the Senator's attention to it while he was on his feet.

Mr. GLASS. Mr. President, of course I should have to familiarize myself with the facts in a case of that sort. But I adhere to the declaration that anybody engaged in a current commercial transaction, in the purchase and movement of goods, may get credit so far as the Federal reserve banks are concerned.

Mr. RANSDELL. Mr. President——

Mr. GLASS. Just a moment. It frequently happens that member banks of the system—and instances have come to my notice where nonmember banks have undertaken to shift responsibility to the Federal reserve banks for their own refusal to grant credit. Down in Virginia six weeks ago a bank which was not a member of the Federal Reserve System and had no right to accommodation at the Federal reserve bank, was denying credit to persons in its community upon the ground that the Federal reserve bank would not rediscount its paper, when it had no right to ask for the rediscount of its paper. A more intimate inquiry disclosed the fact that that very bank—and not a large bank, either—had $136,000 loaned out for the purchase of automobiles, and it was undertaking to prejudice the Federal reserve banking system in the minds of the farming community in that section upon the plea that it could not get accommodation, when it was not even a member of the Federal reserve banking system and was entitled to no accommodation there. I have not the remotest doubt that there have been multiplied instances of bank officials, not having the courage or the character to refuse undesirable and unnecessary loans, undertaking to make it appear that the Federal reserve banking system had collapsed and could not function.

I yield to the Senator from Louisiana.

Mr. RANSDELL. I rose, Mr. President, to explain in some part a matter about which the Senator from Tennessee [Mr. McKELLAR] inquired. I happen to be very familiar with that matter. I was one of a delegation from the South which appeared before the Federal Reserve Board on or about the 19th of October for the purpose of asking them to correct the very matter which the Senator complains of.

It was a general rule which they had established, to limit the loans on these papers which the factors usually borrowed on, to the men who actually owned the cotton, and not to the factor to whom the cotton had been shipped. My understanding, I will say to the Senator from Tennessee, is that that practice was permitted to go on as usual; that the Federal Reserve Board, realizing the reasonableness of the request of these cotton factors, had permitted the banks to revert to the old system, which had been carried on so satisfactorily for many years past. I think the matter he complains of has been corrected.

Mr. SMITH of Georgia. The Senator is mistaken. They decline absolutely now to rediscount factors' paper. They require the factors to obtain the paper of each one of the individual farmers, and then limit the rediscount to that paper. They have broken up the whole of the system under which this business had been conducted.

Mr. RANSDELL. Perhaps I have been misinformed; but I will say to the Senator that I went there with a delegation from New Orleans, and, so far as New Orleans is concerned, I have heard no further complaint. I was told that it had been arranged satisfactorily and that they were allowed to get their advances as in the past. Perhaps I have been misinformed.

Mr. McKELLAR. Will the Senator yield to me to make a statement?

Mr. GLASS. Certainly.

Mr. McKELLAR. I have numerous letters from the Federal reserve district of which my State is a part, and especially from the cotton part of it, in which it is said that the Federal reserve bank there has refused to rediscount this paper. It has rediscounted it ever since the bank was established until a short time ago, and that curtailment of credits has suddenly been made. I think it is fairly within the contemplation of the present act, but they have denied that credit.

Mr. GLASS. Mr. President, this discord as to the facts and difference of view but illustrate the futility of the Senate of

the United States undertaking to conduct the detailed business, intricate in all of its parts, with which the Federal Reserve Board is charged.

I am unable to determine from the meager statement of the case here whether the board, if it has inhibited this paper, has done it within the requirements of the law. I have no doubt in the world that the board, in intimate communication with all the arteries of trade and with full information upon every aspect of the subject, is vastly better able to determine whether in an exigency or at a particular period it should grant certain sorts of credits.

Mr. RANSDELL. If the Senator will permit just a very brief additional explanation——

Mr. GLASS. I yield to the Senator from Louisiana.

Mr. RANSDELL. I, of course, can not say absolutely what has been done, but I will state that I went with this delegation before the Federal Reserve Board, with the Senator from Georgia [Mr. SMITH] and the senior Senator from Virginia [Mr. SWANSON], and I am under the impression that the Federal Reserve Board complied with our request. They told us that it was a general rule which had been established by them in November, 1919, giving a great deal of discretion in the matter to the various banks—not an ironclad rule, but a rule which gave discretion to the various Federal reserve banks. I think I am right when I say that the Atlanta bank, in which district New Orleans is located, has been permitting the old rule to prevail. I am not sure about the rule in the Memphis bank. I believe the Senator from Tennessee [Mr. MCKELLAR] is in the St. Louis district?

Mr. MCKELLAR. Yes.

Mr. RANSDELL. I am not sure about it there, but I think it has been corrected in New Orleans.

Mr. SMOOT. Mr. President, will the Senator yield to me a moment?

Mr. GLASS. I yield to the Senator from Utah.

Mr. SMOOT. I think we ought to look at the situation just as it is. I objected on Saturday to casting any reflection upon the Federal Reserve Board. It is not right or proper to do so.

The fact of the matter is that every preceding year in our history, whenever the cotton crop, the wheat crop, or the wool crop has come upon the market, it has been sold and that money has gone to pay the notes that were held by the different banks in these sections, and when those notes were paid, of course, all of those banks had money to loan. In fact, every bank in the United States expected this year that those loans would be paid within a certain time. They were not paid. No wool loans were paid, very few farm loans, if any, were paid, and very few cotton loans were paid, and the banks were called upon to carry those loans instead of having them paid. Not only that, but the banks were asked for additional credits to enable them to carry on their business, and, of course, the banks did not have the money.

Mr. KING. To hold the products from the market.

Mr. SMOOT. As long as the products are held out of the market and are not sold, the banks that are holding the notes of the farmer and the woolgrower and the stock grower can not loan that money to some one else. We might just as well look at the situation as it is and not make any kind of excuse.

Mr. GLASS. Does the Senator think—of course, he does not—that the Federal reserve banks should be devoted to the policy of loaning money to hold goods for a higher market and to that extent withholding accommodations to people who may want to buy and sell goods?

Mr. SMOOT. No; and the Federal reserve banks will not do it unless Congress absolutely issues an edict that they shall do it, and if Congress did do that it would destroy the Federal Reserve System.

Mr. GLASS. Absolutely. I believe I do not care to say anything more on the subject. I am a little disposed to apologize for my temerity, being a new Member, in taking the floor at all.

Mr. SIMMONS. Mr. President, the Senator from Virginia has alluded to some matters in which I am interested, and I desire to reply to him. I wish to say to the Senator that I have no earthly objection to his putting in the RECORD as a part of his remarks the credits extended in the month of September and the month of October. I would be glad if he would do so.

I wish to say to the Senator from Virginia, who is in large measure the author of this Federal Reserve System, that I hold that legislation in as high esteem as he does. I think it is probably the best piece of financial legislation ever passed in this country. I think the Federal Reserve Board has saved the situation in the years during the war, and since the war, so far as that is concerned.

I do not at all question the wisdom of the administration of that board as a general proposition. I think it has been very wisely and very justly and very sagaciously administered, but I do think in this particular instance about which complaint is made that the board has made a very serious mistake and one which is bringing great suffering to a large section of our country.

I agree with the Senator that the situation requires that the banks should issue an edict against further credits for speculative purposes, for buying automobiles, for buying real estate at fictitious values, for buying stocks that have nothing behind them probably except a prospect. I think that has been very beneficial to the country and I do not complain of it; but I do not want to put agricultural products into that category. I do not think that dealings in agricultural products could be classed as speculative, and I think there is the point at which the board deviated from the wise policy which it had pursued with respect to speculative ventures and with respect to our finances generally.

Mr. POMERENE. Mr. President——

Mr. SIMMONS. Just let me finish this and I will yield to the Senator in a minute.

Mr. POMERENE. I was just going to ask a question.

Mr. SIMMONS. Will the Senator just withhold it a moment?

Mr. POMERENE. Certainly.

Mr. SIMMONS. The Senator from Virginia [Mr. GLASS] insists that what we are demanding is that the Federal Reserve Board shall lend money for the purpose of holding the crops from the market.

Mr. GLASS. Mr. President, I took the words from the mouth of the Senator from North Carolina.

Mr. SIMMONS. I recognize that the Senator did, and the words used by me were technically erroneous. They do not accurately convey the impression or the thought that I have in mind.

Now, Mr. President, the facts are these: There have been two eras in our country in recent years when there was no market for raw cotton in the country. That happened once just after the outbreak of the war when an embargo was placed upon our exportation by the European situation. Cotton fell to 5 cents a pound. Why, Mr. President? It was because there was no market for our cotton. When a product of that sort falls to that low price it indicates an absence of market. What was done in that case by the Federal Government? The great Secretary of the Treasury, William G. McAdoo, recognizing that a condition had been created when there was no market for cotton in this country, realizing that unless some relief was obtained the cotton growers of the country would suffer disaster and ruin, announced to the country that to relieve against this situation of no market, which was a monetary situation in part, he was ready to furnish to the banks of the cotton-growing section of the country $500,000,000 by way of deposits in order to enable them to allow the cotton producers to withhold their cotton—not withhold it from the market, Mr. President, and I wish the Senator from Virginia were here to understand the distinction—not to withhold it from the market, but to withhold cotton sales until there should be a cotton market and a market for cotton goods.

This situation has arisen again. This product has fallen until it is selling in the local markets of the South for from 8 to 12 and 13 cents, when it costs at least 25 or 30 cents to make it, 25 cents on very fine land and 30 cents on inferior land. The same situation that existed when Secretary McAdoo came to the rescue of the farmers exists to-day. Prices of 8 and 9 and 10 cents for cotton produced at the cost at which this crop of cotton was produced do not indicate a market for cotton. They indicate that there is in this country no market which is entitled to be called a market for cotton.

What I am insisting upon is not that the cotton be held permanently from the market. I am insisting that these farmers be given the facilities and the means by which they may hold their products, the products of one year's toil, produced at the highest cost ever paid in this country for labor and material, until there shall again be a market for cotton in the country.

Mr. FLETCHER. Mr. President, I feel that there is no intention on the part of any Senator to cast reflection upon either the Federal Reserve Board or the Federal Reserve System.

I do not think the effect of this joint resolution will be in that direction. It is merely the expression of a wish that, so far as safety will allow, there should be accommodation in the direction indicated.

I am in favor, Mr. President, of the organization in the different States of corporations intended to promote exports. That movement has great significance, and, in my judgment, is the best way to work out the solution of the problem which now confronts the country with reference to exports. At the same

time, I can see that by reviving the activities of the War Finance Corporation we provide an agency which can cooperate with the export-trade organizations in the different States and temporarily relieve the conditions which depress agriculture to-day.

It is quite difficult to find an answer to the argument of the Secretary of the Treasury, in response to a communication from certain Senators, that the Treasury of the United States ought not be appealed to or ought not to be used in order to accomplish the advancing of prices and the furthering of withholding products from the market in order that better prices might be obtained; but we can, I think, very reasonably, with all deference to the Federal Reserve Board, and in consistent acknowledgment of the tremendous, vital service which the Federal Reserve System has rendered to the country, especially in the critical days we passed through when without that system we could not have financed the war, let alone have financed to the extent we did our associates on the other side, insist that agriculture shall not be discriminated against. I do not mean to say that it necessarily follows that there is a charge that agriculture has been discriminated against, but the impression to some extent prevails that the effect of the policy instituted has been to discriminate against agriculture in the operation of that system. The pending joint resolution goes to that extent, at least; that it is the view of Congress that agriculture shall not be discriminated against in the administration of the Federal Reserve System. It is quite true that agriculture touches every other interest, and primarily I believe that the wisest solution is in the cooperation of the War Finance Corporation with the local organizations composed of farmers, bankers, and other interests.

Mr. President, what we are doing is largely temporary. In my judgment, for permanent relief agriculture in this country must fall back upon the Federal farm loan act and its proper administration. I wish to offer here, so as to save time, an extract from an address delivered before the conference of the National Board of Farm Organizations held at Columbus, Ohio, September 1 to 3, 1920, by Mr. W. W. Flannagan; and, if there is no objection, I ask that this extract from that splendid address be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER (Mr. WATSON in the chair). Without objection, it is so ordered.

The matter referred to is as follows:

[Extract from an address before the conference of the National Board of Farm Organizations held at Columbus, Ohio, Sept. 1–3, 1920.]

THE NEED FOR A NATIONAL UNION OF FARM LOAN ASSOCIATIONS.

[By W. W. Flannagan.]

A pending case in the Supreme Court of the United States, entitled Charles E. Smith *v.* Kansas City Title & Trust Co. is attracting much attention from its present and what may become its far-reaching effects upon the agricultural interests of the country.

The suit in question was brought in the Federal circuit court at Kansas City, Kans., to test the constitutionality of the farm loan act, and was inspired by the Farm Mortgage Bankers' Association of America. Smith, the plaintiff, is a stockholder in the title and trust company named, and this company was alleged to have had under consideration an investment in farm loan bonds, which under the farm loan act are declared to be "instrumentalities of the Government," and as such exempted from all taxation. Smith procured an injunction to prevent such investment. The Federal land bank at Wichita and the First Joint Stock Land Bank of Chicago, which issues such bonds, intervened, and the circuit court promptly dissolved the injunction, from which the plaintiff appealed to the United States Supreme Court. The case was argued at Washington by eminent counsel early in January of this year, the Federal land banks being represented by ex-Justice Charles E. Hughes, the joint-stock land banks by ex-Attorney General George W. Wickersham, and the plaintiff by William M. Bullitt, of Louisville, Ky. Without expressing any opinion the court in April ordered the case restored to the calendar for reargument in October, when the court reconvenes from its summer recess.

The effect of this order was construed by the Farm Loan Board to be the destruction of any market for farm loan bonds, and the board ceased to function as to any new business. The banks organized under the farm loan act are dependent upon the sale of farm loan bonds for funds to lend to the farmers. Anticipating such a market through the operation of a banking syndicate of bond dealers, previously employed by the Farm Loan Board, the Federal land banks had borrowed from the commercial banks about $15,000,000, pledging farm loan bonds as collateral security, and had also approved loans applied for to a much larger amount.

Under these circumstances the Farm Loan Board appealed to Congress to extend for 1920 the operation of a law passed in 1918, which appropriated $100,000,000 for the purchase of farm loan bonds during each of the fiscal years of 1918 and 1919, of which only about $135,000,000 had been so used during the two years. Such legislation would have allowed the purchase of $65,000,000 bonds and made available that amount for additional loans to farmers. But Secretary Houston, in a letter addressed to the chairman of the House Banking and Currency Committee, objected to this full extension of the operation of the law of 1918, and asked that the purchase of bonds be limited to such bonds as were secured by mortgages approved prior to March 1, 1920, in which restriction the Farm Loan Board acquiesced, and Congress acted accordingly. The effect of this was that the banks were limited to commitments already made (in amount of about $30,000,000) and discontinued all efforts for any new business.

By direction of the board the banks severally reduced their operating forces to a minimum and the board itself reduced the number of employees in the bureau at Washington about one-half.

The Farm Mortgage Bankers' Association of America, which, as stated, instituted these legal proceedings, consists of dealers in farm mortgages who, prior to the passage of the farm loan act, had a lucrative business in the purchase and sale of such mortgages. This business consisted in lending money for periods from three to five years at the best interest rate obtainable, usually with a commission added, and disposing of these mortgages with or without indorsement, so as to leave a profit in the transaction. In some cases the mortgages taken were pledged with some trust company as collateral security, with the right of substitution, the lender issuing its own collateral trust bonds bearing the lower rate of interest against same, the bonds being disposed of to the public. As the farm mortgages matured, usually in less than five years, and as the bonds ran for terms of 10 to 20 years, the opportunity was given for an increase in the rate of interest with each renewal of the mortgage, and also an additional profit in the way of another commission.

The Farm Mortgage Bankers' Association maintains that the maximum interest charge should not be fixed by law at 6 per cent per annum, claiming that competition properly adjusts this, but 50 and more years of experience has demonstrated the fallacy of such a theory, and that farmers have always heretofore paid "all the traffic will bear." Statistics compiled by the Agricultural Department show that the average rate of interest on moragages paid by farmer borrowers throughout the United States, prior to the passage of the farm loan act, was in excess of 7½ per cent. In many States of the South and Northwest such rates ran as high as 10 per cent. The lowest rate included in this average prevailed in the State of New Hampshire, where rates were 5.3 per cent, due to the fact that farm mortgages there held by savings banks are exempt from State taxation. Under the farm loan act a uniform asking rate throughout all the States for farm mortgages had been established, this rate in no case exceeding 6 per cent per annum; the great majority of loans under the system have been made at 5 and 5½ per cent, no commission being charged. A commission charge in addition to interest is a penal offense for any loan made under the farm loan act.

In addition to the uniform reduction of the average rate of interest charged on farm mortgages, the Federal land banks have during three years extended benefits to 130,000 farmers, by making loans for terms running from 20 to 40 years. All loans are made upon the amortization plan of repayment, under which a semiannual sum (called installment) of $32.50 for each $1,000 borrowed pays interest at the rate of 5½ per cent per annum, and also discharges the principal of the debt in 34½ years. The mortgage loan once secured, there is no worry about renewals, and none should exist about the final payment under the small installments required. The borrower has the option of paying off the whole or any portion of the debt at any interest period after the expiration of five years.

There are two separate classes of banks chartered under the farm loan act which have no direct connection with each other, though both are chartered by and under the supervision of the farm loan board. They are known, respectively, as Federal land banks and joint-stock land banks. The Federal land banks have restricted territory in which they can each make loans, which is called a district, consisting of several States, except in the case of the State of Texas, which is a district in itself. The country has been divided into 12 districts and one Federal land bank is located in each district. These banks are intended to operate exclusively in the interest of the farmer borrowers, who are organized into local associations called national farm-loan associations. These associations are the only beneficial stockholders of the Federal land banks entitled to vote at shareholders' meetings; the capital stock held by the Government can vote, but such stock does not share in dividends.

The other class of land banks known as joint-stock land banks are organized with private capital. They are each limited in territory in which loans can be made to two contiguous States; they have the same limitation of 6 per cent as to the rate of interest which may be charged and are prohibited from any additional commission charge. They are under governmental supervision and subject to official examination. They make loans through agents of their own selection, and have no connection whatever with the farm-loan associations.

The loans already made by the 12 Federal land banks aggregate about $360,000,000. Some of the loans have been voluntarily paid off in full, and all which have run one year have been slightly reduced by amortization payments. The principal of the actual amount of loans in force July 31, 1920, is $344,475,809, represented by 124,590 existing borrowers. All borrowers are locally united into farm-loan associations which are chartered corporations, and there are now in operation 3,985 of these associations. They are located and doing business in every State of the Union. As there are only about 3,000 counties in the United States, it will be seen that the average is more than one for each county. Through these associations, properly supported and financed, the machinery already exists for carrying out the avowed purpose of the farm-loan act "to provide capital for agricultural development."

These associations now own $17,404,615 out of the total $24,337,860 capital stock of the Federal land banks. The stock originally subscribed by the Government, $8,892,130, is being rapidly reduced by additional subscriptions for stock which these associations make, such addition being 5 per cent of every loan made. The Government has already been repaid from this source $2,050,450.

The Federal land banks have issued bonds in the amount of $329,600,000. They have sold to the public $152,342,200. The Government has purchased $173,285,000 and they have on hand the unsold balance of $3,972,800.

The 29 joint stock land banks have outstanding loans to farmers in the aggregate amount of $79,406,446; they have issued bonds to the amount of $75,285,000, of which they have sold to the public $59,669,300, the balance on hand being $15,615,700. The Government has never purchased any bonds from the joint stock land banks, nor made any subscription to their capital stock.

The Associated Farm Mortgage Bankers take great credit unto themselves for having "suspended" the business of the land banks. They have a very clever secretary, who on behalf of the association for many months has been flooding the country, including the Members of Congress, with propaganda, seeking to arouse public sentiment against the tax-exemption provision of the farm-loan act. He maintains that this exemption gives the opportunity for men of large incomes to become "tax dodgers" through the purchase of farm-loan bonds, and almost weeps at the distressing loss to the United States Treasury thereby. The question of the loss of public revenue by freedom from taxation of municipal securities, of insurance company assets, of Federal reserve banks, and of all other exemptions, does not seem to disturb him. If he only can save to the Treasury the

"farthing" income a tax on farm-loan bonds might yield, he will rest content with the "pound" loss to Uncle Sam from all other exempted securities. Of course everybody sees through this sham anxiety, and understands the selfish interest, which prompts the procedure.

With the wonderful amount of good already accomplished under the provisions of the farm-loan act, more beneficial to the farming interests in the short period of its existence than its most ardent supporters ever anticipated possible, it seems inconceivable that its enemies attacking it from purely selfish motives will be allowed to destroy it. Nor are its supposed friends of the Farm Loan Board free from criticism. To rest supinely quiescent, drawing full salaries, and doing nothing constructive, pending the decision of the Supreme Court, can not be considered commendable leadership. Whether the decision of the court is favorable to the banks or unfavorable, there has been no foresight displayed in the way of some suggested method for securing funds for the continuation of "providing capital for agricultural development" through additional legislation or otherwise. A favorable decision creates no market for 5 per cent bonds through a bankers' bond-selling syndicate, this being the only method heretofore adopted by the board for disposing of farm-loan bonds, except to ask Congress for an appropriation for their purchase.

The method of a bankers' bond-selling syndicate, as employed by the Farm Loan Board on behalf of the Federal land banks for the purpose of distribution, must be considered a failure when the figures show that out of the total bonds issued, less than 47 per cent has been marketed under such arrangement. The joint stock banks which have not had the supervision or assistance of the Farm Loan Board in disposing of the bonds issued by them, make a much better showing, as the figures indicate they have marketed through their own efforts nearly 80 per cent of the bonds which they have been authorized to issue.

Fortunately, the Federal land banks have attained the position where each one of them is self-sustaining with the volume of business already secured. They have a gross income per month of about $1,600,000 and a net income of over $250,000 per month, after paying all administrative expenses and providing for interest on all outstanding bonds. They have also accumulated a reserve fund from and including undivided profits aggregating $2,326,668. If they should therefore have to continue the policy adopted for them by the Farm Loan Board, in refusing new business, their administrative expenses could be largely reduced and their undivided profits considerably increased.

Mr. FLETCHER. Mr. Flannagan was the former secretary of the Farm Loan Board. I have asked to have this extract from his address printed in the RECORD because it deals with the actual operations of the only financial system ever established in order to meet the real needs of agriculture in this country by providing capital for agricultural development. Mr. Flannagan thoroughly understands the farm loan system and the purpose of Congress in establishing it; he knows what it has accomplished and how it is operated. No one is better qualified than he to throw light on the subject.

I should like it understood just what that plan and system embodied in the farm loan act has meant to those who are engaged in the basic industry of the country and what it has already done for those who produce the Nation's food. I believe the full, untrammeled operation of that system would bring the surest and greatest relief to that industry now so depressed and that it offers the most efficacious remedy yet proposed for existing conditions.

There is no injunction against the Farm Loan Board or any Federal land bank or any joint-stock land bank. There is no necessity for employing any bankers' bond-selling syndicate to sell the farm loan bonds; in fact, as Mr. Flannagan shows, that method was not advisable in the first instance. Farm loan bonds were in demand by individuals, institutions, and security seekers everywhere, and those which were offered generally sold above par. The bonds would be taken readily by the public. The Treasury might wish to keep them off the market in order to prevent competition with its own securities temporarily, but it seems to me the Farm Loan Board has not been sufficiently active in carrying forward the work they were doing and has been too much disposed to cease business because a suit was brought by those concerned with the increasing interest rates.

One effect of the system has been to lower interest rates in all directions, although the suit was decided by the only court that has passed upon it in favor of the farm loan act and every feature of it. If the Farm Loan Board would go on with its work as before that suit was brought, considering and inviting applications, making loans, and generally conducting business, many farmers would be saved from ruin, agriculture would take on new life, and a healthy condition would soon appear.

The proper administration of the farm-loan system and the energetic execution of that law would redeem agriculture. A time like this is the time when it is most needed, and it is deplorable to have it lie dormant, sleeping, while those it should be relieving suffer. Deserving applicants are turned away and are told to wait; those who need the assistance the law promises and offers can not avail themselves of it and become discouraged. No country is safe without a substantial, contented rural population. The law is on the books; the machinery is set up. From actual experience and unquestionable demonstration it can bestow the benefits which a sound agriculture calls for; and, yet, instead of meeting the present needs of the time it appears to cease functioning and in effect assumes an aspect of liquidation.

The farmers of this country are justly impatient; they are asking earnestly why should those in charge of the only financial system ever devised for their necessities and insuring the good of all now shut up shop and after the most gratifying experience practically go out of business and that at the time of their supreme need?

The pending joint resolution to put into active operation the War Finance Corporation ought to pass, but the farmer needs much more the vigorous administration and full operation of the Federal farm loan act. I realize the adverse effect of the litigation mentioned, but I do not concede that it should result in total paralysis. I sincerely hope some way may be found that will enable the Farm Loan Board to proceed with their most important work.

Mr. NORRIS. Mr. President, I think it ought to be said that the committee bringing in the joint resolution does not offer it as a cure-all for the difficulties that confront the country or the agricultural portion of it. There are two propositions proposed: One to rehabilitate the War Finance Corporation and the other expressing the opinion of Congress that some action ought to be taken to extend credit to the farmers upon agricultural products now in their possession. I do not expect that the passage of the joint resolution and the operations under it by the administrative officers of our Government will bring complete relief or complete happiness or complete justice. I think, however, it will do substantial good. Neither do I believe that the committee would, if they could, prevent, for instance, the reasonable and fair deflation of the currency.

I think it is realized that everybody—the farmer as well as everyone else—must stand some injury and some loss; but we are confronted with a condition that is so unjust to those who have produced agricultural products that it seemed to the committee we ought to alleviate in some degree, if we could, by any instrumentality within our hands, the suffering and the loss that must come to that class of our population.

During the debate to-day most of the discussion has been against the second section of the joint resolution proposed by the Committee. Mr. President, there is not any disposition to be discourteous or to harshly criticize the Federal Reserve Board. Because of the fact that it was argued on Friday and Saturday that the joint resolution brought in by the committee did that, the committee met and adopted a substitute which we thought would in effect accomplish the same result, although couched in a little different language, omitting any direction, but satisfying ourselves with some expression of opinion by Congress. When, however, we do that, with the honest and the fair intention of making it impossible for anybody to say that we are discourteous or unfair, we are almost laughed out of court by those who were opposed to the original proposition because it was too harsh, as they have said, and because it was insulting and implied a discourtesy to the Federal Reserve Board.

The committee realized, Mr. President, that this action is only temporary. It is not offered as a permanent solution of the difficulty. We want to get, if we can, some immediate relief. It is for that reason that most of the members of the committee have not participated in the debate. They were willing that those who opposed the proposed legislation should debate it, and then vote. If the Senate is opposed to the proposed action, if the Senate does not want to take this step looking to what the committee believe would afford a partial relief to the agricultural situation, it can vote it down. If it turns out, however, on a roll call that a majority here are so foolish and so simple and lack so in wisdom that they want to help the agricultural situation, if they can, then, of course, the joint resolution will prevail.

I am not unmindful, either, that this joint resolution if it passes must be put into effect by unfriendly officials. The Secretary of the Treasury is opposed to it, and the Federal Reserve Board is opposed to it; so that they will be able, if they do not want to give effect in good faith to our action, to cite instances that have occurred here to-day on the floor of the Senate where those who favored the legislation were charged with acting in bad faith, were charged with trying to do something that was an impossibility, were charged with trying to deceive the agricultural interests of the country and to practice deception upon the farmer. They will be able to find in the debates, from the CONGRESSIONAL RECORD, all those things said by Senators on the floor; and so it may be possible that unwilling officials of the Government, called upon to perform an official duty contrary to their wishes, and having heretofore themselves expressed an opinion that it would not accomplish any-

thing, may get a good deal of solace, if they do not carry it out in good faith, from expressions that have come from great, wise Senators on the floor of this body.

Mr. President, a great deal has been said about the Federal Reserve System. Some Senators have said that this is an attack upon it. I do not conceive it to be such. Of course, the committee, being rather feeble-minded, may not know, but we did not think it was an attack on the Federal Reserve System. We were in our simplicity acting in good faith, at least. It did not occur to us that we were insulting anybody in the administrative department of the Government, or that we were destroying the Federal Reserve System.

There is not any question of what the facts are. There is not any doubt to-day but that in the South and in the West and in the East, in all agricultural communities, there is the greatest kind of depression; that the products there can not be sold for anywhere near what it has actually cost to produce them. There are in the West now instances where renters who have worked all summer to produce a crop of corn have gone away and left it without husking it, because they would not be able to get enough out of it to pay the expenses of harvesting it and delivering it to market. There are a great many cases of that kind existing. The man who produced cotton in the South, the man who produced hogs or cattle, and put them on the market, are all in the same condition. All are presented with a condition that means ruin to hundreds of thousands of our citizens. Now, when we try to relieve them, it is said by some here that we are unfair to the consumers; that they ought to be heard.

Mr. President, if the consumer has the power now, and takes advantage of the present condition, to bring ruin and destruction to the producer, the consumer next year will be on a strike himself. After all, Mr. President, assuming that we are perfectly fair and perfectly honest, this is just as much of a question for the consumer as it is for the producer. You ruin the farmers, you make it impossible for the farmers to get the cost of production for a year or two, and the consumers will find themselves in a position where it will be impossible for them to get the necessaries of life. There ought to be no difference between classes, and therefore I hurl back the assertion that this is class legislation. It is intended and the result will work out to assist somewhat to bring justice to the consumer as well as to the producer.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Ohio?

Mr. NORRIS. I yield to the Senator.

Mr. POMERENE. As the Senator suggests that this is not class legislation, is he willing, then, to change the first section so as to provide for "agricultural or other products"?

Mr. NORRIS. I am. I am perfectly willing.

Mr. POMERENE. I am very glad to know it.

Mr. NORRIS. And I think that would be the law if it were not changed. As I have said several times, Mr. President, while the word "agricultural" is used, and "agricultural products" are referred to, and the extension of credit based on corn, wheat, cotton, live stock, and other agricultural products, it simply calls the attention of these officials to the conditions that exist in regard to those products. It does not change the law whereby the War Finance Corporation can go on and operate, if this joint resolution is passed and they are rehabilitated, in respect to manufactured products just as they did before; but we thought it was proper under all the conditions to emphasize the agricultural condition, and call their attention to it, so that they would bend their energies in that direction; and the same thing can be said in reference to the Federal Reserve Board part of it.

Mr. President, these people who in some lines have produced the greatest crop in history and are unable to sell it are confronted with the proposition that if they are indebted to the bank they are called upon for payment, and the only way they have to pay is to sell that agricultural product—hogs, cattle, corn, wheat, cotton—and sell it for whatever they are able to get, at a time when everybody knows that it means their ruination. Take wheat as an illustration; does it mean cheaper flour? What does it mean?

Why, wheat, an annual crop, must be held, a good portion of it, nearly a year before it can be used by the consumer. Who should hold it? If the farmer could hold it, if the man who produces it could hold it and market it in orderly fashion during the months of the year as it is used by the consumer, that would be the ideal system. Everybody concedes it. That would bring the consumer and the producer closer together and eliminate the middleman. But if the producer must sell it now, who gets it? Not the consumer, but the speculator. The man who has been a middleman during the war and made his millions will be in shape to make millions more between the producer and the consumer of wheat and other food products.

That is what happens. You can talk from now until doomsday, but you can not do away with the fact that the farmers all over the country are told by the local bankers: "We can not extend your credit. We must have part at least of your debt paid." And the farmer is forced on the market with his wheat. And who gets it? Not the consumer, but the speculator. And after that has gone on for two or three months what happens? After the wheat is out of the hands of the farmer who produces it and is in the hands of the speculator, then it goes up, God only knows how high, and there is where the consumer will get his wheat.

Is it a sin, therefore, that the farmer should hold the wheat a little while, until he can sell it in a market that will at least give him the cost of production? That is what these Senators cry out so about, that the Government ought not to go in with any class of people to hold anything off the market; but here is something that can not get to the consumer if it does go on the market. It will have to be held by somebody.

It will not take any more money to extend loans to farmers who have wheat they have produced. It will not mean expansion. There is enough money now. Local banks are anxious to extend credit to these producers of food products. If the Federal Reserve Board will simply give permission, there will be no difficulty. We do not need any more reserve, as has been argued by some. It is only a question as to whether these food products shall be held a short time by the producer or whether he shall be compelled to sell to the speculator and let him hold it. Let the consumer think of that.

Mr. SIMMONS. Mr. President——

Mr. NORRIS. I yield to the Senator from North Carolina.

Mr. SIMMONS. In support of the very position the Senator is taking, it has been stated to me—I do not vouch for it, because I do not know—that practically the only concern that is really upon the southern market to purchase cotton at this time is a great exporting concern with unlimited capital.

Mr. NORRIS. I thank the Senator. I have heard that statement made, and I have not heard it contradicted. I do not know as to the truth of it in detail; but we are told here to-day that we ought to be frank; that we ought to act in good faith. That is what I want to do, and that is one reason why I have taken the floor. I did not suppose before some of these speeches were made to-day that anybody contended anything to the contrary. I do not want the agriculturists of the country to get the idea that this is going to be a complete remedy. They do not expect that it will, those who have appeared before the committee.

One Senator, the Senator from Virginia [Mr. GLASS], had a great deal to say about the effect that this would have in exciting the farmer against the banker and exciting the banker against the farmer; that it would bring up an antagonism between them. Why, Mr. President, here is one case where the farmers and the bankers are together. If you take a vote of the bankers of this country out in the country where these products are now ready for the market and awaiting a fair market, you will find that they are unanimous for some legislation of this kind. They think it will help, and they say that the reason why they can not extend credit is because of the orders higher up.

Again, it is said by the Senator from Virginia to-day that some of these bankers are telling their farmer friends that they can not extend credit, and blame it upon the Federal Reserve System, the Federal reserve banks, when they are not members of the Federal reserve banking system. That may be true, and many times it is not only true but it is right.

Go out into the country and take your little bank, rediscounting paper in Chicago, probably, and nine times out of ten rediscounting its paper now, not a member of the system, with a bank that is a member of the system, and when the screws are pulled on that big bank it pulls the screws on the little bank, whether it is a member of the system or whether it is not. It does not make any difference. So, in effect, what the Federal Reserve Board does affects all banks, whether they are members of the system or not; and sometime ago, when, as the Senator said, these bankers were expanding loans, and credits were being extended with the consent of the Federal Reserve System, it was in absolute accordance with the wishes of the Federal Reserve Board, at a time when they would not extend credit for legitimate production.

I stated once before here—and I am going to state it again, because there were not many Senators here at the time, and those who were here have probably forgotten it—an instance that illustrates that. It happened here in the State of Mary-

land, with a farmer with whom I have been acquainted ever since I have been in Washington, for about 18 years now. He is a man who is perfectly good. He has a farm of between three and four hundred acres, finely improved, with a fine lot of stock of all kinds. He told me himself in my office over in the Senate Office Building, less than a year ago, that he went to the bank to borrow $500 to buy fertilizer. Now, in my country we hardly know what fertilizer means, but everybody in the East knows what that means in raising a crop. It is one of the necessities; and his banker told him that he could not loan him the money. He said that while he was perfectly good, and he would be glad to loan to him if he could loan to anybody, under the orders of the Federal Reserve Board he could not make a loan for the purpose of buying fertilizer.

The man who operated that farm, and owned it, was not quite satisfied. He doubted whether the Federal Reserve Board were operating this thing in good faith, and while he had no reason to doubt the word of the banker he thought he would see if he could get credit in another direction. So he drove around to the automobile dealer in his automobile, and said, "My automobile is getting old, and I have been thinking of buying a new one. I wish you would look at it and see how much you will allow me for it if I get another one just like it only new." The dealer looked it over, took him in and showed him the new one, and told him what he would allow him on the old one. Then the man said "But I haven't got the money. I wouldn't be able to pay you the cash difference"—and it was a good deal more than $500 difference, too. The dealer said, "That makes no difference. I will take your note. Give me your note, get out of your old machine, get in the new one, and it will be all over." The man said, "Do you do that with everybody?" He answered, "Everybody who is good, like you." The man said, "You can not carry all the notes, can you?" He said, "Oh, no; I won't carry yours. I will turn it over to the bank." The farmer said, "Will the bank take my note that way?" The dealer said, "Oh, yes; there will be no trouble about that."

But 10 minutes before the same bank would not take his note and lend him money to buy fertilizer.

The expansions which have taken place, which the Senators are boasting about so much, have been in other lines than in the lines of production. At least, the farmer now is unable to go to the bank and extend his note. It can not be done.

Mr. President, in my humble judgment the substitute which is offered by the committee is an improvement over the original section 2 of the joint resolution. It is true that it expresses only the opinion of Congress, and that is about all we can do, Mr. President; that is about all we do, whether we put the word "directs" in it or not. I concede that we can not direct a discretionary action of any board or any executive officer. We ought not try.

But those who oppose this proposition are boasting that there is more money than ever in the country, and some of them say, "They can not have any more money unless we increase the reserve." If there is more money in the country than ever, which I concede, then we do not need any more reserve, then why not extend to the farmers of the country, who have these products ready for market, time to meet a better market, as this resolution says Congress thinks ought to be done? I think the two sections work together. If the first one is adopted, and the War Finance Corporation is rehabilitated, it will take them some time before they can get the machinery in order for the purpose of financing the exportation of American products produced on the farm. While they are getting the machinery in working order we ought to carry the farmers of the country who own these products for a few months until that machinery can be perfected and put in order.

In my judgment, Mr. President, even if the first section about the War Finance Corporation were not adopted, and only section 2 were agreed to, if it could be held a few months, I have no doubt that most of these products will come up somewhat in value. There will be some of them, certainly, which will go up. If we do nothing, you will see wheat go up, and the consumer will pay the higher price. It will go up just as soon as they get it out of the hands of those who have produced it and into the hands of the speculators.

I do not believe, Mr. President, that a man ought to be compelled to apologize, when on the floor of the United States Senate, who defends a proposition which is intended in good faith to assist the agriculturists of this country. I do not think that it is becoming of Senators here to say that those who favor this legislation are not acting in good faith and do not expect to get some good results from this legislation. We may not accomplish much, perhaps, if we pass it, but if the officials whose duty it is to carry it out will carry it out in good faith, there is not any question but what good will come from it.

Mr. POMERENE. Mr. President, I have listened to this debate with a good deal of interest. It seems to me the primary mistake that is being made is this: We are speaking of this bill in terms of cotton, or corn, or wheat, or hogs, or cattle, or iron, or copper. What we ought to do is to speak of it in terms of cotton, and wheat, and corn, and hogs, and cattle, and iron, and copper.

When my very good friend, the Senator from South Carolina [Mr. SMITH], suggests that the agricultural interests are alone suffering, or are suffering more than the manufacturing interests, I excuse his suggestion because he perhaps has not investigated the subject. I realize that there is distress in agriculture. But there is distress among manufacturers as well. My own city we delight to call the city of diversified industry.

Mr. SMITH of South Carolina. Will the Senator allow me simply to inquire, because it is impossible to understand thoroughly just the argument he is making now, whether he means that the manufacturers of his section particularly are suffering from a lack of a domestic as well as a foreign market?

Mr. POMERENE. Yes, I do; and I think the Senator will understand me as I go along.

Mr. SMITH of South Carolina. I want to suggest to the Senator that the domestic market for his section is largely dependent upon the primary ability of the agricultural interests to market their crops.

Mr. POMERENE. I realize the argument that is made; I have heard it many times. The State of Ohio is a State of diversified industries. Agriculture is suffering; manufacturers are suffering. For instance, in my own city the biggest plant we have, a steel plant, which employs about 8,000 men, is closed down. Another concern which employs 4,800 is running now with about 700.

In the city of Akron the rubber companies are closing down or running not exceeding 20 per cent. One of these manufacturers, who was in my office a few days ago, who has been in the habit of employing about 30,000 men, now is employing about 20 per cent; and that is the situation in many industrial towns. In Youngstown, where iron and steel are king, I am informed that none of the plants are running to exceed 50 per cent.

When we speak of keeping these products on hand, that is the situation which confronts many of these manufacturers, particularly in the rubber industry. They have their warehouses bursting with raw material, which they bought at the highest price, or with the products which were made out of this high-priced material, with the highest-priced labor, and they are obliged to cut their prices and then can find no market.

I am not speaking of this because of any special sympathy with the employing manufacturers themselves, although my sympathy goes out to all of them; but what I am thinking about more than anything else is the thousands of men who will be out of employment, and no one can tell how long.

I refer to this because I take exception to the statements of those Senators who come here and plead for one special industry. Why can we not be as broad in our comprehension of this subject as the Nation itself? I have no objection to the reference to the agricultural interests in the first section of this joint resolution, but I hope that in the prevailing conditions whatever we do here will be for the benefit of "agricultural and other products."

Let me go a step further. I have read most of the testimony which was taken before the Committee on Agriculture, and I think that they have done a real service in bringing it to the attention of the country. I am not prepared to say that the Federal Reserve Board have not done their full duty, and if my good friends from the West and the South will look at this from every standpoint, I do not think they will say that they have not done their duty, because I believe they want to be fair.

Now, Senators, let me make this suggestion: The Secretary of the Treasury is opposed to this joint resolution. Gov. Hamlin, as I understand it, is perhaps opposed to it. I think the Secretary of the Treasury is looking at this with reference to the burden it will be upon the Treasury, but this burden will be borne by the Treasury, if assistance is to be had, whether it is through the medium of the War Finance Corporation or directly from the Treasury. I do not know that this joint resolution is going to do any good, but if that second section is eliminated, I will vote for the first part of it, with the hope that it may do some good. I think if the directors of the War Finance Corporation will take up this work they may be able at least to help the country psychologically. I doubt whether it will be of very much more assistance than that.

When our friends talk about agriculture not being a speculative proposition, while in the primary sense it is not, I think from what I have heard our friends from the South and our friends

from the West say, they will not deny that speculation is rife with cotton and wheat and corn. I do not know how you are going to distinguish between the farmer who works his farm and the speculator who farms the farmer, when it comes to this kind of relief.

The Senator from Virginia [Mr. GLASS] has called the Senate's attention to what has been done toward assisting the agricultural interests. A part of that assistance comes from the Cleveland reserve bank not because they do not need their money when things are booming, but many of the manufacturing plants in our section of the country are only running part capacity, and this money is not needed now, and they are enabled thereby to help other sections of the country, and I am glad they are giving aid.

Now, let me make another suggestion, and I make this particularly to the Senators from the West and from the South. No section of the country is going to prosper when it charges outrageous rates of interest. In my own State the legal rate is 6 per cent; the contractual rate may be 8 per cent. Anything above that is usury. There are 12 States, including the District of Columbia, in which the contractual rate is 10 per cent—Arkansas, Arizona, District of Columbia, Florida, Kansas, Minnesota, Nebraska, North Dakota, Oklahoma, Oregon, Texas, and Wisconsin. There are 10 States and Territories in which the contract rate is 12 per cent—Alaska, Hawaii, Idaho, Montana, Nevada, New Mexico, South Dakota, Utah, Washington, and Wyoming. No farmer or manufacturer can afford to pay 10 per cent or 12 per cent interest on borrowed money. Have your legislatures reduce their rates of interest and you will serve your States.

My very good friend the Senator from Georgia [Mr. HARRIS] offers his amendment limiting the rate of rediscount to 6 per cent. Is that going to help the farmer? Why, it enables the banks to get money at 6 per cent and, in these States to which I have called attention, to loan it at 10 or 12 per cent, and they take the difference. The farmers are not going to get the benefit of it. The banks will.

The Senator from Nebraska [Mr. NORRIS] has offered a substitute for section 2. As between the original section 2 and the substitute I shall vote for the substitute. If it comes to the adoption of the substitute I shall vote against it.

Senators, it is a pretty serious problem to attempt to interfere with the administration of the great financial system of the country, which was so great and so good as to enable the United States to finance all of its war operations and loan ten billions of dollars of money to our allies. Let me suggest—and I say it with all due respect—that with the limited knowledge that anyone of us or all of us may have with regard to the financial system of the country as a whole, I do not believe we ought to try to tie the hands of the Federal Reserve Board.

If any Senator will take the time to read the testimony of Gov. Harding—and I want to indorse everything that has been said here in a commendatory way about him—he will find that many of the banks in the West and the South that ought to be financing agricultural operations have not rediscounted a dollar of the bills receivable of these banks. Other banks have rediscounted their bills recently, and perhaps they have gone beyond the line that good banking would suggest; I do not know. There may be one bank in one State that deserves and ought to receive further accommodations from the Federal reserve bank in its district. There may be other banks which ought not to have them. That is a matter to be decided by the reserve banks and not by the Congress.

I was a good deal interested in the story which was just given to us by the Senator from Nebraska [Mr. NORRIS] with respect to some banker who was not willing to discount paper for fertilizer, but was for the balance due on a new automobile. I do not know why the Senator should think that he could make the United States Senate believe that Gov. Harding was responsible for that statement. That is the most amazing proposition imaginable, that a banker out in Nebraska should refuse to take a farmer's note for fertilizer, but would take it for the balance of the purchase price of an automobile. That challenges belief.

Senators, this attempt, not to deflate but to prevent further inflation, was begun more than six months ago. In my own city of Canton last spring there was great need for 2,000 new houses, and the builders could not get the money. The houses were needed—I am sure of that—but the banking authorities felt that it would be unwise to encourage further expansion along that line. Frankly, my judgment was, notwithstanding the local needs, that as a general proposition the Federal Reserve Board was right.

There is just one time when I get panicky, and that is when I see men in high authority trying to take away the restrictions from our financial system. If they could have their own way we would be on the way to the goal that has been reached by France and Germany and Russia.

Oh, it may be that we can handle these things so as for the moment to make a little more money—aye, a little more money measured in cheaper dollars—but, my friends, the day of reckoning, if that system is to be in vogue, will be near at hand. To use an old Latin maxim, let us haste slowly when it comes to taking the restrictions away from this Federal reserve system, which is so well guarded and has served the country so well.

Mr. McKELLAR. Mr. President, I believe the Secretary of the Treasury, or the directors of the corporation itself, made a mistake in discontinuing the operations of the War Finance Board. The bill creating this War Finance Corporation was approved April 5, 1918, while the war was going on. Five hundred million dollars, or so much thereof as might be necessary, was appropriated for the purposes set forth in the act. The corporation was empowered and authorized to advance for periods not exceeding five years moneys to any bank, banking, or trust company which had made loans to a business whose operations "shall be necessary or contributory to the prosecution of the war," and also to any person, firm, or corporation that had bought bonds of the United States. In a like manner it was authorized to lend money to reserve banks, banking institutions, or trust companies under the same conditions. The corporation was also in "exceptional cases" authorized to lend money directly to persons, firms, or corporations under conditions named. The corporation was also empowered to issue bonds "in an amount aggregating not more than six times its paid-in capital," these bonds to be exempt from taxation, except certain specified taxation. Now, of course, it was very proper for the Secretary of the Treasury to discontinue the operations of this corporation so far as all of these powers were concerned. Beyond doubt it should have been discontinued.

On March 3, 1919, the Congress amended the War Finance Corporation act as follows:

SEC. 9. That the War Finance Corporation act is hereby amended by adding to Title I thereof a new section, to read as follows:

"SEC. 21. (a) That the corporation shall be empowered and authorized, in order to promote commerce with foreign nations through the extension of credits, to make advances upon such terms, not inconsistent with the provisions of this section, as it may prescribe, for periods not exceeding five years from the respective dates of such advances:

"(1) To any person, firm, corporation, or association engaged in the business in the United States of exporting therefrom domestic products to foreign countries, if such person, firm, corporation, or association is, in the opinion of the board of directors of the corporation, unable to obtain funds upon reasonable terms through banking channels. Any such advance shall be made only for the purpose of assisting in the exportation of such products, and shall be limited in amount to not more than the contract price therefor, including insurance and carrying or transportation charges to the foreign point of destination if and to the extent that such insurance and carrying or transportation charges are payable in the United States by such exporter to domestic insurers and carriers. The rate of interest charged on any such advance shall not be less than 1 per cent per annum in excess of the rate of discount for 90-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrower is located; and

"(2) To any bank, banker, or trust company in the United States which after this section takes effect makes an advance to any such person, firm, corporation, or association for the purpose of assisting in the exportation of such products. Any such advance shall not exceed the amount remaining unpaid of the advances made by such bank, banker, or trust company to such person, firm, corporation, or association for such purpose.

"(b) The aggregate of the advances made by the corporation under this section remaining unpaid shall never at any time exceed the sum of $1,000,000,000.

"(c) Notwithstanding the limitation of section 1, the advances provided for by this section may be made until the expiration of one year after the termination of the war between the United States and the German Government as fixed by proclamation of the President. Any such advance made by the corporation shall be made upon the promissory note or notes of the borrower, with full and adequate security in each instance by indorsement, guaranty, or otherwise. The corporation shall retain power to require additional security at any time. The corporation in its discretion may upon like security extend the time of payment of any such advance through renewals, the substitution of new obligations, or otherwise, but the time for the payment of any such advance shall not be extended beyond five years from the date on which it was originally made."

SEC. 10. That section 15 of the War Finance Corporation act is hereby amended to read as follows:

"SEC. 15. That all net earnings of the corporation not required for its operations shall be accumulated as a reserve fund until such time as the corporation liquidates under the terms of this title. Such reserve fund shall, upon the direction of the board of directors, with the approval of the Secretary of the Treasury, be invested in bonds and obligations of the United States, issued or converted after September 24, 1917, or upon like direction and approval may be deposited in member banks of the Federal Reserve System, or in any of the Federal reserve banks, or be used from time to time, as well as any other funds of the corporation, in the purchase or redemption of any bonds issued by the corporation. The Federal reserve banks are hereby authorized to act as depositaries for and as fiscal agents of the corporation in the general performance of the powers conferred by this title. Beginning 12 months after the termination of the war, the date of such termination to be fixed by a proclamation of the President of the United States, the directors of the corporation shall proceed to

liquidate its assets and to wind up its affairs, but the directors of the corporation, in their discretion, may, from time to time, prior to such date, sell and dispose of any securities or other property acquired by the corporation. Any balance remaining after the payment of all its debts shall be paid into the Treasury of the United States as miscellaneous receipts, and thereupon the corporation shall be dissolved."

SEC. 11. That the short title of this act shall be "Victory Liberty loan act."

It will be seen from a perusal of this act that Congress simply uses the organization for the purpose of doing virtually an entirely separate thing, to wit, to increase our foreign trade.

Mr. President, I doubt whether under this amendment either the Secretary of the Treasury or the board had any right to suspend the rights of the War Finance Corporation. In the amendment of March 3, 1919, it is said "beginning 12 months after the termination of the war, the date of such termination to be fixed by the proclamation of the President of the United States, the directors of the corporation shall proceed to liquidate its assets and to wind up its assets, but the directors of the corporation in their discretion may from time to time prior to such date sell or dispose of any security or other property acquired by the corporation under this provision of the law." Congress specifically told the directors of the corporation what they could do at their discretion. It gave them the right to sell and dispose of securities prior to the dissolution of the corporation, but did not give them the right to suspend wholly its operations. The original purpose of the corporation was to make loans to a business whose operations "shall be necessary or contributory to the prosecution of the war." During the war this was done. When the war was over Congress, in its wisdom, simply directed that the War Finance Corporation machinery should be used for a wholly different purpose, namely, to aid exporters for a period of 12 months after the proclamation of the peace. That time limit has not yet begun to run. It is inconceivable that Congress would give the Secretary of the Treasury, as the head of this corporation, the right to perform it functions or not do so, as he saw fit. There is no express authority in the act that he or the directors should suspend its operations at will. The purposes of this act are admirably set forth in a report by Senator SIMMONS, which he filed on February 28, 1919, and to which I shall refer later.

Mr. President, it seems to be the consensus of opinion that the first section of the joint resolution should be agreed to. That is for the rehabilitation of the War Finance Corporation. With that I heartily agree. I think it is not a panacea, but will be productive of much good, and I shall vote for it with a great deal of pleasure. I think it ought to pass, by all means. I am sure it will pass.

As to the second section of the joint resolution there seems to be very great conflict. Some say it is a criticism of the Federal Reserve Board. I indorse everything the Senator from Ohio [Mr. POMERENE] and other Senators have said here in reference to the great ability of the Federal Reserve Board and the magnificent work that institution has done for the country during the six years that it has been in existence.

I do not think there ever was such a banking system anywhere in the world as has been created under the direction of this board, and I think, generally speaking, that it has administered the financial affairs of the country in a marvelously successful way.

I have no criticism along that line to make of it. But I do not mean to say by that—and I do not think any of us do—that it is not possible for the board to err at some time. I do not subscribe to the doctrine that it is wrong, or even improper, for Members of the Senate, or for the Senate as a body, or Members of the House or the House itself, to give its or their own suggestions to the board. I think it ought to be an advantage to the board to have suggestions from the body that created it. I see no reason why those suggestions should not come. I can not imagine why the board should object to these suggestions.

Along that line, I want to call attention of the Senate to the time when the Federal Reserve Board required that all loans should be made at the legal rate of interest in the State where the money was loaned. For instance, Tennessee has a rate of interest of 6 per cent, and under directions from the Comptroller of the Currency no bank in Tennessee was permitted to make a loan at a greater rate of interest than 6 per cent. Now, the Federal Reserve Board, while requiring loans at 6 per cent as a policy for the banks under its direction, has instituted new arrangements by which a larger rate than that is in many instances charged by the Federal reserve banks themselves. In other words, the Federal Reserve Board is violating its own rules as to interest charges, and in a sense has become a usurer. For instance, I am told by reliable bankers in the city of Memphis, my home city, that they have been charged and have paid to the Federal reserve bank as much as 12½ per cent as interest for loans made by the Federal reserve bank to that particular bank. This charge is made under the deflation policy established by the board. I do not mean to say that this policy of deflation is not for the best interests of the country. I think there is no serious difference of opinion about that. We could not keep on, as the Senator from Virginia [Mr. GLASS] so well expressed it a while ago, at a 45 degree angle. We all realize that. There must be a brake applied, but under the particular facts in the case I have mentioned, where a bank was given, say, $1,800,000 as its line of credit at 6 per cent, and then it had to pay a larger rate on the next $300,000, and on the next $500,000 at a still larger rate, and so on, and if it borrowed more money of the Federal reserve bank it continually increased the rate until in one case I know it to be the fact that the rate charged was 12½ per cent. I think this is an unwise policy at this time or at any time. I do not believe it is necessary.

That puts us in the anomalous position of having the Federal Reserve Board require that banks in my State should lend their money out at a rate of interest not exceeding the legal rate, which is 6 per cent, and of itself lending money to these very banks, in some instances and in the manner which I have stated, at 12½ per cent. Of course, no bank could live under that rate of interest. It is quite a hardship upon banks. I say that not in any criticism; I say that merely in order that the Senate may have the facts about it, so we may advise together and with the board, not in a spirit of hostility, not in a spirit of criticism of this great institution—the Federal Reserve Board—but so that we may advise together and consult together and see if we can not do something to better existing conditions.

Mr. SMITH of South Carolina. If the Senator will allow me, speaking about that 12½ per cent, I presume that that was under the operation of an amendment passed here in April, 1920, that gave the Federal Reserve Board power to graduate and progress the rate after a bank had rediscounted a certain extent of its capital and surplus?

Mr. McKELLAR. That is true.

Mr. GLASS. Mr. President, does not the Senator also know that that rate was not an accommodation rate, but a penalty upon unwise banking?

Mr. McKELLAR. I do not understand it in that way. I understand that the Federal Reserve Bank of St. Louis, for instance—I will not call the names of banks in my State—announced to the particular bank I have in mind that it could have a line of credit of $1,800,000 at a rate of 6 per cent; that if they got $500,000 more—and I do not mean to be accurate about the amounts as they progressed upward, but, say, $500,000 more—they would pay 7 per cent; that if they got $300,000 additional they would pay 8 per cent, and so on, until this particular bank, which is one of the strongest financial institutions in my State or in any other State, had to pay as much as 12½ per cent for money that it was compelled to loan in order to do the business with which it was confronted by its customers.

Mr. GLASS. That was the universal rule; it was not peculiar to the Senator's State.

Mr. McKELLAR. I can not say as to that. In another State I heard of a loan at 18 per cent.

Mr. GLASS. And it was done, as the Senator from South Carolina [Mr. SMITH] has said, under the amendment to the Federal reserve act which Congress deliberately and considerately passed in order practically to restrict—and I might almost say to penalize—banks which made loans so far in excess of their actual resources. It is somewhat akin to the provision of the Federal reserve act which puts a penalty upon the Federal reserve banks which default in their reserve requirements. It is not a commercial accommodation, but a restriction, and the Federal Reserve Board and the Federal reserve banks would be very much obliged by member banks refusing to ask for rediscounts on a basis of that kind.

Mr. McKELLAR. I understand that all that the Senator says is correct; I am not disputing that.

Mr. DIAL. The same rate applies to all banks in the same district on the same kind of paper.

Mr. McKELLAR. Yes; except as to those who exceed their quota or limit, of course. It is a uniform rule upward, as I understand it, the rate depending upon the amount borrowed above the limit first fixed.

Mr. GLASS. The Senator understands that if that were not done, banks which do not exceed their limit would be placed at a very great disadvantage.

Mr. McKELLAR. I understand the situation and the motive for the law; its purpose is good; there is no trouble about that; but it puts the Federal Reserve Board in this remarkable atti-

tude, that that board which for nearly six years of its history has made this requirement and in some cases has threatened to penalize and perhaps has penalized banks—I do not know that it has penalized them, but I do know there have been threats of it—for loaning money at over 6 per cent interest under this graduated system, this sliding scale of credits, the Federal reserve bank is making it impossible for the local bank to charge merely the legal rate of interest in its particular State; otherwise it would go out of business; for, of course, it would be impossible for it to continue in business under such circumstances.

It does seem to me that when we passed this law and gave this authority we expected a reasonable interpretation of the power to raise interest rates, and I say this not in a spirit of criticism. The practice, however, seems to have gone beyond the limit which we had any reason to expect. Previously the Federal reserve banks had been loaning money at 3 and 4 per cent. I do not think any of us contemplated—I know I did not when I voted for the bill—that the Federal reserve banks would be lending money to member banks at any such rate as 12½ per cent under any circumstances. I can hardly conceive that anyone could believe that we intended such an authority, and I doubt if any of us felt that it would be done by the board.

It seems to me to be of vast importance that this body at this time should fairly and frankly discuss these matters openly in the Senate and among ourselves and advise with the Federal Reserve Board, not in a spirit of criticism, for I think that there is not a Senator on this floor, on whichever side he is, whatever may be his views about banking, who does not believe that the Federal Reserve System is one of the greatest systems in the world; we do not want to change it; we do not want to hamper it; but we want to uphold in every way we can the men in charge of it. I not only concede but I take the greatest pleasure in saying that they are doing the very best they can; they are doing a wonderful work; but I do not mean to indicate by that that they are infallible. I think that these interest rates might well be lowered. We might well accomplish what they are undertaking to accomplish—that is, to deflate the credit conditions of the country, to check them, because they ought to be checked—and I believe that if the matter were handled in a little different way by cutting out all speculative loans and loans were permitted for productive, commercial, agricultural, and industrial purposes at a reasonable rate of interest we should have all the money which is necessary for proper purposes. Some method ought to be found to check these speculative loans of the country. There seems to be now no effective checking of speculative loans. I believe it would be better for the whole country to center its attention upon the checking of speculative loans rather than checking agricultural, commercial, productive, and industrial activities.

Mr. DIAL and Mr. KING addressed the Chair.

Mr. McKELLAR. The Senator from South Carolina rose first, and I will yield to him, and then I will yield to the Senator from Utah in just a moment.

Mr. DIAL. I merely want to keep the record straight. I will ask the Senator from Tennessee if before the Federal reserve bank act was passed it was not the law that a national bank could not borrow any more than an amount equal to its capital and surplus?

Mr. McKELLAR. That was true.

Mr. DIAL. That was true at that time. Now, let us consider the rate of interest. It was graduated according to the amount of the borrowings. Some of the banks have since borrowed six times the amount which they could originally have borrowed?

Mr. McKELLAR. Yes.

Mr. DIAL. In fact, I heard of one bank that borrowed forty times the amount which it could originally have borrowed. Now, does not the Federal reserve banks merely charge the higher rate of interest for such unreasonable accommodations, and is it not better for a majority of banks to have a graduated schedule and a higher rate under such circumstances?

Mr. McKELLAR. I agree with the Senator about that; but I have heard—I do not say with assurance that my information is correct; it is merely hearsay; I think I saw it in a newspaper or it may be that some banker told me—that in the Kansas City district one bank paid as high as 18 per cent for money. However, I think any such rate of rediscount as 8 per cent or 10 per cent or 12 per cent is a matter beyond the realm of what that bank ought to pay. That is my opinion. I may be incorrect about it, but I think it is well for us to talk it over. I understand the second section of the joint resolution is to be amended by inserting the words "a reasonable rate of interest" instead of "the lowest possible rate of interest." I do not see any objection to some expression of that sort, showing the desire of this body to be reasonable in its interpretation of the penalty clause which we incorporated in passing the sliding scale to which reference has been made.

Mr. GLASS. Mr. President——

Mr. McKELLAR. I yield to the Senator from Virginia.

Mr. GLASS. I simply wanted to say to the Senate that I had occasion to make personal investigation of the Kansas City charge. The bank there from which that rate of interest was exacted had extended credit beyond all reason; as I recall, it had loaned eight times its capital and surplus, and I doubt very much whether the Federal Reserve Board should have rediscounted its paper at all. It seems to me the bank should have been closed.

Mr. McKELLAR. I think that where a bank is required to pay such a rate of interest as 18 per cent for rediscounting its paper, surely the Federal reserve bank ought not to lend that bank money at all. I think to refuse a loan rather than charge 18 per cent would be a very sensible thing to do, but for the Federal reserve bank to take advantage of a member bank that is borrowing to that extent by charging it the enormous rate of interest of 18 per cent seems to me not sound banking policy, although I am not an expert banker and do not claim to be. It savors peculiarly of usury to me.

Mr. GLASS. The reserve board was not taking advantage of the concern; it was helping the concern after satisfying itself that it might pay out. I very much doubt whether it even should have done that.

Mr. McKELLAR. I not only doubt it, but I say it ought not to have done it, because I think that is the usual plea of all usurers, namely, "I am just helping the borrower out"; but the law steps in and says that he can not lend money to a borrower at any such rates of interest. The Federal reserve bank, however, is permitted to go beyond that and charge a sliding upward scale of interest rates that are distinctly usurious in their nature.

Mr. DIAL. They do not want to lend it to anyone else at any such rate. I looked into some of these excessive loans, and my information was that in such instances the bank was overloaded with Government securities or some such class of securities, and that the Federal reserve bank, of which it was a member, did not want to turn it down, and, therefore, as an accommodation to that bank let it have the money under the circumstances and not because they wanted to lend them the money.

Mr. McKELLAR. I can only say about the bank in the city of Memphis which I have in mind that there is not a more solvent institution in the country. It is one of the great money-making institutions of my State; it has been marvelously successful, and is one of the most stable institutions not only in my State but in the country. However, it had to pay for a portion of its money in interest at that rate in the way I have stated, as much as 12½ per cent, and I do not believe any system or policy that would penalize a bank under such circumstances is exactly right. I do not mean by that to criticize the Federal Reserve Board or the Federal Reserve System because of this injustice as it seems to me, but I am merely calling attention to it with the hope that that particular arrangement will be modified, and the policy corrected by the Federal Reserve Board.

Mr. KING. Mr. President——

Mr. McKELLAR. I yield to the Senator from Utah.

Mr. KING. In citing the case from Kansas City to which the Senator has just referred, does he not impliedly criticize the Federal Reserve Board because they granted too great credit to that bank?

Mr. McKELLAR. Not the board; but I imagine that the Federal reserve bank of that district, as the Senator from Virginia [Mr. GLASS] intimated a while ago, acted rather unwisely. I would have thought so if I had been a member of the board, and if the institution were in that kind of a condition I would not have agreed to the loan at all.

Mr. KING. Will the Senator pardon me again?

Mr. McKELLAR. I yield.

Mr. KING. As I understand the Senator's discussion, he concedes the necessity of member banks maintaining a proper gold reserve?

Mr. McKELLAR. Oh, of course.

Mr. KING. And he concedes, of course, that loans should not be in excess of sound banking, and that sound banking must be predicated upon a proper gold reserve?

Mr. McKELLAR. Yes.

Mr. KING. Now, does not the Senator know that the Federal reserve banks have gone to the extreme in extending credit, so that now in the United States the reserves of many of the

banks are below the legal requirement, and, indeed, all of the banks are perilously approaching that condition?

Mr. McKELLAR. I do not so understand it. I understand that we are considerably above the limit of a proper gold reserve.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me——

Mr. McKELLAR. I take pleasure in yielding.

Mr. SMITH of South Carolina. The Comptroller of the Currency and the governor of the Federal Reserve Board made the statement that there was gold available for the issue of further credit, in addition to that outstanding, of $2,000,000,000. That statement has gone unchallenged; and surely if the Comptroller of the Currency does not know what he is talking about, some of the others that we are alarming so greatly may not know what they are talking about.

Mr. KING. Of course, I am not in a position to challenge the accuracy of the statement of my friend.

Mr. SMITH of South Carolina. It is printed, and I think I can get a copy of it and lay it before the Senator. It is contained in an official statement of the Comptroller of the Currency this year, as late as October, as I remember—that there was available in gold reserve a sufficient amount to issue $2,000,000,000 more of circulating securities in addition to those we already have. Now, if the Senator will allow me, I do not think he will contend that the member banks have got to retain the 40 per cent of gold in reserve. There has got to be 40 per cent to redeem outstanding Federal reserve notes of the reserve banks, and yet they can go below that under a tax. The law provides that they may suspend it for 30 days and repeat the suspension if the condition of business justifies it.

Mr. KING. I express no opinion as to the amount of reserve which must be held by the member banks. I should have some doubt about the statement attributed to the Comptroller of the Currency that there was that much gold available upon which to predicate further issues; but that is not the point upon which I want to interrogate the Senator. I want to ask the Senator from Tennessee if it is not a fact that to-day any member of the Federal reserve banking system that has proper reserves, that has not extended and expanded its credits beyond what is safe and sound banking, may go to the Federal reserve banking system and get rediscounts for farm purposes or for any legitimate purposes?

Mr. McKELLAR. That is not my understanding. My understanding is that the Federal reserve banks in the several districts rate the various member banks in those districts, and, for instance, say that bank A in Memphis shall have a line of credit of $2,000,000 at 6 per cent, and then increases the rates on up for additional loans; bank B, a line of credit of $1,500,000 at 6 per cent, and then increases the rates on up for additional loans; but none of them get it for any less than 6 per cent, as I understand, now.

I am not sure that this automatic raising of the interest rates, this very large raising of the interest rates, is the wisest thing to bring about deflation. It seems to me that the better way would be to cut out speculative loans, which could be easily done, and after that is done there will be plenty of money for agricultural and industrial and commercial purposes, which means the business life of our country.

For that reason, Mr. President, I intend to vote for the second provision here as amended, for these reasons: In my judgment it constitutes no criticism of the Federal Reserve Board. This body aided in creating the Federal Reserve Board. Surely we may advise with them; we may give them our views about it. We do not require them to do anything. We merely give them these suggestions. Unless members of the board take the position that on financial matters they are infallible, and that no one else has any right or knowledge on the subject, they will not be offended by what we are honestly and faithfully doing in our service to the people.

It does strike me that under those circumstances it should not be considered by anyone that this is a criticism of the board. I surely do not intend my vote to be a criticism of the board or of the system, because I am one of its stanchest supporters and have been from the beginning. But I shall vote for this resolution because I think it is a wise and proper measure at this time.

Now, Mr. President, I want to refer for just a moment to this proposition in aid of the present situation so far as agriculture is concerned.

I understand that the farm loan act is held up or has been held up for many months by a lawsuit that is now pending in the Supreme Court of the United States. Of course, that lawsuit can not be hurried. Nothing can be done until it is decided. It is very unfortunate, it seems to me, that the farm loan act is held up by a lawsuit, but when a lawsuit comes we have to look it squarely in the face and take the consequences. I hope I am not trespassing upon the rights or privileges of a coordinate branch of the Government when I say that I hope that court will soon pass upon the question, because should it be passed upon favorably it will tend very greatly to relieve the present situation. If unfavorable, we might be able speedily to correct it. The farm loan bank is of the greatest advantage to the farmers of my State, and if the system were in operation now it would tend to relieve to a very great extent the conditions which exist in my State and in all the other agricultural States. I do not know whether or not we can do anything with it until that opinion comes in, and it is just one of the things that we will have to wait on. I hope it may come in soon.

Mr. President, I wish to offer here a copy of a report made on the War Finance Corporation amendment filed in March, 1919:

SECTION 9.—AUTHORIZATION OF LOANS BY WAR FINANCE CORPORATION TO ASSIST IN THE EXPORTATION OF DOMESTIC PRODUCTS.

This section authorizes the War Finance Corporation to make loans to exporters and to banks, bankers, and trust companies until one year after the termination of the present war to assist in the exportation of domestic products. Because of exchange conditions, thereby necessitating some of the foreign governments putting restrictions upon our exports to them, as it is claimed, it is believed that this provision will materially help our industries in their production during the transition period and to maintain their export business.

This section authorizes the War Finance Corporation to make advances, for periods not exceeding five years, direct to any exporter engaged in the export business in the United States, if in the opinion of the board of directors of the corporation he is unable to obtain funds upon reasonable terms through banking channels.

Any such advance shall be made only for the purpose of assisting in the exportation of such products, and shall be limited in amount to not more than the contract price therefor, including insurance and carrying or transportation charges to the foreign point of destination if and to the extent that such insurance and carrying or transportation charges are payable in the United States by such exporter to domestic insurers and carriers. The rate of interest charged on any such advance shall not be less than 1 per cent per annum in excess of the rate of discount for 90-day commercial paper prevailing at the time of such advance at the Federal reserve bank of the district in which the borrower is located.

This section also authorizes the corporation to make advances for not to exceed five years to any bank, banker, or trust company in the United States which after this section takes effect makes an advance to any exporter for the purpose of assisting in the exportation of domestic products. Such advances are to be limited to not to exceed the amount remaining unpaid of the advances made by the bank, banker, or trust company to the exporter for the purpose of exporting domestic products.

The corporation can not have outstanding under this section and unpaid at any one time advances in excess of $1,000,000,000.

The corporation at the time of making any advance must require the promissory note or notes of the borrower, together with full and adequate security in each instance by indorsement, guaranty, or otherwise. It shall also retain power to require additional security at any time. Authority is also granted the corporation to extend the time of payment of any advance through renewals or the substitution of any obligations or otherwise, but in no case can it extend the time for payment of the advance beyond five years from the time the advance was originally made.

Under the original act the War Finance Corporation is only authorized to make loans for the purposes set out therein until six months after the termination of the present war. This bill does not change that limitation, but gives the corporation the power to make loans until 12 months after the termination of the war only for the purposes of assisting in the exportation of our domestic products.

In the discussion Friday much emphasis was laid on the fact that under this amendment over $46,000,000 of business had been done up to the time of suspension. This proposition is effectively answered by the following testimony taken from pages 21 and 22 of Mr. Meyer's testimony:

Mr. LAZARO. I was asking whether he considered that the only remedy.

Mr. MEYER. I say it would be one remedy.

Mr. LAZARO. Can you think of any other remedy?

Mr. MEYER. I prefer to answer that question later, if I may. The business we were considering at the time we suspended operation amounted to $100,000,000. Naturally we wanted to issue the corporation's bonds to raise the money, but there was no occasion to do it on account of suspension. For instance, a loan of $8,000,000 was made to a group of banks in various parts of the United States for the purpose of financing cotton exports, and the banks in turn had the security of a syndicate of all the important spinners of Czechoslovakia, guaranteed by the seven largest banks in Czechoslovakia, and the whole indebtedness in turn was guaranteed by the Government of Czechoslovakia.

Under more or less similar arrangements the War Finance Corporation financed the export of $12,000,000 of wheat to Belgium and $5,000,000 of condensed milk to various countries in Europe. At the time that it was requested by the Secretary to suspend financing exports it had applications involving the export of $17,500,000 of copper, $2,200,000 fabricated steel to Italy, $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky, $4,000,000 cotton to Czechoslovakia for a large southern exporter, $25,000,000 cotton to Czechoslovakia for a group of southern bankers, $3,000,000 for cotton to Italy by a group of bankers, $9,000,000 by a group of bankers for export of cotton to Italy, $24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States, $2,400,000 by a group of bankers for coal to Italy, $4,000,000 by a group of bankers for cotton to Italy, $4,000,000 for ships to be bought or constructed in this country for Italy; in all,

$100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

These are not repetitions; they are separate applications, although they sound in some cases the same. In addition to these definite propositions, various other negotiations were under way for further extensive loans which no doubt would have materialized in large financing of exports of various kinds of American products.

Mr. President, I have another matter. I introduced a day or two ago an amendment that I want to offer to amend section 3 of this act. That amendment is very brief. It is as follows:

That factors' paper with cotton or other staple agricultural products as collateral shall be eligible for rediscount in Federal reserve banks.

Mr. President, I offer that now as an amendment. The purpose in offering that amendment is that under the original Federal reserve act I find these words, on page 25, under the powers of the Federal reserve banks. It describes the paper upon which they may lend, and I quote as follows from that page:

Upon the indorsement of any of its member banks, which shall be deemed a waiver of demand, notice and protest by such bank as to its own indorsement exclusively, any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions; that is, notes, drafts, and bills of exchange issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes, the Federal Reserve Board to have the right to determine or define the character of the paper thus eligible for discount, within the meaning of this act. Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products or other goods, wares, or merchandise, from being eligible for such discount; but such definition shall not include notes, drafts, or bills covering merely investments or issued or drawn for the purpose of carrying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States.

Mr. President, to my mind that clearly includes what is known as cotton factors' paper. It has been construed to be a part of that power from the passage of the act down until a few months ago, when this deflation process began. That paper of factors has been made, discounted in the bank, and rediscounted in the Federal reserve bank. It is known as commercial paper with bills of lading of cotton attached.

Now I want to explain to the Senate, as I did in part awhile ago, just what that means, and just what that system of bank business is.

Cotton factors usually have the designation of "commission merchants" attached to them; for instance, "W. A. Gage & Co., cotton factors and commission merchants." I will just take them as an illustration. They have been in business for many years, perhaps half a century, in the city of Memphis. In the spring of the year they lend money to the farmers to grow their crops. They lend it to them from time to time, taking mortgages on their crops and such other property as the farmer may have that they regard as good security. They lend the money from time to time as the crop is in the process of being made.

In the summer or at the beginning of the early fall, when the cotton begins to be gathered, they lend more money in order to pay for the gathering of the crop. When it is gathered they have to pay the ginners, and then the marketing of the crops, the hauling of the crops to the city where the factor is located. Now, when that cotton begins to come in in the fall, the factor under this law and under well-established custom has been in the habit of taking the warehouse receipts for the cotton and attaching them to his paper and going to the bank and discounting it for the purpose of loaning that farmer other money to gather and market the remaining portion of the crop. If there ever was a business which came directly within the purview of this act, this cotton factors' business does come within the purview of the act. The cotton under these circumstances is treated by the farmer and the factor substantially as the factor's cotton. Always before he has been able to borrow money on it; and yet the Federal Reserve Board recently singled out this particular business, and said: "We will rediscount no more cotton factors' paper"; that they would only rediscount it when the farmers themselves made the notes and sent them to the factor, and the factor would then indorse the notes, and they must have the indorsement of the farmers.

That is an impracticable business. It can not be done in more than a very few cases; and the result has been that this great line of business, which has probably been instrumental in producing the greater part of the cotton crop, has just been denied credit at the banks. That is what it means.

Under those circumstances, I do not think it is a criticism upon our part at all, but that it is merely expressing our view to the board, to say that this particular paper is eligible for discount and should be eligible.

Mr. DIAL. Mr. President——

Mr. McKELLAR. I yield to the Senator from South Carolina.

Mr. DIAL. The trouble about that is this, is it not: How are you going to determine what interest the factor has in that cotton? It does not belong to him, except to the extent of the advancement he has made. You would have to safeguard that in some way, would you not?

Mr. McKELLAR. That could be safeguarded without any trouble. It has been safeguarded through all the generations. I know it was a common practice when I was a boy, because I was a farmer, and borrowed money in that way; and it has been a practice ever since, to my certain knowledge. There never has been the slightest question made by the Federal reserve bank until this system of deflation began.

Under those circumstances, it seems to me it was an unwise proceeding; and, with all due respect to the Federal Reserve Board, I think it is an unwise proceeding that a start should be made upon the men who deal with the farmer and who aid him in producing his crops. The farmer should have every facility for obtaining money when his security is good.

Mr. President, the result of this holding has been that cotton factors have either been injured and their customers, or many of them, ruined, or they have been forced to sell their cotton for anything they could get for it in order to obtain the money to pay back the loans that had already been made. The holding of the board has constituted an unlawful invasion of the rights of one class of our citizens. It has had a most depressing effect upon the price of cotton, and it has forced into great distress many institutions and individuals who have furnished the moneys to produce, gather, gin, and market these cottons, and the farmers for whom they acted have been greatly injured.

Mr. DIAL. Mr. President——

Mr. McKELLAR. I yield to the Senator.

Mr. DIAL. I think these people should be allowed to borrow to the extent that they have advanced money; but the law in the Senator's State perhaps would not allow them to borrow on the margin that did not belong to them.

Mr. McKELLAR. Of course, no direction is given in my amendment. It merely says that that paper shall be eligible for rediscount; that is all; and it seems to me that unless we want to single out one of the great aids to production in this country and say that it shall not be entitled to credits, after the Federal reserve act specifically gives them the right, it ought to be done. That is the way it seems to me, and I hope the Senate will look at it in the same way and agree to the amendment.

The amendment I have offered is as follows:

That factors' paper, with cotton or other staple agricultural products as collateral, shall be eligible for rediscount in Federal reserve banks.

Mr. President, I do not desire to take the time of the Senate further. I merely ask that my amendment be voted on at the proper time. I also ask unanimous consent to make a part of my remarks a resolution from the Tennessee Cotton Seed Crushers' Association and certain letters referring to the subject under discussion.

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Without objection, permission is granted. The Chair hears no objection.

The matter referred to is as follows:

TENNESSEE COTTON SEED CRUSHERS' ASSOCIATION,
Memphis, Tenn.

Whereas the economic condition of the United States of America to-day is sound, but due to the contraction of credit and the absence of exports there is much distress to agriculture, labor, and commercial interests, with general stagnation of business; and

Whereas the welfare of the entire agricultural and industrial life of the country is seriously threatened by the low prices that now prevail for all farm products; and

Whereas the edible oil mills of the United States, which convert the raw material into finished products and distribute them in this country and abroad, should continue to operate in order to provide a ready market to the farmers for their products at fair and remunerative prices and assure the necessary supply of edible fats, cattle feeds, and fertilizers to the country; and

Whereas the representatives of the edible-oil-mill industry of the United States, at a called meeting held at New Orleans this 29th day of November, 1920, having carefully discussed all phases of the situation, do, therefore

Resolve, That the Congress of the United States be urged to proceed in the proper and most direct way, immediately on being convened in December, to direct the following departments of the Government to perform those duties for which they were created, to wit:

First. That the Secretary of the Treasury restore the War Finance Corporation immediately and restore to that corporation the assets it possessed previous to its disbandment.

Second. That the Shipping Board reduce all ocean freight rates to conform to conditions now existing and extend every possible help to American exports.

Third. That the Federal Reserve Board be urged to reduce its discount rates and extend credits in the present emergency.

Fourth. That the Department of Commerce be directed to use every facility of the Government to assist in marketing the surplus agricultural and industrial products of this country at home and in foreign countries.

MEMPHIS, TENN., *December 4, 1920.*

Senator KENNETH MCKELLAR,
Washington, D. C.

DEAR SIR: We, as well as virtually all the other cotton factors in this city, were caught with a large stock of last season's discolored cotton, a very small percentage of which was considered bollies, or real low cotton; therefore most of this cotton would be classed as from low middling to strict middling, much of which is only slightly discolored by the weather.

It is true that we had a little demand for this kind of cotton even up until this fall, and the buyer was able to fill his orders at most any price which he might offer; therefore we hardly see how we could be blamed for the carry-over.

This fall's receipts began to sell for about 22 cents on our market, and down now to 15 cents and 15½ cents for pretty white cotton; off grades are selling for 8 to 12 cents, and cotton seed are selling for $20 a ton.

At these prices you must know that the merchants and cotton factors' collections for advances to make this crop would be extremely small—seldom more than 25 to 50 per cent, and in many cases even nothing after the rent is paid, and in most all cases their only security are mules, wagons, and farming implements, which, if forced on the market, would not bring 25 per cent of their value the first of this year.

We will admit that our banks are helping us carry over the large stock of old cotton, but are continually calling for a margin as the price declines, for which we could not complain, and are continuing to put up as long as we have any security, which is now about exhausted.

It is hard to get in more of this year's crop than barely enough to pay the interest on renewals and rents, and consequently we are gradually bleeding to death.

It might have been necessary for the Federal reserve banks to have increased the rate of interest in order to have stopped the inflation, but it does seem that the thing has gone far enough, and that they could afford to reduce their rate so that our banks and trust companies could lighten up on their interest; a few exceptions, however, but we are still paying on very many of our loans from 7 to 8 per cent.

We know that you are interested in our behalf, and hope that you Senators will have no trouble in having something done for our relief, such as the reestablishment of the War Finance Board, and even more than this, if possible. We need immediate relief; I do not see how we can wait until after next March.

If there is not a market opened up for our product somewhere and better prices obtained soon, the wreck to the most conservative business men of the South will be terrible.

Hoping that you appreciate the situation and will lose no time and spare no effort on your part in securing relief.

We beg to remain,

GEO. T. WEBB & CO.,
By GEO. T. WEBB.

PHOENIX COTTON OIL CO.,
Dyersburg, Tenn., December 3, 1920.

Hon. K. MCKELLAR,
Senate Chamber, Washington, D. C.

DEAR SIR: This is to advise that a large number of the managers of the cottonseed oil mills from all the Southern States met in conference in New Orleans to discuss the serious conditions of their trade, due to the general business and industrial depressions and lack of an export outlet for products.

It was the sense of the meeting that present prices of cotton seed and cottonseed products are much below the cost of production. Many oil mills have already closed and others are forced to consider taking similar action.

In an effort to relieve the present deplorable situation, the following resolutions were unanimously adopted:

Whereas the economic condition of the United States of America to-day is sound, but due to contraction of credit and absence of exports there is much distress to agriculture, labor, and commercial interests, with general stagnation of business; and

Whereas the welfare of the entire agricultural and industrial life of the country is seriously threatened by the low prices that now prevail for all farm products, which prices mean irreparable loss to the producer; and

Whereas the edible oil mills of the United States, which convert the raw material into finished products and distribute them in this country and abroad, should continue to operate in order to provide a ready market to the farmers for their products at fair and remunerative prices and to assure the necessary supply of edible oils, fats, cattle feed, and fertilizers to the country; and

Whereas the representatives of the edible oil milling industry of the United States at a called meeting held at New Orleans this 29th day of November, 1920, having carefully discussed all phases of the situation, do therefore

Resolve, That the Congress of the United States be urged to proceed in the proper but the most direct way immediately on being convened in December to direct the following departments of the Government to perform those duties for which they were created, to wit:

First. That the Secretary of the Treasury restore the War Finance Corporation immediately and to restore to that corporation the assets it possessed previous to its disbandment.

Second. That the Shipping Board reduce all ocean freight rates to conform to conditions now existing and to extend every available assistance to American exports.

Third. That the Federal Reserve Board be urged to reduce its discount rates and extend credits in the present emergency.

Fourth. That the Department of Commerce be directed to use every facility of the Government to assist in marketing the surplus agricultural and industrial products of this country at home and in foreign countries.

Your efforts in helping to relieve the condition will be appreciated.

Yours, very truly,

D. W. MESS.

TENNESSEE BRICK & TILE CO. (INC.),
Dyersburg, Tenn., December 1, 1920.

Senator K. MCKELLAR,
Senate Chamber, Washington, D. C.

DEAR SIR: I am quite sure you to some extent are familiar with the general financial conditions of your people, but am of the opinion that it is even more serious than you have yet realized; therefore urge you to use your influence in the Senate to give us some relief.

All classes of business are embarrassed financially to the capacity, including jobbers, manufacturers, retail merchants, and farmers, none of them being able to meet debts due, much less those soon to mature.

I have had experience as an office man and manager of business for over 30 years, passing through panics of 1893, 1903, 1907, and 1914, and have never experienced anything to equal this.

There is a feeling among the more intelligent class that this could have been avoided by the Federal reserve bank not deflating the currency to so great an extent and the continuance of the War Finance Corporation.

There is a general hope that when Congress reconvenes they will demand that the War Finance Corporation shall again be made to function and that Congress will demand that the Federal reserve bank lower the rates of interest, so as to save the business interests of this country from bankruptcy.

Knowing that you are deeply interested in the welfare of your people and desire to serve them in a way most acceptable to them, will say that I know a Congressman or Senator that will put forth his best efforts along this line will be greatly appreciated.

Assuring you that I appreciate your past record as a representative and feeling confident that you are willing to accept advice from your constituent and that you will do all you can to relieve things, I am,

Yours, very truly,

C. C. MOSS,
Secretary for Above-named Company,
President and Manager Baker-Watkins Supply Co.

Mr. RANSDELL. Mr. President, I will detain the Senate but a few moments. I am decidedly in favor of this joint resolution, Mr. President, but there has been so much said about it already that I shall not attempt to analyze it further. The amendment suggested by the Senator from Nebraska [Mr. NORRIS] is entirely satisfactory to me. I believe it puts the second section of the joint resolution in better form, and I shall gladly support it.

I wish first to read a telegram from the New Orleans Cotton Exchange, dated New Orleans, La., December 8, and addressed to me here:

The New Orleans Cotton Exchange earnestly requests your assistance in bringing about such action through executive or legislative intervention as will accomplish the reinstatement of the War Finance Corporation for relief and restoration of commerce to normal lines. We are not asking governmental assistance to hold cotton or other produce for speculative purposes or to force higher prices upon consumers who have equal rights with trade and producing interests. We contend, however, that justice and equity demand that the National Government, which financed trade movements for foreign nations during the war to the extent of many billions of dollars, should aid in fostering and clearing the channels of American trade sufficiently to enable us to sell to others and to enable others to buy from us the produce which is clogging our trade avenues. If the people are to continue payment of taxes for the support of the Government and liquidation of interest on our national debt they can only do so through the maintenance of trade relations which have been rudely shattered by the course of foreign exchange and the drastic collapse of values of all kinds. The problem which confronts us is beyond the ability of individual enterprise, calling for joint action which can only be secured through Government intervention. We ask that intervention for the restoration of normal conditions through which production may be maintained on natural lines and values may reach a proper level based upon a world-wide law of supply and demand. We are convinced that only by such means may the interests of the Nation as a whole be subserved, and producers and consumers, employers and employees, be placed upon a just and equitable level. The South is nobly stemming the tide of adverse conditions. We ask only that the War Finance Corporation clear the obstructions from our trade. We will do the rest.

EDW. S. BUTLER, *President.*

Mr. President, the people of New Orelans to whom I have talked—the merchants, bankers, cotton men, and business men generally—believe that very great assistance in the marketing of cotton, the great crop of the South, will be given by the revival of the War Finance Corporation. Personally, I am very strongly of that opinion. I sincerely hope that Congress is going to pass, and pass quickly, the joint resolution providing for the revival of the War Finance Corporation, and expressing our opinion, as set forth in its second section, that the Federal Reserve Board should do everything possible to extend additional credits and lend money at cheaper rates if that extension of additional credits and cheaper money be consistent with sound banking; and that is as far as the joint resolution goes.

Mr. President and Senators, I wish to call the attention of the Senate to a very important proposition which has not been touched on here very much. The United States raises the principal portion of the cotton crop of the world. Fully two-thirds of the cotton of the world is produced in America. I know personally, because I am a cotton grower, that the present price of cotton is at least 50 per cent below the actual cost of production. On my own plantation I am sure that every pound of cotton raised by me this year costs me 60 per cent more than I could now sell it for.

Had it not been for the high prices prevailing for cotton during 1917, 1918, and 1919, there would be very great distress in the cotton sections of the South. The people of the South made a great deal of money last year and the year before. They were very prosperous when the year 1920 was ushered in. But their money has been spent. Never was there so expensive a crop as that of the current year. Wages were higher, food-

stuffs of every kind for man and beast were higher, farming implements of every kind were higher. The crop was very, very expensive, and now it is selling away below the cost of production.

Mr. President and Senators, if we do not get something like an approach to the cost of producing this crop, what is going to happen to the next crop? What will happen to the world if we do not succeed in making at least a reasonable crop of cotton next year? We must, as Senators, look farther than the ends of our own noses in considering a great question of this kind. We must look not only to the marketing of the crop of the current year, but to the production of the crop of 1921; and I say to you, sirs, in the most solemn manner, that in my judgment, unless some provision be made for the orderly marketing of this cotton—I am speaking particularly of cotton—at a price at least approaching its cost, the people of the South will not be financially able to make another crop. It is not what they would like to do, Senators, it is what they will be able to do.

There is no farm crop with which I am familiar—and I have been farming more or less all my life—that is anything like so expensive as cotton. I have heard it said frequently that it takes 13 months in a year to make a crop of cotton. I have myself often seen people picking in the fields the crop of the previous year when plowing the lands to begin the crop of the current year.

Cotton is a very expensive crop to make. It is made almost entirely by hand labor. Machinery helps very little in making the crop. You can plant it by machinery; you can break up the land by machinery; but when that is done you have told the whole story. You have to cultivate it by hand labor. You have to harvest it by hand labor.

Where the money will come from to make another crop I do not know. The banks are already loaded up. The commission merchants are loaded up. The farmers have spent what money they had, and they can not sell the crop they have now, even at the ridiculously low price at which it is quoted.

I think one of the functions of government, Senators, is to assist its citizens to find markets for their products; I do not say now, mind you, to find high-priced markets, but find markets for their products.

We have no markets now. You can not sell the cotton of the South. Even at the present quotation in the New Orleans market of 14¾ cents for middling cotton you can not sell it. I do not know what price would force it to sell. If it were put down to 9 or 10 cents a pound, speculators might be found who would buy it. But the mills are holding off from the market; they are paying no attention to it and buying only in very small quantities.

Let me read to Senators a very helpful article appearing in the Baltimore Manufacturers' Record of December 2, quoting from a great English spinner—mind you, an English spinner—located in England. He is a man who consumes the cotton of the South, and he tells the southern farmers to "hold on to their cotton like grim death." It is surprising for an English spinner to say that. I read just a few lines from this very able editorial on page 117 of the Record:

Some weeks ago we mailed to every cotton mill in America and to leading mills in Europe a pamphlet entitled "A Plea for the Cotton Growers of the South," in which are set forth some facts in regard to the cost of cotton raising and to the economic slavery in which the South lived for many years by reason of the low price for cotton. T. Haythornthwaite & Sons (Ltd.), English cotton manufacturers of Burnley, writing under date of November 8 to the Manufacturers' Record, say:

"We have received your booklet entitled 'A Plea for the Cotton Growers of the South,' dated September 9, 1920, and our Mr. W. Haythornthwaite has read it through several times with very great interest.

"The statement which you make and the information given is something entirely new so far as Lancashire cotton-cloth manufacturers are concerned.

"We have felt, like yourselves, the disability obtaining when buyers persistently hold off, and we have found that whenever the price of cotton shows a consistent rise from a low level to a high level the buyers of cotton and all the various kinds of textile goods from all over the world become very anxious to secure their season's supplies.

That is what they are doing now. The buyers of America and the buyers of England and the buyers of all the world are holding off. We can not sell our cotton because there are no buyers for it. The article continues:

"We can quite believe that the price of cotton shows a loss to the grower, and we are of the opinion that trade will not revive until the raw cotton begins to lift its head from the present very low levels.

"We are of the opinion that all the markets of the world require cotton goods in very large quantities, and we also believe they will not purchase until a rising market is in operation.

"Our experience has always shown that to have a large volume of trade confidence in the stability of prices must obtain.

"In February of this year cotton was quoted in Liverpool at 28.40d.; to-day the quotation is 14.50d., and in view of the rate of exchange the price, we consider, is very cheap.

"The solution to the whole position rests with your people as to their ability to hold the goods (cotton). Our advice is 'hold on like grim death.'

"Will you please forward us the average cost of growing cotton at your convenience?"

Here is an admission by one of the important cotton manufacturing concerns of England that it has been heretofore wholly ignorant in regard to the question of the cost of cotton growing in the South and the conditions under which the farmers of this section have had to live during the last 50 years by reason of the poverty prices of cotton. They take the very proper view of the situation that on a falling market people will not buy cotton goods, and that, though the markets of the world need vast quantities of cotton goods, they will not be purchased until there is a rising market.

Then follows a further most interesting discussion by this paper, which I will not take the time of the Senate to read.

Mr. President, the people of the South are going to hold on to their cotton until they can get some one to buy it. They can not make people come and buy it. They are obliged to hold on until some markets are open to them. The mills in this country are living from hand to mouth, manufacturing no more than they are absolutely obliged to manufacture to keep up with their orders; the mills of the Old World are buying practically none; and unless some help can be given for the orderly marketing of the cotton, not holding it for high prices, but the orderly, businesslike, sane marketing, during the course of the next six or eight months I predict, sirs, that there will be very little cotton made next year—not because the people do not wish to make it.

Speaking of myself, I do not know what else to make on my plantation but cotton, and I am in the same situation as many others. I would like to make it, but how am I going to furnish bread, meat, clothes, shoes, seed, and feed for live stock for all the people who live on my property and depend on me for everything unless I can get a little something for the cotton which I made this year and which is now locked up in a warehouse in New Orleans? It has not been sold, and if I were to try to sell it to-day I could not find a purchaser. You must help me and all others to market their cotton in an orderly way.

Is there any reason why a crop which takes 12 months to make should be marketed in 3 months? If we are working at it hard for 12 months in the making, why should we not market it during a period of 12 months? Yet the old rule has been to rush the cotton onto the market and force a sale of it within three months. There is no business sense in that.

All that the joint resolution looks to, and all that it expects to accomplish, is that we will assist export corporations, formed under the provisions of the Edge law, to export, in an orderly way, in a gradual way, the cotton of this country.

I hope that it is going to go up some in price; I sincerely hope so, but whether it goes up or not, when a demand comes from the countries of the Old World, when we have export corporations created and assist them in their financing by the War Finance Corporation, taking securities of the Old World, we will begin to ship the cotton. We will gradually get rid of it, and then we will have a little money with which to make and gather a new crop. I tell you, Senators, this question before you is a serious matter for the United States and for the world, in so far as it relates to cotton.

Now, just this thought to wheat and meat growing sections of the country. The South has not been a very large producer of meats nor of wheat. It has furnished one of the very best markets that the people of the West, the meat and wheat growing sections, have. I have often heard it said that the southern man raised the cotton, and that he had his storehouse or warehouse in the North and the West. There he goes for his oats, his wheat, his meats of every kind. To some extent the South is getting out of that position; to some extent it has been raising its own corn, its own wheat, its own oats, its own meat. Unless we get some help in handling our cotton, and continue to raise cotton, those of us who continue to live on the farms will devote a very large percentage of our ground to foodstuffs of every kind and sort. We will be compelled to do that. It costs much less to plant land in corn, oats, or hay for pasture and grazing hogs, sheep, and cattle than it does to plant it in cotton. One farmer can handle 40 or 50 acres in oats, corn, or hay, but he can not cultivate and harvest more than 10 acres in cotton in the Mississippi Valley, where I live, to save his life, and his wife and children have to help him then.

So, you see, unless we can get some help we are going to turn to other things—the things which have been engaging the farmers of the North and West—and our people, who have been their best customers, will become their competitors, as we will raise more of these things than we need for home consumption.

This question interests all of us. There is a selfish interest in it. We of the South are interested just as much as you of

the North and West are to see you get a good price for your wheat and meat, and you are interested to see us get a good living price, and no more than a living price, for our cotton. Senators, this is a matter of very great importance. I earnestly hope that without further delay the Senate will adopt the joint resolution.

Mr. HEFLIN. Mr. President, I did not intend to take part in the debate upon this very important and meritorious measure. I, with other Senators, was willing to remain silent in order to end the debate as soon as possible and pass the joint resolution, which we believe will carry a large measure of relief to the distressed farmers of the South and West.

The Senator from Connecticut [Mr. MCLEAN] referred to the testimony given by Gov. Harding, of the Federal Reserve Board, before the Committee on Agriculture and Forestry, and quoted him as saying that farmers of the South were trying to borrow money to enable them to hold cotton that they had been carrying for two and three years. I can not allow that statement to go unchallenged. The facts do not warrant anyone in saying that any considerable number of farmers are carrying cotton produced two years or even one year ago. I do not want the impression to prevail here or elsewhere that our farmers, merchants, and bankers, who are honestly and sincerely seeking financial aid in the marketing of this cotton crop so as to prevent tremendous losses are trying to deceive the public or work a "skin game" on the Government.

I do not know of but one farmer in Alabama who has on hand now any of the cotton crop produced in 1919, and he has only about 15 bales. I have only heard of three farmers in all of the cotton belt who still have some of the cotton produced in 1919. The fact is that crop has been consumed.

Mr. President, while I regard the Federal Reserve System as the greatest banking system ever written, I must say that, in my judgment, the Federal Reserve Board made a grave mistake in undertaking to bring about deflation as rapidly as it has.

We are now in the aftermath of a great World War, and in order to prevent disastrous losses in the business of agriculture and commerce, deflation must be brought about slowly and in an orderly way. The matter of deflation can not be accomplished in a brief period of time without producing disastrous results to the agricultural industry and other industries in the country.

Mr. President, I am anxious to reach a vote on the pending measure as soon as possible. I feel that there are Senators enough here favorable to this legislation to secure its passage, and I shall refrain from making any lengthy observations at this time. Quick action is what is needed now. Delay is dangerous.

To unnecessarily prolong the debate in the face of the urgent, crying need of legislative action would present a situation like unto one presented where a dwelling house is on fire and the inmates are crying for aid, and the fire engine is needed and ready to be used in extinguishing the flames, and some one should appear upon the scene and say that while he favored bringing out the fire engine and also favored extinguishing the flames he desired to submit a few observations as to how the engine should be brought out and how it should be used after it was brought out. The house would burn down in the meantime.

There are Senators here who, I am sure, do not understand the distressing condition of the farmers of the South and West. If they did understand the situation just as it is, I do not believe that there would be any hesitancy on the part of anyone in this Chamber in coming quickly to the relief of the farmers of our country.

Gov. Harding, of the Federal Reserve Board, is quoted as having said in a speech out in Indiana the other day that if the "farmers would be patient prices would adjust themselves." Mr. President, I am reminded of an experience that I had as a boy. In company with other small boys, we found an ox who had fallen into a bed of quicksand and he was trying his best to get out. Instead of going after somebody to get the ox out we stood and looked on while the ox and sand adjusted themselves. They did adjust themselves, but when the period of adjustment was ended the ox was dead. If Congress refuses to go to the aid of the farmer in this hour of his great distress and the prices of farm products are left to adjust themselves, the farmers of the South and West will be swallowed up in the quicksand of bankruptcy and ruin.

There is money in great abundance in the country, and it is the duty of the Government at a time like this to do the thing necessary to bring it out of its hiding place. If the interest rates are raised upon the people in the cotton-growing States, as was the case, from 4½ to 7 per cent, and the margin of profit was so small that banks were unable to handle the cotton, as they did when the rate of interest was, as in 1919, 4½ per cent, and because of that situation money went to New York, where the rate of interest on call money was more inviting, then it is the duty of Congress to direct the Federal Reserve Board to do the thing necessary to bring relief to the great agricultural industry of the country.

But, Mr. President, the suggestion is made that we ought not to instruct or direct the Federal Reserve Board as to just what we desire done to relieve agriculture at this critical time. Why not? Senators in this body voted for a bill which directed the Interstate Commerce Commission to permit the railroads to make 5½ per cent upon their investment, but when we undertake to get money for the farmer at a reasonable rate of interest in order to save him from financial ruin we are warned against the danger of such a course and told that we are undertaking to pass a piece of class legislation. I would remind Senators that the Interstate Commerce Commission has jurisdiction over pipe lines and other agencies of transportation and yet the Senate did not name a single one of them, but specifically pointed out in a bill that passed both branches of Congress that the Interstate Commerce Commission should permit the railroads to make 5½ or 6 per cent upon the money that they had invested.

Why are we not justified to-day in this body in directing the Federal Reserve Board to go directly to the rescue of farmers who are selling their products at prices far below the cost of production? Why not direct that board to give special attention and immediate relief so far as possible to a condition so desperate as that which confronts farmer, merchant, and banker in the agricultural regions of our country? There is testimony in the hearings before the Committee on Agriculture and Forestry to the effect that farmers in the West are selling their corn 44 cents per bushel below cost of production. Let me say just here that cotton at 15 cents a pound, the price now quoted, is 15 cents a pound below the cost of production. Do you think that it is fair and right to permit the farmers of the South and West to bear the brunt of all this slump in the price of their products? Do you not think it fair and just that we should recognize the fact that this dreadful and disastrous condition was brought about not by our farmers but by war?

All admit that the conditions from which they suffer were produced by a war for which they were in no ways responsible, Mr. President, but their boys had a great deal to do with putting that war down, and some of those boys sleep in France, where the poppies grow, and to-day their surviving comrades in the South and West are calling upon the great Government whose flag they followed when the life of the Nation was imperiled to see to it that the evil effects of that war shall not destroy the peace of mind and property of those they love. I went to New York a few days ago, making some inquiries into the cotton situation. I went upon the floor of the New York Cotton Exchange, and I saw them selling cotton down and down. A gentleman told me that Great Britain speculators in Liverpool were selling our market short, selling thousands and thousands of bales for the purpose of beating down the price of cotton so that they could get it and sell it to Germany for more than a dollar a pound in German money.

Is the American cotton producer to be pillaged and plundered in this fashion by cotton speculators in a foreign country while our own Government sits by and winks at the gruesome game? Senators, in 1919 our farmers received 40 cents a pound for cotton. The price was driven down in a few days to 30 cents a pound. Do you know how much loss the cotton farmers sustained on a 10,000,000-bale crop when the price fell from 40 cents to 30? It was a loss of $500,000,000 for the farmers in seven States to sustain. The manipulators did not stop at reducing the price to 30 cents, they broke it to 20 cents, and if cotton had been sold at that price our farmers would have lost $1,000,000,000. They did not stop there, they beat the price down to 15 cents, and that represented a loss of $1,250,000,000 which the farmers of the South would sustain if forced to sell at the ruinous prices now obtaining. Do you wonder that these farmers are crying out for deliverance from conditions that mean their undoing.

The grain growers of the West are suffering in much the same fashion. They owe money and those to whom they owe it are asking that their debts be paid. If they are forced to pay with produce selling under the cost of production they suffer tremendous financial losses.

Then what will happen? I will tell you what will happen in the case of cotton. Cotton is just as certain to go back to a price above 30 cents as we live and God reigns, because the farmers are not going to sell it at the low, destructive prices now being offered. As the Senator from Louisiana [Mr. RANSDELL] has said, they are going to hold it. When they hold it

the spinner at home and abroad has got to have it, sooner or later. The supply of both is nearly exhausted, and when they are forced to come into the spot market and buy the price is bound to advance.

What is happening? Suppose the farmer should have to sell this cotton now; what would he see later on? He would see the speculator who bought it at 15 cents a pound sell it in 90 days, maybe, for 30 cents and above. Why not aid him in obtaining a profitable price?

I wish to remind the Senators from the West—and they are supporting this measure very heartily, I am glad to say—that we buy mules from your people, and for the last year or two we have paid you $300 each for plow mules. If the price of cotton is beaten down to around 12 or 15 cents a pound, we shall not make 6,000,000 bales next year, and the price of mules will be less than $100, or around $100 each. So by destroying the purchasing power of the cotton producer you injure the mule business of the West. We buy meat from the West; we buy grain from the West; and it is hurting the people who produce mules, grain, and meat when we cut down the purchasing power and the debt-paying power of the South. That is not all.

The automobile business is hurt in the South, and every other business is hurt because the farmer, merchant, and banker are tied up hard and fast on account of the low price of cotton.

The Senator from New York [Mr. CALDER] told the Senate of the situation that he found in his recent tour through the South and West. He said that this call for the revival of the activities of the War Finance Board does not come merely from farmers, but comes from merchants, bankers, and business men.

Senators, I think that the psychological effect of the passage of the pending joint resolution will simply be marvelous. With $500,000,000 of capital to start with, and the ability to issue $3,000,000,000 more on top of that, the resumption of the functions of the War Finance Corporation is going to have a marvelous effect. What will it do? The men who are hiding their money in order to hold back until the price of cotton gets to the ground and the price of grain gets down to the ground and then buy it and hold on and make hundreds of millions of dollars will say, "Unlock that vault and let that money come out; these people can get money from the Government; they can get it from the War Finance Board, and we had better get back into the market." And they will. So we will have that aid.

Why not let it go out to the country that we have not only revived the War Finance Corporation but that we have instructed the Federal Reserve Board to lend all encouragement and aid possible to the farmers? I think that we need such a provision in the joint resolution, because the impression has gone forth that the Federal Reserve Board has been asking for the curtailment of credit. Why did we put into the law that the Interstate Commerce Commission should permit the railroads—naming them—to make 5½ per cent upon their investment? Is it any more unfair or unjust to name the interest of the farmers than it was to name the railroads? One of them constitutes the great arteries of commerce and the other produces that which feeds and clothes the world.

What are we to do? In one of the orders issued by the Federal Reserve Board in one of the districts they said, "It is the business of this board to control credits and the volume of currency." What does that mean? It means the power of life and death over the money supply and credit of the country. If it is being so controlled that it is not flowing properly, and where it ought to go, what is the duty of this Government in the premises? It is to direct where money shall flow to prevent great financial losses to the people who need aid at a time like this.

Mr. McCUMBER. Mr. President, I have a letter from Beach, in my State, upon this particular subject; and as the writer is a farmer himself, and suggests several remedies that ought to be applied in this case, I shall ask that it be read by the Secretary. I have already spoken upon this subject, and do not wish to take up further time.

This writer suggests four remedial propositions. The first is the prohibition of fictitious sales; the second, the extension of farm credits by the Federal reserve banks; the third is an immediate embargo upon the importation of Canadian wheat; and the fourth is the strengthening of the Federal land bank law, and the elimination of the red-tape requirements of that law.

The last speaker on this subject has stated that he would be glad to stand with the West upon any proposition that will be helpful. The most important thing that is suggested in this connection is the matter of prohibiting importations for some time. Any law of that kind would not affect cotton, to be sure. There are no imports of cotton, and therefore any embargo against the importation of cotton would not affect us in the least.

Mr. RANSDELL. Mr. President, will the Senator permit me to make a correction? We imported 690,000 bales of cotton last year.

Mr. McCUMBER. Yes; there is a little Egyptian cotton imported.

Mr. RANSDELL. May I be permitted to say that 690,000 bales is not a little.

Mr. McCUMBER. Comparatively, there is only a very little. In this instance, however, it has not been asked, but in the farmer's instance it is asked. Our complete remedy is in the embargo proposition. There were loaded, I think, half a dozen ships at Port Arthur only the other day to haul millions of bushels of grain from Canada over to Buffalo; and at the same time that these Senators are advocating some method to export our grain, Canadian grain is coming into this country in these unprecedented quantities. I suggest again that we had better stop the importations before we seek to provide some method by which we can export the same number of bushels that we are importing.

We only raise in the United States annually about 750,000,000 bushels of wheat, just a little more than is necessary to feed the American public for one year. If we will give the farmers who raise that wheat the American market for one year, I think the subject will very nearly settle itself; but if to the little surplus that we would have to sell abroad we are to add in the year all of Canada's surplus, amounting to about 150,000,000 bushels, we shall have a more difficult task before us.

So I may have, before I get through here, an opportunity to ask the Senator from Alabama to join with us in an effective remedy. I shall vote for this measure, because I think it may do some good. I should equally vote for every one of the propositions contained in this letter, because I believe that each one has some merit and all of them together might produce the result needed.

I ask that the letter may be read from the desk.

The PRESIDING OFFICER. Without objection, the Secretary will read as requested.

The Assistant Secretary read as follows:

BEACH, N. DAK., *December 7, 1920.*

Hon. P. J. McCUMBER,
United States Senate Chamber, Washington, D. C.

SIR: As a farmer I desire to call your attention to some things of which you are well aware and in which all farmers are vitally interested.

The recent tremendous fall in the price of wheat to $1.17 on the local market here when the actual cost of producing wheat in my case was about $2.50 per bushel, and I know that the cost of production in my case was much lower than most of the farmers in this part of the State. From all I can learn there was nothing to justify the price of wheat ranging as low as it did. Authorities are all agreed that there is a great shortage of wheat in the world to-day, and yet notwithstanding this the farmers of this country are compelled to produce their wheat at a tremendous loss. We can not expect the farming interests to prosper under these conditions; in fact, if they continue the farming industry in this country will be destroyed. Now, it seems to me that this is a national question and one that ought to be dealt with by the National Congress.

As a first remedy it is pretty well-nigh the unanimous opinion of the farmers of the country that the present practices of speculation on the boards of trade ought to be abolished; that fictitious sales of wheat when no delivery of the same is intended should be prohibited absolutely.

Another thing that would help is a more liberal extension of farm credits by the Federal reserve banks. The present attitude of those in control of these banks is to ignore the demands of the farmers, and put all available money at the disposal of the speculators in the great eastern centers. The Federal reserve banks of North Dakota have absolutely failed to assist the farmers in any manner. The farming industry is entitled to credit when backed by good security just as much as any other industry, and in its present condition it needs the aid of that credit if it is not to be ruined.

Provision should be made for the immediate shutting out of Canadian wheat when conditions arise such as we have just passed through.

The present Federal land bank law should be strengthened so that loans could be made to farmers with less red tape than under the present law. This law should be put in such shape that a man without land and without money, but with a knowledge of farming should be enabled to acquire a farm at a low rate of interest and covering a long period of time. The present tendency of the farming industry is to drive the farmers off the land. We want legislation that will encourage those who are on the land to continue to stay there and to enable others to acquire farms. The farmers of the country are united in their support of the principle underlying the present land bank, but they want the functions of this bank enlarged.

I hope that you will give the above matters your earnest attention, and if there is anything I can do toward aiding you in bringing about better farming conditions I will gladly do so.

Yours, respectfully, CONRAD FAKLER.

Mr. CALDER. Mr. President, the other day when the senior Senator from Georgia [Mr. SMITH] was addressing the Senate I interrupted him and referred to an experience I had in the West and South during the month of November.

Mr. President, I am chairman of a subcommittee of the Senate which is making a nation-wide inquiry relative to housing conditions in the Nation and matters pertaining to housing. Our committee took it upon themselves, however, when we discovered the great business depression about the country, to inquire into the general business situation. Wherever we went we inquired of the bankers, merchants, and farmers just what they thought would bring the greatest relief in this emergency. It is contended everywhere that although this country now has a surplus supply and Europe an unfilled demand the law of supply and demand has been set aside through the breaking down of the medium of credit exchange.

I am going to read some extracts from the statements made to our committee in its examination of conditions throughout the West and South—the statements of some of the leading men of affairs in the part of the country we visited.

Mr. James B. Forgan, chairman of the board of directors of the First National Bank of Chicago, Ill., and perhaps one of the greatest bankers in the country, said this:

I was in accord with the action of the Secretary of the Treasury in suspending the War Finance Corporation, but due to changed conditions it might be helpful to resume. It would be too bad not to adopt every facility we have to help out at the present time.

Mr. Henry G. Wallace, editor, of Des Moines, Iowa, one of the best-informed agricultural writers of the country, says:

Revival of the War Finance Corporation would relieve the situation as to meat and farm products.

Mr. B. F. Kaufman, president of the Bankers' Trust Co. of Des Moines, Iowa, said:

Some system of establishing credits so that foreign nations could buy would assist us in solving the wheat problem. Bankrupt countries can not buy our commodities unless we extend them credit. I believe that there is 10,000,000 bushels visible supply of corn now as compared with 4,000,000 visible supply a year ago.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from New Jersey?

Mr. CALDER. I yield.

Mr. EDGE. If it will not interrupt the Senator, following the opinion the Senator has just read as to the large supply of wheat which could be sold abroad, if we reestablish the War Finance Corporation for the purpose, as is frequently expressed, of extending credit in order to finance the purchasing abroad of wheat and to increase the price in order to meet the situation, as it is frequently described, that at the present prices the farmers will lose so much money that they can not afford to sell, and with the importation of wheat, now thoroughly understood, from Canada at lower prices, how could it be possible to help export or sell this American wheat in the face of that situation if we had 50 finance corporations?

Mr. CALDER. Mr. President, in reply to the Senator from New Jersey, I do not see how it is possible for us to sell high-priced wheat in Europe just now, no matter how many war finance corporations we have and how we permit them to extend credits for foreign financing. I do believe, Mr. President, that with the demand for wheat undoubtedly existing in Europe, if we read aright the newspapers, at the low price at which wheat is selling now it would be possible for us to finance its exportation.

Mr. EDGE. I am rather inclined to agree with the Senator. Then that will not solve the problem we hear and read so much about, that at present prices the grain farmers will be ruined and that this particular legislation will solve this problem and raise prices.

Mr. CALDER. Mr. President, I have no idea that this legislation is going to raise prices. I believe it is going to provide facilities for farmers and manufacturers in this country to get rid of their products at the present market prices. We were told in the West by many men that there was a foreign market, but they had no credit by which they could bring their goods to that market. We have been talking in this Chamber for months against high prices, and I knew, too, that the condition of affairs now apparent throughout the country was bound to come, and I am not sorry it is here. We had to have this deflation, and had to have this lowering of prices, and the business men and the farmers of the country have to make up their minds to take their losses.

But, Mr. President, if it is possible anyhow, any place, anywhere to afford an opportunity to dispose of the crops and the products of the factory at the present prices, then let us do it by all means, and give us an opportunity next spring to resume business again.

Now, Mr. President, referring again to what Mr. Kaufman, president of the Bankers' Trust Co. of Des Moines, said:

I think it would be helpful if there were some system by which the Government through a revolving fund could help foreign nations establish credits. I think loans to American banks through the War Finance Corporation would be advisable at this time and would be helpful in the movement of American products, and that it is more desirable than attempting to finance commodities in warehouses in this country.

That is in line with the contention of the Senator from New Jersey [Mr. EDGE].

Mr. Albert A. Reed, vice president of the United States National Bank of Denver, said:

Little or no progress has been made in our efforts to reduce the volume of credits. There is no margin of credit available for investment in fixed capital. The chief causes for our inability to reduce loans are the collapse of the wool market, the shortage of grain cars in August and September, the reluctance of farmers to market their grain at prevailing prices, the decline in prices of live stock, etc. Anything that would increase the orderly marketing of farm products or mineral products or any other American products would increase the prosperity of the entire country and would be reflected here.

Mr. Flower, president of the Fidelity National Bank & Trust Co., of Kansas City, said:

We have had a very acute financial situation in Kansas City for the last six months, and it is not through yet. It started in last spring at the time the Grain Corporation withdrew its heavy deposits which they had in the national banks of this city, totaling some $27,000,000. The banks were not able to liquidate as fast as the withdrawals were made. Since that time we have had to finance the wheat crop, and when it came to disposing of the wheat crop, which is the big ready money in this section, the car shortage was felt, and when we got cars the prices kept dropping down and the farmers refused to sell. The country banker has carried his farmer who has withdrawn his deposits, and the shrinkage in deposits during the past few months has been very great, perhaps 25 to 30 per cent. It is the wheat and cattle in this section that affects us. I would think that from a banking point of view and from the point of view of the producers of American products who can not find markets that an emergency exists.

Mr. C. P. J. Mooney, of Memphis, Tenn., said at St. Louis:

Foreign buyers are practically out of the market for dark tobacco grown in Tennessee and Kentucky by some 80,000 small farmers, whose crops last year amounted to about $40,000,000. Seventy-five per cent of it has been marketed to France, Germany, Italy, and Spain, very little being marketed in this country, and that only for snuff. Inasmuch as the American market is limited, the inability to export brings distress to the people who have been producing the dark tobacco. We thought when rice dropped to a dollar this summer there would be added domestic consumption of rice, but apparently the people of the United States do not appreciate rice as a food crop. We have exported much of the stuff we have grown. Until the war broke out it was cotton every fall that brought back the gold from Europe. If we are to sell to France, Germany, Italy, and Spain, and other continental countries, we must finance these sales. The Nation secured a victory in the World War and we must now bring it about so that the exchange of world products throughout the world can be resumed. I believe the way is by means of the Edge bill and by the resumption of some of the work that was done by the War Finance Corporation.

Mr. Hecht, president of the Hibernia Bank, of New Orleans, is perhaps one of the greatest bankers in the South, if not one of the greatest in America. He has just completed the organization of a six-million-dollar bank under the Edge Act, the first one that has been completely organized in this country. Mr. Hecht said this:

The suspension of the War Finance Corporation activities at the time they were suspended was justified, but I am quite convinced that the complete change of conditions since that time would fully justify its resumption. Six months ago we all had the honest belief that we had a shortage and underproduction of everything, but we now find ourselves with an apparent tremendous oversupply. The demand for products has declined in the same ratio as prices. Nobody likes to buy on a declining market, but there are a great many countries that have not only a desire to buy but an urgent demand for some of the very products we are talking about. These countries are not able to get the goods because there does not exist financial machinery to make it possible for them to buy. The War Finance Corporation did a great deal to relieve that situation, and the organiation of one or more Edge banks can help out some, but it would help ten times as much if the War Finance Corporation could function, because otherwise the functioning of these Edge banks will be more or less limited.

Charles De B. Claiborne, vice president of the Whitney Central National Bank, of New Orleans, said this:

Europe has bought very little [cotton] this year. We tried to obviate that by the formation of a three-million-dollar bank under the Edge Act, but we gave up the idea because the War Finance Corporation, we understood, was not to function normally. I believe it was very disastrous, because, if you will notice, sugar, rice, cotton, and other commodities have gone below the cost of production, and it is going to cause a great deal of hardship throughout the South if something is not done. There is no market at all and we look for a very slow liquidation in the next six months unless something is done to assist us to export commodities. I think resumption of the activities of the War Finance Corporation would be one of the most potent factors in helping the present financial situation, in helping the orderly marketing of products.

Mr. President, I have numerous other comments on this subject from other bankers of the South and West, but I will not take up the time of the Senate to discuss them just now.

Let me say, Mr. President, that there is no question in my mind—and I speak as a New Yorker, representing the greatest State in population and wealth and in the way of conservative business—speaking for that State, because I have tested the judgment of the leading business men of New York, there is no question in my mind that the revival of this War Finance Corporation will do much to facilitate our foreign business. I am sure it will be helpful, and I am sure that the great body

of the business men of America would be glad to see it revived. The psychological effect of it would be wholesome, and I am confident it would do much good in the country as a whole, both in the agricultural sections and industrial sections as well.

Mr. SPENCER. Mr. President, I want to vote for this joint resolution, because the purpose which it has in view meets with my support, as it does doubtless with the support of every Senator on the floor.

Yet I have two objections to the joint resolution, both of which are obviated by a substitute which I had printed Saturday, and which is upon the table, and which I will now ask that the Secretary may read.

The PRESIDING OFFICER. Without objection, the Secretary will read the proposed substitute for the information of the Senate.

The READING CLERK. Strike out all after the resolving clause and insert:

That in the judgment of the Congress the War Finance Corporation should resume its operations.

SEC. 2. That the Federal Reserve Board should fully cooperate in such renewed activities of the War Finance Corporation.

Mr. SPENCER. Mr. President, there is an old legal proverb that hard cases make bad laws. There undoubtedly is the hard case here, the situation both with regard to wheat and cotton, as well as other agricultural and industrial products, and it may well cause anxiety. But if you attempt, in curing the case, to formulate concrete and detailed directions, either to the War Finance Corporation or to the Federal Reserve Board, you have established a precedent which is dangerous. I do not know why it is that the price of wheat has diminished as it has. There are 29,000,000 bushels less in the harvest of last year than the average of the last 10 years. There is a hungry world needing wheat and the exports have been twice as great as the normal exports of wheat, and yet, in spite of those two facts, which would naturally mean a rising market, we have had a constantly declining market, to the detriment of the farmers in every section of the land.

My own judgment, in passing, is that the cause of it lies in the absence of investment buying; I mean to say in the buying on the part of millers and manufacturers who normally, whenever the prices of wheat began to decline in view of a future crop, bought heavily and stopped the decline. In the present financial condition of the country they buy only from hand to mouth, and when the market started to decline the purchasing that had always heretofore stopped the decline was not present and the decline continued until we are met with the situation which we have to-day.

This joint resolution, as it is offered, confines the attention of the War Finance Corporation to the rehabilitation in the financing of the exportation of agricultural products to foreign markets. That is good. The encouragement in the exportation of agricultural products to foreign markets is necessary; so is encouragement of the exportation of copper, of farm implements, and of industrial products.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Georgia?

Mr. SPENCER. I yield.

Mr. SMITH of Georgia. I shall offer in a few minutes, before the Senator's substitute is voted upon, an amendment adding "and other," so that it will read—

the exportation of agricultural and other products to foreign markets—

broadening the provision so as to include all.

Mr. SPENCER. I thank the Senator from Georgia. As is always the case, his amendment is helpful, and in my judgment it does strengthen the joint resolution.

But why specify any article of export? Why say to the War Finance Corporation, "Encourage wheat, encourage cotton, encourage agricultural production," and refer to other products of the Nation, even by the language of the proposed amendment? Why do we not get precisely the same result and obviate a bad precedent if we say to the War Finance Corporation, "In the judgment of Congress you ought to resume activities," and let it rest there?

Mr. HITCHCOCK. I think I can give the Senator a suggestion which possibly will include a reason for putting the emphasis on agricultural products. Congress has already done something which has facilitated greatly the exportation of other than agricultural products—manufactured products. The Edge Act operates very largely to promote the exportation of manufactured products——

Mr. SPENCER. Did I understand the Senator to say the Edge Act?

Mr. HITCHCOCK. The Edge Act; and moreover the other legislation which Congress has passed has facilitated greatly the combination of manufacturers for the exportation of their goods.

And there is still another reason. During the existence of the War Finance Corporation, most of its financial aid was extended to manufacturing institutions for the exportation of their goods, the obvious reason for that being that they were ready to apply to the War Finance Corporation and in a position to receive the aid of the War Finance Corporation. But when we come to agricultural products, no such machinery exists; it is more difficult to find any organization ready to apply to the War Finance Corporation. The agricultural producers are not united, as are the manufacturers, in great corporations.

So one of the serious evils from which we are suffering at the present time is that the agricultural interests of the South and the agricultural interests of the West have lacked some aid of this sort to promote their exportations. I think, therefore, it is not unwise to emphasize the need of aid for the agricultural products and that the additional language suggested by the Senator from Georgia [Mr. SMITH], to include any other product, is perfectly reasonable.

Mr. SPENCER. Is it not true that if the language of the original resolution specified agricultural products and the amendment of the Senator from Georgia adds to it other products, industrial or agricultural, the result is that the War Finance Corporation is asked to resume activities for all the products of the Nation? And if that is true, is it not a safer and simpler way of getting at it by expressing to them the judgment of Congress that they resume their operations, for the result is the same?

Mr. SMITH of Georgia. The view of the Senator from Nebraska [Mr. HITCHCOCK] was the view of the Committee on Agriculture and Forestry, that the situation with regard to agricultural products justified our emphasizing agricultural products, although for myself I wished to add "and others." The opinion of the committee at the time they used the expression "agricultural products" was that even if no other language was used, under the general terms of the joint resolution, if the War Finance Corporation resumed activities it would apply to all classes of products, and they simply meant to emphasize agricultural products. My own view was that it might be misunderstood; it might be thought that we only wanted to renew operations as to agricultural products, and therefore that we ought to add the words "and others."

Mr. SPENCER. I agree with the Senator as to the benefit of his amendment, but is it not true that it was the main purpose of the joint resolution, though it did originate with the Committee on Agriculture and Forestry, who undoubtedly had agricultural products mainly in mind, to give expression to the judgment of Congress that the War Finance Corporation, whose operations had been suspended in May by judgment of the Secretary of the Treasury, should now be resumed, and is it not the main purpose of the joint resolution to resume the activities of the War Finance Corporation? As the Senator from Nebraska [Mr. HITCHCOCK] suggests, they should give particular attention to agriculture; but are we not opening a door that will be difficult to close when we say to an agency of Government, "Direct your assistance, your financial operations, along a particular line"? Are we not on wiser and safer ground when we say "act," and leave it to their own judgment, for they must have information as to the state of the country and as to the need of any particular product. Then if their action is against what Congress thinks it ought to be there may be occasion for legislation; but on an expression of opinion detailed direction seems to me unwise.

Mr. SMITH of South Carolina. Mr. President——

Mr. SPENCER. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. I think if the Senator is at all familiar with the circumstances, even in normal times, under which farmers produce and sell, he will realize that they are radically different from the organized industries of our country and that in a time of stress like this everything moves along the line of least resistance, and he, the farmer, offering the least resistance, of course is first sacrificed. We realized during the war that he is of paramount importance to the country. I think for the first time in the history of America the relationship of agriculture to the welfare of the country was realized. This is for his particular benefit, not to ignore others under the law, but particularly to direct the attention of the War Finance Corporation to the distressed condition in which agriculture now finds itself.

Why, has it not come to pass, if the Senator will allow me, that one of the leading men of the West appeared before our

committee and testified that he himself had killed sheep and fed them to hogs because it was unprofitable to ship them to the market. Corn is being burned for firewood; cotton is standing stagnant on the wharves and rotting in the fields and sheds of the South, with the world shivering and naked.

Surely we should have brains enough, knowing where the cancer is, to apply the remedy. These other men will take care of themselves largely when this fundamental element of our commerce begins to function properly. Surely it is wise and proper right now for us to direct attention specifically and directly to that great disorganized mass, the aggregate of whose productions excels all other productions.

Mr. SPENCER. Does the Senator think the War Finance Corporation is in entire ignorance of the agricultural conditions which the Senator so eloquently describes?

Mr. SMITH of South Carolina. As a matter of fact it may not be; but if we simply reenact the law without giving them the specific thing we want to help, we may not obtain the result we are after. Are we to sit here and leave it to them, when we are the representatives of the people who are supposed to point out the particular evils and emphasize them? Are we to close our mouths and leave it to those who administer the law when there is nothing in the law which calls specific attention to a specific evil?

Mr. SPENCER. If the board know and recognize the evil and have the power to remedy it, is it unnatural to suppose that they will apply their powers to remedying the evil about which they know?

Mr. SMITH of South Carolina. As a matter of course they might be inclined to do so, but they certainly would go about it more liberally and freely if they were directed specifically by Congress to take care of this fundamental matter.

Mr. SPENCER. The Senator has no doubt about their power to act now?

Mr. SMITH of South Carolina. Oh, I think there is doubt of it.

Mr. HITCHCOCK. If the Senator from Missouri will permit me to follow my line a little further, the record of the operations of the War Finance Corporation shows that they gave credit chiefly to manufacturing concerns. I think it desirable to call their special attention to agricultural interests.

For instance, of the total of $47,000,000 which they advanced for export, $5,000,000 went for the exportation of locomotives, $10,000,000 went for the exportation of electrical equipment, $4,000,000 went for the exportation of agricultural implements, $5,000,000 went for the exportation of condensed milk, and so on. All those great exportations were made by great manufacturing concerns. I am not criticizing them for making those advances, but I think it is the desire of Congress in passing this joint resolution that the War Finance Corporation shall give its particular attention to agricultural products for exportation. Therefore I see no objection to placing the emphasis upon agricultural products.

Mr. SPENCER. I quite agree with the Senator from Nebraska that there has been an undue proportion perhaps of manufactured articles, and yet if the Senator from Nebraska will think a moment he will see where the joint resolution, as it is originally proposed, would lead us. If we pass the joint resolution as it is submitted we say to the board, "Through your operations you are facilitating manufacture too much at the expense of agriculture." We are substituting our judgment for theirs in the proportion of their activities to one line of American products over that of another.

Certainly the Senate would not consider it wise for Congress to keep a tabulated account and say, "To-day you gave too much assistance to locomotives and too little to farm implements, too much to manufactured products and too little to cotton or cotton products." There must be a discretion vested somewhere, and my point is that just in proportion as we make a specific recommendation or direction, as it originally was, along a certain line, we are opening the door to a future that will cause us trouble.

My second objection to the proposed resolution has to do with the second section, and is stronger than the first. I wonder if Senators have read it as I read it, that it is proposed to say to the Federal Reserve Board, "The Congress of the United States wants you to grant liberal extensions of credit to the farmers of the country at the lowest possible rate of interest." I submit that that direction to the great Federal Reserve Board is ridiculous. It is more than any stockholder would attempt to give to any bank in which he might have control of the capital stock. The Federal Reserve Board are there with their tremendous powers and their great resources, and Congress, not by law, but as an expression of opinion upon a subject which no one of us is presumed to have the same amount of experience or knowledge as the board whom we are directing, says to them, "In the functioning of your activities remember that at the lowest rate of interest you are to pick out a single class and give to them the most liberal financial accommodation."

Certainly the farmers are entitled to liberal accommodation. Certainly there can be no argument about their need of it. But have we not gone as far as Congress ought to go when we say to the Federal Reserve Board, "There should be a resumption of the activities of the War Finance Corporation that we have devised. When they resume we give you our judgment that you ought to cooperate fully with them in their activities"? Everything that purports to be accomplished by the joint resolution, it seems to me, is accomplished by the substitute. If it is not, the substitute does not accomplish what I have in mind.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. NORRIS. What is the pending motion?

The PRESIDING OFFICER. The amendment offered by the Senator from Georgia [Mr. HARRIS].

Mr. NORRIS. I ask that the Secretary may state the pending amendment.

Mr. HARRIS. Mr. President, I ask that my amendment may be changed to read 5 instead of 6 per cent.

The PRESIDING OFFICER. Without objection, the change will be made as requested, and the amendment as modified will be stated.

The READING CLERK. As modified the amendment is to strike out, on line 16, the words "the lowest rate of interest" and insert in lieu thereof the words "not exceeding 5 per cent per annum."

Mr. WADSWORTH. Mr. President, may I ask the Senator from Georgia [Mr. HARRIS] if the amendment, if adopted, is directory upon the Federal Reserve Board to say that no rate of interest over 5 per cent shall be charged?

Mr. HARRIS. It is.

Mr. NORRIS. Mr. President, I think there will be no doubt, I should like to say to the Senator from Georgia, that the substitute for section 2, which will be offered when the parliamentary situation is such that it can be presented, will be agreed to. I believe, from what I have heard from Senators, that the Senate is almost unanimously in favor of the adoption of the proposed substitute. If that is done, then, of course, the amendment would not be applicable.

Mr. GRONNA. May I ask the Senator to which substitute he has reference?

Mr. NORRIS. The substitute for section 2. The Senator from Georgia has an amendment pending to that section. Of course, I concede that that would take precedence, even if the substitute were offered. I supposed that the senior Senator from Georgia had a motion pending adding the words "and other," so as to read "agricultural and other products." I supposed that was the pending motion. If there is no debate on it, I do not care, but I think if it were agreed to it would practically destroy the effect of the joint resolution.

Mr. HARRIS. Mr. President, if my amendment shall be voted down, I desire to say that I expect to support the amendment of the Senator from Nebraska [Mr. NORRIS]. Last year Congress guaranteed the railroads 5½ per cent and they raised freight rates and passenger fares. The farmers are in a worse condition now than were the railroads at that time. We simply ask a rediscount rate on agricultural products not exceeding 5 per cent. I think Congress should grant the farmers every possible help in their distressed condition.

Mr. POMERENE. Mr. President, I can not allow the statement which has just been made by the junior Senator from Georgia to go unchallenged. Congress made no guaranty to the railroads after September 1. There was a guaranty made to them of the average rate of return for the three years previous to that time because guaranties had been given to the employees. After that there was simply a rule adopted for the direction of the Interstate Commerce Commission, namely, that they should make rates which it was supposed would return 5½ per cent or, in their discretion, 6 per cent. That is all. There was not any guaranty about the law.

Another suggestion, if I may be permitted to make it: I called attention this afternoon to the fact that there were 12 States in this Union in which the contractual rate of interest was 10 per cent and 10 States in which the contractual rate of interest was 12 per cent. If we are going to limit the discount rate to 5 per cent, we shall be simply helping the banks make the difference between 10 or 12 per cent and 5 per cent. I do not know how that is going to aid any farmer.

Mr. GRONNA and others. Question!

The PRESIDING OFFICER (Mr. STERLING in the chair). The question is on the amendment of the Senator from Georgia [Mr. HARRIS]. [Putting the question.]

The amendment was rejected.

Mr. NORRIS. I now offer the committee substitute for section 2.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. In lieu of section 2 of the joint resolution as it is printed it is proposed to insert the following:

SEC. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

The PRESIDING OFFICER. The question is on the amendment offered by the Senator from Nebraska.

Mr. NELSON. Mr. President, I have made up my mind with some reluctance to support the pending joint resolution. I have not any great hope that it will accomplish much good, but its psychological or moral effect may possibly be productive of some benefit. I wish, however, to call the attention of Senators to the powers of the Finance Corporation. Those powers are found in two paragraphs of section 7 and in section 8 of the act, and I do not see how, if we properly construe the language of those paragraphs, the Finance Corporation can render any aid in the present emergency.

Mr. SMITH of Georgia rose.

Mr. NELSON. I will yield in a moment. They certainly can not do so except indirectly through the banks.

Mr. SMITH of Georgia. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Georgia?

Mr. NELSON. I do.

Mr. SMITH of Georgia. That act was amended on March 3, 1919, and the powers of the board are given in section 21. They are entirely different from the original war powers.

Mr. NELSON. I now notice that. Their powers are increased to the extent of allowing them to promote commerce with foreign nations, but the question is, In what manner are they to give relief? Will farmers' organizations—and we have them—which are engaged in shipping farm products be in a position to avail themselves of the law? I ask the Senator from Georgia that question.

Mr. SMITH of Georgia. Yes; there are organizations of exporters engaged in exporting farm products; there are many exporters who export farm products; and the War Finance Corporation under section 21 would be able to aid those exporters in carrying the credits of central Europe, which are required for a longer time than the banks can carry such credits.

Mr. NELSON. But here is the question: It is not intended to cover the borrowing of money for the export trade, but the furnishing of money to enable the farmers to hold their crops over in this country, to stop the sale of them, if you please.

Mr. SMITH of Georgia. The War Finance Corporation is given the power to aid in carrying credits for exports, and that part of the joint resolution is intended solely, through longer credits, to facilitate the exportation of raw materials and manufactured products into countries which otherwise could not buy them.

Mr. NELSON. The difficulty in this matter, it seems to me, is that we may furnish the money, if we can do so, to carry the crops, but that will not enhance the price of the crops or give us a better market. To get a better market we must have a greater demand from abroad. In this country we raise a surplus of agricultural products; our production is much greater than our consumption. We have to get rid of that surplus, and in order to get rid of that surplus we must sell it to advantage in other countries. With the exception of two crops produced in the United States, namely, cotton and corn, we come in competition with all the world.

In this connection I heard an intimation to-day that we ought to open some markets in Europe that are not now open. In normal times, prior to the war, the great wheat countries of the world were the United States, Russia, and Rumania. The United States and Russia from year to year had a large export surplus, and next to them came Rumania. This year, fortunately, Russia and Rumania are closed to us, and I doubt very much, if they were not closed, whether there would be a surplus in Russia or whether there would be much of a surplus in Rumania, which is one of the Balkan States. I mention this in order to call attention to the fact that, although some contend that we should open our doors to the trade of Russia and of the Balkan States, that could not possibly help the farmers of this country, because those countries, if they had law and order within their borders, would be our greatest competitors.

What is needed above everything else is to restore law and order in the countries of the Old World and put them in a condition where they can purchase our surplus products. They are hard up to-day; they have no money; they have no credit; and the great desideratum is to bring about such a condition in Europe that they will be able to consume more of our products and will have either money or credit to pay for them.

If the corporation to which the Senator from New Jersey [Mr. EDGE] referred to-day could thus raise a billion dollars and devote it to the marketing of American products, so that the money, although loaned to Germany or other countries in Europe, as in the case of our war loans, would be expended here for the purchase of American products, it would be a great help.

It is some time since the law in regard to export associations was enacted. I supposed at the time that the bankers would organize such associations, but the indications are now from what took place at Chicago that the bankers, while they are willing to organize them and to father them and be a wet-nurse to them, yet expect the farmers to buy the stock and debentures; or, in other words, they want the farmers to use the name of the bankers; they are willing to father the scheme, but they are unwilling to put in all the money that is needed. They want the farmers to take the stock and debentures of the corporations organized. That is a feature that I do not like. I should be glad to see the great bankers of New York and Chicago and other places patriotic enough to raise the money for these purposes themselves, without calling upon the farmer.

The bankers in New York have lately been making loans to foreign Governments at the very high rate of 8 per cent. Denmark lately secured a loan of I have forgotten how many million dollars at 8 per cent. I think Sweden also secured a loan; I know that Norway did. The bankers have money to loan to foreign Governments at exorbitant rates of interests, but they are unwilling to put their hands into their pockets and raise the money that is necessary to help the farmers of this country.

We passed the act providing for the creation of export associations, I think, during the early part of the last session of Congress. I could see through it then. It appeared to me that it was a scheme in behalf of the bankers. While on its face it purported to have back of it public-spirited motives of the highest character, yet it was a scheme to organize corporations, to scatter their bonds and debentures amongst the American people, and to have the rank and file of the farmers and poor business man buy the bonds and securities, and thus compel them indirectly to finance the transactions, instead of the great bankers and the moneyed men of Wall Street going into their own pockets and furnishing the necessary capital.

I am not an enemy of great money concerns. I have not reached that condition, Mr. President; but what I do not like about them is to have them pose as ready to help the American people, ready to go into their own pockets and aid in an essential work, and then go out to Chicago and hold a convention and see how many farmers and cattle raisers and other men they can get to come in and take the stock of the corporation.

I have only one word more to add, and it is practically what I said in the beginning. I gravely doubt whether much good can be done by this proposed legislation; but I am willing to try the experiment. The moral effect of it may be good. Psychologically, it may have a beneficial influence; but otherwise it will not count for much. I think there is another thing that we need at present. Canada is flooding this country with her wheat products. I see by to-day's paper that Canada is rushing in her wheat, fearing that we will put an embargo on it. I trust we may put an embargo on the shipment of Canadian wheat; but, after all, that will be only a temporary relief, because whatever Canada does not ship to the United States of her agricultural products she will ship to Europe, and there it will come into competition with the surplus which we ship there. So it will be, as I might say, a mere temporary tonic, and yet we ought to try it.

Conditions among the farmers are a great deal worse than people in the East imagine. Our farmers had to pay enormous wages, from $4 to $6 and $8 a day. They had to pay twice as much for thrashing their grain this year as they ever paid before, and now they are confronted with the prevailing low prices that really do not furnish them one-half of the cost of the production of the grain. I am not as familiar with the cotton situation as are Senators on the other side, but I know the cotton producers are suffering. They are suffering from another cause. We suffer because of the competition of the wheat from the Argentine, Australia, and other countries. There is not the competition in cotton that there is in wheat. There is not the competition in corn, even, that there is in wheat; but the cotton producers are suffering from the stagnation that exists in the manufacturing world. There is a lack of demand in the textile

manufacturing world for cotton. I am sorry for the cotton growers. I feel for them just as I do for the farmers in my country, and I hope that we will do our very best to get relief for them.

Another matter about which I want to ask the indulgence of the Senate briefly is this: We have on the calendar a bill which was reported at the close of the last session, authorizing the farmers of our country to form themselves into associations for buying and selling purposes. Some question has been raised in many quarters as to whether such combinations would not be in conflict with the antitrust law. The object of the bill which is on the calendar is to relieve selling associations of farmers and stock raisers from any difficulty under the antitrust law.

There have been no prosecutions, so far as I know, under the antitrust law in reference to such associations, but there are many who fear that there may be; and in order to remove that fear and to make such organizations perfectly safe, the Committee on the Judiciary reported the bill, which is a House bill, with an amendment. The amendment consists in taking away from the Secretary of the Treasury the power involved in the bill and putting it in the Federal Trade Commission.

I hope that when the pending joint resolution passes we can follow it up with the passage of the bill reported from the Committee on the Judiciary. We certainly ought to do what we can at this juncture to help the farmers of the country. They are bearing the brunt of the downward trend of prices. It has confronted them in the first instance. The jobbers, the wholesalers, and the middlemen are not affected, and they are not willing to stand the losses that are entailed on the farmers. As the Senator from Wyoming [Mr. KENDRICK] said the other day, one has to pay almost as much to-day for a mutton chop in a restaurant in this city as the sheepman can get for a whole sheep in the city of Chicago.

Mr. President, when this joint resolution passes I hope the Senate will proceed to the consideration of the other measure to which I have referred. It is a small matter, but we have an illustration of how valuable these selling associations have been in the matter of the sale of fruits on the Pacific coast. They have their organizations. They have had them for years. They ascertain, through their organizations, at what places and what cities in the East there is a market for their products, and they immediately ship the products there. Under the old system they would oftentimes ship carloads of perishable fruit to a city where it could not be disposed of at any price, and the fruit would be a total loss.

Our dairy farmers have succeeded to a large extent by a system of cooperation, and it is a curious fact that the dairy farmers form the one class of farmers who have been least affected by the downward trend of prices to-day, not in respect to their cattle and hogs but in respect to the products of the dairy, particularly butter. By organization and cooperation, and by means of cold storage, they have been able to hold their butter and peddle it out and get a fair price for it.

There is a spirit of socialism abroad in this country, Mr. President—state socialism. There are many who believe that the Government should undertake to do everything.

My idea is that the best thing is to aid the farmers. Let the farmers form their buying and selling associations, recognize those associations, and let the farmers be put in such shape that their associations can function freely and meet with the approval of the public. That system had already to some extent been in vogue in Russia before the revolution and the time of the soviet government. Even the Russian farmers had succeeded to a large extent in forming, before the revolution—I do not know what has happened to them since—buying and selling organizations; and by that means they succeeded in getting better prices for their products, and getting lower prices for what they were compelled to purchase.

So I trust, Mr. President, that in a spirit of desire to help the farmer we will pass this joint resolution, and, when it has been passed, that the Senate will indulge me by allowing me to call up the other measure to which I have referred.

Mr. SMITH of Georgia. Mr. President, I desire to ask the Senator from North Dakota [Mr. GRONNA], who is chairman of the committee, if he does not approve the substitute of the Senator from Nebraska—if it is not acceptable to him?

Mr. GRONNA. Mr. President, I have only this to say: The Committee on Agriculture and Forestry had a meeting this morning, and it was the wish of a large majority of the committee to offer this amendment. Personally I would rather have seen the joint resolution pass in its original form, and I know of at least one other Senator who entertains that opinion. Of course, I shall not object to it, however, because a majority of the committee approves it.

Mr. HITCHCOCK. Mr. President, I rise to say that I shall give my support to the substitute offered by my colleague [Mr. NORRIS], and I can support it much more willingly than I could support the original section 2.

Section 2, as originally drawn, appears to be a reflection upon the Federal Reserve Board. The substitute, I think, is free from that objection. It comes within the legitimate jurisdiction of the Congress to express its opinion as to what should be done.

Moreover, I desire to call attention to the fact that the policy of the Federal Reserve Board in administering this great law has been a liberal one. I think, from what has been said here, that there is not yet a due appreciation of the tremendous expansion of bank credits that has gone forward under the administration of this board.

In 1914, when this board went into office, the bank loans of the national banks of the United States were less than $7,000,000,000. At the present time the bank loans of the national banks are almost $14,000,000,000. At that time—I mean, when the Federal reserve act first went into force—bankers were rediscounting only about 1 per cent of their bank loans. That per cent has steadily risen, year by year, until at the present time the banks of this country that are members of the Federal Reserve System are rediscounting on an average something near 17 per cent of their loans.

Not only has there been an enormous expansion of bank loans under the administration of the Federal Reserve Board, and an enormous expansion of rediscounts, which at the present time have risen until they reach over $3,000,000,000—that is to say, the banks of this country are rediscounting, practically borrowing, through the Federal Reserve System over $3,000,000,000 in order that they may have the resources to accommodate their customers—not only is that true on the average, but in my opinion the banks of the agricultural regions of the West and South have been favorably considered as far as the law permits by the discretionary power of the Federal Reserve Board.

For instance, Mr. President, one of the provisions in the original Federal reserve act, which I had something to do with incorporating in the act, reads as follows:

Provided, That notes, drafts, and bills drawn or issued for agricultural purposes or based on live stock and having a maturity not exceeding six months, exclusive of days of grace, may be discounted in an amount to be limited to a percentage of the assets of the Federal reserve bank, to be ascertained and fixed by the Federal Reserve Board.

Mr. President, that amendment to the bill was forced in upon the floor of the Senate after a fight. That fight was made for the purpose of protecting the agricultural interests of the country, North, South, and West particularly. Under that provision the Federal Reserve Board might have limited the Federal reserve banks to loaning 25 per cent of their assets upon agricultural notes of that sort or they might have made it 50 per cent. But as a matter of fact they exercised the whole power which Congress gave to them and they directed—and the order is now in force—that the Federal reserve banks of the country can lend 99 per cent of their assets on agricultural paper of this sort. That is very clear proof that the attitude of the Federal Reserve Board toward the agricultural interests of the country is a liberal attitude; that it is not restrictive to an unfair degree.

Again, we realized when the act was passed that when we established 12 Federal reserve banks in the United States, instead of 4 or 1, that a number of those banks would be largely local concerns, that all the customers in their districts would want their money at the same time, and that there might be need that they should be assisted by other Federal reserve banks. So we incorporated on page 21 of the act this paragraph:

To permit, or on the affirmative vote of at least five members of the reserve board to require, Federal reserve banks to rediscount the discounted paper of other Federal reserve banks at rates of interest to be fixed by the Federal Reserve Board.

Mr. President, under the provisions of this law the Federal Reserve Board might have required each one of the 12 reserve banks to stand on its own bottom and to stop discounting the paper of the member banks in its district when its limit of reserve had been reached, say, 40 per cent. But the Federal Reserve Board did not do that thing. It has exercised its full power, and when the Federal reserve bank at Minneapolis, at Kansas City, at Richmond, and at Atlanta, and the banks in other agricultural districts, reached the utmost limit to which they could go in rediscounting bills, the Federal Reserve Board here in Washington directed the stronger Federal reserve banks in the older districts of the United States, particularly Cleveland, Philadelphia, and Boston, to rediscount the paper of those Federal reserve banks in the agricultural districts of the West and South, and it was done.

I say this much, Mr. President, in justification and in defense of the Federal Reserve Board. It has gone as far as the

law allows it to go in providing credit to the agricultural interests of the country. If there was a defect, it was our mistake in dividing up the banks into so many districts so as to make them to some extent local. I am not criticizing the law in that respect now, but I say that if there was any defect, it was in the organization of the system, and not in the administration of it by the Federal Reserve Board.

Mr. President, I have not a great deal of faith in the joint resolution, but I am going to support it. I believe that the psychological effect of it will be good. I have not much faith in it, partly because I have observed, under the former operation of the War Finance Corporation, that it was used chiefly for the promotion and financing of manufactured exports, and I doubt somewhat whether it can be used effectively for the promotion of the exportation of agricultural products.

In my opinion what is above all desired is that Congress should devise some way to bring to the agricultural interests of the United States a larger supply of credit. They can not supply themselves with their credit. In the industrial centers of the country, in the manufacturing centers of the country, and the great mercantile centers the operations occur four or five times a year, goods are turned over repeatedly, the merchant is buying and selling and paying his notes several times a year, and the manufacturer is buying his raw materials and manufacturing them into products and selling them month by month all through the year; but in the agricultural districts the farmer of the West and the farmer of the South has to work a whole year, practically, to produce his crop. He needs a larger credit than he gets, and I think Congress should devise some way to afford to the agriculturist a broader credit and a greater credit than he has now, in order that he may not be compelled the moment he has raised his crop to dump it upon the market. I think it would be better for him to carry his crop a moderate length of time and market it gradually than to have it go into the hands of the middleman. The middleman has to be financed; the middleman has to have credit, and possibly we can just as well arrange to have that credit given to the producer. The consumer gets no benefit under the present situation, because the crops which go into the hands of the middleman, who is financed, who does have credit, only reach the consumer after the middleman's profits have been taken out of them.

So, if the Committee on Banking and Currency takes favorable action on the bill which I have introduced, I shall perhaps ask the Senate before this session closes, and I hope this month, to pass an act which I believe will be a first step in the direction of extending greater credit to the agricultural interests.

This year, as a result of very profitable operations of the Federal reserve banking system, the United States will receive between sixty and seventy million dollars of profit. The Secretary of the Treasury has only two things which he can do with that money: He can either use it to purchase bonds in the market, thereby making a little reduction in the national debt, or he can deposit it with the gold reserve in the Treasury against greenbacks. Neither of those purposes is of great value at the present time. If that money can be turned over to the farm-loan banks in some proper way to be used by them to make personal advances, possibly through other banks, to farmers and stock raisers upon personal security, or warehouse receipts, or chattel mortgages, we will have made a beginning in extending credit to the farming interests of the country. I trust that the Banking and Currency Committee may take favorable action upon that bill.

The PRESIDING OFFICER. The question is upon the amendment of the Senator from Nebraska [Mr. NORRIS].

Mr. THOMAS. Is that the substitute for section 2?

The PRESIDING OFFICER. It is.

Mr. THOMAS. I vote "no."

The amendment was agreed to.

Mr. SMITH of Georgia. Mr. President, instead of the rather detailed amendment to the first section which I had printed, I ask simply to add, after the word "agricultural" in the seventh line, page 2, the words "or other," so that it will read "agricultural or other products."

The PRESIDING OFFICER. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 2, after line 7, after the word "agricultural," insert the words "and other," so that the clause will read:

> And that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

The amendment was agreed to.

Mr. MCKELLAR. Mr. President, I send to the desk an amendment, which I ask to have adopted as section 3 of the joint resolution.

The PRESIDING OFFICER. The Secretary will report the amendment.

The ASSISTANT SECRETARY. Add a new section, as follows:

> SEC. 3. That factor's paper with cotton or other staple agricultural products as collateral shall be eligible for rediscount in Federal reserve banks.

The amendment was rejected.

Mr. NORRIS. Mr. President, a parliamentary inquiry. A suggestion has been made which I think everyone will agree to. It is to amend the joint resolution by adding one word in the first whereas. That amendment should come later?

The PRESIDING OFFICER. It will be in order later when the time comes to consider the preamble.

Mr. POMERENE. Mr. President, I move to strike out the second section.

Mr. THOMAS. Mr. President, a parliamentary inquiry: Would not the proper procedure be to ask for the taking of a separate vote on each section?

The PRESIDING OFFICER. The Chair will rule the motion which has just been made out of order. The Chair does not believe a motion to strike out will lie in Committee of the Whole. The joint resolution is still in Committee of the Whole.

Mr. POMERENE. Mr. President, let me understand, please. The amendment offered by the Senator from Nebraska [Mr. NORRIS] was offered as a substitute for the original section. As between those two the Senate has declared itself in favor of the substitute, but some of us are opposed even to the substitute, although we prefer the substitute to the original. It seems to me that we are clearly entitled to an expression of the Senate upon that subject.

The PRESIDING OFFICER. The Chair may be mistaken in his ruling.

Mr. HITCHCOCK. I suggest to the Senator from Ohio that he can achieve his purpose when the joint resolution gets into the Senate by demanding a separate vote on each section.

Mr. LODGE. Mr. President, I rise to a parliamentary inquiry. Does the Chair hold that an amendment in the nature of a substitute, after it has been adopted, can not be stricken from the bill? It undoubtedly can not be amended further, because the Senate has adopted that precise form of words; but I am a little in doubt whether we lose the right to strike out an amended section.

The PRESIDING OFFICER. The Chair will state the question now, so that there will be no doubt, and the same result will be reached. The question now is upon section 2 as amended.

Mr. THOMAS. Mr. President, on that question I demand the yeas and nays.

Mr. NORRIS. Mr. President, a parliamentary inquiry. Are we to dispose of section 2 before we dispose of section 1?

Mr. SMITH of Georgia. There is pending a substitute for both sections.

Mr. NORRIS. We have agreed to a substitute for section 2.

Mr. SMITH of Georgia. No; there is pending the substitute of the Senator from Missouri [Mr. SPENCER]. I thought he offered one.

Mr. NORRIS. I did not know that the Chair had put that question.

The PRESIDING OFFICER. The Senator from Colorado asks for the yeas and nays.

Mr. SMITH of South Carolina. This is a direct vote? An affirmative vote will retain it; a negative vote will strike it out?

The PRESIDING OFFICER. Yes; section 2, as amended by the substitute of the Senator from Nebraska [Mr. NORRIS].

The yeas and nays were ordered.

Mr. LODGE. I understand that the question is on adopting the second section as amended?

The PRESIDING OFFICER. That is the pending question, and the yeas and nays have been ordered.

Mr. LODGE. That proceeding is novel to me. It seems to me a motion to strike out is clearly in order. A motion to strike out, which I think is the proper motion, would, of course, develop the same result.

Mr. NORRIS. No one has made a point of order against that motion. I am opposed to the motion, but to be fair I concede that the Senator from Ohio [Mr. POMERENE] has a perfect right to make it. I hope it will be defeated, but no one has made a point of order against the motion.

The PRESIDING OFFICER. Allow the Chair to state his position. It is simply that a motion to strike out will not lie as in Committee of the Whole, the substitute just having been adopted.

Mr. NORRIS. I do not agree with the Chair, but in order to expedite the matter, will not the Senator from Ohio reserve his motion and make it when we get into the Senate?

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Mr. POMERENE. I can do that, but I think I am entitled to a vote on it as in Committee of the Whole.

Mr. NORRIS. I think the Senator is, but he would have to appeal from the ruling of the Chair, and that would take time.

Mr. POMERENE. It seems to me we can decide the question by taking a vote upon it at this time.

Mr. SMOOT. Mr. President, as I understand the situation, the Senator from Nebraska offered a substitute for section 2 and the Senate voted the substitute in. Then under the rule the question is, Will the Senate agree to section 2 as amended, and that is what is before the Senate now.

The PRESIDING OFFICER. That is before the Senate now and, on the demand of the Senator from Colorado [Mr. THOMAS], the yeas and nays have been ordered.

Mr. FLETCHER. I submit that the question is entirely right as the Chair has stated it, and if we will vote we will get the question decided now whether we shall agree to the substitute or not.

The PRESIDING OFFICER. The question is upon agreeing to section 2 of the joint resolution as amended. The yeas and nays have been ordered and the Secretary will call the roll.

The reading clerk proceeded to call the roll.

Mr. HENDERSON (when his name was called). I have a general pair with the Senator from Illinois [Mr. MCCORMICK]. I transfer that pair to the senior Senator from Nevada [Mr. PITTMAN] and vote "nay."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. GAY], who is absent from the city. I transfer my pair to the junior Senator from Maine [Mr. HALE] and vote "nay."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. I transfer that pair to the senior Senator from Arkansas [Mr. ROBINSON] and vote "yea."

Mr. WOLCOTT (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. I transfer that pair to the Senator from Arizona [Mr. SMITH] and vote "yea."

The roll call having been concluded,

Mr. HARRISON. The senior Senator from Mississippi [Mr. WILLIAMS] is unavoidably absent. He has a general pair with the senior Senator from Pennsylvania [Mr. PENROSE]. If present and not paired, the senior Senator from Mississippi would vote "yea."

Mr. SWANSON. The senior Senator from Arizona [Mr. SMITH] is unavoidably detained from the Senate. If he were present, he would vote "yea."

Mr. SHEPPARD. The senior Senator from Texas [Mr. CULBERSON] is necessarily absent. If he were present, he would vote "yea."

Mr. RANSDELL. The junior Senator from Louisiana [Mr. GAY] is necessarily absent. If present, he would vote "yea."

Mr. GLASS (after having voted in the negative). I am reminded that I have a pair with the senior Senator from Illinois [Mr. SHERMAN]. In his absence I withdraw my vote.

Mr. POMERENE (after having voted in the negative). I have a pair with the senior Senator from Iowa [Mr. CUMMINS], dependent upon certain conditions. At times I am, under the pair, permitted to vote, and at other times not. After conferring with the junior Senator from Iowa [Mr. KENYON] I feel that perhaps I should transfer my pair to the senior Senator from California [Mr. PHELAN] and allow my vote to stand.

Mr. TRAMMELL. I have a pair with the senior Senator from Rhode Island [Mr. COLT]. In his absence I transfer that pair to the Senator from New Mexico [Mr. JONES] and vote "yea."

Mr. EDGE (after having voted in the negative). I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the senior Senator from Vermont [Mr. PAGE] and allow my vote to stand.

Mr. CHAMBERLAIN. I have a general pair with the junior Senator from Pennsylvania [Mr. KNOX]. In his absence I transfer my pair to the Senator from Missouri [Mr. REED] and vote "yea."

Mr. SUTHERLAND (after having voted in the negative). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. I transfer that pair to the junior Senator from Delaware [Mr. BALL] and allow my vote to stand.

Mr. CURTIS. I desire to announce the absence of the junior Senator from California [Mr. JOHNSON]. If present, he would vote "yea."

I also desire to announce that the Senator from Vermont [Mr. DILLINGHAM] is paired with the Senator from Maryland [Mr. SMITH]; the junior Senator from West Virginia [Mr. ELKINS] is paired with the junior Senator from Rhode Island [Mr. GERRY]; and the senior Senator from Maine [Mr. FERNALD] is paired with the junior Senator from South Dakota [Mr. JOHNSON].

Mr. HARRISON. I desire to announce that the junior Senator from South Dakota [Mr. JOHNSON] is detained by illness.

Mr. FLETCHER (after having voted in the affirmative). I have a general pair with the Senator from Delaware [Mr. BALL]. In view of the transfer just made by the Senator from West Virginia [Mr. SUTHERLAND] I am at liberty to vote. I will therefore allow my vote to stand.

The result was announced—yeas 47, nays 16, as follows:

YEAS—47.

Ashurst	Harrison	McNary	Smith, Ga.
Borah	Heflin	Myers	Smith, S. C.
Capper	Hitchcock	Nelson	Spencer
Chamberlain	Jones, Wash.	Norris	Stanley
Curtis	Kellogg	Nugent	Sterling
Dial	Kendrick	Overman	Swanson
Fall	Kenyon	Phipps	Trammell
Fletcher	Kirby	Poindexter	Underwood
France	La Follette	Ransdell	Walsh, Mont.
Gore	Lenroot	Sheppard	Warren
Gronna	McCumber	Shields	Wolcott
Harris	McKellar	Simmons	

NAYS—16.

Brandegee	Henderson	McLean	Sutherland
Calder	Keyes	Moses	Thomas
Edge	King	Pomerene	Townsend
Frelinghuysen	Lodge	Smoot	Wadsworth

NOT VOTING—33.

Ball	Gerry	New	Sherman
Beckham	Glass	Newberry	Smith, Ariz.
Colt	Hale	Owen	Smith, Md.
Culberson	Harding	Page	Walsh, Mass.
Cummins	Johnson, Calif.	Penrose	Watson
Dillingham	Johnson, S. Dak.	Phelan	Williams
Elkins	Jones, N. Mex.	Pittman	
Fernald	Knox	Reed	
Gay	McCormick	Robinson	

So section 2 as amended was agreed to.

Mr. SPENCER. Mr. President, I propose the substitute which I send to the desk.

The PRESIDING OFFICER. The proposed substitute will be stated.

The ASSISTANT SECRETARY. Strike out all after the resolving clause and insert:

SECTION 1. That in the judgment of the Congress the War Finance Corporation should resume its operations.

SEC. 2. That the Federal Reserve Board should fully cooperate with such renewed activities of the War Finance Corporation.

Mr. GRONNA. Mr. President, I hope that the proposed substitute will not be agreed to. We have had extended hearings before the committee of which I have the honor to be chairman. The governor of the Federal Reserve Board has stated specifically that if we would direct him to revive this corporation he would be glad to do so. I can see no reason why at this late hour the proposed substitute should be adopted. I hope, therefore, that the friends of the measure will vote it down.

The PRESIDING OFFICER. The question is on agreeing to the amendment in the nature of a substitute proposed by the Senator from Missouri [Mr. SPENCER].

The amendment was rejected.

Mr. KING. Mr. President, when the joint resolution was under consideration, I think on Saturday, I indicated a purpose to submit some observations in regard to it. I gave assurance to my good friend the Senator from North Dakota [Mr. GRONNA] that I would not interpose any objection to the passage of the joint resolution to-day. We have reached an hour now when I know Senators are very anxious to depart from the Chamber. What I have to say would take perhaps an hour or an hour and a half. I can discuss some features of the joint resolution at some other time and also the other matters to which I desire to direct attention, and for the purpose of keeping my implied promise to my friend from North Dakota I shall pretermit any discussion at this time. Perhaps to-morrow or at an early date I shall ask the indulgence of the Senate, when I shall discuss inferentially the joint resolution and other matters to which I desire to call attention.

The joint resolution was reported to the Senate, as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The question is on agreeing to the preamble.

Mr. WARREN. I call the attention of the Senator in charge of the joint resolution to the first whereas of the preamble. It enumerates the inability of farmers to dispose of their corn, wheat, cotton, and live stock. I ask him to let the word "wool" follow the word "cotton."

Mr. GRONNA. As far as I am personally concerned, I accept that amendment.

The amendment was agreed to.

The preamble as amended was agreed to.

The title was amended so as to read: "A joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes."

Mr. WADSWORTH. In view of the amendment of the Senator from Georgia, it seems to me that the title should be amended by striking out the words "in the agricultural sections of the country."

Mr. GRONNA. May I ask the Senator from New York why he wants the words to which he has referred stricken out?

Mr. WADSWORTH. I understood that an amendment had just been adopted which would make this measure applicable to all kinds of undertakings in addition to agriculture.

Mr. GRONNA. That is correct, but that was not included in the preamble, I will say to the Senator.

Mr. WADSWORTH. The preamble has nothing to do with the title. I merely make the suggestion in the interest of consistency.

Mr. LODGE. The title is all right now.

Mr. WADSWORTH. Very well.

Mr. LODGE obtained the floor.

Mr. GRONNA. Mr. President——

Mr. LODGE. I yield to the Senator from North Dakota.

Mr. GRONNA. Mr. President, I have not taken a single minute of the time of the Senate in the debate on the joint resolution which has just been passed, for the reason that I was anxious to have it disposed of. I have a telegram here with reference to the measure which I wish to ask to have inserted in the RECORD. It is a telegram from J. G. Crites, a gentleman whom I know very well, a very prominent citizen of my State, and I ask to have it printed in the RECORD in full.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegram referred to is as follows:

HELENA, MONT., *December 10, 1920.*

Senator ASLE J. GRONNA,
Washington, D. C.:

Due to decline in prices of farm products, our farmers are on the verge of bankruptcy and will be unable to plant another crop unless provided with immediate financial assistance, which our banks are unable to extend. As a farmers' organization with over 2,000 stockholders, we respectfully implore you to use all honorable means to revive the War Finance Board, making its provisions sufficiently elastic to permit of its financing needy farmers and their organizations.

MONTANA GRAIN GROWERS.
J. G. CRITES, *General Manager.*

Mr. GRONNA. I ask that certain pages from the hearings, pages 60, 61, and 62, and part of page 63, be printed in the RECORD, being a portion of the statement of Gov. Harding.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

Mr. HARDING. Yes. We had a conference here on the 8th of May last, when the situation seemed to be getting out of hand. We had raised the rates as high as we wanted to go. There was indisposition on the part of the agricultural interests to sell their products, either because they thought they were going higher or because of the railroad situation. There was no selling movement to amount to anything, and there seemed to be a revival of the borrowing spirit, and we did not want this to resume the pace it had gone before, because we had to prepare for crop moving in the fall. A conference was held between the board and the Federal Advisory Council, which is a statutory body authorized to advise the board on general conditions, and class A directors of the Federal reserve banks. A carefully prepared statement was read to that conference, which was afterwards made public.

That statement if read from one end to the other contains nothing that anyone can take exception to. It merely called attention to certain facts which existed and to certain dangerous tendencies. It called attention to the necessity for providing funds to move the crop in the fall, and it pointed out that if the extension of credit should proceed at the rate it had gone for a few months preceding, the Federal Reserve System would be unable to function effectively, and a great many banks might be obliged to restrict necessary credits. Banks generally were cautioned to pursue a more careful policy in extending credits and were asked to look over their loans to see what purpose they were for; whether they were for speculative purposes, for the holding of commodities which could and ought to be sold. The statement was very moderate in tone. It pointed out that in some cases it might be necessary for a bank to pay some attention to the essentiality of the purpose for which a loan was asked, and that in cases where it found it necessary to discriminate it should do so, being careful always to take care of the essential enterprises of the community and not to do anything that would result in any general hardship, but that if it had an opportunity of collecting a long-standing loan that it had really no business to carry, it ought to do so. Banks were told that in granting new accommodations they should favor those that were essential, instead of cutting them down and loaning on nonessential propositions. As to essential or nonessential loans, we distinctly stated that the Federal Reserve Board was not in position to give any advice to the banks, but that the individual banker was in better position than anyone else to determine the essential or nonessential character of the loans offered to him.

Representative BYRNES of South Carolina. Were those bulletins all printed?

Mr. HARDING. A statement was given to the press.

Representative BYRNES of South Carolina. Now, as a result of that, the intent of the board certainly seemed to be misunderstood, and that the officials were told——

Mr. HARDING (interposing). I do not think the intent of the board was misunderstood so much as it was deliberately misrepresented.

Representative BYRNES of South Carolina. Well, the effect of deliberately misrepresenting it was to cause the banks to curtail credits. Isn't that the condition to which you have referred in the district in which Senator NORRIS lives—that they received their information from the officials, who are deliberately misrepresenting the board?

Mr. HARDING. I do not think that is true, because the volume is greater now than it was last May.

Senator NORRIS. What do they have to pay? You raised the rate, did you not? Would not that alone prevent these bankers from making loans?

Mr. HARDING. I don't think so.

Senator NORRIS. Does not the rate have anything to do with it?

Mr. HARDING. May I ask what the legal rate of interest is in Nebraska?

Senator NORRIS. Seven per cent.

Mr. HARDING. And in Kansas?

Representative TINCHER. Six per cent.

Mr. HARDING. And in Wyoming? Nobody here seems to know. Are any special contracts authorized out there?

Senator NORRIS. Yes; up to 10 per cent.

Mr. HARDING. The Kansas City district rate is 6 per cent. Any bank can borrow an amount equal to one and one-half times the sum of its paid-in contribution to the capital of the Federal reserve bank, plus its reserve balance at a 6 per cent rate.

Senator NORRIS. That is a high rate, is it not; a rediscount rate?

Mr. HARDING. The rediscount rates are relative. It is not a high rate. The Bank of England rate is 7 per cent.

Senator NORRIS. What was the normal rate, before you increased it?

Mr. HARDING. In 1915 we had a 3 per cent rate and did not do any business at that rate, because nobody wanted to borrow money.

Senator NORRIS. And then you raised it?

Mr. HARDING. We raised it from time to time; yes, sir.

Senator NORRIS. Do you mean to say the banks would not pay 3 per cent but were glad to pay more?

Mr. HARDING. I do not know how glad they are, but in 1915 they had no occasion to borrow money; they did not want to borrow money at any price.

Senator NORRIS. It was not a question of rates then; they did not need the money?

Mr. HARDING. I do not think the rate cuts much figure in restraining a bank which is obliged to borrow, but prevents others from overlending merely for the sake of profit.

Senator NORRIS. Is not the power given to the Federal Reserve Board particularly with a view of having them curtail their credits? Is not that the real object of it?

Mr. HARDING. The act says, in section 14, that the Federal reserve banks may establish, from time to time, rediscount rates, subject to the review and determination of the Federal Reserve Board, which rates shall be fixed with a view to accommodating commerce and business. In section 13 there is a provision defining what kind of paper may be eligible for rediscount by Federal reserve banks. Broadly speaking, a provision is made for the eligibility of bills and notes which are issued or drawn, or the proceeds of which have been used or are to be used for agricultural, commercial, or industrial purposes. It goes on to say, however, that nothing in this act contained shall be construed as preventing the discount of such paper, defined as eligible above, and that notes issued or drawn for the purpose of carrying merely investments, or issued or drawn for the purpose of buying or trading in stocks, bonds, or other investment securities, except bonds and notes of the Government of the United States shall not be eligible for rediscount by a Federal reserve bank. That is something that complicates the whole situation. At the time that act was passed the United States had a debt of something less than a billion dollars, and most of that was pledged as security for national bank notes. Now, since the war, the United States has a total indebtedness of approximately $25,000,000,000, and every bond, note, and certificate issued by the Government in borrowing that vast amount is acceptable as security for notes running as long as 90 days, or as security for member banks' notes running not longer than 15 days, and notes so secured are eligible for rediscount at a Federal reserve bank.

Now, you can see what would happen if we were to attempt to put in any artificial rate. Federal reserve bank discount rates must be based upon the current rates for credit. The experience of the Bank of England has been that it must always fix the official bank rates slightly higher than the current rate. That is the case over there to-day. The official rate of the Bank of England is 7 per cent, and the current rate is about 5½ per cent.

The Federal Reserve Board adopted a policy in order to assist in the war financing which was economically unsound. I say this frankly. Congress authorized certain loans. It authorized the Secretary of the Treasury to determine the rates at which the loans should be issued. The Secretary of the Treasury asked the advice of experts and then fixed the rates of interest to be borne by the several issues of bonds, notes, and certificates. During the time we were actually at war, something like $18,000,000,000 of bonds were sold to the people, an amount certainly in excess of the normal investment power of the American people in such a short time, and the only way in which those loans could be financed was through the instrumentality of the banks. The only way the banks could undertake to do it was to get some assistance from the Federal reserve banks and at a low rate. The low rate of interest borne by these bonds was fixed with a view of holding down the expenses of the Government as far as possible. Anyway, that is something the Federal Reserve Board has no responsibility for. In order to make possible the floating of these bonds we fixed a rate less than their coupon rate. Some member banks announced that for a period of six months there would be a rate of 4¼ per cent on notes secured by Government obligations. The result was there was no loss to subscribing banks pending the distribution of the bonds to the public. There were successive bond issues. The principal reason why discount rates were not increased earlier than they were in 1919 was on account of Treasury financing.

Representative LAZARO. Would it not be easier for the farmer to borrow on his agricultural products from his member bank, if he had his products stored in a United States bonded warehouse where his products would be weighed and licensed by grades?

Mr. HARDING. I think it would; yes, sir.

SUSPENSION OF ASSESSMENT WORK ON MINING CLAIMS.

Mr. POINDEXTER. Mr. President——

Mr. LODGE. Mr. President, I did not yield the floor for debate.

The PRESIDING OFFICER. The Senator from Massachusetts has the floor.

Mr. LODGE. I yield to the Senator from Washington to make a request.

Mr. POINDEXTER. I make the request because it is necessary, if any action at all is taken upon the matter which I am about to bring to the attention of the Senate, to have it done at once. From the Committee on Mines and Mining, to which was referred the bill (S. 4565) to extend the requirements of annual assessment work on mining claims during the year 1920, I report it back with an amendment and ask unanimous consent for its immediate consideration.

The PRESIDING OFFICER. Is there objection?

Mr. LODGE. If it leads to no debate, I shall not object.

Mr. SMOOT. I desire to ask the Senator from Washington a question before I give consent.

Mr. KENYON. Mr. President, a parliamentary inquiry. Is the matter presented by the Senator from Washington in the nature of a bill?

Mr. POINDEXTER. It is.

Mr. KENYON. I suggest that if that measure is taken up for consideration, and then the Senate adjourns before it is concluded, the unfinished business will be supplanted. Under those circumstances, I feel obliged to object.

Mr. POINDEXTER. I imagine there will be no difficulty about having the unfinished business laid aside temporarily for this particular purpose until the bill can be disposed of.

Mr. KENYON. The unfinished business was temporarily laid aside for the joint resolution which has just passed the Senate, and I understand that the unfinished business is now before the Senate again. If the Senator secures the consideration of the measure in which he is interested while the unfinished business is pending, and the Senate should adjourn before the consideration of the measure is concluded, the unfinished business would be supplanted.

Mr. POINDEXTER. I will ask to have the bill withdrawn if it can not be disposed of at once without debate.

Mr. KENYON. With the understanding that it will not supplant the unfinished business, I shall not object.

Mr. SMOOT. Mr. President, I wish to ask the Senator a question before I consent to the consideration of the bill at this time. I have not had a chance to read the report of the committee. Does it exclude placer locations?

Mr. POINDEXTER. *No*; it does not, with the exception of locations of oil shale. That is the only exception.

Mr. SMOOT. Those are placer locations.

Mr. POINDEXTER. They are not all placer locations.

Mr. LODGE. Mr. President, I said that I yielded if there was no debate. There is evidently going to be debate, and I shall be obliged, therefore, to make the motion to adjourn.

Mr. ASHURST. Mr. President, if the Senator from Massachusetts will withhold the motion for a moment, the measure reported by the Senator from Washington [Mr. POINDEXTER] is very important, and, as he has said, it has got to be passed at once, within a day or two, if any relief is to be afforded. I think, with a slight amendment, we can dispose of it, without any debate, in two minutes.

Mr. LODGE. Very well; if there is no debate I will withhold the motion.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4565) to extend the requirements of annual assessment work on mining claims during the year 1920, which had been reported from the Committee on Mines and Mining with an amendment to strike out all after the enacting clause and to insert:

That the period within which work may be performed or improvements made for the year 1920 upon mining claims, as required under section 2324 of the Revised Statutes of the United States, is hereby extended to and including the 1st day of July, 1921; so that work done or improvements made upon any mining claim in the United States or Alaska on or before July 1, 1921, shall have the same effect as if the same had been performed within the calendar year of 1920: *Provided*, That this act shall not apply to or affect claims to oil shale: *And provided further*, That this act shall not in any way change or modify the requirements of existing law as to work to be done or improvements made upon mining claims for the year 1921.

Mr. SMOOT. I move to strike out the exception as to oil shale.

Mr. POINDEXTER. On behalf of the committee, as far as I can do so, I accept the amendment proposed.

The PRESIDING OFFICER. The amendment offered by the Senator from Utah will be stated.

The READING CLERK. It is proposed to strike out the first proviso, as follows:

Provided, That this act shall not apply to or affect claims to oil shale.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment reported by the committee as it has been amended.

Mr. HITCHCOCK. I should like to have the amendment as amended read.

The PRESIDING OFFICER. The amendment as amended will be stated.

The READING CLERK. As amended the amendment reported by the committee is to strike out all after the enacting clause and insert the following:

That the period within which work may be performed or improvements made for the year 1920 upon mining claims, as required under section 2324 of the Revised Statutes of the United States, is hereby extended to and including the 1st day of July, 1921, so that work done or improvements made upon any mining claim in the United States or Alaska on or before July 1, 1921, shall have the same effect as if the same had been performed within the calendar year of 1920; *Provided*, That this act shall not in any way change or modify the requirements of existing law as to work to be done or improvements made upon mining claims for the year 1921.

The amendment as amended was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The title was amended so as to read: "A bill extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921."

Mr. LODGE. I move that the Senate adjourn.

The motion was agreed to; and (at 6 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, December 14, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *December 13, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father who art in heaven, in whom all our longings, hopes, and aspirations are centered, hallowed be Thy name. Without Thee we are nothing, with Thee we may accomplish wonders.

Forsake us not in this critical moment of our Nation's history and help us to rise nobly to the occasion, that we may reflect Thy glory in whatsoever we do and thus become instruments in Thy hands for the promotion of all good. In the spirit of the Lord Jesus Christ our Savior. Amen.

The Journal of the proceedings of Saturday, December 11, 1920, was read and approved.

EXTENSION OF REMARKS.

Mr. TAYLOR of Tennessee. Mr. Speaker, I ask unanimous consent to revise and extend my remarks upon the immigration bill.

The SPEAKER. The gentleman from Tennessee asks unanimous consent to extend his remarks in the RECORD on the immigration bill. Is there objection?

There was no objection.

Mr. KIESS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the immigration bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. WELTY. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

Mr. CHINDBLOM. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD upon the immigration bill.

The SPEAKER. Is there objection?

There was no objection.

Mr. WINGO. Mr. Speaker, I have not objected to these requests, upon the general assumption that the gentlemen who made them will extend their own remarks in the RECORD and not insert the remarks of other people.

Mr. CHINDBLOM. Mr. Speaker, my request was to extend my own remarks in the RECORD, and the extension will be confined to them.

Mr. WINGO. I felt sure that the gentleman would, but thought at the same time I would call attention to it.

LEAVES OF ABSENCE.

Mr. CAREW. Mr. Speaker, I ask unanimous consent that my colleague, Mr. DOOLING, be excused indefinitely because of the sudden death of his son in California. If Mr. DOOLING were present, he would probably vote against the immigration bill.

The SPEAKER. The gentleman from New York asks unanimous consent that his colleague, Mr. DOOLING, be excused indefinitely on account of the death of his son. Is there objection?

There was no objection.

Mr. MOORE of Virginia. Mr. Speaker, I ask unanimous consent that my colleague, Mr. MONTAGUE, be excused to-day in order that he may attend the funeral of a friend. If he were present, I desire to state that he would vote for the immigration bill.

The SPEAKER. The gentleman from Virginia asks unanimous consent that his colleague, Mr. MONTAGUE, be excused for the day. Is there objection?

There was no objection.

LEAVE TO ADDRESS THE HOUSE.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that on Thursday morning next, immediately after the reading of the Journal and the disposition of matters on the Speaker's table, I may address the House for one hour on the subject of appropriations and revenues.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that on Thursday next, after the reading of the Journal and the disposition of matters on the Speaker's table, he may address the House for one hour on the subject of appropriations and revenues. Is there objection?

There was no objection.

INAUGURATION OF THE PRESIDENT ELECT.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate concurrent resolution 34, providing for a joint committee to make the necessary arrangements for the inauguration of the President elect, and for its present consideration.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to take from the Speaker's table Senate concurrent resolution 34 and consider the same. The Clerk will report the resolution.

The Clerk read as follows:

Senate concurrent resolution 34.

Resolved by the Senate (the House of Representatives concurring), That a joint committee, consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. The question is on the passage of the concurrent resolution.

The concurrent resolution was agreed to.

IMMIGRATION.

The SPEAKER. When the House adjourned on Saturday the previous question had been ordered on the immigration bill. The Chair had asked if a separate vote was demanded on any amendment, and a separate vote was demanded by the gentleman from Alabama [Mr. BANKHEAD] on the so-called Mann amendment, reducing the time of the operation of the law. Is a separate vote demanded on any other amendment?

Mr. BLANTON. Mr. Speaker, I ask for a separate vote on the Siegel amendment, extending the exemption in the bill to brothers and sisters.

The SPEAKER. The gentleman from Texas demands a separate vote on the Siegel amendment, specified. Is a separate vote demanded on any of the other amendments? If not, the Chair will put them en grosse. The question is on agreeing to the other amendments.

The amendments were agreed to.

The SPEAKER. The question now is on the Mann amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 19, after the word "of," strike out the words "two years" and insert in lieu thereof "fourteen months."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. BANKHEAD) there were—ayes 58, noes 67.

Mr. CRISP. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll. The question is on agreeing to the so-called Mann amendment.

The question was taken; and there were—yeas 182, nays 163, answered "present" 1, not voting 85, as follows:

YEAS—182.

Ackerman	Fess	McFadden	Rose
Anderson	Fish	McGlennon	Sabath
Andrews, Nebr.	Fordney	McKinley	Sherwood
Anthony	Foster	McLaughlin, Mich.	Shreve
Babka	Frear	McLaughlin, Nebr.	Siegel
Bacharach	Fuller, Ill.	MacCrate	Sinclair
Bee	Gallivan	MacGregor	Slemp
Benham	Gard	Madden	Smith, Ill.
Benson	Glynn	Magee	Smith, Mich.
Boies	Goldfogle	Major	Snyder
Britten	Good	Mansfield	Strong, Kans.
Brooks, Ill.	Goodall	Mays	Strong, Pa.
Brooks, Pa.	Goodykoontz	Merritt	Sullivan
Browne	Gould	Michener	Sweet
Burdick	Graham, Ill.	Minahan, N. J.	Swindall
Burroughs	Graham, Pa.	Monahan, Wis.	Tague
Butler	Green, Iowa	Mondell	Temple
Campbell, Kans.	Greene, Mass.	Mooney	Thompson
Campbell, Pa.	Griffin	Moore, Ohio	Tilson
Cannon	Harreld	Moores, Ind.	Timberlake
Carew	Hastings	Mott	Tincher
Chindblom	Haugen	Mudd	Tinkham
Clark, Mo.	Hersman	Murphy	Towner
Classon	Hickey	Nelson, Mo.	Treadway
Cleary	Hicks	Newton, Mo.	Vaile
Coady	Hoch	O'Connor	Vare
Cooper	Hudspeth	Olney	Vestal
Copley	Hull, Iowa	Paige	Volgt
Cramton	Ireland	Parker	Volstead
Crowther	Jefferis	Pell	Walsh
Cullen	Johnston, N. Y.	Perlman	Walters
Dallinger	Jones, Pa.	Peters	Ward
Darrow	Juul	Phelan	Wason
Davis, Minn.	Kendall	Porter	Watson
Dempsey	Kennedy, Iowa	Purnell	Welty
Denison	Kennedy, R. I.	Radcliffe	White, Kans.
Dewalt	Kinkaid	Rainey, H. T.	White, Me.
Donovan	Kleczka	Rainey, J. W.	Wilson, Ill.
Dunbar	Knutson	Ramsey	Wilson, Pa.
Dunn	Kraus	Ramseyer	Winslow
Dupré	Lampert	Randall, Wis.	Wood, Ind.
Dyer	Lehlbach	Reavis	Woodyard
Eagan	Little	Reed, W. Va.	Yates
Echols	Longworth	Rhodes	Young, N. Dak.
Esch	Luce	Ricketts	
Evans, Nebr.	McAndrews	Rodenberg	

NAYS—163.

Almon	Eagle	Kettner	Robsion, Ky.
Ashbrook	Elliott	Kiess	Rogers
Aswell	Ellsworth	Kincheloe	Rucker
Ayres	Elston	Lanham	Schall
Bankhead	Evans, Mont.	Lankford	Sears
Barbour	Evans, Nev.	Larsen	Sells
Barkley	Fairfield	Layton	Sinnott
Begg	Ferris	Lazaro	Sisson
Bell	Fisher	Lea, Calif.	Small
Black	Flood	Lee, Ga.	Smith, Idaho
Bland, Ind.	French	Linthicum	Smithwick
Bland, Mo.	Garner	Lufkin	Steagall
Bland, Va.	Garrett	McArthur	Stedman
Blanton	Godwin, N. C.	McClintic	Steenerson
Box	Goodwin, Ark.	McDuffie	Stephens, Miss.
Brand	Greene, Vt.	McKeown	Stephens, Ohio
Briggs	Griest	McPherson	Stoll
Buchanan	Hadley	Mann, S. C.	Summers, Wash.
Byrnes, S. C.	Hardy, Colo.	Mapes	Sumners, Tex.
Byrns, Tenn.	Hardy, Tex.	Martin	Swope
Cantrill	Harrison	Mead	Taylor, Ark.
Caraway	Hawley	Miller	Taylor, Colo.
Carss	Hayden	Milligan	Taylor, Tenn.
Carter	Hays	Moon	Thomas
Clark, Fla.	Hernandez	Moore, Va.	Tillman
Cole	Hersey	Neely	Upshaw
Collier	Hoey	Newton, Minn.	Venable
Connally	Holland	Nicholls	Vinson
Crisp	Huddleston	Ogden	Watkins
Curry, Calif.	Hull, Tenn.	Oldfield	Weaver
Dale	Humphreys	Oliver	Webster
Davey	Jacoway	Osborne	Welling
Davis, Tenn.	James, Va.	Overstreet	Wheeler
Dickinson, Iowa	Johnson, Miss.	Padgett	Williams
Dickinson, Mo.	Johnson, S. Dak.	Parrish	Wilson, La.
Dominick	Johnson, Wash.	Pou	Wingo
Doremus	Jones, Tex.	Quin	Woods, Va.
Doughton	Kearns	Raker	Wright
Dowell	Keller	Randall, Calif.	Young, Tex.
Drane	Kelley, Mich.	Rayburn	Zihlman
Drewry	Kelly, Pa.	Riddick	

ANSWERED "PRESENT"—1.

Mann, Ill.

NOT VOTING—85.

Andrews, Md.	Dent	Howard	McCulloch
Baer	Dooling	Hulings	McKenzie
Blackmon	Edmonds	Husted	McKinley
Booher	Emerson	Hutchinson	McLane
Bowers	Fields	Igoe	McLeod
Brinson	Focht	James, Mich.	Maher
Brumbaugh	Freeman	Johnson, Ky.	Mason
Burke	Fuller, Mass.	Kahn	Montague
Caldwell	Gallagher	King	Morin
Candler	Gandy	Kitchin	Nelson, Wis.
Casey	Ganly	Kreider	Nolan
Christopherson	Hamill	Langley	O'Connell
Costello	Hamilton	Lesher	Park
Crago	Hill	Lonergan	Patterson
Currie, Mich.	Houghton	Luhring	Rainey, Ala.

Ransley	Rowan	Scott	Stiness
Reber	Rowe	Scully	Volk
Reed, N. Y.	Rubey	Sims	Whaley
Riordan	Sanders, Ind.	Smith, N. Y.	Wise
Robinson, N. C.	Sanders, La.	Snell	
Romjue	Sanders, N. Y.	Steele	
Rouse	Sanford	Stevenson	

So the Mann amendment was agreed to.

The Clerk announced the following pairs:

Mr. MANN of Illinois (for) with Mr. NOLAN (against).

Mr. SMITH of New York (for) with Mr. WHALEY (against).

Mr. SNELL (for) with Mr. FOCHT (against).

Mr. HUTCHINSON (for) with Mr. RAINEY of Alabama (against).

Mr. RIORDAN (for) with Mr. STEVENSON (against).

Mr. GALLAGHER (for) with Mr. HOWARD (against).

Mr. ROWAN (for) with Mr. FIELDS (against).

Mr. DOOLING (for) with Mr. ANDREWS (against).

Mr. O'CONNELL (for) with Mr. MONTAGUE (against).

Mr. GANLEY (for) with Mr. WISE (against).

Mr. CALDWELL (for) with Mr. PARK (against).

General pairs:

Mr. MASON with Mr. IGOE.

Mr. BOWERS with Mr. BOOHER.

Mr. HOUGHTON with Mr. MAHER.

Mr. VOLK with Mr. CASEY.

Mr. CHRISTOPHERSON with Mr. DENT.

Mr. KREIDER with Mr. SCULLY.

Mr. EDMONDS with Mr. STEELE.

Mr. LANGLEY with Mr. ROMJUE.

Mr. SCOTT with Mr. BRINSON.

Mr. MORIN with Mr. HAMILL.

Mr. HUSTED with Mr. RUBEY.

Mr. CURRIE of Michigan with Mr. LESHER.

Mr. KAHN with Mr. KITCHIN.

Mr. STINESS with Mr. MCLANE.

Mr. LUHRING with Mr. SIMS.

Mr. HILL with Mr. CANDLER.

Mr. KING with Mr. SANDERS of Louisiana.

Mr. ROWE with Mr. ROBINSON.

Mr. HULINGS with Mr. BRUMBAUGH.

Mr. SANDERS of Indiana with Mr. BLACKMON.

Mr. MCCULLOCH with Mr. LONERGAN.

Mr. NELSON of Wisconsin with Mr. JOHNSON of Kentucky.

Mr. PATTERSON with Mr. GANDY.

Mr. MCKINLEY with Mr. MANSFIELD.

Mr. MANN of Illinois. Mr. Speaker, I voted "aye." I am paired with the gentleman from California, Mr. NOLAN, and desire to withdraw my vote and be recorded "present."

The name of Mr. MANN of Illinois was called, and he answered "Present."

The result of the vote was announced as above recorded.

The SPEAKER. The Doorkeeper will open the doors. The question is on the amendment of which a separate vote was demanded by the gentleman from Texas, which the Clerk will report.

The Clerk read as follows:

Page 7, line 4, after the word "son" insert the words "or brother," and on page 7, line 5, after the word "daughter" insert the words "or sister."

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. BLANTON. Division, Mr. Speaker.

The House divided; and there were—ayes 203, noes 76.

So the amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time.

The SPEAKER. The question is on the passage of the bill.

The question was taken.

Mr. SABATH and Mr. SIEGEL. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 296, nays 42, answered "present" 6, not voting 87, as follows:

YEAS—296.

Ackerman	Benham	Buchanan	Classon
Almon	Benson	Burroughs	Cole
Anderson	Black	Butler	Collier
Andrews, Nebr.	Bland, Ind.	Byrnes, S. C.	Connally
Anthony	Bland, Mo.	Byrns, Tenn.	Cooper
Ashbrook	Bland, Va.	Campbell, Kans.	Crisp
Aswell	Blanton	Campbell, Pa.	Crowther
Ayres	Boies	Cannon	Curry, Calif.
Bacharach	Box	Cantrill	Dale
Bankhead	Brand	Caraway	Dallinger
Barbour	Briggs	Carss	Darrow
Barkley	Brooks, Ill.	Carter	Davey
Begg	Brooks, Pa.	Clark, Fla.	Davis, Minn.
Bell	Browne	Clark, Mo.	Davis, Tenn.
Dempsey	Hill	Merritt	Slemp
Denison	Hoch	Michener	Small
Dewalt	Hoey	Miller	Smith, Idaho
Dickinson, Iowa	Holland	Milligan	Smith, Mich.
Dickinson, Mo.	Huddleston	Monahan, Wis.	Smithwick
Dominick	Hudspeth	Moon	Snyder
Doremus	Hull, Iowa	Moore, Ohio	Steagall
Doughton	Hull, Tenn.	Moore, Va.	Stedman
Dowell	Humphreys	Moores, Ind.	Steenerson
Drane	Ireland	Mott	Stephens, Miss.
Drewry	Jacoway	Mudd	Stephens, Ohio
Dunbar	James, Va.	Murphy	Stoll
Dunn	Jefferis	Neely	Strong, Kans.
Dupré	Johnson, Miss.	Nelson, Mo.	Strong, Pa.
Dyer	Johnson, S. Dak.	Newton, Minn.	Summers, Wash.
Eagle	Johnson, Wash.	Newton, Mo.	Sumners, Tex.
Echols	Jones, Pa.	Nicholls	Sweet
Elliott	Jones, Tex.	O'Connor	Swindall
Ellsworth	Kearns	Ogden	Swope
Elston	Keller	Oldfield	Taylor, Ark.
Evans, Mont.	Kelley, Mich.	Oliver	Taylor, Colo.
Evans, Nebr.	Kelly, Pa.	Olney	Taylor, Tenn.
Evans, Nev.	Kendall	Osborne	Temple
Fairfield	Kennedy, Iowa	Overstreet	Thomas
Ferris	Kettner	Padgett	Thompson
Fess	Kiess	Paige	Tillman
Fish	Kincheloe	Park	Timberlake
Fisher	Kinkaid	Parker	Tincher
Flood	Kleczka	Parrish	Towner
Fordney	Knutson	Porter	Treadway
Foster	Kraus	Pou	Upshaw
Frear	Lampert	Purnell	Valle
French	Lanham	Quin	Venable
Fuller, Ill.	Lankford	Radcliffe	Vestal
Gard	Larsen	Rainey, H. T.	Vinson
Garrett	Layton	Raker	Voigt
Godwin, N. C.	Lazaro	Ramsey	Volstead
Good	Lea, Calif.	Ramseyer	Walters
Goodall	Lee, Ga.	Randall, Calif.	Ward
Goodwin, Ark.	Lehlbach	Randall, Wis.	Wason
Goodykoontz	Linthicum	Rayburn	Watkins
Gould	Little	Reavis	Weaver
Graham, Ill.	Longworth	Reed, W. Va.	Webster
Green, Iowa	Lufkin	Rhodes	Welling
Greene, Vt.	McArthur	Ricketts	Welty
Griest	McClintic	Riddick	Wheeler
Hadley	McDuffie	Robsion, Ky.	White, Kans.
Hardy, Colo.	McFadden	Rodenberg	White, Me.
Hardy, Tex.	McKeown	Rogers	Williams
Harreld	McLaughlin, Mich.	Rose	Wilson, Ill.
Harrison	McLaughlin, Nebr.	Rucker	Wilson, La.
Hastings	McLeod	Schall	Wilson, Pa.
Haugen	McPherson	Sears	Wingo
Hawley	MacGregor	Sells	Woods, Va.
Hayden	Magee	Sherwood	Woodyard
Hays	Major	Shreve	Wright
Hernandez	Mann, S. C.	Sims	Yates
Hersey	Mapes	Sinclair	Young, N. Dak.
Hersman	Martin	Sinnott	Young, Tex.
Hicks	Mays	Sisson	Zihlman

NAYS—42.

Babka	Gallivan	McGlennon	Sabath
Bee	Glynn	McKiniry	Siegel
Britten	Goldfogle	MacCrate	Smith, Ill.
Burdick	Greene, Mass.	Mead	Sullivan
Carew	Griffin	Minahan, N. J.	Tague
Cleary	Hickey	Mooney	Tilson
Coady	Johnston, N. Y.	Pell	Tinkham
Copley	Juul	Perlman	Vare
Cullen	Kennedy, R. I.	Peters	Wood, Ind.
Donovan	Luce	Phelan	
Eagan	McAndrews	Rainey, J. W.	

ANSWERED "PRESENT"—6.

Chindblom	Mann, Ill.	Walsh	Watson
Madden	Mansfield		

NOT VOTING—87.

Andrews, Md.	Focht	Langley	Robinson, N. C.
Baer	Freeman	Lesher	Romjue
Blackmon	Fuller, Mass.	Lonergan	Rouse
Booher	Gallagher	Luhring	Rowan
Bowers	Gandy	McCulloch	Rowe
Brinson	Ganly	McKenzie	Rubey
Brumbaugh	Garner	McKinley	Sanders, Ind.
Burke	Graham, Pa.	McLane	Sanders, La.
Caldwell	Hamill	Maher	Sanders, N. Y.
Candler	Hamilton	Mason	Sanford
Casey	Houghton	Mondell	Scott
Christopherson	Howard	Montague	Scully
Costello	Hulings	Morin	Smith, N. Y.
Crago	Husted	Nelson, Wis.	Snell
Cramton	Hutchinson	Nolan	Steele
Currie, Mich.	Igoe	O'Connell	Stevenson
Dent	James, Mich.	Patterson	Stiness
Dooling	Johnson, Ky.	Rainey, Ala.	Volk
Edmonds	Kahn	Ransley	Whaley
Emerson	King	Reber	Winslow
Esch	Kitchin	Reed, N. Y.	Wise
Fields	Kreider	Riordan	

So the bill was passed.

The Clerk announced the following additional pairs:

On this vote:

Mr. NOLAN (for) with Mr. MANN of Illinois (against).

Mr. WINSLOW (for) with Mr. WATSON (against).

Mr. FOCHT (for) with Mr. SNELL (against).

Mr. SCOTT (for) with Mr. WALSH (against).

Mr. HUTCHINSON (for) with Mr. SCULLY (against).

Mr. HULINGS (for) with Mr. MADDEN (against).

Mr. EDMONDS (for) with Mr. CHINDBLOM (against).

Mr. ESCH (for) with Mr. MASON (against).
Mr. HOUGHTON (for) with Mr. VOLK (against).
Mr. PATTERSON (for) with Mr. DOOLING (against).
Mr. STEVENSON (for) with Mr. RIORDAN (against).
Mr. WHALEY (for) with Mr. SMITH of New York (against).
Mr. HOWARD (for) with Mr. GALLAGHER (against).
Mr. FIELDS (for) with Mr. ROWAN (against).
Mr. MONTAGUE (for) with Mr. O'CONNELL (against).
Mr. WISE (for) with Mr. GANLY (against).
Mr. RAINEY of Alabama (for) with Mr. CALDWELL (against).
Mr. REBER (for) with Mr. HAMILL (against).
Until further notice:
Mr. BOWERS with Mr. BOOHER.
Mr. BURKE with Mr. IGOE.
Mr. CHRISTOPHERSON with Mr. DENT.
Mr. CRAGO with Mr. CASEY.
Mr. GRAHAM of Pennsylvania with Mr. STEELE.
Mr. CURRIE of Michigan with Mr. LESHER.
Mr. FREEMAN with Mr. BRINSON.
Mr. HUSTED with Mr. RUBEY.
Mr. KAHN with Mr. KITCHIN.
Mr. KING with Mr. SANDERS of Louisiana.
Mr. LUHRING with Mr. CANDLER.
Mr. SANDERS of Indiana with Mr. BLACKMON.
Mr. MCCULLOCH with Mr. LONERGAN.
Mr. NELSON of Wisconsin with Mr. JOHNSON of Kentucky.
Mr. MCKINLEY with Mr. MANSFIELD.
Mr. KREIDER with Mr. MCLANE.
Mr. LANGLEY with Mr. ROMJUE.
Mr. MONDELL with Mr. GARNER.
Mr. MCKENZIE with Mr. ROBINSON of North Carolina.
Mr. MORIN with Mr. MAHER.
Mr. REED of New York with Mr. GRIFFIN.
Mr. SANDERS of New York with Mr. BRUMBAUGH.
Mr. SANFORD with Mr. GANDY.
Mr. RANSLEY with Mr. LANKFORD.

Mr. WATSON. Mr. Speaker, I am paired, and I answered "present." Had I voted, I would have voted "nay."

Mr. CHINDBLOM. Mr. Speaker, I have a pair on this bill with the gentleman from Pennsylvania, Mr. EDMONDS. He is not here. I wish to withdraw my vote of "nay" and answer "present."

Mr. CRAMTON. Mr. Speaker, I desire to state that I was in the cloakroom when the roll was called. I wish to know if that comes within the rule?

The SPEAKER. It does not.

Mr. CRAMTON. May I be permitted to state that I would have voted "yea"?

Mr. WALSH. Mr. Speaker, I desire to withdraw my vote of "nay" and answer "present," having a pair with the gentleman from Michigan, Mr. SCOTT.

Mr. WHEELER. Mr. Speaker, I desire to state that my colleague from Illinois, Mr. KING, is unavoidably absent. Had he been present, he would have voted "yea."

Mr. KINCHELOE. Mr. Speaker, my colleague, Mr. FIELDS, is absent to-day on account of attending the funeral of a friend, and he requests me to announce that had he been present he would have voted for the bill.

The result of the vote was announced as above recorded.

On motion of Mr. JOHNSON of Washington, a motion to reconsider the vote by which the bill was passed was laid on the table.

THE TARIFF.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent for five minutes in which to address the House.

The SPEAKER. The gentleman from Michigan asks unanimous consent to address the House for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. Mr. Speaker and gentlemen of the House, I want to announce that the Ways and Means Committee have decided to begin hearings upon the revision of the tariff laws, and those hearings begin on January 6. And I wish to place in the RECORD a list of the dates that the committee will hear people on the various schedules in the law, beginning with "A" and continuing to "N," and then three days for those who wish to be heard on the articles contained in the free list; then two days allotted to hearings on administrative and miscellaneous matters; those hearings, as I have said, to begin on January 6 and to run until February 16, Sundays excepted.

And I wish to place in the RECORD a statement to that effect in order that the country may be informed and the people wishing to be heard may appear here on those various dates to be heard on articles contained in the various schedules. I want to say that the committee is also at the present time holding hearings upon the matter of the revision of our internal-revenue laws. We began those hearings proper this morning, and will hold hearings every day until the holiday recess.

But briefly I want to call the attention of the House to the situation confronting Congress as to our income and expenditures for the next two years and a half, as reported by the Secretary of the Treasury.

Mr. GARNER. Mr. Speaker, will the gentleman yield for a suggestion?

Mr. FORDNEY. I yield; yes, sir.

Mr. GARNER. Is it the intention of the committee to permit any one coming here to be heard on the revision of the internal-revenue laws?

Mr. FORDNEY. Really, I think, sir, we would like to confine the hearings to those of the greatest importance. I doubt if we will have sufficient time before the holiday recess to hear everybody who wants to be heard; for instance, I believe the motion-picture people want to be heard extensively.

Mr. SMITH of Michigan. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Certainly.

Mr. SMITH of Michigan. Does the hearing on the internal-revenue law include hearings on the income-tax return, the form of the report? Does it cover that?

Mr. FORDNEY. The report of the Secretary of the Treasury?

Mr. SMITH of Michigan. No; the report that we are to make out.

Mr. FORDNEY. I hope so. I hope when we revise the present internal-revenue law the form of the income-tax return can be made very simple for each and every individual or corporation to make out their tax return, which is now really a Chinese puzzle.

Mr. FESS. Mr. Speaker, will the gentleman yield for a question?

Mr. FORDNEY. Yes, sir.

Mr. FESS. I have many letters asking for a revision to simplify this before the end of this session. Is that possible?

Mr. FORDNEY. I doubt if it is possible to have a revision of the form of those returns at this session of Congress.

Mr. FESS. That was the instruction I gave them.

Mr. FORDNEY. Now let me give you a brief statement, because my time is limited. The report of the Secretary of the Treasury shows the income for this fiscal year and for the succeeding fiscal year, produced revenues under existing law, of $5,799,000,000, while the estimates call for an expenditure of $7,914,000,000.

There are falling due Government obligations of $2,350,000,000 of certificates of indebtedness within the next 12 months, and on or before January 1, 1923, $800,000,000 of war-savings certificates, and on or before May 20, 1923, $4,250,000,000 of Treasury notes, making a total in round numbers of $7,500,000,000 falling due within the next two years and a half, and with an income of $4,000,000,000 estimated for the next fiscal year it can readily be seen that it is an impossibility to pay off these obligations in that time, and at the same time furnish sufficient revenues to meet the running expenses of the Government. Therefore it is my personal opinion—and I speak only for myself—that it would be wise for Congress to refund those Government obligations falling due with long-time bonds and reduce taxation to a point where our revenues will meet the annual running expenses of the Government. I do not believe that we can collect from the people sufficient money to pay our ordinary running expenses and materially reduce the Government obligations in that length of time.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. I yield to the gentleman from Illinois.

Mr. MANN of Illinois. The gentleman said the hearings before his committee would continue until the holiday recess.

Mr. FORDNEY. Yes; on the internal-revenue law.

Mr. MANN of Illinois. If there is to be no holiday recess, will the gentleman tell us when the hearings are to end?

Mr. FORDNEY. The hearings to-day are on the internal-revenue law. We have had Dr. Adams before us to point out certain things.

Mr. MANN of Illinois. We are not to take the ordinary holiday recess. The House has determined that it would not.

Mr. FORDNEY. But you are going to recess on December 23 for three or four days.

Mr. MANN of Illinois. Well, for three days. That is the time the gentleman refers to?

Mr. FORDNEY. Yes.

Mr. MANN of Illinois. That is what I wanted to know, when the hearings ended.

Mr. FORDNEY. Yes.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SABATH. Do I understand the gentleman to say that he expects to bring in these bills and pass them at this session of Congress?

Mr. FORDNEY. Oh, no. There is a stumblingblock up on Pennsylvania Avenue that prevents such action at this session.

Mr. SABATH. Where? I have not heard of any.

Mr. CAREW. You do not think you will have these bills prepared at that time, do you?

Mr. SABATH. It is not intended to pass them at this session of Congress?

Mr. FORDNEY. No; it is not intended by the committee to pass any of these laws at this session of Congress.

Mr. Speaker, I ask unanimous consent to insert this statement in the RECORD.

The SPEAKER. The gentleman from Michigan asks unanimous consent to insert the statement referred to in the RECORD. Is there objection?

Following is the statement referred to:

[Press notice.]

Following a conference this morning of the majority members of the Committee on Ways and Means, Chairman FORDNEY announced that hearings on a general revision of the tariff would begin on January 6, 1921, and continue daily thereafter, with the exception of Sundays, for a period of six weeks.

The following days have been assigned for hearings on the various schedules. The hearings will be conducted in the Ways and Means Committee room, in the House Office Building, Washington, D. C.:

Schedule A (chemical oils and paints), January 6, 7, 8.
Schedule B (earths, earthenware, glassware), January 10, 11.
Schedule C (metals and manufactures of), January 12, 13, 14.
Schedule D (wood and manufactures of), January 15, 17.
Schedule E (sugar, molasses, and manufactures of), January 18, 19.
Schedule F (tobacco and manufactures of), January 20.
Schedule G (agricultural products and provisions), January 21, 22, 24.
Schedule H (spirits, wines, and other beverages), January 25.
Schedule I (cotton manufactures), January 26, 27.
Schedule J (flax, hemp, and jute, manufactures of), January 28, 29.
Schedule K (wool and manufactures of), January 31, February 1, 2.
Schedule L (silks and silk goods), February 3, 4.
Schedule M (papers and books), February 5, 7.
Schedule N (sundries), February 8, 9, 10.
Free list, February 11, 12, 14.
Administrative and miscellaneous, February 15, 16.

Mr. FORDNEY emphasized the importance of giving wide publicity in the press and trade journals of the dates assigned for the various schedules, for it will be necessary, he explained, for persons desiring to be heard to apply to the clerk of the committee previous to the day set for the hearing in order to be assigned a place on the proper daily calendar.

It is the plan of the committee to conclude the hearings and complete necessary printing incident thereto prior to the adjournment of the short session, March 4, so that the actual work on the drafting of a bill can be commenced without delay under the new administration. It is a foregone conclusion that Mr. Harding will call Congress in extra session shortly after the inauguration, and, in the opinion of the chairman and other members of the committee, the final enactment of a tariff measure at the special session could not be accomplished if hearings were to be delayed until the new Congress is convened. To substantiate this the chairman pointed to the fact that in 1908 hearings were commenced November 10 and the bill was not finally enacted until August 5, 1909, the elapsed time being five days short of nine months. In 1913 tariff hearings were begun January 6 and the bill was enacted October 3, three days less than nine months' time being required.

SUSPENDING THE OPERATION OF WAR LAWS.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

The Committee on Rules submits the following resolution:

House resolution 609.

"Resolved, That immediately upon the adoption of this resolution it shall be in order to consider in the House the joint resolution (H. J. Res. 382) 'declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired'; that there shall be not to exceed two hours of debate, to be equally divided between those for and against the joint resolution; that during said debate amendments may be offered, to be voted upon in the order in which they are offered at the conclusion of such debate, at which time the previous question shall be considered as ordered on the joint resolution and pending amendments to final passage, without intervening motion except one motion to recommit."

With committee amendments, as follows:

In line 9, after the word "debate," insert the words "and immediately upon its conclusion."

In line 10, strike out the words "they are."

In line 10, after the word "offered," insert a period.

In lines 10 and 11, strike out the words "at the conclusion of such debate, at which time," and insert in lieu thereof the word "Thereupon."

In line 12, strike out the word "pending."

The committee recommends that the resolution with these amendments be agreed to, so that as amended the resolution will read:

"Resolved, That immediately upon the adoption of this resolution it shall be in order to consider in the House the joint resolution (H. J. Res. 382) 'declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired'; that there shall be not to exceed two hours of debate, to be equally divided between those for and against the joint resolution; that during said debate and immediately upon its conclusion amendments may be offered, to be voted upon in the order in which offered. Thereupon the previous question shall be considered as ordered on the joint resolution and amendments to final passage, without intervening motion except one motion to recommit."

The SPEAKER. The gentleman from Kansas [Mr. CAMPBELL] is recognized.

Mr. CAMPBELL of Kansas. Mr. Speaker, does the gentleman from Tennessee [Mr. GARRETT] desire to discuss the resolution?

Mr. GARRETT. I thought I might have a few words to say, not very many. I have no requests for time on the resolution; that is, I have not at present.

Mr. CAMPBELL of Kansas. I will say that it is not my purpose to take up very much time, and I have no requests for time on the resolution itself.

Mr. SABATH. Mr. Speaker, will the gentleman yield for a question?

Mr. CAMPBELL of Kansas. I prefer to make a brief statement, and then will yield for a question.

Mr. MANN of Illinois. Mr. Speaker, will the gentleman yield? May I ask about the form of the resolution?

Mr. CAMPBELL of Kansas. Yes.

Mr. MANN of Illinois. First, the resolution provides that it shall be in order to consider it in the House immediately after the adoption of this resolution. This is a House Calendar proposition. How will it come before the House then?

Mr. CAMPBELL of Kansas. The gentleman from Minnesota [Mr. VOLSTEAD] will call it up immediately upon the adoption of this resolution.

Mr. MANN of Illinois. Then it provides that when the general debate ceases amendments may be offered?

Mr. CAMPBELL of Kansas. Or during the debate.

Mr. BLAND of Indiana. That is the question I wanted to ask.

Mr. MANN of Illinois. I understood, as the resolution was amended, that it provided for offering amendments at the end of the debate.

Mr. CAMPBELL of Kansas. During the debate or at the conclusion. If one has been denied the right to offer amendments during the debate, he may offer them at the conclusion of the debate.

Mr. MANN of Illinois. What I wanted to get at was the construction. The gentleman speaks about gentlemen wanting to offer amendments at the conclusion of the debate. When an amendment is offered shall it be voted upon at once, or shall all amendments be offered and voted upon together?

Mr. CAMPBELL of Kansas. Voted upon in the order in which they are offered.

Mr. MANN of Illinois. That does not answer the question. After the first amendment is offered, can any other amendment be offered then, to be voted upon, or must all amendments be offered before any amendment is voted upon?

Mr. CAMPBELL of Kansas. I think that will be for the Chair to decide.

Mr. MANN of Illinois. Oh, I understand that; but I ask the gentleman's construction of it.

Mr. CAMPBELL of Kansas. My construction would be that the amendments offered during debate shall be voted on in the order in which they are offered, and then amendments offered at the conclusion of debate shall be voted upon as they are offered and in the order in which they are offered.

Mr. WALSH. Voted on during the debate?

Mr. CAMPBELL of Kansas. No; at the conclusion of the debate.

Mr. MANN of Illinois. It is better to have the thing settled in advance, and then there can be no dispute about it.

Mr. WINGO. Does the gentleman mean that at the conclusion of the debate gentlemen who have not been recognized during the debate may offer amendments?

Mr. CAMPBELL of Kansas. May offer amendments, which will be voted on without debate.

Mr. WINGO. But they may be recognized for the purpose of offering amendments to be voted on without debate.

Mr. CAMPBELL of Kansas. That was the purpose of offering the resolution in that way.

Mr. GARD. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. GARD. Does the rule provide for the reading of the bill and then for the offering of amendments?

Mr. CAMPBELL of Kansas. The rule does not provide that the bill shall be read, but the bill must, of course, be read, and then the amendments offered at the conclusion of the reading.

Mr. GARD. The order of procedure, then, will be, first, debate, then the reading of the bill, then the offering of amendments.

Mr. CAMPBELL of Kansas. Yes.

This rule brings before the House for the earliest action possible the resolution that failed of passage in the closing hours of the last session of Congress. Both Houses passed substantially this same resolution. It failed of becoming a law because the President did not have time to investigate and sign the resolution before the Congress adjourned.

The purpose now in bringing the matter before the House is to get the resolution to the President at as early a date as possible. The only difference in the resolution now and then is the addition of, I think, the War Finance Corporation act to the acts that were excepted from the provisions of the resolution as it passed in the last session of Congress.

Mr. SABATH. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield to the gentleman from Illinois.

Mr. SABATH. Can the gentleman inform me whether the resolution includes also the repeal of the espionage law and the war-time prohibition law?

Mr. CAMPBELL of Kansas. They are not mentioned.

Mr. SABATH. Neither of those is mentioned?

Mr. CAMPBELL of Kansas. Neither of them is mentioned in the exceptions. [Laughter.]

Mr. WALSH. Will the gentleman yield?

Mr. CAMPBELL of Kansas. I yield to the gentleman from Massachusetts.

Mr. WALSH. Did I understand the gentleman from Kansas to say that the reason why this resolution failed in the last session was that there was not time enough for the Executive to investigate it before signing it?

Mr. CAMPBELL of Kansas. I made that statement, and I assume that that is correct, or that it would have been signed.

Mr. WALSH. The War Department investigated it for 12 days.

Mr. WINGO. I notice that the resolution does not by name except the Pittman Act. Is it the intention of the Republicans to repeal the Pittman Act by this resolution?

Mr. CAMPBELL of Kansas. That is a matter that can be discussed when the amendments are being considered.

Mr. WINGO. I ask for information and not in a spirit of controversy. I assume that a gentleman occupying the important position which is occupied by the gentleman from Kansas knows whether his side intends to repeal the Pittman Act.

Mr. BLANTON. The resolution does repeal it.

Mr. CAMPBELL of Kansas. The matter is not now under discussion. I am simply stating briefly the purpose of the rule.

I yield 10 minutes to the gentleman from Tennessee. [Mr. GARRETT].

Mr. GARRETT. Mr. Speaker, I think the history of this joint resolution is this: When it was first proposed in the House to declare a state of peace, so to speak, the gentleman from Virginia [Mr. FLOOD] offered as a substitute for that a proposition to repeal the various war laws, and that was voted down in the House. I was not in the city at that time. Subsequently, the matter was brought in as a de novo proposition, the gentleman from Massachusetts [Mr. WALSH] being in charge of the bill, and it passed the House with only three votes against it as I now remember it. I happened to be one of those three voting in that way, for the reason that I did not feel sufficiently informed as to the effect that this wholesale repeal or declaration, or whatever it might be called, would have, and it had not been explained to a point where I felt that it was safe to commit myself to a vote in favor of it, and so I voted against it. It went to the Senate and was there amended, or else we had to make some amendment by a joint resolution on the following day. Perhaps the latter is the correct statement. It went to the President just before adjournment and did not receive the President's signature, so that it failed to become a law.

Now, it is proposed again in substantially the same form as it finally passed, including the correction that was made by joint resolution on the following day, and I think also including one other matter at this time. That is the proposition that is before the House.

Mr. TEMPLE. Will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. TEMPLE. There is a little history of the joint resolution prior to the point at which the gentleman's statement begins. The language on the first page and on the second page is identical with the resolution that came from the Foreign Affairs Committee providing for the termination of the war, so that this resolution antedates the proposal of the gentleman from Virginia [Mr. FLOOD], to which the gentleman from Tennessee [Mr. GARRETT] refers.

Mr. GARRETT. I thank the gentleman for that statement. I was not here at the time the original resolution was being considered, and hence did not know the exact form in which it came.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. GARRETT. I will.

Mr. HUDDLESTON. The resolution under consideration excepts from its operation the Lever Food Control Act?

Mr. GARRETT. The original resolution did.

Mr. HUDDLESTON. I do not understand the resolution reported from the Committee on Foreign Affairs made that exception.

Mr. GARRETT. I do not know about that.

Mr. HUDDLESTON. I am inclined to question the gentleman's memory with regard to the Flood resolution excepting the Lever Food Control Act.

Mr. GARRETT. I may be in error about that.

Mr. HUDDLESTON. That is an important point.

Mr. GARRETT. The gentleman may be correct. I was not present at that time, being absent on account of illness in my family. But this is the proposition before the House. I would like to suggest to the gentleman from Kansas that the rule provides that this time shall be controlled one half by those in favor and one half by those opposed. I do not know whether anyone is in a position to control the time against this resolution or not, because I do not know whether there is anyone who is going to oppose it. I merely suggest that it will save some confusion if there could be an agreement about that either before or after the adoption of this resolution. The gentleman from Kansas can be considering that, and I will now yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, it may be remembered by those who have kept up with this particular legislation that repeatedly on the floor of this House I have advocated and voted for the repeal of all war laws and to stay their further application. It is a most extraordinary situation that here, two years after actual war has ceased, long after our armies have been disbanded, we have remaining in full force and effect all of the war laws, with their very onerous and oppressive provisions, considered to be necessary at the time of actual war.

This resolution does not purpose to remedy that situation so far as the most important of the war laws is concerned. I refer to the food control act of August 10, 1917. It leaves that still in full force and effect, the most onerous and oppressive of all the war laws.

I remember some of the operations of that act. I remember how the Government took possession of the fuel-production industry and also assumed to regulate the disposition of the products of the farm, and how it dealt with food in all its aspects. I remember that it went far beyond American tradition, and beyond the reasonable requirements, in my opinion, of war conditions. I had hoped that when the time came we would get rid of those war laws, and that the food control act would be the first one singled out for slaughter. But I find it expressly excepted from this resolution.

I want to call the attention of the House to the fact that this resolution leaves, in effect, section 4 of the food control act, under which the Department of Justice was able under the forms of law to strangle the efforts of the coal miners to better their condition. The Government took its hand off of the price-fixing of fuel, and from controlling the disposition of fuel, but it returned to place its hand on the men who toil under ground, who undertook to better their condition after the peaceful and lawful manner and way by a labor combination as they had done before the war.

I call the attention of the House to the fact that this resolution by express exception makes it possible for the Department of Justice to intervene in any strike that may occur in this country among the workers connected with the production or transportation of food or fuel. It is yet quite possible for the Attorney General, as I said, for illustration, when the original act was being considered, to intervene in the case of two farm hands who might agree together to strike for 14 hours a day instead of 16, as they had been working. It is unlawful for them to agree to that.

All mining strikes are unlawful. All transportation strikes are unlawful according to the position of the Department of Justice. I wonder if the House is willing to stand on record as opposed to strikes in time of peace by men connected with

these industries. If so, we should do it openly and plainly, and not by subterfuge, and not under a plea of ignorance. That is what we are doing. I shall endeavor by offering an amendment to give the House an opportunity to express itself directly on that issue.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the gentleman from Alabama [Mr. HUDDLESTON] seems to deprecate the fact that this Congress was wise enough to leave upon the statute books of this country a law that would protect the rights of the American citizen during the crucial period of the last 24 months.

What were the conditions which he recites? The coal miners, some of whom the record shows, for eight hours of work a day, were receiving $350 a month——

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. BLANTON. I can not yield, because I have got something to say in this five minutes. Some of these miners were receiving $350, $400, and even $500 a month. The Washington Post, the leading morning newspaper of this Nation's Capital, to-day tells you that a miner received $75 for one day's work. They waited until the wintertime came, when they knew the people must have coal, and then they struck. They had the right to quit work if they wanted to, but they did not stop there. They said to every other able-bodied citizen of the United States who wanted to work and who wanted to mine coal so that the women and children of this country would not freeze to death last winter—they said to them, "We won't work ourselves and you shall not work." They assaulted them with brickbats and clubs and even threatened them with guns and dynamite for attempting to do honest work in their native land. What was the condition? What were they attempting to do, with winter coming on? They were attempting to cause millions of helpless women and innocent little children in this land to be subjected to the danger of freezing to death. I thank God that this Congress had sense enough and wisdom enough, with all of its tendencies to truckling in the past, to keep on the statute books a law by which the Attorney General and the President of the United States could protect the people. I am willing to have that law stand on the statute books. I differ with my colleague from Alabama [Mr. HUDDLESTON], and I want to tell my friends on the Republican side that the American people are with them in keeping that law here for their protection. I want to tell you that if we do not look more to the rights of the people of the United States in general, we will not be performing our full duty. I do not carry in my pocket the card that makes me represent any particular class. I am not representing merely the people of the seventeenth district of Texas in this Congress. I am looking to the interest of all of the 105,000,000 people in this country, and when it comes to their interest I am going to cast my vote for their interest.

Mr. BLAND of Indiana. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. BLAND of Indiana. Where does the gentleman get his authority for the statement that a coal miner receives $500 a month?

Mr. BLANTON. I am going to ask permission to put into the RECORD the names of the miners themselves who receive that much; also the mines where they work and the employing mine owners from whom they drew that pay.

I might call attention to the fact that after the gentleman from Indiana had been representing the interest of these organizations in this body zealously and patriotically for years and years, and in his State legislature for years and years—having never voted against their interests and their demands—simply because he voted for the American people in the return of the railroads his labor organizations hounded him to death in his district, but I am very glad that he was strong enough to stand up and fight them and to defeat them to a finish. I congratulate him.

Mr. BLAND of Indiana. What has that to do with the price of coal or labor?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to put the data to which I referred in the RECORD.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

There was no objection.

Mr. BLANTON. I insert in the RECORD the following excerpts from the speech of the distinguished gentleman from Virginia [Mr. WOODS], made during the first session of this Congress, to wit:

Mr. WOODS of Virginia. I give the statement, which has been furnished me, as to wages earned for the months indicated for the miners named at the Borderland Coal Corporation mines at Borderland, W. Va.

This is not a union field, but my understanding is that prices corresponding to the union scale are paid. Mining conditions are not exceptional, and the miners are not paid higher, or at least not materially so, and the mining conditions are materially no better for the miner than generally prevail in that field. Miners are charged $2 per month per room for frame houses, most of which have bathrooms attached and are sewered, and $3 per month per room for brick houses. They pay for their own powder, which runs from $2 to $9; smithing bills, 50 cents per month; furnish their own tools, consisting of shovel, pick, coal auger, and perhaps an iron bar. They are not charged for timber or propping. Single men pay 75 cents for medical attention, and married men, with families, $1.25 per month.

It may be that a few of those listed below are contract miners; that is, they employ a helper and receive pay for the coal the miner and the helper both mine. The coal is cut at the footing by the company with cutting machines. The miner works as many hours as he chooses and is paid by the ton or car. Their average day is from seven to eight hours, but, of course, during the period shown by the following statement there were quite a number of days in which the miners were not working owing to car shortage. These cases may be exceptional, but are sufficient to show what can be earned by the steady miner. The list is as follows:

Name.	Month.	Gross amount.	Net amount.
Jno. Postuluk	April, 1918	$254.35	$240.75
Anthony Zimmerman	do	342.42	237.17
Bill Candill	do	303.03	164.53
B. H. McKee	May, 1918	259.50	172.10
Jno. Zebela	do	276.25	246.25
Bill Candill	do	354.25	236.75
Anthony Zimmerman	do	382.98	237.73
Bill Candill	June, 1918	376.74	276.98
Anthony Zimmerman	do	410.02	282.77
George Bays	do	318.05	183.54
Martin Justice	do	268.20	224.95
Jno. Zebola	July, 1918	262.95	238.95
Thos. Alley	do	279.91	262.16
Bill Candill	do	456.95	313.94
Anthony Zimmerman	do	508.56	344.31
George Bays	do	297.52	203.40
Henry Ratliff	do	293.76	241.51
Martin Justice	do	284.80	180.80
John Zebala	August, 1918	258.20	232.00
George Tice	do	258.30	212.05
Bill Candill	do	400.53	284.70
A. Zimmerman	do	547.82	412.57
George Bays	do	377.08	308.82
Henry Ratliff	do	311.47	250.22
Bill Candill	September, 1918	423.67	253.77
A. Zimmerman	do	458.21	254.21
Bill Candill	October, 1918	365.30	246.57
A. Zimmerman	do	343.46	179.21
Floyd Muney	November, 1918	275.41	158.86
Bill Candill	December, 1918	257.92	167.04
Mose Burgett	do	257.92	112.37
S. J. Childress	February, 1919	261.02	193.27
Richard Lemaster	do	260.55	205.55
Bill Candill	do	280.54	221.04
Mose Burgett	do	269.88	141.63
Do	March, 1919	291.59	176.34
Bill Candill	do	300.82	239.82
H. E. Booth	April, 1919	266.55	139.95
Bill Candill	May, 1919	285.61	221.11
Mose Burgett	do	301.60	157.20
Jake Kosen	August, 1919	253.60	218.85
R. E. McKee	do	283.17	234.42
Jacob Gran	September, 1919	292.36	202.85

The net is after deducting store account, scrip account, powder, rent, lights, coal, smithing, doctor's fee, insurance, and in some instances cash and war-campaign fund. These men are not starving.

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask for a vote on the resolution.

The SPEAKER. The question is on agreeing to the amendments to the resolution. The Clerk will report the amendments.

The Clerk reported the amendments severally and they were severally agreed to.

The SPEAKER. The question is on agreeing to the resolution as amended.

The resolution was agreed to.

Mr. VOLSTEAD. Mr. Speaker, I call up House joint resolution 382, declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency had expired.

The SPEAKER. The Clerk will report the joint resolution.

The Clerk read as follows:

House joint resolution 382.

Resolved, etc., That in the interpretation of any provision relating to the date of the termination of the present war or of the present or existing emergency in any acts of Congress, joint resolutions, or proclamations of the President containing provisions contingent upon the date of the termination of the war or of the present or existing emergency, or on the existence of a state of war, the date when this resolution becomes effective shall be construed and treated as the date

of the termination of the war or of the present or existing emergency, notwithstanding any provision in any act of Congress or joint resolution providing any other mode of determining the date of such determination. And any act of Congress or any provision of any such act, that by its terms is in force only during the existence of a state of war or during a state of war and a limited period of time thereafter, shall be construed and administered as if the present war terminated on the date when this resolution becomes effective, any provision of such law to the contrary notwithstanding; excepting, however, from the operation and effect of this resolution the following acts and proclamations, to wit: The act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, the amendment thereto entitled "The food-control and District of Columbia rents act," approved October 22, 1919, the act known as the trading with the enemy act, approved October 6, 1917, and the first, second, third, and fourth Liberty bond acts, the supplement to the second Liberty bond act, and the Victory Liberty loan act, and the act entitled an "Act to prevent in time of war departure from and entry into the United States contrary to the public safety," approved May 22, 1918; also the proclamations issued under the authority conferred by the acts herein excepted from the effect and operation of this resolution.

With the following amendment:

Page 2, line 22, after the word "act" and the semicolon, insert the words "the War Finance Corporation act as amended by the act approved March 3, 1919."

The SPEAKER pro tempore (Mr. FESS). The gentleman from Minnesota [Mr. VOLSTEAD] is recognized for one hour.

Mr. GARRETT. Mr. Speaker, before the gentleman begins, will he yield for a brief statement?

Mr. VOLSTEAD. Yes.

Mr. GARRETT. I stated a while ago that it seemed to me it would be well in view of the peculiar situation that exists to agree on some control of the time. I do not care to control the time, because I must go to a committee meeting in a few moments. In view of the fact that this rule authorizes the presentation of amendments during the general debate, it occurs to me that it might expedite matters if the gentleman from Minnesota and some one here could agree on a control of the time, and then these two gentlemen can yield to Members under the agreement for the purpose of offering amendments, if any are to be offered. If that appeals to the gentleman from Minnesota, I suggest that it be done.

Mr. VOLSTEAD. I am quite willing to have that arrangement made.

Mr. GARRETT. Then I ask unanimous consent that the gentleman from Ohio [Mr. GARD] may control one hour of the time.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that the gentleman from Ohio [Mr. GARD] may control one-half of the time, which would be one hour. Is there objection?

Mr. HUDDLESTON. Mr. Speaker, reserving the right to object, I should like to inquire whether it is necessary to offer amendments during this general debate, and whether Members to whom the gentleman from Ohio may yield will have the right to offer amendments.

The SPEAKER pro tempore. The Chair would state that any Member who has the floor can offer amendments during the debate, but that at the close of the debate, anyone getting the floor can also offer amendments.

Mr. GARRETT. If the Chair would permit, there will be this difference: If the gentleman from Ohio should control the time and should yield to the gentleman from Alabama during the course of the debate, say five minutes, with permission to offer an amendment, he would have the opportunity to discuss that amendment during those five minutes, whereas if the amendment is not offered until the conclusion of the debate there would be no opportunity to discuss the amendment.

The SPEAKER pro tempore. The gentleman from Tennessee has stated the position correctly.

Mr. GARD. Mr. Speaker, the gentleman from Tennessee has asked that I control one-half of the time, but I note that the ranking Democrat on the committee, Mr. THOMAS, of Kentucky, is in the room, and I would prefer to have him control the time.

Mr. GARRETT. Then, Mr. Speaker, I change the request to the gentleman from Kentucky [Mr. THOMAS].

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent that the gentleman from Kentucky [Mr. THOMAS] may control one-half of the time, which would be one hour. Is there objection?

There was no objection.

The SPEAKER pro tempore. The gentleman from Minnesota is recognized for one hour.

Mr. VOLSTEAD. Mr. Speaker, I presume it is not necessary to devote very much time to the discussion of this resolution, as it is an old friend. It has gone through the House on two occasions and has gone through the Senate on two occasions. The change that has been made is so slight that I do not think I am misstating it by saying that it has gone through both the House and the Senate twice before.

Mr. FLOOD. Mr. Speaker, will the gentleman yield?

Mr. VOLSTEAD. Yes.

Mr. FLOOD. I would like to know on what two occasions this resolution has gone through the House.

Mr. VOLSTEAD. It went through as a part of the original peace resolution, and at the end of the last session of Congress as a separate resolution.

Mr. FLOOD. Is it not a fact that last April, when the peace resolution was pending in the House, in a motion to recommit, I offered a resolution practically the same as this resolution, with the exception of the exceptions, and that that resolution was voted down?

Mr. VOLSTEAD. That is true.

Mr. TEMPLE. If the gentleman will yield for a moment, the peace resolution which was offered at that time had as the second section the identical language of this resolution on the first page and part of the second. The gentleman from Virginia proposed a substitute for that and the substitute was voted down. This was what was voted on in the Volstead proposition.

Mr. FLOOD. My substitute was what this is except with the exceptions you make.

Mr. TEMPLE. This is the identical language for which the gentleman's substitute was offered.

Mr. EVANS of Montana. Will the gentleman yield?

Mr. VOLSTEAD. I will.

Mr. EVANS of Montana. Does the resolution in fact repeal the espionage law?

Mr. VOLSTEAD. No; this resolution does not repeal anything. It simply suspends all war laws barring those excepted, and if it is passed it will have the same effect as a peace treaty would have save as to the excepted acts.

Mr. SABATH. With some exceptions?

Mr. EVANS of Montana. If it does not repeal in effect it suspends the espionage law?

Mr. VOLSTEAD. It terminates the operative force of a number of provisions of that law. Now, the espionage act is an omnibus act and contains many provisions that are intended to be permanent law and which you would not want to repeal, but that portion of the act to which objection has been made will be suspended by the passage of this resolution.

Mr. DEWALT. Will the gentleman yield?

Mr. VOLSTEAD. I will yield.

Mr. DEWALT. Will the gentleman be kind enough during the course of his remarks, if he thinks it of sufficient importance, to explain what provisions, if any, of the trading with the enemy act will not be suspended? I have special reference to this clause of the trading with the enemy act referring to the custodianship of alien property.

Mr. VOLSTEAD. I assume that the gentleman knows more about the trading with the enemy act than I do, because he is a member of the committee that reported it.

Mr. DEWALT. That might be a violent assumption, but what I am trying to get is information upon the subject as to whether or not the language of the trading with the enemy act is to be suspended or repealed, or only special portions thereof repealed, and I have special reference to the provisions of the act regarding the custodianship of alien property.

Mr. VOLSTEAD. This does not affect the trading with the enemy act; that act is expressly excepted.

Mr. DEWALT. Then that feature would be in effect?

Mr. VOLSTEAD. It would remain in effect, because this does not affect it. It is excepted from the operation of this resolution.

Mr. DEWALT. Has the committee—I ask merely for information, not out of curiosity—inquired specifically whether or not it would be wise to repeal some portions of the trading with the enemy act and still have some of them remain in force, especially referring to the custodianship of alien property?

Mr. VOLSTEAD. It has not. It is generally understood that it is necessary to retain at least some portions of it, because a good deal of our trade with Germany and other enemy countries is carried on under the provisions of that act.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. VOLSTEAD. I will.

Mr. JOHNSON of Mississippi. I want to ask the gentleman this question. When the War Finance Corporation act was passed I was not a Member of this body. I would like to ask the gentleman if he has included in this act the one I have reference to, particularly the one that is under consideration by the Senate. There is a resolution now pending in the Senate proposing to revive the War Finance Board. Is that the same as the War Finance Corporation act here?

Mr. VOLSTEAD. That is the same. We are offering an amendment to this resolution so as to except that act from the operation of this resolution.

Mr. JOHNSON of Mississippi. The gentleman has an amendment?

Mr. VOLSTEAD. An amendment offered by the committee.

Mr. SABATH. Will the gentleman yield for a question?

Mr. VOLSTEAD. I will.

Mr. SABATH. May I inquire of the gentleman why the committee has excepted from this resolution the act entitled "An act to provide for the national security and defense," namely, the act of August 10, 1917? What possible reason could they give for not including that in this resolution?

Mr. VOLSTEAD. That act contains a number of provisions in reference to profiteering, provisions that are much broader and more comprehensive than anything we can pass under peace-time powers, and for that reason we thought it ought to remain in force especially during this time, when there has been so much complaint about profiteering, and profiteering certainly does exist to a very great extent.

Mr. SABATH. That is the only reason?

Mr. VOLSTEAD. That is the reason why we have excepted it.

Mr. LONGWORTH. Will the gentleman yield?

Mr. VOLSTEAD. I will.

Mr. LONGWORTH. Is the language in all of these acts providing for a declaration of the termination of war identical or does it vary?

Mr. VOLSTEAD. No; it varies. There are different forms of expression. There are upon the table by the side of the gentleman a compilation of these various acts, showing the various expressions used in the different acts. If anybody is interested in seeing just what statutes are suspended, they can get a copy of that report. It is a Senate report. My understanding is it was compiled by the Congressional Library and contains a very large number of acts that are affected, not only acts that were passed at this time—that is, during this war—but acts that have been passed years gone and that are only operative when there is war.

Mr. LONGWORTH. Generally speaking, however, in the main the more important ones are terminated only when the President shall declare that a treaty has been ratified; is not that the case?

Mr. VOLSTEAD. Yes.

Mr. BRITTEN. Will the gentleman yield?

Mr. VOLSTEAD. I will.

Mr. BRITTEN. I am interested in the exception the committee has made in the act known as the trading with the enemy act. How will that exception affect the commercial relations between America, Germany, and Austria, for instance?

Mr. VOLSTEAD. Leave it undisturbed.

Mr. BRITTEN. I am quite sure the committee has made a very thorough investigation of this bill before presenting it to the House; but will not that in many directions give our competitors in Canada, or in England, or in other parts of the world, an advantage in central European trade?

Mr. VOLSTEAD. I do not think so. It has nothing to do with that trade.

Mr. BRITTEN. The trading with the enemy act prevented trading with the enemy. We are carrying on certain commerce with the enemy now.

Mr. VOLSTEAD. We are trading with the enemy now as though there was not any war.

Mr. BRITTEN. What is the reason for leaving it in the bill?

Mr. VOLSTEAD. Because it is under the provisions of this law that regulations are made under which that trade is carried on. If you repeal it, the war would exist technically, and you would not be able to deal with them without a treaty. Under the regulations prescribed by the Treasury Department trading is going on.

Mr. FLOOD. On a permit from the President.

Mr. BRITTEN. So there are no restrictions now?

Mr. VOLSTEAD. I would not care to say as to that. We do not want to repeal it until we get something in place of it.

Mr. BRITTEN. Can the gentleman tell the House just what restrictions are still in existence as affecting trade between this country and central Europe?

Mr. VOLSTEAD. I can not. My understanding is that the trade is carried on freely, so far as England, Germany, Austria, and other countries are concerned.

Mr. BRITTEN. If that is correct, why is it necessary to except——

Mr. VOLSTEAD. There is a necessity for excepting it, because it is carried on under the provisions of this act.

Mr. FLOOD. The President issues his permit under the provisions of this act, and he might revoke it. If this act is repealed, a permit would be revoked.

Mr. VOLSTEAD. Yes; and he would not have the power to issue permits.

Mr. BRITTEN. You are leaving the trading with the enemy entirely in the hands of the President?

Mr. VOLSTEAD. There is not much danger. That is the best we can do.

Mr. CONNALLY. How does this resolution differ in text from the one we passed a short time ago?

Mr. VOLSTEAD. There is only a slight change. Turn to page 2, at the end of the sentence in lines 3 and 4, and you will find it has been changed just a trifle so as to avoid a repetition of language. Then from line 4 down to the word "excepting," in line 10, there is some new language added. It is simply added for the purpose of expressing more clearly the purpose had in the first part of the resolution. The first part, as I construe it, refers to acts that have been passed specifically with reference to this war, and the new language is added to cover old statutes that were not passed with reference to this war, but any war, and which have been on the statute books for many years. The added language is simply to carry out the purpose of the resolution and does not change its meaning in any way.

Mr. FLOOD. May I ask the gentleman a question?

Mr. VOLSTEAD. Yes.

Mr. FLOOD. Is not this the difference between this resolution and the resolution passed by Congress in the latter part of May: That the resolution passed then repealed the war resolutions and was declared to be a peace resolution, and this repeal of the war measure was simply one section of the——

Mr. VOLSTEAD. Oh, no. The gentleman is entirely mistaken. The resolution we passed in the month of May last was almost identical with this. The only act that it did not affect at that time is the one we offer to put in now by amendment, the one in reference to the War Finance Corporation act. At that time we did not except the War Finance Corporation act. Otherwise it was the same thing.

Mr. Speaker, I reserve the balance of my time.

Mr. BLAND of Indiana. Mr. Speaker, I would like the gentleman from Minnesota to yield to me for the purpose of letting me offer an amendment at this time, which ought to be before the House.

Mr. VOLSTEAD. I yield for the purpose.

The SPEAKER pro tempore. The gentleman from Indiana offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLAND of Indiana: On page 2, line 12, after the words "to wit," strike out all of said line, and lines 13, 14, 15, and 16, to and including the word "thereto," and insert in lieu thereof the following: In line 16, before the word "entitled," the words "title 2 of the act."

Mr. GARD. Does the gentleman from Minnesota want me to use time now, or does the gentleman from Indiana wish to discuss his amendment?

Mr. VOLSTEAD. He offers it now and will discuss it later on.

The SPEAKER pro tempore. The gentleman from Ohio [Mr. GARD] is recognized for one hour.

Mr. GARD. Mr. Speaker and gentlemen of the House, this joint resolution is very similar, I find, to the resolution which came into the House first on June 3, 1920, and which was passed on June 4, 1920, by both the House and the Senate, the difference being in the exceptions to the present bill. The matter first came up on the 3d of April, 1920, when a resolution seeking to declare peace with the Imperial Government of Germany was offered in this House, in which section 2 was the same as the language of House joint resolution 382, at least the same in effect, and that resolution, seeking to declare peace without the formality of a treaty, having been defeated, then there was substituted on the 3d of June through the Judiciary Committee, the gentleman from Massachusetts [Mr. WALSH] then acting as its temporary chairman, this particular measure, which has for its purpose the determination of so-called war legislation.

I suspect that practically everyone wants war legislation repealed. To me it has always seemed a monstrous thing that two years after the armistice was signed; two years after the men of the American Army achieved most remarkable victories on the field of battle; two years after they had established for all time our principles, embodied them in the civilization of the world; two years from all these things that are associated and affiliated with war we are still technically at war. Everybody knows that immediately on the signing of the armistice the Central Powers were rendered impotent and unable to proceed

further with armed force, and everybody hoped—the people of the United States especially—that these laws, some of them necessarily drastic, but war laws, relating to war conditions, would be repealed.

And so the gentleman from Virginia [Mr. FLOOD] on the 4th of May, 1920, had prepared a list of those different enactments which are called war legislation, and they appear in the RECORD of that date; and in the discussion of the technical position of the resolution they were considered, and considered also with the proposition made by the gentleman from Virginia [Mr. FLOOD] to recommit the bill and report it back with an amendment that it do pass, carrying the provision practically as it is embodied in House joint resolution 382.

When the House came to vote on this bill on the 3d day of June, 1920, there were only three dissenting votes against what is practically this resolution, so that there can be no question in the minds of Members of this House that what they are striving to do is to do what I am sure the people of the United States want and have wanted for a long, long time, and that is to repeal the unnecessary war legislation.

There are, however, exceptions in this House joint resolution, and to them I desire briefly to call the attention of the committee, for the information of the committee, so that if necessary there may be proper amendments offered to the resolution. The first exception is what is known as the Lever Act. To this exception an amendment has now been offered by the gentleman from Indiana [Mr. BLAND], which seeks, I believe, to eliminate the act except by retaining title 2 of the so-called Lever Act. Is that correct?

Mr. BLAND of Indiana. Title 2 of the amendment to the Lever Act.

Mr. GARD. In my time will the gentleman advise me just what that is?

Mr. BLAND of Indiana. Title 2 of the amendment of the Lever Act contains the District of Columbia rent clause. Therefore I did not take that out of the law, but struck out title 1, which contains food and fuel.

Mr. GARD. Do I understand that the gentleman's amendment proposes something other than what is carried here on lines 16 and 17—the amendment thereto, entitled "The food control and District of Columbia rent act"?

Mr. BLAND of Indiana. If I should include only the Lever Act in striking out the exception there, I would not repeal the amendment to the Lever Act. Therefore, desiring to repeal the amendment to the Lever Act, I specifically reserve title 2, which is the rent law, which will not be repealed under my amendment.

Mr. GARD. What under the Lever Act does the gentleman want to repeal?

Mr. BLAND of Indiana. The entire act, which is all of title 1.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. GARD. Yes.

Mr. LONGWORTH. Would the gentleman's amendment include the profiteering section?

Mr. BLAND of Indiana. It includes all the Lever Act and its amendments.

Mr. LONGWORTH. Does that include the antiprofiteering section?

Mr. BLAND of Indiana. I do not know whether that includes the antiprofiteering section or not. If it is contained in it, I desire to repeal it if it is not necessary to have it remain in the Lever Act.

Mr. GARD. The so-called Lever Act is the first exception. Associated with that is the so-called food-control and District of Columbia rent act. Then there is the act known as the "Trading with the enemy act."

Mr. JONES of Texas. Mr. Speaker, will the gentleman yield?

Mr. GARD. Yes; gladly.

Mr. JONES of Texas. I would like to ask for information why the gentleman thinks, if he does think it, that the Lever Act should remain in force? What is the object in retaining it?

Mr. GARD. Personally, I will say that I do not believe in the retention of the Lever Act. My contention is that at this time the war is long and definitely over, and that the people of the United States want to return to the paths of peace and carry on their business and conduct themselves in a peaceful way without the interruption or direction or prohibition of drastic war statutes. That is my own idea.

Mr. JONES of Texas. I thoroughly agree with the gentleman on that. I was trying to get the committee's idea of what is the necessity for it.

Mr. GARD. The chairman of the committee, in the limited time in which he discussed the bill, said that his reason for retaining it was to retain the machinery to punish the profiteer.

Mr. JONES of Texas. He was willing to retain the entire act so as to have that retained?

Mr. GARD. He so expressed himself. But I do not desire to speak for the gentleman from Minnesota.

Mr. VOLSTEAD. I said the only opposition to it is to that part of it.

Mr. BLAND of Indiana. Oh, you have never reached the bottom of the opposition.

Mr. GARD. The so-called trading with the enemy act is one to which I would call the attention of the committee in the most sensible way, because I take it that the United States at this time and in the months to come is seriously to be engaged in the business of exporting its products, and in so far as the retention of war statutes now is concerned, it seems to me that it is the duty of this continuing legislative body to so enact legislation that we may have, for all intents and purposes, the right to export without the embarrassment and the harassment of war statutes. The trading with the enemy act provides in effect that there can be no trading with the enemy in the late war with the Central Powers until there be a license or proclamation, I believe, by the President of the United States.

The only things which I can see which are salutary in the retention of the trading with the enemy act is that provision which concerns the custody of the property held by the Alien Property Custodian and the protection against wholesale merchandise dumping. There may be others, because I am not as familiar with this act in its entirety as I probably should be; but I do realize that there are certain elements of property, real or personal, still in the control of the Alien Property Custodian, and of course a certain part of this act necessarily should be retained a reasonable time, or until those matters could be definitely settled.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. GARD. I yield to my colleague.

Mr. LONGWORTH. My colleague realizes, does he not, that the trading with the enemy act is now the sole bar to the wholesale dumping into the American market of German goods, notably dyestuffs, coal-tar products, and so forth, and the only safeguard absolutely to the existence of the new chemical industry in this country?

Mr. GARD. I am glad to have the gentleman's word for it. I am sure I should not subscribe to anything which would bring about a result adverse to American interests.

Mr. LONGWORTH. There can be no question about the result, I will say to my colleague.

Mr. GARD. The act, however, in its entirety is one associated with war and the continuance of war, and I have suggested that it be so modified at least as to provide for the exportation of our products without necessary license and without hindrance.

Mr. McKEOWN. Will the gentleman yield for a question?

Mr. GARD. Yes.

Mr. McKEOWN. What effect does this repeal have on the espionage law that we passed, in reference to statements made concerning our form of government? Does it repeal any of the provisions of the espionage act?

Mr. GARD. I presume so. I presume it repeals such provisions of the act as are associated with statements made in time of war. There are some general provisions in the espionage act, there are some general postal provisions, some provisions not associated with the phrase "end of the war" or "termination of the emergency" which I understand would not be repealed. I believe it is safe to say that in so far as anything actually concerned with a war status, any actual war legislation of which the espionage act took cognizance, I suspect that this House joint resolution is at least designed to afford a remedy there, but I leave it to the gentleman from Minnesota [Mr. VOLSTEAD], chairman of the committee, to state.

Mr. VOLSTEAD. That act repeals the portion of the espionage law to which there is objection. There are a number of provisions in the espionage act that are intended to be permanent law.

Mr. GARD. That is what I say. There are certain provisions which are intended to be permanent law, and certain provisions which are associated only with time of war. Those associated with time of war are supposed to be concluded by this proposed resolution.

Mr. VOLSTEAD. Especially the amendment that was passed later, as an amendment to the espionage act, with reference to seditious language. That would be completely suspended, because I think that was in force only during the war, and that is the provision to which nearly all the objection has been made.

Mr. McKEOWN. After the passage of this act men will not be permitted as they were before the war to go out and use language the purpose of which is to bring our Government into contempt and officials into disgrace, as was done before the war by these soap-box orators. I do not want to repeal anything that would prevent that crowd from using language that

would tend to cause insurrection against our Government. We have got lots of them in our country, and I want to know whether this act is going to allow them greater freedom.

Mr. GARD. Was not the gentleman mistaken when he said there was nothing to prevent——

Mr. McKEOWN. What I mean is that I do not want to permit them to do that.

Mr. GARD. I do not occupy the same position as the gentleman on that. I am decidedly in favor of all elements of free speech and of free press, and I do not consider that the so-called soap-box orator in this country has been injurious to our sane consideration of events or will be injurious in the future. My own idea is that it is far more injurious to the body politic to attempt to muzzle or prevent speech than it is to hear a little bit of that which we may even at times lightly characterize as "hot air."

Mr. BARBOUR. Will the gentleman yield?

Mr. GARD. I yield to the gentleman from California.

Mr. BARBOUR. Does this resolution repeal in its entirety what is known as the soldiers' and sailors' moratorium act?

Mr. GARD. Yes.

Mr. BARBOUR. In its entirety?

Mr. GARD. There is no exception as I understand.

Mr. VOLSTEAD. There may be some provisions that will remain in force, but those provisions which were intended to end with the conclusion of the war will be ended by the passage of this resolution.

Mr. BARBOUR. It will not be necessary to file an affidavit when bringing a suit that the person against whom the suit is brought is not engaged in the military or naval service of the United States?

Mr. VOLSTEAD. No. That provision will be repealed.

Mr. GARD. And then follow the exceptions to the first, second, third, and fourth Liberty loan acts, the supplement to the Liberty loan act and the Victory loan act. Everybody realizes that there is a necessity to retain the validity of the Liberty loan acts, because it is on those acts that the obligations of the Government have been established. It is necessary to retain them.

Then there was incorporated by the action of the committee the following language:

The War Finance Corporation act as amended by the act approved March 3, 1919.

Now, this is a matter that should be discussed. The committee should understand whether there be a necessity for the retention of the so-called War Finance Corporation act. The original act provided that it should cease its operations one year from the time of the declaration of peace, to be evidenced by the proclamation of the President. For myself I deem this to be an excellent feature, because I do not believe that the Government ought to go into the banking business, and I believe that the one year should be made to begin to run, and that if we continue this act as we do here there is no time when the so-called year in which the activities of the War Finance Corporation are to be concluded begin to run.

In the so-called Victory loan act there is a section 9 which provides that the War Finance Corporation act is amended by adding a title thereto, a new section to read as follows:

Section 21 and the following subdivisions empower the corporation in order to promote commerce with foreign nations with the expansion of credit to make advancements, etc., to provide for the assistance to corporations, banks, bankers, trust companies, and persons for the purpose of exportation of said products.

So if we do not retain all of the actual words of the law finance act by the retention of the so-called Victory loan act which it is necessary, we do retain the amendment on page 5 incorporated in new sections to the War Finance Corporation act. In other words, whether you retain all the language of the War Finance Corporation act or not the substantial feature of that act is retained when we say that we retain the Victory Liberty loan act, because that act particularly retains the amendment in section 9 which provides for the assistance in exportation.

I speak of this because I do not know that there has been any very extended discussion as to just what part of this so-called War Finance Corporation act should be retained, or whether any of it should be retained, in the light of the amendment to the Victory loan act. I would be pleased to hear from members of the committee as to the necessity or advisability of the retention of the entire act as the Judiciary Committee voted to so retain it.

Mr. MADDEN. Will the gentleman yield?

Mr. GARD. Yes.

Mr. MADDEN. I suppose what this bill does is to retain the War Finance Corporation act as amended in the act of March 3, 1919. Just what does the War Finance Corporation act contain?

Mr. GARD. The War Finance Corporation act as amended is a very long act, I am frank to say. I have the act in my hand. It is an act of some 11 or 12 pages, and the last amendment which was made was the amendment of March 3, 1919, by section 9 in the Victory loan act which provides this assistance in exportation.

So far as I know, there is no objection to the continuance of the war finance act, certainly no objection on my part to the retention of anything which would aid in our financial benefit to corporations and to the exportation of our products.

Mr. MADDEN. The only objection I can see to it is that it supplements the Federal reserve act by authorizing a new or outside corporation to issue securities upon which may be based the issue of further circulating medium.

Mr. LONGWORTH. Will the gentleman yield?

Mr. GARD. Yes.

Mr. LONGWORTH. I think my colleague is alluding to the provision which authorizes the War Finance Corporation to loan directly to the banks for the purpose of financing exporters.

Mr. GARD. That is what I said.

Mr. LONGWORTH. That is not a part of the Federal reserve act.

Mr. GARD. The so-called War Finance Corporation, so far as its active operation is concerned, was suspended on May 10, 1920. Since then they have been clearing up business, but there has been no active work under the act since May 10, 1920. So the question for consideration of this committee and this House now is, I take it, as to whether there be the necessity for the continuance of the war corporation act, especially in view of the fact that there is an amendment that is carried in the exempted Victory loan act.

Mr. WALSH. Will the gentleman yield?

Mr. GARD. Certainly.

Mr. WALSH. Does not the War Finance Corporation act also contain a provision for the capital issues committee?

Mr. GARD. I do not know, but my recollection is that it does.

Mr. WALSH. If it does, what is the necessity of continuing that legislation for the reestablishment of the jurisdiction of that particular branch of the War Finance Corporation?

Mr. GARD. I know of no need for the continuance of the so-called capital issues commission. In fact, my own idea about these matters is, as I said in the beginning, that I believe it to be the sincere desire of the people of the United States to be rid of these elements of war-time legislation in so far as they affect business and the conduct of the individual in time of peace, and to make that certain I am willing to support whatever measure carries that into effect. Mr. Speaker, I reserve the balance of my time.

Mr. VOLSTEAD. Mr. Speaker, I yield five minutes to the gentleman from Iowa [Mr. TOWNER].

Mr. TOWNER. Mr. Speaker, the suggestion made by the gentleman from Ohio that the language is perhaps not qutie accurate because of the fact that the War Finance Corporation act is embodied in one of the acts already excluded is, of course, well taken. However, I think that ought not to militate against the language which is used here, namely, that the War Finance Corporation act, as modified by the act of March 3, 1919, shall be excluded. That language by itself would be sufficient.

I presume we all know that an effort will be made to rehabilitate and put into active operation the War Finance Corporation act. But in what manner that is to be done we do not, as yet, know. It may be possible that without additional legislation it may be done. It may be that the best way is to have additional legislation enacted that will make the operation of the War Finance Corporation more efficacious for the purposes for which it was designed. But, in any event, it does not seem to me that it will make any particular difference. We are now considering as to whether or not the war legislation should be repealed, and we do repeal it in a general way, with some exceptions.

Those exceptions are stated. I think it is perfectly legitimate and desirable that they shall be specifically stated, so that there will be no misunderstanding regarding them. The amendment suggested by the committee specifically provides that the War Finance Corporation act and the amendment that was approved March 3, 1919, shall not be considered as being repealed by the passage of this act. There is, therefore, nothing more for us to consider except that. Do we want that excluded? Do we want it repealed? If it is excluded, it will not be repealed. That, I think, is an object which we all desire. Whatever legislation may be needed, if any should be needed, with regard to this War Finance Corporation act and its amendment we shall consider subsequently, if it is necessary to consider it.

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Mr. JOHNSON of Mississippi. Mr. Speaker, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. JOHNSON of Mississippi. If it is excepted, I ask if it will not be necessary to pass a resolution instructing the Treasury Department to enforce it?

Mr. TOWNER. I would not like to say that.

Mr. JOHNSON of Mississippi. I am asking for information.

Mr. TOWNER. I really do not know. Of course, if we could have everything that is desired and which the purpose of the act I think contemplated, there perhaps would be no necessity for additional legislation.

Mr. JOHNSON of Mississippi. But as it is now it is discretionary with the Secretary of the Treasury?

Mr. TOWNER. If the Secretary of the Treasury will act without further instructions——

Mr. JOHNSON of Mississippi. I am in favor of a resolution or whatever will make him act.

Mr. STEELE. Mr. Speaker, will the gentleman yield?

Mr. TOWNER. Yes.

Mr. STEELE. Can the gentleman inform me whether or not it is a fact that the War Finance Corporation on the 1st of June practically wound up its affairs and settled its accounts with the Treasury Department, and, if so, if this legislation is to be used in the future, then additional appropriation or legislation would be necessary?

Mr. TOWNER. I can not answer that. My judgment is that is just simply ceased to operate. I do not have any information as to whether it has wound up its affairs or not. I would be rather inclined to the opinion that it has not, but that it has simply ceased to operate.

Mr. STEELE. It has ceased to operate, and, as I understand it, its revolving fund which it had in hand has been exhausted.

Mr. TOWNER. I do not know about that. I do not know that we have any authentic information in regard to it. At least I have not.

Mr. STEELE. It is more for information that I am asking the question, for I have been informed to that effect.

Mr. TOWNER. I could not give the gentleman the information he desires, because I do not know myself.

The SPEAKER. The time of the gentleman from Iowa has expired.

Mr. VOLSTEAD. Mr. Speaker, I yield 10 minutes to the gentleman from Indiana [Mr. BLAND].

Mr. BLAND of Indiana. Mr. Speaker, the amendment which I offered a moment ago, if passed by this body, will, with the passage of this resolution, repeal the Lever Act and the amendment to the same of 1919, except that part of the amendment which relates to rents in the District of Columbia, and which is contained in title 2 of the amendment. It has been suggested here to-day by the able chairman of the Judiciary Committee that in repealing the Lever Act we would repeal the profiteering statute. As far as wholesome results flowing from any profiteering statute, we had as well be without such a law as it certainly can not be contended by any gentleman in this House that profiteering has been prevented by law since the close of the war. If you will look at the price of shoes, of coal, of food, or if you will consider what the price of sugar and cotton has been at times since the close of the war, you will agree with me that the profiteer has not feared in the least the profiteering section of the Lever Act. I have not in this amendment asked the repeal of title 2 of the amendment approved October 22, 1919, for the reason that it deals with District of Columbia rents, under which a futile effort was made to regulate profiteering in rentals of real estate in the District of Columbia. The District Supreme Court has declared the law unconstitutional. I am not certain that this ends the litigation and therefore, since it does not properly come within the scope of the Lever Act, I have not asked for its repeal.

I want it clearly understood, gentlemen of the committee, that in voting for or against this amendment you vote for or against the repeal of the Lever Act as a whole. I voted for the Lever Act during the war, and I believed then, and I believe now, that it was wholesome legislation and necessary as a war measure. I have never advocated during the war that it be enforced against some classes of people and not against others. I want to state here without any partisan bias or prejudice that the present administration's enforcement of the law has not been fair and impartial. I believe there can be no doubt in the minds of fair men, who will take the pains to investigate the question, that the administration, when this law was up for passage, promised the leaders of organized labor that it was not their intentions that the act should apply to labor, and if it did, that it would not be enforced against them. I want to frankly state to you that if it was not intended to be enforced against labor, labor should have been exempted in the bill itself, and had I been responsible for the attitude of the administration toward the enforcement of the Lever Act in time of war no man or set of men could have obtained a promise from me that any class of men, whether they be coal miners, railroaders, or what not, would have been exempted in event they violated its provisions. But I am complaining of an administration that goes so far as to promise to a given class immunity from prosecution, even during the war when the life of the Nation is at stake, and then breaks the faith to the extent of prosecuting this same class of men long after the war is over and war needs have ceased.

Mr. BLANTON. Mr. Speaker, will the gentleman yield?

Mr. BLAND of Indiana. Yes.

Mr. BLANTON. After the people of the United States have punished the administration for not applying the law equally to everyone in the country, does not the gentleman think it is well to let the matter rest?

Mr YATES. It is judgment after death.

Mr. BLAND of Indiana. Many things as yet are unsaid about this administration that will possibly come to light.

I will call your attention to a few facts with reference to what certain Members of Congress believed as to the scope of the act at the time of its passage and as to the promise of men high up in administration circles as to its enforcement if it became a law.

Representative Lever, of South Carolina, as chairman of the Agriculture Committee, who was in charge of the bill on the floor of the House, made this specific statement:

> I am glad to face the issue squarely. If there were such a combination to strike for the purpose of bettering living conditions or increasing wages there is no purpose in this bill and there is no authority in this bill to prevent it.

Personally this statement did not mislead me, as I was indifferent as to whether it applied to labor in time of war or not. When I voted for the compulsory military service law, and thus took from the homes of the Nation their most beloved, I made up my mind that, regardless of my personal wishes or likes, I would stand for any kind of legislation regarded as absolutely essential to the winning of the war. But Members of Congress were deceived and labor was led to believe, if the law did contain an antistrike provision, that it would not be used as a weapon against them.

Mr. Herbert Hoover, in a memorandum prepared for Mr. Lever, June 22, 1917, at Washington, D. C., had the following to say:

> The labor representatives are very much exercised over the possible reading of the food-control bill to stretch to control of wages, and they suggest that an amendment may be made providing that the labor provisions of the Clayton Act should not be affected by the proposed bill. I understand that Mr. Keating proposed this amendment and it was defeated.
>
> It appears to me that there is no intention in the bill to interfere and I believe it might silence a great deal of criticism and opposition which might be raised in the Senate if this amendment could be undertaken. I do not wish to impose my views upon you, but simply to suggest that as it is not the intention of the bill to regulate wages, it might do no harm to satisfy this element in the community that they are immune from attack.
>
> Yours, faithfully, HERBERT HOOVER.

Mr. Lever, in an interview in the New York Times on May 20, 1917, had the following to say:

> Never was such a drastic bill drawn. The President has given his word that it is only a war measure and that it ceases to be in effect when the war is over. It is framed simply to safeguard the Nation's food supply for its own use and for whatever we can do for our allies while we are fighting the war out.

Parties interested in exempting labor wrote a letter to all Senators and Representatives urging that the following amendment be adopted:

> *Provided*, That nothing in this act shall be construed to repeal, modify, or affect either section 6 or 20 of an act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914.

Senator Hollis presented this amendment in the Senate and it was adopted. When the bill went to conference it was stricken out. August 6, 1917, Senator Hollis called the attention of the Senate to the danger of eliminating the amendment. He read the amendment, and then this colloquy took place. (CONGRESSIONAL RECORD, Aug. 6, 1917, p. 6401):

> Mr. SHEPPARD. Does not the Senator think that, if necessary, such an amendment can be enacted subsequently as substantive and independent legislation?
>
> Mr. HOLLIS. I think it might, but I should dislike to undertake the contract of getting it through both Houses at this time. I think the situation may be so serious that the administration will have to take hold and insist on having it passed. If so, it will go through; otherwise I doubt if it could be put through.

On Monday, August 6, 1917, this statement regarding the right of labor to strike was made in the Senate. (CONGRESSIONAL RECORD, Monday, Aug. 6, 1917, p. 6403):

Mr. CHAMBERLAIN (Senator in charge of the bill). * * * Mr. President, there is not anything in the act, it seems to me, that would prevent labor organizations from peaceful picketing or the peaceful strike if they see fit to indulge in it; and while, as I said, I did not vote against the Senator's amendment, and I do not recall having been with the conferees when it was receded from, I would not have hesitated to do so in conference, because I think it unnecessary. It was insisted upon by the Senate conferees for quite a while and finally went out. I really do not know how many days it had been in conference before the Senate conferees finally receded. But, Mr. President, I have not any fear that in the administration of the food law anything would be attempted by the President or by the agencies which he has power to create under the act to prevent any labor or other organization from doing in a peaceful way all that they can now do under the Clayton law to protect themselves and their rights without any saving clause in the bill under consideration. It is not necessary in this bill in order to protect rights.

At a meeting of the Council of the National Defense held August 6, 1917, according to a statement by Samuel Gompers, the following persons were present: Secretary of the Navy Daniels, Secretary of Commerce Redfield, Secretary of Labor Wilson, Mr. Willard, Dr. Martin, Mr. Godfrey, Mr. Rosenwald, Mr. Coffin, and Mr. Gompers. The minutes of the meeting show:

Commissioner Gompers expressed concern over statements that had come to his attention in connection with the pending food bill, indicating that it was the intention of certain elements influential in its framing to prevent all strikes, and that it was intended that the enactment of the law should have that effect. Mr. Gompers stated that he brought the matter to the council for its very serious consideration. On motion of Secretary Redfield it was agreed that the matter should be brought by the acting chairman to the attention of the President.

Now, gentlemen of the committee, I quote to you from a speech of Samuel Gompers, made in Washington November 22, 1919:

After returning to my office August 6, 1917, I dictated to my secretary, among other things, this memoranda of the meeting:

"I stated that I had within a few minutes of the meeting been informed that the amendment offered by Senator Hollis to the food administration bill providing that nothing in the bill should be construed to be a repeal or modification of sections 6 and 20 (labor provisions of the Clayton Act) was defeated.

"The Council of National Defense and advisory commission adopted a motion that the acting chairman, Mr. Daniels, be empowered and requested to present the matter—that is, the Hollis amendment and the Lever statement—to the President at the Cabinet meeting to-morrow, Tuesday. Each member of the council expressed the hope and confidence that I need have no apprehension on that score. Mr. Willard arose and stated he was in hearty accord with me on my position upon the subject of the unwisdom of trying to make strikes unlawful.

"I should add that when I made my protest I also said: 'Gentlemen, I am not going to embellish what I am going to present to you or say an unnecessary word, nor am I going to argue it. I am merely presenting to you my protest, my apprehension, in as concise and plain a manner as I possibly can.'"

The same day (Aug. 6, 1917) I had a telephone conversation with Secretary of Agriculture Houston. My stenographer took down my part of the talk with the Secretary, as follows:

"Mr. GOMPERS. This morning while I was in attendance at the meeting of the advisory commission Assistant Secretary of Labor, Mr. Post, called me up and he stated that a Senator, whose name he did not mention, had made a similar statement to him in regard to the amendment of Senator Hollis—that is, that the labor provisions of the Clayton antitrust law should in no wise be repealed by reason of the enactment of the food bill, and the Senator wanted to know my understanding and judgment upon the question.

"I answered in two parts: One, that in my judgment it was not in good taste for either the Senate or the House to refuse to adopt just that proviso in order to safeguard the interests of the rights of the working people, and that there will be some considerable feeling on account of it. However, that since the Supreme Court of the United States in a recent decision had declared that no private individual or corporation could bring suit under the Sherman antitrust law, that it would devolve upon the Government if the Senator would make some such utterance in the Senate and base it upon the decision of the Supreme Court. I think it would be all right. In my judgment, of course, the needs of the country at the time require that the food bill be passed, and I shall not say a word about it."

Mr. Gompers in the same speech further said:

The telephone talks between Secretary of Labor Wilson and me were corroborated effectively August 8 when Senator Husting, with whom the Secretary had conversed, told of the statement made by the latter. Senator Husting's statement later in the Senate August 8 also clinches the fact that the President of the United States was quoted correctly when the claim was made that he had indorsed the statement of Attorney General Gregory by saying:

"That, after all, prosecution under the bill when it becomes law will depend upon the district attorneys, and that instructions could go forward and would from the Attorney General's office to the various district attorneys instructing them not to bring cases against workmen in contravention to the provisions of the Clayton law."

Mr. Gompers in his speech November 22, 1919, further said:

The next day, August 7, 1917, I had two telephone talks with Secretary of Labor Wilson, who called me up, one of them giving in detail a conference with President Wilson. Afterward, on that same day, I dictated this memorandum to my secretary:

"Secretary of Labor, Mr. Wilson, called me up, saying he was going to have a special interview with the President right away on the Lever bill. He said that after his examination of the provisions of the bill to which I called the attention of the Council of National Defense yesterday he was fully convinced that the interpretation which I placed upon the language was justified; that is, that it would make strikes unlawful and punishable by imprisonment for two years. He said he had made up his mind to try and present the matter direct to the President early this morning, and he had made arrangements for that purpose; that he would call me up after the conference with the President. At 1.15 this afternoon Secretary Wilson called me up and stated that he had the interview with the President and brought the matter to his attention. The President said that perhaps the language of the bill might be so construed as I stated to the Secretary of Labor, Mr. Wilson, and believed by him, but that yet it was with those who were handling products rather than those who were engaged in their production or distribution in the form of labor; that the situation with food products of the country was such that millions were being taken from the people every day unnecessarily and improperly, although there is not now a law to prevent it or to regulate it; that the need for the food-administration law is imperative, and that any effort now to have the bill recommitted to conference committee for the insertion of the amendment coming to be known as the Hollis amendment would delay the enactment of this, play into the hands of the speculators and exploiters; that, after all, the prosecution under the bill when it becomes law will depend upon the district attorneys, and that instructions could go forward, and would, from the Attorney General's office to the various district attorneys instructing them not to bring cases against workmen in contravention to the provisions of the Clayton law; that he believed it would be a wise thing to have the Hollis amendment presented and passed by the Congress as a separate measure after the food-administration bill has been passed and becomes law.

"I asked the Secretary whether we can count upon the assistance of the President in furtherance of such a bill. He said that the President would assist. Secretary Wilson then asked me whether I would help under these circumstances to remove any obstacle in the way of the enactment of the food-administration bill, and I said that I would.

"At 1.45 the Secretary called me up over the phone and stated that he was called up by Senator Husting in regard to the provisions of the food bill and the provisions in the bill which would make strikes unlawful. The Secretary stated he had talked with me and he had an interview with the President and the Senator expressed the view that he did not believe that the bill when enacted could be interpreted to apply to strikes of workmen, but that in any event the situation was such that the speculators had gotten ahead of the Government; that he believed it would be best for the bill to be enacted as it now stands and immediately pushed for passage, consisting of Senator Hollis's amendment. The Secretary told Senator Husting of the result of the talk with the President and with me, and that he believed that all objections would be removed to the passage of the bill, and he said he had already told him I would place no obstacle in the way of the passage of the bill with that assurance. He asked me whether that statement was correct as he had made to Senator Husting, and I informed him that it was."

During the debate in the Senate August 8, the following dialogue took place (p. 6481 CONGRESSIONAL RECORD):

Mr. HUSTING. * * * I voted for the Hollis amendment to the bill, which provided that the provisions of the bill should not be construed to prevent strikes or peaceful picketing or in any way amend or repeal the provisions of the Clayton Act. I would not favor the clause striking out this amendment if I thought it had that effect. I do not think it has that effect.

* * * * * * *

I was sufficiently interested, however, in the argument made by the Senator from New Hampshire, and by arguments already made upon the legal effect of striking out the Hollis amendment to inquire from those who will have the administration of this law in their hands as to what construction would be placed upon it by them in the event that it became a law in its present form.

I am authorized by the Secretary of Labor, Mr. Wilson, to say that the administration does not construe this bill as prohibiting strikes and peaceful picketing, and will not so construe the bill, and that the Department of Justice does not so construe the bill and will not so construe the bill.

* * * * * * *

Mr. REED. Will the Senator then say to us why the amendment which would have removed any necessity for construction, or any doubt, was stricken out?

Mr. HUSTING. I can not answer that question with authority, but I understand it was stricken out because it was not thought necessary or essential; that it has no effect whatever. I think it would have been wiser to have left it in, but it was stricken out, I understand, upon the argument that it could not legally be construed in that way and that it was surplusage or redundancy.

Mr. REED. Has the Senator talked with the Attorney General?

Mr. HUSTING. I will say that I have not. I have not talked with the Attorney General. However, I can say that the Secretary of Labor advised me that this was the opinion of the administration and the Department of Justice. He did not give it merely as a matter of belief on his part, but said that he was authorized to so state.

Mr. REED. Now, may I ask one further question? Suppose that a complaint should be filed in a court of the United States charging a violation of this act, and that the case was lodged in court, and the judge of the court should hold that under the charge made a violation of the law had occurred, is the Senator prepared to say to the country that the Attorney General has stated that under such circumstances as that he would nullify the law and undertake to control the court?

Mr. HUSTING. Mr. President, I can not say anything further than what I have already said. I do not presume any United States district attorney will prosecute any person under this law contrary to the interpretation placed upon the law itself by a superior officer.

Mr. LEWIS. * * * I am advised * * * that the provisions we placed in the Federal Trade Commission act in the closing days of its consideration * * * to the effect that there shall not be prosecution of farmers' organizations or members thereof or of labor organizations or members thereof for any of the acts to which we particularly addressed ourselves as criminal concerning commercial bodies would exclude the prosecutions of which the Senator from New Hampshire had such a sincere fear.

Mr. HUSTING. Mr. President, that is my belief. I will say to the distinguished Senator from Illinois that is my view of it; and not only is it my view, but, as I said before, it is the view of the administration, and I am advised is also the view of the Department of Justice and of every eminent and able attorney on the floor.

That a promise had been made that a separate bill embodying the amendment that the law should not "modify or amend or

repeal the Clayton Act" is established in the following statement made in the Senate August 8 (p. 6482, CONGRESSIONAL RECORD):

Mr. HUSTING. * * * But it appears here from the debate that many Senators have taken the view that this measure does not modify or amend or repeal the Clayton Act. So the action of many Senators and their votes will be based upon the assumption that it does not so modify, amend, or repeal that act, and the fact that others do think so will have no other effect than to put their opinion against the opinion of those who believe otherwise. * * * If there is any division of opinion here upon the question of what effect this proposed legislation will have on the antitrust laws, let a bill be introduced embodying the Hollis amendment, and let it go through both Houses, as I think it will without much opposition, then all uncertainty will be swept away. But notwithstanding that this bill is not exactly as I would have it if I had the writing of it, it is necessary to pass this bill at once.

In the same speech made by Mr. Gompers, which I understand was delivered at a mass meeting held under the auspices of the Central Labor Union at Typographical Temple, Washington, D. C., November 22, 1919, he said:

Besides, letters from Congressmen were being received daily. These were all favorable to the contention of labor. One of the many that were significant was from Representative SYDNEY ANDERSON, member of the Committee on Agriculture, which prepared the bill. He said:

"It was, of course, never intended that any provision in the Lever bill should so operate as to repeal any part of the Clayton Act, and it was the opinion of those who drew the bill that it would not so operate."

Representative Joshua W. Alexander, chairman of the Committee on the Merchant Marine and Fisheries, in answer said:

"As I read the bill, there is nothing in it which is in conflict with the provision mentioned in your letter. That was the opinion of the House at the time the bill was under consideration, and for that reason the Keating amendment was defeated."

The assurances of the President of the United States through Secretary of Labor Wilson, Attorney General Gregory, the Council of National Defense, Food Administrator Hoover, Representative Lever, and others were accepted as conclusive. They had all been corroborated in Senate speeches by Senators Husting, CHAMBERLAIN, Hollis, and others. Labor ceased to insist that the bill should be amended, and worked wholeheartedly for the passage of the measure. Not a doubt existed that the assurances of the Government officials would be carried out.

In a speech at the convention of the American Federation of Labor held at Buffalo, N. Y., November, 1917, Mr. Gompers says President Wilson delivered an address in which he said:

While we are fighting for freedom, we must see, among other things, that labor is free, and that means a number of interesting things. It means not only that we must do what we have declared our purpose to do—see that the conditions of labor are not rendered more onerous by the war—but also that we shall see to it that the instrumentalities by which the conditions of labor are improved are not blocked or checked. That we must do.

Thus it will be seen, I think, that it was not the intention, of the administration authorities, unless they were deceiving the leaders of labor, to change the provisions of the Clayton Act, exempting labor organizations from prosecutions even in time of war. I do not want to be misunderstood about this matter, I would have given no such promise, nor in time of war would I have exempted them, but having so promised it was certainly a clear breach of faith to use the law, passed under these conditions against the coal miner, after the war was over.

The SPEAKER. The time of the gentleman from Indiana has expired.

Mr. BLAND of Indiana. I would like to have 5 or 10 minutes more. Can the gentleman from Ohio yield me any time?

Mr. GARD. I have no more time to yield.

Mr. VOLSTEAD. I yield five minutes.

Mr. BLAND of Indiana. The gentleman from Texas, who insists that he is not only representing his district but the welfare of the whole Nation, speaks of miners who received $300, $400, and $500 per month. It seems that the men farthest away from the coal mines know the most about wages and conditions in mining districts. He has not taken into consideration the fact that some of these men who are reported to have earned these large sums in one month or one day may have had one or more boys, a father, or father-in-law on the same turn with him, and the money was all drawn under one name. I live among the coal miners, and I know that as long as they remain employees they are always poor men and rarely have anything laid aside for a rainy day. Occasionally when they get steady work and have favorable working conditions and a good car supply both in the mine and on the railroad they can make more than ordinary wages, but the mine is idle so many days from various reasons, and work is bad during certain parts of the year, and my friend from Texas would not then want to count in the skimpy pay rolls for these periods.

Mr. BLANTON. Will the gentleman yield?

Mr. BLAND of Indiana. No; I am sorry, but I can not yield to the gentleman.

Mr. HUDDLESTON rose.

Mr. BLAND of Indiana. I am sorry, I can not yield.

The miners struck in 1919 because they had a grievance that ought to have been listened to by some one. You did not need any Lever law during the war to control him. He voluntarily entered into the agreement with the operators at the request of the Fuel Commission to dig coal for 84 cents per ton and the price of coal for the operator was fixed at, I think, $2.85 per ton. When the war was over the operator ignored price fixing and doubled and sometimes trebled the price fixed for his coal. The consumer began to howl; the miner was blamed. The price of living kept going up, and yet under the Lever Act the miner's wage was fixed. The operator should have been compelled to have shared his profits with the coal miner. The only remedy the coal miner had was to strike, and then the Administration ruthlessly prosecuted him under a law that they had promised not to use against him, even in time of war. Strange as it may seem, gentlemen, notwithstanding the betrayal of labor by the administration, Samuel Gompers, president of the American Federation of Labor, supported this same administration in the late campaign. He had the right to give his individual support to them, but he should not have expected the organized toilers of the country to follow him back into the hands of those who had broken the faith so solemnly pledged.

Let us remember that during the war the miners' organization invested much of their funds in Liberty bonds. They patriotically stood for the country; no strike or threat of strike was heard, even when Government employees were striking. When the president of the miners' organization, John Lewis, gave out the statement with reference to the injunction and prosecution it rang with true patriotism. I do not have it at hand, but in substance he said that he would not fight his country and that the United Mine Workers of America was a law-abiding organization. And gentlemen of the House, permit me to say just here that I have always impressed upon the members of that organization, whom, as constituents, I have had the honor to represent, that the future power and strength of their organization depends upon their loyalty to country and their belief in obedience to law and the fundamental principles of our Government.

I can recall the day, Mr. Chairman, when the coal miners of the country for the most part were unorganized, and the wages they received and the conditions they worked under were pitiful, indeed. These men who go down into the dark caverns of the earth and daily risk their lives and limbs amidst the most terrible and terrifying surroundings have been and are now entitled to special consideration of the lawmaking bodies of this country. Had it not been for the power of their organization their homes would now be hovels of filth and illiteracy and a disgrace to this great and prosperous Nation. And had it not been for the friendly interests of the various legislative bodies and those charged with the enforcement of the law, the working conditions of the coal miner would to-day shock those who are interested enough to familiarize themselves with them. Until some agency of the Government takes it upon itself to provide adequate, fair, and sufficient agencies to bring about the settlement of disputes between employer and employee outside of Government employment, I do not believe I will ever bring myself to believe that antistrike legislation is either practicable or proper except in a time of war. I believe a study of the attempts made to adjust the differences between the miner and the operator in 1919 will convince any fair-minded man that a fair and equitable solution was never offered to the coal miner, nor do I believe at this hour that he has been given a wage commensurate with the increased cost of living or equitable in consideration of prices of coal.

In the majority report of the United States Bituminous Coal Commission to the President, submitted on March 10, 1920, the majority members, Mr. Robinson and Mr. Peale, contains the following paragraph, which is worthy of note:

We hope that there will be a decline in the cost of living in the next two years, but we realize that the miners have borne an increase (in cost of living) above their advance of wages, and consider the possible future decline in living costs as an offset for these losses.

The cost of living has advanced far in excess of the increase in the wages of the coal miner, and I am sure you will agree with me that there has been no appreciable reduction in cost of living up to this hour. Is it the intention of the administration to refuse to prosecute the profiteers in the necessities of life under the Lever Act and at the same time keep the law in existence to prevent the coal miner from getting justice from his employer and at the same time, through its constituted coal

commission, refuse to recommend a wage equal to the increased cost of living?

My people, Mr. Chairman, have prayerfully hoped for a return to normal conditions. They have demanded that my legislative efforts be directed toward the repeal of war-time laws, of the discharge of useless war-time employees, and if this amendment carries it will empty some of our public buildings in Washington of a great number of employees who function under a war-time law, which, in my judgment, should have been repealed a long time ago. Some of my colleagues have said that if we were to include in this bill the repeal of the food and fuel act the President will veto it. He vetoed the budget system and the former act of this Congress repealing war-time laws, but this did not convince me that this Congress was in error in passing the legislation. We have our duty to perform according to our own lights, and the President of the United States must perform his in accordance with the dictates of his own conscience.

The Lever Act is a war-time law and can not be defended in a time of peace. To say that you want it to remain the law on account of profiteering is a mere subterfuge. It is cowardly to refuse to face the strike question on its merits. We are only at war theoretically. One of these days we will not only be actually at peace with the Central Powers but we will be legally and theoretically at peace with them. The Lever Act can not stand in the way of the economic rights and practices then. Why should this Government longer hide behind a law passed for war-time purposes only? Let us meet the issues squarely; right and justice will eventually triumph in this great Republic, and we will not be required to hang our hopes for orderly representative government upon false pretences and strained constructions and misapplications of the law. If the security of the Government of the fathers depends upon a state of war perpetually existing, we should find it out now.

The SPEAKER. The time of the gentleman has expired.

Mr. BLAND of Indiana. Mr. Speaker, I would like to ask to revise and extend my remarks.

The SPEAKER. The gentleman from Indiana asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none.

Mr. GARRETT. Mr. Speaker, I yield five minutes to the gentleman from Alabama [Mr. HUDDLESTON].

Mr. HUDDLESTON. Mr. Speaker, I shall offer two amendments, one to strike out the exception of the Lever Food Control Act altogether and the other to leave that act in force except so far as it may have application to combinations of working people to better their wages and conditions or to protect existing wages and conditions.

The war has been over for two years. These war measures were passed hurriedly. They contain many illy considered provisions. The operation of all of them would be terminated more than a year ago except for the personal spleen, malice, obstinacy, pride, dunderheadedness ,and sheer malstatesmanship which has prevented the technical and legal termination of the war. These laws by their terms were limited to the war, which ought to have been settled a year or more ago.

The operation of all of these laws ought to be ended, and I would vote to terminate all of them, but I am specially interested in this Lever Food Control Act, and more particularly in section 4 thereof, because as a Member of Congress I was induced to vote for that law by false pretenses and false promises. The gentleman from Indiana [Mr. BLAND] has stated a good deal of the facts in connection with that matter, but there are other details as are well known to me which present a still stronger case of a pledge of national faith, a pledge that was grossly violated by the action which the Department of Justice took in connection with the miners' strike.

The food control act touches not merely the coal miners, but applies to railroad employees and every man connected with the production, distribution, transportation, or storage of food and fuel, natural gas, fertilizer, and other things, all necessaries of life. The governmental pledge of faith, so far as an honorable Government can pledge its faith, that this law was not intended to apply and would not be enforced against workers who in good faith agreed with each other to quit work in order to better their condition or to preserve their existing condition, was violated.

I was induced to support this law upon the faith of these false promises, and therefore I am specially interested in its termination. Some of the promises to which I refer were made here on the floor of the House, and I am sure if the gentlemen who made them were here to-day they would say that this law ought to be repealed because the spirit and purpose of it has been violated.

And I am furthermore interested in dealing with this law and terminating its possibilities for harm because of the fact that under it was perpetrated the greatest judicial atrocity in the history of American jurisprudence, the greatest abuse of judicial power and of administrative discretion. Under this law a farcical court proceeding was conducted which has done more to undermine the faith of a great many patriotic people of the United States in their Government than any other one thing that has occurred within a generation. Enough of such governmental blunders would destroy the faith of the people in their institutions. They would tend to destroy our country. I love our country and I want to make it impossible for such atrocities to be committed.

The SPEAKER. The time of the gentleman has expired.

Mr. HUDDLESTON. Mr. Speaker, I would like to send my amendments forward and have them read.

The SPEAKER. The Clerk will report the amendments.

The Clerk read as follows:

Amendments by Mr. HUDDLESTON: Page 2, line 12, after the words "to wit," strike out all down to the words "October 22, 1919," where same appear in line 18, page 2. Second amendment, page 3, line 3, at the end of the resolution, insert the following proviso: "*Provided, however,* That this resolution shall apply to and affect in all respects as though there were no exceptions herein subdivisions A, B, C, and D of section 4 of said act, approved August 10, 1917, as amended, the same being entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel."

Mr. VOLSTEAD. Mr. Speaker, I reserve a point of order on the amendments.

I yield five minutes to the gentleman from West Virginia [Mr. GOODYKOONTZ].

Mr. GOODYKOONTZ. Mr. Speaker, during the war Congress enacted into law more than 20 measures designed to aid the Government in the prosecution of the war. Some of these laws are permanent in nature, others terminate at certain dates after the conclusion of the war, whilst others are for the duration of the war. Of this latter class is the law commonly known as the Lever Act. It was designed to regulate the price, transportation, and distribution of food and fuel. At the request of the President and the Attorney General Congress amended the original act, in order to afford to the Government greater power in its effort to reduce the cost of living and to punish profiteers. In the light of experience we now know that very little good and much harm has come from this legislation.

The joint resolution under consideration does not undertake to repeal any law, but does provide that in the interpretation of any provision relating to the termination of the war or of the present existing emergency in acts of Congress the date of such termination of the war shall be deemed to be the very day on which the resolution becomes effective.

The measure now before us is designed to take the place of a presidential proclamation declaring the war ended so far, and so far only, as relates to emergency legislation. The resolution as originally prepared and as reported from the House Committee on the Judiciary exempts from its operation the Lever law. In other words, if the resolution shall pass in its present form, the Lever law will remain on the statute books.

The records of the Judiciary Committee will show a motion made by me to strike out the exemption referred to in order that the Lever law might be repealed. This motion failed by a vote of 8 to 6. A Member has now renewed the motion and I rise to give support to that motion. Although the war with the Germans has been ended for more than two years, yet we are still technically at war. This anomalous situation is due to the want of action on the part of the President, who has not seen fit to declare the war ended. What the President will do with the resolution should Congress send it to him for his approval I do not know. I feel, however, that we should discharge our duty as we understand it to be, and whatever consequences may flow from the action or want of action on the part of the Executive can not be laid at our door.

To my mind, the resolution ought to comprehend the Lever Act. The cost of administering the Lever law is tremendous. Thousands of agents of the Department of Justice have been going over the country engaged in looking up facts and in fruitless effort to prosecute profiteers. The people of nearly all classes have been harassed and annoyed. Very little, if any, relief has been afforded. The only law applicable to the cases that were intended to be remedied by this act is the natural law of supply and demand. An artificial law, such as the Lever Act, passed as a war measure, has no place on our statute books in time of peace.

During the campaign, on the stump, we promised the people relief from these war laws. Are we going to fulfill our promise?

We promised the people we would cut down the expense of Government. Are we going to keep that promise? If so, there is no better time to begin than right now, and no better subject to operate on than the Lever Act, thereby relieving the people of the cost of the salaries and expenses of thousands of employees, and unnecessary annoyance.

We are facing a deficit in the Treasury of two and a half billions of dollars. The administration is borrowing money at 6 per cent interest. The interest on Liberty and Victory loan bonds amounts to a billion dollars a year. The cost of maintaining the 20,000 men at Coblenz guarding the bridgehead is about $350,000 per day. The Secretary of War has recruited an army far in excess of the number intended by Congress.

In these circumstances I shall feel it my duty to vote for the amendment. The utter futility of the Lever law was demonstrated in the case of the Indianapolis injunction, which was not obeyed in spirit, perhaps not in letter. Instead of serving to palliate the situation, it only served to irritate those involved and to aggravate and prolong the struggle, all at enormous expense to the Government and the people.

The time is now ripe, the hour has arrived, when the membership of this House should, as with one voice, vote to repeal not only the war measures covered by the resolution but the greatest offender of all—the Lever Act. [Applause.]

The SPEAKER. The time of the gentleman has expired.

Mr. VOLSTEAD. Mr. Speaker, I yield five minutes to the gentleman from Michigan [Mr. McLAUGHLIN].

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I trust the amendment offered by the gentleman from Indiana [Mr. BLAND] and the gentleman from Alabama [Mr. HUDDLESTON] will not be adopted. I think the Lever Act and the District of Columbia rent act should be continued in force. It was said the original Lever Act was not intended to cover labor. I believe that was because no penalty was provided in section 4, under which the prosecutions of labor were had. Later, at the demand of the Attorney General before the Committee on Agriculture, a penalty was attached to section 4. The committee complied with his request reluctantly. It became a law as he had requested, and was approved by the President October 22, 1919. It is said that profiteering has not been checked under this law. There was some checking of profiteering while the licensing system under the Lever Act was in force, and in my humble judgment the licensing system of section 5 of that act should have been continued. Under that system those who imported, manufactured, and distributed necessaries of life—food products and others—were controlled, and retailers were also controlled, although by the provisions of the bill retailers were expressly exempted from the licensing section. But retailers were reached in this way: Licenses were issued to manufacturers, wholesalers, and to jobbers, and each license contained a provision that those large dealers should not do business with retailers who did not play fair—that is, those who were guilty of profiteering, for example.

In that way control was had over large dealers and small alike, and the execution of the law was in a large measure effective. Unfortunately, as I believe, the President, by proclamation, set aside the licensing. When the Attorney General was before the Committee on Agriculture asking that a penalty be provided in section 4, he was urged to reestablish a licensing system which had been so effective. He was opposed to it. He wished to have a penalty provided in section 4, so his only way of proceeding against profiteers or those who in any way had violated or were considered violators of the food control act might be arrested and prosecuted. It was pointed out by the committee to the Attorney General at the time that these occasional arrests and prosecutions, although they might be effective in particular cases, would be few and far between, and that he would make very little progress in checking profiteering or in correcting business abuses. But we all know the circumstances under which the Attorney General's office was functioning at that time. As was unkindly charged then, and has been charged since, there seemed to be an effort by that department to attract attention by arrests and prosecutions instead of proceeding in the quiet and dignified way that had been so effective under the licensing system. If this law is retained on the books, the licensing system can be reestablished, and, in my humble judgment, can be made effective, and is the only means that can be effectively employed. The Congress should not, as proposed by these amendments, repeal the only law under which an attempt at least can be made to check or prevent profiteering. The law should be permitted to remain as it is, notice to all who buy or sell food products or fuel that profiteering is unlawful, and as a means by which an intelligent, active administration will be able—as I believe it will be able—to help business and at the same time protect consumers against extortion and evil practices.

I should hate to see the District rent law repealed. It will expire by operation of law, without a proclamation of the President or action of Congress, in October, 1921.

The SPEAKER. The time of the gentleman has expired.

Mr. GARD. Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. SUMNERS]. [Applause.]

Mr. SUMNERS of Texas. Mr. Speaker, I probably will not take the entire time which has been allotted to me.

I want to explain just one feature of this proposition, and that is the feature exempting from repeal the War Finance Corporation act. I shall not undertake to explain the act creating the corporation. I believe it was generally understood among Members of the House that the purpose of that organization was to facilitate export commerce, and especially to render assistance to those desiring to export to Europe, and more particularly to those countries that are not in the best financial condition. Recently there has come a very earnest and general demand on the part of agricultural exporters to have the activities of this organization revived.

Some time ago, as is I suppose understood, the War Finance Corporation ceased to operate and its available capital was covered into the Treasury. At this particular time a resolution is pending in the Senate and a similar resolution has been introduced in the House directing the Secretary of the Treasury to revive and put into operation this corporation. I offered the amendment in the Committee on the Judiciary to include this act among the exemptions. It seems to me that it is important that we should hold this exemption in this resolution now, both because the act ought to be left in effect and because we ought now to express the judgment of the House that the activities of the War Finance Corporation should be speedily resumed. An effort is being made now to have the Secretary of the Treasury revive this corporation and put it into operation.

If we, in the enactment of this legislation, repeal the law creating the corporation, it would be a legislative suggestion to the Secretary of the Treasury that it is the judgment of the Congress that that corporation ought not to be put in active operation. Personally, I wish there was some way we could get a record vote on this proposition. Anything like an expression of unanimous judgment on the part of the House, which I am sure we could get, might not be disregarded by the Secretary of the Treasury. In that way we might get quicker action than if we have to wait the passage of the resolution through the regular legislative channels.

That, gentlemen, is the only statement that I have to make about this proposition. Mr. Speaker, I yield back the balance of my time.

Mr. GARD. How much time does the gentleman yield?

The SPEAKER. The gentleman yields back two minutes. How much time did the gentleman from Ohio yield to the gentleman from Texas?

Mr. GARD. Ten minutes.

The SPEAKER. Then the gentleman from Texas yields back seven minutes. He used three minutes.

Mr. GARD. I yield five minutes to the gentleman from Virginia [Mr. FLOOD].

The SPEAKER. The gentleman from Virginia is recognized for five minutes.

Mr. FLOOD. Mr. Speaker, it will give me great pleasure to support this resolution. I think it is a wise measure, a measure in the interest of the business of the country, and one that ought to have been passed some time ago.

In the interest of truth and the correct history of this legislation I want to call the attention of the House to a few facts. A provision similar to this resolution was embraced in what was known as the Porter peace resolution, which passed the House on April 9 of this year. On that day I offered a substitute for the Porter resolution, not for any section in it, but for the whole resolution, which was in substance the same as the pending resolution. It omitted the provisions of the Porter resolution declaring peace and simply repealed the war legislation.

Those of us on this side of the aisle who spoke in favor of my substitute called the attention of the House to the fact that the peace resolution was unconstitutional and that the House was assuming functions and powers that did not belong to it, but were confided by the Constitution to the executive department of the Government. We pointed out that there was a growing need in the country and an insistent demand for the repeal of war legislation, and that if the House passed the substitute which I offered, it would soon become a law. The substitute lost by a vote of 222 to 171. My recollection is that all of the majority Members except two voted against it. That substitute was the first occasion upon which a resolution was offered and voted upon repealing war legislation. The Democrats voted for the substitute almost solidly.

The Porter resolution, which contained a provision similar to the pending resolution, was then passed by the House, but the main purpose of the Porter resolution was not to repeal war legislation—that was a mere incident—but to declare peace by joint resolution of Congress, a thing Congress did not have the constitutional power to do.

This matter again came before the House on May 21, when we had under consideration the Knox resolution, which, in an amended form, had the same purposes as the Porter resolution. The Democrats again took the position that it was very important to repeal war laws and that a resolution doing that should not be encumbered and destroyed by being put in as a section of an unconstitutional and abortive resolution declaring peace by Congress. Our advice was disregarded, and the Knox resolution passed the House and went to the President and was vetoed, as everyone who had studied the question knew it would be.

Again an attempt was made on the 28th of May to pass this resolution over the President's veto, but it failed. On the 1st of June for the first time a resolution was brought in by that side of the House repealing the war legislation. This resolution was the same in effect as the one I had brought before the House on April 9. If the Republicans had voted for my resolution, this legislation would have been repealed nearly two months before the resolution which the gentleman from Minnesota [Mr. VOLSTEAD] introduced could have been voted upon. That resolution passed the House on the 3d of June and passed the Senate with amendments on the 4th of June, and later on the 4th of June the Senate amendments were agreed to by the House, but it got to the President too late to be acted upon by him, as Congress adjourned at 4 p. m. on June 5. The result was that it did not become a law.

I am glad that the gentleman from Minnesota [Mr. VOLSTEAD] has introduced his resolution again. If he had followed the suggestions made by the Democrats, this resolution or its substance would have become law eight months ago. But they encumbered this resolution with unconstitutional provisions relating to a declaration of peace, and so the country has been living under these burdensome laws for the past eight months, which have greatly depressed and distressed agriculture and every other business interest in the country.

The responsibility for this is upon the Republican Party. That party should have voted for my resolution or it should have stayed here until the Volstead resolution became law and not adjourned Congress on June 5 with all of the burdensome war laws upon the statute books. [Applause.]

Mr. GARD. Mr. Speaker, I yield five minutes to the gentleman from Oklahoma [Mr. MCKEOWN].

The SPEAKER. The gentleman from Oklahoma is recognized for five minutes.

Mr. MCKEOWN. Mr. Speaker and gentlemen, unfortunately sometimes I have an awkward way of expressing my thoughts. In the general debate, in reply to a question, the gentleman from Ohio [Mr. GARD] said that he did not think that during peace times the right of free speech should be interfered with. I do not think the right of free speech should be interfered with when it is within the meaning of the words "free speech," as intended and used in the Constitution, but I want here and now to voice my sentiments by saying I am opposed to permitting these men who before this war went through this country, back in the rural districts, where there could be no surveillance, where there was no surveillance, and ridiculed and abused our Government and our form of government. I do not want to throw any needless protection around the officials who enforce the law. The chief trouble with the war-time legislation was not with the law itself, but the manner in which the law was enforced in many places. Officials in some instances going beyond the law and employing high-handed methods, and thus brought the law into disrespect. But I say if the repeal of the war-time legislation is going to permit our going back to the days when I heard men in the open streets absolutely talk about our flag as if it were a rag, and abuse our form of government under the license of free speech—I say, sirs, under the Constitution the right to use free speech should not give the right to destroy the Government or attempt to destroy it, and I am opposed to the repeal of any legislation that will permit men of this character to go unrestrained and unchecked. Many of them have escaped just punishment.

Many of them have gotten out of the penitentiaries, and they will return to the forum again and abuse this Government. Many of them are not foreigners. Some of them native-born Americans, and I for one want to go on record as saying that I am opposed to any legislation that will permit them again to return to their habits of speech in which they indulged before the war.

Gentlemen, you talk about the miners and the men who control the mines, and about the repeal of the laws regulating profiteering. I want to tell you now the thing, in my judgment, that is the matter with America. There are two classes. One class are the avaricious and greedy, who want to take more than a fair share of profit. The others are the men who are loafing on the job. A square day's work for a square day's pay is what the United States needs now. [Applause.] My friends, you talk about repealing this profiteering law. Why, you know that the conditions that exist in this country are these: The men who live on the farms, the men who produce the food of this country, who answered to the call of the country when they were asked to produce the food to feed our soldiers and our allies, were compelled to pay enormous prices for the things that went to make up their necessary equipment on the farms. When the war ended suddenly by the armistice the war contractor found his contracts broken or his deliveries stopped. He came to Congress and we paid him his losses. We passed a law to make up the amount that he would stand to lose. But here are the cattlemen and the wheat men and the cotton men who produced the food and clothing. When they appealed to the Government to help them in their losses, you said that would be paternalism and that they were not entitled to any consideration. [Applause.]

Mr. VOLSTEAD. I yield five minutes to the gentleman from Massachusetts [Mr. WALSH].

Mr. WALSH. Mr. Speaker, I have an amendment which I desire to offer.

The SPEAKER. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. WALSH: page 2, line 22, after the word "act," where it first occurs, insert the words "title 1 of."

Mr. WALSH. Mr. Speaker, I think if we are going to continue this war activity it should be confined to the particular part of the legislation that it is sought to use in helping to finance the agricultural interests in marketing their crops abroad. Now, if we do not exempt the War Finance Corporation from the operation of this act they will still have a year in which to function under the act as amended. Title 2 provides for a capital issues committee to supervise and extend jurisdiction over the issuance of stocks and the flotation of bonds of corporations. Now, as it seems to me, there is no necessity of providing that and permitting the men who are appointed to that committee to draw their salaries and exercise their jurisdiction on the business of the country, which has nothing whatever to do with the financing of the crops of the farmers. I believe that if we are going to exempt a part of the act we should exempt that part which it is sought to use for the particular purpose required.

Mr. VOLSTEAD. Will the gentleman yield?

Mr. WALSH. I yield to the gentleman.

Mr. VOLSTEAD. Should not title 3 be exempted as well?

Mr. WALSH. Title 3 is the definitions.

Mr. VOLSTEAD. Title 3 contains the provision for punishment for violations of the act.

Mr. WALSH. I have no objection to modifying my amendment by adding the words "and 3," so that it will read "titles 1 and 3."

The SPEAKER. Without objection, the gentleman modifies his amendment as suggested.

There was no objection.

Mr. WALSH. I would like to ask the gentleman in my time if there is any particular need of continuing title 2, in his judgment?

Mr. VOLSTEAD. I have not read it very carefully, but my impression is that title 2 never would be revived.

Mr. WALSH. It is the part of the act which permits the men already appointed to continue to draw their salaries of $7,500 a year. It would seem to me that if it could not be revived, then there is no objection to saying that it is not revived and that it shall not resume operations.

Now, Mr. Speaker, with reference to the desirability of permitting the resumption of operations by the War Finance Corporation, I appreciate the fact that in most sections of the country the agricultural interests are suffering from a condition which perhaps needs relief, but I am wondering when we are going to get back to normal. If we continue these war powers and this war legislation, it only helps to keep prices up on the artificial plane which was created as a result of the war. As I have stated, this War Finance Corporation will continue for a year if it is not exempted from the operations of this act. How long is it thought that this will be necessary if we exempt it from the provisions of the act? How many crops have we got to finance and what credit extended over what period

of time will have to be arranged for the agricultural interests or any other interests that may come under the provisions of this law? The committee had no information on that subject, and I believe it is a matter that ought to be handled by the appropriate committee of the House, and if it is an agricultural problem, the Agricultural Committee should report in a bill or resolution taking care of it.

Mr. YOUNG of Texas. Will the gentleman yield?

Mr. WALSH. If I have any time.

The SPEAKER. The time of the gentleman has expired.

Mr. YOUNG of Texas. Do you not consider it more than an agricultural problem? Agriculture being denied its market, there is a cancellation of orders from all over the agricultural belt, the cotton belt, the lumber belt, and the wheat belt until it reaches the manufacturer.

The SPEAKER. The time of the gentleman has expired.

Mr. VOLSTEAD. Mr. Speaker, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the gentleman from Indiana would have us believe that the miners have not been making $350 a month or $500 a month where they were industrious and would work. Let me give him some names and addresses of miners' wages. The Washington Post for Sunday, July 11, 1920, makes the following statement:

[From the Washington Post, Sunday, July 11, 1920.]

MINER MAKES $602 MONTH—ANOTHER DRAWS $264 FOR TWO WEEKS' WORK AT BLACKFIELD, MD.

[Special to the Washington Post.]

CUMBERLAND, MD., *July 10, 1920.*

Joe Witoski, a Russian Pole, in the employ of the Atlantic Coal Co. at Blackfield, drew $602.67 for a single month's pay for digging coal. The pay for the first half of June was $329.04, and the last half $273.63, making a total of $602.67.

This afternoon Pat Flynn, at Meyersdale, drew $264 for two weeks' work in the mines of the Highland Coal Co., operated by Roy Bros.

In this morning's Washington Post is the following:

[From the Washington Post, Monday, Dec. 13, 1920.]

MINER EARNS $75 IN A DAY—MARYLAND COAL DIGGER DREW $382 IN FIRST TWO WEEKS IN NOVEMBER.

[Special to the Washington Post.]

CUMBERLAND, MD., *Dec. 12.*

What is believed to be a record wage for a day's work was made last week by Dan Lytle, of Ohio. Lytle, employed at Kendall Mine No. 1, of the Anderson Coal Co., mined 33.17 tons of coal in one day. The wage rate is $2 a ton, with yardage additional, giving the man $75 for one day's work.

In the first two weeks of November he drew $382. Coal at the mine is shot.

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. BLANTON. Not just yet, I have some facts I want to put in the RECORD. The gentleman is of the opinion that because I live 2,000 miles from Washington I am far removed from coal mines and coal miners. I have coal mines in my district and I have some coal miners as constituents. I want to say to my colleague from Indiana that if the truth was known fully as many members of organized labor voted for me in the last election and in the last primaries in my district as voted for him in his district. The best element of the miners and the best element of organized labor in my district stand for law and order. They believe in the law of the land. They believe in law enforcement, and they do not believe in any administration officers telling one class of people in this country we will pass laws in the Congress of the United States, but we will not make that law applicable to you; we will make it applicable to everybody else in the United States except you and yours. The best element of organized labor in my district believes that the law of the land should be applicable equally between the citizenship of this country without exception in any kind. [Applause.]

Mr. BLAND of Indiana. Will the gentleman yield?

Mr. BLANTON. In just a moment, I have not put in all the facts which I have. My good friend from Indiana—and he is a stalwart strong Member of this House, as was demonstrated by the fact that the good people of Indiana sent him back here in the face of an awful fight against him by organized labor—I want to say to him that when he says that this law ought to be repealed because some administration officers promised organized labor that it would not apply to them, and when the distinguished gentleman from West Virginia [Mr. GOODYKOONTZ] says that the law ought to be repealed because, forsooth, the miners of the country absolutely ignore it, absolutely defy it, absolutely violate it with impunity, and administration officers pay no attention to the violations—when they say all that I answer them with the assertion that that very action on the part of certain Democratic officials in this country has caused the people of the United States to visit punishment upon the whole Democratic Party. If you gentlemen on this side of the House, my Republican friends, if you attempt to make a law applicable to one class and not applicable to another, the people of the United States are going to visit punishment upon you just as they did upon us. You have got to make laws applicable alike to all the people. [Applause.]

He says that the time is coming when you have got to settle the strike question. I agree with him. He has judgment and good foresight; he sees what is coming, but you have got to settle it right, you have got to settle it properly. You can not say when the people put a Congressman out of office that he can go out with a shotgun and keep his successor from taking his seat. You can not say that; you have got to say that when a man quits work he has a right to quit, and that when he quits work he has no right to tell anybody else that he shall not take his job. We have got to establish what is known as the American open shop here in Congress, here in Washington, here in the United States, and even in the great State of Indiana. [Applause.]

Mr. GARD. Mr. Speaker, I yield five minutes to the gentleman from New York [Mr. PELL].

Mr. PELL. Mr. Speaker and gentlemen, this bill seems to me to be the beginning of the end of a real political disgrace. The work that we are doing to-day we should have done long ago. Of that I am convinced, as are all of us. The war has been over for two years, and yet we find that with almost 90 per cent of the life of this Congress over, we are now just beginning the work for which we were elected.

I am not much of a partisan, but I believe that we should have begun a year ago this process of repealing, not a certain portion of these acts but the whole system of laws which were devised on account of the war, and to have changed the system of finance. That should have been the first duty of this Congress. These laws were all passed on the assumption that the war was going to last a great deal longer than it did, and if this country had any intention of ever paying its debts it would be necessary to tax to the utmost and even to try to discourage certain luxury businesses in order to free labor for more urgent needs.

Now, it is quite obvious that very soon after the armistice was signed, as soon as it was clear that the war was not going to recommence, we should have changed to a system of taxation designed to encourage business. But that was not done. There was no change.

The United States was left to struggle under a system of taxes devised for conditions utterly different from those existing. For what reason was nothing done? The only reason is because it was thought that the indignant business community would visit its resentment on the Democratic Party which had passed these laws rather than on the Republican Party which had neglected to repeal them when conditions had changed and they were no longer necessary. That opinion is apparently justified by the last election. That kind of thing may be politics of a sort, but it is not statesmanship.

This view is evidently demonstrated by the fact that as soon as the election is over and the need of oppressing the people for partisan advantage is past we have this resolution—the first serious step toward reconstruction. You told us nothing could be done without a Republican President, and now in the last days of this Congress and with a Republican President not three months off you suddenly find that something is feasible.

I think you will find in the very near future that every Irishman in the country who has been promised that the Republican Party will free Ireland, every Englishman who has been promised that the United States will keep its hands off the Irish question, every Italian who has been promised that Italy would get Fiume, every Czech who has been promised that Fiume would go to Czechoslovakia, every laborer who has been promised that the unions would be put in the saddle, and every employer who has been promised that the unions would be thrust under their heels will come and ask that those promises be performed, and it will be a hard job to face, especially for a government by cabal with a policy of muddle.

I realize that it is a dangerous thing in politics to attempt any prophecy, but I am convinced that it will not be long before the laborer without a job, the business man without profits, the investor without dividends will have his fill of your Republican prosperity, and your policy of compromise, privilege, and regulation. It will not be long before the American people will not look on these eight years past as a time of stress, nor will they consider the day when an American dominated the councils of the world as a period of national shame.

Mr. GARD. Mr. Speaker, I yield two minutes to the gentleman from Texas [Mr. SUMNERS].

Mr. SUMNERS of Texas. Mr. Speaker, I merely want to correct an impression which might have been conveyed by my good friend from Massachusetts [Mr. WALSH]. He suggested to the

House, as I understood him, that this amendment exempting the War Finance Board ought not to be included, because, forsooth, the committee that included this exemption did not fully understand the act. If that is true, even his argument destroys the point. We are not enacting that law, we are simply not proposing its repeal, in so far as this act is concerned. If, as my friend suggests, we do not understand the War Finance Corporation act, and do not understand the force of it, then we ought not to disturb it.

Mr. WALSH. Mr. Speaker, will the gentleman yield?

Mr. SUMNERS of Texas. Yes.

Mr. WALSH. What laws are we repealing by this resolution?

Mr. SUMNERS of Texas. I am talking about one now that we do not want to have repealed.

Mr. WALSH. We are not repealing any law by this resolution.

Mr. SUMNERS of Texas. I do not want to repeal this one, and I do not want the Secretary of the Treasury or anyone to believe that in this great crisis in this country, when business is stagnated and it is the judgment of the bankers of this country and the business men of this country and the farmers of this country that the War Finance Board, if revived and put into operation, might be of help, that the House is in favor of repealing the act under which that board was created.

Mr. GARD. Mr. Speaker, I yield the remainder of my time to the gentleman from Arkansas [Mr. CARAWAY].

The SPEAKER. The gentleman is recognized for three minutes.

Mr. CARAWAY. Mr. Speaker and gentlemen of the House, I am much impressed by the arguments that have been made on both sides of this question. My friend from Alabama [Mr. HUDDLESTON] is sure that this so-called Lever Food Control Act is the greatest engine of oppression that any Congress ever inflicted upon the laboring man. On the other hand, the gentleman from West Virginia [Mr. GOODYKOONTZ] is certain it is the most futile piece of legislation ever enacted because it does not control anyone's actions. If one can believe both of these gentlemen, he will have to follow the logic of a Negro down home who was testifying in a court about an accident that happened on a stairway. He grew very much confused in his testimony. Finally the court, thinking he was not trying to tell the truth, said to him, "Rastus, tell the court just how that stairway runs, anyway." Rastus replied, "Well, boss, it's dis way: When you are downstairs it runs up, and when you are upstairs it runs down." [Laughter.] Whether this law did oppress the laboring man or not, I am sure I could not tell from the testimony offered here by those two gentlemen this afternoon, but I do want to say this, that I would never have voted for any law that put upon some executive the obligation of saying, "I recognize it is a law, but I will not enforce it." I would not have asked him so to do. I certainly hope no such situation exists. I can not conceive of an Attorney General of the United States saying, "I am going to instruct the district attorneys not to enforce the law." I would not trust anyone who would promise to violate a law, nor would I have voted for a measure superseded by a promise of some one to violate his oath of office. But let that go.

My friend from Texas [Mr. BLANTON], who is always telling us why the Democratic Party was defeated in the recent unhappy election, says that that promise defeated us. The other day it was something else. To-morrow some other cause will be heard. Personally, I have a strong opinion about what defeated the Democratic Party. I think the people were in the same condition of those people for whom the Savior prayed when He said, "Forgive them, Father; they know not what they do." [Laughter.]

I am seriously interested in the exemption of the so-called War Finance Corporation. I heard it objected to a while ago because it was said it contained a provision for the capital issues committee. Because that provision is in the bill does not necessarily mean that it must be called back into existence. However, if it were, I take it there would not be very much trouble about regulating the issue of bonds, because nobody could sell them. The vital question is that the farmers and business men of this country are facing ruin. Markets must be found for our wheat, rice, cotton, and corn or the farmers are destroyed. The same situation faces the manufacturers and the business men. This War Finance Corporation has in the past afforded some relief; may we not hope it will do so again. At least I am not going to vote to close the last door of hope in the face of those whose toil supplies all of us with the food we eat and the clothes we wear. I shall vote to exempt the War Finance Corporation from repeal.

Mr. VOLSTEAD. Mr. Speaker, I should judge from the discussion that has taken place that there is no question about this resolution passing. One thing which seems to worry some gentlemen is the Lever Act, and there appears to be a desire on the part of some to amend the resolution in that respect. I want to call attention briefly to the situation as it exists in many sections of this country. I think it is true nearly everywhere in the farming communities—and that does not mean only the farmers, but the people living all through those communities—that they are suffering intensely because there has been and there still is a great deal of profiteering. When I drew the resolution originally I inserted the exception leaving the Lever Act in force, and I believe that if we undertake to put that out of business without putting something else in its place we will hear from the country in reference to it. We can not substitute anything that is anywhere near as effective, because under the war powers we can deal with local business and reach local trade, instead of only interstate and foreign commerce, which is practically the only power we have in peace time. I do not believe that during this period of reconstruction, when multitudes are suffering intensely, and believe that they are suffering because they are imposed on by profiteers, that we can afford to repeal the most effective remedy we have against profiteering.

My judgment is that we ought to exempt it and let it stay upon the statute books until we can get something else. [Applause.]

The SPEAKER. The Clerk will report the first amendment.

Mr. GARD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. GARD. Is not now the time to have the bill read?

The SPEAKER. The bill has been read.

Mr. VOLSTEAD. I ask that the committee amendment be first considered.

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Page 2, line 22, after the word "act" insert "the War Finance Corporation act as amended by the act approved March 3, 1919."

Mr. WALSH. Mr. Speaker, there is an amendment to the committee amendment that has been offered. Will not that be acted upon first? I offered an amendment to the committee amendment.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

Amendment offered by Mr. WALSH: Page 2, line 22, after the word "act," where it first occurs, insert "titles 1 and 3 of."

The question was taken, and the amendment was agreed to.

The SPEAKER. The question is on the committee amendment as amended.

The question was taken, and the amendment as amended was agreed to.

The SPEAKER. The Clerk will report the first amendment offered on the floor.

The Clerk read as follows:

Amendment offered by Mr. BLAND of Indiana: Page 2, line 12, after the words "to wit," strike out all of said line and lines 13, 14, 15, and 16 to and including the word "thereto," and insert in lieu thereof the following: In line 16, before the word "entitled," the words "title 2 of the act."

The question was taken, and the Speaker announced the noes seemed to have it.

The House divided; and there were—ayes 25, noes 45.

Mr. BLAND of Indiana. Mr. Speaker, I ask for the yeas and nays.

Mr. HUDDLESTON. Mr. Speaker, I make the point of order that a quorum of the House is not present.

The SPEAKER. It is clear no quorum is present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 182, nays 134, not voting 115, as follows:

YEAS—182.

Almon	Carew	Davis, Minn.	Goodwin, Ark.
Anderson	Carss	Denison	Goodykoontz
Ashbrook	Carter	Dickinson, Mo.	Graham, Ill.
Aswell	Casey	Dominick	Greene, Mass.
Babka	Chindblom	Donovan	Greene, Vt.
Bankhead	Clark, Fla.	Doughton	Harreld
Barbour	Clark, Mo.	Dunn	Harrison
Barkley	Cleary	Dupré	Hastings
Bee	Coady	Dyer	Hayden
Bland, Ind.	Cole	Eagan	Hernandez
Bland, Mo.	Collier	Echols	Hickey
Box	Connally	Ellsworth	Hoey
Brand	Cooper	Evans, Mont.	Holland
Briggs	Cramton	Ferris	Huddleston
Brooks, Pa.	Crisp	Flood	Hudspeth
Buchanan	Crowther	Foster	Hull, Iowa
Burdick	Cullen	Ganly	Humphreys
Burke	Curry, Calif.	Gard	Johnston, N. Y.
Byrnes, S. C.	Dale	Garner	Jones, Pa.
Caraway	Dallinger	Glynn	Keller

Kendall	Mead	Radcliffe	Tague
Kennedy, R. I.	Milligan	Rainey, J. W.	Taylor, Ark.
Kincheloe	Minahan, N. J.	Rhodes	Taylor, Tenn.
Kraus	Moon	Ricketts	Thomas
Lanham	Mooney	Robsion, Ky.	Thompson
Lankford	Moore, Ohio	Rodenberg	Tillman
Larsen	Moore, Va.	Rucker	Tilson
Lazaro	Moores, Ind.	Sabath	Upshaw
Lee, Ga.	Murphy	Schall	Venable
Linthicum	Neely	Sears	Vinson
Luce	Nelson, Mo.	Sells	Walsh
McAndrews	Newton, Minn.	Sherwood	Walters
McClintic	Newton, Mo.	Shreve	Weaver
McDuffie	O'Connor	Siegel	Welty
McGlennon	Ogden	Sinclair	Wheeler
McKeown	Oldfield	Sisson	Williams
McKinley	Oliver	Slemp	Wilson, Ill.
McLeod	Osborne	Smith, Ill.	Wilson, La.
MacCrate	Overstreet	Snyder	Wingo
Magee	Park	Steagall	Woods, Va.
Major	Parker	Steele	Woodyard
Mann, Ill.	Pell	Stephens, Miss.	Wright
Mansfield	Perlman	Stoll	Young, Tex.
Mapes	Phelan	Strong, Pa.	Zihlman
Martin	Porter	Sweet	
Mays	Quin	Swope	

NAYS—134.

Ackerman	Fisher	Knutson	Rogers
Andrews, Nebr.	Fordney	Lampert	Sims
Anthony	Frear	Layton	Sinnott
Bacharach	French	Lea, Calif.	Smith, Idaho
Begg	Fuller, Ill.	Lehlbach	Smith, Mich.
Black	Garrett	Little	Stedman
Bland, Va.	Gould	Longworth	Stephens, Ohio
Blanton	Green, Iowa	Lufkin	Strong, Kans.
Boies	Griffin	McArthur	Summers, Wash.
Brinson	Hadley	McFadden	Sumners, Tex.
Britten	Hardy, Colo.	McLaughlin, Mich.	Swindall
Brooks, Ill.	Hardy, Tex.	McLaughlin, Nebr.	Temple
Browne	Haugen	McPherson	Timberlake
Burroughs	Hawley	MacGregor	Tincher
Butler	Hays	Madden	Tinkham
Byrns, Tenn.	Hersey	Merritt	Towner
Campbell, Kans.	Hersman	Michener	Treadway
Campbell, Pa.	Hicks	Miller	Vaile
Cantrill	Hoch	Monahan, Wis.	Vare
Copley	Hull, Tenn.	Mondell	Vestal
Darrow	Ireland	Mott	Voigt
Davey	Jacoway	Mudd	Volstead
Davis, Tenn.	James, Va.	Olney	Wason
Dempsey	Jefferis	Padgett	Watkins
Dickinson, Iowa	Johnson, S. Dak.	Paige	Watson
Drane	Johnson, Wash.	Parrish	Webster
Drewry	Jones, Tex.	Peters	Welling
Dunbar	Juul	Purnell	White, Kans.
Eagle	Kearns	Raker	White, Me.
Elliott	Kelley, Mich.	Ramsey	Wood, Ind.
Elston	Kettner	Ramseyer	Yates
Evans, Nebr.	Kiess	Randall, Calif.	Young, N. Dak.
Fairfield	Kinkaid	Randall, Wis.	
Fess	Kleczka	Reavis	

NOT VOTING—115.

Andrews, Md.	Focht	Kreider	Robinson, N. C.
Ayres	Freeman	Langley	Romjue
Baer	Fuller, Mass.	Lesher	Rose
Bell	Gallagher	Lonergan	Rouse
Benham	Gallivan	Luhring	Rowan
Benson	Gandy	McCulloch	Rowe
Blackmon	Godwin, N. C.	McKenzie	Rubey
Booher	Goldfogle	McKinley	Sanders, Ind.
Bowers	Good	McLane	Sanders, La.
Brumbaugh	Goodall	Maher	Sanders, N. Y.
Caldwell	Graham, Pa.	Mann, S. C.	Sanford
Candler	Griest	Mason	Scott
Cannon	Hamill	Montague	Scully
Christopherson	Hamilton	Morin	Small
Classon	Hill	Nelson, Wis.	Smith, N. Y.
Costello	Houghton	Nicholls	Smithwick
Crago	Howard	Nolan	Snell
Currie, Mich.	Hulings	O'Connell	Steenerson
Dent	Husted	Patterson	Stevenson
Dewalt	Hutchinson	Pou	Stiness
Dooling	Igoe	Rainey, Ala.	Sullivan
Doremus	James, Mich.	Rainey, H. T.	Taylor, Colo.
Dowell	Johnson, Ky.	Ransley	Volk
Edmonds	Johnson, Miss.	Rayburn	Ward
Emerson	Kahn	Reber	Whaley
Esch	Kelly, Pa.	Reed, N. Y.	Wilson, Pa.
Evans, Nev.	Kennedy, Iowa	Reed, W. Va.	Winslow
Fields	King	Riddick	Wise
Fish	Kitchin	Riordan	

So the amendment was agreed to.

The Clerk announced the following pairs:

Mr. KAHN with Mr. DENT.

Mr. BOWERS with Mr. BOOHER.

Mr. CRAGO with Mr. BELL.

Mr. CANNON with Mr. DEWALT.

Mr. CURRIE of Michigan with Mr. LESHER.

Mr. FREEMAN with Mr. BENSON.

Mr. HUSTED with Mr. RUBEY.

Mr. KING with Mr. SANDERS of Louisiana.

Mr. LUHRING with Mr. CANDLER.

Mr. MCCULLOCH with Mr. LONERGAN.

Mr. NELSON of Wisconsin with Mr. JOHNSON of Kentucky.

Mr. KREIDER with Mr. MCLANE.

Mr. LANGLEY with Mr. ROMJUE.

Mr. MCKENZIE with Mr. ROBINSON of North Carolina.

Mr. MORIN with Mr. MAHER.

Mr. SANDERS of New York with Mr. BRUMBAUGH.

Mr. SANFORD with Mr. GANDY.

Mr. JAMES of Michigan with Mr. O'CONNELL.

Mr. CHRISTOPHERSON with Mr. RAINEY of Alabama.

Mr. STINESS with Mr. BENHAM.

Mr. SNELL with Mr. TAYLOR of Colorado.

Mr. WINSLOW with Mr. POU.

Mr. WARD with Mr. MANN of South Carolina.

Mr. GOOD with Mr. SMALL.

Mr. VOLK with Mr. AYRES.

Mr. STEENERSON with Mr. FIELDS.

Mr. CLASSON with Mr. HENRY T. RAINEY.

Mr. EDMONDS with Mr. DOREMUS.

Mr. MCKINLEY with Mr. MONTAGUE.

Mr. SCOTT with Mr. BLACKMON.

Mr. DOWELL with Mr. GALLAGHER.

Mr. FISH with Mr. CALDWELL.

Mr. HOUGHTON with Mr. RAYBURN.

Mr. ROSE with Mr. EVANS of Nevada.

Mr. GRIEST with Mr. ROWAN.

Mr. PATTERSON with Mr. HOWARD.

Mr. SANDERS of Indiana with Mr. GODWIN of North Carolina.

Mr. HULINGS with Mr. SMITH of New York.

Mr. REBER with Mr. JOHNSON of Mississippi.

Mr. RANSLEY with Mr. SULLIVAN.

Mr. RIDDICK with Mr. DOOLING.

Mr. ESCH with Mr. KITCHIN.

Mr. GRAHAM of Pennsylvania with Mr. IGOE.

Mr. ROWE with Mr. WISE.

Mr. NOLAN with Mr. GALLIVAN.

Mr. HAMILTON with Mr. SMITHWICK.

Mr. REED of West Virginia with Mr. HAMILL.

Mr. FOCHT with Mr. STEVENSON.

Mr. HILL with Mr. GOLDFOGLE.

Mr. EMERSON with Mr. SCULLY.

Mr. REED of New York with Mr. WHALEY.

Mr. MASON with Mr. WILSON of Pennsylvania.

Mr. HUTCHINSON with Mr. NICHOLLS.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The Clerk will report the first amendment offered by the gentleman from Alabama [Mr. HUDDLESTON].

The amendment was read.

Mr. HUDDLESTON. Mr. Speaker, in view of the adoption of the amendment which has just been voted on, I withdraw that and the next amendment also.

The SPEAKER. Without objection the amendments of the gentleman from Alabama will be withdrawn. The question is on the engrossment and third reading of the resolution.

The resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. VOLSTEAD. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 324, nays 0, answered "present" 1, not voting 106, as follows:

YEAS—324.

Ackerman	Burroughs	Dempsey	Garner
Almon	Butler	Denison	Glynn
Anderson	Byrnes, S. C.	Dickinson, Iowa	Godwin, N. C.
Andrews, Nebr.	Byrns, Tenn.	Dickinson, Mo.	Goodwin, Ark.
Anthony	Campbell, Kans.	Dominick	Goodykoontz
Ashbrook	Campbell, Pa.	Donovan	Gould
Aswell	Cantrill	Doughton	Graham, Ill.
Ayres	Caraway	Dowell	Green, Iowa
Babka	Carew	Drane	Greene, Mass.
Bacharach	Carss	Drewry	Greene, Vt.
Bankhead	Carter	Dunbar	Griffin
Barbour	Casey	Dunn	Hadley
Barkley	Chindblom	Dupré	Hardy, Colo.
Bee	Clark, Fla.	Dyer	Hardy, Tex.
Begg	Clark, Mo.	Eagan	Harreld
Benham	Cleary	Echols	Harrison
Black	Coady	Elliott	Hastings
Bland, Ind.	Cole	Ellsworth	Haugen
Bland, Mo.	Collier	Elston	Hawley
Bland, Va.	Connally	Evans, Mont.	Hayden
Blanton	Cooper	Evans, Nebr.	Hays
Boies	Copley	Ferris	Hernandez
Box	Cramton	Fess	Hersey
Brand	Crisp	Fish	Hersman
Briggs	Crowther	Fisher	Hickey
Brinson	Cullen	Flood	Hicks
Britten	Curry, Calif.	Fordney	Hoch
Brooks, Ill.	Dale	Foster	Hoey
Brooks, Pa.	Dallinger	Frear	Holland
Browne	Darrow	French	Huddleston
Buchanan	Davey	Fuller, Ill.	Hudspeth
Burdick	Davis, Minn.	Ganly	Hull, Iowa
Burke	Davis, Tenn.	Gard	Hull, Tenn.

Humphreys	McLaughlin, Nebr.	Phelan	Swindall
Ireland	McLeod	Porter	Swope
Jacoway	McPherson	Purnell	Tague
James, Va.	MacCrate	Quin	Taylor, Ark.
Jefferis	MacGregor	Radcliffe	Taylor, Tenn.
Johnson, S. Dak.	Madden	Rainey, J. W.	Temple
Johnson, Wash.	Magee	Raker	Thomas
Johnston, N. Y.	Major	Ramsey	Thompson
Jones, Pa.	Mann, Ill.	Ramseyer	Tillman
Jones, Tex.	Mansfield	Randall, Calif.	Tilson
Juul	Mapes	Randall, Wis.	Timberlake
Kearns	Martin	Rayburn	Tincher
Keller	Mays	Reavis	Tinkham
Kelley, Mich.	Mead	Rhodes	Towner
Kelly, Pa.	Merritt	Ricketts	Treadway
Kendall	Michener	Robsion, Ky.	Upshaw
Kennedy, Iowa	Miller	Rodenberg	Vaile
Kennedy, R. I.	Milligan	Rogers	Vare
Kettner	Minahan, N. J.	Rose	Venable
Kiess	Monahan, Wis.	Rucker	Vestal
Kincheloe	Mondell	Sabath	Vinson
Kinkaid	Moon	Schall	Voigt
Kleczka	Mooney	Sears	Volstead
Knutson	Moore, Ohio	Sells	Walsh
Kraus	Moore, Va.	Sherwood	Walters
Lampert	Moores, Ind.	Shreve	Wason
Lanham	Mott	Siegel	Watkins
Lankford	Mudd	Sims	Watson
Larsen	Murphy	Sinclair	Weaver
Layton	Neely	Sinnott	Webster
Lazaro	Nelson, Mo.	Sisson	Welling
Lea, Calif.	Newton, Minn.	Slemp	Welty
Lee, Ga.	Newton, Mo.	Smith, Idaho	Wheeler
Lehlbach	O'Connor	Smith, Ill.	White, Kans.
Linthicum	Ogden	Smith, Mich.	White, Me.
Little	Oldfield	Smithwick	Williams
Longworth	Oliver	Snyder	Wilson, Ill.
Luce	Olney	Steagall	Wilson, La.
Lufkin	Osborne	Stedman	Wilson, Pa.
McAndrews	Overstreet	Steele	Wingo
McArthur	Padgett	Stephens, Miss.	Wood, Ind.
McClintic	Paige	Stephens, Ohio	Woods, Va.
McDuffie	Park	Stoll	Woodyard
McFadden	Parker	Strong, Kans.	Wright
McGlennon	Parrish	Strong, Pa.	Yates
McKeown	Pell	Summers, Wash.	Young, N. Dak.
McKinley	Perlman	Sumners, Tex.	Young, Tex.
McLaughlin, Mich.	Peters	Sweet	Zihlman

ANSWERED "PRESENT"—1.

Garrett

NOT VOTING—106.

Andrews, Md.	Focht	Langley	Robinson, N. C.
Baer	Freeman	Lesher	Romjue
Bell	Fuller, Mass.	Lonergan	Rouse
Benson	Gallagher	Luhring	Rowan
Blackmon	Gallivan	McCulloch	Rowe
Booher	Gandy	McKenzie	Rubey
Bowers	Goldfogle	McKinley	Sanders, Ind.
Brumbaugh	Good	McLane	Sanders, La.
Caldwell	Goodall	Maher	Sanders, N. Y.
Candler	Graham, Pa.	Mann, S. C.	Sanford
Cannon	Griest	Mason	Scott
Christopherson	Hamill	Montague	Scully
Classon	Hamilton	Morin	Small
Costello	Hill	Nelson, Wis.	Smith, N. Y.
Crago	Houghton	Nicholls	Snell
Currie, Mich.	Howard	Nolan	Steenerson
Dent	Hulings	O'Connell	Stevenson
Dewalt	Husted	Patterson	Stiness
Dooling	Hutchinson	Pou	Sullivan
Doremus	Igoe	Rainey, Ala.	Taylor, Colo.
Eagle	James, Mich.	Rainey, H. T.	Volk
Edmonds	Johnson, Ky.	Ransley	Ward
Emerson	Johnson, Miss.	Reber	Whaley
Esch	Kahn	Reed, N. Y.	Winslow
Evans, Nev.	King	Reed, W. Va.	Wise
Fairfield	Kitchin	Riddick	
Fields	Kreider	Riordan	

So the resolution was passed.

The Clerk announced the following additional pairs:

On the vote:

Mr. KENNEDY of Iowa with Mr. RIORDAN.

Mr. GOODALL with Mr. CALDWELL.

Mr. HOUGHTON with Mr. EAGLE.

Mr. SANDERS of Indiana with Mr. EVANS of Nevada.

Mr. GRAHAM of Pennsylvania with Mr. GALLAGHER.

Mr. EAGLE. Mr. Speaker, am I too late to vote?

The SPEAKER. Unless the gentleman was present he can not vote.

Mr. EAGLE. I was not.

The result of the vote was announced as above recorded.

REORGANIZATION OF GOVERNMENT DEPARTMENTS.

Mr. CAMPBELL of Kansas. Mr. Speaker, I desire to announce to the House that to-morrow, after the reading of the Journal, I shall call up a rule for the consideration of a joint resolution creating a commission, introduced by the gentleman from Nebraska [Mr. REAVIS], to investigate, consolidate, and reorganize the executive departments of the Government.

HOUSE MEMBERS OF INAUGURAL COMMITTEE.

The SPEAKER. The Chair will announce as the House members of the inaugural committee Mr. CANNON, Mr. REAVIS, and Mr. RUCKER.

EXTENSION OF REMARKS.

Mr. GOODYKOONTZ. Mr. Speaker, I ask unanimous consent to extend in the RECORD my remarks on the resolution pending this afternoon.

The SPEAKER. The gentleman from West Virginia asks unanimous consent to extend his remarks on the resolution just passed. Is there objection?

There was no objection.

IMMIGRATION.

Mr. OGDEN. Mr. Speaker, I ask unanimous consent to have read a telegram from my colleague Mr. LANGLEY.

The SPEAKER. The gentleman from Kentucky asks unanimous consent to have read a telegram from his colleague Mr. LANGLEY. Is there objection?

There was no objection.

The Clerk read as follows:

ASHLAND, KY., *December 13, 1920.*

Felt so sure of a vote Saturday on the immigration bill that I made an engagement which I could not change so as to be present to-day. I regard the present flood of undesirable immigration a real menace to the country, and am earnestly for the Johnson bill. Will you not please have this message read to the House?

JOHN W. LANGLEY.

[Applause.]

SUSPENDING THE OPERATION OF WAR LAWS.

Mr. WALSH. Mr. Speaker, in the absence for the moment of the chairman of the Committee on the Judiciary, I move to reconsider the vote whereby House joint resolution 382 was passed, and move to lay that motion on the table.

The SPEAKER. The gentleman from Massachusetts moves to reconsider the vote on the joint resolution to repeal the war laws and to lay that motion on the table. Without objection, it will be so ordered.

There was no objection.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. EMERSON (at the request of Mr. RICKETTS), on account of illness in his family;

To Mr. SANDERS of Indiana (at the request of Mr. PURNELL), indefinitely, on account of illness;

To Mr. MORIN, on account of sickness; and

To Mr. RUBEY (at the request of Mr. DICKINSON of Missouri) for 10 days, on account of important business.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 55 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 14, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

203. A letter from the president of the United States Civil Service Commission, transmitting statement showing in detail what officers and employees of the commission have traveled on official business from Washington to points outside of the District of Columbia, fiscal year 1920; to the Committee on Appropriations.

204. A letter from the Assistant Secretary of the Navy, transmitting statement of claims adjusted arising out of damage to private property from the operations of naval aircraft, fiscal year 1920; to the Committee on Expenditures in the Navy Department.

205. A letter from the Secretary of the Navy, transmitting report for first four months of fiscal year 1921, showing average number of employees of the Naval Establishment receiving the increased compensation at the rate of $240 per annum and at each other rate; to the Committee on Appropriations.

206. A letter from the Secretary of the Navy, transmitting draft of proposed legislation extending the benefits of the naval appropriation act of June 4, 1920, to chief pharmacists and pharmacists in the United States Navy; to the Committee on Naval Affairs.

207. A letter from the Secretary of Commerce, transmitting copy of proposed legislation needed for the efficient administration of the Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

208. A letter from the Secretary of War, transmitting request for early consideration of legislation upon the subject of marriage and divorce in the Canal Zone; to the Committee on the Judiciary.

209. A letter from the president of the Board of Managers of the National Home for Disabled Volunteer Soldiers, transmitting report of the death of Hon. George Black, member of the board of managers of that institution; to the Committee on Military Affairs.

210. A letter from the chairman of the executive committee of the National Advisory Committee for Aeronautics, transmitting report of average number of employees of the committee receiving the increased compensation at the rate of $240 per annum for the first four months of the fiscal year 1921; to the Committee on Appropriations.

211. A letter from the Secretary of Agriculture, transmitting detailed statement of expenditures of the Department of Agriculture for the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Department of Agriculture.

212. A letter from the Secretary of the Treasury, transmitting detailed statement of all receipts and expenditures under the war risk insurance act during the fiscal year ended June 30, 1920; to the Committee on Expenditures in the Treasury Department.

213. A letter from the chairman of the Federal Trade Commission, transmitting report of the commission regarding certain phases of the tobacco industry in accordance with House resolution 533; to the Committee on Interstate and Foreign Commerce.

214. A letter from the Secretary of War, transmitting statement showing the name of each civilian engineer employed between July 1, 1919, and June 30, 1920, in the work of improving the rivers and harbors, etc.; to the Committee on Rivers and Harbors.

215. A letter from the Secretary of the Treasury, transmitting estimate of appropriation to pay claims for damages by naval vessels adjusted by the Navy Department (H. Doc. No. 917); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. RHODES, from the Committee on Mines and Mining, to which was referred the joint resolution of the House (H. J. Res. 404) to suspend the requirements of annual assessment work on mining claims during the year 1920, reported the same without amendment, accompanied by a report (No. 1118), which said bill and report were referred to the Committee of the Whole House on the State of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Pensions was discharged from the consideration of the bill (H. R. 15001) granting an increase of pension to Edmund Hishley, and the same was referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CARTER: A bill (H. R. 15011) authorizing the Secretary of the Interior to offer for sale remainder of the coal and asphalt deposits in segregated mineral land in the Choctaw and Chickasaw Nations, State of Oklahoma; to the Committee on Indian Affairs.

By Mr. McCLINTIC: A bill (H. R. 15012) to provide for the creating of a national depositors' guaranty fund in each Federal reserve district, to be used for the protection of depositors in national banks and trust companies, and authorizing the Comptroller of the Currency to have supervision over the same; to the Committee on Banking and Currency.

By Mr. JOHNSON of Washington: A bill (H. R. 15013) to provide a preliminary survey of the Puyallup River, Wash., with a view to the control of its floods; to the Committee on Flood Control.

By Mr. YOUNG of North Dakota: A bill (H. R. 15014) to prohibit for one year the importations of wheat and wheat flour, rye and rye flour, barley, flax, oats and oat products, cotton, wool, swine, cattle, sheep, and all other domestic live animals suitable for human food; to the Committee on Ways and Means.

By Mr. STOLL: A bill (H. R. 15015) to authorize the building of a bridge across the Santee River in South Carolina; to the Committee on Interstate and Foreign Commerce.

Also, a bill (H. R. 15016) to authorize the building of a bridge across the Pee Dee River in South Carolina; to the Committee on Interstate and Foreign Commerce.

By Mr. MANN of South Carolina: A bill (H. R. 15017) to authorize the building of a bridge across the Wateree River in South Carolina; to the Committee on Interstate and Foreign Commerce.

By Mr. FESS: A bill (H. R. 15018) to enforce the provisions of the nineteenth amendment to the Constitution of the United States with respect to the elective franchise; to the Committee on Woman Suffrage.

By Mr. BLAND of Virginia: A bill (H. R. 15019) for examination and survey of Piscataway Creek, Essex County, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 15020) for examination and survey of Hoskins Creek, Essex County, Va.; to the Committee on Rivers and Harbors.

By Mr. BARBOUR: A bill (H. R. 15021) for the apportionment of Representatives in Congress amongst the several States under the Fourteenth Census; to the Committee on the Census.

By Mr. TINCHER: Joint resolution (H. J. Res. 408) relating to the use of net earnings derived by the United States from the Federal reserve banks in the years 1921 and 1922, being the earnings accrued and accruing during the years 1920 and 1921; to the Committee on Banking and Currency.

By Mr. BRITTEN: Joint resolution (H. J. Res. 409) to authorize and direct the Secretary of the Navy to open certain naval radio stations for the dissemination of public information; to the Committee on the Merchant Marine and Fisheries.

By Mr. SIEGEL: Joint resolution (H. J. Res. 410) to authorize payment to members of the Army and Navy who were employed as enumerators during the Fourteenth Decennial Census to take the census of persons in the Army and Navy; to the Committee on the Census.

By Mr. SHERWOOD: Concurrent resolution (H. Con. Res. 66) for the appointment of an international high commission for the investigation of conditions in Ireland; to the Committee on Foreign Affairs.

By Mr. STEAGALL: Concurrent resolution (H. Con. Res. 67) providing for the resumption of the activities of the War Finance Corporation; to the Committee on Banking and Currency.

By Mr. LAMPERT: Resolution (H. Res. 612) providing that the Federal Trade Commission be directed to make a survey of all coal-bearing lands and coal mines in the United States, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, favoring an amendment to the bill (S. 3259) now pending in the Congress of the United States providing for the proper protection of maternity and infancy, and providing for a method of cooperation between the Government and the several States; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15022) granting an increase of pension to Malinda Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15023) granting an increase of pension to Benjamin F. Burklen; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15024) granting a pension to Caroline Garrison; to the Committee on Invalid Pensions.

By Mr. BLAND of Virginia: A bill (H. R. 15025) for the relief of Oscar E. Luttrell; to the Committee on Claims.

Also, a bill (H. R. 15026) for the relief of J. Irving Brooks; to the Committee on Claims.

By Mr. BURROUGHS: A bill (H. R. 15027) granting a pension to Emma M. Chandler; to the Committee on Invalid Pensions.

By Mr. CAMPBELL of Kansas: A bill (H. R. 15028) granting a pension to Teckla Hantz; to the Committee on Invalid Pensions.

By Mr. CANNON: A bill (H. R. 15029) granting a pension to Ernst Hoernlein; to the Committee on Pensions.

Also, a bill (H. R. 15030) granting a pension to Aaron V. S. Rouse; to the Committee on Invalid Pensions.

By Mr. CASEY: A bill (H. R. 15031) granting an increase of pension to Mary C. Titman; to the Committee on Invalid Pensions.

By Mr. COPLEY: A bill (H. R. 15032) granting a pension to Elmer F. Miller; to the Committee on Pensions.

By Mr. DUNBAR: A bill (H. R. 15033) granting an increase of pension to Lennie R. Rutherford; to the Committee on Pensions.

Also, a bill (H. R. 15034) granting an increase of pension to Martha J. Jenkins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15035) granting a pension to Mamie Dell Turner; to the Committee on Invalid Pensions.

By Mr. HAMILL: A bill (H. R. 15036) granting a pension to Clara W. Barrett; to the Committee on Invalid Pensions.

By Mr. HAYS: A bill (H. R. 15037) granting a pension to Pernecia Boozer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15038) granting a pension to Mary Reed; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15039) granting a pension to Delia Diehl; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15040) granting a pension to Sarah F. Patterson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15041) granting a pension to Caroline Wessell; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15042) granting a pension to Celia Evans; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 15043) granting a pension to Julia Horton; to the Committee on Invalid Pensions.

By Mr. HULL of Iowa: A bill (H. R. 15044) granting an increase of pension to George W. Bagley; to the Committee on Invalid Pensions.

By Mr. IGOE: A bill (H. R. 15045) granting an increase of pension to George Sheehan; to the Committee on Pensions.

By Mr. KELLEY of Michigan: A bill (H. R. 15046) granting a pension to William H. Beal, alias Wade H. Brown; to the Committee on Pensions.

By Mr. KING: A bill (H. R. 15047) granting a pension to John Linean; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 15048) granting a pension to Rachel Fields; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15049) granting a pension to Eliza Ann Henry; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15050) to amend the military record of Robert Zink; to the Committee on Military Affairs.

By Mr. McKENZIE: A bill (H. R. 15051) granting a pension to Mrs. Watson W. Wright; to the Committee on Invalid Pensions.

By Mr. McPHERSON: A bill (H. R. 15052) granting a pension to Benjamin F. Woodward; to the Committee on Pensions.

By Mr. MASON: A bill (H. R. 15053) for the relief of Gabriel Roth; to the Committee on Claims.

By Mr. MOORES of Indiana: A bill (H. R. 15054) for the relief of Daniel H. Prunk; to the Committee on Military Affairs.

By Mr. MURPHY: A bill (H. R. 15055) granting a pension to Lena A. Fowler; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15056) granting a pension to Mary Ann Birch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15057) granting a pension to Conrad Pearch, sr.; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15058) granting a pension to Mary A. Coulter; to the Committee on Invalid Pensions.

By Mr. RAKER: A bill (H. R. 15059) for the relief of Mrs. M. P. Rodgers; to the Committee on Claims.

By Mr. SEARS: A bill (H. R. 15060) granting an increase of pension to Patrick Flood; to the Committee on Pensions.

Also, a bill (H. R. 15061) granting an increase of pension to William W. Jordan; to the Committee on Pensions.

Also, a bill (H. R. 15062) granting a pension to Clara A. Griffin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15063) for the relief of the Southern Iron & Metal Co., Jacksonville, Fla.; to the Committee on Claims.

By Mr. SELLS: A bill (H. R. 15064) granting a pension to Elsie Bell, Carnie Bell, and Vennie Bell, minor children of George W. Bell; to the Committee on Pensions.

By Mr. STEAGALL: A bill (H. R. 15065) granting a pension to William H. Baird; to the Committee on Pensions.

By Mr. STEPHENS of Ohio: A bill (H. R. 15066) granting a pension to Bridget Mitchell; to the Committee on Invalid Pensions.

By Mr. STINESS: A bill (H. R. 15067) granting an increase of pension to George Bellamy; to the Committee on Invalid Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 15068) granting a pension to Joseph A. Britton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15069) granting a pension to Mary E. Duncan; to the Committee on Invalid Pensions.

By Mr. SMITHWICK: A bill (H. R. 15070) granting an increase of pension to William Abt; to the Committee on Pensions.

By Mr. O'CONNOR: A bill (H. R. 15071) granting a pension to Emma K. Barrett; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15072) granting a pension to H. C. Taylor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15073) granting a pension to Elizabeth Seiber; to the Committee on Invalid Pensions.

By Mr. VENABLE: A bill (H. R. 15074) granting a pension to Ignatz Welzbacher; to the Committee on Pensions.

By Mr. WILSON of Pennsylvania: A bill (H. R. 15075) granting a pension to Pauline G. Fritz; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15076) granting a pension to Elizabeth Kuhns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15077) granting a pension to Beatrice Mabel Baker, Lester Belford Baker, and Anna Elizabeth Baker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15078) granting a pension to Elizabeth B. Rebhun; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4422. By Mr. BURROUGHS: Resolution of the Natural Science Club, of Manchester, N. H., urging the passage of the Sheppard-Towner bill by Congress; to the Committee on Interstate and Foreign Commerce.

4423. Also, petition of the Tuesday Club, of the city of Dover, N. H., by Mrs. Dwight Hall, president, with 18 other signers, urging the passage of the Smith-Towner bill; to the Committee on Education.

4424. Also, resolutions of the Association of New Hampshire Assessors, by W. P. Farmer, secretary, in opposition to any change to daylight-saving time; to the Committee on Interstate and Foreign Commerce.

4425. By Mr. CULLEN: Petition of real estate board of New York, favoring a revision of all present income tax laws; to the Committee on Ways and Means.

4426. Also, petition of Army Transport Post, No. 747, American Legion, of New York, favoring legislation which will accord to the temporary officers of the Army in the World War the same retirement privileges as are enjoyed by the officers of the Regular Army; to the Committee on Military Affairs.

4427. By Mr. DALE: Petition of the Bellows Falls Women's Club, of Bellows Falls, Vt., favoring the passage of the Sheppard-Towner bill for the protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4428. By Mr. DYER: Petition of the Blanke-Weneker Candy Co., urging amendment of war revenue act; to the Committee on Ways and Means.

4429. Also petition of the Gaynor Silk Co.; Stix, Baer & Fuller; general manager Associated Industries of Missouri, urging last payment of income taxes to be made in installments; to the Committee on Ways and Means.

4430. Also, petition of the Schreiner Grain Co., of St. Louis, Mo., against abolishing trading in stock futures; to the Committee on the Judiciary.

4431. Also, petition of Grand Lodge, Progressive Order of the West, St. Louis, Mo., against the immigration bill; to the Committee on Immigration.

4432. Also, petition of E. W. Stix, of St. Louis, Mo., favoring the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4433. Also, petition of Charles Andrews, James F. Bruce, E. C. Rowse, Harry Pearlman, and P. E. Rexord, all of St. Louis, Mo., favoring the Smith-Towner bill; to the Committee on Education.

4434. Also, petition of the Mexican-American Hat Co., Levis-Zukoski Mercantile Co., Blanke Manufacturing & Supply Co., Jennings-Amos Manufacturing Co., Charles S. Lewis & Co., St. Louis Lightning Rod Co., Eisenstadt Manufacturing Co., all of St. Louis, Mo., and the Interstate Grocer Co., of Joplin, Mo., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4435. Also, petition of the Associated Industries of Missouri, protesting against House bill 6492 and Senate bill 3944; to the Committee on Agriculture.

4436. By Mr. FULLER of Illinois: Petition of the Kentucky Society, Sons of the American Revolution, favoring comprehensive control of immigration; to the Committee on Immigration and Naturalization.

4437. Also, petition of Mrs. Henry W. Cheney, president of the Illinois League of Women Voters, favoring the passage of

the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4438. Also, petition of Walter S. Mix, of Beardstown, Ill., concerning retirement of disabled emergency officers of the Army; to the Committee on Military Affairs.

4439. Also, petition of the American Library Association, favoring the passage of bills to establish a library information service in the Bureau of Education; to the Committee on Education.

4440. Also, petition of the Silk Association of America, favoring an amendment of sections 214 and 234 of the revenue act; to the Committee on Ways and Means.

4441. Also, petition of Railway Mail Association, concerning reclassification of salaries; to the Committee on the Post Office and Post Roads.

4442. Also, petition of Russell Meyer Grocery Co., of Clinton, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4443. By Mr. KEARNS: Petition of the Excelsior Shoe Co., of Portsmouth, Ohio, favoring the 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4444. By Mr. KLECZKA: Petition of the Federal grand jury for the October term of the United States district court, eastern Wisconsin district, recommending modification and amendment of the Federal prohibition enforcement law; to the Committee on the Judiciary.

4445. By Mr. LAMPERT: Petition of the Federal grand jury of the United States district court, eastern district of Wisconsin, urging modification of the prohibition enforcement law; to the Committee on the Judiciary.

4446. By Mr. LONERGAN: Petition of Jewish organizations of Hartford, Conn., opposing the passage of the immigration restriction bill; to the Committee on Immigration and Naturalization.

4447. By Mr. McARTHUR: Petition of the Oregon Wool Growers' Association, favoring an embargo upon the importation of foreign wool until such time as conditions and markets become normal; to the Committee on Ways and Means.

4448. By Mr. McCLINTIC: Petition of the Woodward Chamber of Commerce, of Woodward, Okla., urging Congress to appropriate $400,000,000 for road-building purposes to be distributed to the several States of the Union under the present plan of supervision; to the Committee on Roads.

4449. By Mr. MacGREGOR: Petition of the Dunlop Tire & Rubber Corporation of America, of Buffalo, N. Y., favoring the passage by Congress of legislation to establish commercial bribery as a Federal penal offense; to the Committee on the Judiciary.

4450. By Mr. MURPHY: Memorial of the Child's Conservation League, of Bellaire, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4451. Also, memorial of the Women's Club of Cadiz, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4452. Also, memorial of 24 women of Bethesda, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4453. Also, memorial of Twentieth Century Club, of Wellsville, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4454. Also, memorial of Local Union No. 2225, United Mine Workers of America, praying for the release of political prisoners; to the Committee on the Judiciary.

4455. Also, memorial of the Woman's Welfare Club of Martins Ferry, Ohio, praying for passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4456. Also, memorial of Local Union No. 4472, United Mine Workers of America, praying for amnesty for political prisoners; to the Committee on Interstate and Foreign Commerce.

4457. Also, memorial of the Tourist Club of Steubenville, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4458. Also, memorial of Local Union No. 44, United Mine Workers of America, of Bellaire, Ohio, praying for amnesty for political prisoners; to the Committee on the Judiciary.

4459. Also, memorial of the Sorosis Club of Columbiana, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4460. Also, memorial of Pomona Grange, No. 62, opposing cancellation of debt that England, France, Italy, and Russia owe the United States; to the Committee on Foreign Affairs.

4461. Also, memorial of the League of Women Voters of Steubenville, Ohio, praying for the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4462. Also, memorial of the Service Star Legion of St. Clairsville, Ohio, praying for passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4463. Also, memorial of the Service Star Legion of Bellaire, Ohio, praying for the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4464. Also, memorial of the Martins Ferry (Ohio) Post, No. 38, praying for passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4465. By Mr. O'CONNELL: Petition of the real estate board of New York, favoring a revision of all present income-tax laws; to the Committee on Ways and Means.

4466. Also, petition of Army Transport Post, No. 747, American Legion, of New York City, favoring legislation which will accord the temporary officers of the Army in the World War the same retirement privileges as are enjoyed by the officers of the Regular Army; to the Committee on Military Affairs.

4467. By Mr. JOHN W. RAINEY: Petition of the University of Chicago Settlement, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4468. By Mr. RANDALL of Wisconsin: Resolution of Waukesha County Farm Bureau, Waukesha, Wis., requesting legislation providing for an embargo on the importation of wools, woolens, and all sheep products; to the Committee on Agriculture.

4469. By Mr. RODENBERG: Petition of the St. Louis Live Stock Exchange, National Stock Yards, Ill., protesting against the passage of the bill H. R. 3944; to the Committee on Agriculture.

4470. By Mr. ROWAN: Petition of Army Transport Post, No. 747, American Legion, of New York City, favoring legislation which will accord to the temporary officers of the Army in the World War the same retirement privileges as are enjoyed by the officers of the Regular Army; to the Committee on Military Affairs.

4471. By Mr. SINCLAIR: Petition of the commission of the city of Fargo, N. Dak., urging the passage of legislation that will place the entire control of the coal industry in the hands of the Interstate Commerce Commission; to the Committee on Interstate and Foreign Commerce.

4472. By Mr. SMITH of Michigan: Papers to accompany House bill 15004, for the relief of Jabez Lumbert; to the Committee on Military Affairs.

4473. Also, petition of the State board of control for vocational education for the State of Michigan, urging favorable consideration of the Fess home economics amendment to House bill 12078; to the Committee on Education.

4474. Also, petition of the Union Trim & Lumber Co., the Merchants Publishing Co., the Edwards & Chamberlain Hardware Co., all of Kalamazoo; the J. B. Hellenberg Co., of Coldwater; and the Battle Creek Lumber Co., of Battle Creek, all of the State of Michigan; to the Committee on the Post Office and Post Roads.

4475. By Mr. SNELL: Petition of the officers and directors in the Citizens National Bank and People's Bank, of Potsdam, N. Y., favoring to support legislation in Congress that will so amend the Federal act as to permit member as well as nonmember banks of the United States to charge a reasonable rate of exchange for the service of remitting for checks drawn on them whether presented through the Federal reserve banks or some other agency; to the Committee on Banking and Currency.

4476. By Mr. SNYDER: Petition of the Savings & Loan Association of Herkimer, N. Y., favoring exemption from taxation not exceeding $500 derived from investment in shares of a domestic building and loan association or a cooperative bank; to the Committee on Ways and Means.

4477. Also, petition of rural carriers of Little Falls and Clayville, N. Y., favoring compensation based on 7,500 pieces of mail per year carriers; to the Committee on the Post Office and Post Roads.

4478. By Mr. STEDMAN: Petition of the Synod of North Carolina, Presbyterian Church, adopted October 28, 1920, urging the Congress of the United States to create a Federal censorship on moving-picture productions; to the Committee on Interstate and Foreign Commerce.

4479. By Mr. TEMPLE: Petition of W. H. Watson, manager Donora American Publishing Co., Donora, Pa., protesting against the repeal of the existing law covering postal rates; to the Committee on the Post Office and Post Roads.

SENATE.

TUESDAY, *December 14, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee continually amid the unrest of the world and the unrest of our own hearts seeking divine favor, looking for the light of divine revelation upon the duties and problems of the present time. We thank Thee that we are unsatisfied, that there is a goal and an inspiration within us that leads us to aspire for the highest and the best. We thank Thee for every indication that Thou art favorable to the highest and dost lead us to the best. Give us that devotion of spirit and that spiritual insight into the purposes of God that will enable us to work nobly and well in the sphere to which Thou dost call us this day. Let Thy blessing abide upon our work. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day, Saturday, December 11, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

EXPENDITURES, DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a detailed statement of expenditures of the Department of Agriculture for the fiscal year ended June 30, 1920, which was referred to the Committee on Agriculture.

CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF.

The VICE PRESIDENT laid before the Senate a communication from the American Instructors of the Deaf, transmitting, pursuant to law, the proceedings of the twenty-second meeting of the convention, held at Mount Airy, Philadelphia, Pa., June 28 to July 3, 1920, which was referred to the Committee on Printing.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bill and joint resolutions, in which it requested the concurrence of the Senate:

H. R. 14461. An act to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes.

H. J. Res. 382. Joint resolution declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired.

H. J. Res. 407. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1920, on the 20th day of said month.

The message also announced that the House had agreed to the concurrent resolution (S. Con. Res. 34) providing for the appointment of a committee to make the necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next, and that the Speaker of the House had appointed Mr. CANNON, Mr. REAVIS, and Mr. RUCKER as members of the committee on the part of the House.

INAUGURATION OF PRESIDENT ELECT.

The VICE PRESIDENT. Pursuant to the provision of the concurrent resolution (S. Con. Res. 34) providing for the appointment of a committee to make the necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next, the Chair appoints Mr. KNOX, Mr. NELSON, and Mr. OVERMAN members of the committee on the part of the Senate.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the folowing Senators answered to their names:

Ball	Gronna	Lodge	Simmons
Beckham	Harris	McCumber	Smith, Ga.
Borah	Harrison	McKellar	Smith, Md.
Brandegee	Heflin	McLean	Smoot
Calder	Henderson	McNary	Spencer
Capper	Hitchcock	Moses	Sterling
Chamberlain	Jones, Wash.	Nelson	Sutherland
Culbersen	Kellogg	New	Thomas
Curtis	Kendrick	Norris	Trammell
Dial	Kenyon	Overman	Underwood
Dillingham	Keyes	Page	Wadsworth
Edge	King	Phipps	Walsh, Mass.
Fernald	Kirby	Poindexter	Walsh, Mont.
Fletcher	Knox	Pomerene	Warren
France	La Follette	Ransdell	Watson
Frelinghuysen	Lenroot	Sheppard	

Mr. CHAMBERLAIN. I was requested to announce that the Senator from Idaho [Mr. NUGENT] and the Senator from Nevada [Mr. PITTMAN] are absent on business of the Senate.

Mr. HARRISON. I was requested to announce the absence of the Senator from North Dakota [Mr. JOHNSON] on account of illness.

The VICE PRESIDENT. Sixty-three Senators have answered to the roll call. There is a quorum present.

HOUSE BILL AND JOINT RESOLUTION REFERRED.

H. R. 14461. An act to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, was read twice by its title and referred to the Committee on Immigration.

H. J. Res. 382. Joint resolution declaring that certain acts of Congress, joint resolutions, and proclamations shall be constructed as if the war had ended and the present or existing emergency expired, was read twice by its title and referred to the Committee on the Judiciary.

PAY OF EMPLOYEES.

H. J. Res. 407. Joint resolution authorizing the payment of salaries of officers and employees of Congress for December, 1920, on the 20th day of said month, was read twice by its title and referred to the Committee on Appropriations.

Mr. WARREN subsequently said: From the Committee on Appropriations I report back favorably without amendment the joint resolution (H. J. Res. 407) authorizing the payment of the salaries of officers and employees of Congress for December, 1920, on the 20th day of said month, and I ask unanimous consent for its present consideration.

There being no objection, the joint resolution was considered as in Committee of the Whole.

The joint resolution was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

TRANSMITTAL OF EXECUTIVE COMMUNICATIONS.

The VICE PRESIDENT. In order that the Senate may be informed as to certain action taken by the Vice President outside of the Senate I am making this statement. At the Sixtieth Congress the Senate passed the following resolution:

Resolved, That no communication from heads of departments, commissioners, chiefs of bureaus or other executive officers, except when authorized or required by law, or when made in response to a resolution of the Senate, will be received by the Senate, unless such communication shall be transmitted to the Senate by the President.

The present occupant of the chair has held that the Senate passed that resolution in conformity to the clause of the Constitution of the United States which provides that among other duties of the President—

He shall from time to time give to the Congress information of the state of the Union, and recommend to their consideration such measures as he shall judge necessary and expedient.

Certain solicitors of various departments of the Government have disagreed with the Vice President to the extent of saying that the resolution adopted in the Sixtieth Congress only applied to the Sixtieth Congress. Various departments and bureaus are constantly sending to the Vice President recommendations as to what the Congress should or should not do, without submitting the same to the President of the United States. I am holding that they have no right to do that, regardless of a resolution of the Senate of the United States; that the legislation of the United States of America originates in either the Senate or the House and that recommendations with reference to such legislation must come either from or through the President of the United States.

If the Senate is of the opinion that the ruling of the Vice President is wrong, there are a number of matters that can be handed down.

Mr. POINDEXTER. Mr. President, as a matter of parliamentary information, do I understand that the resolution to which the Vice President refers applies to resolutions passed by the Senate and addressed to the head of a department?

The VICE PRESIDENT. Certainly not. I read the resolution. It provides that nothing shall be received except through the President, unless in response to a resolution of the Senate or in accordance with law.

Mr. POINDEXTER. So that a resolution of the Senate addressed to the head of a particular department would be an exception to the general rule?

The VICE PRESIDENT. Certainly. What the Chair has been ruling, and to which the solicitors of certain departments of the Government are objecting, is that unless the Senate calls for certain information, or unless the law provides that he shall give the information to Congress, if they want legislation here they shall have it submitted by the President of the United States. I think that is in accordance with the Constitution.

I call attention to it so that if Senators think the Chair is in error, the Chair may be corrected and hereafter hand these communications down. I have been sending them back.

Mr. LODGE. Mr. President, I only desire to say, speaking as one Senator, for myself, that I think the Chair's ruling is absolutely correct.

PETITIONS AND MEMORIALS.

Mr. McCUMBER presented a petition of the commission of the city of Fargo, N. Dak., praying for the enactment of legislation giving power to the Interstate Commerce Commission to fix the price of coal, which was referred to the Committee on Interstate Commerce.

Mr. KNOX presented a memorial of Charlesville Grange, No. 698, Patrons of Husbandry, of Charlesville, Pa., remonstrating against the enactment of legislation providing for compulsory universal military training, which was referred to the Committee on Military Affairs.

He also presented a memorial of Washington Camp, No. 412, Patriotic Order Sons of America, of Charlesville, Pa., remonstrating against the enactment of legislation providing for compulsory universal military training, which was referred to the Committee on Military Affairs.

He also presented a memorial of Bedford County, Pa., Pomona Grange, No. 24, remonstrating against the enactment of legislation providing for a tax of 1 per cent on all real estate above the value of $10,000, which was referred to the Committee on Finance.

He also presented a petition of The Neighbors, of Hatboro, Pa., praying for the enactment of legislation providing for the protection of maternity and infancy, which was ordered to lie on the table.

He also presented a petition of the Woman's Club of York, Pa., praying for the enactment of legislation providing for the public protection of maternity and infancy, which was ordered to lie on the table.

He also presented a petition of the Crawford County, Pa., Pomona Grange, No. 26, praying for the enactment of legislation providing for the protection of maternity and infancy, which was ordered to lie on the table.

He also presented memorials of Local Union No. 4716, United Mine Workers of America, of Lilly, Pa.; the Local Union No. 561, United Mine Workers of America, of Shamokin, Pa.; the Local Union No. 3519, United Mine Workers of America, of Bennington, Pa.; the Local Union No. 3772, United Mine Workers of America, of Kittanning, Pa.; and the Local Union No. 2295, United Mine Workers of America, of Curwenville, Pa., remonstrating against the enactment of legislation providing for the parole of Federal political prisoners, which were referred to the Committee on the Judiciary.

Mr. SMITH of Maryland presented a petition of the board of directors of the Chamber of Commerce of Baltimore, Md., praying for the enactment of legislation extending the time for payment of Federal taxes, which was referred to the Committee on Finance.

CARE OF DISABLED SOLDIERS.

Mr. WADSWORTH. Mr. President, I present this case to the Senator from Utah: I am in receipt of a report made by the Joint Committee for Aid to Disabled Veterans, sent to me very much in the nature of a petition, and requesting that Congress authorize certain things to be done in the management of hospitals and in connection with the care of disabled veterans, and that certain amendments be made to existing statutes. The subject is one of immense interest to every man who served in the military forces of the United States and to citizens generally. Their request is that I present this matter to the Senate and ask that it be printed in the CONGRESSIONAL RECORD. I therefore ask unanimous consent that that may be done.

Mr. SMOOT. Mr. President, I object.

The VICE PRESIDENT. What can the Chair do about the matter?

Mr. SMOOT. Let it go to a committee.

Mr. WADSWORTH. It can go to several committees.

The VICE PRESIDENT. Objection is made.

Mr. WADSWORTH. I present it, in any event, and ask that it be noted in the RECORD.

The VICE PRESIDENT. The matter referred to by the Senator from New York, in the nature of a petition, will be received and referred to the Committee on Military Affairs.

REPORT ON HOUSING CONDITIONS.

Mr. CALDER. Mr. President, the select committee appointed by the Senate under Senate resolution 350 to inquire into the country's housing conditions and matters of fuel, transportation, and thrift as they relate to housing, submits a preliminary report (No. 666) thereon.

The committee has visited many of the principal cities of the country and has made a careful survey of conditions. It has found that there really exists a critical nation-wide housing shortage, brought about to a very material extent by interference of the Federal Government during the war. While helpful Federal action is necessary and should be taken, it should be in the nature of providing facilities rather than subsidies.

Profiteering has been rampant and must be eliminated, and the committee believes that actual costs of production may be reduced through improvement of national facilities, notably fuel and transportation. The committee believes that the activities of the Interstate Commerce Commission must be directed toward regulation of the railroads rather than of industry in general. Existing conditions in the production and distribution of fuel, a most important basic factor, must be corrected. Labor efficiency may be materially improved. Capital will invest in construction work when it becomes a paying proposition, unless driven away by taxation, which therefore becomes an important factor.

The committee is preparing and will soon submit and urge early favorable action upon measures in line with its recommendations, which are based upon careful study of the whole situation. Its present report is, in a sense, an introductory one. The committee has in course of preparation detailed statements on the various factors entering into present conditions, and more particularly for the preparation of the measures referred to.

I ask that the report be printed, with a report of Senators KENYON and EDGE, two members of the committee, which I file herewith.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably Senate resolution 392, authorizing the committee which has just reported to employ counsel. I ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution will be read.

The resolution (S. Res. 392) was read, as follows:

Resolved, That the resolution of the Senate, No. 350, agreed to April 17, 1920, authorizing a special committee of the Senate to investigate the existing situation in relation to the general construction of houses, manufacturing establishments, and buildings, and the effect thereof upon other industries and upon the public welfare, be, and the same is hereby, amended to empower said special committee to employ counsel, to be paid from the contingent fund of the Senate.

The VICE PRESIDENT. The Senator from New York asks unanimous consent for the present consideration of the resolution. Is there any objection?

Mr. CURTIS. Mr. President, I object to its present consideration.

The VICE PRESIDENT. Objection is made. The resolution will be placed on the calendar.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MOSES:

A bill (S. 4635) granting a pension to Charles F. Burleigh (with accompanying papers); to the Committee on Pensions.

By Mr. DIAL:

A bill (S. 4636) to amend section 5 of the United States cotton-futures act, approved August 11, 1916, as amended; to the Committee on Agriculture and Forestry.

By Mr. FERNALD:

A bill (S. 4637) for the relief of Griffith L. Johnson (with accompanying paper); to the Committee on Claims.

By Mr. CHAMBERLAIN:

A bill (S. 4638) to provide for the relief of certain officers of the Naval Reserve Force, and for other purposes; to the Committee on Naval Affairs.

Mr. JONES of Washington. I introduce a bill sent by the Department of Commerce, to distribute the commissioned line and engineer officers of the Coast Guard in grades in the same proportions as provided by law for distribution in grades of commissioned line officers of the Navy, and for other purposes. It is to meet the views of the department. I introduce it so that it may be referred to the committee and have consideration.

By Mr. JONES of Washington:

A bill (S. 4639) to distribute the commissioned line and engineer officers of the Coast Guard in grades in the same proportions as provided by law for the distribution in grades

of commissioned line officers of the Navy, and for other purposes; to the Committee on Commerce.

Mr. JONES of Washington. At the request of the Water Power Commission, I present a bill amending the water-power act, giving them authority to employ additional help, which they claim is absolutely necessary under the terms of the act as passed, to carry out the purposes of the act.

By Mr. JONES of Washington:

A bill (S. 4640) to amend section 2 of an act entitled "An act to create a Federal Power Commission; to provide for the improvement of navigation, the development of water power, the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act approved August 8, 1917, and for other purposes," approved June 10, 1920; to the Committee on Commerce.

By Mr. KENDRICK:

A bill (S. 4641) to provide for reimbursement for irrigation systems constructed on the Wind River Reservation, Wyo.; to the Committee on Indian Affairs.

By Mr. FLETCHER:

A bill (S. 4642) to increase the pensions of surviving soldiers of the various Indian wars (with accompanying papers); to the Committee on Pensions.

By Mr. KENYON:

A bill (S. 4643) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919; to the Committee on Education and Labor.

By Mr. DILLINGHAM:

A bill (S. 4644) to provide for the establishment of Battell National Park, in the State of Vermont; to the Committee on Public Lands; and

A bill (S. 4645) to authorize the Commissioners of the District of Columbia to close upper Water Street between Twenty-first and Twenty-second Streets NW.; to the Committee on the District of Columbia.

By Mr. SUTHERLAND:

A bill (S. 4646) granting a pension to Maggie B. Sullivan; to the Committee on Pensions.

By Mr. NELSON:

A bill (S. 4647) granting a pension to Laura Frazier; to the Committee on Pensions.

By Mr. KING:

A bill (S. 4648) to grant citizens of Washington and Kane Counties, Utah, the right to cut timber in the State of Arizona for agriculture, mining, and other domestic purposes; to the Committee on Public Lands.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 223) authorizing the Secretary of the Treasury to enter into an agreement to lease or to execute lease for hospitals acquired or to be constructed by the State of New York, or other States of the United States of America, for the care and treatment of beneficiaries of the Bureau of War Risk Insurance; to the Committee on Appropriations.

By Mr. CHAMBERLAIN:

A joint resolution (S. J. Res. 224) authorizing the President to invite foreign nations to take part in the Atlantic-Pacific Highways and Electrical Exposition at Portland, Oreg., in 1925; to the Committee on Foreign Relations.

REDUCTION OF NAVAL ARMAMENT—DISARMAMENT.

Mr. BORAH. I introduce a joint resolution which I ask may be read and referred to the Committee on Foreign Relations.

The joint resolution (S. J. Res. 225) authorizing the President of the United States to advise the Governments of Great Britain and Japan that the Government of the United States is ready to take up with them the question of disarmament, etc., was read the first time by its title and the second time at length and referred to the Committee on Foreign Relations, as follows:

Whereas a representative and official of the Japanese Government has advised the world that the Japanese Government could not consent even to consider a program of disarmament on account of the naval building program of the United States; and

Whereas by this statement the world is informed and expected to believe that Japan sincerely desires to support a program of disarmament, but can not in safety to herself do so on account of the attitude and building program of this Government; and

Whereas the only navies whose size and efficiency requires consideration on the part of this Government in determining the question of the size of our Navy are those of Great Britain and of Japan, two Governments long associated by an alliance; and

Whereas the United States is now and has ever been in favor of a practical program of disarmament: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States is requested, if not incompatible with the public interests, to advise the Governments of Great Britain and Japan, respectively, that this Government will at once take up directly with their Governments and without waiting upon the action of any other nation the question of disarmament, with a view of quickly coming to an understanding by which the building naval programs of each of said Governments, to wit, that of Great Britain, Japan, and the United States, shall be reduced annually during the next five years 50 per cent of the present estimates or figures.

Second, that it is the sense of the Congress, in case such an understanding can be had, that it will conform its appropriation and building plans to such agreement.

Resolved further, That this proposition is suggested by the Congress of the United States to accomplish immediately a substantial reduction of the naval armaments of the world.

DISTRICT OF COLUMBIA CORPORATIONS.

Mr. POMERENE. I ask that the Committee on Corporations Organized in the District of Columbia be discharged from the further consideration of the bill (H. R. 5416) to authorize corporations organized in the District of Columbia to change their names, and that the bill be referred to the Committee on the District of Columbia.

I make this request for this reason: This bill has passed the House. I am advised that, perhaps at the previous session, a similar bill was considered by the District of Columbia Committee and passed by the Senate.

The VICE PRESIDENT. Without objection, the change of reference will be made.

THE DADE MASSACRE.

Mr. FLETCHER. Mr. President, on the 28th of December, 1835, there occurred at a place about a mile and a half southwest of what is now Bushnell, Fla., one of the most disastrous battles in the history of our Army—the numbers involved on both sides considered. It was what is known as the Dade massacre, where an entire command of the Regular Army of the United States, except only three privates, was wiped out. The command was that of Maj. Francis L. Dade. The troops, composed of 8 officers and 101 noncommissioned officers and men, were proceeding from Tampa to Fort King, near Ocala, Fla., when a superior force of Indians, which was concealed in the palmettoes and grass near by, suddenly and unexpectedly attacked them; and although there were extraordinary courage and fortitude displayed on the part of the United States troops, they were slaughtered and only three privates out of the whole command escaped. Even that was almost miraculous, for they themselves were severely wounded and were supposed to have been killed.

There has been written an article on this subject by Mr. Fred Cubberly, a prominent attorney of Gainesville, Fla., and formerly United States district attorney for the northern district of Florida, who has visited the ground and studied the reports and the records and maps. I think it is due to the truth of history and for the preservation of our records that this article, entitled "The Dade Massacre," be printed as a public document, and I am offering a resolution providing that the paper, which is condensed and not very long, which, as I have stated, has been written by Mr. Cubberly, be printed as a public document, together with the maps and illustrations. These grounds ought to be made a national park and a suitable monument should be erected where this battle took place. I ask that the resolution may be referred to the Committee on Printing.

The resolution (S. Res. 406) submitted by Mr. FLETCHER was read and referred to the Committee on Printing, as follows:

Resolved, That the accompanying paper, entitled, "The Dade Massacre," by Fred Cubberly, together with the accompanying maps and illustrations, be printed as a public document.

IMPORTATIONS OF WHEAT.

Mr. McCUMBER. I ask to have printed in the RECORD a short statement published in the Washington Star of last evening in regard to Canadian wheat importations into the United States. It relates to a most vital problem. I desire to call the attention of Senators to the pertinent fact that we passed a joint resolution yesterday seeking in some way to dispose of our surplus American wheat. I hope that some good will come of that measure, but I do not understand what good can come of it until we cease importing wheat from Canada. The article in the Star states:

Since December 1 the shipments have been remarkable. Within 24 hours 15 vessels laden with wheat left Fort William, Ontario, for United States ports.

In political circles in Ottawa there is no surprise at the unprecedented shipments. It is stated that "more than twenty times as much wheat has been sent from Fort William and Port Arthur, the principal Canadian points of shipment, to the United States, than was sent last year."

* * * * * * *

Reports a few days since indicate over 72,585,000 bushels of wheat received at elevators at Fort William and Port Arthur; 45,420,000 bushels have been shipped to the United States, and it is prophesied that there will be considerable in addition to this.

The 45,000,000 bushels already dispatched to Buffalo or other southern ports take no account of the enormous shipments that have gone forward since December 3, up to which date the records were available. Five million bushels still can be placed aboard vessels now lying in harbor, and before navigation closes Canada will have sent to the United States ports, through elevators here, about 56,000,000 bushels of wheat.

I call the attention of Senators to the fact that the wheat crop of 1920 in the United States is about 750,000,000 bushels. It will take at least 650,000,000 bushels of wheat for bread and seed for the American people. That will not leave more than 100,000,000 bushels of the American grain for export.

We are exporting, as I am informed, quite heavily at the present time, but if we could stop imports in a month the price of American wheat would be as high as it was a year ago, in my opinion, because there would be a shortage. If we can not do that, we shall have to take care of 200,000,000 bushels of Canadian wheat in the United States, which will complicate matters. I present the article and ask that all of it may be printed in the RECORD, in the hope that it will reach the other House as well, which has original jurisdiction, or, at least claims it, in such matters.

Mr. SMOOT. Mr. President, the Senator has read the substance of the article. At the last session of Congress it was decided that no more editorials from newspapers or magazines should be printed in the RECORD, and I ask the Senator now, in view of that fact, to withdraw his request.

Mr. McCUMBER. Mr. President, such articles are constantly printed in the RECORD. I could have read the whole article, but it is very short, and I hope the Senator will not object.

Mr. SMOOT. Mr. President, so that it will not be claimed that any favoritism is being shown, I will now make it known that I intend to object to placing in the RECORD any editorial or articles from newspapers and magazines of any kind in accordance with the sentiment expressed by the Senate at the last session.

Mr. McCUMBER. As I remember, that objection was overruled, and during all of the last session, in the latter part of the session at least, there was not a single instance where anything presented was not allowed to go in. This is such an important matter that we will lose no time if the remainder of the article, in addition to what I have quoted, may go into the RECORD. I hope the Senator will not oppose my request.

Mr. SMOOT. I give notice that from now on I shall object to the printing in the RECORD of any matter from newspapers and magazines, and if such matter goes in it will only be after my objection has been overruled.

Mr. McCUMBER. I should like to give notice that very little attention will be paid to it.

Mr. SMOOT. That may be true.

The VICE PRESIDENT. The Chair has heard the same suggestion before. Is there objection to the request of the Senator from North Dakota?

There being no objection, the article was ordered printed in the RECORD, as follows:

CANADIAN WHEAT IS RUSHED TO UNITED STATES—SHIPMENTS IN LARGE QUANTITIES DUE TO EXPECTED TARIFF LAW CHANGES.

[Special dispatch to The Star.]

OTTAWA, *December 13.*

Anticipating legislation at Washington which may either put an embargo on or considerably raise the tariff on Canadian wheat, enormous shipments are being made from Canadian points to United States points, particularly to Buffalo and Duluth.

Since December 1 the shipments have been remarkable. Within 24 hours 15 vessels laden with wheat left Fort William, Ontario, for United States ports.

In political circles in Ottawa there is no surprise at the unprecedented shipments. It is stated that "more than twenty times as much wheat has been sent from Fort William and Port Arthur, the principal Canadian points of shipment, to the United States than was sent last year."

OTTAWA NOT SURPRISED.

The heavy movements of wheat from Fort William to the United States have occasioned no surprise to Government officials here, in view of the approaching close of navigation, the possibility of a duty being imposed on Canadian wheat by the United States, and the fact that the wheat movement this year has been largely an over-the-border movement. This has been largely because the allied governments have not been in the market for Canadian wheat and the British market has absorbed but little of the Canadian product up to the present time. The heavy movement by rail from prairie points to the United States points, more particularly Duluth, was emphasized at a recent sitting of the railway board, when the request of the Winnipeg Grain Exchange for a ruling providing for the payment of the Canadian part of the international rate in Canadian instead of American currency was considered.

Reports a few days since indicate over 72,585,000 bushels of wheat received at elevators at Fort William and Port Arthur; 45,420,000 bushels have been shipped to the United States, and it is prophesied that there will be considerable in addition to this.

The 45,000,000 bushels already dispatched to Buffalo or other southern ports takes no count of the enormous shipments that have gone forward since December 3, up to which date the records were available. Five million bushels still can be placed aboard vessels now lying in harbor, and before navigation closes Canada will have sent to United States ports through elevators here about 56,000,000 bushels of wheat.

WATCHING WASHINGTON.

Canadian farmers and grain exporters are closely watching Washington. The Montreal Gazette comments as follows on the intentions of Mr. HARDING, Representative STEENERSON, and others:

"When the presidential election campaign was in progress in the United States and Republican speakers, Mr. HARDING included, were promising an upward revision of the customs tariff, one of the commodities mentioned specifically was wheat. That meant Canadian wheat. The Republican sweep which followed provides the opportunity for making good these promises, and there is no reason to believe that they will not be carried out. Competent judges of international trade conditions and movements in this country look for the imposition by the United States of a wheat duty amounting to 25 cents or thereabout. Their expectation is more than likely to be realized. Representative HALVOR STEENERSON of Minnesota, Republican, has already prepared to put before Congress bills which will provide, among other things, for a duty of 30 cents per bushel on wheat and $1.80 per barrel on flour."

MOVE MAY BE TOO LATE.

It is thought that any move at Washington will come too late for this year. Apparently Canada has been able to sell to the States on an even larger scale than this country sold to the allied Governments during the war. It is claimed in Toronto that there is nothing very unusual in the large shipments.

It was natural to suppose that, under existing circumstances, a considerable portion of it might be for sale to American dealers, but, on the other hand, it was to be remembered that in normal years two-thirds of Canada's export of wheat had been through United States ports. During the war this was not possible. Wheat shipped to Buffalo and other United States points, designed for export to Europe, might later be taken out of bond and sold to American buyers.

The VICE PRESIDENT (at 12 o'clock and 40 minutes p. m.). The morning business is closed.

ASSOCIATION OF PRODUCERS OF AGRICULTURAL PRODUCTS.

Mr. NELSON. I ask unanimous consent that the Senate proceed to the consideration of House bill 13931, a bill to authorize association of producers of agricultural products. It is the bill to which I referred briefly in my discussion of the joint resolution that we passed yesterday.

The VICE PRESIDENT. Is there any objection? The Chair hears none.

The Senate, as in Committee of the Whole, proceeded to consider the bill (H. R. 13931) to authorize association of producers of agricultural products, which had been reported from the Committee on the Judiciary, with amendments.

Mr. NELSON. I ask that the formal reading of the bill may be dispensed with, and that it may be read for amendment.

Mr. UNDERWOOD. Mr. President, will the Senator allow the bill to be read for the information of the Senate? Some of us are not familiar with it.

Mr. NELSON. Yes, sir.

The VICE PRESIDENT. The bill will be read.

The Assistant Secretary read the bill, as follows:

Be it enacted, etc., That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of their members; and such producers may organize and operate such associations and make the necessary contracts and agreements to effect that purpose, any law to the contrary notwithstanding: *Provided, however,* That such associations are operated for the mutual benefit of the members thereof, as such producers, and conform to one or both of the following requirements:

First. That no member of the association is allowed more than one vote because of the amount of stock or membership capital he may own therein, or,

Second. That the association does not pay dividends on stock or membership capital in excess of 8 per cent per annum.

SEC. 2. That if the Secretary of Agriculture shall have reason to believe that any such association restrains trade or lessens competition to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, he shall serve upon such association a complaint stating his charge in that respect, to which complaint shall be attached, or contained therein, a notice of hearing, specifying a day and place not less than 30 days after the service thereof, requiring the association to show cause why an order should not be made directing it to cease and desist from so restraining trade or lessening competition in such article. An association so complained of may at the time and place so fixed show cause why such order should not be entered. The evidence given on such a hearing shall be reduced to writing and made a part of the record therein. If upon such hearing the Secretary of Agriculture shall be of the opinion that such association restrains trade or lessens competition to such an extent that the price of any agricultural product is, or is about to become, unduly enhanced thereby, he shall issue and cause to be served upon the association an order reciting the facts found by him directing such association to cease and desist therefrom. If such association fails or neglects for 30 days to obey such order, the Secretary of Agriculture shall file in the district court in which such association has its principal place of business a certified copy of the order and of all the records in the proceeding, together with a petition asking that the order be enforced, and shall give notice to the Attorney General and to said association of such filing. Such district court shall thereupon have jurisdiction to affirm, set aside, or modify said order, and may make rules as to pleadings and proceedings to be had in considering such order.

The facts found by the Secretary of Agriculture and recited as set forth in said order shall be prima facie evidence of such facts, but either party may adduce additional evidence. The Department of Justice shall have charge of the enforcement of such order. After the

order is so filed in such district court and while pending for review the district court may issue a temporary writ of injunction forbidding such association from violating such order or any part thereof. The court may upon conclusion of its hearing enforce such order by a permanent injunction or other appropriate remedy. Service of such complaint and of all notices may be made upon such association by service upon any officer or agent thereof engaged in carrying on its business, and such service shall be binding upon such association, the officers, and members thereof: *Provided*, That nothing contained in this section shall apply to the organizations, or individual members thereof, described in section 6 of the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, known as the Clayton Act.

Mr. KING. Mr. President, I regret being absent from the Chamber when the Senator from Minnesota [Mr. NELSON] made his request for consideration of this bill. The measure is so important and so few Senators have had an opportunity to examine it that I should have requested the Senator to defer its consideration until to-morrow, and if he had declined to accede to such request I should have objected to its consideration at this time.

Mr. NELSON. Mr. President, will the Senator yield to me?

Mr. KING. I yield.

Mr. NELSON. If the Senator had made an objection I should have followed my request with a motion to proceed to the consideration of the bill.

Mr. KING. The Senator, of course, could have made that motion, and I presume his motion would have prevailed, but I appeal to the Senator to let the discussion of this measure go over until to-morrow, merely for the purpose of permitting Senators an opportunity to acquaint themselves with its provisions and to obtain a clear perception of its purposes, and if enacted into law its consequences. I am not opposing the bill, because it may have such merits as to warrant its passage; but it is apparent from a casual examination of the bill that it modifies in a very material manner the Sherman antitrust law and seeks to prescribe a rule of conduct with reference to a large portion of our population, which is not to be applicable to other classes and portions of our citizenship. I have had time to examine, and that in a very hurried manner, only the House bill, and have not had the opportunity to examine the Senate bill. My understanding is that this bill seeks to legalize all forms of combination upon the part of agricultural producers—planters, ranchmen, dairymen, and fruit growers—for the purpose of enabling them to deal with their products in a collective manner and through the instrumentality of combinations and organizations. Not only that; it provides, as I interpret the measure, that they shall not only be permitted to combine for the purpose of marketing their products, but for the purpose of holding them for an indefinite period in order to secure higher prices, even though such action might constitute a monopoly or restrain trade or be destructive of competition.

Moreover, the bill provides that such associations may combine for the purpose of preparing their products for market, and also for the purpose of handling the same, and they may likewise "process" such products. The word "process," I presume, comprises all steps necessary to convert the raw materials into finished products. It would seem that a measure so important, which on its face relieves many of our population from the operation of existing law and legalizes what some might denominate as monopolies and combinations in restraint of trade, should receive the most serious consideration at the hands of this body. I am expressing no opinion as to the merits of this measure. Indeed, there is very much in the bill which appeals to my sympathetic consideration. It is a matter of common knowledge that combinations in restraint of trade and monopolies which have grown so powerful as to almost destroy competition have operated in our country for many years, notwithstanding the Sherman law, the Clayton Act, and the Federal trade law. It has been difficult to frame a law to meet our industrial and economic conditions and to curb profiteering and to prevent the formation of corporations which aimed at the destruction of competition and the maintenance of prices so high as to operate oppressively upon the people.

The farmers have been the victims of trusts and conspiracies to restrain trade and commerce. They, more than any other class, have suffered from unscientific, absurd, and repressive tariff measures which from time to time have been enacted by Congress. I have no hesitancy in saying that if combinations are to be permitted there is far greater reason why farmers should be permitted to organize for the handling of their products than any other class of producers. It is merely stating an axiom when I repeat that our prosperity rests upon agriculture. Jefferson, in his all-comprehensive political papers, pointed to the importance of agricultural development and evinced the utmost solicitude for the welfare of all who were engaged in agricultural pursuits. Important as manufacturing enterprises may be, they are not so vital to the welfare of the Nation as agriculture. Of course, it would be a narrow and incorrect position to assume that there is not a most intimate relationship between agricultural interests and manufacturing interests.

Our agricultural products are greatly in excess of the needs of the agriculturists, who must find markets for their products, both domestic and foreign. It is important that a domestic market should be developed for agricultural products, and therefore we are keenly interested in the development of manufacturing enterprises as well as all other industries that contribute to the material advancement of our country. I am entirely in sympathy with the proposition that the classes referred to in this bill should have fair opportunity to associate in order to "market" their products. If there is to be any class legislation, my inclinations would irresistibly lead me to extend preferential legislation to the agriculturists. However, class legislation is open to serious objection. This bill seems to be subject to the criticism that it is class legislation and seeks to extend benefits and immunities from the provisions of existing law to one class only of our citizens. There may be justification for such legislation, and yet I think we should have full opportunity to consider this question, and, as I suggested at the outset, determine just how far this measure goes, and in its operations just what results would be realized.

Mr. McCUMBER. Will the Senator allow me a question?

Mr. KING. Yes; certainly.

Mr. McCUMBER. I ask the Senator if he thinks the action of the California Fruit Growers' Association, for instance, in advising the fruit growers to raise a kind of fruit which would be marketed at such a time as would not conflict with the fruit grown in Florida, would be guilty of an offense against the Sherman antitrust law; or if they advise, under the present situation, to withhold their products from market for better prices, or until the products have been sold in other sections of the country, would be a violation of any antitrust law?

Mr. KING. I think not.

Mr. McCUMBER. If that be true, then I can not see how this bill could in any way affect the question of the violation of the antitrust law.

Mr. KING. The Senator may place a different interpretation upon the bill before us than I do. The bill, as I construe it, goes further than the Senator's question would indicate. Certainly, there could be no impropriety in agriculturists doing the things pointed out in the Senator's inquiry. This measure, however, authorizes additional proceedings upon the part of the classes who are to secure its benefits; for instance, as I understand, the bill authorizes agriculturists to combine and to form corporations not only for the purpose of marketing their products, which are to enter into interstate and foreign commerce, but they may make contracts and agreements between themselves and between other corporations and combinations within the classes referred to, to "prepare" their products for market, and to "handle" them, and to "process" them. Under this authority it would seem that those forming the combinations and corporations and operating under agreements could withhold their products from market for an indefinite period. They could erect warehouses and store their products in order to force higher prices. They could form factories for the purpose of "processing" their products. They would be permitted to erect storehouses in which to keep their agricultural products, and warehouses within which to store the finished or "processed" products. These combinations or associations might take the form of monopolies, not only in production but in "processing," in handling, and in placing the product, raw or finished, upon the market. It would seem that the power of combination is unrestricted and subject only to the regulation, which is not very complete, of the Federal Trade Commission.

I suggest that under the first section of the bill the right seems to be given to such combinations and associations to fix prices for all products, whether raw or finished. There is nothing in the bill, it would seem, to prevent the classes referred to from erecting mills for the purpose of making flour and from withholding flour from the market for indefinite periods in order to enhance prices. I think it can be reasonably contended that this bill would authorize the manufacture of all sorts of products, from cereals to dehydrated and prepared and preserved fruits, as well as the productions of planters, ranchmen, and dairymen. The ranchmen produce meats. They would be permitted, it would seem, the right to build packing houses to care for their products, hold them in storage, fix prices, and form combinations that would be restrictive of trade and, possibly, destructive of competition. It seems obvious that the bill contemplates combinations and organizations to perform

many of the things to which I have just referred, and it is presumed that such combinations would engage in such transactions as might restrain trade or lessen competition.

Accordingly, the bill provides, as amended by the Senate committee, that the Federal Trade Commission may investigate conditions where they have reason to believe that such combinations and associations restrain trade or lessen competition to such an extent that the price of any agricultural product is unduly enhanced by reason thereof. After certain proceedings are had, if violations of the provisions of the act are found, an injunction may issue to restrain further restraint of trade or interference with competition. It may be argued that this bill, therefore, legalizes combinations by the classes mentioned in the bill, that such combinations so legalized may restrain trade and lessen competition; providing, however, that the restraint of trade or the lessening of competition shall not unduly enhance the price of the product, and that if notwithstanding there should be such restraint of trade and lessened or destroyed competition no criminal punishment would result.

Mr. McCUMBER. Mr. President——

Mr. KING. Just let me suggest to the Senator these questions: What is undue enhancement? What is a lessening of competition? How is the commission to determine these matters? Does not this involve the question of the determination of what are "reasonable profits," and does that not involve an examination of the capital invested, the questions of labor, and all cognate matters connected with the all-embracing question of production and distribution? I inquire, is there not danger in legalizing combinations in restraint of trade and organization to lessen or diminish competition? I further inquire whether this bill is not an attack upon our economic and industrial system? May it not be argued that this bill presages the entire repeal of the antitrust law, and the establishment of a huge bureaucracy under which all interstate business will be compelled to operate? If monopolies may be authorized and restraints of trade and the interruption of competitive forces be legalized by law, will it not be contended that a licensing system must logically follow; and, if a licensing system controlled by the Government is put into operation, will it not be earnestly insisted that all corporations engaged in interstate commerce must obtain Federal charters? Of course, it would follow, logically, that if Federal charters are to be granted to corporations the control of securities must be regulated by the General Government.

I venture to inquire whether or not this legislation may not pave the way for the Federal control of all lines of business interstate in character. Is that what is desired? Many have believed that there has been too much Government in private affairs and that the interests of the people would best be subserved if there were less paternalism and more individualism. This legislation is so important as to demand most serious consideration at our hands. We should consider the question as to the effect of class legislation. If ranchmen and dairymen are to be exempt from general statutes, and may form combinations, will not manufacturers and those engaged in mining and other enterprises claim like privileges? Will not legislation of this character lead to the complete overthrow of the Sherman antitrust law and all demands upon the part of the Government to prevent, through penal statutes, monopolies and conspiracies in restraint of trade and combinations to destroy competition?

Mr. McCUMBER. If the Senator will allow me, I do not like that section at all. I would have it out entirely, so that there would be no restraint whatever, because I think it is impossible for the agriculturists of the entire country, all of the food producers, so to combine as to prevent the sale of their products at a reasonable price. But the things which the Senator enumerated as things which might be contrary to the antitrust law are the very things which are being done and have been done for years by the California Fruit Growers' Association, and by certain dairy associations in the United States, and I have never known a time in which they have unduly enhanced the price of agricultural products.

Mr. KING. May I suggest to the Senator that I am advised a prosecution is now pending against the raisin combination which was formed in the State of California? I understand the facts to be, in brief, that the producers of grapes formed an association by means of which they control all of the grapes of California. They control the raisin crop, and they have advanced the price more than 300 per cent. They have a monopoly of the raisin industry, and so powerful is this monopoly that it fixes prices and holds the country, so far as raisins are concerned, in its grasp. Complaints have been made by the victimized public, and its activities have brought it under the eye of the Federal Government.

Mr. McCUMBER. I do not wish to take up the time of the Senator from Minnesota [Mr. NELSON], but I wanted to get a clear and explicit statement from the Senator as to whether he thought that an advice given by all the farmers' organizations that they hold their wheat until it reaches $1.90 a bushel before they should sell would be against the Sherman antitrust law?

Mr. KING. I do not think so.

Mr. McCUMBER. If they obeyed it, it would not be contrary to the antitrust law.

Mr. KING. But let me ask the Senator whether, if what I have stated concerning the rasin organization should be literally true, he would justify its course?

Mr. McCUMBER. I think I would. I do not know the facts, but I know that for a number of years they did not even get living prices for their raisins, and if they should get good prices for a year or two I certainly should not object to it. I do not think that it is against the antitrust law if they attempt to raise the price to an extent that would cover some of the previous years' losses. But I do not know the facts in the case.

Mr. UNDERWOOD. Mr. President, I am not on the committee having this bill in charge, and I do not thoroughly understand the purpose of the bill. I would like to have some explanation of it before we vote on it.

I do not know, from reading the bill over, whether it is a bill intended to further restrain the agricultural interests of the country from making combinations, or whether it is an attempt to liberalize the provisions of existing law. As I understand it, under the interpretation of the Supreme Court of the United States, the so-called Sherman law only restrains combinations where they attempt, by the combination, to so enhance prices that it creates a monopoly. The mere question of the forming of an organization does not create a monopoly, but subsequent to their organization it is the action of that body, as interpreted by the rule of reason, which Chief Justice White applied in one of the trust cases.

I do not see anything in the provisions of this bill which does not continue to apply the rule of reason to these organizations. I may be wrong. I am not on the committee having the bill in charge, and the object of my statement is to try to get light. After providing for a hearing before the Secretary of Agriculture, as the bill provides, and before the Federal Trade Commission, as an amendment of the committee will provide, it says:

> If upon such hearing the Federal Trade Commission shall be of the opinion that such association restrains trade or lessens competition to such an extent that the price of any agricultural product is, or is about to become, unduly enhanced thereby, it shall issue and cause to be served upon the association an order reciting the facts found by it, directing such association to cease and desist therefrom.

Where the distinction is between that clause and the interpretation of the Supreme Court in the antitrust cases I do not see, because the antitrust law, under the decision of the Supreme Court of the United States, is bound down by the rule of reason, as Chief Justice White applied it in one of the leading cases, and it seems to me it was not the fact of a combination or an organization that was the important part in an antitrust case. It is a question as to whether the action of that combination is so much in restraint of trade that it has the effect of enhancing prices and is injurious.

Mr. STERLING. Mr. President——

The VICE PRESIDENT. Does the Senator from Alabama yield to the Senator from South Dakota?

Mr. UNDERWOOD. I yield.

Mr. STERLING. I merely wish to submit this question, Does not the Senator think that the rule of reason, as announced by Chief Justice White, is involved in the very language of the bill providing that the price of products shall not be unduly enhanced by reason of this arrangement?

Mr. UNDERWOOD. The Senator refers to the first clause of the bill, which provides that under this act the price of agricultural products shall not be unduly enhanced. If they are not unduly enhanced by the organization, I do not see, to save my life, where they are in violation of the Sherman antitrust law. Then to make sure that it does not affect that law, I see that the committee proposes this amendment as a substitute for a provision which is already in the bill:

> Nothing herein contained shall be deemed to authorize the creation of, or attempt to create, a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, on account of unfair methods of competition in commerce.

In other words, the so-called Clayton Act, which supplemented the Sherman Act.

Mr. NELSON. Will the Senator yield to me for a moment?

Mr. UNDERWOOD. Certainly.

Mr. NELSON. In addition to the antitrust law to which the Senator has referred, we passed the Federal Trade Commission law. That goes further in one respect and covers one point that the antitrust law does not cover. That point is what we call unfair methods of competition. The object of this provision is to preserve that part of the law which we passed creating the Federal Trade Commission. The rest of the bill is substantially in harmony with the decisions of the court in the antitrust cases. The only difference is that here in the first instance a hearing is had before the Secretary of Agriculture or the Trade Commission, as the case may be. They pass upon the question, but that may not settle it. If the parties affected decline to obey the decision of the Trade Commission or the Secretary of Agriculture, they can go into court. The district court has jurisdiction and its jurisdiction will be as great as it would if a complaint were made under the Sherman antitrust law.

Mr. UNDERWOOD. If the Senator will allow me, I am trying to get light on the question. I understand from the bill and from the Senator's statement that there is nothing in the bill which affects the position of these interests in reference to the Sherman antitrust law, that their position is practically identically the same whether the bill passes or not, but that the bill provides a new method of enforcing the law.

Mr. NELSON. Yes.

Mr. UNDERWOOD. That is all it does?

Mr. NELSON. To a large extent.

Mr. UNDERWOOD. If that is the case, I see no objection to it.

Mr. NELSON. If the Senator will allow me further, we have in two instances that I can recall excepted organizations from the effect of the Sherman antitrust law. In the so-called Clayton law we excepted the labor organizations and in the so-called Edge Act which we passed we gave immunity to the corporations that were to engage in foreign trade.

The object of the bill is to allow the various farmers' organizations throughout the country to operate freely, without being directly embarrrassed by or having the Department of Justice hold up to them the Sherman antitrust law. Instead of giving them a free hand, as you might say, we provide in the second section that if they go to extremes, if they aim to enhance prices unduly or to create a monopoly, then the matter can be heard before the Secretary of Agriculture or the Federal Trade Commission, as the case may be, and after the Trade Commission or the Secretary has made a decision in the case it can be brought up in the district court of the United States and litigated.

Mr. TOWNSEND. How can it be brought into court?

Mr. NELSON. It can be brought by the association. If the association feel that they are aggrieved by the decision of the Secretary of Agriculture or the Trade Commission, they can bring the case into the district court. If the Secretary of Agriculture or the Trade Commission issues an order and states that they must desist from doing certain things that tend to create a monopoly, and they decline to obey the order, he or it goes into the district court to enforce the order. It is analagous to proceedings which we have under the interstate commerce law. If the railroads are dissatisfied with the action of the Interstate Commerce Commission, they can bring the matter into the district court and have it litigated.

Mr. UNDERWOOD. In other words, as I understand the provisions of the bill and the Senator's explanation, the bill does not materially change the principles involved in the Sherman antitrust law as interpreted by the Supreme Court of the United States, but does affect the method of enforcing the law.

Mr. NELSON. I think the Senator is correct. In its principles it does not change the antitrust law.

Mr. BORAH. Mr. President——

Mr. KING. Will the Senator from Minnesota permit an inquiry?

Mr. NELSON. The Senator from Alabama has the floor.

Mr. UNDERWOOD. I yield the floor. I merely rose for the purpose of getting information.

Mr. KING. I wish to ask the Senator from Minnesota [Mr. NELSON], if the Senator from Idaho [Mr. BORAH] will pardon me, if his last answer is quite accurate? It was, "In its principles it does not change the Sherman antitrust law." If this bill does not exempt the classes mentioned in the bill from the operations of the Sherman antitrust law, is there objection to including in the bill a reference to the Sherman antitrust law? I have just seen the proposed committee amendment, wherein it is stated that the Clayton law is not repealed. If the Senator's contention is correct, can there be objection to a further provision that the Sherman Act shall not be repealed?

Mr. NELSON. I do not think that is necessary, in view of the provisions of the bill in section 2.

Mr. KING. Then, the Senator thinks, if I understand him—and I am asking this question merely for the purpose of getting the Senator's point of view—that the Sherman antitrust law, in so far as it is operative, and I am not sure what remains in view of the decisions of the Supreme Court, will not affect organizations which the bill contemplates will be effectuated?

Mr. NELSON. Not unless the organization proceeds to create a monopoly or proceeds to unduly and unreasonably enhance prices. That is the rule laid down in section 2 of the bill. If the organization keeps within the pale of that rule, it is immune from prosecution under the antitrust law.

Mr. KING. Suppose this bill becomes a law and organizations were formed under it and there was a conspiracy in restraint of trade upon the part of some or all of them to monopolize a part of the trade or commerce among the several States. Does the Senator think that the Sherman antitrust law would be operative and would reach such organizations?

Mr. NELSON. I think so.

Mr. KING. And that the conspiracy might be punished?

Mr. NELSON. I have not any doubt about it.

Mr. KING. It seems to me that the Senator is in error and that no such construction of this measure is possible.

Mr. THOMAS. May I ask the Senator having charge of the bill whether he believes that under its provisions the cotton growers' association and the wheat growers' association and the dairymen's association and the fruit growers' association could combine?

Mr. NELSON. I did not catch the Senator's question.

Mr. THOMAS. I will try to state it in a different way. Assume that under the bill the wheat growers of Minnesota and the Northwest form an association; in the South there is a cotton growers' association, also formed under the law; in Colorado a fruit growers' association, and elsewhere a dairymen's association. Those are separate associations. Now, under the provisions of the bill, if we enact it into law, can those associations combine into one association?

Mr. NELSON. I do not think so. I do not think that would be a fair construction of the language.

Mr. BORAH. I did not understand the Senator's question.

Mr. THOMAS. The question was whether various associations could combine into one association.

Mr. NELSON. This is the question the Senator from Colorado propounds. There is an association of farmers in Minnesota in respect to the agricultural crops of Minnesota, wheat, we will say. There is an association in Georgia in respect to cotton. These are independent associations. The Senator's question, as I understand it, is whether these two associations, under the provisions of the bill, can combine.

Mr. THOMAS. Yes; could they combine into one huge association?

Mr. NELSON. No; I say they could not. The language of the bill does not warrant that.

Mr. THOMAS. I do not find anything in the language of the bill that prohibits it.

Mr. NELSON. I do not think any fair construction of the language of the bill would embrace it. The language is:

> That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, or fruit growers may act together in associations, corporate or otherwise.

They may act together, but when you go further and ask whether those associations can combine, I do not think that is within the scope of the bill.

Mr. THOMAS. I hope the Senator is correct; but, inasmuch as there are no prohibitive clauses, I am very much afraid that will be one consequence of it.

Mr. KELLOGG. Mr. President, will the Senator yield?

Mr. NELSON. Certainly.

Mr. KELLOGG. May I ask the Senator from Colorado [Mr. THOMAS] if those associations combine for the purpose of having a selling agent to place their products in Europe, would it be objectionable?

Mr. THOMAS. I do not know. That is another proposition. We passed a law during Democratic control of the Congress, as I remember, which suspends or sets aside the operation of all antitrust laws when it comes to associations engaged in international trade and foreign commerce. I have always had the idea that if those combinations were a menace and an injury to us as a Nation, they would be equally dangerous as an international agency.

Mr. KELLOGG. What objection could there be to combinations or associations of farmers for the purpose of having selling agents and better market facilities in the principal cities of the country?

Mr. THOMAS. The Senator is now assuming that I am opposed to the bill. I am asking the question which presents itself to my mind as one of the consequences possible that would bring the matter into disrepute in public opinion.

I will say, if the Senator from Minnesota will permit me for a moment——

Mr. NELSON. Certainly.

Mr. THOMAS. I have been greatly impressed with the usefulness and benefits of the fruit growers' associations in California. It has seemed to me their very success—and perhaps that is the principal reason why the Nonpartisan League has never been able to effectuate any sort of hold in the agricultural and horticultural sections of California—and, I think, the efficiency of the citrus growers' association, taking that as an example, is due to the fact that it acts independently of the raisin producers' association or of the olive growers' association, and so forth. That their distinctive energies, in other words, apply wholly and fully to one product is the secret of their great success. If they were to combine, as they could combine under a bill of this sort, I think they would cease to be popular on the one hand and I am inclined to think that their usefulness would be contracted upon the other.

I can understand how a wheat growers' association could officiate and function under any permissive law that would benefit the wheat market, but I am inclined to think that, if in connection with that the southern cotton growers' association should form a combination with it, and then the fruit growers' association would come in, we would be face to face with an association control of agricultural products, and that then there would be a question of monopoly.

Mr. BORAH. I wish to interrupt the Senator.

Mr. THOMAS. I yield to the Senator from Idaho.

Mr. BORAH. I had always supposed there was no doubt that this bill was intended to modify the Sherman antitrust law as to associations of agricultural producers; in fact, that is the argument which has been made in favor of it, so far as the letters which I have received are concerned. If I am mistaken about that, then I have been misled. However, I want to ask the junior Senator from Minnesota [Mr. KELLOGG] a question. Suppose that associations of farmers—the individual associations referred to by the Senator from Colorado [Mr. THOMAS]—should do things which were in contravention of the Sherman antitrust law, could they be prosecuted under that law notwithstanding the fact that we should pass this bill? Would this bill protect them in any way? Does it give them any relief from the Sherman antitrust law?

Mr. KELLOGG. I think it does give them relief from the Sherman antitrust law.

Mr. THOMAS. I think, of course, that is what is intended; but since the decision of the Supreme Court of the United States which imported into the phraseology of the Sherman antitrust law a word which was expressly excluded from it prior to its passage, I have been unable to perceive that it has proven very efficient.

Mr. BORAH. I am rather inclined to agree with the Senator from Colorado. I am very much of the opinion that nobody need be taken from under the Sherman law, for everybody has already been taken out.

Mr. THOMAS. I have no objection to this bill, Mr. President, that I did not urge when the Clayton law was before this body for consideration. I thought then, as I think now, that if we are to have antitrust legislation it should be effective, or at least that it should be so drawn as to tend toward efficiency. I did not think then, and I have never thought since, that we could pass an act which is penal and possibly criminal in its character and expect it to succeed when we exempted two great classes of the American people from its operations. We did that, and this bill is along that same line. I do not see that it changes that situation at all.

We have under the present law a prohibition against everybody and everything except organized workmen and organized farmers. They are especially exempted from the operation of the law, and, so far as that law is concerned, they do as they please. We have gone along three, four, or five years under the operation of that law, with the result that we have just as many monopolies engaged in other pursuits as we had before, plus these privileged classes, who, independently of this measure, can, I think, if they see fit, effectuate their organizations and under that law reach the same result. We are here now concerned, however, in legislating to meet an emergency. As I have heretofore said, both the public and Congress are laboring under a greater or lesser degree of hysteria, and we are therefore apt to do things which the judgment and the verdict of time will not thoroughly approve.

I have no doubt this measure will be followed by legislation placing embargoes upon Canadian wheat, Australian and South American wool, and a number of other products which are imported into this country. Of course, if we are going to embargo one or two of the imports which compete with something which is produced here, we can not very well deny the application of a similar prohibition upon other imports when those who feel that they are damaged by the volume which comes into this country ask for an embargo.

I can see in the immediate future when our Republican friends are in absolute power and pass a prohibitory protection law and then place an embargo upon all these imports, and when, in addition to that, the commercial treaties are revoked, as provided in the Jones navigation bill, that we shall become a nation of sellers; we shall promote our international commerce, and promote it very effectively and enlarge it enormously by insisting that we sell to all the world, but make it impossible for the world to sell anything to us.

Mr. STERLING. Mr. President, just a word or two. I can not quite agree with the theory that the purpose of this bill is to relieve the farmers, the fruit growers, the dairymen, and so forth, of the provisions of the Sherman antitrust law.

Mr. BORAH. Then, what is the object of the bill?

Mr. STERLING. The object is—and I was just about to state it—to make certain that the Sherman antitrust law does not cover associations formed by those engaged in such agricultural industries.

Mr. BORAH. That is exactly what I had supposed.

Mr. STERLING. Yes; to make it certain. There are the fruit growers of California, for example; does the Senator from Idaho believe that they would be liable under the provisions of the Sherman antitrust law and that the Supreme Court would so hold?

Mr. BORAH. Undoubtedly if they should do the things which are prohibited by the Sherman antitrust law they would be liable under it, but this measure takes them from under it; it gives them a status of their own, fixes a different method of proceeding, and absolutely deprives the court, in the first instance, of examining into the question of whether or not they have violated the law.

Mr. President, I did not suppose there was a particle of doubt about that proposition, and the letters which I received were all to the effect that the fruit growers, the farmers, and others could not do business under the Sherman antitrust law. Therefore they wanted it modified.

Mr. STERLING. But they have done business as it is and under the Sherman antitrust law, and there have been no prosecutions, so far as that is concerned.

Mr. BORAH. There have been prosecutions, and they sent me a list of the prosecutions as a reason why they wanted to get from under the law. There have been a number of prosecutions.

Mr. STERLING. That is news to me, I may say. I did not know of any great number of prosecutions; I did not know of any prosecutions, in fact.

Mr. BORAH. When I said "a number," I did not mean a hundred or two hundred, but there have been prosecutions which have disturbed the fruit growers and the farmers. They therefore say, "We want definitely to get from under the Sherman antitrust law."

Mr. STERLING. Mr. President, I should like to ask the Senator from Idaho if there have been any prosecutions of California fruit growers or if any prosecution is now pending or if one has gone to the Supreme Court?

Mr. BORAH. I think so. Of course, Mr. President, in the first place, this matter, if the Senator will permit me, came before the Senate years ago in the nature of an exemption in specific terms of farmers and laborers from the Sherman antitrust law. That has been followed up, and now it is proposed not to exempt them and leave no remedy at all, but to exempt them and provide another tribunal before which they can have their hearings. If this measure does not exempt them from the Sherman antitrust law, the farmers themselves are being fooled, because that is what they want. I have a number of letters, to which I have replied on this very proposition, and which say, "We are in a different position from the Steel Trust and in a different position from this and that industry; we should never have been under the Sherman antitrust law; it was never intended that we should be under the Sherman antitrust law. Now, we want definitely to take ourselves from under the Sherman antitrust law." That is what we are now proposing to do.

Mr. OVERMAN. Mr. President, have not labor and horticultural and agricultural societies been taken from under the terms of the Sherman antitrust law by the so-called Clayton Act?

Mr. BORAH. They think that that exemption is too indefinite. The Senator from South Dakota stated the question exactly as it should be stated, and that is that they want definite and certain information that the Sherman antitrust law does not operate as to them; that it shall not operate as to them. That is the precise position of the farmers, of the laborers, of the fruit growers, and of others interested in this question. I do not say that that is an argument against the bill, but I do say that that is the effect of the bill.

Mr. STERLING. Certainly. Mr. President, my theory was simply this, as I have stated, that the real purpose of this bill was to make it certain that such associations could not be prosecuted under the Sherman antitrust law. It has never yet been decided by the Supreme Court of the United States that they are acting in violation of the Sherman antitrust law, and my proposition is merely that this measure is in the spirit exactly of the Sherman antitrust law as interpreted by the Supreme Court of the United States. The following language:

To such an extent that the price of any agricultural product is unduly enhanced by reason thereof—

brings it exactly within the "rule of reason" first announced by the court. It is not a combination in restraint of trade under the Sherman antitrust law unless the result of the combination is to unduly enhance the price of the product or create a monopoly.

The last provision, being an amendment proposed to the bill by the Judiciary Committee, is as follows:

Nothing herein contained shall be deemed to authorize the creation of, or attempt to create, a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, on account of unfair methods of competition in commerce.

I think that refers to the Clayton Act.

Mr. KING. Mr. President, will the Senator yield?

Mr. STERLING. I yield.

Mr. KING. If the Senator's statement is accurate, namely, that the bill which is now before us for consideration only brings agricultural associations within the rule announced by the Supreme Court of the United States, and that they may form combinations, and yet, under the interpretation of the Supreme Court of the United States, would not be subject to prosecution, what is the necessity of the bill at all? If there is any necessity, why not state that this act is for the purpose of requiring combinations upon the part of farmers to conform to the "rule of reason" as it has been applied by the Supreme Court of the United States?

Mr. STERLING. We were informed by the Senator from Idaho a while ago, Mr. President, I will say in answer to the Senator from Utah, that prosecutions had been instituted against several such associations; that they are in a state of doubt and uncertainty in regard to the right to form such associations, and hence the necessity of some law that will keep within the provisions of the Sherman antitrust law and yet give them the assurance that they can go ahead and form the associations.

Mr. KING. Will the Senator yield further?

Mr. STERLING. I yield.

Mr. KING. If the Supreme Court of the United States has announced a decision, it is obvious that that decision will prevail and govern the activities of the Department of Justice; and if the Supreme Court of the United States has decided, as the Senator says, that such organizations would not be subject to prosecution so long as they did not unreasonably restrain trade, why should they apprehend prosecution at the hands of the executive department of the Government? If they should be prosecuted, it is obvious, under the interpretation placed by the Senator upon the decision of the Supreme Court of the United States and upon the character of organizations contemplated by this bill, that they would come out of the court without any conviction. So what is the necessity of the legislation, if the Senator's contention is right?

Mr. STERLING. They may come out of the court without any conviction, but it may be a long while before the matter is decided.

Mr. GRONNA. Mr. President——

Mr. STERLING. I yield to the Senator from North Dakota.

Mr. GRONNA. Answering the question of the Senator from Utah, I want to say that a number of persons representing dairying associations have appeared before the Committee on Agriculture and Forestry. We were told that they wanted this proposed law for the reason that they desired to avoid prosecution, when everybody should know that the members of the association were not violating the law. We were told that the dairymen's associations of Illinois and of Ohio and of Pennsylvania had been prosecuted. I do not say that they had been made to pay a fine or penalized, but they asked for legislation to make it absolutely sure that they would not be put to all this trouble and involved in all this litigation.

Mr. EDGE. Mr. President, may I ask the Senator a question?

Mr. STERLING. I yield for that purpose.

Mr. EDGE. Right in that line—I appreciate that it is somewhat out of order—suppose they were guilty of an infraction of the law, and, as interpreted by the amendment that has been added to the pending measure, that they had taken some action that would be a violation of the Clayton Act. Then does the Senator contend that they should not be prosecuted?

Mr. GRONNA. If they were guilty of any wrong, of course they should be prosecuted.

Mr. EDGE. How can that be ascertained without a legal inquiry?

Mr. GRONNA. Will the Senator from South Dakota permit me to answer the question?

Mr. STERLING. Certainly.

Mr. GRONNA. If the Senator from New Jersey is at all familiar with farming conditions, he must know that by the very nature of things it is not a possible thing for any agricultural association either to enhance prices unduly or to create a monopoly. It is almost an impossibility to do that. Now, why should not these associations be permitted to do business and to organize and cooperate when it is not possible for them to become a monopoly? I do not know of any such association that has ever been held by the courts either to enhance prices unduly or to be a monopoly in trade.

I have not had time to examine the bill thoroughly. I do not know that I would understand it if I did study it, but I hope that this Congress will pass some legislation definitely and positively authorizing farmers to associate themselves into organizations and thereby improve marketing conditions. It is a question which must be solved, and it ought to be solved quickly, because, as the Senator from Minnesota [Mr. NELSON] said yesterday, there is a great deal of unrest in the country, and if we pass the right sort of legislation it will do a great deal to eliminate the disturbance and the unrest which we are facing to-day.

I beg the pardon of the Senator for having interrupted him at such length.

Mr. STERLING. Just one word, Mr. President, partly in reply to the suggestion made by the Senator from New Jersey [Mr. EDGE] with reference to the legal procedure under the terms of this bill. It follows substantially the same kind of procedure that is followed under the law by the Federal Trade Commission in other respects. Opportunity for a hearing in court is given. A complaint may be made that such an association by its work is unduly enhancing the price of products in which it is interested, and hearing is had upon that complaint.

Mr. DILLINGHAM. Mr. President, may I ask the Senator a question?

Mr. STERLING. I yield to the Senator.

Mr. DILLINGHAM. I desire to call attention to the language in line 11, which follows shortly after the enacting clause:

That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of their members; and such producers may organize and operate such associations and make the necessary contracts and agreements to effect that purpose, any law to the contrary notwithstanding.

I ask the Senator if he would be willing to have those words "any law to the contrary notwithstanding" stricken out; and if not, why not?

Mr. STERLING. I think not, Mr. President.

Mr. NELSON. Mr. President, will the Senator allow me to interrupt him?

Mr. STERLING. I yield.

Mr. NELSON. I wish to call the attention of the Senator from Vermont to the amendment suggested in the last paragraph.

Mr. DILLINGHAM. Oh, I am perfectly aware of that amendment; but why is it necessary to have the clause I have mentioned in the bill, unless this is in direct contravention of the antitrust laws of the United States?

Mr. NELSON. It is not in direct contravention of the antitrust laws of the United States, and this amendment makes it perfectly clear:

Nothing herein contained shall be deemed to authorize the creation of, or attempt to create, a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, on account of unfair methods of competition in commerce.

Mr. DILLINGHAM. That being so, then why is it necessary to have in the bill "any law to the contrary notwithstanding"? Why not strike it out?

Mr. SMITH of Georgia. Mr. President, will the Senator allow me an interruption?

Mr. STERLING. I yield.

Mr. SMITH of Georgia. If these organizations are subject now to the Sherman Antitrust Act, I, for one, want to say that they shall not be in the future. I am not at all frightened by that suggestion.

I do not want them subject to it. I want them given this privilege. I want them given this right and the consciousness of the fact that their proceeding is legal until this investigation is had and until some judge of the United States rules under the terms of this act that their conduct is improper. I do not know just what the Sherman Antitrust Act does, myself; and I do not know just what the decisions on that subject mean; and I supported this measure in the Judiciary Committee because I wanted to see these organizations freed from attack anywhere. I think them important and valuable; I think it is right that they should exist; and I am glad to take them out from under the Sherman antitrust law if they would be under it to-day.

Mr. STERLING. Mr. President, I just want to say, in answer to the Senator from Vermont [Mr. DILLINGHAM], that I think those words are put there out of abundance of caution, and I think they are rightly there. We do not want this state of things to exist, namely, that the mere forming of an association of this kind shall be deemed a violation of the Sherman antitrust law; and yet in certain quarters that interpretation will be put upon the law, and the object is to say to those who would put such an interpretation upon it that any law to the contrary notwithstanding, this, the bill we are now considering, shall be the law, and these associations may be formed without violating any law.

Mr. DILLINGHAM. Will the Senator let me say that I believe thoroughly in the organization of farmers for the purpose of marketing their goods? I would be the last man in the world to object to any legal or legitimate process which they might adopt for that purpose; but I opposed this bill in committee because I thought it was a direct attempt on their part to avoid the consequences of the Sherman antitrust law, and I did not believe that they wanted that, and the farmers whose attention I have called to it have told me that they do not want it. I have in my correspondence a letter—I have not got it where I can produce it now—from a gentleman in California who tells me that he is the head of 20 farmers' organizations and that the farmers do not ask to be relieved from the operation of the Sherman antitrust law; that I was right in my contention regarding that matter. Now, if that is not the purpose I should like to see the words "any law to the contrary notwithstanding" stricken out. Then we would know what the bill means.

Mr. EDGE. Mr. President, I absolutely approve of the frankness of the Senator from Georgia [Mr. SMITH]. I do not, however, approve his viewpoint.

This bill can not be for any purpose in the world, as the Senator from Minnesota [Mr. KELLOGG] infers, unless it is for the purpose of making clearer the exemption of the farmers from antitrust legislation. Personally, I think it is a mistake, a wrong policy and a wrong principle, to exempt from the provisions of trust legislation any class of citizens. I do not care whether they are farmers or whether they are manufacturers or whether they are bankers or what their vocation may be. The Sherman Act, in my judgment, is properly subject to considerable criticism. If we are going to continue making exemptions, making certain citizens immune as we have already done, or rather enlarge upon them, I think it far better to repeal the Sherman Act or Clayton Act or whatever the various amendments to it may be termed. The principle of class legislation, class distinction, in my judgment is a principle that can lead to nothing in the world but confusion, and it is contrary to the very Constitution under which we live.

Mr. NELSON. Mr. President, the Senator applied that very principle in the bill that is known as the Edge bill.

Mr. EDGE. I am going to refer to that, and I am very glad the Senator reminded me of it in case I possibly should have forgotten it. I recall that the Senator from Minnesota, in his early remarks on this measure, referred to the so-called Edge bill—I am entirely ready to assume any responsibility that that title may imply—as containing an exemption from the provisions of the Clayton Act. I must say, with due deference to the Senator's experience and greater knowledge than I have of legislative matters, that the so-called Edge bill specifically provided that every action under it should be in every way subject to the provisions of the Clayton Act. That amendment was adopted by the Senate without division, and the so-called Edge Act in no way contravenes any provision of the Sherman law or the Clayton Act.

Mr. NELSON. It contravenes the Trade Commission law.

Mr. EDGE. If the Senator means by that the so-called Webb-Pomerene Act, which was enacted before I had the honor of being a Member of this body, which provided for certain combinations to do business abroad, followed by the act we are now discussing, which permitted the financing of those combinations abroad, that is correct; but that, as I understand, is entirely in regard to activities on the other side of the water, and not within the confines of the United States.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. EDGE. I yield.

Mr. LENROOT. The Senator admits, does he not, that that act does exempt those associations from the operations of the Sherman law as distinguished from the Clayton Act?

Mr. EDGE. When in operation abroad.

Mr. LENROOT. For export business.

Mr. EDGE. Yes; quite so. That policy was established by Congress several years ago, but is confined to foreign business.

Mr. President, I think the time has arrived when we should not exempt any classes from those acts which are supposed to control monopolies, or control activity in making prices, or anything of that character. I have been serving on a committee with the Senator from New York [Mr. CALDER] and the Senator from Iowa [Mr. KENYON] and some others which has led us into some investigation of the coal situation of the country. I have been one of those on the floor of the Senate who have frankly opposed from principle governmental administration or governmental ownership of private business. I have not in any way changed my view; but in investigating the coal situation we discovered, as all of us practically know from our own personal experiences, that the price of coal at retail as compared with the actual admitted price of coal as mined at the mines at a profit is so outrageously out of all proportion—hard coal being mined and on the cars selling for $8.75 a ton, and the same coal being sold a month or two later in the large cities of the country at from $17 to $20 a ton—that I reached the conclusion that the Government inherently being responsible for the protection of its people, outside of any other responsibility, it was our duty, if that is not corrected by means now in existence, to go to any extreme that is possible under the Constitution to endeavor to settle a situation of that character.

I am merely mentioning that, somewhat apart from the general argument I am making, to try to demonstrate that I am in no way narrow upon the subject of governmental intervention. There are times when it may be necessary and should be invoked when situations such as that are uncovered. But to suddenly take out of general legislation one class and directly or indirectly invite them to make combinations, and then practically to provide how they are not subject to the same prosecutions as other men in business in other lines of industry, in my judgment simply encourages a condition in the country which is not for the best interests of the country. No citizen of the country should be immune from prosecution under the law, and I think a bill of this character, which, it has been admitted by some Senators, is for the sole purpose of making it clear that they are exempted, should not receive the support of this body.

I have no argument at all with those Senators who believe that agricultural associations should be outside of the purview of the act. They have a perfect right to that contention, as frankly expressed by the Senator from Georgia. Personally I think it is the wrong policy, and, of course, having that view, have expressed it from that standpoint.

We have associations of agriculturists in New Jersey and I believe they can serve a useful purpose, as the association of every other class of industry in the country can; the association of druggists, the association of retail merchants, the association of wholesale merchants, and other associations, for mutual interest and mutual aid in the development of their activities. But this aims to go a step further and say that this particular class of citizens can not even be prosecuted unless in some unknown way we can prove in advance that they have formed a monopoly. It is impossible to tell whether they are forming a monopoly unless you have them haled before the courts in order

to find out just what has been their activities. If they are innocent, they have nothing to fear; some of them may not be so innocent as inferred, and in fixing prices may be forming monopolies covered by the law; and why should not the courts have an opportunity to pass upon that without exemption, which seems to me makes it almost impossible to bring them before a court of justice?

Mr. SIMMONS. Mr. President, I do not think there is any question about the contention of the Senator from Vermont [Mr. DILLINGHAM] that the addition of the language "any law to the contrary notwithstanding" would have the effect of exempting these associations from criminal prosecution under the antitrust laws. I think it would undoubtedly have that effect, and it is an effect I do not object to it having. But while this provision would exempt these associations from criminal prosecution, another section of the bill would subject them to administrative and judicial investigation, and if it should be disclosed that their practical operations produced results violative of the purpose and the object of the Sherman antitrust law, they would be liable to suspension or dissolution.

The organization of associations for the purposes designated in the first section of the bill would in itself probably constitute an agreement in restraint of trade and render these associations liable to prosecution under the Sherman Antitrust Act; but under the interpretation of that act by the court they would not be liable to its punitive provisions unless it were shown that their operations actually resulted in unduly advancing prices or restricting trade under the rule of reason laid down by the courts.

While this bill would relieve these associations from criminal prosecution, it safeguards the public against the very evils the antitrust laws are intended to prevent and suppress, and it provides in specific terms, if their operations eventuate in unreasonably enhancing prices to the injury of the public, that they shall be investigated and restrained. So that while the bill would provide for a technical exemption in their favor, it carefully safeguards the interests of the people by providing a means by which, if they do the evil at which the antitrust laws are aimed, they may be put out of business.

Mr. President, in this connection I want to make some general observations with reference to the antitrust law. I do not think it can be truly said that the criminal prosecutions we have had under that law have been at all satisfactory and effective. Under the construction of the Supreme Court, applying the rule of reason, the convictions are so difficult, and prosecutions have been infrequent, in part at least, for that reason, and as a result there has been but little relief from the evils of monopoly from that source.

Notwithstanding our antitrust laws, the country was honeycombed with trusts before the war. Nearly every big industry in the country, outside of agriculture, was conducted through corporated organization, and many of them were operating in flagrant violation of our antitrust laws. There were a few prosecutions, a few civil suits, a few criminal prosecutions, the court ordered a few of these illegal combinations dissolved, but permitted them to be reorganized under conditions which in some instances allowed them to function illegally more effectively than before they were dissolved.

When the war came and the conditions which resulted encouraged the multiplication of these combinations until practically all of the industrial activities of the country except agriculture is to-day in corporate combinations, and I fear a dangerously large number of them are monopolistic.

I can not see that the Sherman antitrust law is effectively protecting the public against the evils at which it was aimed. I am not advocating the repeal of that law, but I say that if the principles of limitation in profits, wisely and equitably fixed, and administrative investigation and judicial review involved in this bill were applied to the great corporations of the country, it might prove more effective in protecting the public against trust evils than the present antitrust laws have proven in actual results produced in its application to past and present conditions.

Mr. KELLOGG. Mr. President, I just want to say to the Senator that I introduced a bill to apply that same principle to all corporations.

Mr. SIMMONS. I am glad to hear that. I will be pleased to examine and study its provisions.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. GRONNA. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside.

Mr. KING. I object.

Mr. SIMMONS. Mr. President, I was interrupted in my line of thought. I only want to say that I believe that the measure will afford the farmers of the country, in the present and in any future conditions that may exist, very great relief. I think it will be very beneficial to them. I think the benefits that will accrue to the farmers by reason of the organization of associations for the purpose of marketing their products in an orderly way and in a safe way will not only be beneficial to the farmers, but I think that benefit will be reflected in all branches of business.

ATMOSPHERIC NITROGEN.

Mr. SMITH of South Carolina. I wish to take this occasion to serve notice on the Senate that when the unfinished business has been disposed of I shall try to get before the Senate the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

I merely wish to say in this connection that the bill carries no appropriation, and in this emergency it is of vital importance to the agricultural interests of the country. All that is needed to complete the plan is the sale of the excess of that product now on hand which this plan, if completed, will supplement. I hope that the bill can be acted upon before the Senate takes a holiday recess.

GOVERNMENT OFFICES IN THE DISTRICT OF COLUMBIA.

Mr. SMOOT. Mr. President, I am going to take this opportunity to present to the Senate the report of the Public Buildings Commission:

"REPORT OF THE PUBLIC BUILDINGS COMMISSION.

"The Public Buildings Commission believes that a report of its activities since its creation will be of interest to Congress at this time.

"The legislative act approved March 1, 1919, provides that the 'Commission shall have the absolute control of and the allotment of all space in the several public buildings owned or buildings leased by the United States in the District of Columbia,' with certain exceptions. The commission is composed of seven members—two Senators, two Members of the House of Representatives, the Superintendent of the Capitol Building and Grounds, the officer in charge of public buildings and grounds, and the Supervising Architect or the Acting Supervising Architect of the Treasury. Ten thousand dollars was appropriated for the expenses of the commission.

"The work of the commission has been conducted with the following objects primarily in view:

"First. To save the Government as much money as possible in rental charges, by moving activities from rented to Government-owned space wherever feasible.

"Second. To settle office-space disputes among the departments. (The commission is glad to say these have been few in number.)

"Third. To provide, so far as circumstances would permit, suitable and adequate space for each department of the Government.

"Immediately upon its organization the commission undertook and completed a very comprehensive survey of all office space occupied by the Government in this city, both rented and Government-owned. This survey gave such information as the name and location of each building occupied by the Government, gross space occupied, the number of employees housed therein, space used for files, space used by employees, average number of square feet per employee, and other data of like nature, which enabled the commission to get a very clear view of the situation in each building. Taking 60 square feet per employee as a basis, it was not difficult to single out the overcrowded buildings and those which were too sparsely occupied. Illustrating the haphazard manner in which these buildings were being used, it might be added that the commission found one building so crowded that each employee was occupying an average of only 11 square feet. Other buildings ran as high as 200 square feet per employee.

"The survey showed the necessity for a number of moves and readjustments of space and these were immediately ordered by the commission. The result was the release of a consider-

able number of rented buildings and a more even distribution of the space in Government-owned buildings.

"A comparison of the rentals paid by the various departments on June 1, 1919, when the commission completed its first survey and the present, will no doubt be of interest:

Department.	Annual rentals June 1, 1919.	Annual rentals Dec. 1, 1920.
Agriculture	$190,910.00	$143,360.00
Alien Property Custodian	31,200.00	31,200.00
Board of Mediation and Conciliation	2,460.00	2,460.00
Bureau of Efficiency		
Civil Service Commission	16,875.00	16,875.00
Commerce	66,900.00	65,500.00
Council of National Defense		
Court of Claims		
Employees' Compensation Commission	3,600.00	
Federal Board for Vocational Education	6,400.00	
Federal Trade Commission	12,600.00	
Grain Corporation (Food Administration)		
Interdepartmental Social Hygiene Board		
Interior	23,090.00	
International Boundary Commission	2,040.00	2,688.00
International Joint Commission	1,724.40	3,000.00
Interstate Commerce Commission	72,058.04	87,058.04
Justice	36,000.00	36,000.00
Labor	58,363.60	24,000.00
National Advisory Committee for Aeronautics		
Navy	1,224.00	
Panama Canal Office	7,500.00	7,500.00
Post Office		
Public Buildings and Grounds		
Railroad Administration	86,985.00	(1)
Shipping Board	210,105.56	86,279.40
State	5,000.00	
Superintendent State, War, and Navy Buildings		
Tariff Commission	11,000.00	10,200.00
Treasury	174,839.00	159,106.08
War	81,867.08	25,425.00
Zone Finance Office	18,550.00	14,333.28
Zone Supply Office	11,380.00	11,380.00
Total	1,134,581.68	733,364.80

[1] Rentals for buildings occupied by the Railroad Administration are now being paid by funds derived from the operation of the railroads.

"The difference between these two totals shows a saving in rental charges to the Government of $401,216.88, to which should be added the $86,279.40 rental now being paid by the Shipping Board, making a total saving of $487,496.28. The reason for adding this amount to the total is that arrangements have been made for the entire personnel of the Shipping Board to occupy the Navy Building, and as soon as the necessary details can be worked out the move will be made.

"THE TEMPORARY BUILDINGS.

"There are now in this city 15 temporary nonfireproof buildings which were built by the Government during the war. This does not include the Navy Building, the Munitions Building, and Building E, at Sixth and B Streets, which are temporary but fireproof. It has been against the policy of the commission to place permanent departments of the Government in these inflammable structures whenever it could be avoided. It has in a few instances, however, been unavoidable. This reluctance on the part of the commission to place permanent activities in these buildings will account for the fact that in some of them are to be found considerable areas of unused space. This is particularly true of units A and B, at Sixth and B Streets. Some might argue that departments of the Government occupying rented space should be moved immediately into this unoccupied space. Take the Department of Labor for example. It is occupying a splendid building at Seventeenth and G Streets, rented it is true, but at the very reasonable figure of 28 cents per square foot. Would it be the part of wisdom to direct this department to vacate the building and move into one of those inflammable structures when they have a very distinct bargain in their rental charges? Other examples of a similar nature are: The Civil Service Commission, paying 35 cents per square foot; the Department of Commerce, 35 cents per square foot; the Interstate Commerce Commission, 36 cents per square foot; the Department of Justice, 32 cents per square foot; and the Panama Canal office, 37 cents per square foot. The commission believes that in cases like these, where the departments are adequately housed at a very reasonable figure, they should continue to occupy their present quarters until they can be provided for in permanent Government-owned structures. It will be necessary to raze two of the temporary buildings during the coming year, as the owners of the ground upon which they are located decline to renew the lease. They are the Corcoran Courts Building, on New York Avenue, near Seventeenth Street, and the Council of National Defense Building, at Eighteenth and D Streets. The commission has already provided space elsewhere for the occupants of these buildings and their demolition will cause no inconvenience to the service.

"With reference to the remaining temporary buildings, the commission believes they also should be razed at the earliest practicable date, or as soon as their retention is no longer a matter of necessity. They were built to last only a very short time, and as the years go by the expense of maintaining them will continue to mount.

"EXPENDITURES.

"As stated in another part of this report, an appropriation of $10,000 was placed at the disposal of the commission. Of this amount there still remained to the credit of the commission on September 30 last, when the last report was made to the auditor, an unexpended balance of $5,502.58. Thus the commission has expended during the first 19 months of its existence the sum of $4,497.42. The following statement will show how the funds have been spent:

Personal services (including salary of the secretary)	$3,837.12
Printing	130.75
Car tickets	40.63
Office supplies	227.05
Automobile repairs	252.05
Telephone	9.82
Total	4,497.42

During the reading of the report,

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from Utah yield to the Senator from South Carolina?

Mr. SMOOT. Certainly.

Mr. SMITH of South Carolina. The figures given are from June 1 up to December 1?

Mr. SMOOT. June 1 and December 1.

Mr. SMITH of South Carolina. Has the Senator figured how it would be if it should run up to June 1 next?

Mr. SMOOT. Oh, no. It is on an annual basis, so that it makes no difference. These are the rents paid annually on June 1, 1919, and the rents paid annually on December 1, 1920, showing a saving of $401,216.88.

Mr. SMITH of South Carolina. Does the report compare the same lengths of time?

Mr. SMOOT. Yes. In other words, we have taken Government activities out of rented buildings in the District of Columbia and placed them in Government-owned buildings, and thereby saved to the Government $401,216.88. I will say to the Senator that that saving will continue from now on.

Mr. McKELLAR. Mr. President, may I make a suggestion right there? I had occasion recently to be down near Sixth and B Streets, where I found one building that had, I think, three floors, all empty. I stepped it off, and the building was a little over 300 feet one way and over 450 feet the other way, fully equipped with every convenience and capable, as it seemed to me, of taking care of a tremendous lot of employees. It would be a splendid place, much better than some of these rented places, and I was wondering why that was empty while the Government was paying rent elsewhere.

That rather made me look into it a little further, and I took the time to go into several other buildings. I found vast amounts of unoccupied space. That particular building is Building B. I went over into Building F. They had some boxes in some of them. I asked what they were going to do with it, and they said they thought they would make a warehouse out of it. The heating apparatus alone in these buildings is very expensive. They are most excellent offices for many of the departments of the Government that are winding up the war affairs of the Government, and it seems to me that we might well utilize these buildings as offices, and cut down the great amount of rent that we are paying.

I just wanted to call the attention of the Senator to this. I know how he feels about it. He has been very active in this matter and has done splendid work in looking it up and cutting down these rentals, and I wished to give him the benefit of my experience and observation.

Mr. SMOOT. Perhaps, Mr. President, so long as the reading of the report has been broken in upon, I might as well answer the inquiry of the Senator at this time, although I should like to have the report printed in the RECORD consecutively, so that anyone who desires to examine it may do so without going through all of the remarks of Senators.

Mr. McKELLAR. Let the report be printed in full, and the colloquy come in at the end.

Mr. SMOOT. I desire to say to the Senator from Tennessee that the commission is well aware of the situation as to Building B at Sixth Street and Pennsylvania Avenue. Those buildings are all temporary; they are very poorly built; the founda-

tions were not constructed to last over four or five years; they are not fireproof; and we desire to remove them just as quickly as it is possible to do so. We have been using them for storage purposes, but that is extremely dangerous. I should hesitate to order Government papers into them.

Another thing, if Building B, being the center one, ever should catch on fire, all of the adjacent property would be destroyed. We wish to demolish Building B just as quickly as it may possibly be done. There would then be a break between those buildings, which, perhaps, would enable us to control a fire, if one should occur, in one of the other buildings; but with that building standing there it would be an impossibility to do so.

We have to-day in those buildings some records which are most valuable, which could not be replaced, and we have not any storage space into which they can be moved. In fact, I might add here that the commission has under consideration a building plan which we are going to recommend to Congress just as soon as we can get it perfected.

The first thing that the Government of the United States needs in the way of buildings is a structure for storage purposes, where it can store its papers, which are of incalculable value, in a fireproof building. If we had such a building there is hardly a department of the Government to-day which could not use for employees space which is now occupied for storage purposes. When the time comes that we shall have such storage space into which we may move the files and papers of the Government into a storage building which will be fireproof and contrally located, then it will not become necessary to erect buildings for the accommodation of employees in the District of Columbia for a long time to come.

I wish to say to the Senator that we know that the building to which he refers is practically empty, and we do not desire to put any more people into it; but just as soon as the few employees of the Navy Department who are now there are removed we are going to tear the building down.

Mr. McKELLAR. It does seem to me, however, that, considering the possibility of fire, it is just as dangerous for the building to be empty as for it to be occupied.

Another thought also occurred to me. The buildings which are being rented by the Government are in most instances not fireproof, and the Government papers which are in such rented buildings are just as subject to fire as they would be in the other buildings. My experience is that the temporary buildings located in the section referred to are rather better and more suitable for governmental purposes than are the buildings which are being rented, some of the latter being old residences.

I think the Senator's suggestion about having a fireproof warehouse is an excellent one, and that we ought to have such a structure and that the papers of the Government ought to be preserved; but until we get such a building I see no use of the Government tearing down buildings that are so admirably adapted for office buildings of the kind which are needed and paying out rent for buildings which belong to private parties and which are not fireproof.

Mr. SMOOT. Mr. President, perhaps I can explain the matter in this way: For buildings for the Interstate Commerce Commission we are paying in rent $87,000, in round figures, a year, and for buildings for the Treasury Department we are paying $150,000 in rent. The Treasury Department is occupying space in the Hooe Building, the Bond Building, and the Southern Railroad Building. Those buildings are fireproof, and it would be perfectly wicked on the part of the commission to order the Treasury Department and the Interstate Commerce Commission into Building B. We could not think of ordering them into that building with the papers which they have. The rents paid for the buildings they occupy constitute the greater part of the rent which we are paying. I would not take the responsibility of ordering either of those agencies into Building B upon any consideration.

Mr. McKELLAR. But the Senator from Utah will recall that the Treasury Department now is occupying a building down there, which I understand is temporary in its nature, for its Internal Revenue Bureau, and I think that bureau has custody of papers almost as important as those of any other agency of the Government.

Mr. SMOOT. The Senator, if he will make examination, will find that the papers of that bureau are stored in other places. I will say to the Senator that we are now anticipating moving the Treasury Department out of one of those buildings and saving $40,000 a year, but we have got to make further preparation before we can do that.

Another thing in connection with retaining Building B, I will say to the Senator, is that it costs $200,000 for upkeep and expense of maintaining the building. I told the building custodian of the Treasury Department not to make an estimate for that $200,000 this year, because we were going to demolish Building B, and we shall save at least $200,000 the coming fiscal year for repairs and maintenance of the building.

Not only that, but the Architect of the Treasury Department notified me the other day that the authorities would not be responsible for the foundations of Building B if we put into it any number of Government employees longer than this year, because the foundations were constructed with no idea of its being preserved for a longer period of time.

I do not know whether the Senator from Tennessee went into Building E, which is not included in the 15 temporary nonfireproof buildings referred to in the report.

Mr. McKELLAR. I stumbled down there merely by accident, knowing that we were paying out somewhere between a half a million and a million dollars for rent for city property which was not fireproof and probably not as well equipped for the Government's purposes as the temporary buildings. So I walked through not only Building B but through Building F, which is in much the same condition. There are a few employees in Building F, as I recall, on the west side.

Mr. SMOOT. Some of these buildings of which I speak are temporary, but they are also fireproof.

We were compelled to pay during the war as high as $1.87 a square foot for space rented, but we have a contract for the building occupied by the Department of Labor under which the rental paid is 28 cents per square foot.

At the conclusion of the reading of the report,

Mr. SMOOT. Mr. President, that is the conclusion of the commission's report to the Senate. As I stated a moment ago when interrupted, the commission has under consideration to-day a plan for building in the future the structures needed by the Government in the District of Columbia. The time has arrived now when there should be some kind of a plan or policy adopted, and just as soon as a survey has been made and the program is agreed to by the commission, we expect to come to Congress with it. We are going to ask Congress what they think about it, and, if they approve it, I am quite sure that in the very near future the Government of the United States will not be paying one cent for rent in the District of Columbia. That is the aim of the commission. From the report it will be noticed that, with an expenditure of less than $5,000, the commission has saved in rents in the District alone nearly $500,000. And within the next three months I am quite sure that there will be added to that figure over $100,000 more.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Does the Senator ask that any action be taken on this report, or simply that it be ordered printed?

Mr. SMOOT. All I desire is to have it in the RECORD as presented by me.

Mr. McKELLAR. The report will be printed in full in the RECORD?

Mr. SMOOT. Oh, yes.

Mr. McKELLAR. Mr. President, I want to say a word about this report. I think it is a very excellent report, and I think the Senator's commission is entitled to thanks for the good work it has done.

As the Senator from Utah stated a few moments ago, I feel that there is more work that could be done along this line, because I think we are paying too much rent. I also indorse the idea that the Government should own its own buildings. I believe that an immense saving could be had to the Government as a result of constructing and owning its buildings. Of course, whether the present time is a favorable one for erecting buildings, in view of the high price of materials, I do not know; perhaps not.

Mr. SMOOT. No; it is not.

Mr. McKELLAR. But in the early future, as soon as it can be done, public buildings should be constructed for the various departments, and they should be placed in locations that will be for the convenience not only of the departments themselves but of the legislative branch of the Government.

MEAT-PACKING INDUSTRY—FEDERAL LIVE-STOCK COMMISSION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. KENYON. Mr. President, I should like to inquire as to the record on this bill, whether or not the formal reading has been dispensed with? If not, I ask unanimous consent that the formal reading of the bill be dispensed with and that the bill be read for amendment.

The PRESIDING OFFICER (Mr. FLETCHER in the chair). Is there objection to the request of the Senator from Iowa? If not, it will be so ordered.

Mr. WADSWORTH. Mr. President, do I understand that the Senator intends to offer the amendments, or has he already done so and had them printed in italics in the copy of the bill?

Mr. KENYON. The amendments were offered several days ago and adopted, and have been printed in italics.

Mr. WADSWORTH. They have been printed?

Mr. KENYON. I think there were one or two minor amendments that were not, through an oversight.

Mr. SMOOT. Mr. President, does the Senator say they have been adopted by the Senate? I do not think they were adopted.

Mr. KENYON. Oh, the amendments were adopted; yes. They were presented and adopted, and they have been printed in italics.

Mr. STERLING. Has the bill been printed showing the amendments?

Mr. KENYON. The amendments are printed in italics in the bill. There was another amendment with reference to striking out section 5.

Mr. WADSWORTH. Mr. President, I had not expected to discuss this bill this afternoon with any degree of thoroughness; but during the speech of the Senator from Iowa [Mr. KENYON] the other day he was good enough to let me ask him one or two questions about the procedure by which the persons under the jurisdiction of the proposed live-stock commission might have a hearing and appeal from the decisions of the commission. The bill has been reprinted with the amendments that were adopted the other day, and that makes the pages run a little differently from the way they were in the old print. In just a moment I think I can find the part to which I refer. I called the attention of the Senator from Iowa to this language, and as I did so I admitted very freely that I had had very little experience in matters of this sort.

At the top of page 19 of the new print we find this language:

> No such order of the commission shall be modified or set aside by the circut court of appeals unless it is shown by the packer or operator that the order is unsupported by evidence.

As I recollect a colloquy which ensued, the Senator from Iowa [Mr. KENYON] and a moment later the Senator from Montana [Mr. WALSH] gave me to understand that that was the usual language employed in a statute of this kind which grants power to a commission to make rules and regulations, and then proceeds to give an opportunity for those against whom the rules or regulations are issued to appeal; and I recollect quite well, I think, asking the Senator from Montana if the language used in the Federal Trade Commission act was similar to this and would have the same effect as this, and I was assured that it was. At least, that is my recollection of the reply.

I find, however, Mr. President, that the exact opposite is the case, and that this language constitutes, if I can read English and understand it, a complete reversal of the usual procedure in cases of this kind.

Mr. KING. Mr. President, the Senator is discussing the packer bill, as I understand?

Mr. WADSWORTH. Yes—not at any length, I may say. There is one point I want to clear up.

Mr. KING. I think it is so important that I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Heflin	McNary	Spencer
Borah	Kellogg	Moses	Sterling
Calder	Kendrick	Norris	Sutherland
Capper	Kenyon	Overman	Thomas
Dial	Keyes	Page	Townsend
Dillingham	King	Phipps	Trammell
Edge	Kirby	Poindexter	Underwood
Fall	Knox	Pomerene	Wadsworth
Fernald	La Follett	Sheppard	Walsh, Mass.
Fletcher	Lenroot	Smith, Ariz.	Warren
France	Lodge	Smith, Md.	Watson
Gore	McCumber	Smith, S. C.	
Harris	McKellar	Smoot	

Mr. KING. I desire to announce that the junior Senator from Idaho [Mr. NUGENT] and the senior Senator from Nevada [Mr. PITTMAN] are detained on account of service in the Committee on Territories.

The PRESIDING OFFICER. Fifty Senators have answered to their names, and a quorum is present.

Mr. WADSWORTH. Mr. President, referring again to the language used in the proposed act, near the top of page 19, let me read it again:

> No such order of the commission shall be modified or set aside by the circuit court of appeals unless it is shown by the packer or operator that the order is unsupported by evidence—

And so forth.

I find upon examination, Mr. President, since the colloquy which occurred the other day, that the language of the Federal Trade Commission act, which was referred to in that colloquy, is quite different and proceeds, I believe, upon an entirely different principle. Section 5 of that act reads as follows:

> Upon such filing of the application—

That is, for a hearing—

> and transcript the court shall cause notice thereof to be served upon such person, partnership, or corporation, and thereupon shall have jurisdiction of the proceeding and of the question determined therein, and shall have power to make and enter upon the pleadings, testimony, and proceedings set forth in such transcript a decree affirming, modifying, or setting aside the order of the commission. The findings of the commission as to the facts, if supported by testimony, shall be conclusive. If either party shall apply to the court for leave to adduce additional evidence, and shall show to the satisfaction of the court that such additional evidence is material and that there were reasonable grounds for the failure to adduce such evidence in the proceeding before the commission, the court may order such additional evidence to be taken before the commission and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper.

I submit, Mr. President, that this procedure which I have just read is entirely different from the one proposed in the bill; for under this bill, whenever the commission has reached a finding, the person affected may appeal to the circuit court of appeals. No opportunity is given at that point for the submission of new testimony or any requirement imposed upon the representatives of the commission to present conclusive testimony in support of their findings. The entire burden is thrown upon the defendant to prove that the findings of the commission are unsupported by evidence, thus throwing the burden of proof upon him. The Federal Trade Commission act does not do this. I doubt if any other act granting powers to Federal commissions or departments or bureaus proceeds upon the theory contained in this bill, and I think it is an exceedingly important departure, and a very unwise departure, from accepted practice.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Nebraska?

Mr. WADSWORTH. I yield.

Mr. NORRIS. I do not remember now what the laws in the other cases referred to provide for, but is it not fair to assume that the object here sought is that, as far as the facts are concerned, the commission acts like a jury, and the law seeks to avoid a new trial on the same facts; that, as far as the facts are concerned, it makes the findings of the commission, if based on evidence, final, the same as an appellate court would say in passing on the verdict of a jury?

Mr. WADSWORTH. Mr. President, that might be acceptable if that were the whole story; but this proposed live-stock commission is to issue regulations governing devices and practices in commerce, which will have the effect and force of law, a power far greater than that given to the Federal Trade Commission. The Federal Trade Commission, under its powers, presents evidence of alleged facts to the court, and the court decides whether that evidence supports the contention of the commission that a law set forth in the act itself has been violated. This pending bill equips the commission with power to issue binding regulations, setting forth in detail what is unlawful as a device or a practice in business. It then proceeds to try the man or concern alleged to have violated its regulations. It tries the man for violating the law which it has legislated into existence. Then, when the man appeals to the circuit court of appeals, this bill puts the entire burden of proof upon him to show that the commission did not have the evidence to back up the findings with respect to its own regulations. That is quite a proposition in a free country.

Mr. STERLING. Mr. President, may I ask the Senator from New York if the language of the bill does not even go further?

Mr. WADSWORTH. It does further on. I would be glad to have a lawyer point it out, because I have been disturbed about this.

Mr. STERLING. The burden of proof is on the packer or operator. The bill provides that—

> No such order of the commission shall be modified or set aside by the circuit court of appeals unless it is shown by the packer or operator that the order is unsupported by evidence.

Is not the burden of proof on him not only to show that it is against the weight of the evidence but that there is no evidence whatever, not even a scintilla of evidence, in support of the order? It is broad, general language "unsupported by evidence"; that is, by any evidence whatsoever.

Mr. NORRIS. Is not that the same as the verdict of a jury in an appellate court?

Mr. STERLING. No. There may be some evidence to support the verdict of a jury, but we may say the weight of the evidence is the other way and it is contrary to the preponderance of the evidence. You put the burden of proof on the packer to show that there is no evidence whatever, not a scintilla of evidence, Mr. President.

Mr. KENYON. Mr. President, I do not want to break in on the argument of the Senator, because I have argued it heretofore and I am interested in hearing the Senator's views. But the Senator from South Dakota [Mr. STERLING] is familiar with the decisions of the Supreme Court as to the holdings of the Interstate Commerce Commission, where they hold exactly that if there is any evidence to support the commission's holding, it is sufficient.

By the Federal Trade Commission act the findings of the commission as to the facts, if supported by testimony, shall be conclusive. I am not going to break into the argument of the Senator from New York, because I am anxious to hear him.

Mr. WADSWORTH. Mr. President, my contention has been that this is a reversal of the usual practice and constitutes a very profound change, and it is of more significance and more importance in this situation, because this bill gives to a Federal agency, a commission, power to legislate. The Federal Trade Commission act does not give the Federal Trade Commission any power to legislate.

Mr. KENYON. Mr. President, I do not want to keep interrupting, but, of course, if it gives the commission the power to legislate, to make law, then it is unconstitutional. That is a bone of contention, I understand. We say it does not delegate legislative power, but merely administrative power. If it does delegate the power to make law, it is unconstitutional.

Mr. WADSWORTH. It delegates to the commission the power to issue regulations which shall have the effect of law, and a man can be haled into court by the commission for violating them.

Mr. KENYON. The Supreme Court has time and again said, and very recently, that the delegation of administrative power to make rules and regulations is not a delegation of power to legislate or to make law.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator yield to the Senator from Utah?

Mr. WADSWORTH. I yield.

Mr. KING. The action of the Supreme Court, however, as I understand the Senator, validates those regulations, gives them the force of penal statutes, so that any infraction of those orders would constitute a penal offense.

Mr. KENYON. What I had in mind was the decision of the Supreme Court, the clearest one, I think, in the Grimaud case, in 220 United States.

Mr. KING. There is another case, the Utah case.

Mr. KENYON. The Clarke case, I expect the Senator refers to. In the Grimaud case the Secretary of Agriculture was given certain power under the meat-inspection act. He made his rules and regulations, and a violation of them was made a criminal offense. That is sustained by the Supreme Court as not being a delegation of legislative power. We have not done that here. We have not made the violation of these rules and regulations a criminal offense. It goes on through the review by the court, and after the court shall have sustained the rules and regulations, then subsequent violations can be dealt with.

Mr. KING. If the Senator will pardon me, the effect is to make the orders of this commission statutes, and to give them the effect of statutes.

Mr. KENYON. No; not at all.

Mr. KING. In the ultimate result they have the same effect as if they were statutes.

Mr. KENYON. Not any more than the finding of the Secretary of Agriculture in the Grimaud case. If you consider that making them statutes, it is practically the same thing. Of course, the line of demarkation between administrative power and legislative power is sometimes pretty indefinite; it is pretty hard to distinguish. We all know that. We have tried to formulate this provision on the theory that it is merely an administrative power, not a legislative power. But I apprehend that it is a fair subject for discussion.

Mr. KING. The point I wanted to make, if the Senator from New York will pardon me, was that under this bill the regulations and orders promulgated by the commission in the last analysis would have the same effect as if they had been enacted by Congress into law, because their infraction, after the court's scrutiny, would constitute a penal offense, and a violator of those orders would be subject to fine and imprisonment, or both, as the court might determine.

Mr. WATSON. I would like to ask the Senator from Iowa a question.

Mr. WADSWORTH. I yield.

Mr. WATSON. Did I understand the Senator from Iowa to say that the bill, in the respect which we are now discussing, follows the provision of the interstate commerce act?

Mr. KENYON. No; I did not say that. I said the Supreme Court had held, without the interstate commerce act so providing, that if the order of the Interstate Commerce Commission had any evidence to support it, it was sufficient. The Supreme Court itself has laid down that rule. But the Federal Trade Commission act does provide that it will be conclusive if supported by evidence.

Mr. STERLING. Could the Senator from Iowa refer us to the decision? I would like to see the exact language of the Supreme Court in that connection. I do not now recall it.

Mr. KENYON. I will call the Senator's attention to it. I think if the Senator from South Dakota will look near the end of the talk I made the other day, which was perhaps a little too extended, he will find the decisions cited. I attempted to cite them.

Mr. STERLING. I thank the Senator.

Mr. WADSWORTH. Undoubtedly other statutes, clothing departments and commissions with power, have moved in this direction; that is, in the direction of the delegation of legislative power. Some have been successful and some have not. I think that tendency in modern legislation is one which should give us some concern, and just because we have gone a little way in a previous statute is no reason why we should in haste decide to go very much further in a succeeding statute.

I call attention to page 12 of the bill to illustrate the power to legislate under this proposed law. Section 14 reads:

> No operator shall engage in any unfair or unjustly discriminatory practice or device in commerce.

There is in another part of the bill the power, of course, given to the commission to prescribe rules and regulations for the carrying out of the provisions of the act. Therefore the commission can issue regulations stating what practices are discriminatory, and those regulations are to apply to a vast industry in all its ramifications, complicated to as high a degree as any other industry in which human beings are engaged.

Then section 14 proceeds, in line 8:

> Or charge, collect, receive, or demand any unreasonable charge or rate for any service in commerce performed in connection with the business of such operator.

I may say that the term "operator," as used in the bill, really means the stockyards or concerns operating or owning stockyards.

Now, if the commission is to be clothed with the power to say what is an unreasonable rate or charge to make in all the dozens and dozens of stockyards all over the United States in the handling of literally millions of cattle, sheep, swine, horses, mules, and goats, it in effect will have the right to state what is a maximum reasonable charge or rate, and therefore it will fix prices. That certainly is legislative authority which will have its effect upon an enormous industry, upon the handling of millions of meat-producing animals, affecting hundreds and hundreds of thousands of producers.

If any stockyards, great or small, no matter who owns them, whether they be handling cattle, sheep, and hogs, or whether they may be merely a horse auction establishment in a city, for that will come under the term operator as defined in the bill, shall charge any greater rate than the rate fixed as reasonable by this agency of the Federal Government, or if it is alleged that they have charged any other rate the commission will hale them before it and try them for violating the law which it had proclaimed.

Mr. KENYON. The Senator refers to operations in commerce and says "any horse market in a city." It would have to be something that engaged in commerce.

Mr. WADSWORTH. Surely the exchange of articles is commerce.

Mr. KENYON. Interstate commerce.

Mr. WADSWORTH. The bill does not say that.

Mr. KENYON. Oh, yes.

Mr. NORRIS. Commerce is defined in the bill.

Mr. WADSWORTH. Very well, interstate commerce. If a horse happens to come from outside of the District of Columbia and is sold at a public auction place in the District of Columbia, it is in interstate commerce, I suppose. If it is alleged that the man asked too high a rate or imposed too high a charge for the services rendered by the operator, such as the hay or the grain fed to the animal while he is in the yards, he is to be haled before the commission and tried by the commission which issued the regulation, having the effect of a price-fixing law.

If the decision of the commission is against the defendant—we will call him—and the defendant may apply to the circuit court of appeals, and when he gets before the circuit court of appeals he finds that under the terms of the bill he is compelled to show that there is no evidence against him. I think that is going pretty far. He is compelled to prove that the finding of the commission is unsupported by evidence, that there is not any evidence.

I have not read the Statutes of the United States, and I very much regret to say that I am not a lawyer, but I would like to have some one point out to me where that particular phrase has ever been used in a statute of the United States in a situation similar to this. I was assured the other day that it was used in the Federal Trade Commission act, but I find that it is not.

After all, Mr. President, the citizens have some rights in this country, and the man charged with violation of the law is supposed, until finally convicted, to stand upon an equality with the power that is attempting to prove that he is violating it. He should not be overburdened and handicapped at the very start of the procedure and forced to prove more than his accusers are forced to prove. It is in violation, as I look upon it, of all the principles of justice known in America, unless I am fearfully mistaken. If I am, I would be glad to have it pointed out. I would willingly confess my error.

Now, Mr. President, again upon this line, to illustrate, if I may, how vastly important is that language on page 19, let us look at an earlier section of the bill and see its ramifications and how far the regulations of the commission may extend in making the doing of certain things or a vast number of things unlawful, and then putting the burden of proof upon the defendant to show that he has not committed a violation. I refer to these things to illustrate the spirit behind the bill. The part I am going to refer to now may not have direct application to the part I have just discussed, but it does illustrate the vast tyranny that is to be set up here.

On page 6, line 15, in section 6, we find this language:

It—

Referring to the commission—

shall investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and all other facts relating to, the ownership, production, transportation, manufacture, storage, handling, or distribution of live stock or live-stock products, including operations in and the ownership of stockyards.

I call attention of the Senate that that means that the commission shall investigate—it is mandatory upon it, and, of course, it will rejoice at the opportunity—not only the operation of packers and of stockyards and their transportation facilities but the production of live stock.

It means that agents of the commission, under the terms of the bill, are commanded to visit the farms and the ranches all over the United States, or to a sufficient degree in order to satisfy the spirit of the bill, to inquire of the owners of farms and ranches as to the cost of producing live stock, of feeding it, of raising it, of caring for it in every way, and all the different elements of the live-stock business. That of itself would not seem such a tremendous thing to suggest unless we are concerned about the immense cost of the undertaking. That might not seem to be important until we reach section 7, the next section, which reads:

The commission shall have the power to require by subpœna the attendance and testimony of witnesses and the production of all books, papers, records, and correspondence relating to any matter under investigation.

There is your commission empowered to summon a farmer from his farm, to order him to produce all his records, all his accounts, and display all the workings of his business. They can summon him across the country on a subpœna. They can go anywhere, take anybody engaged in the production of live stock or feeding of live stock who has had any experience whatsoever in estimating the cost of the live-stock business, and if he fails to answer the subpœna the bill proceeds to provide penalties to be imposed upon him. The commission is authorized, as I pointed out before, to prescribe the rules and regulations under which all this is to be done.

Mr. President, I think there has never been anything like that suggested before in this country. We are accustomed, of course, to take very severe jurisdiction over public utility corporations and, to a certain extent, pretty severe jurisdiction over concerns engaged in interstate commerce; but I see nothing here restricting the application of this power to persons engaged in interstate commerce. Indeed, I see the long, strong arm of this commission reaching everywhere. It can summon the Senator from Wyoming [Mr. KENDRICK] and put him on the stand in Chicago and compel him to produce all his books, papers, and accounts. It can summon the Senator from Iowa [Mr. KENYON], if he were engaged in the live-stock business, to the city of Buffalo or Chicago, and compel him to tell the commission and the public the capitalization, the investment values, the costs of everything he owns that is used in any degree, remote or direct, in the live-stock industry.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER (Mr. DIAL in the chair). Does the Senator from New York yield to the Senator from Wyoming?

Mr. WADSWORTH. I yield.

Mr. KENDRICK. I would like to ask the Senator from New York if he does not believe that the producers of both live stock and farm products would like to have some information go out to the country at this time as to the actual cost of production?

Mr. WADSWORTH. Of course they would. I am not inveighing against the dissemination of information, but I do think it is about time when we lifted our hand against the attempt of the Government to compel a private citizen to disclose everything he knows about his own business, and to penalize him under proceedings adjudging him in contempt of court if he declines.

Mr. KENDRICK. May I ask the Senator if other commissions have not been given this power in almost the same language, and without any material evidence of abusing the power?

Mr. WADSWORTH. I do not know what other commissions have power like this. You can summon, of course, the managers and officers of a railway, relying upon the power of Congress under the interstate-commerce clause to regulate the railways and compel them, of course—I assume we can, though I have not read the statute—to tell all about the management of the railways, and under certain provisions of the Federal Trade Commission act men concerned in enterprises in interstate commerce may be summoned; but I have never heard it suggested that a private citizen, living anywhere in the United States, upon the farms and ranches, and regardless of whether he is engaged in interstate commerce or not, can be summoned with all his books and papers and punished if he does not tell everything he knows about his own business.

Mr. SMOOT. And I may add, if the Senator will permit, that the Interstate Commerce Commission, as well as every commission that has been organized, has to act under the law, but the commission proposed here is to act under rules and regulations and orders that they themselves may make.

Mr. WADSWORTH. Under their own law.

Mr. SMOOT. And the citizen upon the farm or any other place in the United States does not know anything about what those orders, rules, and regulations may be. They are not the law. It is the most unheard of piece of legislation in the world.

Mr. WADSWORTH. Let me continue the reading. I think I have not made a mistake in the meaning of this proposed act. Let me again read section 7:

SEC. 7. The commission shall have the power to require by subpœna the attendance and testimony of witnesses and the production of all books, papers, records, and correspondence relating to any matter under investigation. Any member of the commission may sign subpœnas, and members and examiners of the commission may administer oaths and affirmations, examine witnesses, and receive evidence.

Such attendance of witnesses and the production of such books, papers, records, and correspondence may be required from any place in the United States at any designated place of hearing. In case of disobedience to a subpœna the commission may invoke the aid of any district court of the United States within the jurisdiction of which such inquiry is carried on to require the attendance and testimony of witnesses and the production of such books, papers, records, and correspondence.

Such court may, in case of contumacy or refusal to obey a subpœna issued to any person, issue an order requiring such person to appear before the commission, or to produce books, papers, records, and correspondence if so ordered, or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

And "the matter in question," as the phrase goes, on line 21, includes all those matters that are recited in section 6. Every sheepman, every cattleman, every hog raiser, every man dealing in horses will be subject to this power to be summoned from his home to the place where the inquiry is being carried on, not confining it to the district in which the man lives, but to the district where the inquiry is being carried on. So men can be whipped back and forth across the continent at the behest of this commission, over which there is no control whatsoever, for they are authorized under the proposed act to make their own rules and regulations.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. WADSWORTH. I yield.

Mr. KENDRICK. The Senator from New York is a practical stock grower, and I ask if he does not believe that this

provision of the proposed law is necessary because of the long distances which these shipments traverse in going to market? It might be quite possible that a shipment of stock from the northwest coast of this country would find a market in Chicago, or even in the Senator's own State of New York. It would be necessary under such conditions to summon witnesses from long distances. It would not be very economical, in other words, to hold the meetings of the commission where the shipments originated, but it would be very much more economical to have the investigation, in case there were any complaints, at the destination of the shipment or in the vicinity of the stockyards. I ask if the Senator does not believe that such a provision, authorizing meetings to be held at any place which may be necessary, is essential to the proper working of such a measure as that now pending?

Mr. WADSWORTH. Mr. President, of course witnesses must be summoned considerable distances and should be summoned considerable distances when their testimony is required to prove the truth or falsity of a charge of violation of law, but the bill unfortunately goes beyond that. The proposed commission is commanded under the terms of the bill to investigate, regardless of charges of fraud, deception, or discriminatory practices, the question of the production of live stock and its costs, and to summon witnesses, with their books and papers, to testify in any matter under investigation. The provision goes beyond the code of civil and criminal procedure in the power to summon witnesses. They may be summoned at the whim of a commission which may want to ascertain how much it takes to produce and mature a 4-year-old steer, and if they are sufficiently curious about that, they may summon anybody who has ever had a 4-year-old steer, whether engaged in interstate commerce or not, and compel him to testify, and if he declines to come he is in contempt of court.

Now, I submit to the Senator from Wyoming, who I know is a lover of freedom, that the placing in the hands of the Federal Government or any of its agents a power of that dimension constitutes a pretty dangerous thing.

Mr. KENDRICK. Well, Mr. President, the Senator from New York understands very well that these investigations are to be made on complaint.

Mr. WADSWORTH. The bill does not say so. That is the trouble. It says nothing of the kind. The language on line 15, page 6, reads:

> It shall investigate and ascertain the demand for, the supply, consumption, costs, and prices of, and all other facts relating to, the ownership, production, transportation, manufacture, storage, handling, or distribution of live stock or live-stock products.

The commission can summon anybody from the farmer to the retail butcher anywhere at any time for any purpose and make him disclose everything about his business.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Iowa?

Mr. WADSWORTH. I yield.

Mr. KENYON. They can summon anyone, but, of course, they can not compel anyone to come unless the court says so. An order must be made and then the subpœna is issued under it. If the man refused to come the commission would then be compelled to go to court.

Mr. WADSWORTH. The commission issues the subpœna.

Mr. KENYON. Of course, the commission issues the subpœna, but if the man does not come the commission is compelled to go to court. Does the Senator suppose the court would require a witness to come under such circumstances as he has narrated?

Mr. WADSWORTH. If the commission could persuade the court that it wanted and needed the information which that man could give them about his business, it is to be presumed that the court, looking at this act, would reach the conclusion that Congress in passing it meant to give power to the commission to subpœna all these people.

Mr. KENYON. Yes; if it were necessary for the purposes of the investigation. Of course that is a matter for the court.

Mr. WADSWORTH. It would be very easy to show that it is necessary for the purposes of the investigation. The commission could do that easily enough.

Mr. KING. If the Senator from New York will pardon me, I venture to suggest that the court would regard the application of the commission as more than a prima facie case, as almost conclusive, and the burden of proof would rest upon somebody else to show that it was not necessary. I think that the court would be compelled under this language to issue the subpœna upon the application of the commission, unless it could be shown that there was some fraud upon the part of the commission or that they were guilty of some intrigue or were trying to perpetrate some wrong.

Mr. KENYON. If there were a wrongful invasion of the rights of the party which amounted to a wrongful search and seizure, or anything of that character, the court would not grant a subpœna. The Senator from New York knows that.

Mr. KING. I do not suppose that it would be considered a wrong in the sense of a moral wrong or an invasion of personal rights to drag a man across the continent; and yet, after all, as the Senator from New York has said, it is a wrong in many instances.

Mr. LENROOT. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. WADSWORTH. Yes.

Mr. LENROOT. I should like to ask the Senator from New York whether he is not aware that this langauge is taken from the interstate commerce act, which contains identically the same provision? It is also found in the railroad-control act which we passed at the last session. The railroad labor board is given identically the same power and in the same language.

Mr. WADSWORTH. Is not that applicable only to persons engaged in interstate commerce?

Mr. WATSON. That refers to transactions in interstate commerce.

Mr. LENROOT. No; in the case of the railroad labor board it is as to the wages of employees of the railroads, which is not a matter of interstate commerce at all.

Mr. WADSWORTH. Under the regulating powers assumed by Congress, under the interstate commerce clause, Congress has taken jurisdiction over the wages, at least indirectly. I can not see how that principle would apply to this situation, for there is nothing about interstate commerce here.

Mr. LENROOT. It all relates to interstate commerce.

Mr. KENYON. The Senator does not mean to claim that interstate commerce is not involved. Section 6, the part to which he refers, relates to "live stock or live-stock products, including operations on and the ownership of stockyards." When the business of live stock and live-stock production and stockyard operations are considered, they are all interstate commerce. It is only about such matters that the commission can inquire. The bill does not apply to anything not based on that consideration.

Mr. WADSWORTH. I turn to the term "live stock," which, as defined on page 2, simply means "live or dead cattle, sheep, swine, horses, mules, or goats." I do not see anything about live stock in interstate commerce there.

Mr. LENROOT. Mr. President, the Senator may not have been in the Chamber the other evening when I inquired of the Senator from Iowa as to the construction of section 2, and suggested that as the language now is it does not in all cases confine the operations of the bill to interstate commerce. The Senator from Iowa said if it did not it was so intended, and that an amendment should be made so as to confine it to transactions in interstate commerce.

Mr. WADSWORTH. Of course, if such amendments were perfected and adopted it would make a vast difference in this bill.

Mr. KENYON. I think the bill, on close analysis, will be found only to relate to interstate commerce. The definition of live stock does not say interstate commerce, but connecting it with the method in which it is used as to stockyards, as to the packers, and as to the operators it is clear from all of the other definitions combined that there is nothing intended but interstate commerce and that nothing else can be intended.

Mr. WADSWORTH. Let me turn to the definition of stockyards. The definition is as follows:

> The term "stockyard" means any place, establishment, or facility maintained and conducted at or in connection with a public market and consisting of pens or other inclosures and their appurtenances in which live cattle, sheep, swine, horses, mules, or goats are received, held, or kept for purchase, sale, shipment, or slaughter in commerce.

Mr. KENYON. We added the amendment incorporating the words "or slaughter in commerce" to make certain about that.

Mr. WADSWORTH. Then is it suggested that section 6 be also amended?

Mr. KENYON. Section 6, if the Senator will look at the words on lines 19 and 20, reads:

> Or live-stock products, including operations on and the ownership of stockyards.

Mr. WADSWORTH. That is merely expansive; it is not restrictive.

Mr. KENYON. If the other does not cover it, it should, of course, do so. It is not the intention of anybody to give the proposed commission power to go beyond the domain of interstate commerce, because the entire bill is founded on that theory and it is the only theory upon which it could be founded.

Mr. WADSWORTH. It is a very remarkable bill, as written, to be founded on that theory.

Mr. KENYON. I do not doubt the Senator thinks it is remarkable.

Mr. WADSWORTH. Mr. President, again referring to the spirit of this act, let me call attention to title 5, on page 21.

Section 25, commencing in line 6, reads as follows:

The commission may, upon application by any individual, partnership, corporation, or municipality, issue to such applicant a certificate of registration to engage in or carry on, under this act, the business, whether in interstate or foreign commerce, or both, of conducting or operating stockyards, or slaughtering live stock, or processing, preserving, or storing live-stock products or perishable foodstuffs—

With certain provisos that follow. This is known as the voluntary registration portion of the bill, or the voluntary licensing portion of the bill.

The authors of the bill have studiously refrained from going to the length of imposing a compulsory governmental license upon the concerns engaged in this tremendous industry; so, rather than put in a compulsory license provision, this voluntary license provision is put in. Now, we would have this situation: Here we have a national live-stock commission offering to register any concern which applies for registration and which complies with certain provisions of title 5. It is a grave question in my mind how many concerns in the United States who are engaged in any element of the live-stock business would dare refrain very long from taking out a license. If one concern should do it, it would immediately make that a part of its advertising. It would spread far and wide the knowledge of the fact that it was registered officially under the wing of the Federal Government. It would display that fact on its letter heads, in all its business communications. It would relate that fact upon the labels upon the goods it produced and distributed and sold, "Registered under the national live-stock commission act; approved," or whatever other form of statement was authorized by the rules and regulations of this commission.

Let us take the case of a small concern, we will say, situated in one of our smaller cities. There is a pretty well-known concern in the central part of New York State whose goods have a good deal of fame around the country. It is not at all impossible for other people to go into the same business, and if other people form a concern to go into the same business in that neighborhood or anywhere in the vicinity, and before doing so apply for registration, and say in advance that they would comply with the provisions of the act under title 5, if they apply and get the license they would immediately be in competition with the concern that did not have it. How long would the concern that did not have it last, with the Government of the United States certifying to the one, and by inference in the public mind not certifying to the other?

Mr. President, I think any sensible business man knows that once the Government opens the door by statute to governmental registration and approval, the great majority of business concerns in the United States will be forced to seek registration and approval, the competition will be so keen without it. I have not much faith in this thing operating as a voluntary license scheme. I think it will turn out in the long run to be compulsory in fact.

I do not think many Senators are in favor of the compulsory licensing of business. We have had some of that in the last three or four years, and it has not worked very well; but, assuming that concerns do go into this voluntary registration, let us see something about the powers of the commission.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. WADSWORTH. I do.

Mr. KING. May I inquire of the Senator, for information, whether or not it was the purpose of the committee reporting this bill to give any preferential rights to the registrants under the bill? And if not, what was the purpose of authorizing a voluntary registration?

Mr. WADSWORTH. The explanation that was given here the other day, a very brief one, by the Senator from Nebraska [Mr. NORRIS], who, I am sorry to say, is absent—or perhaps it was the Senator from Iowa [Mr. KENYON]; I think it was—was that title 5 would tend to encourage municipal slaughterhouses or municipal markets.

Mr. KENYON. Mr. President, I do not know that the Senator refers to me. I think I did say that it would encourage public markets, an experiment in trying to establish a system of public markets, to get rid of the long lane between producer and consumer.

Mr. WADSWORTH. Of course, it goes infinitely further than public markets. It takes in everybody that has anything to do with preserving, storing, or processing meat food or live-stock products. The understanding that I acquired in the committee was that title 5 originated from somewhere outside the committee, and that it was expected to do certain things, but unfortunately it is not drawn that way at all.

Let me call attention to the duties imposed upon the registrants on page 22.

The first is:

To provide and maintain or secure, when necessary and practicable, adequate railroad connections with its place of business.

The second is:

To furnish the services and facilities of its business on fair and reasonable terms and without unjust discrimination to persons applying for such service and facilities: *Provided*, That it shall set aside such portion of the facilities of its business, as determined by the commission, as may reasonably be necessary to accommodate small shippers and local patrons.

In other words, if the commission can persuade or by indirection compel a business concern engaged, we will say, in putting up bacon in glass jars to take out a license, the factory and facilities of that concern may be placed at the disposal of anybody else that desires space.

(3) To impose only such charges and rates as are reasonable for the service or facility afforded.

That is, the price-fixing of the product that is processed or stored. They can fix the price of any of those articles.

(4) To exercise such care of the live stock, live-stock products, perishable foodstuffs handled by it as may be necessary to prevent undue loss in connection therewith.

I have no comment to make upon that.

(5) To maintain sanitary conditions in the conduct of its business.

The meat-inspection service of the Department of Agriculture already does that. That is a duplication of function, pure and simple.

(6) To refrain from unfairly discriminatory or deceptive practices or devices in the conduct of its business.

I shall not comment upon that.

Mr. STERLING. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Dakota?

Mr. WADSWORTH. I do.

Mr. STERLING. Suppose, on page 22, subdivision (b) should read:

It shall be the duty of every operator.

The word "operator" being used to describe the stockyards. Would the Senator then complain of the duties prescribed which should be complied with by the operator or stockyards?

Mr. WADSWORTH. I will say to the Senator from South Dakota that I have this complaint to make: To the best of my information, the Supreme Court of the United States has held that a stockyard is not engaged in interstate commerce, and I do not see what jurisdiction we have over that.

Mr. KENYON. Mr. President, I do not want to combat the Senator, but I do not want that idea to go without denial.

Mr. WADSWORTH. We can look it up. I am not sure myself.

Mr. KENYON. I think the Senator probably refers to what are known as the Anderson and Hopkins cases in the Supreme Court, that are commonly cited as sustaining that doctrine. I ask the Senator to refer to the case of Swift against United States, in One hundred and ninety-sixth United States, and I think he will see that if any such doctrine should be claimed for the Hopkins and the Anderson cases, they are practically overruled by the Swift case. I thought this: Naturally, stock shipped into a stockyard comes in interstate commerce. Then the transactions take place in the stockyards. Are not those purely State transactions? It would naturally seem that they were; but the Supreme Court, in the case that I have referred to—Swift against United States—holds that these are incidents of commerce; that where there is a general system of receiving stock around the country at different places entering into the stockyards it is different from what might be one transaction; and those matters connected with the stockyards, I think it is fair to say from that decision, are incidents of commerce.

In the Anderson and the Hopkins cases there were involved rules and regulations of the traders' exchange and the live-stock exchange. It was held there that those matters were not in interstate commerce, and under these decisions there is some basis for saying that stockyards might not be considered in interstate commerce; but in the Swift case that was set aside.

Mr. WADSWORTH. I have gotten the impression that it would be pretty difficult to reach a definite conclusion that a stockyard or market was an instrument in interstate commerce. For example, may I suggest to the Senator there is a

public market here in the city of Washington, and people bring vegetables and fruit to it. They rent stalls in it, I assume. They sell their goods. Those people who cross the District line, bringing their goods in and selling them, are engaged in interstate commerce. But is the owner of the market engaged in interstate commerce? If so, what does he do in exchanging goods between States? I can not see it.

Mr. KENYON. If he himself is engaged in the business of receiving these things from outside of the District, then he is engaged in interstate commerce.

Mr. WADSWORTH. Yes; but he is not.

Mr. KENYON. If he merely owns the place——

Mr. WADSWORTH. And charges rentals.

Mr. KENYON. And charges rentals, I doubt very much whether he is engaged in interstate commerce.

Mr. WADSWORTH. That is all a stockyard does. A stockyard company merely owns the place, provides the facilities for penning the cattle and sheltering them, and hay and grain to keep them alive while they are there being sold. The man who owns the market in a city provides the facilities for sheltering the produce, the vegetables, and the fruit, and provides heat and light, if necessary, to keep the place bright and warm while other people are selling the produce. I can not see how the owner of the market is engaged in interstate commerce.

Mr. KENYON. Now, let me say to the Senator, if the owner of the market in addition to all that was himself engaged in the commerce——

Mr. WADSWORTH. That is different.

Mr. KENYON. If he himself owned the place and as an incident to the shipping in had to do with the selling and had to do with the buying, then there is no doubt, I think, that he would be absolutely engaged in interstate commerce.

Mr. WADSWORTH. That is very different. Then you catch him as a shipper and a buyer.

Mr. KENYON. But you find your stockyards owned and controlled by the parties who are engaged in interstate commerce.

Mr. WADSWORTH. Yes; but, now, Mr. President, the Senator from Iowa is touching upon the very point that is cured, it is supposed, by this bill. This bill prohibits a packer from owning stockyards. That takes the buyer of live stock out of the ownership of the yards themselves. I am not complaining against that. I think, on the whole, that is a very good thing to do.

Mr. KENYON. After two years.

Mr. WADSWORTH. Yes; of course, you have to give them time; but after that is done this bill still proceeds upon the theory that the stockyards themselves are an incident in interstate commerce and that the owners of the yards are engaged in interstate commerce, and I think that is where the bill fails.

Mr. KENYON. Mr. President, does not the Senator believe the stockyards are properly instrumentalities of railroads, the same as terminal facilities, passenger depots, and things of that kind?

Mr. WADSWORTH. No, Mr. President; I do not.

Mr. KENYON. I think they should be under the interstate commerce act, and placed under the railroad act, and be a part of the railroads. I think it is an indefensible thing that men can own the stockyards and at the same time be the people who are buying the things the stockmen are buying.

Mr. WADSWORTH. This particular provision does not stop that.

Mr. KENYON. I think it does.

Mr. WADSWORTH. Then, all right. Having done that, the bill does not surrender its jurisdiction over the stockyards, but proceeds to hold jurisdiction over them as if they were still engaged in interstate commerce.

The Senator from Iowa [Mr. KENYON] has contended that the stockyards of the United States should be under the jurisdiction of the Interstate Commerce Commission, and should be regarded properly as a part of the transportation system of the country; in other words, a part of the railroads. Mr. President, I hope, in the interest of the live-stock producers, that that will never be done. The business of handling or managing a stockyard is something which the average railroad man knows nothing about; and it is a fact, Mr. President, that those few stockyards in the United States which are owned or controlled by the railroads are known in the whole industry as the poorest yards in the country. The only people who are competent to manage stockyards are people whose first concern is with the comfort of the stock; and I think I may mention this, that in the old days of stockyards a great many of them in the United States were wretchedly run. The Senator from Wyoming [Mr. KENDRICK] remembers that better than I do. The yards were filthy, the employees who handled the animals beat and clubbed them, jammed them in and out of live-stock car doors and in and out of pens, to the great detriment of the stock and the injury of the owner who had shipped them to the market to be sold, and incidentally to the injury of the man who wanted to buy healthy animals, unbruised and uninjured; and one of the greatest things that has happened in the last 10 or 15 years has been the improvement in the management of the stockyards, making them cleaner, more comfortable for the animals, imposing rules and regulations upon the employees to treat the animals decently, and providing for prompt service for feeding them upon arrival, for resting them before they are offered for sale. All those things are of vast importance to the man who produces the live stock out on the farm and has to send it to the market to be sold.

I do not criticize this bill for divorcing the packers from ownership of stockyards. One of the reasons, at least, for packers acquiring ownership of stockyards—I know of some instances—was because the live-stock men begged them to do it, because they, the packers, had some concern in the comfort and welfare of the live stock itself, and the yards were so wretchedly run that they wanted somebody with capital to go in and straighten them out and see that the stock was well taken care of.

It may be declared contrary to good public policy for the packers to own stockyards. Very well. Let us not put them under the railroads, for the railroads do not know anything about it. Let the yards be sold as is provided by the decree entered into between the Government and the so-called five big packers, a decree issued by the Federal court, under which they are given, I think, two years to dispose of their holdings in stockyards. Let them be sold.

Mr. KENYON. The decree, as I understand it, has not been arranged as yet as to that particular phase of it.

Mr. WADSWORTH. A plan for the disposition of the holdings has not been finally approved. That is under discussion now. Nevertheless the policy has been adopted by the Government, the decree has been entered, and it is binding.

Mr. KENYON. I understand the Senator does not believe that it is proper or wise to have the stockyards owned by the packers?

Mr. WADSWORTH. I have never been as alarmed about it as some other people, but I certainly make no objection to the Government declaring that as a policy. But one thing I may be permitted to say: That I hope no Congress will ever pass an act putting the management of the stockyards under the railroads. Let other persons buy the yards, or the controlling interest in them, from those who are now, under the decree, compelled to sell them; and if I had any say about it, Mr. President, or any influence in it, I would see to it that associations of stock producers purchased the yards and continued to see to it that they were managed properly in the interest of the producer and the comfort of the stock. I do not think the Senator from Wyoming [Mr. KENDRICK] and I are very far apart on that. But, Mr. President, after the stockyards have been taken away from those who are engaged in interstate commerce, I can not see how those yards are still in interstate commerce.

What happens in the stockyard? A man sends his cattle or his sheep or his hogs from the shipping point nearest his farm or ranch, and he wires or writes his commission man that he is going to do it. Ordinarily he does that. He ships them to himself ordinarily, in care of the commission man, and the commission man receives them when the railroad unloads the stock at a certain set of pens which are known as the unloading pens. That terminates the interstate commerce.

Mr. KENDRICK. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Wyoming?

Mr. WADSWORTH. I yield.

Mr. KENDRICK. I suggest to the Senator from New York that that would apply to possibly a majority of the stock, but not to all of it. Many thousands of cattle, sheep, and other kinds of live stock are consigned to the markets at a longer distance than what we would call local markets. The owners of stock near the local markets would try those markets, and, failing to find satisfactory markets, the stock are reloaded and shipped across State lines into other markets. So the illustration given by the Senator does not apply in anything like all of the cases.

Mr. WADSWORTH. The illustration applies, Mr. President, in a great majority of the cases. But I was not giving that illustration as a portion of the argument. I was only explaining the situation.

Mr. KENYON. May I suggest this to the Senator, too, that if the stockyard is not engaged in interstate commerce, then it would not be under the bill?

Mr. WADSWORTH. But you put them under the bill.

Mr. KENYON. Oh, no. We define stockyards where there is interstate commerce. It might be a question of fact. You might have a stockyard at Omaha that was absolutely without question in interstate commerce. You might have one in Buffalo that was not. It would not apply unless it was.

Mr. WADSWORTH. I can not see how the Buffalo yard and the Omaha yard are different.

Mr. KENYON. Those are only used as an illustration.

Mr. WADSWORTH. However, Mr. President, the stock are unloaded from the cars in certain pens, the unloading pens, and then the agent of the owner, in other words the commission man, sends his men to drive them from those unloading pens to another set of pens in the stockyards proper, a set of pens set aside for the use of the commission man, where he proceeds to have the cattle fed and watered by the management of the stockyards. That is all the stockyard does, to feed and water cattle and shelter them. The management of the stockyard does nothing else but feed and water and shelter and weigh the cattle, if they are sold by the pound. The buyers come through the pens and the commission man sells the cattle; and when they are sold the commission man drives them to the loading chutes, if they are to be shipped out by railroad, and the railroad takes charge of them again at the loading chutes, and interstate commerce is then resumed.

But at no point in the transaction are the president and the secretary and treasurer of the stockyards engaged in interstate commerce. They are only feeding, watering, and sheltering the live stock, while other people are selling them. They are not transporting cattle; they are not shipping them anywhere. I do not see how you can engage in interstate commerce unless you transport something across a State line, and stockyard managements do not do that.

Mr. President, the live-stock business is a very big one, and its ramifications go all over an enormous country; and if I may utter a criticism or, perhaps, a warning, we would better not regard this bill merely in the light of the five big packers. There are some other people in the business. There are many, many thousands, and when we are trying to legislate against five concerns, to regulate them, and are actuated almost entirely by the size of those concerns, it is a very serious thing to go ahead without thinking of all the other elements in the business, which have no connection whatever with the five big packers, which are not engaged in interstate commerce at all. And I think it is a rather dangerous proposal to set up a Federal live-stock commission and clothe it with power to issue regulations which will affect this enormous industry in all its ramifications and complications.

That has been my contention against this bill. I am not here to defend the five big packers. I entertain the impression, Mr. President, that they are the best able to defend themselves of all the people affected by this legislation. They are organized. They can employ counsel. They can appear before the live-stock commission and defend themselves and make their contentions for or against regulations. But what is the little man going to do? He can not employ counsel the year around to keep watching all the regulations and orders issued by the commission and be warned against them. The little men, Mr. President, in the aggregate deal in a majority of the live stock in the United States. I know that assertion is considered rather startling by some people who say that the Big Five control the slaughter of the majority of the live stock in the United States; but they do not control it, and they do not slaughter the majority, and nowhere near it.

Mr. STANLEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Kentucky?

Mr. WADSWORTH. I yield.

Mr. STANLEY. As I understand it, it is the Senator's contention, with which I am inclined to agree, that this bill will apply to any packer engaged in interstate commerce, without regard to the size of his business.

Mr. WADSWORTH. Every one. I think there are about a thousand, though I am not sure. An interesting thing in the testimony before the Committee on Agriculture was that every one of the small packers who came before us testified that they were free from oppression at the hands of the Big Five, and many of them testified that they were making a little more money than the Big Five in proportion to their operations. So they do not need protection very much.

Mr. STANLEY. I understand it is admitted that the profits of the smaller packers were greater than the profits of the larger ones.

Mr. WADSWORTH. Slightly larger. So, Mr. President, I would be glad to have the status of the stockyards straightened out in this bill.

The Senator from Iowa says that it only means the stockyards which are actually engaged in interstate commerce; but the bill does not say so.

Mr. KENYON. Mr. President, I do not like to keep interrupting the Senator, but if he takes the definition of stockyards on page 2——

Mr. WADSWORTH. Let us read it. It provides that—

The term "stockyard" means any place, establishment, or facility maintained and conducted at or in connection with a public market and consisting of pens, or other inclosures, and their appurtenances in which live cattle, sheep, swine, horses, mules, or goats are received, held, or kept for purchase, sale, shipment, or slaughter in commerce.

It is the cattle and the sheep that are to be sold in commerce. It is not the stockyards which are engaged in commerce. Under that definition and wording the bill gives jurisdiction to the commission over the stockyards. I think I am right about the definition.

Perhaps, Mr. President, we can resume discussion of title 5 again. On page 22, subdivision 7, it reads:

It shall be the duty of every registrant to keep complete and accurate accounts and records of its business and to submit reports when called for and in such form as may be prescribed by the commission; and

(8) Otherwise to conduct its business in such manner as may be prescribed in rules, regulations, and orders issued under this section by the commission to carry out the purposes hereof.

Section 8 can very well be described as the section which is intended to pick up everything that all the other sections may have missed, and gives complete power over all the things that may have been forgotten in the previous ones.

In the middle of page 23, line 11, the bill provides:

It shall be the duty of the commission—

And this, I think, is very interesting—

to prepare standardized plans and specifications for grounds, buildings, and other facilities suitable for the business conducted or to be conducted by registrants and to furnish such plans and specifications free of charge to such registrants or to applicants for certificates of registration who have given assurances of undertaking the construction and operation of such buildings and facilities.

That is paternalism gone pretty far when the Government draws the plans of the buildings and all the facilities.

(2) Furnish to registrants reports embodying existing knowledge concerning satisfactory and economical appliances and methods of food preservation by cold storage, freezing, cooking, dehydration, or otherwise.

The Department of Agriculture is doing that now. That is plain duplication of functions. The Department of Home Economics, the Bureau of Animal Industry, and the Bureau of Chemistry in the Department of Agriculture, if my recollection is not pretty bad, are investigating these very things now and are sending out bulletins all over the United States. I hope we are not going to duplicate to that extent.

Subdivision 3 reads:

Cooperate with registrants in procuring for them adequate services from common carriers, by railroad or otherwise.

My recollection is that that is the duty of the Interstate Commerce Commission, under the railroad law, to cooperate with manufacturing concerns and other concerns engaged in commerce in getting railroad connections. Here we are setting up another body to do that same thing.

(4) Furnish to registrants all available information as to supplies of foodstuffs handled by such registrants, and the location and movement and transportation costs of such foodstuffs.

I have no comment to make upon that, although it comes very close to duplicating the functions of the Bureau of Markets in the Department of Agriculture.

(5) As far as practicable, when requested by any such registrant, provide for the inspection by agents of the commission of the live stock, live-stock products, or perishable foodstuffs received or distributed by such registrant to determine the quality, quantity, or condition thereof.

The meat-inspection service of the Department of Agriculture does exactly that thing now. It maintains an inspection service of all the meat-food products going into interstate commerce. Every slaughterhouse, every butcher shop, every packing house whose products go into interstate commerce, is to-day under supervision of the meat-inspection service of the Department of Agriculture. This would duplicate that.

At the proper time I think I shall venture a motion to strike out title 5, because, I think in practice—and I say this in all sincerity—it will result in compulsory license. I think it will be impossible for the average business concern, especially the small ones, to resist the implied command or invitation by the Congress, as set forth in the bill, to take out a license. The invitation or the reduction will be so strong that in effect they will be compelled to do it, and then we will have a Federal licensing system for the hundreds and hundreds of undertakings and with power granted to the commission to do all these things with relation to these licenses, even to fixing the price of their products.

Mr. President, I had not intended this afternoon to speak so long. On another occasion I wish to comment upon some other features of the bill.

Mr. SMOOT. Mr. President, the able address of the Senator from New York [Mr. WADSWORTH] has been listened to most of the time by only five Senators. At this particular moment nine Senators are in the Chamber. I do not know where the other Senators are, but I think it an outrage that a bill is before the Senate that if enacted into law may mean the death of one of the largest businesses in the country, and it will be the beginning of placing all business of the country in the hands of commissions located at Washington, which would mean the destruction of businesses that has taken years to establish.

When the Senator from Iowa [Mr. KENYON] the other day delivered his address, although it was earlier in the day, the greater part of the time there were not to exceed a dozen Senators in the Chamber.

Mr. KENYON. Mr. President, in behalf of the Senator from New York and myself I would like to inquire of the Senator from Utah if he thinks it is due to the fact that it happened to be the Senator from New York and the Senator from Iowa speaking. That might be a pretty good excuse.

Mr. SMOOT. No; and I will say without a question of doubt, that I would not care what Senator it was that was speaking upon the subject there would have been no more Senators present than have been during the discussion of the bill by the Senator from Iowa and the Senator from New York.

What is the use of Senators spending their time in trying to discuss a matter of this kind if we can not have other Senators present to listen to what is said?

Mr. KENYON. I would like to ask the Senator what is the matter with the United States Senate, if anything? Why is it that no more interest is taken in legislation?

Mr. SMOOT. I have been trying to ascertain for a number of years what is the matter and have tried to come to some conclusion, but I have not arrived at a conclusion that has been satisfactory to myself. We discuss measures of the most vital importance to the country. We see Senators come into the Chamber to vote who many times have not read the bill under discussion, and all that is asked is, How does the committee stand on it?

Mr. GRONNA. Mr. President——

Mr. SMOOT. I have often wondered what the people visiting the Senate think of the situation. Will not the time come before long when the Senate is in session, particularly when there are subjects involving such far-reaching results as the pending bill does, that we can have the presence of Senators? I believe it will come. I think it is the duty of every Senator to at least give a part of his time to the Senate when in session. But we have grown into the habit of simply answering the roll call and then going out of the Chamber and not coming back again until the bell rings either for a vote or for another roll call.

I now yield to the Senator from North Dakota.

Mr. GRONNA. Is it not true that when any really important measure, to which there is strenuous opposition, is before the Senate, we generally find at least a quorum here? Is it not fair to presume that on this measure, which has been before Congress so long and has been discussed so thoroughly, there is no real opposition to the bill?

Mr. SMOOT. I do not think the Senator is stating the case correctly. We have had packer legislation before the Senate on several occasions, but the pending bill is worse than any former bills presented.

Mr. WADSWORTH. Mr. President, will the Senator from Utah yield to me?

Mr. SMOOT. Certainly.

Mr. WADSWORTH. There is only one criticism I make of the last expression of the Senator that this should be called packer legislation.

Mr. SMOOT. It has been so wrongfully designated and is what Senators understand it to be.

Mr. WADSWORTH. It goes infinitely beyond the packer. If it were merely packer legislation, confined to the so-called Big Five, we could discuss it upon that basis, but this goes infinitely beyond that. It will tax the whole live-stock industry from the calf to the dining table.

Mr. SMOOT. If Senators had been in the Chamber and listened to what the Senator from New York has said, there would not have been a question in their minds that that is what the bill really provides I called it packer legislation because that is what legislation of this character has been designated in the press of the country, upon the floor of this Chamber, and it is generally so known because the people of the country have come to the conclusion, or at least the understanding, that it only affects the five great packers of the United States.

Mr. KENYON. Mr. President——

Mr. SMOOT. I yield to the Senator from Iowa.

Mr. KENYON. I would like to suggest to the Senator from Utah that there has gone out a general impression in some way that this is the short session and that Congress would do nothing but pass appropriation bills. I think that sentiment is found among a good many Senators. I do not subscribe to it at all, and I do not think the Senator from Utah does, but here are tremendously important bills pending, outside of this bill. One we have had under discussion in the morning hour ought to be disposed of. Here is the Sheppard-Towner maternity bill that should be taken up and disposed of. But if it was generally understood in Congress that instead of sitting around and doing nothing up to the 4th of March except appropriation bills, that we were going to get down to business and either pass these measures or defeat them, or at least give them their day in the Senate, I believe there would be a very different sentiment. I am inclined to think that that idea which has gotten out, and with which the Senator must be familiar, has something to do with the lack of interest in this session.

Mr. SMOOT. It may be the case, but the Senator also knows that this same condition of things has taken place for two or three years.

Mr. KENYON. I know it.

Mr. SMOOT. Whether it be the short session or whether it be the long session, I am in hopes that something may come that the practice that has grown up in this body of late would be reversed.

So far as I am concerned I do not wish to enter into a discussion of the provisions of the bill at this late hour this afternoon, but I will be ready to go on with it to-morrow. I shall, however, take a little time in a preliminary way to discuss one phase of the measure before adjournment.

Mr. TOWNSEND. Would the Senator like to have an invitation extended to the other Senators to come in?

Mr. SMOOT. Not at all, I will say to the Senator; it will do no good; it will simply disturb those who can hear the bell in what they are doing. Those who are out upon the golf links or out of their offices will not hear it, and we shall not get them here.

Mr. TOWNSEND. Therefore, I think I will suggest the absence of a quorum. It might be a good thing to have them disturbed.

Mr. SMOOT. I ask the Senator not to do that to-night, because I do not want to disturb them.

Mr. TOWNSEND. Very well, then, I will withdraw the suggestion.

Mr. SMOOT. Mr. President, the idea has gone abroad and it is in the minds of most of the people of the country that the reason for this legislation is that the packers have not only been robbing the consumer but robbing the stock raiser as well. The press has been filled with such statements by all sorts of sensational writers, and it has been dinned into the ears of the American people until they really believe it.

If the authors of this proposed legislation wish really to reach the profiteers in the United States, if they desire to get at the profiteers who handle food and meat products, they had better change this bill; they had better strike out its provisions which are designed to control the business of the packers, whose establishments are doing business upon the least percentage of profit on all turnovers of any in America or in any part of the world.

There is something radically wrong in the distribution of goods in the United States; it costs altogether too much money. The profits which have been made by the retailers of the District of Columbia—and I take it for granted that the condition is only the same in the District as in most other parts of the United States—have been in some cases criminal. The profits which have been made by the retailer upon the meat from a steer have been generally more than the price paid for the steer, the cost of railroad transportation of the steer to the packer, and the cost of slaughtering the animal and the preparation of the meat for the market.

I generally keep a record of what I pay for goods in the District. I have such records running some 10 years back. They are not in my handwriting, but in the handwriting of the grocer, and embrace the daily purchases, with prices. As I go back to the year 1912 and look at the prices which I then paid for sirloin steak and compare them with the prices on the bill which I received day before yesterday and a few other bills which I have received this month, the figures are somewhat startling.

I hope that those who are interested in the pending measure may take note of what the actual conditions are, and, instead of pressing the pending bill, will prepare some legislation to

regulate the prices which are charged the consumer. If they will do that the story will be an altogether different one.

I notice that on the 14th day of December, 1912, the best sirloin steak which I then bought in the District of Columbia, 4 pounds, cost $1, or 25 cents a pound. I have a bill here that was rendered on the 9th day of the month for 4 pounds of the same kind of steak, which cost $2.20—120 per cent increase in the price of steak, while the price of the meat being sold by the packers, so called, is very little different now from what it was on the 1st day of December, 1912. I can go through the whole list here, Mr. President, and show to the Senate that it is not the packers who are culpable.

It is so not only as to meat, but it is also true as to nearly everything which one purchases. I thought I would test that proposition. Last June before I left for home I picked up a bill which had been rendered for groceries which had been purchased at retail on some date in June. Taking that bill I went down on Pennsylvania Avenue and bought a wholesale bill of each one of the articles. I figured up the retail price I paid for all of the items, and then figured up the wholesale price upon the same articles, and the difference between the wholesale and the retail prices was 87 per cent! Rather a handsome profit. No telling what the difference would have been if I could have purchased from the producers.

If the Senate of the United States desires to help the consumers in this country, and if it has the power to do so, it seems to me that we are beginning at the wrong end of the line.

Mr. KENYON. Mr. President——

Mr. SMOOT. I yield to the Senator from Iowa.

Mr. KENYON. I should like to ask the Senator from Utah if the Lever Act would not cover such a situation as he has indicated showing the charging of unreasonable prices?

Mr. SMOOT. Perhaps it could, but it does not do so.

Mr. KENYON. Has not the Congress of the United States given the power to the Attorney General's office to remedy it, so far as law can remedy it? I do not know, but I suspect that if there were some attempt to enforce the Lever Act it might result in lowering some of the prices.

Mr. SMOOT. All I know is that, Lever Act or no Lever Act, prices have not been reduced very materially. I notice that during the last few days, however, there has been a reduction of prices, and there will be more.

Following the adjournment of Congress last year I returned home for a few days. I asked my business associates there to begin to reduce their stock of goods on hand, and with that end in view to cut prices and force sales of stock which they had on hand at that time. They, like others, however, thought there was no need of taking such action until other retailers began to cut prices. The jobbers of the country held prices up just as long as they could. They waited for the time when their competitors should make a reduction in their prices, and, Mr. President, they all waited too long.

What is the underlying difficulty to-day with the financial conditions which confront us? The truth is that reductions have come about altogether too suddenly. They ought to have been taking place for over a year and business should have been adjusting itself to the new conditions which everybody ought to have known were going to come upon us.

I do not wish to be an alarmist; such an attitude does no good, but on the contrary sometimes hastens things too rapidly; but I wish to say now that if I could speak to every merchant in the United States, man to man and face to face, and discuss the existing situation, I would tell them all that the best thing for them to do is to meet the situation as it is, and to remember that the time has passed when profits of 100 per cent or 150 per cent can be imposed upon the consumer. I remember years ago when I was the manager of a retail store that it was thought a profit of 25 per cent was about as high as could possibly be obtained.

Mr. POMERENE. A gross profit.

Mr. SMOOT. A gross profit, as the Senator from Ohio says. I do not believe that it is possible to go into a drygoods store in the District of Columbia to-day and find a single item, unless it has been placed upon a bargain counter, on which the profit does not run from at least 40 to 50 per cent.

I know that it costs more to conduct business to-day than it formerly did. We have the telephone, for instance, and from nearly every home there come three or four telephone messages a day requesting that a box of matches or a can of corn or some small article be delivered at once. I know that the advertising carried on to-day by small merchants as well as the large ones imposes an immense burden upon the cost of distributing goods. I am not saying that advertising is not necessary, for if one merchant advertises all must follow suit, and, perhaps, in a way, advertising charges are the least objectionable of all of the extra expenses. Then, too, rentals are higher, and compliance with acts of Congress imposing a limit upon the hours of employment have added greatly to the cost of conducting business. All of these modern methods are recognized as entering into the cost of distributing goods; and the ultimate consumer must pay that cost.

But, despite all those items, there is no question of a doubt that in the last few years prices have been charged the consumer from one end of this country to the other that can not be rightly defended; and why we should pick out the industry that during that whole period of time has charged less profits than any other upon what it has handled and disposed of I can not understand.

Mr. POMERENE. Mr. President, does not the Senator think that if he were addressing any ordinary audience in any section of the country, and should say that he was going to throw a brick and hit on the head a man that had charged too much for his goods, and so forth, about two-thirds of the audience would duck their heads?

Mr. SMOOT. Well, there is something in that. Of course, I recognize that the packers have very few votes and very few friends, and I suppose I shall be criticized now for speaking of the charges made by retailers. You know there are lots of votes among the retailers; but it makes no difference to me, and it certainly should make no difference to any Member of the Senate or the House. We ought to look at the conditions just as they are.

As I came through Chicago the other day I visited the International Live Stock Exhibition. I have witnessed that exhibition a number of times during my life, but I do not remember ever seeing a more wonderful exhibition of live stock than was shown there. I have seen the exhibitions in England and in other foreign countries. I have seen them in this country, as I say, many times in different States; but never did I see such a wonderful collection of live stock as was shown at the exhibition this month. I thought to myself: "Is there any square mile of land in all the world where so much business is done as upon that 1 square mile in Chicago in which the packing industry is located, and to which the live stock of this country is shipped from all parts of the land?"

Mr. President, I went through some of those institutions. I have had some little experience in business, but I thought to myself, "Suppose you were put in charge of this business, could you manage it? Could you have brought it up to the perfection in which it exists to-day?" And I had to admit to myself that it would be next to impossible. Here, Mr. President, we find a business that has grown not only in volume but in perfection of handling and distributing its products, until there is nothing like it in all the world; and now we want by legislation to turn it over to be managed by rules and regulations and orders of a commission appointed, created by Congress.

I say, without fear of contradiction, there is not a member of that commission that could manage successfully any one department of that great industry; and if the men who favor this legislation owned the business they would never think of hiring such men for that purpose.

We know the condition. The commissioners are not going to make these investigations personally. Who, then, will make them? Somebody that has passed a civil-service examination; more than likely persons that never conducted business to any extent in all their lives. Who is going to issue the orders and the rules and the regulations? Men who know nothing about the business. If we are going to destroy it, let us do it outright, let us do it at once, rather than to bring about a strangulation that will take perhaps a year or two to accomplish.

I wanted to say that much to-night before entering upon a discussion of the provisions of the bill itself, and I should like the Senate to consider the proposed legislation without any prejudice whatever, and upon the facts rather than upon sensational statements and reports.

It may be that if we pass this legislation it will not be long before it is repealed; but I have never yet seen a case where there has been an agency of investigation created but that that agency always found some excuse for continuing its existence and always found some excuse for an increase of power. You always find them pleading for increased appropriations. Pass this bill and that will be repeated, and the business interests of this country may just as well know now that this is only the first step to be taken. You direct and control by legislation, through a commission, the packing industries of this country, and the next step will be the control of all businesses in this country.

Why, what a splendid time a lot of these clerks passing the civil-service examination would have in directing the business

of the United States. And you might as well know that you can not destroy business in the United States without affecting not only the revenues of the United States but the very existence of our country.

Last month I was coming from Los Angeles to my home. I took a party to dinner on the diner. On the menu card there were steaks, and the price of each appearing. I noticed that a small steak was $1.50; a full steak $2. My friend said, "Let us have a full steak, and that will be ample for two." The waiter said, "Oh, yes, sir; that is ample for two." We ordered it. It came in to us. I think it weighed about 4 ounces. It was not enough for one, and it cost $2. I had sent to me a menu card from Seward, Alaska, and I thought to myself, why is it that a full steak in the United States costs a great deal more than a full steak in Alaska? Why is it that eggs in the United States cost more than eggs in Alaska? I see from my bills that eggs are $1.10 a dozen, or were yesterday. But in this menu card from Seward, Alaska, I noticed that not only meat, but practically everything else, costs less, even salads and relishes.

When are we going to stop this in the United States, and how are we going to stop it? Not by licensing the packers. I would like to ask the American people not to buy a single thing that they are not compelled to have until the prices become reasonable.

Mr. President, if the time has come to license business in the United States, treat them all alike. If the time has come when business must be run in the United States by a lot of $1,500 and $1,600 clerks, directed by a commission here in Washington, let it apply to all businesses.

I took occasion to go down to the market the other day to find out the prices at which the packers sell meat in the District; and I think it would be rather interesting to the people of the District to know that the carcasses of beeves from Texas are selling at from 12 to 13 cents a pound; that medium steers from our western States are selling at from 14 to 16 cents a pound, according to weight; that heavy, grain-fed beeves are selling for from 18 to 20 cents a pound.

Mr. President, those prices are the prices at which this beef is delivered to the store, with no expense whatever for even hauling it from the packer's house to the store where the retailer sells the beef.

Mutton is selling to-day wholesale for from 15 to 16 cents a pound. Last night I had upon my table a leg of mutton. It was supposed to be lamb, but the bones were larger than those of any 5-year-old sheep I ever saw in my life. I looked at the check, and I found out that there were 6½ pounds of it, $2,28; that is 35 cents a pound. That lamb-mutton the merchant paid 15 to 16 cents a pound for. It may be, Mr. President, that those things can go on. But let us know where the profiteering is. We are after the man now who sells that for 15 and 16 cents, to control his business. I have a long list here, Mr. President, showing similar results, but why go into it when they are all about the same.

When I was last in Chicago I was asked by one of the packers to go to their hide-storage place. They have built storage space there by the block, buildings 10 and 12 stories high, and there is not a foot of space in any of them but what is filled with hides.

Mr. THOMAS. What are they holding them for?

Mr. SMOOT. It is impossible to sell them, Mr. President. Hides are lower to-day than they were in 1909; but I call the Senate's attention to the following experience I recently had: Two years ago I bought a pair of shoes at Edmonston's for $12 plus the war tax. I purchased another pair, exactly like the others, just before I left for home last June, put them on, and when I went to pay the bill the clerk said, "$18.80." Mr. President, I had them on my feet, was on the way to the train, and I had my old shoes tied up, or I would have told him to take his shoes and keep them. Mr. President, hides to-day are cheaper than they were in 1909, when I could have bought the same shoe for $5.50.

Mr. WARREN. If the Senator will allow me, the price of hides is lower now than it has been since 1895.

Mr. SMOOT. I am only going back to 1909. We propose to control the one business and we let the man who sells the shoes make any profit he wants.

I had rather a funny experience just the other day in Salt Lake. I was living at the Utah Hotel, and while there met a traveling man representing a large shoe-manufacturing concern. In passing the sample room one day he asked me to come in. I went into the room and looked over his line of shoes, and I asked him the price of different kinds of shoes. I saw there the exact kind of shoe that Mrs. Smoot had purchased in the District of Columbia, made by the identical manufacturer. I asked him what the wholesale price of that particular shoe was, and he said $6.75 per pair. I said, "Mrs. Smoot bought a pair of the same kind of shoes, and she paid $19 plus the war tax for them in the District of Columbia."

Is it the packer that needs regulating? On all of their overturns they make less than 2 per cent. I know that they do a vast volume of business, and the organization is so perfect, Mr. President, that there is no cog loose in those great organizations. I wish that the business interests of this country, from one end of it to the other, were so ably managed. And now we propose the business shall be controlled by a commission. We propose that a commission shall prepare and issue, with the effect of law, rules and regulations and orders for the management of the business.

I have no excuse to make for the packers or anybody else who violates the law. I do not think for a minute the packers care anything about an ownership in the stockyards. In fact, I know they do not. They were provided in order that the business could go on without interruption and the stock shipped to market taken proper care of.

I know, Mr. President, that the only reason the packers invested in refrigerator cars was because they found that unless they were in a position to secure such cars the very day they wanted them, aye, the very hour, their products in many cases would spoil. Their experience taught them the railroads could not or would not furnish the cars necessary and at the time required; no profit is made in their ownership.

Suppose we had had no packers, Mr. President, when the late war was declared. Do you think we would have shipped the billions of pounds of meat that were shipped to our Army, the reports showing that there were less than 20,000 pounds of spoiled meat from the packers' doors until it was fed to our men in France? Do you think that could have ever happened, or do you think that the Government of the United States could have secured it, without an organization such as existed in this country?

Mr. President, as to the details of the bill I shall offer some suggestions, and I have some amendments to offer to it, if this Congress is going into this class of legislation. I can not believe that they would if they understood it. I do not believe, Mr. President, that it is possible that a majority of the House and a majority of the Senate would support legislation of this kind if they really knew what it meant.

Therefore I am going to ask the chairman of the committee if he will not consent that we take an adjournment at this time until to-morrow. I do not want to begin the discussion of the bill itself.

Mr. GRONNA. Mr. President, would the Senator be willing to take a recess until to-morrow? I think that we can dispose of this bill one way or the other in the course of two or three days.

Mr. SMOOT. Really, there is not such a necessity for immediate action upon this as there was upon the grain bill, and while I do not know of anything particular to come up in the morning hour to-morrow, there is nothing gained by recessing and having routine matters come in later, asking permission that they be presented out of order.

Mr. GRONNA. I want to say to the Senator that I do not want him to go on if he does not care to do so.

Mr. SMOOT. I do not want to proceed to-night. I wish to say also that to-morrow I expect to go on as soon as the morning business is closed.

Mr. GRONNA. I want to say to the Senator with all candor, there are many important bills pending which ought to be passed at this session. I realize that it is the short session, and all that. We have a bill which the War Department is very anxious to have passed, the bill providing for the manufacture of atmospheric nitrogen. It is a bill which is of very great importance to the people of the country, a bill which has been recommended by the administration. I believe there are more important bills standing upon the calendar now than at the beginning of any other session since I became a Member of this body. As one Senator, I am willing to work late and early to help dispose of them. I know that no one works harder than the Senator from Utah. We all know that. Could we not take a recess until to-morrow and go right on with the bill until we dispose of it?

Mr. SMOOT. I do not care what the Senator does. All I care to do is to say what I have to say. But I do not care to go on to-night.

Mr. GRONNA. I wish to say to the Senator from Utah that the members of the committee who have had this bill in charge are of the opinion that we ought to dispose of the matter one way or the other.

Mr. SMOOT. I agree with the Senator as to that.

Mr. GRONNA. We are glad to have suggestions. The bill is not perfect, and we are glad to have suggestions from any Senator. We sincerely hope to have their cooperation and approval. The whole country, I believe, is of the opinion that legislation of some sort with reference to the great packing industry must be passed, and we might just as well meet the situation frankly and fearlessly. So far as I am concerned, I have no grievance against the packers any more than I have against the farmers of the country; none whatever. It is simply a measure which I believe would be beneficial not only to the people generally but would be beneficial to the packers. This constant agitation which has been going on, and I might say the propaganda which has been going on from both sides, is not doing very much good, and I believe the Senator will agree with me on that.

Mr. SMOOT. I will say to the Senator that there is propaganda from both sides. There is no doubt about it at all, but that ought not to throw us off our feet. We ought at least to keep our heads.

Mr. GRONNA. I have confidence in the membership of this great body that there is enough genius, enough brains, enough patriotism and wisdom, and we understand the English language. I am perfectly willing to leave it to the lawyers of the Senate to write the bill and make it in such form that it will be workable and that it will do justice not only to the public but to the packers.

Mr. SMOOT. I hope the Senator will qualify that statement. I would not want to leave it to the lawyers of this body. I want to say something as a business man, and I think the Senator ought to. I have not any desire in my heart to do other than just what I think is in the best interests of the business of the country.

Mr. GRONNA. I am sure of that.

Mr. SMOOT. That is the position I take. It would be perfectly useless for me to go on to-night. The Senator may do just as he pleases, recess or adjourn.

The VICE PRESIDENT. The Chair will state to the Senator from Utah [Mr. SMOOT], who complains about the absence of Senators, that if he insists upon an enforcement of Rule V, clause 1—

> No Senator shall absent himself from the Senate without leave—

he will probably get a hearing to-morrow.

Mr. SMOOT. I thank the Chair for calling my attention to it.

Mr. GRONNA. I move that the Senate adjourn.

The motion was agreed to; and (at 5 o'clock and 5 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, December 15, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 14, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Almighty Father, look down from Thy throne of grace upon this sin-stricken world with its sorrow and grief, with Thy loving compassions, and teach us the better way. "Man's inhumanity to man makes countless thousands mourn!"

Inspire us with more generosity, less selfishness, more love, less hate, more religion, less creed, more devotion, less conventionality, more humanity, less individuality, more heaven, less hell.

> Oh why should the spirit of mortal be proud?
> Like a fast-flitting meteor, a fast-flying cloud,
> A flash of the lightning, a break of the wave,
> He passeth from life to his rest in the grave.

Increase our faith in Thee and in humanity, in the spirit of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE TO EXTEND REMARKS.

Mr. LUFKIN. I ask unanimous consent to extend my remarks in the RECORD on the question of the permanent restriction of immigration.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD on the permanent restriction of immigration. Is there objection?

There was no objection.

REPORT OF THE PUBLIC BUILDINGS COMMISSION.

Mr. CLARK of Florida. Mr. Speaker, at the request of the gentleman from Kentucky [Mr. LANGLEY] I ask unanimous consent to file a report of the Public Buildings Commission for printing in the RECORD.

The SPEAKER. The gentleman from Florida asks unanimous consent to file a report of the Public Buildings Commission for printing in the RECORD. Is there objection?

There was no objection.

The report is as follows:

REPORT OF THE PUBLIC BUILDINGS COMMISSION.

(Presented by Mr. LANGLEY.)

The Public Buildings Commission believes that a report of its activities since its creation will be of interest to Congress at this time.

The legislative act approved March 1, 1919, provides that the "commission shall have the absolute control of and the allotment of all space in the several public buildings owned or buildings leased by the United States in the District of Columbia," with certain exceptions. The commission is composed of seven members—two Senators, two Members of the House of Representatives, the Superintendent of the Capitol Building and Grounds, the officer in charge of Public Buildings and Grounds, and the Supervising Architect or the Acting Supervising Architect of the Treasury. Ten thousand dollars was appropriated for the expenses of the commission.

The work of the commission has been conducted with the following objects primarily in view:

First. To save the Government as much money as possible in rental charges by moving activities from rented to Government-owned space wherever feasible.

Second. To settle office space disputes among the departments. (The commission is glad to say these have been few in number.)

Third. To provide, so far as circumstances would permit, suitable and adequate space for each department of the Government.

Immediately upon its organization the commission undertook and completed a very comprehensive survey of all office space occupied by the Government in this city, both rented and Government-owned.

This survey gave such information as the name and location of each building occupied by the Government, gross space occupied, the number of employees housed therein, space used for files, space used by employees, average number of square feet per employee, and other data of like nature, which enabled the commission to get a very clear view of the situation in each building. Taking 60 square feet per employee as a basis, it was not difficult to single out the overcrowded buildings and those which were too sparely occupied. Illustrating the haphazard manner in which these buildings were being used, it might be added that the commission found one building so crowded that each employee was occupying an average of only 11 square feet. Other buildings ran as high as 200 square feet per employee.

The survey showed the necessity for a number of moves and readjustments of space, and these were immediately ordered by the commission. The result was the release of a considerable number of rented buildings and a more even distribution of the space in Government-owned buildings.

A comparison of the rentals paid by the various departments on June 1, 1919, when the commission completed its first survey, and the present will no doubt be of interest:

Department.	Annual rentals June 1, 1919.	Annual rentals Dec. 1, 1920.
Agriculture	$190,910.00	$143,360.00
Alien Property Custodian	31,200.00	31,200.00
Board of Mediation and Conciliation	2,460.00	2,460.00
Bureau of Efficiency		
Civil Service Commission	16,875.00	16,875.00
Commerce	66,900.00	65,500.00
Council National Defense		
Court of Claims		
Federal Board for Vocational Education	6,400.00	
Federal Trade Commission	12,600.00	
Grain Corporation (Food Administration)		
Interdepartmental Social Hygiene Board		
Interior	23,000.00	
International Boundary Commission	2,040.00	2,688.00
International Joint Commission	1,724.40	3,000.00
Interstate Commerce Commission	72,058.04	87,058.04
Justice	36,000.00	36,000.00
Labor	58,363.60	24,000.00
National Advisory Committee for Aeronautics		
Navy	1,224.00	
Panama Canal Office	7,500.00	7,500.00
Post Office		
Public Buildings and Grounds		
Railroad Administration	86,985.00	(1)
Shipping Board	210,105.56	86,279.40
State	5,000.00	
Superintendent, State, War and Navy Buildings		
Tariff Commission	11,000.00	10,200.00
Treasury	174,839.00	159,106.08
War	81,867.08	25,425.00
Zone Finance Office	18,553.00	14,333.28
Zone Supply Office	11,380.00	11,380.00
Totals	1,134,581.68	733,364.80

[1] Rentals for buildings occupied by the Railroad Administration are now being paid by funds derived from the operation of the railroads.

The difference between these two totals shows a saving in rental charges to the Government of $401,216.88, to which should be added the $86,279.40 rental now being paid by the Shipping Board, making a total saving of $487,496.28. The reason for adding this amount to the total is that arrangements have been made for the entire personnel of the Shipping Board to occupy the new Navy Building, and as soon as the necessary details can be worked out the move will be made.

THE TEMPORARY BUILDINGS.

There are now in this city 15 temporary nonfireproof buildings which were built by the Government during the war. This does not include the Navy Building, the Munitions Building, and Building E, at Sixth

and B Streets, which are temporary but fireproof. It has been against the policy of the commission to place permanent departments of the Government in these inflammable structures whenever it could be avoided. It has in a few instances, however, been unavoidable. This reluctance on the part of the commission to place permanent activities in these buildings will account for the fact that in some of them are to be found considerable areas of unused space. This is particularly true of units A and B, Sixth and B Streets. Some might argue that departments of the Government occupying rented space should be moved immediately into this unoccupied space. Take the Department of Labor for example. It is occupying a splendid building at Seventeenth and G Streets, rented it is true, but at the very reasonable figure of 28 cents per square foot. Would it be the part of wisdom to direct this department to vacate the building and move into one of those inflammable structures when they have a very distinct bargain in their rental charges? Other examples of a similar nature are: The Civil Service Commission, paying 35 cents per square foot; the Department of Commerce, 35 cents per square foot; the Interstate Commerce Commission, 36 cents per square foot; and the Panama Canal office, 37 cents per square foot. The commission believes that in cases like these, where the departments are adequately housed at a very reasonable figure, they should continue to occupy their present quarters until they can be provided for in permanent Government-owned structures.

It will be necessary to raze two of the temporary buildings during the coming year, as the owners of the ground upon which they are located decline to renew the lease. They are the Corcoran Courts Building, on New York Avenue near Seventeenth Street, and the Council of National Defense Building, at Eighteenth and D Streets. The commission has already provided space elsewhere for the occupants of these buildings and their demolition will cause no inconvenience to the service. With reference to the remaining temporary buildings, the commission believes they also should be razed at the earliest practicable date, or as soon as their retention is no longer a matter of necessity. They were built to last only a very short time, and as the years go by the expense of maintaining them will continue to mount.

EXPENDITURES.

As stated in another part of this report, an appropriation of $10,000 was placed at the disposal of the commission. Of this amount there still remained to the credit of the commission on September 30, last, when the last report was made to the auditor, an unexpended balance of $5,502.58. Thus the commission has expended during the first 19 months of its existence the sum of $4,497.42. The following statement will show how the funds have been spent:

Personal services (including salary of the secretary)	$3,837.12
Printing	130.75
Car tickets	40.63
Office supplies	227.05
Automobile repairs	252.05
Telephone	9.82
Total	4,497.42

REORGANIZATION OF THE ADMINISTRATIVE BRANCH OF THE GOVERNMENT.

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a privileged report from the Committee on Rules.

The SPEAKER. The gentleman from Kansas submits a privileged report from the Committee on Rules, which the Clerk will report.

The Clerk read as follows:

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House shall resolve itself into Committee of the Whole House on the state of the Union for the consideration of H. J. Res. 339, being "A joint resolution to create a joint committee on the reorganization of the administrative branch of the Government." That the resolution shall be the continuing order of business, except consideration of conference reports and matters on the Speaker's table. That there shall be one hour of general debate, confined to the subject matter of the resolution, to be divided equally between the proponents and opponents of the resolution. That at the conclusion of the general debate the resolution shall be read for amendments under the five-minute rule. That at the conclusion of the consideration of the resolution for amendments, the resolution, together with the amendments, if any, shall be reported to the House. That the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The Committee on Rules, to which was referred H. Res. 610, submits a privileged report on said resolution with the following amendments:

In line 2, after the word "resolution," inserting "the Committee on the Judiciary shall be discharged from further consideration of S. J. Res. 191, the same being 'A joint resolution to create a joint committee on the reorganization of the administrative branch of the Government,' and,"

In lines 4, 5, 6, and 7, after the word "of," in line 4, striking out "H. J. Res. 339, being 'A joint resolution to create a joint committee on the reorganization of the administrative branch of the Government,'" and inserting in lieu thereof "the same."

In lines 7, 8, and 9, striking out the sentence "That the resolution shall be the continuing order of business, except consideration of conference reports and matters on the Speaker's table."

In line 10, striking out the words "one hour" and inserting in lieu thereof "not to exceed two hours."

The resolution as amended will read as follows:

"*Resolved*, That immediately upon the adoption of this resolution the Committee on the Judiciary shall be discharged from further consideration of S. J. Res. 191, the same being 'A joint resolution to create a joint committee on the reorganization of the administrative branch of the Government,' and it shall be in order to move that the House shall resolve itself into Committee of the Whole House on the state of the Union for the consideration of the same. That there shall be not to exceed two hours of general debate, confined to the subject matter of the resolution, to be divided equally between the proponents and opponents of the resolution. That at the conclusion of the general debate the resolution shall be read for amendments under the five-minute rule. That at the conclusion of the consideration of the resolution for amendments the resolution, together with the amendments, if any, shall be reported to the House. That the previous question shall be considered as ordered on the resolution and amendments thereto to final passage without intervening motion except one motion to recommit."

The committee recommends that the resolution with these amendments be adopted.

Mr. CAMPBELL of Kansas. Mr. Speaker——

Mr. SHERWOOD. Mr. Speaker, I note the absence of a quorum.

The SPEAKER. The gentleman from Ohio makes the point of order that there is no quorum present. Evidently there is no quorum present.

Mr. CAMPBELL of Kansas. I move a call of the House.

The SPEAKER. The gentleman from Kansas moves a call of the House.

The motion was agreed to.

The Clerk called the roll, when the following Members failed to answer to their names:

Andrews, Md.	Flood	Kitchin	Riddick
Anthony	Freeman	Kreider	Riordan
Babka	Fuller, Mass.	Langley	Robinson, N. C.
Baer	Gallagher	Lesher	Romjue
Blackmon	Gallivan	Linthicum	Rose
Booher	Gandy	Little	Rouse
Bowers	Goldfogle	Lonergan	Rowan
Browne	Good	Luhring	Rowe
Brumbaugh	Goodall	McCulloch	Rubey
Burke	Gould	McKenzie	Sanders, Ind.
Byrns, Tenn.	Graham, Pa.	McKinley	Sanders, La.
Caldwell	Green, Iowa	McLaughlin, Nebr.	Sanders, N. Y.
Candler	Griest	McLeod	Sanford
Carew	Hamill	Maher	Scott
Casey	Hamilton	Mason	Scully
Christopherson	Hersman	Mead	Small
Classon	Houghton	Mooney	Smith, N. Y.
Coady	Howard	Moores, Ind.	Snell
Costello	Hulings	Morin	Stevenson
Crago	Husted	Mudd	Stiness
Currie, Mich.	Hutchinson	Nelson, Wis.	Sullivan
Dent	Igoe	Nolan	Upshaw
Dewalt	James, Mich.	O'Connell	Vare
Donovan	Johnson, Ky.	Oliver	Volk
Dooling	Johnston, N. Y.	Radcliffe	Ward
Edmonds	Kahn	Rainey, Ala.	Winslow
Emerson	Kennedy, Iowa	Rainey, H. T.	Wise
Ferris	Kettner	Ransley	Yates
Fields	King	Reed, N. Y.	

The SPEAKER. Three hundred and sixteen Members have answered to their names, a quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The doors were opened.

COMMITTEE ON BANKING AND CURRENCY.

Mr. McFADDEN. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency may be allowed to sit during the sessions of the House.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent that the Committee on Banking and Currency may sit during the sessions of the House. Is there objection?

There was no objection.

REAPPORTIONMENT.

Mr. SIEGEL. Mr. Speaker, I ask unanimous consent that there may be printed as a House document the apportionment of each number of Representatives from 435 up to 483, inclusive, by the method of major fractions, and that 1,000 extra copies be put in the document room.

The SPEAKER. The gentleman from New York asks unanimous consent that there may be printed as a House document the figures relative to reapportionment showing the apportionment from 435 Members up to 483 in the event of an increase, and that 1,000 extra copies may be put in the document room. Is there objection?

Mr. WINGO. Reserving the right to object, what basis does the gentleman make his figures upon?

Mr. SIEGEL. Based on the method of major fractions.

Mr. WINGO. Does the table which he offers show a different basis that might be used?

Mr. SIEGEL. It shows what it will be on the basis of having a House from 435 up to 483.

Mr. WINGO. Does the gentleman's table show the result if they use some other basis?

Mr. SIEGEL. I have each one here separately.

Mr. WINGO. Then it is complete between 435 and 483?

Mr. SIEGEL. It is complete.

The SPEAKER. Is there objection?

There was no objection.

REORGANIZATION OF THE ADMINISTRATIVE BRANCH OF THE GOVERNMENT.

Mr. CAMPBELL of Kansas. Mr. Speaker, the resolution submitted just before the point of order was made brings before the House a resolution introduced by the gentleman from Nebraska [Mr. REAVIS]. That resolution proposes a step to be taken by the action of the two Houses of Congress to secure the appointment of a committee to ascertain what economies may be inaugurated in the executive departments of the Government by the consolidation or the reduction of bureaus or commissions in

the departments of the Government. That there is necessity for this action no one will question.

For a long period of years there has been growing up in all the executive departments of the Government one bureau or one commission after another. There is now overlapping duplication of governmental activities in many of the departments of the Government. The high cost of Government in the United States stands out above all the other Governments of the world. I know that for 20 years the socialist rather than the political economist has dominated the activities of this Government. [Applause.]

Every group of people who have imagined that they could better mankind sought a bureau or commission, and at the next session of Congress that bureau or commission was duly created. It started when we appropriated $25,000 or $30,000 the first year, and grew from that into the hundreds of millions.

This thing has gone on to such an extent that there are to-day more than 40 bureaus actively operating in the interest of the public health of the United States. That is what they say they are doing. There are several different agencies in this Government undertaking to operate on the rat. You will find different publications by different agencies of the Government telling you how to get rid of rats. If you take yourself seriously and the Government seriously you will find from studying these various publications that rats are sometimes destroyed by rat dogs, and that the dog known as the rat terrier is probably the best rat dog. You will also discover that rats are sometimes killed by cats, although it takes a good sized cat to perform the operation.

You will also discover that some other activity of the Government says that the rat can be killed by getting him into a trap, and then it tells you how to dispose of him after you have trapped him. Another agency recommends poison, and so on. These different activities of the Government are costing the American people hundreds of thousands of dollars. These publications are published seriously and sent out to the farmers and the business men and to the community in general.

Mr. SNYDER. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. SNYDER. I would like to say to the gentleman in carrying out his arguments that this morning there was laid before the Indian Committee a recommendation from the Indian Commission, an honorable body of men, that would cost the Government not less than $5,000,000 if put into effect, and the most of those recommendations are absolutely not needed and useless.

Mr. GARNER. Will the gentleman yield?

Mr. CAMPBELL of Kansas. Yes.

Mr. GARNER. I think that something ought to be done along the lines suggested by the gentleman, but the gentleman has looked over the so-called budget system bill——

Mr. CAMPBELL of Kansas. I helped to prepare it.

Mr. GARNER. Does not the gentleman think that that will meet all the purposes sought to be obtained by this commission?

Mr. CAMPBELL of Kansas. Probably not.

Mr. GARNER. What could this commission do that is not contemplated by the budget bill?

Mr. CAMPBELL of Kansas. For example, I think this legislative commission would recommend legislation that would consolidate all of the health-promoting activities of the Government, there now being anywhere from 41 to 46 bureaus.

Mr. GARNER. The very purpose of the budget system—and we were particular about our wording of it, if the gentleman will recall—in fixing the duty of the independent auditor was to provide that he suggest to Congress where these various bureaus could be consolidated and where economy can be had. What I am afraid of, if we create this commission, is that we are going to have a duplication of work and friction between the recommendations of the commission, which will probably go over a period of two years, and the independent auditor and the executive budget coming from the President's office. If you have friction between these various things, it will redound to holding back legislation rather than promoting it.

Mr. CAMPBELL of Kansas. In response to the suggestion of the gentleman from Texas, I have no doubt that the commission sought to be created by the resolution offered by the gentleman from Nebraska [Mr. REAVIS] would cooperate with the budget officers in accomplishing economies that are contemplated by the budget system.

Mr. GARNER. Is there not danger in this commission having undue influence with the President's budget? I do not think it will have any influence with the independent budget as created, but will not this commission tend to have an extraordinary influence on the President's budget as contemplated by the budget bill?

Mr. CAMPBELL of Kansas. I think not. As I understand it, legislation will be necessary in order to accomplish the economies that are so highly desirable. We must get rid of duplications and overlapping of bureaus. That can not be accomplished by an auditor. That can only be accomplished by legislation, and this commission is sought for the purpose of suggesting such legislation as may be necessary and useful in accomplishing these economies. It was suggested years ago that if this Government were run as a large private corporation is run, there would be a saving of $300,000,000 annually in the expenses of the Government. It is contemplated now that there can be a saving of $500,000,000 with the proper consolidation and the elimination of certain governmental activities. Many of them are absolutely useless. Many of them are merely serving the purpose to-day of giving splendid jobs to people who ought to be out in the country earning a living, producing something. Thousands upon thousands of useless employees litter the public buildings in Washington, rendering no useful service to the American people. It is the purpose of this resolution to find out where employees may be dispensed with, and to inaugurate the necessary economies in the Government that the people so earnestly desire.

I yield 15 minutes to the gentleman from North Carolina [Mr. POU], to dispose of as he sees fit, and reserve the remainder of my time.

Mr. POU. Mr. Speaker, the minority will certainly throw no obstacle in the way of the adoption of this resolution, but my prediction is that the effort to accomplish this great work in this way will not be entirely successful. The gentlemen who serve on this joint committee on reorganization will not have time to perform the task assigned to them thoroughly. If the Congress wishes the public service of the United States to be thoroughly reorganized, my own individual judgment is that we would better get a joint committee on reorganization composed of experts who know how to handle the job. There are few, if any, Members of this body who are experts in governmental departmental administration. Nevertheless the majority is willing, it seems, to approach the task by appointing a committee of this House. The purpose is economy. No doubt there has been great waste, no doubt there has been duplication, and if this joint committee on reorganization can eliminate any of the duplication or reduce expenditures, all well and good—we bid you Godspeed. I have no further comment to make.

Mr. HARDY of Texas. Mr. Speaker, will the gentleman yield?

Mr. POU. Yes.

Mr. HARDY of Texas. I am curious to know whether this will not duplicate the work of the budget commission, if both of them do their duty.

Mr. POU. I think I am hardly competent to answer that question. I can conceive how there might be a duplication of work, but I would rather refer the inquiry of my friend to some budget expert.

Mr. HASTINGS. Mr. Speaker, will the gentleman yield?

Mr. POU. Yes.

Mr. HASTINGS. I have not been able to see a copy of this rule. What provisions are made in it for offering amendments?

Mr. POU. House joint resolution 339 will be subject to amendment, if the special rule is adopted.

Mr. HASTINGS. I have not been able to get a copy of the special rule.

Mr. POU. Amendments are not cut off.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. POU. Yes.

Mr. GARD. I desire to understand the procedure under this special rule. I have been unable to obtain a copy of the rule. Are we proceeding to the consideration of House joint resolution 339, or are we to take up Senate joint resolution 191?

Mr. POU. As I remember, the Senate resolution was made in order by the special rule, was substituted for the House resolution. Is that correct?

Mr. CAMPBELL of Kansas. The Senate resolution may be substituted for the House resolution.

Mr. GARD. The gentleman says it may be substituted. Is it the purpose to substitute it?

Mr. CAMPBELL of Kansas. Yes.

Mr. GARD. I desire to inquire further if the resolution is to be read for amendment under the five-minute rule?

Mr. CAMPBELL of Kansas. Oh, yes; the House will resolve itself into the Committee of the Whole House for the consideration of the resolution.

Mr. SEARS. Mr. Speaker, will the gentleman yield?

Mr. POU. Yes.

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Mr. SEARS. First stating that I am in hearty accord with my colleague from Kansas [Mr. CAMPBELL] along the line of economy, I would like to ask the gentleman a question. Is it not a fact that the gentleman from Kansas has been the chairman of this committee for more than a year, in fact, since last May, a year ago, and that these conditions have existed all during that time.

Mr. POU. Of course I answer that in the affirmative.

Mr. SEARS. Is it not also a fact that during the last session of Congress when we were complaining of the number of employees, our Republican friends were in the majority in this House?

Mr. POU. Certainly; that is true. Speaking for myself, however, I would rather approach a great subject like this from an entirely nonpartisan standpoint.

Mr. Speaker, I yield 10 minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, the only part of this resolution, known as the Reavis resolution, to which I have objection is that part which gives carte blanche authority to the committee to employ assistants and to make expenditures to be charged to the House and the Senate. There ought to be some kind of limitation.

Mr. REAVIS. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. In a moment. I am with the gentleman from Nebraska and with every other man in this House on reorganization and simplifying of business and cutting out duplications, and effecting real, true economy in the affairs of government, but we can not escape our own individual responsibility. Every man in this House is responsible for the conditions that now exist in the Government. The two great parties represented in this House are equally responsible for the conditions which have existed and now exist in this Government. It is a well-known fact in the House and in Washington, although it is not known abroad in the United States, that a majority of the bureau chiefs in this Government are of the same political faith as the majority party now in this House. In other words, they are Republicans. And it is a well-known fact—here in the House but not known throughout the land—that since the war resolution was passed in April, 1917, the majority party now in this House then and ever since has had just as many Members here as the present minority, there being an equal number of Republicans and Democrats, we Democrats not having had a majority of the House since the war resolution was passed. We Democrats organized the House in the war Congress simply because we outgeneraled our Republican brothers. It is a well-known fact to the Members of the House but not known abroad that since May 19, 1919, the Republican Party has had a majority of nearly 50 Members here in the House of Representatives. This proposed committee, I hope, is going to effect some economies. From August 20 last until the 5th day of October I spent every single week day here in Washington diligently and carefully going through every single department of this Government, and if my fellow colleagues could have been with me, and if you could have seen what I saw in the various departments, you would think it was the business of every man in this Congress—not merely the business of a select committee of six—to see to it that reorganization is effected, waste, duplications, and idleness eliminated, and real economy established. Take, for instance, the matter of rent. Do you know that when I checked up the vacant office rooms in Government-owned buildings this summer—absolutely vacant, good office rooms, sufficient to house every single department of the Government—I was astounded to find that at that time the Shipping Board and Emergency Fleet Corporation alone were renting buildings here in Washington and Philadelphia for which they are paying $558,279.40 a year?

It is the so-called small items that total up much of the gross waste and extravagance. It results from a failure to expend the necessary energy and effort to find out what is going on. As said before we now have ample available space in substantial, comfortable, Government-owned buildings in Washington to properly house every bureau and department, yet we are now paying out hundreds of thousands of dollars in rent to private concerns for leased buildings. It is doubtful whether any Republican Congressman or Senator knows or realizes this, for no moves or rehousings have been authorized, and no steps whatever have been taken by Congress to adjust the situation. Through diligent personal inspection and investigation I have checked up the office rooms that are vacant or available in Government-owned buildings, and the amount of rent the Government, through congressional authorization, is now paying to private concerns, and the following partial figures will illustrate the tremendous and inexcusable waste and extravagance:

AMOUNT OF RENTS CONGRESS IS PAYING IN WASHINGTON—CHECKED TO OCTOBER 1, 1920, FOR THE PRESENT FISCAL YEAR.

For the Department of Justice: $36,000 for the building at 1001 Vermont Avenue, housing the department.

For the Department of Commerce: $65,500 for the building at Nineteenth Street and Pennsylvania Avenue, housing the department; $1,000 for the garage in the alley between Twenty-fourth and Twenty-fifth Streets NW.; and $1,500 for the warehouse at Twenty-sixth and E Streets NW.

For the Department of Labor: $24,000 for the building at 1722 G Street, housing the department.

For the Treasury Department: $40,000 for the building at 1734 New York Avenue NW., used by Auditor for the War Department; $2,400 for the building at Seventeenth and F Streets NW., used by Auditor for the Navy Department; $49,500 for the building at 1324–1334 F Street NW., used by unit of Internal Revenue; $40,000 for the building at 119 D Street NE., used by Register of the Treasury; $2,150 for the building at 1709 New York Avenue NW., used for files, photograph gallery, and Supervising Architect; $8,000 for the building at 920–922 E Street NW., used for storage and files; $4,536 for use of ground only, storage, the last at Twelfth and E Streets SW.; $27,206.64 for building at Fourteenth Street and New York Avenue NW., used by Farm Loan Board and Division of Loans and Currency.

For the War Department: $22,500 for the building at 1800 E Street NW., used for Secretary's office, Insular Bureau, Militia Bureau, Coast and Field Artillery; $1,200 for the building at 1518 L Street NW., garage purposes; $2,925 for part of building at Fifteenth and H Streets NW., used by Chief of Engineers; $7,000 for the building at 1514 Eckington Place, used for warehouse, Quartermaster Corps; $12,000 for the Emery Building on B Street between First and Second, used by Quartermaster Corps; $32,000 for the building at First and K Streets NE., used as warehouse; $7,500 for two floors of building at 613 G Street NW., used by Quartermaster Corps; $24,160 for warehouse at Fourth Street and South Avenue; $9,707.10 for warehouse at 21 M Street; $600 for corral and stable at Twentieth and C Streets NW.; $5,880 for office and dispensary at 1106 Connecticut Avenue NW., used by Medical Department; $6,000 for the Waggaman Building at 472 Louisiana Avenue, used by Medical Department; $13,080 for six floors and basement, used by Medical Department at 462–464 Louisiana Avenue; $2,400 for building at 458 Louisiana Avenue, used by Medical Department; $50,000 for warehouse at lots 18–23 at 21 M Street NE., used by Medical Department; $7,200 for Lemon Building at 1729 New York Avenue, used by Zone Finance; $2,100 for building at 1710 Pennsylvania Avenue NW., used as laboratory by Signal Corps; $5,000 for building at 136 K Street NE., used as supply depot by Air Service; $4,800 for lot 25, square 128, at Nineteenth and C Streets NW., used by Depot Quartermaster; $3,000 for buildings at 1702–1704 F Street NW., used by Depot Quartermaster; $7,182 for one-story garage at 141 Q Street, used by Motor Transport Corps; $8,000 for the building at Nineteenth and C Streets NW., on lot 24, square 128, used by the Motor Transport Corps as a garage, stable, and warehouse.

For the Department of the Interior: $2,400 for the garage at 627–629 G Street NW., used for garage and storage; $2,700 for the garage at 58 B Street SW., used by Bureau of Mines for fuel yard and garage; $150 for the blacksmith shop at 236 First Street.

For the Department of Agriculture: $35,360 for the building at 1358 B Street SW., used as office and laboratories; $20,000 for the building at 220 Fourteenth Street SW., used as office and storage; $22,800 for the building at 930 F Street, used for offices and storage; $8,500 for the building at 601 Thirteenth Street NW., third floor only, used for offices; $12,000 for the building at 710 E Street NW., used for offices and storage; $16,000 for the building at 216 Thirteenth Street SW., used for offices and laboratories; $9,500 for the building at 513–515 Fourteenth Street NW., used for offices and laboratories; $4,800 for the building at 339–341 Pennsylvania Avenue NW., used for congressional seed distribution; $4,000 for the building at 215 Thirteenth Street SW., used for offices, storage, and mailing; $3,000 for the building at 1316 B Street SW., office of solicitor; $3,000 for the building at 220 Thirteenth Street SW., offices and laboratory; $3,000 for the building at 200 Fourteenth Street SW., offices, laboratory, and storage; $2,700 for the building at 1350 B Street SW., used for offices; $2,500 for the building at 1304 B Street SW., offices, laboratory, and storage; $420 for room 638, Munsey Building, meat-inspection office; $5,400 for the building at 221 Linworth Place SW., offices and laboratory; $3,750 for the building at 220 Linworth Place SW., storage and supplies; $1,200 for the storage warehouse on E between Eleventh and Twelfth Streets SW.; $960 for the building at 212 Thirteenth Street SW., supply and storage; $840 for the build-

ing at 216 Twelfth Street SW., storage; $108 for the one-story stable rear of 217 Twelfth Street SW.; $600 for the old warehouse at 929 Seventh Street SW., storage; $500 for the storage building at 2511 M Street NW., storage; $270 for the one-story shop building at 913 E Street NW., rear; $420 for the portion of basement 920 F Street NW., storage; $300 for the building at 215 Linworth Place SW., storage; $84 for the garage in rear of 349 Pennsylvania Avenue NW., storage; $1,000 for the building at 1312 B Street SW., offices; $600 for building at 1369 C Street SW., offices and laboratory; $1,200 for the garage in rear of 1806 E Street NW., garage; $60 for the garage at 930 Baptist Alley NW., garage.

For the United States Tariff Commission: $10,200 for the building at 1322 New York Avenue, offices for the commission.

For the Alien Property Custodian: $30,000 for the building at 1424 Sixteenth Street NW., used for main offices; $1,200 for the building at 1758 N Street NW., used for branch office.

For the United States Shipping Board and Emergency Fleet Corporation: $51,261 for the building at 1319 F Street NW., used for offices; $35,018.40 for the building at 1317 F Street NW., used for offices. In addition to the above rented buildings in Washington, the following are by it rented in Philadelphia: $70,000 for the building at 329 South Broad Street, used for offices, but part subleased to other tenants; $275,000 for building at 140 North Broad Street, used for offices, but part subleased to other tenants; $95,000 for building at 921 Delaware Avenue, subleased to other tenants; $32,000 for building at 253–255 North Broad Street, subleased to other tenants.

The Shipping Board and Emergency Fleet Corporation could be moved, lock, stock, and barrel, into the office space now available in the New Navy Building at B Street NW., and stop the rental of $86,279.40 it is paying in Washington and stop the rental of $472,000 it is paying in Philadelphia, thus saving over half a million dollars a year rental for this one department of the Government. The tenants now subleasing in Philadelphia could vacate, leaving the Government to pay all.

For the Post Office Department: $19,000 for the building at Fifteenth and H Streets NW.; $7,019.78 for the building at 1438 U Street NW.; $2,500 for the building at 514 Eleventh Street NW.; $2,000 for the building at 1716 Pennsylvania Avenue NW.; $2,000 for the building on Park Road between Fourteenth and Fifteenth Streets NW.; $600 for the building at Twelfth and Monroe Streets NE.; $780 for the building at 6918 Fourth Street NW.; $1,380 for the building at 2018 Nicholas Avenue SE.; $900 for the building at 6 Dupont Circle NW.; $1,380 for the building at 416 Seventh Street SW.; $1,000 for the building at 701 Maryland Avenue; $900 for the garage corner Thirty-first Street and Wisconsin Avenue; $250 for the building corner of Connecticut and Florida Avenues; $600 for the building at corner of Kirk and Lenox Streets.

Space will not permit me to enumerate the rental paid by the Navy Department and other Government bureaus, but the foregoing is sufficient to demonstrate the enormous sums that are appropriated by Congress to pay rent to private concerns for buildings in Washington, and the immediate necessity for proper readjustment by Congress. And it is the present Republican Congress with a majority of nearly 50 Republicans in the present House that made these appropriations.

AVAILABLE SPACE IN GOVERNMENT-OWNED BUILDINGS IN AUGUST 1920.

Now let me tell you about some of our available space in our own buildings. In the new twin structure covering blocks of ground, the Navy and Munitions Building, through all of the corridors of which is a distance of 24 miles, there is at least 80,000 square feet of space available in the Navy Building, and more than 75,000 square feet of space available in the Munitions Building. In addition to the above the enormous space devoted to public restaurants, for which the Government receives no rental, could be cut in half without causing inconvenience to diners. The Shipping Board and Emergency Fleet Corporation should have been moved into the Navy Building before Congress adjourned and stop the paying of $558,279.40 rent by it here and Philadelphia.

In Tempo Building No. 1 at Eighteenth and D Streets NW., in August, 1920, the following office rooms were absolutely vacant: Nos. 1306, 1308, 1310, 1311, 1312, 1313, 1314, 1315, 1316, 1318, 1320, 1705, 2029, 2036, 2037, 2038, 2040, 2042, 2044, 2045, 2015–A, 2019–A, 2021–A, 2023–A, 2602, 2603, 2604, 2605, 2035–A, 2037–A, 2025–A, 2027–A, 2029–A, 2031–A, 2033–A, 2306, 2308, 2310, 2312, 2314, 2316, 2318, 2606, 2607, 2608, 2609, 2039–A, 2041–A, 2402, 2404, 2406, 2408, 2409, 2410, 2411, 2412, 2413, 2414, 2415, 2416, 2610, 2612, 2613, 2043–A, 2417, 2505, 2507, 2508, 2510, 2514, 2515, 2516, 2517, 2518, 2601, 2614, 2615, 2616, 2617, and 2618.

In August, 1920, in the new building at 2000 C Street NW., known as the War Trade Board Building, the following office rooms were absolutely vacant: Nos. 1030–B, 1032–B, 1034–B, 1047–A, 1402, 1404, 1508, 1510, 1512, 1514, 1606, 1608, 1616, 1618, 1624, 1630, 1632, 1704, 1705, 1706, 1707, 1708, 1715, 1717, 1719, 1725, 1726, 1731, 1738, 1739, 2023–A, 2025–A, 2225, 2226, 2227, 2228, 2229, 2230, 2231, 2232, 2235, 2236, 2325, 2326, 2327, 2328, 2329, 2331, 2332, 2333, 2334, 2413, 2425, 2427, 2429, 2431, 2433, 2435, 2437, 2439, 2441, 2625, 2626, 2627, 2628, 2629, 2630, 2631, and 2632.

In August, 1920, in the new building at 1730 D Street NW., known as the Council of National Defense Building, the following office rooms were absolutely vacant: Nos. 2503, 2504, 2506, 2507, 2508, 2509, 2510, 2511, 2518, 2519, 2520, 2521, and 2522.

In the new building at Nineteenth and D Streets, known as Food No. 2; in the H. L. Pettus Building, known as Tempo No. 3; in the new building at 2000 D Street NW., known as Fuel No. 3; in the new building at 1800 Virginia Avenue NW., known as Tempo No. 6; in the new building at 1800 C Street NW., known as Fuel 1 and 2; and in the buildings mentioned in the preceding three paragraphs, through a proper transfer of bureaus and a proper destruction of hundreds of thousands of dead files of no value whatever, fully half of the space or more in each of these buildings would be made available for bureaus now housed in rented buildings. To illustrate the size of the new Tempo buildings above, the one occupied formerly by the United States Fuel Administration, known as Tempo No. 4, which is one of the smaller ones of the group, is 408 feet long by 240 feet wide, has a floor area of 140,000 square feet, and contains 425 offices.

In August, 1920, over half of the space in the three large war emergency buildings on the west side of Sixth Street, known as A, B, and C, each covering over a square block of ground with three stories, was vacant and available. While Building D, occupied by the Census Bureau, and Building E, occupied by The Adjutant General's Office, situated on the east side of Sixth Street, are now in use, yet by a proper destruction of thousands of dead files, through congressional direction, several hundred offices could thus be made available. This is likewise true with respect to F building in this group.

The magnificent new War Risk Insurance Building, 10 stories high, with double basement, fronting a full long block on Vermont Avenue NW., and almost a full block on I Street, through a proper readjustment would have much available space in it, notwithstanding complaints to the contrary. Col. R. G. Cholmeley-Jones, who is director of this bureau and who, by the way, is a strong Republican, is a splendid gentleman and has put some efficiency into the bureau, and yet for each of the several million service men he keeps three separate files on three separate floors with no system of filing correspondence. In July Mrs. Ethel Annie Lee, of 3830 Hueco Street, El Paso, Tex., returned to this department its check for $15 because it should have been for $30, and hearing nothing and receiving no further remittances due her, she wrote the department in August, and again in September without replies, and finally appealed to me. After searching the three files kept on three separate floors affecting her soldier-husband, aided by numerous clerks, we finally ascertained that the returned check had been received by the bureau; but not a single one of her letters could be found, demonstrating the necessity of keeping in one file in one place every document of the bureau affecting each service man. For after spending the whole afternoon searching the files on three floors in said large building, the director that night mailed to Mrs. Lee a warrant covering the amounts due her. Thus two-thirds of the enormous space now occupied by muddled triplicate files could be made available for other rent-paying bureaus.

Consider, for instance, the money this Congress is wasting in so-called liquor guarding.

At my request Prohibition Commissioner John F. Kramer had his Mr. J. M. Young make a careful survey of the number of warehouses and the amount of existing intoxicating liquors stored therein, as of date August 1, 1920, and he has certified to me that on August 1, 1920, there were in the United States 280 distillery bonded warehouses and 27 general bonded warehouses, which contained in storage the following: 48,380,687.3 gallons of whisky, 410,569.8 gallons of rum, 936,295.3 gallons of gin, 6,826.3 gallons of high wines, 871,356.6 gallons of alcohol, and 748,279.3 gallons of cologne spirits. In 23 special bonded warehouses there were 864,743.8 gallons of brandy, and in 46 industrial-alcohol bonded warehouses there were 3,230,687.42 gallons of alcohol.

These 376 warehouses have to be guarded by the Government day and night, requiring three shifts for each eight hours, or a total of 1,128 shifts of guards maintained, supported, and paid for out of the Treasury. It requires three hundred and seventy-six times as many guards to guard 376 warehouses as it would to guard only one. It is necessary that these guards be fear-

less, reliable men of strict integrity, for there is a constant effort being made to steal or unlawfully extract liquor. These 376 warehouses are a constant temptation to lawless bootleggers and thugs. Our guards must be bribeproof. The expense of guarding 376 warehouses is naturally three hundred and seventy-six times greater than guarding one. With 376 warehouses there are three hundred and seventy-six times as many chances of leakage. Congress must promptly require this liquor to be concentrated into one large Government warehouse and stop this one enormous item of expense.

Being a part of the Constitution of the United States, it is therefore now a part of the fundamental law of our land that intoxicating liquor can neither be manufactured nor sold. This law undoubtedly is a permanent one, for before it could be changed Congress by a two-thirds vote of both the House and Senate would have to submit its repeal to the States, and such repeal would have to be ratified by the legislatures of three-fourths of the States, a consummation practically impossible. Whether you are an anti or a pro, being a law-abiding citizen, you favor upholding our Constitution.

Would it not be economy and wise statesmanship for our Government to take over this liquor, paying the wholesale price of April 6, 1917, poison and destroy its possible use as a beverage, and then convert and dispose of it commercially as fuel?

I could go on mentioning other items, item after item of great big sums of duplication, of unnecessary waste and expense, not chargeable to any particular party, but chargeable to all of us because we permitted it to exist. The gentleman from Kansas spoke about the great number of unnecessary employees. I went through one of these buildings and saw a room which contained over 100 employees and not a single typewriter was clicking, but little bunches of young men and young women were standing in groups here and there laughing and talking.

I went to the supervising officer and said, "Do you permit this here?" He said, "What is it to you?" I said, "Just this: I am one of the atoms who help to appropriate the money that pays for all of this. Do you permit it?" Then he said:

> What else can I do? Why, if I make a complaint I have got to put it in the form of charges, and I have got to let a trial be called, and before anything can be done I have got to substantiate those charges in a trial, and if I fail to do it—and it is almost impossible to do it, because when you get to a trial you will find enough witnesses coming in to back up almost every inefficient employee of this Government—instead of him or her going out of the service it will be my neck that is broken. I will be sent home because there are organizations here in Washington to protect the employees and go against any supervisor who will make a complaint.

Later I went to the Secretary of War and I said, "Mr. Secretary, I have an expert photographer employed. I want you to give me authority to let him go with me through several of your departments here and take some pictures I would like to preserve." He said, "What do you want to do with them?" I said, "Well, Mr. Secretary, to be frank with you, I want to be able to show Congress when it meets that you are not entitled to the extra number of employees for which you are asking. I want to show the fact, among many others, that out here in these corridors in front of your office and elsewhere in this building there are 15 to 20 negro porters and messengers doing nothing but laughing, talking, and smoking their fine cigars." He said, "Well, I can not let you do it." [Laughter.] "I can not let you do it." "Why?" "You are interfering with an executive department of the Government. Congress has nothing to do with the executive branch of the Government. Your function is to legislate; my function is to conduct this department." I said, "Mr. Secretary, you ask us to appropriate. Is it our duty, as you see it, just to appropriate the sum for which you ask?" He said, "Yes, sir; you ought to take my word for it and not seek to personally investigate behind what I ask for." "How are we to know whether the appropriations are proper or not?" He said, "You ought to take my word for it and let your committee attend to such matters." I said, "Oh, but, Mr. Secretary, you do not know what is going on; no one man can know all of it; you have not the time to go through all of the branches of your department, and all our committees get is what your bureau chiefs see fit to tell them. I want to find out what is going on, and ought to have the right to preserve the evidence of what I find here." "Oh, but I am not going to let you do it." I said, "Well, Mr. Secretary, that is all right; you do not have to let me do it; and I can not do it if you say 'No,' because somebody will stop my photographer, but I will tell you one thing you can not keep me from doing and which I am going to do. I am going through every department of this Government myself and see what is going on and I am going to report it to Congress. I am going to show just how many of these supervisors are going to these employees and telling them to make certain work last all day when it takes about five minutes to do it." He said, "Mr. Blanton, that does not go on in my department." I said, "All right, Mr. Secretary, I will send for Miss Totten," and she came and I had her make her statement to the Secretary that astounded him as to what had been going on in his department. The great trouble with us Members of Congress is that we do not know enough about our own business. We have been taking the word directly of the heads of these departments, who in turn depend upon the statements of their bureau chiefs, and we depend upon them without knowing real conditions.

The SPEAKER. The time of the gentleman has expired.

Mr. LONGWORTH. Mr. Speaker, I ask that the gentleman may be permitted to continue his eulogy.

The SPEAKER. The time is controlled by the gentleman from Kansas and the gentleman from North Carolina.

Mr. BLANTON. I will ask for five additional minutes.

Mr. CAMPBELL of Kansas. I will yield the gentleman five minutes.

Mr. BLANTON. I am speaking from a nonpartisan standpoint. [Applause.] I am a Democrat. I love the Democratic Party of which I am a member, and I did just as much for my Democratic Party in the last election as any man in this House or in this country. I worked just as hard for it and I am here to submit that if we Democrats and we Republicans want to succeed finally instead of letting this kind of transaction go on in our Government we must go to the people and assure them that we are going to eliminate these wastes, idleness, and inefficiency in our Government business and give the people an efficient, economical Government. I am one Democrat who believes that if a Democratic official does wrong it is the duty of Democrats to stop it.

Do you know that one of your campaign managers, efficient, wise, able—the gentleman from Minnesota, Mr. Miller—went to the people of this country, from one side of it to the other, in his statement issued to the press, promising that if you Republicans were elected to this House and to the Senate and to the Presidency of the United States, you would see to it that the useless, idle, unnecessary employees of this Government were cut loose and sent home? You promised the people of the United States that very thing. He told you and the people then that you had 40,000 extra, unnecessary, idle employees here in Washington. He told you almost the truth, because you have almost that number here. He told you that you had nearly 200,000 useless, idle employees in the United States who would be cut loose from the pay roll without injuring the affairs and business of this Government. And the people believed him. And you Republicans repeated what he said on almost every husting in the United States.

Now, the first thing your Rules Committee does when it comes back is to grant a rule, that I objected to the other day, for the consideration of this patent bill, not only to keep the employees that are on the roll now but to increase them by several hundred; not only to grant them a few little increases in wages, but to grant them increases in wages extending from $600 to $1,500 raises a year each. Is that keeping your promise to the people of this country? I want to discuss that question when the patent rule comes up, but I want to put you on notice now that you had better be careful about letting that patent bill be passed into law. I am one Democrat who is going to stand on this floor of the House unflinchingly and every time you Republican friends of mine fail to keep your election promises to the people I am going to call the attention of the people of this country to your failure.

You have got to keep your promises or you have got to stand the consequences of your failure. When are you going to begin on this economy? Are you going to just take it all out in appointing extra committees and spending the money on investigations? Or are you going to effect real, true economy? That is what the people want. That is what they expect from your promises. I am earnestly with you on it and am not partisan about it. I will work with you from 10, 14, to 18 hours a day, if necessary, to help effect it. Let us go together like American citizens, cut this waste, this duplication, and this extravagance out, and when we have a Secretary of War who violates the instructions of Congress by recruiting in peace time an Army of 280,000 men when Congress has told him that we did not want an Army of more than 180,000; when we have a Secretary of War like that, who wrongfully creates a deficiency of millions of dollars we must tell him where to head in. That is my idea of conducting the Government of this great country. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield 10 minutes to the gentleman from Ohio [Mr. FESS].

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Mr. FESS. Mr. Speaker, the membership of this House, as well as the country, will appreciate the statement of the gentleman from Texas, and I think not only appreciate it but ought to enthusiastically welcome the exposition of a situation that all of us know exists, but too infrequently call attention to by specific facts. It is an easy matter to make these general charges, but when an individual makes investigation and then charges upon his own information, as was done, it is a real service to the country.

I can not let pass, however, the suggestion made in the last few minutes that the present majority is not respecting the promise that has been made to the country. In the first place, there are certain things that are in the minds of the majority here that will be immediately attended to. One of them that was promised to the country was that immediate steps would be taken to dismantle the war machine. The most specific step that could be taken at any time was taken at once and finished yesterday, when the order was to repeal these war laws and dismantle the war machine. By that single act, when it becomes effective, having received the indorsement of the Senate and of the White House, you will immediately see dismantled individual war organizations built up under specific war legislation and still existing because of facts that need not be repeated by me now.

Mr. BLACK. Will the gentleman yield?

Mr. FESS. I will yield to the gentleman from Texas.

Mr. BLACK. Will the gentleman in his remarks tell us what war activities are now in progress that will be discontinued after the approval of the law passed yesterday?

Mr. FESS. If the gentleman would please consult the printed pamphlet that was on the table yesterday, he will find all of the laws enumerated, with the organizations that were built up under them.

Mr. BLACK. If the gentleman will permit, I have some knowledge of the list, but what organizations are going to be dismantled by reason of the repeal of the law?

Mr. FESS. All the organizations under the laws that were repealed yesterday, so far as this House can do it.

Mr. BLACK. Does the gentleman have in mind——

Mr. FESS. The gentleman has in mind 87,000 employees now in Washington, many of whom will be discharged when these war agencies are discontinued.

Mr. BLACK. Will the gentleman kindly give us some department that will be discontinued?

Mr. FESS. The gentleman should consult the printed pamphlet and not take my time. The first step that was our obligation to take has been taken without any delay, and the gentleman knows it. And the one thing that ought to be complimented here is that the Democrats did not resist that proposition.

The second step, which is a constructive one, is to put in operation as quickly as possible the budget system. That has been passed by this House. It is over in the Senate now. Whether the Senate will act upon it this session or not I do not know. I am not so sure that the modified budget bill ought to be immediately put in operation. I would much prefer the budget bill as passed by both Houses and vetoed by the President because he seemed to think he ought to have authority to audit his own books rather than make the auditor independent. I am not so sure that we ought to submit to that. [Applause.] Therefore, whether the Senate will pass this budget bill or not, I am not so much concerned about, but I know that if it does not it will be passed in record time when the special session comes. [Applause.] Then it will be passed as it was originally passed and as it ought to have been signed by the Executive and made a law.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. FESS. I will yield to the gentleman from Missouri.

Mr. CLARK of Missouri. Does not this resolution simply duplicate the work of the budget bill?

Mr. FESS. This resolution does not. I am glad my friend asked that question. The third step that we are now taking is to supplement, first, the dismantling of the war machine; secondly, to provide a budget bill.

This is to take up the question of duplication, mutiplied duplication, plural overhead charge, for the things that ought to be done by one single department. A special report of a group of men who have been working upon this particular feature for some time was recently made public, and we have found that in the departments the special skill of the engineer, for example, was being utilized by 9 of the 10 executive departments of this Government, and these 9 of the 10 departments were employing 34 bureaus, and in addition to the 34 bureaus 4 independent agencies not under any one of the executive departments, which means for one kind of service there is a thirty-eightfold padded plural overhead drain upon the Treasury.

Now, that is the result of years of grasping, expanding of functions on the part of various departments, which are continually demanding something and then another department demanding the same thing. We not having the facts here in Congress, because we do not know of them, permitted the duplication. Under this process of expansion we have got that thirty-eightfold duplication on one particular line of activity, which is but representative of departmental expansion.

This particular proposal is not to duplicate the budget. The budget is an administrative agency. It is not a legislative functionary. This is a committee, not a commission, as has been stated here. This is a committee, a joint committee, made up of Members of the House and the Senate, with the right on the part of its members to sit in the two Houses. It is not a place made for persons who have gone out of Congress, to give them a place to remain here in Washington upon salary. It is to be limited in its personnel to Members of this House and Senate who have legislative positions here, and the proposal requires from time to time that a report be made to Congress, and the final report is not to be deferred beyond the meeting of the second regular session of the Sixty-seventh Congress.

Mr. GARNER. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Ohio yield to the gentleman from Texas?

Mr. FESS. I yield to my friend from Texas.

Mr. GARNER. I do not think it is necessary to condemn this committee as to personnel, but what I am afraid of and what I think the gentleman should consider very thoroughly is this: That the budget system will be passed soon—if not at this session, then at the next session; and on that I congratulate the gentleman—and it will be passed and signed just as we originally passed it. It will make recommendations to Congress. Now, suppose it makes one and this commission makes another recommendation of opposite purport. What will be done? That is what I am afraid of.

Mr. FESS. The budget is a commission, with no status for legislation. It can make its recommendations, however, if it wants to, just like the Treasury Department.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. CAMPBELL of Kansas. Mr. Speaker, how much time have I remaining?

The SPEAKER. The gentleman has 18 minutes remaining.

Mr. CAMPBELL of Kansas. I yield three minutes more to the gentleman from Ohio.

Mr. FESS. The commission has no legislative status.

Mr. GARNER. Neither has the budget.

Mr. FESS. I refer to the budget. That is what I mean. The budget commission has no legislative status. This committee, however, not a commission, has a legislative status, and as a committee it will present the matter from this floor, and present the matter as its own, and not as a matter brought down from an executive department.

Mr. GARNER. Now, I want to ask the gentleman——

Mr. FESS. Wait. This committee is authorized—a matter that my friend from Texas and the gentleman's colleague and mine [Mr. BLANTON] was objecting to—to make an expenditure in the employment of experts, to be authorized by Congress to sit with them, in order to find the facts, not from our standpoint, because we do not know, but from the standpoint of the research men; and among these research men may be the members of your budget commission. The budget commission will certainly be consulted constantly as to this work. But the budget commission is an independent functionary, and it will be compelled to hold its place, as we are going to insist upon these other executive departments holding their place; and that is why I want to see the audit placed under the control of Congress, and not under the control of the Executive, in order that we may hold them to their particular proper function.

Mr. GARNER. I will agree with the gentleman in reference to its not being either under the control of Congress or under the control of the departments. It ought to be absolutely independent. But here is a duty to be performed by an executive auditor and also by an independent auditor. Now, we are creating a commission for the purpose of ascertaining the exact thing provided for in the budget. This committee will make its recommendation. It may be exactly crosswise to what the auditor of the executive branches may recommend. What am I, then, to follow?

Mr. FESS. You are assuming what probably will not occur at all.

Mr. GARNER. It will be a duplication of work.

Mr. FESS. You are assuming that both are in the interest of the same thing. If such a thing does occur, the men who speak on this floor from this committee can very easily explain why it does occur, instead of having to depend upon some independent functionary that has no expression here. It can be explained directly from this committee.

Let me state again: There were three things clearly outstanding in the minds of the people of the country. One was the dismantling of the war machine. Another was the establishment of the budget system, a constructive measure in the interest of economy. We have gone a long distance toward doing that. The other is to take these steps, the most imperative, the most commanding, the most imminent, to cut out this duplication and save over a million dollars a day to the Treasury. That is what we propose to do by this pending proposition, and I hope every man will vote for it.

Mr. MADDEN. Mr. Speaker, will the gentleman yield?

Mr. FESS. Certainly.

Mr. MADDEN. I just wanted to say, in reply to the gentleman from Texas [Mr. GARNER], that this is intended to reorganize the departments to prevent duplication.

Mr. FESS. Precisely.

Mr. MADDEN. The budget reorganization is to assemble the facts in respect to the expenses of the Government. That is the difference.

Mr. FESS. I thank my friend, who has the greatest facility of any Member of Congress in stating the facts in a single sentence. I append a statement on this subject published in last Sunday's Public Ledger.

[From the Public Ledger, Philadelphia, Sunday morning, Dec. 5, 1920.]

CONGRESS TO APPLY AX TO WASTEFUL BUREAUS—REPRESENTATIVE FESS POINTS NEED OF BUDGET SYSTEM AND REORGANIZATION OF DEPARTMENTS TO ELIMINATE USELESS DUPLICATION OF ACTIVITIES.

(By SIMEON D. FESS, Representative, of Ohio.)

(Special telegram to Public Ledger.)

WASHINGTON, *December 4.*

Some years ago Senator Aldrich created a sensation by declaring that the Government could be run on a saving of at least $1,000,000 a day if the administration of its affairs were placed upon a sound business basis, with due regard to economy. It was a Republican leader commenting upon the wastefulness of Government expenditures then under the control of his own party, which frees the remark from the charge of partisan bias.

The comment came from a source which compelled respect. It grew out of observations of congressional appropriations for departmental administration. It induced President Taft to appoint his bureau of efficiency, made up of experts, to investigate and report upon methods of reform. The report was voluminous, but up to date, unfortunately, little, if anything, has come from it. Further investigation shows an incredible amount of overlapping of departmental activities and a vast reduplication of effort, which has gradually grown up under the habitual practices of bureau expansion. The law of every bureau is a constant enlargement of function and an inevitable widening of activities. Bureaus but a few years ago which consisted of small organizations have grown to be institutions of multiplied agencies, gradually becoming irresponsive, save to their own alleged needs.

DUPLICATION AND REDUPLICATION.

The Agricultural Department is a very good example. Created as a Cabinet department a little more than 30 years ago, it has continued to develop until a department of only a single division has now become an institution with hundreds of employees, demanding an annual appropriation of many millions and still on the increase. The last appropriation, including the roads item, reached $113,067,553. This growth, as a rule, is not by transfer from other departments of specific activities. Many of the same activities were already in other departments, and the addition is but a duplication and reduplication, thus multiplying the agencies, enlarging the force, pluralizing the overhead drain, and vastly increasing the outlay without producing commensurate results in public service.

This enormous reduplication of departmental activities was brought to light about 18 months ago when a group of engineers representing the best engineering skill in America published an itemized statement of the decentralized condition of Government work requiring the skill of the engineer. They reported that 9 of the 10 executive departments employed the skill of the engineer for public works. These departments operated through 34 bureaus, not including 4 agencies not attached to any department. It might be said that overhead expenditure was employed 38 times to accomplish what should be under the direction of one department with but one overhead outlay.

EFFORTS TO CORRECT SITUATION.

While this may appear an extreme citation, it is but an extreme example of the undisputed situation in Government bureaus. Several months ago an effort, which had been the climax of years of agitation upon a limited scale, was put in motion to correct this bad situation as it affects the engineering problem of the Government by a bill introduced in the House by Mr. REAVIS, of Nebraska, and in the Senate by Mr. JONES, of Washington. The announced purpose was to insure sane economy in Government public works, rational efficiency, and the prevention of waste.

These results are achieved by placing all activities of one particular character under one head specially fitted to direct, and to whom services must be responsive, and under whom the organization may be made in accordance with the demands of the best standards of specialized functions. In this way lost motion can be avoided by requiring every agency to fit into the unity of the departmental work. This would avoid the common mistake of overemphasis of money demands by the departments, no one of which knows what the others are doing along the same line. It would be a guaranty against the repetition of war-time buying, where an unlimited quantity of one class of articles are purchased for the use of a limited number of articles to which they were to be attached, as in the case of horses and harness.

ABUSES ALLOWED TO MULTIPLY.

Plural-headed agencies not only enlarge the money outlay to maintain the upkeep and care for the expense of the agency, which alone is a useless waste of vast proportions, but they inevitably produce an overproduction and a consequent overexpenditure, since the product is not composite with any regard for the minimum cost of the maximum output. These double-headed agencies divide responsibility in results and operate with little regard for holding expenditures to the actual Government needs. Instead of correcting these abuses we have allowed them to multiply by constant expansion of various departments in response to their representation of new demands for new and enlarged activities.

All the functional lines of Government work show this to be a chronic condition. No incentive to reduce or reorganize is displayed, but all to expand and reduplicate bureau activities; hence a similar service demanding the expenditure of public funds, performed in each of the several executive departments. This being true, each department seeks special appropriations with no information nor regard for what other departments demand for the same character of work.

APPROPRIATIONS FOR ENGINEERING WORK.

The special report previously referred to itemized the 1920 appropriations for construction or engineering work in each of the executive departments, as follows:

State Department	$171,000
Treasury Department	31,955,206
War Department	89,790,075
Interior Department	29,277,214
Department of Justice	202,000
Department of Agriculture, including good roads	113,067,553
Department of Commerce	10,369,780
Department of Labor	175,000

Agencies not attached to executive departments.

Panama Canal	$9,829,837
Commerce Commission	2,500,000
United States Shipping Board	356,000,000
United States Housing Corporation	2,068,970
State, War, and Navy Building	2,387,038

Making a grand total of one character of expenditures in nine departments, which would be centralized under one head, of $647,210,560.

Economy under these conditions is not possible. Efficiency is out of the question. Waste is inevitable. They violate every precept of efficient administration. Bad government is assured under these conditions, as good government is rendered impossible. The constant bureau expansion by continual additions in response to new activities, which demand additional Government experts, present a hodgepodge, an uncoordinated structure, with neither efficient operation, unity in purpose, nor concerted service.

OBSERVED IN MANY LINES.

What has been revealed by the report of the engineers on duplication of Government work in a particular line will be observed in almost every character of service. As another example, almost every department undertakes some special line of work of an educational character and large appropriations are demanded for the same. The Bureau of Standards asks for appropriation to make special investigations of dyes, of coloring matter. This does not deter the Bureau of Chemistry, of the Agricultural Department, from making requests for increasing large amounts for the same purpose. If the request is allowed, a new activity is recognized, a new organization is effected, and once allowed no one will ever see the time that it will discontinue. When the Underwood bill crippled Louisiana sugar industry an appropriation was allowed for the development of some industry to compensate the loss. That was in 1913. For seven years the same appropriation is asked and allowed. It will doubtless continue indefinitely. Once a Government organization, always a Government organization.

This is the unchanging law. It accounts for the simple Government department becoming an entire institution of itself. It explains how a small appropriation quietly grows into millions. It explains why Government bureaus here in Washington employing 37,000 people in 1917 were employing over 130,000 in 1919, and still have nearly 90,000. It will throw some light upon the reported statement of the head of the Civil Service Commission that we can not reduce the roll here more than 5,000, which means we must maintain on the Federal pay roll more than twice the number we had only three years ago.

DRASTIC MEASURES REQUIRED.

Of course, this is folly and prostitution of service. The Government must and will employ drastic measures in the interest of a service which can be made more efficient by a reduction of the surplus employees. No man can avoid the overwhelming conviction that service is sacrificed by numbers of useless job holders, as well as public funds are wasted.

Congress can not safely rely upon the representations of bureau chiefs. They seem to act upon the theory that success is measured by the size of the pay roll. Congress is handicapped by an unacquaintance with the details, and consequently permitted these representations to be the guide, with the present situation as the inevitable result.

Congress will be called upon to deal drastically with any bureau chief who disregards limitations placed by Congress on appropriations. This is an easy matter which can be reached by inserting provision for summary action in the bills making the appropriation, which item can be made in order by the Rules Committee.

Steps must immediately be taken to completely reorganize the departments to eliminate the useless and wasteful duplication.

The budget system will be put in operation at the earliest moment, if not in the short session, then soon after the special session meets.

In the meantime the knife must be used upon war-time demands, and bureau chiefs must be held to strict accountability upon allowances fixed by Congress.

The short session must be devoted to the supply bills, which, under the aftermath of the war, will demand sharper scrutiny and longer time than usual. The early part of the Harding administration will doubtless be occupied in the work of readjustment, an important part of which is this needed reorganization of our bureaucratic system.

Mr. CAMPBELL of Kansas. Mr. Speaker, I yield five minutes to the gentleman from Iowa [Mr. GOOD].

The SPEAKER. The gentleman from Iowa is recognized for five minutes.

Mr. GOOD. Mr. Speaker, during the brief time allotted to me I only want to speak briefly in regard to the budget and to answer what was said by the gentleman from Ohio [Mr. FESS] regarding the postponing of that very important legislation. I realize the objections to passing budgetary legislation at this Congress, but I wonder if the gentleman has realized that Congress at this session will make appropriations for the Government for the fiscal year ending June 30, 1922? In the next Congress, when we meet, it will take at least two weeks to organize. A new committee on the budget would be appointed. It would be compelled to hold hearings and go into the matter, because there will be a great many new Members who will want to consider this matter and who will have a right to consider it. That will take another month. Then to get the machinery into operation and put the budget bill through the House will take considerable time. In the case of the last budget bill, notwithstanding the fact that both political parties four years before had promised budgetary legislation, after the bill passed the House and went to the Senate it lay in the Senate seven months without action, and it was not until the Committee on Appropriations brought back the budget bill as a part of the sundry civil bill that we got some action on the part of the Senate.

At present the persons who make up the budget commence work in April and May and do some work all during the summer, and unless the incoming President is permitted right at the start to create his budget staff he will not have the machinery with which to formulate a budget for the appropriations for the year ending June 30, 1923. In other words, the appropriations for the first two and a half years will be made in the old way.

Now, I want to submit this to the gentleman from Ohio [Mr. FESS], that if the present bill that the House passed and that is now pending in the Senate can be passed with an amendment, so that its provisions may be available on the 4th of March, 1921, that will permit the President to organize his budget staff immediately, and then Congress at its next session can immediately amend the law, which amendment only has to do with the removal of one of the officials. Then we will have a working organization. Then we can commence to save the money that the gentleman has talked about. If we fail to do that, the estimates for the year ending June 30, 1923, will be made in the same old way.

Mr. BARKLEY. Will the gentleman yield for a question?

Mr. GOOD. I yield to the gentleman from Kentucky.

Mr. BARKLEY. Did I understand the gentleman to mean by his first remark that budget legislation will not be enacted at this session?

Mr. GOOD. I hope it will be enacted at this session.

Mr. GARNER. Will the gentleman yield?

Mr. GOOD. I yield to the gentleman from Texas.

Mr. GARNER. Did I understand the gentleman to say that if passed in its present form, making it effective on the 4th of March, his side of the House would undertake to amend it later and make an independent auditor who would indeed be an independent auditor?

Mr. GOOD. I think so. I have not talked with very many Members, but I think that would be the desire of this side of the House. After the President vetoed the measure, I asked Mr. Collins, in the legislative reference library, to make a brief for me on the President's veto, saying that I would like to know what the law was with regard to the right of Congress to provide for the removal of inferior officers when the appointing power was vested in the President.

Mr. Collins has prepared a brief after considerable investigation. It is a splendid legal document, and I want to put it in the RECORD as a part of my remarks, because it justifies the position taken by this side of the House, and it is written by one who has no interest politically in the question. I ask, therefore, Mr. Speaker, leave to extend my remarks by printing this document.

The SPEAKER. The gentleman asks unanimous consent to extend his remarks in the manner indicated. Is there objection?

There was no objection.

The document referred to is as follows:

CONSTITUTIONAL AND LEGAL PHASES OF THE PRESIDENT'S VETO OF THE BUDGET BILL.

On June 4, 1920, the President returned the budget and accounting bill to Congress with his veto. The President disapproved of section 303 of the bill, which provided, in part, that the comptroller general and the assistant comptroller general "may be removed at any time by concurrent resolution of Congress, after notice and hearing, when, in their judgment, the comptroller general or assistant comptroller general is incapacitated or inefficient or has been guilty of neglect of duty or of malfeasance in office or of felony or conduct involving moral turpitude, and for no other cause and in no other manner, except by impeachment."

The President based his disapproval on the grounds, first, that the power of appointment of officers of the United States carried with it as an incident the power to remove, and that Congress was without constitutional power to limit the appointing power and its incidental power of removal derived from the Constitution; and, second, that Congress has no constitutional power to remove an officer of the United States from office by a concurrent resolution.

The constitutional provision relating to the appointing power of the President is found in paragraph 2, section 2, of Article II of the Constitution, which reads as follows:

"And he shall nominate and, by and with the advice and consent of the Senate, shall appoint ambassadors, other public ministers and consuls, judges of the Supreme Court, and all other officers of the United States whose appointments are not herein otherwise provided for and which shall be established by law; but the Congress may by law vest the appointment of such inferior officers as they think proper in the President alone, in the courts of law, or in the heads of departments."

The Supreme Court has defined the term "officers of the United States" in the case of the United States *v.* Germaine (99 U. S., 509, 510). Mr. Justice Miller, in delivering the opinion of the court, said:

"The Constitution, for purposes of appointment, very clearly divides all of its officers into two classes. The primary class requires a nomination by the President and confirmation by the Senate. But foreseeing that when offices became numerous and sudden removals necessary this mode might be inconvenient, it was provided that in regard to officers inferior to those specially mentioned Congress might by law invest their appointment in the President alone, in the courts of law, or in the heads of departments. That all persons who can be said to hold an office under the Government about to be established under the Constitution were intended to be included within one or the other of these modes of appointment there can be but little doubt."

This doctrine was confirmed in United States *v.* Mouat (124 U. S., 307), Mr. Justice Miller again delivering the opinion of the court in the following language:

"What is necessary to constitute a person an officer of the United States in any of the various branches of its service has been very fully considered by this court in United States *v.* Germaine. In that case it was distinctly pointed out that under the Constitution of the United States all its officers were appointed by the President, by and with the consent of the Senate, or by a court of law or the head of a department, and the heads of the departments were defined in that opinion to be what are now called the members of the Cabinet. Unless a person in the service of the Government, therefore, holds his place by virtue of an appointment by the President or of one of the courts of justice or heads of departments authorized to make such an appointment, he is not, strictly speaking, an officer of the United States."

The comptroller general provided for in the budget bill is no doubt an officer of the United States within the intention of the Constitution. But to which class does he belong? Does he belong to the primary class which requires that he be appointed by the President, by and with the advice and consent of the Senate, coming under the category of "all other officers of the United States, whose appointments are not herein otherwise provided for, and which shall be established by law," or is he one of the inferior officers of the United States whose appointment Congress may by law vest "in the President alone, in the courts of law, or in the heads of departments"?

The Constitution does not specifically define the term "inferior officers," nor has the Supreme Court formulated a definition. The nearest approach to a definition is in the Germaine case, cited above, in which the court said that inferior officers of the United States were those officers inferior to those specially mentioned in the Constitution as requiring nomination by the President and confirmation by the Senate. A distinguished authority on constitutional law, in discussion this question, says:

"The point has never been squarely passed upon by the court, since Congress has never attempted to regulate the appointment to any but distinctively subordinate and inferior positions. Should it attempt to determine by law the appointment of heads of the great departments, or even of the heads of bureaus and divisions and commissions, or even of important local officers, such as revenue officers or postmasters in the larger cities, the constitutionality of the law would undoubtedly be subjected to judicial examination." (Willoughby on the Constitution, Vol. II, pp. 1175–1176.)

Now, the comptroller general is designed to be a great officer of state, who is at the head of an independent establishment of the Government. He would hold office practically for life. The dignity, power, and influence of his office would perhaps be second to none of the appointed officers of the Government. In the ordinary meaning of the word it can not be said that he is "inferior" to consuls "and all other officers of the United States whose appointments are not herein otherwise provided for and which shall be established by law." (Constitution, Art. II, sec. 2.) In considering the comptroller general as an "inferior" officer of the United States it is necessary to give a technical meaning to the word "inferior" as used in the Constitution.

It was no doubt the intention of the House Select Committee on the Budget in drafting the bill that the comptroller general should be classed as an "inferior officer" under the Constitution. This is made evident by the fact that when the bill was sent back with the President's veto the committee brought in an amendment vesting the appointment of the comptroller general in the Supreme Court of the United States. (CONGRESSIONAL RECORD, 66th Cong., 2d sess., p. 8647.)

In fact, the President's veto message assumed that the comptroller general and his assistant would be regarded as inferior officers when he said: "It would have been within the constitutional power of Congress, in creating these offices, to have vested the power of appointment in the President alone, in the President, with the advice and consent of the Senate, or even in the head of a department."

In view of the fact that there are so few decisions of the Supreme Court on the question of appointments and removals, and none directly defining the respective powers of the President and Congress, the fact may be emphasized that Congress is in a stronger position with reference to the appointment and removal of inferior officers than with the officers of the primary class. Over the former they can control both the method and conditions of appointment and removal as they may see fit. If the President is given power by Congress to appoint such an officer, he receives this grant of power with the conditions and limitations upon which it is made. He has not the same inherent and constitutional rights relative to these offices that he has to those specifically provided for in the primary class in the Constitution.

The following extracts give a review of the opinions of the Supreme Court on the power of Congress to limit and condition the power of

removal of an officer of the United States, in so far as this court has considered the subject.

In Ex parte Hennen (13 Pet., 230) the court said:

"All offices the tenure of which is not fixed by the Constitution or limited by law must be held during good behavior, or (which is the same thing in contemplation of law) during the life of the incumbent, or must be held at the will and discretion of some department of the Government, and subject to removal at pleasure. * * * In the absence of all constitutional provision, or statutory regulation, it would seem to be a sound and necessary rule to consider the power of removal as incident to the power of appointment" (p. 259).

The implication is clear that Congress has the power to limit or abolish the power of removal which inheres in the power to appoint. This case related to that of a clerk of a district court of the United States who had been removed by the judge. He comes, without doubt, within the class of "inferior" officers.

In United States v. Perkins (116 U. S., 483) the court said:

"Whether or not Congress can restrict the power of removal incident to the power of appointment of those officers who are appointed by the President, by and with the advice and consent of the Senate, under the authority of the Constitution, does not arise in this case and need not be considered.

"We have no doubt that when Congress, by law, vests the appointment of inferior officers in the heads of departments it may limit and restrict the power of removal as it deems best for the public interest. The constitutional authority in Congress to thus vest the appointment implies authority to limit, restrict, and regulate the removal by such laws as Congress may enact in relation to the officers so appointed.

"The head of a department has no constitutional prerogative of appointment to offices independently of the legislation of Congress, and by such legislation he must be governed, not only in making appointments but in all that is incident thereto."

Assuming that the comptroller general is an "inferior officer" of the United States, as was assumed in the President's veto, does not the same argument applied in this case to heads of departments apply also to the President? The President has no constitutional prerogatives of appointment to offices inferior to those in the primary class mentioned in the Constitution, independently of the legislation of Congress, and therefore so far as these offices are concerned he comes clearly within the rule laid down in this case.

In Parsons v. United States (167 U. S., 324) the facts were that the President had removed from office a district attorney before the expiration of the latter's four-year term of office, and the Senate confirmed the new appointee. Parsons contended that this action was illegal. The court took the view that this would leave impeachment as the only remedy, and further said:

"This could never have been the intention of Congress. On the contrary, we are satisfied that its intention in the repeal of the tenure of office section of the Revised Statutes was again to concede to the President the power of removal if taken away from him by the original tenure of office act, and by reason of the repeal to thereby enable him to remove an officer when, in his discretion, he regards it for the public good, although the term of office may have been limited by the words of the statute creating the office. This purpose is accomplished by the construction we give to section 769, while the other construction turns a statute meant to enlarge the power of the President into one circumscribing and limiting it more than it was under the law which was repealed for the very purpose of enlarging it" (p. 343).

Is there not here an implication that Congress has the power to limit the power of removal even as to those officers of the United States whose appointment must be confirmed by the Senate?

In Reagan v. United States (182 U. S., 419) the court in classifying United States commissioners, appointed under act of Congress by the United States Court for Indian Territory as "inferior" officers, said:

"The commissioners hold office neither for life nor for any specified time, and are within the rule which treats the power of removal as incident to the power of appointment, unless otherwise provided. The court also said that 'where causes of removal are specified by Constitution or statute, as also where the term of office is for a fixed period, notice and hearing are essential. If there were not, the appointing power could remove at pleasure or for such causes as it deemed sufficient'" (pp. 425, 426).

This rule that notice and hearing must be had before an officer can be removed for causes specified in the statute was confirmed in the case of Shurtleff v. United States (189 U. S., 311), in which were cited seven opinions of the State courts upholding this practice.

The most important case on this subject is that of Shurtleff v. United States (189 U. S., 311). Shurtleff held the office of general appraiser of merchandise, and although the statute specified certain causes for which he might be removed from office he was nevertheless removed from office by the President without reference to these causes. The court, among other things, said:

"We assume, for the purposes of this case only, that Congress could attach such conditions to the removal of an officer appointed under this statute as it might seem proper, and therefore that it could provide that the officer should only be removed for the causes stated, and for no other, and after notice and an opportunity for a hearing (p. 314).

"It can not now be doubted that in the absence of constitutional or statutory provision the President can by virtue of his general power of appointment remove an officer, even though appointed by and with the advice and consent of the Senate" (p. 315).

In referring to the opinion in the case of Blake v. United States (103 U. S., 227), in which, although there may have been some doubt, the power of the President to remove, under a certain act, was upheld, the court said:

"This indicated the tendency of the court to require explicit language to that effect before holding the power of the President to have been taken away by an act of Congress" (p. 315).

And further:

"The right of removal would exist if the statute had not contained a word upon the subject. It does not exist by virtue of the grant, but it inheres in the right to appoint, unless limited by Constitution or statute. It requires plain language to take it away" (p. 316).

"The right of removal, as we have already remarked, would exist as inherent in the power of appointment unless taken away in plain and unambiguous language" (p. 318). * * *

And where the statute specifies the causes of removal, "A removal for any of those causes can only be made after notice and an opportunity to defend" (p. 317).

The above-mentioned cases thoroughly establish the doctrine that Congress has the constitutional power to limit and condition the power of removal from office of "inferior" officers of the United States even in those cases where the appointing power has been vested by Congress in the President. The President acquires no greater authority to remove than do the courts of law or the heads of departments. The power of removal is derivative only. The source of the grant is Congress. In Congress alone is there the inherent constitutional right to create the office, to authorize the appointment, to condition the appointment, and to provide the manner of removal. Assuming that the comptroller general and the assistant comptroller general are "inferior" officers of the United States, as no doubt Congress assumed and as the President assumed in his veto message, the President's contention that Congress could not limit his incidental right of removal of these officers is not well taken.

II.

The second phase of the President's veto raises the question whether Congress itself could by concurrent resolution remove the comptroller general and the assistant comptroller general from office. It would seem that there is nothing in the Constitution nor in the decisions of the Supreme Court to imply that Congress did not have this power as to "inferior" officers. The Supreme Court has fairly decided that Congress is in complete control of the conditions and methods of removal and there seems to be no reason why removal could not be made by Congress itself. The Constitution itself is silent on the question of removal. It does provide that each House of Congress may appoint and remove its own officers, but no provision is made for a joint officer or officers of Congress.

The question has been raised as to the effectiveness of this method of removal. It has been contended that a concurrent resolution of this character would have to be submitted to the President for his approval, and be subject to his veto. The Constitution says:

"Every order or resolution or vote to which the concurrence of the Senate and House of Representatives may be necessary (except on the question of adjournment) shall be presented to the President of the United States, and before the same shall take effect shall be approved by him, or on being disapproved by him shall be repassed by two-thirds of the Senate and House of Representatives, according to the rules and limitations prescribed in the case of the bill."

The Supreme Court has never had occasion to interpret this clause, but Congress itself has, as the data below will show, put its own interpretation upon it.

On February 20, 1896, the Senate directed its Committee on the Judiciary to report to the Senate "whether concurrent resolutions generally are required to be submitted to the President of the United States." On January 26, 1897, Senator David B. Hill, of New York, presented an exhaustive and learned report which is to-day the outstanding authoritative discussion of this problem. (S. Rept. 1335, 54th Cong., 2d sess.) His committee found that for over a hundred years it had been the settled practice of Congress not to present concurrent resolutions to the President.

"They have uniformly been regarded by all the departments of the Government as matters peculiarly within the province of Congress alone. They have never embraced legislative provisions proper, and hence have never been deemed to require Executive approval" (p. 6).

* * * * * * *

"This practical construction of the Constitution, thus acquiesced in for a century, must be deemed the true construction, with which no court will interfere." * * *

"It has been the uniform practice of Congress since the organization of the Government not to present concurrent resolutions to the President for his approval and to avoid incorporating in any such resolutions any matter of strict legislation requiring such presentation. As a matter of propriety and expediency it is believed to be wise to continue that course in the future" (p. 6).

"Whether concurrent resolutions are required to be submitted to the President must depend, not upon their mere form but upon the fact whether they contain matter which is properly to be regarded as legislative in its character and effect. If they do they must be presented for his approval; otherwise, they need not be. In other words, we hold that the clause in the Constitution which declares that every order, resolution, or vote must be presented to the President, to 'which the concurrence of the Senate and House of Representatives may be necessary,' refers to the necessity occasioned by the requirements of the other provisions of the Constitution, whereby every exercise of 'legislative powers' involves the concurrence of the two Houses; and every resolution not requiring such action, to wit, not involving the exercise of legislative powers, need not be presented to the President. In brief, the nature or substance of the resolution, and not its form, control the question of its disposition" (p. 8).

The committee took the point of view that the spirit rather than the letter of the Constitution should control. That certain actions could be taken by Congress in which the President had no concern and which did not involve a legislative act. The settled traditions of Congress extending over a period from the foundation of the Government to the present time would seem to be a controlling factor in the interpretation in this clause of the Constitution.

Congress has, however, never attempted to remove an officer by concurrent resolution. This is a new departure. Does such a removal partake of a legislative character? In other words would the concurrent resolution removing him be legislation and require the approval of the President? In that case the concurrent resolution would defeat its own purpose and the President by disapproving it might prevent the removal of the officer in question. Legislation implies either a new act of Congress, or the amendment or repeal of an existing act or acts. The concurrent resolution of removal would not come within these categories. The budget bill, if passed, with this provision would become basic law, requiring a certain method of removal, to wit, removal by concurrent resolution. When Congress in conformity to the provisions of this act passed the concurrent resolution of removal it would be simply complying with the administrative provisions of existing law. This would not be legislation at all and would come within the category of the traditional practice of Congress relative to concurrent resolutions.

The proper interpretation of this clause of the budget bill involves a careful consideration of the necessities of the occasion. It is an admitted fact that the Government is now called upon to spend through its executive agencies billions of dollars yearly out of the Public Treasury necessitating the imposition of high and burdensome taxes upon the people as a whole. It is also an admitted fact that the machinery for the examination, audit, control, and report on these expenditures fails to give an adequate protection to the taxpayer. Congress is creating a new office—the general accounting office of the United States—to be under the direction of a comptroller general who

shall be absolutely independent of the Executive and at the same time occupy a very close and intimate relationship to Congress itself. The purpose of this action is to provide an official who will be able without fear of Executive control or Executive removal to go into the executive departments where the money is being spent and to investigate and report his finding to the Congress. Congress is responsible to the people under the Constitution for the appropriation of all money from the Treasury.

The President has no proper concern either in the appointment or in the removal of this officer. The fact that he is appointed by the President in the budget bill is a concession to the constitutional necessities of the occasion. If Congress could constitutionally appoint such an officer he would be so appointed. But as to his removal it is absolutely vital that it should rest with Congress if this officer is to have any great independence to report what he finds. Congress should have the initiative in the removal. The concurrent resolution preceded by notice and hearing before the appropriate committee, as a method of removal appears to be justifiable both in fact and in law. If there are constitutional doubts they should be resolved in favor of Congress.

The fathers in making the Constitution were very zealous of the preservation of the legislative branch of the Government from encroachments by the Executive. They were careful to give Congress the fullest control over public finance. But they could not foresee these days of stupendous expenditures nor the modern methods necessary for their proper control. And, although the letter of the Constitution appears adverse to the establishment by Congress of an independent audit, yet the spirit is in favor of it. The idea embodied in this section of the budget bill is in harmony with the purposes and aims which the fathers had in mind in framing the financial clauses of the Constitution. They desired to protect the taxpayer from the irregular expenditures of public funds by the Executive. Looking beyond the form to the substance, the second phase of the President's veto rests also on an insecure foundation.

Rather than give the President the power to remove this officer it would be wiser to provide that he can be removed only by impeachment. This would put him in the same category as that of the judges. It would not, however, meet the needs of the occasion as would the removal by concurrent resolution. Civil officers can be impeached only for "treason, bribery, or other high crimes and misdemeanors" (Constitution, Article II, section 4). They can not be removed from office by this method for incapacity, inefficiency, and such other minor matters as might unfit a man for the practical affairs of a public office. Yet, on the whole, the service of this officer would be more effective if he could be removed only by impeachment than if he could be removed by the President. The President should not have the initiative in the removal even though stringent conditions were made in the act.

LIST OF CASES WHEREIN IS DISCUSSED THE POWER TO APPOINT AND REMOVE OFFICERS OF THE UNITED STATES.

Marbury *v.* Madison (1 Cranch., 137 (1803)). Appointment of a justice of the peace for the District of Columbia.

Ex Parte Hennen (13 Pet., 230 (1839)). Removal of a clerk of a circuit court.

United States *v.* Hortwell (6 Wall., 385 (1867)). Discusses meaning of "officers of the United States."

United States *v.* Germaine (99 U. S., 508 (1878)). Removal of a civil surgeon of the Pension Office.

Blake *v.* United States (103 U. S., 227 (1880)). Removal of an Army chaplain.

United States *v.* Perkins (116 U. S., 483 (1886)). Removal of a cadet engineer.

United States *v.* Mouat (124 U. S., 303 (1888)). Removal of a paymaster's clerk in the Navy.

McAllister *v.* United States (141 U. S., 174 (1891)). Removal of a judge of the district court for the Territory of Alaska.

Parsons *v.* United States (167 U. S., 324 (1897)). Removal of a district attorney.

Reagan *v.* United States (182 U. S., 419 (1901)). Removal of a United States commissioner for Indian Territory.

Shurtleff *v.* United States (189 U. S., 311 (1903)). Removal of a general appraiser of merchandise.

By unanimous consent leave was granted to Mr. BLANTON and to Mr. FESS to extend their remarks in the RECORD.

Mr. CAMPBELL of Kansas. I yield eight minutes to the gentleman from North Carolina [Mr. POU].

Mr. POU. I yield five minutes to the gentleman from Texas [Mr. BLACK].

Mr. BLACK. Mr. Speaker, in the discussion of this resolution my colleague from Texas [Mr. BLANTON] and the gentleman from Ohio [Mr. FESS] have made some very severe criticisms of the War Department because of its clerical personnel here in Washington. I think these gentlemen in their discussion might fairly have made comparisons between the number of clerical employees in the War Department at the time of the signing of the armistice and the number of clerical employees in that department at the present time.

I think one would fairly infer from the remarks that these gentlemen have made that there has been practically no reduction of clerical personnel in the War Department since the signing of the armistice, but that is very far from being the fact.

At the time the armistice was signed the War Department had here in the city of Washington 37,406 civilian employees. It has at the present time 10,298 civilian employees here in the city of Washington, which is a net reduction of more than 27,000 employees, or a net reduction of more than 72 per cent. An average of 1,100 civilian employees per month have been released from this department since the armistice was signed, about 24 months ago. I call that a very substantial reduction.

Now, if these gentlemen had wanted to be fair to the Secretary of War, why were these facts not stated? [Applause.]

Mr. BLANTON. Will the gentleman yield?

Mr. BARKLEY. Will the gentleman yield?

Mr. BLACK. I yield to the gentleman from Kentucky.

Mr. BARKLEY. Do these figures, for the time when the armistice was signed and the present, include those who are on the rolls strictly as clerks, or does it include officers doing clerical work?

Mr. BLACK. The chief clerk for the War Department just a while ago gave me these figures over the telephone, and the only designation that he made was civilian employees of the War Department, so that is all the answer that I can give the gentleman at the present time. I presume, however, that the figures do not include any Army officers doing clerical work.

Mr. BLANTON. Will my colleague yield?

Mr. BLACK. I yield to my colleague.

Mr. BLANTON. Does not my colleague from Texas know that the number of employees now in the War Department far exceeds the number employed prior to the war? And does he not further know that the Secretary of War in his new estimate is demanding not only that the ones we have taken from him be put back but that extra ones also be employed?

Mr. BLACK. The gentleman from Texas who is now addressing the House does know that there are now more civil-service employees in the War Department than there were before the war. He would not expect anything else, in view of the fact that only a short time ago an Army of 4,000,000 men was demobilized and a great many activities have been bequeathed to the War Department by the great World War through which we have just passed, many more than it had under its charge before the war broke out. [Applause.] It would be unreasonable to expect, and it would be impossible for the department to perform even if we did expect it, for these new duties to be performed efficiently with the same number of employees that it had before the World War, when we had but a handful of a standing Army and had not gone through the tremendous activities of a world war. My colleague well knows that the record of service of all those 4,000,000 men and the various facts attached to that service must be recorded and kept available, and are constantly being called for. The idea of any gentleman on the floor of the House expecting the War Department, with its multitude of new duties, to function with the same number of employees as before the war is ridiculous. [Applause.] If there are unnecessary employees, I should like to see them reduced, but we get nowhere with unfair criticism.

Mr. FESS. Will the gentleman yield?

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. POU. Mr. Speaker, such a strong case of extravaganee and duplication has been made out that I venture to hope that this resolution will be adopted unanimously. I was present and heard the famous and much-quoted statement of the deceased Senator from Rhode Island, Mr. Aldrich, in which he declared his belief after many years of experience that at least $300,000,000 could be saved if the Government were run on anything like elementary business principles.

Now we have the assurance of the gentleman from Ohio [Mr. FESS] that a million dollars a day could be saved. That is $365,000,000 a year. This statement strongly corroborates the statement of the Senator from Rhode Island. Thus a plain case of waste, duplication, and extravagance has been made out. We can do nothing to-day more important than to pass this resolution, and I shall vote for it heartily, expressing here and now the hope that these gentlemen of the committee on reorganization, after their investigation, will be able to make good the promise and prediction of the gentleman from Ohio [Mr. FESS] that a million dollars every day can be saved. [Applause.]

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the adoption of the resolution.

The previous question was ordered.

The SPEAKER. The question is on the amendments.

The amendments were agreed to.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

Mr. REAVIS. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 191.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole House on the state of the Union, with Mr. MADDEN in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 191, which the Clerk will report.

The Clerk read as follows:

Joint resolution (S. J. Res. 191) to create a joint committee on the reorganization of the administrative branch of the Government.

Resolved, etc., That a joint committee is created, to be known as the Joint Committee on Reorganization, which shall consist of three Members of the Senate to be appointed by the President thereof, and three Members of the House of Representatives to be appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled in the same manner as the original appointments.

SEC. 2. That it shall be the duty of the joint committee on reorganization to make a survey of the administrative services of the Government for the purpose of securing all pertinent facts concerning their powers and duties, their distribution among the several executive departments, and their overlapping and duplication of authority; also to determine what redistribution of activities should be made among the several services, with a view to the proper correlation of the same, and what departmental regrouping of services should be made, so that each executive department shall embrace only services having close working relation with each other and ministering directly to the primary purpose for which the same are maintained and operated, to the end that there shall be achieved the largest possible measure of efficiency and economy in the conduct of Government business.

SEC. 3. That the committee shall, from time to time, report to both the Senate and the House of Representatives the results of its inquiries, together with its recommendations, and shall prepare and submit bills or resolutions having for their purpose the coordination of Government functions and their most efficient and economical conduct, and the final report of said committee shall be submitted not later than the second Monday in December, 1922. The committee is authorized to employ such assistance as it may require, at such compensation as the committee may determine to be just and reasonable, and to make such reasonable expenditures as may be necessary for the proper conduct of its work, such expenditures to be paid in equal parts from the contingent funds of the House of Representatives and the Senate, as from time to time may be duly authorized by resolutions of those bodies.

SEC. 4. That the officers and employees of all administrative services of the Government shall furnish to the committee such information regarding powers, duties, activities, organization, and methods of business as the committee may from time to time require, and the committee or any of its employees, when duly authorized by the committee, shall have access to and the right to examine any books, documents, papers, or records of any administrative service for the purpose of securing the information needed by the committee in the prosecution of its work.

Mr. GARD. Mr. Chairman, what is the provision as to the division of time?

The CHAIRMAN. Two hours of debate, divided equally between the proponents and the opponents.

Mr. REAVIS. The rule calls for a division of time between the proponents and the opponents of the resolution.

Mr. GARD. Does the gentleman from Nebraska appear in behalf of the gentleman from Minnesota, the chairman of the Judiciary Committee? The resolution was in the Judiciary Committee.

Mr. REAVIS. The rule discharged the Committee on the Judiciary and made this in order.

Mr. GARD. I am making inquiry as to division of time. Does the gentleman have control of the time on his side?

The CHAIRMAN. This debate is by unanimous consent. It is within the power of the Chair to recognize anybody opposed to it under the rule. The Chair recognizes the gentleman from Nebraska for one hour.

Mr. GARD. Mr. Chairman, I take it this committee is interested in the structure of the bill, and therefore I shall call attention of the committee to certain elements of the bill which, in my opinion, need consideration and possibly amendment. When this bill was before the House on the 3d of June, 1920, it was submitted under the proceedings of suspension of the rules, and under suspension of the rules it was, of course, impossible to suggest, let alone secure, any amendments. Upon the question of the bill being passed in the identical terms as submitted it failed of passage, and now it has come again under what I regret to say is, in the language of the gentleman who is the proponent of the bill, a request that there be no amendment to this bill. The bill comes from the Senate. My own position is, if the bill requires amendment we should put the amendment on, because, if it be a proper one, it can be very easily attended to at the other end of the Capitol and cause no confusion or delay in the final passage of the bill. That which I desire to call attention to is in reference to the language in the first paragraph. I am sure that the country, taking it by and large, is pretty well fed up on commissions. There seems to be no sentiment toward the creation of numerous commissions now who are to investigate and investigate and go along and have the investigation delayed and reports delayed and then submit a report which is filed, placed in the archives, and accumulates dust and spider webs and nobody reads it or pays any attention to it. But I am interested in having this committee a live committee, and therefore I take issue with the gentleman from Nebraska [Mr. REAVIS] as to what the language means in section 1 of this bill, when he says:

That a joint committee is created to be known as the joint committee on reorganization, which shall consist of three Members of the Senate to be appointed by the President thereof, and three Members of the House of Representatives to be appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled in the same manner as the original appointments.

It seems to me, based upon the precedents of this House and based upon the reasonable interpretation of language, that what might follow is this: One who is to be a member of this committee can not only be a Member of this House, assuming that appointments are to be made at this Congress or a Member of the next House, assuming that they will be made at that session of Congress, but there is nothing in this bill, either by direction or implication, which concludes the service of a member of this committee at the same time that his elective service in the House concludes. In other words, one may be appointed upon this joint committee from the House or from the Senate and sever his official term upon the 4th of next March and still be a member of this committee for the next two years.

Mr. REAVIS. Will the gentleman yield?

Mr. GARD. Very gladly. I am discussing it and would be glad to have the gentleman's opinion.

Mr. REAVIS. The language of the resolution fixes the eligibility of the service on this committee. One is that he is either a Member of the House or a Member of the Senate. Now, if he is a Member of the House at the time the Speaker appoints him he is eligible to service on this committee.

Mr. GARD. Yes.

Mr. REAVIS. When his term expires he no longer possesses that element of eligibility of a Member of the House.

Mr. GARD. He is not a Member of the House, no; but he is a member of the committee.

Mr. REAVIS. But the committee must be composed exclusively of Members of the House and Senate.

Mr. GARD. No; I do not read that; and I desire to call attention to what I have in mind, and I want to say frankly that I offer the suggestion for no purpose but to make certain that which the gentleman thinks he is accomplishing, to have a live committee of men who are in the House of Representatives and in the Senate of the United States.

I take it that he does not want to create a committee of which one member or two members in the next two years may not at this time, perhaps, have compensation, but through some method of direction or indirection will later be compensated for services on this committee when they are not Members of the Senate or House of Representatives.

Mr. REAVIS. Will the gentleman be good enough to yield for a moment?

Mr. GARD. Will the gentleman pardon me a moment, in order that I may read the suggestions, and then I will be very glad—in fact, I will welcome the gentleman's word and ideas on that which I suggest. I suggest that after line 9, at the end of the first paragraph, the following language:

If the elective term of any Member of the Senate or House of Representatives who shall have been appointed as a member of the joint committee to be known as the "joint committee on reorganization" shall expire, a vacancy shall be held to exist in said joint committee.

Mr. REAVIS. Of course, I would be opposed to any such amendment; in the first place, because it is unnecessary, and, in the next place, that is not the only method by which a term of service in the House can expire.

Mr. MANN of Illinois. Will the gentleman permit me to suggest that the elective term of all Members of this House expire at noon on the 4th of next March?

Mr. REAVIS. Then they would all go off of the committee.

Mr. GARD. They would not all go off.

Mr. REAVIS. All our terms expire on the 4th of March.

Mr. GARD. In this Congress.

Mr. REAVIS. Our terms as Congressmen expire and new terms begin. The elective term expires on the 4th of March. The severance of the Member might be by death or resignation, and there might be other methods.

Mr. CLARK of Missouri. Will the gentleman from Ohio yield?

Mr. GARD. Yes; I yield.

Mr. CLARK of Missouri. It seems to me, Mr. Chairman, that instead of the language suggested by the gentleman from Ohio, if you insert the language that these members of this committee are to be Members of the Sixty-sixth Congress and also of the Sixty-seventh you would fix the whole thing. It ought to be that way, too.

Mr. GARD. I have no objection, and I welcome the suggestion of the gentleman from Missouri [Mr. CLARK], who has had wide experience in these matters. It may be that my language is inadequate to express my purpose, but the purpose is that this committee be composed of persons who are Members of the Congress, Members of the Sixty-sixth Congress and Members of the Sixty-seventh Congress, because this committee will extend into the life of the Sixty-seventh Congress.

Mr. REAVIS. I will say to the gentleman that I heartily concur in that desire. My thought, still entertained, was that

under the language of this resolution the amendment is unnecessary.

Mr. GARD. I confess I do not agree with the gentleman that the language is unnecessary. I think that some language ought to be provided for by amendment to make it positive.

Mr. DAVIS of Tennessee. Will the gentleman yield?

Mr. GARD. I will.

Mr. DAVIS of Tennessee. Will it not be better to provide that if a member of this committee shall cease to be a Member of the House or of the Senate he would thereupon automatically cease to be a member of the committee? The gentleman from Missouri [Mr. CLARK] suggested he should be a Member of both the Sixty-sixth and Sixty-seventh Congresses. He might be a Member of the Sixty-sixth and Sixty-seventh Congresses, but in the course of time cease to be a Member, by resignation or otherwise. It occurs to me it would meet every situation to provide that they should cease to be members of this committee when they cease to be Members of the House.

Mr. GARD. I am very glad to have the suggestion of the gentleman from Tennessee.

Mr. MANN of Illinois. As I understand the statement of the gentleman from Ohio, whoever goes on this committee should be a Member of the next Congress. Am I correct?

Mr. GARD. I did not hear the first part of the gentleman's statement.

Mr. MANN of Illinois. Whoever goes on this committee should be a Member of the next Congress?

Mr. GARD. Yes; I should say so.

Mr. MANN of Illinois. If the gentleman will pardon me, I really think there could not be a better minority appointment in this House in a matter of this sort, which will necessarily take very much of the time of members of the committee, than the gentleman from Ohio himself. I think it would be a rare, good appointment if he were put on this committee and allowed to serve in the next Congress. [Applause.]

Mr. GARD. I am very glad to have the commendation of the gentleman from Illinois, but the "gentleman from Ohio" will retire from most pleasant associations in this House very reluctantly, but voluntarily—that I intend to practice law and desire no appointment. But what I am trying to do is to get language that may express my idea, and language that is concurred in by the gentleman from Nebraska, to have this committee composed of live and living Members of this Congress and Congresses during which it shall serve. Therefore, I shall offer an amendment, possibly not in the language I originally referred to, since I realize that it contains certain elements which are subject to the objection to which the gentleman from Nebraska calls my attention, and to which the gentleman from Illinois [Mr. MANN] has likewise called attention.

Leaving that, which is a matter——

Mr. DENISON. Will the gentleman yield before he leaves that subject?

Mr. GARD. Yes.

Mr. DENISON. Of course, so far as this resolution is concerned, if it should be given that construction, a person who served on the committee and whose term would expire would receive no compensation, would he?

Mr. GARD. Well, it is indefinite. He would receive no compensation under the resolution as it now exists, but he should receive compensation, and possibly would receive compensation if an appropriation were made later for him.

Mr. DENISON. You mean that Congress could do it later on?

Mr. GARD. Yes. I mean if the committee were constituted and if a man were on the committee now who was not continuing as a Member of the next Congress, he could be compensated.

Mr. DENISON. But with the spirit of the Congress, which now seems to be emphasized to such an extent, does the gentleman think anyone would take the serious chance of going ahead and serving, in the hope that he at a later date would be compensated?

Mr. GARD. I do not think so myself, but I want to be sure about it, because, as I say, I do not view the country as growing toward the creation of more paid commissions. I think we have plenty of commissions. And the idea of this bill, as expressed by the gentleman from Nebraska, I concur in, that there are among the Members connected with this House persons who can render a very signal service upon this committee. But, of course, everybody must realize that if they do anything at all, there is a lot of hard work connected with this committee.

It is a big topic. The question of the reorganization of the administrative branch of the Government is a very large and comprehensive question, and while we are discussing it in the light of great prospective savings the committee will find that the discussion is much easier than any actuality may be. I am led to remember a matter of which certain gentlemen have spoken concerning the great savings that would be had after this committee has made its report, in which reference has been made to the statement of the late Senator Aldrich, of Rhode Island, in which he said there could be a saving of $300,000,000 a year, while the statement is made by the gentleman from Nebraska [Mr. REAVIS] that the present savings would be $500,000,000. These are very large figures, but we have grown accustomed to large figures in our era of large appropriations. But I question very much whether these reductions will be the reductions finally arrived at.

The gentleman from Ohio [Mr. FESS] said a moment ago that the act of yesterday would practically demobilize the war machinery of the Government and render unnecessary many bureaus, many commissions, many departments, and also render unnecessary the employment of many men and women. This is another thing in which the immediate future will probably give better voice than the gentleman from Ohio, because I likewise have observed, even after the activities of war-time Washington in the last two years, since the signing of the armistice there have been reports here and there that a certain great number of employees were to be laid off; reports here and there that a great number in this or that bureau were to be dismissed; whereas if they have been dismissed they have got into another bureau by the simple process of somebody who has charge of that other bureau desiring to assimilate those who are leaving the first bureaus. So that I question whether there has been any substantial reduction.

Somebody, I believe, said the other day that there had been a reduction of 2,000 in the personnel of the clerks about here, but I question whether there has been any substantial reduction in the employments within the District of Columbia.

This resolution, too, must be considered in the light of what the House has done and in the light of what may occur under what we have done. Everyone will join in the hope that a Government economy may be made. It is not a partisan matter. It is a matter in which all persons who believe in the good of their Government are interested. They are interested patriotically and they are interested selfishly, since the matter of the payment of heavy Federal taxes is brought home to-day to every one of us. However, we did pass in this House a law concerning what was supposed to be an honest effort to reduce departments, to correlate departments, to get certain divisions doing the same kind of work together, so that expenses might be reduced in operation and in personnel, and we passed the so-called budget bill, in which—and I read section 209 of title 2—reference is made to the budget bureau, of which there is a director, and subsequent reference is made to the general accounting office, and it is provided that—

> The bureau shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes (with a view of securing greater economy and efficiency in the conduct of the public service) should be made in (1) the existing organization, activities, and methods of business of such departments or establishments, (2) the appropriations therefor, (3) the assignment of particular activities to particular services, or (4) the regrouping of services. The results of such study shall be embodied in a report or reports to the President, who may transmit to Congress such report or reports or any part thereof with his recommendations on the matters covered thereby.

Clearly the intent of this, which is a part of the budget bill which the House has acted upon favorably, is to do precisely what the gentleman from Nebraska [Mr. REAVIS] has in mind. The distinction between them, he says, is that the budget is a bureau or a commission without legislative status, whereas this is a committee with legislative status. But I submit that that is rather begging the question, except upon the most technical of grounds, for, after all, the Members of the House will be guided both from the budget and from this committee, if this committee is created, by what they report, and the mere fact that persons on this committee have entrance to the floor and the privilege of speech and debate here is but a technicality in its favor.

Mr. FAIRFIELD. Mr. Chairman, will the gentleman yield?

Mr. GARD. In a moment. I think the entire situation intended, and frankly and honestly intended, to be accomplished by that which we passed in the budget and that of which the gentleman from Nebraska is the proponent to-day is the same.

Now, I yield to the gentleman from Indiana.

Mr. FAIRFIELD. In relation to what the gentleman has just stated about the difference in the status of one outside this body and one within, I will ask the gentleman whether he thinks the report of the congressional Commission on Reclassification of Salaries, which reported on March 12, 1920, is allowed to lie idle because of the fact that the men who were on that commission are not now Members of this House, neither have they been Members of the House during the time they were acting as members of the commission, and therefore they have no opportunity to urge their findings upon this body? Here is a report of over 800 pages by a special commission ap-

pointed in March of 1919, appointed by the then Speaker of the House, Mr. CLARK, and the report filed in March, 1920, and nothing done.

Mr. GARD. I should say that that is not the fault of the gentlemen who are on this Commission for the Reclassification of Salaries.

Mr. FAIRFIELD. Not at all.

Mr. GARD. Nor do I think it to be caused by the fact that they were not Members of the Sixty-sixth Congress. They were Members at the time they were appointed. They continued as members of the commission after they retired from the House. What the House then esteemed to be a small amount of work, since there were supposed to be very many utilities in the District of Columbia to give them information, developed into a very large bit of machinery, and there was extended investigation through this commission here in the District of Columbia, lasting for some 18 months, at least, I believe; I know they secured one extension. Nevertheless they made a very excellent and comprehensive investigation. It is embodied in the voluminous report which the gentleman has in his hand, and I suspect—and I say it not in criticism of the Members of the House—that there are very few Members of the House today who have read the report of the Commission on Reclassification. But I do not view the fact that these men are not Members of the House now to be responsible for that report not being now considered. These men did a very large work. They had plenty of assistance, and the members appointed by the Senate and those appointed by the House personally did a very large work.

So far as I know, all three of the senatorial members on that commission are still Members of the Senate of the United States and no effort has been made to bring it up over there, for what reason I do not know. But I do give credit to these men for having made a very comprehensive report, and that is the point I am trying to make, that no matter what seems to have been done, no matter what effort is made by commissions great or small, when a report is made by a commission it lies dormant. Nobody reads it except possibly a few very selfishly interested people, and comparatively little attention is paid to it.

Mr. FAIRFIELD. I agree with the gentleman that I think the report is not only very comprehensive but I think very valuable. I think the commission did its work effectively. I was surprised at the character and comprehensiveness of the report when I read it in part, and on inquiry I found that they had employed experts practically to do the effective clerical work. Will not that be necessary with any commission?

Mr. GARD. Absolutely. I will say that I am in entire agreement with the gentleman. Whether or not I agree with the findings and conclusions of the Committee on the Reclassification of Salaries of the District of Columbia, I do agree with the gentleman that they did a very excellent and valuable work in the matter of investigation and report. But, as the gentleman says, necessarily it was made in great part by persons who were employed by the committee. It would be the same with this committee. If you appoint three Members of the House here, it will be necessary to have actively associated with them—and the resolution calls for that—persons who can be of assistance to them, because if a man is going to be an active Member of this House and represent the country and his constituents it will be a physical impossibility for him in the face of the two years which this bill calls for in recognition of the great things which are to come before the next Congress—it will be a matter of physical impossibility for him to do both of these great tasks. In other words, necessarily it will have to be done by expert assistants, as the report on reclassification was done; and that is what is meant by the resolution where it says:

> The committee is authorized to employ such assistance as it may require, at such compensation as the committee may determine to be just and reasonable, and to make such reasonable expenditures as may be necessary for the proper conduct of its work.

That is embodied in the resolution because it will be useless to create a committee and then tie its hands. If this committee is created and can not have efficiency experts, persons who can investigate, as the Reclassification Commission had persons who could investigate, then the thing will be entirely a matter of the individual opinion of the membership of the committee, and I do not believe its members will have sufficient time to give the attention they would like to give to the very great number of things made necessary by this resolution.

Mr. FAIRFIELD. If the gentleman will permit me further——

Mr. GARD. Certainly.

Mr. FAIRFIELD. I will say that I also read section 9 of the budget bill, and while the discussion of the rule was going on this morning I was very much surprised to hear the statement that in no sense is this committee a duplication. It may be that I have not clearly in mind the meaning of section 9 which the gentleman has just read, but as I understand it that would be clearly a duplication of the work of this committee, and that committee is made an alternative upon the Budget Committee as a part of its duties.

Mr. GARD. It seems to me, with all deference to those who have spoken on the matter, that if it be not a duplication expressed in language it is a duplication in intent, because I am sure when we passed the so-called budget bill, containing section 209, which I have read, it was the idea that those who had charge of this bureau of the budget that they should do just what this language says, and that is that they should inquire into the different organizations and activities, with a view to learning whether their services could be put in any other form, or whether there could be such conclusion as a regrouping of services.

Now, I am glad to see here the gentleman from Ohio [Mr. FESS], because he spoke somewhat of that. The intent clearly in section 209 is the same legislative intent expressed as in Senate joint resolution 191, because when we consider Senate joint resolution 191, it has no further desire to express itself for the governmental benefit than that which is expressed in section 209 of the budget bill; and I am principally concerned, I believe, in the fact that not alone is there a duplication of intent but a positive duplication of facts, and that duplication of facts may be embarrassing to those who are in the Congress of the United States who desire guidance, because with the presence of the director of the bureau created in the so-called budget bill, and with the action of the general accounting office also created in that bill—with these two elements in operation, seeking exactly all of the things which are intended to be covered by Senate joint resolution 191, then we will have two systems of reports. We necessarily will have a system of reports from the bureau of the budget, since the very idea of the budget is not alone to see how much money is to be spent but by whom it is spent, and whether the departments that spend it are necessary or are unnecessary; in other words, whether there can be a regrouping of services. That is precisely what is intended to be established in Senate joint resolution 191.

If there be anything additional which is for the benefit of the country, I certainly would be glad to be advised of it, but so far I have not been, except that the gentleman from Ohio [Mr. FESS] and the gentleman from Nebraska [Mr. REAVIS] stated that there is legislative expression on this so-called committee. They differentiate between a commission such as has been created, or a budget, which is in effect a commission, and a committee which is supposed to be composed of persons having a voice in this House. I do not, for one, agree that the mere fact that one has the privilege of entrance and debate on this floor to be paramount to that there should be a conclusion of the budget law and a substitution of this joint committee on reorganization.

While I do not desire to stand in opposition to this measure if the Members of the House desire to pass it—and I realize that the honest sentiment of the House and of the country as well is in favor of economy—I do desire to call attention to the things to which I have called attention, and to make sure of the matter I spoke of on page 1, that this is a live committee of the Congress. Second, I wish to call attention at least—since that is about as much as one can do—to call attention to the fact that there is a clear duplication of intent in paragraph 209 of the budget law and Senate joint resolution 191. It was my purpose to call attention to this in order that those who may have better information than I may enlighten the committee of the House.

Mr. CLARK of Missouri. Will the gentleman yield for a question?

Mr. GARD. I will.

Mr. CLARK of Missouri. Does not the gentleman from Ohio think that the three Members of the House on this committee, if they are live Members, would have their whole time taken up with this task?

Mr. GARD. I do.

Mr. CLARK of Missouri. When the committee on reclassification was appointed I deliberately appointed three men who were going out of Congress, because I believed that the work would take their whole time for two years at least, and that is exactly what happened. I was criticized for it, but I do not care anything about that.

Mr. GARD. The judgment of the gentleman from Missouri was entirely correct. He had had large experience and he knew at the time the appointments were made that the commission would develop into what it did develop—a large investigating

body to which some of the men would have to give their whole time and attention. It developed that it extended 18 months beyond the time it was created.

Mr. CLARK of Missouri. The gentleman, I think, has overstated that. They were to report, according to my recollection, on the 1st of January, 1920, but they had not finished the investigation at that time and the House continued their activities until the 20th of March.

Mr. GARD. I do not recall the time they did serve, but they did a very good work.

Mr. CLARK of Missouri. These men that are going to be appointed on the committee now, if Members of the next House, will not be able to sit on the floor of the House on an average of two hours a day during the whole two years.

Mr. GARD. The work will have to be done by expert assistants, which the committee is authorized to employ, and, of course, that will create, as the country must know, the necessity of expending a great deal of money. I shall not be here, but were I here I should not object to that because if we create a committee we ought not to hamper it. If you have a committee, give it every facility to do the work. What I call attention to is I seriously question, under the authority we have already conferred in the House and the budget law, the wisdom of what I know will be a great public expense.

Mr. CLARK of Missouri. Is not that exactly what the budget was created for?

Mr. GARD. I so understood it.

Mr. BLANTON. Will the gentleman yield?

Mr. GARD. I will.

Mr. BLANTON. I want to call the gentleman's attention to the fact that if one member of the reclassification committee, the Member from Colorado, had devoted half as much time to the investigation of his commission as he did to making vicious personal attacks on Members of the House and Members of the Senate, both Democrats and Republicans, probably this 800-page report could have been reduced to 200 pages and could probably have been brought in 12 months sooner.

Mr. GARD. I do not agree with the gentleman from Texas. I am frank to say that I have made study of the report and I have some knowledge and observation, having looked into the matter from time to time to see what the commission was doing, and in my opinion no person on the commission rendered a higher or better degree of service, if as high, as the gentleman from Colorado, Mr. KEATING, to whom the gentleman from Texas refers. Mr. Chairman, I reserve the balance of my time.

The CHAIRMAN. The gentleman has used 40 minutes.

Mr. REAVIS. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. DENISON].

Mr. DENISON. Mr. Chairman, I am in favor of the resolution, but I think the discussion has disclosed that an amendment should be made. I think this committee will have more to do than three men of the House or three men of the Senate can do. I think the committee ought to consist of at least five Members of the House and five Members of the Senate, so that the committee can subdivide its work and each subdivision could carry on an investigation at the same time. Otherwise I think it will place too much work on the three members who are chosen. I intend to offer that as an amendment when we get to that point, unless the gentleman from Nebraska thinks it would endanger the passage of the resolution. I do not see why it should do so for I think the conferees could soon agree on that.

I do not think there is anything more important than to proceed along this line and appoint this committee for the purpose mentioned. Everyone who has served here very long must have observed the necessity of some sort of reform in the administration of the Government. Not only do Members of Congress become aware of this situation, but the people back home know, of are beginning to realize, that there is needed a reform along these lines. I was surprised during the recent campaign, when I had an opportunity to come in contact with the people, to find so many who are aware of the fact that our Government has become too expensive and that it takes too long and too much money to do what is to be done by the Government.

Mr. CONNALLY. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. CONNALLY. Is it the purpose at this time to prevent duplications and reduce expenses?

Mr. DENISON. Yes.

Mr. CONNALLY. Does the gentleman think a very good way to prevent duplication is by creating more duplication in the way of duplicating the efforts of the budget and adding a lot more employees to the pay roll?

Mr. DENISON. I do not think it will have that effect. I think it will aid and expedite the work instead of duplicating it. I think also it is a very wise provision of the resolution that the committee is authorized from time to time to make reports to Congress and make recommendations for legislation. I do not think that it is going to be practical for this committee to make a complete investigation and then come in and make one big report and expect reforms that are to grow out of it to all be accomplished and realized at one time. If I understand the proposition, the matter will be treated logically by subjects, and the committee will proceed to make investigations along certain lines, upon certain subjects, to complete its investigations on that particular subject, and when it does so make a report to Congress. For instance, there should be a complete investigation of the subject of public works, to what extent there is duplication in that work. Then the subject of the public health is another matter that should receive the same treatment, and that subject should be exhausted and a report made to Congress with recommendations as soon as possible. I think we will get more practical results if the committee investigates along the line of subjects and completes its investigation of the particular subjects and then makes reports upon those particular subjects, with their recommendations.

Mr. CARTER. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. CARTER. Does not the gentleman think that the committee will find in looking up these duplications that necessarily it can not pursue an activity of the Government, but that these duplications will be so interwoven that the committee will have to take them all up at once. According to the gentleman from Kansas [Mr. CAMPBELL], we have from 41 to 46 different branches of the public health. There is one in the Indian Bureau. When the committee begins to investigate in the Indian Bureau the matter of public health, it will find that it is interwoven with the subject of Indian schools and other matters. I do not see how the investigation can be made on one subject. Necessarily the committee will have to carry the whole thing along together.

Mr. DENISON. I think the committee can summon representatives of the different departments of the Government before it and ascertain what bureaus and departments have public-health activities now under their control, and make a complete and exhaustive investigation of that subject, and then digest its investigation and make a concise, complete, comprehensive report to the Congress. Along that line permit me to say that in October of last year, 1919, I introduced a resolution in the House, and a similar resolution was also introduced in the Senate, providing for the appointment of a joint committee of the House and the Senate to do that very thing, to make a comprehensive investigation of the public-health activities of the Government and make a report to Congress of the results of its investigation. That resolution was introduced in the Senate by Senator FRANCE and was passed by the Senate. The matter went before the Committee on Rules of this House, and in the closing days of the last session it was passed over.

Mr. CARTER. It was lost in the shuffle.

Mr. DENISON. It was lost in the shuffle. My purpose in introducing that resolution was to begin this work by taking it up a subject at a time. The Smoot resolution was afterwards introduced at the other end of the Capitol and this resolution in the House. This resolution covers the same matter as my own, but also covers the other branches of the Government. In the judgment of the committee on this side of the House, it was thought that we should go ahead and act on the general, more comprehensive, resolution, and while investigating for the purpose of efficiency and economy in government to cover the whole subject.

It is true that nearly every department of the Government is carrying on activities connected with the public-health service. The Public Health Bureau itself is under the Treasury Department. It is interesting to study the history of the Public Health Service and learn how it developed into what it is to-day.

It grew originally out of the old Marine Hospital Service, which, of course, was under the Treasury Department. From the old Marine Hospital Service has developed what is now the Bureau of Public Health under the Treasury Department. Yet the Department of Agriculture is carrying on public health activities; the Bureau of Chemistry has supervision over the pure food and drugs act. The Department of Labor is carrying on very important public health activities through the Children's Bureau, and there are bills now pending in Congress calling for aggregate appropriations of about $250,000,000 for the creation of bureaus and departments and divisions and public health activities of all kinds—40 or 50 different bills, along the lines of the Public Health Service, creating new activities and

extending those that already exist, not only overlapping and duplicating each other but encroaching upon legitimate State health activities and duplicating present existing State health activities.

Mr. SEARS. Mr. Chairman, will the gentleman yield?

Mr. DENISON. Yes.

Mr. SEARS. The gentleman, I think, is correct when he says that the people back home are getting tired of these delays. Why should the committee wait until it has finally completed its work? Why not investigate one department and then make a report. It should not take two years.

Mr. DENISON. I think it should do that.

Mr. SEARS. Report immediately.

Mr. DENISON. That is what the resolution provides. I think that should be so. Our Government has for a long time been top-heavy and it is costing too much money to run the Government. We have too many employees here. If this investigation results in lessening the number of employees and economizing to a considerable extent, it will have accomplished a great deal.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. REAVIS. Mr. Chairman, I yield 10 minutes to the gentleman from Nebraska [Mr. ANDREWS].

Mr. ANDREWS of Nebraska. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ANDREWS of Nebraska. Mr. Chairman and gentlemen of the committee, there are three lines of activities suggested in the debate to which we may call attention as we review the purposes of the resolution and the objects to be accomplished. First, the budget. I was very glad, indeed, to hear the gentleman from Ohio [Mr. FESS] express himself as he did with reference to the budget legislation. The amendment that is added to the bill that passed the House in the closing hours of the last session I think destroyed the major benefit that the bill would accomplish, viz, an independent audit. Without an independent audit the remainder of the bill and the purposes covered by it would be very largely weakened. The good results would be very largely reduced. I should regret very much to see the law enacted in such form as to leave the executive branch of the Government practically the auditor of its own accounts. The bill as originally passed safeguarded that provision fully.

The mode of appointment by the President and the power of removal left in the Congress destroyed all political power and removed every temptation with reference to appointment or removal. The Congress could have no inducement to make a removal in the hope of being able to make an appointment, because, under the law, the appointment was left with the President. If the President retains the power of removal you will have a wavering of the officers of the accounting system to the administrative authority and will. I could bring you to-day a number of examples, cite numerous instances where injury has followed in that particular, and I could cite one transaction involving $106,000,000. I can not follow the details of that proposition at this point. I would like to see the bill pass as it stood in its original form, making an independent audit, as I regard it the chief feature of the system. It has been suggested that the budget bill carries in section 209 certain provisions which would create a duplication of work. Not necessarily. I believe that the two bills can work together for expedition and thoroughness. I believe that the committee contemplated by the resolution now under consideration would hasten this work, would bring it out in much more efficient form. We might spend the hours here in noting instances from the administrative side of the Government wherein a legislative committee could have a power that members or officers of the budget offices would not possess. Some of you have told us in debate that a large amount of work will be required here. So there will, and it will be drudgery; it will be the hardest kind of work, and many questions will be raised that can not and will not be settled at the outset with the entire satisfaction of members of the committee, but they can go a long distance toward correcting the difficulties. Now, if a large amount of work would be imposed upon the committee appointed under this resolution a large amount of extra work would be laid upon the officers and clerks in the accounting departments of the Government, and therefore take more of their time. You would be required to furnish to them all the skilled assistants that you furnish for this committee.

Now, if they are supposed to have all the work they can do as accounting officers and clerks, how are you going to have this work done along with the work that regularly belongs to them? It can not be done, so that eliminates, I think, the suggestion of duplication. Moreover, a legislative committee calling to its assistance experts trained will be able to go into these questions more thoroughly than any committee from the administrative branch of the service will do. Some time ago, while I was in the Treasury Department, I took occasion to run over various reports that had been submitted by the committees on reorganization in the department, legislative committees, and so forth. I found that the most effective work that was done by any of the committees was a legislative committee supplied with trained service from the outside and bringing to its aid the services within the department. You would fail of this undertaking if you should rely entirely upon people from the outside of the Government service. Why? They have little knowledge of the laws of the Government under which these customs grew up and this business is being transacted. They will proceed as an accountant in a business house. Regardless of law they follow the method of accounting that they have learned outside the laws of the Government. When they come in contact with the law they may prescribe a form that will have to be set aside because of the provisions of the law. Right there is where you can call to your assistance as members of this legislative committee the comptroller general and the assistant comptroller general, and submit to them the question as to the existence of laws upon these various points and the bearing that specific statutes will have upon the methods proposed. With the accounting skill from the outside and the knowledge and skill within the department and the knowledge and practical service of the legislative committee you can cover all phases of this business. You can avoid duplication, you can cover all essential features of the proposition, and reach a conclusion that will be worth retaining and incorporating into law. There is one point where economies can be realized over and beyond this manner of avoiding duplication, and I am not sure that it furnishes the largest field for the reduction of expenses in the conduct of public business. It is the trained clerical force within the various offices of the departments. You can not overestimate that proposition.

I wish I had time to take up the details one by one in their line leading up to the point I have suggested. Only one brief citation. I remember very distinctly as I passed through my office one day I found a clerk who was reading over the fine print of a standard form of voucher. It was a waste of the young man's time. I went along, visited others, and came back to my desk, and I sent for that young man, and I asked him how much time he ordinarily spent in reading these printed standard forms. Well, he told me. I asked him how many vouchers he was accustomed to pass each day. He told me. "Well," I said, "these forms are standard. There are items 1, 2, 3, and 4 to be verified and checked. That is your business. The form is fixed in standard print. You settle the question as to whether there is an appropriation: First, has it been legally authorized; second, have the computations been made correctly, have the contracts been properly observed, and the voucher properly signed. Take these central items, check them off one by one. Now," I said, "you go back to your desk and to-morrow you follow that line, and the next day come in and tell me what you have done." To his surprise he found that he had more than doubled his work. The next day he came back and told me again about his progress.

Within a short time we had largely increased his commercial value as a clerk. With the aid of the trained service of clerks who had already learned the business, the educating and pruning process was continued with every new clerk that came into the service.

After nearly 18 years of mutual cooperation along these lines the office was able to handle the largely increased volume of business with the same number of clerks and employees—100—that were on the roll at the beginnnig. The work was more than doubled in efficiency and quantity.

It is grossly erroneous to assume that clerks chosen through the Civil Service Commission have any special merit for the discharge of official duties. The head of an office or bureau secures new clerks upon certification from the Civil Service Commission just as boys used to trade jackknives: "Unsight, unseen; no blade, no trade." In this instance, however, the officer is usually compelled to keep the clerk whether he has a damascus blade or not. A certain amount of service must be furnished as an educating force in the various offices of a department to train those who are coming from time to time into the service of the Government. Vast reductions in the public expenses can be realized in this way. These statements suggest the fact that there is an important place for a bureau of efficiency.

AN INDEPENDENT AUDIT.

With an independent accounting system at command, the House committees on expenditures in the various departments can secure and tabulate an extensive fund of valuable informa-

tion that would be exceedingly helpful in the solution of the problems to be assigned to the proposed legislative committee. With the aid of an independent accounting system the House committees on expenditures in the various departments may become something more than mere ornaments.

The rules of the House outline a very important field for practical economy through the intelligent activities of such committees. These committees, through the aid of the officers and clerks in an independent accounting system, can prune the expenditures of every department of the Government so that all expenditures for duplicated service can be listed from the vouchers on which such payments are made. With the aid of such references the legislative committee could locate all such duplications, measure their scope, and ascertain the nature and, perchance, the reasons out of which such duplications originate.

Thus it will be observed that this legislative committee could utilize the knowledge and services, first, of an independent accounting system; and, second, the findings of the House committees on expenditures in the various departments; each can supplement the work of the others, and by means of such helpful cooperation they can undoubtedly render very helpful service in the line of practical economy.

The CHAIRMAN. The Clerk will read the resolution for amendment.

Mr. REAVIS. But all time has not expired.

The CHAIRMAN. The gentleman had 20 minutes.

Mr. REAVIS. Has the gentleman from Ohio any further speeches?

Mr. GARD. Yes; I have some Members who desire to speak briefly. I yield 10 minutes to the gentleman from Oklahoma [Mr. McKEOWN].

Mr. McKEOWN. Mr. Chairman and gentlemen, I do not want to delay the passage of this resolution. I think this proposition is a step forward in the way of furnishing an economical administration of the Government. The one thing that has attracted the attention of men who are interested in governmental affairs is the continuous increase of governmental functions by the National Government. In the past few years there has been a tendency to increase the functions of our National Government, and there are in the Nation many people who are contending that all the things that are to be done in the way of government should be done by the National Government. People for the last decade have been drifting to the idea that all of their needs and all of their wants can be supplied by the National Congress. That in a measure, in my judgment, has tended to increase these departments and the number of clerks in the departments, and therefore a gradual increase in their activities. An economical spirit never has prevailed in the Congress and in the departments at the same time. The heads of these departments do not suggest economical measures and retrenchments, because they have a pride in trying to extend the activities of their departments in order to become more popular and necessary to the people of the country.

For you to commence a policy of retrenching the activities of the National Government, the people of the United States must understand for once that the Government of the United States is not made to support the people, but that the people of the United States must support their own Government, then they would have some idea of the difficulties of the Congress of the United States. But we gentlemen, in order to be elected to office, are tempted sometimes to tell what wonderful things the Government ought to do for the people of the United States, without telling them some of the things they ought to do for the Government itself. If you appropriate money for the erection of a building, and that building should cost you $20,000 more than it ought to cost, you have lost $20,000, but you still have the building, but when you pay $20,000 in salaries to clerks that you do not need you have nothing left. Your money is thrown away. It may just as well be cast into the fire. When you pay money for rent for quarters for departments that are not needed you are throwing your money away. And if this measure will do nothing more than call the attention of the Congress to the many duplications that are going on in the departments, it will give you some idea as to the necessary legislation in order to make the departments function properly and not deprive the people of the United States of the services of the Government.

Mr. REAVIS. Will the gentleman yield?

Mr. McKEOWN. I will.

Mr. REAVIS. In connection with what the gentleman stated, I wondered if he would be good enough to let me put in here the statement that when this war began we had something more than 300,000 department employees, and that to-day we have nearly 800,000?

Mr. McKEOWN. The trouble with that is this, that the departmental clerk who is promoted to where he has 100 clerks under him instead of 5 or 6 clerks, is loath to give up his place and return to the 4 or 5 clerks he had under him before the war.

Mr. REAVIS. I wish to say that I make that statement in no spirit of criticism against the department heads, but merely to show the necessity for some legislation at this time.

Mr. McKEOWN. I am not undertaking to unduly criticize the departments. They had to perform this service. The war brought on work that had to be performed. The thing I am complaining about is that Congress and the departments had not at the same time reached the same conclusion as to the manner of saving money. Now, gentlemen, that is not only true of the National Government, but it is true of our State governments. A governor of a State will be elected upon a platform of economy, and yet his legislature will run away with itself when it comes to appropriating money.

Under the extravagance that has been indulged in by our people during the times we were so prosperous the people did not feel the heavy burden of taxation as they do now, and it is time to begin to retrench the appropriations of the Congress.

Mr. LAYTON. If the gentleman will permit an interruption, does he not think that after all the basic trouble is in Congress itself in establishing what is very evidently a bureaucracy in the United States instead of a democracy?

Mr. McKEOWN. I want to say to the gentleman that the Congress can not escape its responsibility, but it is not all of the Government. The Congress is only a branch of the Government, and there must be a coordination or there must be cowork with the other departments, and you can not have efficient administration of this Government or an economical administration unless the administrative department acts in accord with the congressional department in trying to save the money of the country. And I want to say that we are not to go into an absolute, blind method of chopping off appropriations. A great many functions of this Government must go on or the people of the country will suffer. The people of the United States are entitled to the very best that this Government can afford them, and at the same time be the most economically administered possible. You can not administer a national government or a state government upon the same principles as a private corporation, and when men say you are going to administer it like you administer private affairs, they are mistaken, because necessarily a national government or a state government can not be operated upon the same means and measures as a private individual. You can take the department down here, and you will find men who are working hard to perform their duties, and you will find others who are loafing on the job. It is true not only in the departments but it is true to-day in many of the industries of the United States—a spirit that has grown out of this war somehow or somewhere. And, gentlemen, you may have your budget system, you may put all your appropriations in one committee, if you want to, but you will never have economical government by that means alone. You have to quit spending so much money before we can have economy, and the mere means by which you appropriate money will not of itself be an economical administration. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. REAVIS. Mr. Chairman, I yield five minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman, I had first thought I welcomed this resolution. I sent for the bill creating the budget, read section 209, and wondered whether this resolution was not for duplication. I have listened very attentively to the discussions that have taken place. I remembered there was great promise from the reclassification of salaries in the District of Columbia, that a year was spent by a commission, a voluminous report made, and that many Members of the House are ignorant yet, not only as to the contents of the report, but as to whether any report has been made. I have been impressed very much by the fact that the men who have served here long years do not think that suddenly or by any specific method we shall be able to transform the Government of the United States into an efficient business organization such as is carried on by the great corporations of the country. However, I believe that, if ever, most of us need to exercise that rare and yet highest quality of the human mind—the quality of discrimination. Already in the debate there has been an attempt to prejudice a bill that is coming with regard to the Patent Office. It will not do for men to say that there shall be no increases in anything; that adequate appropriations will not be made for those things that are absolutely essential to the wise conduct of the Government.

A little further thought led me to the conclusion that a live committee, given the power which we seek to give this committee, and under the conditions that now confront the Government, with a pressure from the public and with the pressure in this House toward economy and reorganization, might become a very effective agent in securing the things that we desire. One is compelled to believe that no agency of government can be as efficiently carried on as a private business.

The country was startled by the assertion a few years ago that the expenses of Government could be reduced by at least $300,000,000. The statement has been made to-day that they could be reduced by $500,000,000. But in the very nature of things the governmental conduct of affairs is necessarily expensive. I have no Utopian ideas, and yet it does seem that the hundred thousand men and women in the District of Columbia in the various departments of the Government not only might be but ought to be quickly reduced.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. REAVIS. Mr. Chairman, I will ask the gentleman from Ohio to take some of his time. There will be but one further speech on this side.

Mr. GARD. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. CONNALLY].

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. CONNALLY. Mr. Chairman and gentlemen of the committee, I was very glad indeed to hear the gentleman from Indiana [Mr. FAIRFIELD] so frankly and freely express himself along the line of thought that this resolution will perhaps provide a duplication of effort to at least some of the activities of the budget plan. I am also glad to agree with the gentleman from Indiana in the theory that we must not indulge in too many Utopian dreams or in the idea that we ever succeed in conducting the Government of the United States as a private corporation would conduct its business, with the same efficiency and the same economy. No government on earth except an absolute autocracy will ever be able to conduct its affairs as efficiently and as economically as a private corporation. It is impracticable and unwise to vest in minor officials that discretion and that large authority which business men and captains of industry are able to exercise in the conduct of their own private affairs.

I want to call the attention of the committee to the fact that the scope of this resolution is almost a duplicate of section 209 of the budget bill. It is provided in section 209 that the budget bureau—

> Shall make a detailed study of the departments and establishments for the purpose of enabling the President to determine what changes (with a view of securing greater economy and efficiency in the conduct of the public service) should be made in (1) the existing organization, activities, and methods of business of such departments or establishments; (2) the appropriations therefor; (3) the assignment of particular activities to particular services; or (4) the regrouping of services.

If gentlemen will consult section 2 of the present resolution they will find that in at least one instance the identical language contained in section 209 appears in section 2 of this resolution. I expect to vote for this resolution, but I wonder if the signs and symptoms which we have seen indicated here to-day do not forecast a lessening of the zeal of some Members of this House for the budget plan?

Now, if this resolution in fact provides for the duplication of a part of the budget plan it would seem to illustrate the evil which it is sought to destroy; and yet from expressions which we have heard from prominent gentlemen on the majority side of this House I wonder if it is in the minds of some of them that, on account of the pressure from chairmen of important committees who feel that the importance and power of their committees are to be lessened under the budget plan and a single appropriations committee, and under the pressure of members of those important committees, they are going to lose some of their zeal for the budget plan and may find in the adoption of this resolution justification for abandonment of the budget.

I hope not. I hope the budget plan will be adhered to. I happen to be a member of an appropriating committee, but notwithstanding that fact I was glad to vote for the budget, and I hope that the budget plan will be adopted and put into force. But it would not occasion surprise if these premonitory symptoms of weeping, these funereal signs, do not in fact forecast an early grave for the budget, which our friends on the majority side were so insistent in supporting a few months ago.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GARD. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLACK].

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. BLACK. Mr. Chairman, I intend to vote for this resolution, because I think it is a good policy for Congress to keep in touch with all sources and avenues of information as to departmental activities. I really think that we ought to keep in closer touch than we have done heretofore, because the responsibility of making these appropriations is ours. Therefore I voted for the budget plan and I shall vote for this resolution. Still, at the same time, it will not hurt for us to bear in mind that these Government activities which we propose to investigate and consolidate and coordinate these various bureaus that we hear criticized on the floor of the House from time to time, are not mushroom growths, but they exist by authority of law, laws which Congress itself has enacted. And many Members who indulge in criticism so freely voted for some of them.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. BLACK. In just one moment. I want to refer to a statement which occasioned the brief remarks that I now desire to make. The gentleman from Ohio [Mr. FESS] this afternoon, in a discussion of the rule to make this resolution in order, made some severe criticisms of the present administration for its extravagance and its failure to end certain war activities, and made severe criticism of the extravagant expenditures of different bureaus, and so on. Now, when I heard the gentleman's remarks I was forcibly reminded of the fact that at this moment quite a number of letters are on my desk asking me to support the Fess bill. The Fess bill, if adopted, will authorize an appropriation of several million dollars for the extension of the teaching of home economics. At the last session we had another Fess bill, at least the gentleman from Ohio was in charge of it on the floor of the House—the vocational industrial rehabilitation bill—which provides for certain Federal appropriations to be made and an increased bureau personnel here in Washington to administer the activities of the bureau, and it must be remembered that all of these new Federal activities cost money. If the question is asked why the expenses of the Federal Government are growing by leaps and bounds, there is the answer.

Mr. Chairman, only yesterday I received a resolution from a women's club in Texas asking me to support five different bills. I recall that among them was the Sheppard-Towner bill. I believe the Smith-Towner bill was another, which proposes to create a Federal department of education, with a Cabinet officer, and so on. And I know also that among the list was the Fess bill. And this good woman who sent me the resolution closed her letter by saying, "We do not want to get any letter back from you stating that you will give this your careful consideration and attention, but we want to know how you are going to vote on these bills." [Laughter.]

Mr. BLANTON. Mr. Chairman, will my colleague yield there?

Mr. BLACK. I yield.

Mr. BLANTON. Does not my colleague from Texas believe, concerning the Sheppard-Towner bill, that the Congress of the United States ought to do just as much for the good mothers and the little children as we have done for the cattle and the sheep and the hogs that we send to the slaughterhouse? [Applause.]

Mr. BLACK. I was not discussing the merits or demerits of any of these bills which I have just mentioned. It will be soon enough to do that when the bills come up in the House for legislative consideration. What I am now emphasizing is that there will not be brought about any economy in Federal expenditures as long as Congress continues to provide for new Federal activities. Indeed, there can not be. It occurs to me that the financial condition of the country is such that there must be the closest scrutiny of all these bills which involve additional expenditures of public money, and as one Member of Congress I intend to act in accordance with that belief.

The CHAIRMAN. The time of the gentleman from Texas has expired. All the time of the gentleman from Ohio [Mr. GARD] has expired.

Mr. REAVIS. Mr. Chairman, inasmuch as I think, without exception, all those who have spoken in the time allotted for opposition to the resolution have concluded with the statement that they favored and intend to vote for it, I will not take any further time. [Applause.]

The CHAIRMAN. The Clerk will read the joint resolution for amendment.

The Clerk read as follows:

Resolved, etc., That a joint committee is created, to be known as the joint committee on reorganization, which shall consist of three Members of the Senate, to be appointed by the President thereof, and three

Members of the House of Representatives, to be appointed by the Speaker thereof. Vacancies occurring in the membership of the committee shall be filled in the same manner as the original appointments.

Mr. GARD. Mr. Chairman, I desire to offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD: Page 1, line 7, after the word "thereof," strike out the period and insert a semicolon and the words "*Provided*, That if a member of such committee shall cease to be a Member of the Sixty-seventh Congress, he shall thereupon cease to be a member of said committee."

Mr. GARD. Mr. Chairman, this is the amendment concerning which I spoke during the time allotted to me during the debate preceding the reading of the bill. It has for its purpose that which the gentleman from Nebraska [Mr. REAVIS] says is his purpose, to insure that the membership of the committee shall be composed of Members of the House of Representatives, and in order that that may be sure during the life of the committee, as disclosed in section 3, I have incorporated the language which I submit in the amendment.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GARD. Yes; I yield to the gentleman from Illinois.

Mr. CHINDBLOM. Does not the gentleman think that when the resolution states that the committee shall consist of three Members of the House of Representatives, if any member of the committee ceases to be a Member of the House of Representatives he will thereby cease to be eligible to membership on the committee?

Mr. GARD. We had quite a long discussion on that when the gentleman was, perhaps inadvertently, detained from the House.

Mr. CHINDBLOM. I remember the discussion, but does not the gentleman think the language of the resolution is sufficiently explicit?

Mr. GARD. I do not.

Mr. MANN of Illinois. Mr. Chairman, it may be that the committee would have more influence in the Sixty-seventh Congress if it were composed of Members of that Congress. I think if I had my way about it I would appoint on this committee a Member of this House who has had long service in this body, and who is as well acquainted with the various departments of the Government and their history as anyone in the United States. I would name as the minority member of the committee that man beloved by every Member here, CHAMP CLARK, of Missouri. [Applause.]

Everyone knows that the members of this committee will not do most of the important work that the committee is designed to do. A Member of Congress has a lot of work to do, and so far as my observation goes does not have very much superfluous time to learn for himself about all of the different services of the Government. I suppose there must be in some way or other more than a thousand of the different governmental services, and to understand any one of them requires a great deal of time. In the main this committee will select experienced and expert men under it to give advice and information to its members, and then the committee, wisely composed as it will be, will submit its recommendations to Congress. But, as a rule, the committee members themselves will not know about these different branches of the governmental service. In the very nature of things they can not know a great deal. The purpose of this, as I understand it, is to try to coordinate the various branches of the governmental service, to eliminate where elimination is possible, to unify where unification is possible, to coordinate where unification is not possible and elimination is not desirable but coordination is practicable.

The Government service is an evolution at all times. It grows up just as the practice in the House of Representatives grows up. There is not a man on earth who can study the rules of the House of Representatives and get any idea of the procedure of the House if all he knows about the procedure is what he can find by reading the rules. It is a good deal so about the governmental services.

I would like to make this remark: Several gentlemen have stated here that Senator Aldrich at one time said or intimated that a reorganization of the governmental departments would save $300,000,000. Senator Aldrich never made that statement. What he intimated was that if he could run the Government he could save $300,000,000; and if he had had the opportunity to save the $300,000,000 the first thing he would have done would have been to cut off the large appropriations for the Army and the Navy. We can save a great deal more than $300,000,000 if we have got the nerve to do that. [Applause.]

Mr. CARAWAY. I want to be recognized in opposition to the pending amendment. I do not care to argue the merits of the resolution, though I am heartily glad it has come before the House and that it is going to be adopted. I am sure that millions and millions of dollars will be saved in the governmental expenses when this resolution shall have finally brought to the House the information which it is designed to elicit. But the amendment was to clarify the resolution so that no one except Members who are to continue in the House or the Senate shall be appointed. I think the resolution itself makes that absolutely certain that no other person could serve. It says:

That a joint committee is created, to be known as the joint committee on regorganization, which shall consist of three Members of the Senate to be appointed by the President thereof, and three Members of the House of Representatives to be appointed by the Speaker thereof.

Under that language some contend it would be a fulfillment of the requirements of this resolution if at the time of their appointment the members of the committee should be Members of their respective Houses, but that is not what the resolution says. It says, not that they shall be Members at the time when they shall be appointed, but that the committee shall consist of Members of the Senate and House of Representatives.

Mr. REAVIS. Will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. REAVIS. Membership in the House or Senate under this resolution constitutes the test of eligibility to this committee.

Mr. CARAWAY. Absolutely, because the committee would not consist of Representatives and Senators if the term of any member of the committee should expire or if for any reason he should cease to be a Member of his respective body. The committee must consist of Members of the House and Senate, not at the time when they shall be appointed, but the membership of the committee shall consist of three Representatives and three Senators. Therefore if for any reason anyone appointed upon this committee should cease to be a Member of his respective body, his eligibility would cease, and he would cease thereby to be a member of the committee. Therefore I hope the amendment will not be adopted.

The CHAIRMAN. The question is on the amendment of the gentleman from Ohio.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

SEC. 2. That it shall be the duty of the joint committee on reorganization to make a survey of the administrative services of the Government for the purpose of securing all pertinent facts concerning their powers and duties, their distribution among the several executive departments, and their overlapping and duplication of authority; also to determine what redistribution of activities should be made among the several services with a view to the proper correlation of the same, and what departmental regrouping of services should be made so that each executive department shall embrace only services having close working relation with each other and ministering directly to the primary purpose for which the same are maintained and operated, to the end that there shall be achieved the largest possible measure of efficiency and economy in the conduct of Government business.

Mr. FISHER. Mr. Chairman, I move to strike out the last word. A good deal has been said recently on the floor of the House about the reasons why the Secretary of War had caused to be enlisted a larger number of men in the Army than is provided for in the Army appropriation bill. It seems to me, in the spirit of fair play, that each Member of the House ought to have an opportunity to read his reasons why he thought it was his duty under his oath of office and under the law to enlist the number of men for the Army which he did, and therefore I ask unanimous consent to place in the RECORD a brief excerpt from his testimony before the Committee on Military Affairs.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

The excerpt is as follows:

Secretary BAKER. * * * The Army reorganization act, with which we are dealing at this time, Mr. Chairman, is an entirely different piece of legislation from any that we have ever hitherto had. I need not recall to the members of this committee the fact that that bill differs in every material regard from the recommendations of the War Department and of the Secretary of War. My recommendation was for a very much larger force than 280,000, but the Congress in its wisdom saw fit to fix a very much smaller force. But it adopted language and imposed, as it seems to me, upon the Secretary of War conditions of a kind that had never hitherto been imposed on any Secretary of War. If you will permit me, I would like to call attention to a few of the instances in which this law differs from any we have ever had before and seems to me to express a positive and definite mandate from the Congress to an executive officer.

Section 1 of this act says:

"That the Army of the United States shall consist of the Regular Army, the National Guard while in the service of the United States, and the Organized Reserve, including the Officers' Reserve Corps and the Enlisted Reserve Corps."

Section 2 says:

"The Regular Army of the United States"—then there is this mandatory language—"shall consist of the Infantry, the Cavalry, the Field Artillery, the Coast Artillery Corps, the Air Service, the Corps of Engineers, the Signal Corps, which shall be designated as the combatant arms or the line of the Army." I will discuss that a little further in just a moment.

Section 3 starts out as follows:

"The organized peace establishment, including the Regular Army," evidently as heretofore described, "the National Guard, and the Organized Reserves, shall include all of those divisions and military organizations necessary to form the basis for a complete and immediate mobilization for the national defense in the event of a national emergency declared by Congress."

If that means anything, it means that Congress has declared that the Regular Army as thus described, and which is developed in its detailed description later, shall be so organized and made up as to form a basis for a complete and immediate mobilization in the event of an emergency being declared by Congress.

As you go through this act and take up its later provisions you will find that Congress left no discretion to anybody as to what kind of an Army it wanted to have on hand in the event of there being a necessity for immediate mobilization. For the first time, so far as I know, in the history of military legislation Congress undertook to provide not only the exact strength of the corps of officers of the Army, but the exact strength of the several combatant arms. For instance, in section 12a the Chemical Warfare Service is treated in this language: "There is hereby created a Chemical Warfare Service. The Chemical Warfare Service shall consist of"—it is not may, but shall consist— "1 chief of the Chemical Warfare Service, with the rank of brigadier general; 100 officers in grades from colonel to second lieutenant, inclusive; and 1,200 enlisted men," a perfectly inelastic number.

In the next section, section 13, the same phrases are used, except as to its creation, in reference to the Signal Corps, which, of course, was a preexistent corps. But its personnel is stated in exact and inelastic phrases. It says that "the Signal Corps shall consist of 1 chief signal officer, with the rank of major general; 300 officers, in grades from colonel to second lieutenant, inclusive; and 5,000 enlisted men."

* * * * * * *

The act continues in a similar manner practically with all the combatant arms. The Air Service is dealt with in mandatory language and the number of enlisted men provided for is 16,000. The number provided for in the Infantry is 110,000 enlisted men, in the Cavalry 20,000 enlisted men, in the Field Artillery 37,000 enlisted men, and the aggregate of the enlisted men so provided for comes to about 280,000 men.

The CHAIRMAN. Now, Mr. Secretary, in the reorganization bill after the Spanish-American War, as I recall, the number of men required for a company was fixed in the law, and that was mandatory, too.

Secretary BAKER. Yes.

The CHAIRMAN. But the Presidents, the Commanders in Chief of the Army, never saw fit to fill all of the branches, even though the total number of men was provided for in the law.

Secretary BAKER. I am not familiar with that legislation or that history, but this seems to me to be the fact, and it is upon this theory that I have interpreted my duties under this act.

When we went into the World War the newspapers and the public discussion of the country were filled with criticisms of Congress and of the various administrations, without reference to their political affiliations, for the lack of preparedness on the part of the country. * * * It seemed to me that Congress, in the light of the experience of the country in the World War, had determined quite definitely and within limits fixed that that opportunity for reproach should not exist either upon the Congress or the Executive, and therefore it undertook to fix the definite size of the Army. They had in view the disturbed state of the world at that time; they had in view the international relations of the United States; they had in view undoubtedly the fact that the National Guard of the several States had been demobilized and discharged from the service of both the Federal and State Governments, and that the only military forces in the country organized were those which were there provided for. I could not treat that, and I can not treat it as a mere gesture on the part of Congress. The country was informed that Congress had appropriated for the Army stipulated in this act, and in mandatory language, and I can not treat that as a gesture, and then, if some emergency arises for such an Army, have somebody say that the Secretary of War did not do what Congress told him to do.

The Clerk read as follows:

SEC. 3. That the committee shall, from time to time, report to both the Senate and the House of Representatives the results of its inquiries, together with its recommendations, and shall prepare and submit bills or resolutions having for their purpose the coordination of Government functions and their most efficient and economical conduct, and the final report of said committee shall be submitted not later than the second Monday in December, 1922. The committee is authorized to employ such assistance as it may require, at such compensation as the committee may determine to be just and reasonable, and to make such reasonable expenditures as may be necessary for the proper conduct of its work, such expenditures to be paid in equal parts from the contingent funds of the House of Representatives and the Senate, as from time to time may be duly authorized by resolutions of those bodies.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Nebraska if it is the intention that this committee shall report a bill to go on the calendar for action by the House. It says "shall prepare and submit bills or resolutions having for their purpose," and so forth. Is it intended that they shall report a bill which shall go on the calendar?

Mr. REAVIS. The thought I had in mind and one I have now is that there are a number of bills that have been introduced looking to do away with the duplication, overlapping, and coordination of different activities of the Government. My thought was that the entire legislation should be submitted to that committee and that the committee have the power to report bills to the House.

Mr. MANN of Illinois. You can not provide by law what the rules of the House of Representatives shall be.

Mr. REAVIS. That is unquestionably true. The gentleman will see in the resolution that it provides that the committee shall make recommendations. These recommendations might be that the Committee on Rules should report a rule making such a bill in order.

Mr. MANN of Illinois. They could make a recommendation, but they could not report a bill to the House under this resolution. All they could do would be to submit a bill in their report.

Mr. REAVIS. I realize perfectly that the gentleman from Illinois is correct. The thought I had in mind and the purpose I would like to accomplish is that if this committee spends the time, which I think it will, in the consideration of these matters, it should submit to the House a bill seeking to do away with the useless matters and might recommend to the House that the Committee on Rules make in order some such bill.

Mr. MANN of Illinois. Whatever recommendation they made would be referred to the appropriate committee of the House.

Mr. REAVIS. There is no question about that, and there is nothing in the resolution that would change it.

Mr. MANN of Illinois. That is my view of it.

Mr. REAVIS. And there is no intention of changing it. What I meant to say to the gentleman from Massachusetts was that I hoped there might be some arrangement whereby the committee being in possession of the facts better than any other party that there might be some arrangement made that they might report legislation.

Mr. MANN of Illinois. They can report the form of a bill as has been frequently done by these commissions, and then that bill is referred to the appropriate committee of the House. The gentleman will pardon me, but I think when the report from the regular committee comes before the House it would have greater support than it would if it came just from the committee of the six gentlemen on this committee, because then it would have the recommendation of the joint committee and also the recommendation of the committee of the House.

Mr. REAVIS. That is unquestionably true.

Mr. MANN of Illinois. I am hoping, like the gentleman from Nebraska, for results.

Mr. WALSH. Mr. Chairman, I had another inquiry I wished to propound to the gentleman from Nebraska. Ordinarily expenditures from the contingent fund of the House are made only after approval has been had by the chairman of the Committee on Accounts or the entire Committee on Accounts. Was it intended that this joint committee could draw upon the contingent fund of the House without the matter being referred to the chairman of the Committee on Accounts?

Mr. REAVIS. It was not intended by this resolution to permit the membership of the committee itself to violate any rule of the House. The purpose of the resolution is to give assurance to the House that no attempt would be made either to contract for or expend money without the matter having first the approval of the House. The details of the method are of no consequence. It, of course, will be done in the regular and ordinary way. The thought I had in mind was to assure the House that there would be no expenditure without the full knowledge and approval of the appropriate authorities of the House.

Mr. GARRETT. Mr. Chairman, I presume I have the right print in my hand and that the amendment to which I am about to call attention is in the correct print.

Mr. REAVIS. The gentleman is calling attention to the italics?

Mr. GARRETT. Yes.

Mr. REAVIS. I will say that the italics are in the House joint resolution. It is also in the Senate joint resolution, but not as an amendment. The House joint resolution was amended in that particular so as to be the counterpart of the Senate resolution.

Mr. GARRETT. Then that provision is in the Senate joint resolution.

Mr. REAVIS. Yes; but not as an amendment.

Mr. GARRETT. This provides that the committee shall report in December, 1922.

Mr. REAVIS. Not later than that.

Mr. GARRETT. I suppose the committee has given due consideration to that date; that it is not practicable for them to report earlier.

Mr. REAVIS. The date placed in the resolution, December, 1922, was not with the idea of suggesting the time of the report. It was put in to give ample opportunity to the committee to have time enough to consider the things submitted to them. My own judgment is that the report will come before that time, although that is merely an opinion that is practically worthless, with the slight information I have.

Mr. GARRETT. Having some appreciation of the tremendous amount of work this committee will have to do, I have an idea that it will probably not report earlier than it is required to by the resolution.

Mr. REAVIS. That is, its final report?

Mr. GARRETT. That is the usual experience, so far as my observation has extended, in respect to commissions. What caused me to call attention to it is this: I think it would be very desirable, if possible, to have a report earlier than that. That means that it will come at the short session of the Congress; that is to say, two years from now.

Based on our experience here, we know it is extremely dubious about getting as important legislation as will be recommended by that committee through at the short session of Congress. It seems to me, if it is at all possible, there should be a report in time to have that legislation ready so that the annual appropriation bills for the succeeding fiscal year can be adjusted to the situation. I do not know that I could improve upon the date. I am merely suggesting this for the gentleman's consideration.

Mr. REAVIS. The thought in the mind of both Senator SMOOT and myself in the drawing of this was not to indicate by the language that the report should come in at the beginning of the short session. That date was put in there as marking the longest time that the committee could take under the resolution. I see the force of the gentleman's argument, and I think that would be very persuasive with the committee when it came to consider the proposition, and that if it were possible to make a report before that it certainly would do so, because I think we would be justified in taking it for granted that the men who are appointed on this committee, whoever they may be, will at least have some other activities in Congress they would like to attend to, and they certainly would not want to delay this. That would be my judgment—that they would not want to keep it in the hands of the committee any longer than is necessary. Unless the gentleman feels that the date should be changed, I hope very much that an amendment will not be made to it, because I am fearful that if we make any amendments to this resolution and it goes back to the Senate we may get the matter tangled up with the appropriation bills or something else and never get it passed. I do not mean by that that I would inveigh against any necessary amendment, but I hope it will not be deemed necessary.

Mr. GARRETT. I will say to the gentleman that I of course have not offered any amendment, and I am perfectly willing to follow the judgment of those who have given much more thought to it than I have had opportunity to give—that is, more study to its details—and who have better opportunity of knowing the amount of time that probably will be required to do this tremendous work. Of course, we can not be at all certain as to how long the first regular session of the Sixty-seventh Congress will be, and it would probably be impracticable to fix the date, say, as June, 1921, because that Congress might have concluded its work by that time, and unless it were a practical thing to fix it in 1921, in December, or January 1, 1922, or March 4, 1922, it would be perhaps as well to leave it as it is. If the gentleman does not think it would be a proper limitation to fix it any later than March 4, 1922, then I would have no basis on which to suggest an amendment.

Mr. REAVIS. I fear it would embarrass the passage of the resolution.

Mr. MANN of Illinois. Mr. Chairman, in my judgment—and I should think probably in the judgment of the gentleman from Tennessee [Mr. GARRETT]—there will be an extension of time in which to make this final report. I would guarantee that the final report will not be made by December, 1922, and that is no reflection upon the committee. The date here is an admonition to the committee, but if gentlemen suppose that you are going to change the methods and organizations of the Government by some sleight of hand trick—practices and organizations which have grown up in a century of time, and more recently very rapidly in a war period—and that this will be done overnight, then they have another guess coming. If this committee amounts to anything it will just get well started in the work by the time it has to make the final report, and if it is doing good work we will want to go ahead. I have no doubt that it will be doing good work. Meanwhile, it can bring in a preliminary report, or as many preliminary reports as it desires, and submit bills to Congress, or other recommendations for our action. The date comes in such a way that it would give this committee authority to make its report and have it signed after the usual summer vacation following the long session of the Congress. For one, I hope that a year from this coming summer we will be able to adjourn in July and let this committee finish up its work as far as it can during the vacation following, and give the members time to sign the report after they come back the first week in the new session.

I would like to make this inquiry of the gentleman from Nebraska, which I did not do before, but which probably has already been answered. We have before us on our desks the House resolution as reported. We are considering the Senate resolution which is on the desk of the reading clerk. Are the two identical?

Mr. REAVIS. Absolutely. The House resolution is a verbatim copy of the Senate resolution, introduced by Senator SMOOT. I made the copy myself after consultation with him. Subsequent to that time the Senate resolution was changed and the language in italics to be found in the copy of the House resolution, on page 2, was placed there by the House Judiciary Committee to conform to the language of the Senate resolution.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word, to call the attention of the gentleman from Nebraska and also of the gentleman from Massachusetts [Mr. WALSH], who raised the question by inquiry, to the matter of the payment of the expenses to be incurred by this committee. I feel sure that it will not be the purpose of the committee when appointed, nor is it the purpose of the proponents of this resolution, to change any of the existing methods of taking money out of the contingent fund of the House, but if gentlemen will read this section as it is written and construe it technically, as legislative matters are usually construed, I think they will conclude that the resolution gives this committee authority to expend money directly, without submitting the matter to the Committee on Accounts. I think that is so for this reason, although I may be wrong. The resolution provides—

at such compensation as the committee may determine to be just and reasonable, and to make such reasonable expenditures as may be necessary for the proper conduct of its work.

The committee doubtless intended to say—

as from time to time may be duly authorized by resolution of these bodies.

Mr. MANN of Illinois. I suggest that the gentleman read the rest of it.

Mr. BANKHEAD. But that is not what it says—

such expenditures to be paid in equal parts from the contingent funds of the House of Representatives and the Senate, as from time to time may be duly authorized by resolutions of those bodies.

Now, that refers to the contingent fund of the House and Senate as may from time to time be authorized by those two bodies.

Mr. REAVIS. Will the gentleman suggest to me how any money can be paid out of the contingent fund by this resolution except on a resolution from the House?

Mr. BANKHEAD. I do not know. The gentleman is giving here rather extraordinary powers to a new committee. It is, under construction, possible on an audit of the Treasury Department upon the voucher issued by the chairman of the committee. How can the gentleman say under the technical language employed in this resolution that that would not be a proper voucher?

Mr. REAVIS. Here is what the resolution says, and I again say it from the language of the resolution. It speaks of reasonable expenditures that the committee might incur, and the language of the resolution is:

Such expenditures to be paid in equal parts from the contingent funds of the House of Representatives and the Senate, as from time to time may be duly authorized by resolution of those bodies.

Mr. BANKHEAD. I understand.

Mr. REAVIS. In view of that language, how is it possible for this committee to make any expenditures from the contingent fund of the House except by the passage of a resolution?

Mr. BANKHEAD. My position is that the language as it appears in the phraseology of this resolution and by the ordinary terms of usage of construction refers more directly to the contingent funds of the House and Senate as may from time to time be authorized, and not to such expenditures as may from time to time be authorized.

Mr. REAVIS. The gentleman makes so close a construction I can not follow it.

Mr. BANKHEAD. I stated it might appear to be a technical construction possibly.

Mr. REAVIS. Will the gentleman let me take one line out of this?

Such expenditures to be paid from the contingent fund of the House of Representatives as from time to time may be duly authorized by resolution of that body.

How are you going to pay money out of the contingent fund without a resolution of that body?

Mr. BANKHEAD. It is not my purpose to offer any amendment to the resolution, because I respectfully defer to the gentleman in his wish to pass the joint resolution unamended. But inasmuch as the statement has been made that the language of the resolution does not change the rules of the House, I though proper to call the attention of the committee to it.

Mr. ROGERS. Mr. Chairman, I move to strike out the last word. I would like to ask the gentleman from Nebraska a question if I may. There is no provision in the resolution I find for the subpœnaing of witnesses or the administration of oaths to witnesses?

Mr. REAVIS. No; there is nothing of that kind in the resolution. But there is general authority for the committee or its agents to make investigation of those departments.

Mr. ROGERS. Does not the gentleman think that such a committee might frequently find itself hampered in carrying on its work if they did not have authority to subpœna witnesses?

Mr. REAVIS. The thought in my mind was that if we ever reached the point where that was necessary, why, it is easy enough to obtain such authority.

Mr. ROGERS. On that viewpoint what is the objection to including it in the resolution now?

Mr. REAVIS. Well, my particular objection now is I do not consider it to be necessary, and my next objection is my desire not to amend this resolution for fear it will be lost in the shuffle that will so soon be inaugurated in the Senate.

Mr. ROGERS. The practical objection, I gather, outweighs the theoretical one.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. That the officers and employees of all administrative services of the Government shall furnish to the committee such information regarding powers, duties, activities, organization, and methods of business as the committee may from time to time require, and the committee, or any of its employees when duly authorized by the committee, shall have access to and the right to examine any books, documents, papers, or records of any administrative service for the purpose of securing the information needed by the committee in the prosecution of its work.

Mr. REAVIS. Mr. Chairman, I move that the committee do now rise and report the joint resolution to the House with the recommendation that it do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. MADDEN, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration Senate joint resolution 191, had directed him to report the same back to the House without amendment, with the recommendation that the resolution do pass.

The joint resolution was ordered to be read a third time; was read the third time and passed.

On motion of Mr. REAVIS, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

Mr. REAVIS. Mr. Speaker, I move that House joint resolution No. 339 be laid on the table.

The motion was agreed to.

INCREASING FORCE AND SALARIES, PATENT OFFICE.

Mr. FESS. Mr. Speaker, I send to the Clerk's desk a privileged report from the Committee on Rules.

The SPEAKER. The Clerk will report it.

The Clerk read as follows:

House resolution 611.

Resolved, That immediately upon the adoption of this resolution the Committee of the Whole House on the state of the Union be, and the same is hereby, discharged from the consideration of the amendments of the Senate to the bill (H. R. 11984) entitled "An act to increase the force and salaries in the Patent Office, and for other purposes"; the said Senate amendments be, and the same are hereby, disagreed to by the House and the conference requested by the Senate agreed to.

Mr. FESS. Mr. Speaker, the status of this bill is as follows: The bill passed the House the latter part of the last session; went to the Senate, where it was amended several times.

Mr. GARRETT. Will the gentleman yield before he proceeds further?

Mr. FESS. I will yield.

Mr. GARRETT. Is it the purpose of the gentleman to yield some time to this side?

Mr. FESS. Yes.

Mr. GARRETT. He is not going to move the previous question?

Mr. FESS. No. It was amended in the Senate several times and came back, and the committee in charge asked to send it to conference. There was objection to it, however, and the Committee on Rules simply report a rule to send it to conference. If the gentleman from Tennessee wants some time, I will yield within my hour such time as he desires.

Mr. GARRETT. Mr. Speaker, I do not personally desire any time, nor do I know any member of the Committee on Rules who does. There is no opposition in the Committee on Rules to the resolution, but the gentleman from Texas [Mr. BLANTON] is opposed to the resolution and he desires some time to oppose it, and if the gentleman will yield to me——

Mr. FESS. I will yield to the gentleman from Tennesse to yield to the gentleman from Texas.

Mr. GARRETT. The gentleman from Texas desires 15 minutes.

Mr. FESS. Will not 10 minutes do?

Mr. BLANTON. This is quite a big bill.

Mr. FESS. I will yield 15 minutes to the gentleman from Texas.

Mr. BLANTON. Mr. Speaker and gentlemen of the House, when this bill was before the House for passage the following colloquy occurred between myself and the chairman in charge of it. In answer to my question, I read from the RECORD the following reply:

Mr. NOLAN. The Assistant Commissioner of Patents at the present time receives $3,500. By the adoption of the amendment his salary is now increased $1,500 a year. The five examiners in chief receive $3,500, and the increase for them in this bill makes an increase of $1,500 a year.

Mr. BLANTON. Then beginning with the chief clerk under the next section on down the raises have been relatively how much?

Mr. NOLAN. The chief clerk at the present time gets $3,000 and he is raised $1,000 to $4,000. The law examiners get $2,700 and they are raised to $4,000 each, or $1,250. The classification examiner receives at the present time $3,600 and he is raised to $4,200. The examiners in chief, $3,500, and are raised to $5,000. Those are the five examiners in chief provided in section 1.

Mr. BLANTON. So they approximate from $1,000 to $1,500 raise?

Mr. NOLAN. Yes. In some cases $600.

There are 1,048 employees provided for in this bill in the Patent Office. That is quite a substantial increase in the number of employees in that bureau. The bill as it passed the House seeks to pay to the Commissioner of Patents $6,000; to the first assistant, $5,500; to another assistant, $4,500; to 5 examiners, $5,000 each; to 6 examiners, $4,000 each; to 3 examiners, $3,900 each; to 47 more examiners, $3,900 each; to 40 assistant examiners, $3,300 each; to 30 more assistant examiners, $3,100 each; to 30 more assistant examiners, $2,900 each; to 40 more assistant examiners, $2,700 each. And so on down the line for the 1,048 proposed employees in this Patent Office.

I do not blame the gentleman from California [Mr. NOLAN], who is chairman of the committee in charge of this bill, for seeking to get every single cent he can for the employees of this Patent Office. They are brothers of his, affiliated in an organization where the oath says that "You have got to stand by the membership of the organization. When it comes to the interest of the organization, you must stand by your affiliated brother and do everything you can for him." The employees of this Patent Office are members of the employees' union, affiliated with the members of his union, the International Molders' Union, of which he has been an officer for 13 years. He holds his card in his pocket now, an honored officer of that organization. Through the American Federation of Labor they are brothers. I do not blame him. He is carrying out the oath of his brother union members in trying to get everything he can for them. But the question is for Congress to decide whether in the day of reconstruction, whether in the day when all of us have promised all the people that we are going to get back to normal conditions, whether in time when cotton has gone down from the war maximum of 46 cents a pound to 9 cents, and even some grades of it to 6 cents a pound—and can not be sold, and a market can not be found for it—at a time when wool has dropped from the war maximum of 72 cents a pound down to 15 cents, and the local warehouses of this country are bulging out with it, and it can not be sold for any price, though it means a whole year's income and livelihood for a lot of big-hearted American citizens who help clothe the 105,000,000 of the United States; at a time when you can buy mutton chops now even in Washington—and that is the highest place on God's green earth—for 30 cents a pound, while they used to cost you 60 cents; in this day of reconstruction, when all men must keep busy, and if they hold their jobs they have got to stop all this monkey business and go to work; in this day of reconstruction, when people are going to accept less salaries than they have been getting and work more hours a day than they have if they expect to earn a livelihood for themselves, wives, and children—at such a time is it proper to increase these salaries at from $600 to $1,500 increases each per year?

The distinguished gentleman from Virginia [Mr. MOORE] has told me of a noted jurist who sat on the circuit bench of Virginia for years as a distinguished jurist, trying men for their lives and trying property rights running into the millions of dollars, receiving how much salary? Sixteen hundred dollars a year. He could give that kind of distinguished service to his country for $1,600 a year. Why, the distinguished gentleman from Missouri, Judge RUCKER, served in his State as a distinguished jurist, trying men for their

lives and trying property rights running up into the millions, and received $2,000 a year for his service. You have governors in States, nine in number, that receive less than many employees in this bill are to receive. You are proposing to grant from $600 to $1,500 increases a year each. Are you going to do it? What is the power that is making you do it? What is causing you to do it? It is against your program. It is against your policy. It is against your preelection promises. What is causing you to do it? Is it because of the threats that have been put in the papers that even so great a man as our beloved friend, Congressman ESCH, has been put out of Congress because he refused to obey orders? Is that influencing any of you, my friends? Is that influencing you? I want you to answer to your people, because they are going to make you do it. What is causing you to grant all these increases? Is it necessity? Why, the Patent Office is not overcrowded just now. You have been taking the reports during the war years. During the war, when the mind of every human being in America that was loyal was working overtime to try to find means to bring about a successful culmination of war, there were lots of patent applications reaching the Patent Office. They were coming from every part of the country. Why, lawyers, doctors, and preachers, even, and blacksmiths, and farmers, and merchants, and clerks were thinking about patenting something to help the Government. They were sending applications here, and your constituents and mine were doing this. The Patent Office was crowded. But the war is over, and that stopped. We have gotten back to normal so far as patent applications are concerned. Is it not better to let this bill lie in the pigeonhole and do nothing about it? I am appealing to you as good, honest representatives of the Government, with good, common business sense and judgment. Do you not think you ought in this day of reconstruction let this bill stay in the pigeonhole at least until your new President comes in, and you can find out what his policy is going to be, until you can find out whether he is going to keep your preelection promises to the people as to economy and yet grant them a fair living wage?

I am in favor of granting a living wage to everyone who earns it. I am in favor of making the blue sky the limit on wages in this country, provided the amount received is earned and value received is given for it.

I want to see all paid according to their earning capacity. I can fill every department of that Patent Office inside of 10 days or 2 weeks with able, efficient constituents from my district who would be glad to have their positions at the present salaries paid.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Certainly; I yield.

Mr. HUDSPETH. If I understand my colleague correctly, he stated the object of this bill was to increase the pay of the Patent Office officials?

Mr. BLANTON. Yes; all the employees; all the way from $600 to $1,500 increases apiece.

Mr. HUDSPETH. I notice the salary of the Commissioner of Patents is cut from $6,000 to $5,000 in this bill. Is that correct?

Mr. BLANTON. In what bill?

Mr. HUDSPETH. The pending bill.

Mr. BLANTON. I am talking about the bill that passed the House. You have the bill as it passed the Senate, and it was the Senate that reduced the House proposal of $6,000 to $5,000. All my remarks have been concerning the bill as it passed the House, in which this House voted to give the Commissioner of Patents $6,000, which was a raise of $1,500 a year; and the object of sending this bill to conference is to try to impose upon the conferees the duty of holding out for the raises granted by the House. If that bill goes to conference, our conferees, I take it, will insist on obeying the instructions received from this House and insist on the bill as it passed the House, because that is the policy of all the conferees of this House, to carry out the will and instructions of the House. It is a question whether you are going to put this kind of legislation on just now, even if you should deem it advisable later. If so, what is the objection of extending the same increases to all the departments of the Government? Is not the scientist in the Department of Agriculture just as much entitled to a $1,500 raise as the examiner in the Patent Office? If you pay them increases running up to $1,500 a year, you should extend to the other employees of the Government the same kind of increase. Do you not think it is better to wait until these departments are reorganized? Do you not think it is better to wait until the budget commission gets to work, and until this special committee that we have just authorized by a vote of this House unanimously to-day gets to work? Do you not think it would be better to wait a while before we pass this legislation?

Mr. VENABLE. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. VENABLE. Assuming that what the gentleman says is true, what is the gentleman's concrete proposition? What does he propose to do about it?

Mr. BLANTON. I propose to let this bill die right where it is for the present session of Congress. Let us get our breath. Let our Government get its breath.

Mr. VENABLE. And refuse to send it to conference?

Mr. BLANTON. Yes. Let us do everything else that is necessary to kill it. Let it die a natural death. Let us see whether the action of the majority party in this House agrees with the expressions they have made on this floor. If those expressions are sincere—and I have no reason to believe otherwise—they will let this bill die, and I say that action ought to meet with the approval of the steering committee of this House. [Applause.]

The SPEAKER. The time of the gentleman from Texas has expired.

Mr. FESS. Mr. Speaker, I yield 10 minutes to the gentleman from Connecticut [Mr. MERRITT].

The SPEAKER. The gentleman from Connecticut is recognized for 10 minutes.

Mr. MERRITT. Mr. Speaker, I would remind the House that this bill was very fully discussed on its merits when it passed the House by a large majority. The distinguished gentleman from Texas [Mr. BLANTON] at that time made the same objection that he is making now. I do not believe that anyone, at least anyone in the House who knows me, would feel that I hold any brief for union labor, nor is it necessary for me to defend the gentleman from California [Mr. NOLAN], the able chairman of the Committee on Patents. But I must say that I think than any allegation to the effect that in forwarding this bill he is observing his oath as a union man is something which should not have been said upon this floor, because I believe that in forwarding this bill he is carrying out his oath to the United States of America. [Applause.]

I would remind the House of what was brought out when the bill was discussed on its merits, namely, that the Patent Office is an office of experts. I would remind them that the force in the Patent Office under any conditions has never been adequately paid. I would remind them that the patentees of this country, many of them and most of them poor men, have paid fees which have more than repaid the expenses of the Patent Office and returned a large surplus to the Treasury. I would remind them that the number of employees in the Patent Office has never been adequate to keep up with the current business, so that it has always been months behind, and in some important divisions of the office more than a year behind, which results in great damage, sometimes irreparable damage, to the patentees and applicants before the Patent Office.

Any Member of the House who attended the meeting of the Committee on Rules, by whose instrumentality this bill was first brought before the House, would have found there representatives of all the greatest industrial interests in this country, from the Atlantic to the Pacific, large interests, indicating the importance of this bill. That certainly was not an exclusive representation of the interest of labor unions. In fact, gentlemen, I do not want to use any harsh terms, but that allegation is simply absurd. All that those who advocate this bill wish is to get good service and efficient service in the Patent Office.

It was shown in the hearings that the examiners, who are men who have come in from the ranks and have learned the Patent Office and learned the workings of the Patent Office, are almost always hired when they go out by the great manufacturers and those whose business it is to deal with patents. In private employment their pay is several times the salary they are earning here. When the gentleman from Texas talks about the earning power of these men he will find that the good men in the Patent Office can always earn in private employment more than they can earn in the Patent Office.

Now, it is very essential, in getting good patents, to have good men who know the state of the art, and who can learn the state of the art from the records, and who will award good patents, which will not need litigation to establish them.

Those are the reasons why this bill should be put through. The matter was fully argued on the merits, and it seems to me from my knowledge of the case that there are no two sides to it. The salaries contained in the House bill are not extravagant. They are only necessary to get good men in the Patent Office. The Senate bill has cut down those salaries to a great extent, and the conferees will take into account both the bills and the present conditions of the Patent Office, and I am sure that any man who wants a good Patent Office and wants to

secure a good service to the United States and the patentees of this country will support this rule. [Applause.]

Mr. FESS. Mr. Speaker, I yield 10 minutes to the gentleman from Tennessee [Mr. DAVIS], a member of the Committee on Patents.

The SPEAKER. The gentleman from Tennessee is recognized for 10 minutes.

Mr. DAVIS of Tennessee. Mr. Speaker and gentlemen, I had not intended to speak upon this resolution, but in view of some of the statements made by the gentleman from Texas [Mr. BLANTON], as a member of the Committee on Patents I deem it proper that I should say something in addition to what was said by the gentleman from Connecticut [Mr. MERRITT]. In the first place the Committee on Patents of the House held extensive hearings upon this bill, embodied in a record of over 300 pages. They went into the question thoroughly and conscientiously, and after doing so unanimously reported out this bill.

There was not a member of the committee opposed to it. Then after a full discussion of the bill in the House, as has already been stated by the gentleman from Connecticut [Mr. MERRITT], it passed by an almost unanimous vote. As I recall there were only eight votes cast against the bill in the House at the time of its passage. Now it is simply proposed to send the bill to conference, and of course it will come out later for final action if the conferees agree.

The bill contains several important provisions besides those dealing with the increase of salaries and personnel. I am for economy, and I am never in favor of increasing governmental salaries as a charitable proposition or as a favor to the employees. I do not think it is justified except from the standpoint of the interests of the Government and of the people whom the Government represents, but I am fully convinced, as were the other members of the committee, that we have such a justification in this bill.

The pay of the employees of the Patent Office has been increased only 10 per cent in 72 years. In 1848 the pay of primary examiners was fixed at $2,500 per annum, which at that time was the pay received by Members of the House of Representatives. Considering that the requirements of these places were so exacting, and desiring to procure a high class of examiners, Congress fixed the pay of primary examiners in the Patent Office at the same sum which the Members themselves were receiving. Since that time, as I have stated, the pay of examiners has been increased only 10 per cent. The result is that there is such a turnover in the department that it is not doing the work that it should do, and that the country rightly expects it to do. The records show that at least 25 per cent of the employees of the Patent Office resign every year, and that in addition to the fact that for the past fiscal year the volume of business in the Patent Office increased 36 per cent over what it was the preceding year. The business of the office has been increasing all along at an enormous rate, during which time there has not only not been any increase in salaries, but practically no increase in the number of employees authorized.

The Patent Office occupies the peculiar position of perhaps being the only department of the Government which is not only self-sustaining but which annually pays a profit into the Public Treasury. Since the creation of the Patent Office it has put into the Public Treasury over $8,000,000 more than has been paid out for the Patent Office.

Mr. HUDSPETH. Will the gentleman yield for a question?

Mr. DAVIS of Tennessee. I yield.

Mr. HUDSPETH. Can the gentleman inform me if with the reductions made by the Senate there is an increase in the salaries of Patent Office employees, or a decrease; and if so, how much?

Mr. DAVIS of Tennessee. Some of them were restored to the present salaries, and some of them were made to be slightly in excess of the present salaries; but, in that connection, I will say to the gentleman from Texas that the Senate amendment reduced the number of employees in the Patent Office about 15 per cent below the present personnel.

Mr. HUDSPETH. Under the bill as passed by the House what is the average increase in the pay of Patent Office employees?

Mr. DAVIS of Tennessee. I am not prepared to state the average increase, but the total increase for 1,048 employees is $511,000. That, however, is made up by an increase in the initial filing fee of $5, together with a provision for charging for making copies, and the additional fees that will come in by reason of this will more than offset the increase in salaries provided for in the bill.

Mr. HUDSPETH. Then there is nothing taken out of the Treasury by this bill?

Mr. DAVIS of Tennessee. No. This bill will not only not result in any additional burden on the Treasury, but the Patent Office will still, as heretofore, pay more into the Public Treasury than it takes out. And with regard to these additional fees, which take care of the increased cost, I wish to call the attention of the committee to the fact that the very people who pay these fees are willing to pay the increase and are urging the passage of this bill. For instance, the National Association of Manufacturers, consisting of more than 5,000 manufacturers; the Chemical Society, with 13,000 members; the Engineering Council, with 45,000 members, together with the National Council of Research, the organizations which will have more to do with the Patent Office and which are more interested than anybody else, are urging the passage of this bill and insisting that it be passed as speedily as possible and in the form in which it originally passed the House.

I could quote from these various interests and authorities and give in detail many very cogent reasons why this relief should be given, and given at once, but deem it unnecessary to do so.

However, last night I picked up the Scientific American, one of the highest-class scientific magazines in this country, and it contained a lengthy article on the needs of the Patent Office; and the editor of the Scientific American supplemented this article by an editorial strongly urging the passage of this bill in the original form as it passed the House, and saying that it did not provide for sufficient increases of salaries and employees. Furthermore, in a display note the editor succinctly deals with the subject in the following manner:

The question has been asked very often of late years, "What is the matter with the Patent Office?" Almost as many different answers have been given as distinct answers. Certainly the office is ridiculously undermanned and underpaid; certainly it finds it more than difficult to get Congress to pay serious attention to its plaints. Mr. Wyman, we think, puts his finger on the root of the trouble when he points out that where other departments spend and are expected to spend many millions against receipts that are practically negligible, the Patent Office is always looked to for a profit. The Government pays for every conceivable kind of research and investigation and propaganda; but patents, on which our whole industrial system is founded, pay for themselves and pay a profit. We have not space here to discuss this point more fully; we return to it on our editorial page.

Mr. BLACK. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BLACK. If this resolution is agreed to, will it be in order to move to agree to the Senate amendments?

The SPEAKER. No; this disagrees to the Senate amendments and sends the bill to conference.

Mr. FESS. Mr. Speaker, I yield 10 minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Speaker, this bill was considered at considerable length, debated, and amended at the last session of the House. The gentleman from Texas [Mr. BLANTON] then presented his views to the House at some length and embodied his views in a motion to recommit the bill and demanded and received a roll call on his motion. After full consideration of the subject, with a somewhat large attendance of the House at that time, the gentleman from Texas got 6 votes in favor of his proposition as against nearly 300 opposed to it. I do not believe that the judgment of the House has changed much since that time.

What does this propose to do? The bill which is now sought to be sent to conference proposes to somewhat increase the number of employees in the Patent Office, the pay of some of the employees, and to raise the additional money by imposing additional costs and expenses upon those who deal with the Patent Office. It was the general desire of patent attorneys and applicants for patents throughout the country that there should be better service in the Patent Office. They then suggested that they would be glad to pay more for the service rendered to them and have that money expended in higher salaries and for more employees in the Patent Office.

Congress, or this body at least, took them at their word and embodied these suggestions in the bill which the House passed, and which is now sought to be sent to conference. It is not like taking money out of the Public Treasury. Here are men who want service and who want sufficient employees to render them efficient service. They want men of sufficient experience, and they want to pay them enough to keep them in the service of the Government, where they will be worth something to them. They do not want men to go there to learn and then take other positions outside.

Now, this proposition to-day is to send this bill to conference. There ought to be no objection to that. It is customary in this House, where a matter has been gone over and threshed out in debate and amended at one stage of the proceedings, when it comes back that it shall go to conference and then the House can afterwards pass on the conference report and not keep in-

terrupting at all the various stages of the bill. Mr. Speaker, I yield back the balance of my time.

Mr. FESS. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question now is on agreeing to the resolution.

The resolution was agreed to.

Mr. BLACK. Mr. Speaker, I move that the conferees be instructed to agree to Senate amendments 1 to 48, inclusive.

The SPEAKER. The gentleman from Texas moves that the conferees be instructed to agree to Senate amendments 1 to 48, inclusive.

Mr. BLACK. Mr. Speaker, I do not want to take up the time of the House at this late hour in the day, but these Senate amendments from 1 to 48 relate to the salaries of the commissioner and the various employees in Patent Office. They reduce to some extent the schedule of salaries that was provided in the House bill, but not to an unreasonable extent, and that is why I favor them. It must be remembered that this bill was passed in the House several months ago and that since then the financial conditions in the United States have undergone a very substantial change. We do not get a daily paper, Mr. Speaker, any day of the week but what we read of reductions of wages that are being put into effect throughout the United States. I regret that the situation is that way, but nevertheless it is true, and we should not overlook these general economic conditions when we come to fix Government salaries.

We are also reminded every day of figures that show that commodity prices are constantly on the decline and that the cost of living has been reduced very substantially during the last several months.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman yield?

Mr. BLACK. In a moment. This decrease in the cost of living in itself amount to an increase in salary. If there has been, for instance, a reduction of 20 per cent in the cost of living from the high level of the war, then that to the average salaried man amounts to an increase of 20 per cent of his salary, because the dollar purchases 20 per cent more. I yield to the gentleman from Illinois.

Mr. CHINDBLOM. There are a number of reductions in the number of employees in the amendments to which the gentleman refers. Does the gentleman believe that these reports in the newspapers about a change in working conditions and wages would have any effect upon the number of employees in the Patent Office?

Mr. BLACK. Not necessarily so, but still the industrial conditions which prevail, I dare say, will affect the business of the Patent Office as well as the Post Office Department and practically all other departments of the Government. We are now asserting in speeches and extension of remarks and in every other method that we can think about, our devotion to economy, and the only way that we will ever get on that highway will be to begin to travel on it. In my judgment the amendments of the Senate are reasonable and will give these patent employees a reasonable compensation. For that reason I hope that my motion to instruct the conferees to agree to these Senate amendments will be agreed to. Mr. Speaker, I move the previous question on the motion to instruct the conferees.

The SPEAKER. The question is on ordering the previous question on the motion to instruct the conferees.

The previous question was ordered.

The SPEAKER. The question is on the motion of the gentleman from Texas to instruct the conferees.

The question was taken; and on a division (demanded by Mr. BLACK) there were—ayes 17, noes 47.

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays, and pending that I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Texas makes the point of order that there is no quorum present. It is evident that there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Texas to instruct the conferees.

The question was taken; and there were—yeas 54, nays 213, not voting 164, as follows:

YEAS—54.

Ashbrook	Brinson	Crisp	Lanham
Aswell	Buchanan	Doughton	Lankford
Bell	Caraway	Evans, Nebr.	Larsen
Benson	Carter	Goodwin, Ark.	Layton
Black	Clark, Mo.	Hardy, Tex.	Lazaro
Blanton	Cleary	Hoch	Lee, Ga.
Box	Collier	Jacoway	McClintic
Brand	Connally	Jones, Tex.	McKeown
Major	Parrish	Sumners, Tex.	Weaver
Martin	Quin	Taylor, Colo.	Wilson, La.
O'Connor	Rayburn	Tillman	Wright
Oldfield	Sherwood	Tincher	Young, Tex.
Overstreet	Small	Vinson	
Park	Stephens, Miss.	Watkins	

NAYS—213.

Almon	Evans, Mont.	Luce	Riddick
Andrews, Md.	Evans, Nev.	Lufkin	Robsion, Ky.
Andrews, Nebr.	Fairfield	McAndrews	Rogers
Bacharach	Fess	McArthur	Schall
Bankhead	Fish	McDuffie	Sells
Barbour	Fisher	McFadden	Siegel
Barkley	Focht	McGlennon	Sinclair
Bee	Fordney	McKinley	Sinnott
Begg	Foster	McLaughlin, Mich.	Smith, Idaho
Benham	French	McLeod	Smith, Mich.
Bland, Mo.	Fuller, Ill.	McPherson	Smithwick
Bland, Va.	Ganly	MacCrate	Snyder
Boies	Garrett	MacGregor	Steagall
Bowers	Glynn	Magee	Stephens, Ohio
Briggs	Goodykoontz	Mann, Ill.	Stoll
Brooks, Ill.	Graham, Ill.	Mapes	Strong, Kans.
Brooks, Pa.	Green, Iowa	Mays	Summers, Wash.
Burdick	Greene, Mass.	Merritt	Sweet
Burke	Greene, Vt.	Michener	Swindall
Burroughs	Griffin	Miller	Swope
Butler	Hadley	Milligan	Tague
Byrnes, S. C.	Hardy, Colo.	Minahan, N. J.	Taylor, Ark.
Campbell, Pa.	Harreld	Monahan, Wis.	Taylor, Tenn.
Cantrill	Hawley	Mondell	Temple
Carew	Hayden	Montague	Thompson
Carss	Hays	Moore, Va.	Tilson
Chindblom	Harnandez	Moores, Ind.	Timberlake
Cole	Hersman	Mudd	Tinkham
Cooper	Hickey	Murphy	Towner
Cramton	Hicks	Neely	Treadway
Crowther	Huddleston	Nelson, Mo.	Upshaw
Curry, Calif.	Hudspeth	Newton, Mo.	Vaile
Dale	Hull, Iowa	Ogden	Venable
Dallinger	Hull, Tenn.	Oliver	Vestal
Darrow	Humphreys	Osborne	Voigt
Davey	James, Va.	Paige	Walsh
Davis, Minn.	Jefferis	Parker	Walters
Davis, Tenn.	Johnson, Wash.	Patterson	Wason
Denison	Jones, Pa.	Pell	Watson
Dickinson, Iowa	Juul	Peters	Webster
Dickinson, Mo.	Kearns	Phelan	Welling
Dominick	Keller	Porter	Welty
Dowell	Kelly, Pa.	Purnell	White, Kans.
Drane	Kennedy, R. I.	Rainey, H. T.	White, Me.
Drewry	Kettner	Rainey, J. W.	Williams
Dunbar	Kiess	Raker	Wilson, Pa.
Dupré	Kincheloe	Ramsey	Wingo
Dyer	Kinkaid	Ramseyer	Woods, Va.
Eagan	Kleczka	Randall, Calif.	Yates
Echols	Knutson	Randall, Wis.	Young, N. Dak.
Edmonds	Kraus	Ransley	Zihlman
Elliott	Lampert	Reber	
Elston	Lea, Calif.	Rhodes	
Esch	Lehlbach	Ricketts	

NOT VOTING—164.

Ackerman	Freeman	Kreider	Romjue
Anderson	Fuller, Mass.	Langley	Rose
Anthony	Gallagher	Lesher	Rouse
Ayres	Gallivan	Linthicum	Rowan
Babka	Gandy	Little	Rowe
Baer	Gard	Lonergan	Rubey
Blackmon	Garner	Longworth	Rucker
Bland, Ind.	Godwin, N. C.	Luhring	Sabath
Booher	Goldfogle	McCulloch	Sanders, Ind.
Britten	Good	McKenzie	Sanders, La.
Browne	Goodall	McKinley	Sanders, N. Y.
Brumbaugh	Gould	McLane	Sanford
Byrns, Tenn.	Graham, Pa.	McLaughlin, Nebr.	Scott
Caldwell	Griest	Madden	Scully
Campbell, Kans.	Hamill	Maher	Sears
Candler	Hamilton	Mann, S. C.	Shreve
Cannon	Harrison	Mansfield	Sims
Casey	Hastings	Mason	Sisson
Christopherson	Haugen	Mead	Slemp
Clark, Fla.	Hersey	Moon	Smith, Ill.
Classon	Hill	Mooney	Smith, N. Y.
Coady	Hoey	Moore, Ohio	Snell
Copley	Holland	Morin	Stedman
Costello	Houghton	Mott	Steele
Crago	Howard	Nelson, Wis.	Steenerson
Cullen	Hulings	Newton, Minn.	Stevenson
Currie, Mich.	Husted	Nicholls	Stiness
Dempsey	Hutchinson	Nolan	Strong, Pa.
Dent	Igoe	O'Connell	Sullivan
Dewalt	Ireland	Olney	Thomas
Donovan	James, Mich.	Padgett	Vare
Dooling	Johnson, Ky.	Perlman	Volk
Doremus	Johnson, Miss.	Pou	Volstead
Dunn	Johnson, S. Dak.	Radcliffe	Ward
Eagle	Johnston, N. Y.	Rainey, Ala.	Whaley
Ellsworth	Kahn	Reavis	Wheeler
Emerson	Kelley, Mich.	Reed, N. Y.	Wilson, Ill.
Ferris	Kendall	Reed, W. Va.	Winslow
Fields	Kennedy, Iowa	Riordan	Wise
Flood	King	Robinson, N. C.	Wood, Ind.
Frear	Kitchin	Rodenberg	Woodyard

So the motion was rejected.

The Clerk announced the following pairs:

Until further notice:

Mr. LONGWORTH with Mr. KITCHIN.

Mr. KAHN with Mr. DENT.

Mr. GOOD with Mr. FLOOD.

Mr. CANNON with Mr. RIORDAN.
Mr. NOLAN with Mr. MAHER.
Mr. ROSE with Mr. HOWARD.
Mr. MADDEN with Mr. JOHNSON of Kentucky.
Mr. MASON with Mr. BYRNS of Tennessee.
Mr. CAMPBELL of Kansas with Mr. HARRISON.
Mr. PERLMAN with Mr. GOLDFOGLE.
Mr. KING with Mr. HASTINGS.
Mr. BROWNE with Mr. JOHNSON of Mississippi.
Mr. MCKENZIE with Mr. MANN of South Carolina.
Mr. KREIDER with Mr. LINTHICUM.
Mr. IRELAND with Mr. JOHNSTON of New York.
Mr. CLASSON with Mr. ROWAN.
Mr. GOULD with Mr. SIMS.
Mr. MORIN with Mr. CASEY.
Mr. SMITH of Illinois with Mr. AYRES.
Mr. DUNN with Mr. SANDERS of Louisiana.
Mr. VOLK with Mr. SABATH.
Mr. JOHNSON of South Dakota with Mr. CLARK of Florida.
Mr. ACKERMAN with Mr. WISE.
Mr. MOTT with Mr. RAINEY of Alabama.
Mr. ROWE with Mr. BRUMBAUGH.
Mr. CRAGO with Mr. LESHER.
Mr. LUHRING with Mr. MEAD.
Mr. VOLSTEAD with Mr. THOMAS.
Mr. MOORE of Ohio with Mr. BABKA.
Mr. ANDERSON with Mr. DONOVAN.
Mr. HOUGHTON with Mr. MOONEY.
Mr. STRONG of Pennsylvania with Mr. DEWALT.
Mr. GRAHAM of Pennsylvania with Mr. STEELE.
Mr. SNELL with Mr. CANDLER.
Mr. HAUGEN with Mr. GODWIN of North Carolina.
Mr. LANGLEY with Mr. SULLIVAN.
Mr. REED of New York with Mr. FIELDS.
Mr. BLAND of Indiana with Mr. HOLLAND.
Mr. RADCLIFF with Mr. MOON.
Mr. ELLSWORTH with Mr. DOOLING.
Mr. HUSTED with Mr. BLACKMON.
Mr. FREEMAN with Mr. SMITH of New York.
Mr. SHREVE with Mr. PADGETT.
Mr. VARE with Mr. MCLANE.
Mr. KELLEY of Michigan with Mr. COADY.
Mr. CHRISTOPHERSON with Mr. NICHOLLS.
Mr. STEENERSON with Mr. BOOHER.
Mr. KENDALL with Mr. SEARS.
Mr. RODENBERG with Mr. GALLIVAN.
Mr. GRIST with Mr. RUCKER.
Mr. FREAR with Mr. EAGLE.
Mr. COPLEY with Mr. ROMJUE.
Mr. NELSON of Wisconsin with Mr. STEVENSON.
Mr. MCLAUGHLIN of Nebraska with Mr. IGOE.
Mr. REAVIS with Mr. GARD.
Mr. STINESS with Mr. BARKLEY.
Mr. ANTHONY with Mr. RUBEY.
Mr. REED of West Virginia with Mr. STEDMAN.
Mr. HERSEY with Mr. SISSON.
Mr. CURRIE of Michigan with Mr. DOREMUS.
Mr. SANDERS of Indiana with Mr. MANSFIELD.
Mr. SCOTT with Mr. POU.
Mr. JAMES of Michigan with Mr. CALDWELL.
Mr. SANDERS of New York with Mr. HAMILL.
Mr. HILL with Mr. ROBINSON of North Carolina.
Mr. WINSLOW with Mr. SCULLY.
Mr. DEMPSEY with Mr. GANDY.
Mr. WOOD of Indiana with Mr. OLNEY.
Mr. WOODYARD with Mr. GARNER.
Mr. HULINGS with Mr. CULLEN.
Mr. WHEELER with Mr. O'CONNELL.
Mr. HUTCHINSON with Mr. FERRIS.
Mr. WARD with Mr. GALLAGHER.
Mr. WILSON of Illinois with Mr. LONERGAN.
Mr. NEWTON of Minnesota with Mr. HOEY.
Mr. SLEMP with Mr. WHALEY.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present; the Doorkeeper will unlock the doors. The Chair announces the following conferees:

The Clerk read as follows:

Mr. NOLAN, Mr. LAMPERT, and Mr. DAVIS of Tennessee.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution and bill of the following titles, in which the concurrence of the House of Representatives was requested:

S. J. Res. 212. Joint resolution directing the War Finance Corporation and the Federal Reserve Board to take certain action for the relief of the present depression in the agricultural sections of the country.

S. 4565. An act to extend the requirements of annual assessment work on mining claims during the year 1920.

The message also announced that the Senate had passed without amendment joint resolution (H. J. Res. 407) authorizing payment of the salaries of officers and employees of Congress for December, 1920, on the twentieth day of said month.

ENROLLED JOINT RESOLUTION SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled joint resolution of the following title, when the Speaker signed the same:

H. J. Res. 407. Joint resolution authorizing payment of the salaries of officers and employees of Congress for December, 1920, on the 20th day of said month.

SENATE JOINT RESOLUTION REFERRED.

Under clause 2 of Rule XXIV, Senate joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, was taken from the Speaker's table and referred to the Committee on Banking and Currency.

LEAVE OF ABSENCE.

By unanimous consent, Mr. GALLIVAN was granted leave of absence, indefinitely, on account of illness.

ADJOURNMENT.

Mr. FESS. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 14 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 15, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

216. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Agriculture, to be immediately available, for preventing the spread of moths (H. Doc. No. 919); to the Committee on Appropriations and ordered to be printed.

217. A letter from the Acting Secretary of the Treasury, transmitting supplemental and deficiency estimates of appropriations required by the Department of Justice for the fiscal year 1921 and for prior years (H. Doc. No. 920); to the Committee on Appropriations and ordered to be printed.

218. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation for printing and binding for the Department of Commerce for the fiscal year 1921 (H. Doc. No. 921); to the Committee on Appropriations and ordered to be printed.

219. A letter from the Secretary of the Treasury, transmitting estimate of appropriation for dedicating the monument to Francis Scott Key and others at Fort McHenry, Baltimore, Md., during the fiscal year 1922 (H. Doc. No. 922); to the Committee on Appropriations and ordered to be printed.

220. A letter from the Secretary of Agriculture, transmitting report of expenditures for the fiscal year 1920 out of funds appropriated for the survey, construction, and maintenance of roads and trails within the national forests, also in connection with the construction of rural post roads; to the Committee on Expenditures in the Department of Agriculture.

221. A letter from the Secretary of Agriculture, transmitting statement showing the travel from Washington to points outside of the District of Columbia performed by officers or employees of the Department of Agriculture; to the Committee on Expenditures in the Department of Agriculture.

222. A letter from the Secretary of the Navy, transmitting lists of useless executive papers and requesting their disposal; to the Committee on Disposition of Useless Executive Papers.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BARKLEY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 14664) to authorize the Louisville & Nashville Railroad, its successors and assigns, to construct a bridge across the Alabama River at or near a point approximately 4 miles from the city of Montgomery, Ala., reported the same without amendment, accompanied by a report (No. 1119), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HICKS: A bill (H. R. 15079) to abolish the punishment of solitary confinement on bread and water as authorized by the Articles for the Government of the Navy; to the Committee on Naval Affairs.

Also, a bill (H. R. 15080) to change the name of the Bureau of Navigation to the bureau of personnel in the Navy Department; to the Committee on Naval Affairs.

By Mr. NEWTON of Missouri: A bill (H. R. 15081) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917; to the Committee on Interstate and Foreign Commerce.

By Mr. RANDALL of California: A bill (H. R. 15082) to authorize the Postmaster General to establish post offices of the second and third class in certain cases; to the Committee on the Post Office and Post Roads.

By Mr. BLANTON: A bill (H. R. 15083) to prohibit for one year the importation of cotton, cotton seed, corn, wheat, wheat flour, oil cake, vegetable oils, cattle, sheep, hogs, hides, beef, veal, mutton, lamb, wool, mohair, rye, barley, flax, peanuts, oats, and all food substitutes for farm products raised in the United States; to the Committee on Ways and Means.

By Mr. BENSON: A bill (H. R. 15084) providing for survey of Northeast River in Cecil County, State of Maryland; to the Committee on Rivers and Harbors.

By Mr. McKEOWN: A bill (H. R. 15085) to perpetuate the memory of the Chickasaw and Seminole Tribes of Indians in Oklahoma; to the Committee on Indian Affairs.

By Mr. LEE of Georgia: A bill (H. R. 15086) to appropriate additional sums for Federal aid in the construction of rural post roads, and for other purposes; to the Committee on Roads.

By Mr. ESCH: A bill (H. R. 15087) to amend sections 8 and 9 of the Panama Canal act, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SCHALL: A bill (H. R. 15088) to provide for the nomination and selection of candidates for the offices of President, Vice President, Senators, and Representatives in Congress, for the election of such candidates to office, and for other purposes; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. FORDNEY: A bill (H. R. 15089) fixing the compensation of United States inspectors of customs; to the Committee on Ways and Means.

By Mr. GRAHAM of Illinois: A bill (H. R. 15090) to prohibit the sale, transfer, or lease of property of the United States to certain persons named therein and providing penalties for a violation of the same; to the Committee on the Judiciary.

Also, a bill (H. R. 15091) directing the transfer to the Court of Claims of certain claims made under the act approved March 2, 1919, and entitled "An act to provide relief in cases of contracts connected with the prosecution of the war, and for other purposes"; to the Committee on Military Affairs.

By Mr. DUNN: Joint resolution (H. J. Res. 411) authorizing the Secretary of the Treasury to enter into an agreement to lease or to execute a lease for hospitals acquired or to be constructed by the State of New York or other States of the United States of America for the care and treatment of beneficiaries of the Bureau of War Risk Insurance; to the Committee on Public Buildings and Grounds.

By Mr. SCHALL: Joint resolution (H. J. Res. 412) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. McLEOD: Resolution (H. Res. 613) to investigate conduct of Walter Reed Hospital, Washington, D. C.; to the Committee on Rules.

By Mr. BURKE: Resolution (H. Res. 614) protesting against the looting and burning of the city of Cork and appealing to the British Government to recognize the government established by a majority of the Irish people; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ACKERMAN: A bill (H. R. 15092) granting an increase of pension to Frances T. Gaddis; to the Committee on Invalid Pensions.

By Mr. DAVIS of Tennessee: A bill (H. R. 15093) granting a pension to George W. Byford; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 15094) granting a pension to Julia Kiess; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 15095) granting a pension to Jacob J. Spencer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15096) granting a pension to William A. Fox; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 15097) for the relief of James R. Maguire; to the Committee on the Public Lands.

By Mr. GRIFFIN: A bill (H. R. 15098) for the relief of Thomas F. Kenny; to the Committee on Claims.

By Mr. JOHNSON of Washington: A bill (H. R. 15099) to reimburse David J. Williams for cash shortage due to theft of public funds; to the Committee on Claims.

By Mr. LINTHICUM: A bill (H. R. 15100) granting a pension to Annie Jogtenberg; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 15101) granting a pension to Catherine E. Hartman; to the Committee on Pensions.

By Mr. McPHERSON: A bill (H. R. 15102) to correct the military record of William Karch; to the Committee on Military Affairs.

Also, a bill (H. R. 15103) to correct the military record of Ira T. Washburn; to the Committee on Military Affairs.

Also, a bill (H. R. 15104) granting a pension to Bertha C. Hammer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15105) granting a pension to Sarah G. Freeman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15106) granting a pension to Charles F. Bennett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15107) granting a pension to Joshua C. Carney; to the Committee on Pensions.

By Mr. RANDALL of Wisconsin: A bill (H. R. 15108) granting a pension to Gustave Stoeckel; to the Committee on Pensions.

Also, a bill (H. R. 15109) granting a pension to Katherine Wheeler Hauns; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15110) granting a pension to Lizzie Baily; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15111) granting an increase of pension to Mary A. Gooden; to the Committee on Pensions.

Also, a bill (H. R. 15112) granting an increase of pension to Helen L. Greene; to the Committee on Pensions.

By Mr. ROUSE: A bill (H. R. 15113) granting a pension to Line Wills; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15114) granting an increase of pension to Kate Momper; to the Committee on Pensions.

By Mr. SANDERS of New York: A bill (H. R. 15115) granting a pension to Thomas McGinnis; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 15116) granting an increase of pension to Isabella Deloach; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 15117) granting a pension to Levi T. Miller; to the Committee on Pensions.

Also, a bill (H. R. 15118) granting a pension to Catherine E. Weatherby; to the Committee on Invalid Pensions.

By Mr. SMITH of Michigan: A bill (H. R. 15119) granting an increase of pension to Frederick Warren; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 15120) granting an increase of pension to Margaret I. Reider; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 15121) for the relief of the owner of the schooner *Mary Bradford Peirce;* to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4480. By Mr. ELSTON: Petition of the Sierra Club of California, urging elimination of national parks from Federal water-power acts; to the Select Committee on Water Power.

4481. By Mr. FULLER of Illinois: Petition of the Catholic Order of Foresters, St. Benedict Court, No. 782, of Peru, Ill., protesting against the use of uncivilized African troops in the occupied German area; to the Committee on Foreign Affairs.

4482. Also, petition of the Catholic Women's League, of Rockford, Ill., favoring the Smith-Towner educational bill; to the Committee on Education.

4483. Also, petition of 20 women of the Dekalb (Ill.) Drama Club, favoring the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4484. Also, petition of the Emergency Agency, of Chicago, favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4485. Also, petition of Capt. William H. Maxwell, Fitzsimons General Hospital, Denver, Colo., for the retirement of disabled emergency officers of the Army; to the Committee on Military Affairs.

4486. By Mr. IRELAND: Petition of various citizens of Illinois, urging that an import duty be placed on Canadian wheat and live stock and Argentine corn; to the Committee on Interstate and Foreign Commerce.

4487. By Mr. JOHNSON of Washington: Petition of several residents of Pierce County, Wash., favoring the passage of H. R. 10925, maternity and infancy protective bill; to the Committee on Interstate and Foreign Commerce.

4488. By Mr. LINTHICUM: Petition of Stevens Bros., Baltimore, re letter rates; to the Committee on the Post Office and Post Roads.

4489. Also, petition of John J. Greer & Co., Baltimore, re letter rates; to the Committee on the Post Office and Post Roads.

4490. Also, petition of James Robertson Manufacturing Co., Baltimore, re letter rates; to the Committee on the Post Office and Post Roads.

4491. Also, petition of the Stieff Co., Baltimore, re letter rates; to the Committee on the Post Office and Post Roads.

4492. Also, petition of Richard Sutton, Baltimore, Md., on fourfold bonus bill; to the Committee on Ways and Means.

4493. Also, petition of Mrs. V. F. Ganse, of Baltimore, re House bill 10925; to the Committee on Interstate and Foreign Commerce.

4494. Also, petition of Mrs. H. F. Baker, of Baltimore, Md., Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4495. Also, petition of Mrs. Edward Shoemaker, of Baltimore, Md., House bill 10925; to the Committee on Interstate and Foreign Commerce.

4496. Also, petition of Mrs. Adolph J. Ginsberg, of Baltimore, Md., House bill 10925; to the Committee on Interstate and Foreign Commerce.

4497. Also, petition of Mrs. S. Bowie Clagett, of Mitchellville, Md., re House bill 10925; to the Committee on Interstate and Foreign Commerce.

4498. Also, petition of John B. Adt Co., of Baltimore, Md., on Patent Office life-saving bill; to the Committee on Patents.

4499. Also, petition of Bernheimer Bros., of Baltimore, Md., on revenue law; to the Committee on Ways and Means.

4500. Also, petition of James E. Corprew, president of the Federal Employees' Union of Baltimore, Md., re Coast Guard appropriation; to the Committee on Appropriations.

4501. Also, petition of the Alumnæ Association of Eastern High School, Baltimore, re H. R. 12466; to the Select Committee on Water Power.

4502. Also, petition of Mrs. Mae E. Mitchell, of Baltimore, re Sheppard-Towner bill; to the Committee in Interstate and Foreign Commerce.

4503. Also, petition of James H. Dorsey, of Baltimore, re letter rates; to the Committee on the Post Office and Post Roads.

4504. Also, petition of McCawley & Co., re taxation; to the Committee on Ways and Means.

4505. Also, petition of Baltimore Cooperage Co., of Baltimore, re excess tax laws; to the Committee on Ways and Means.

4506. Also, petition of the American Utensils Co., of Baltimore, re lifting Russian blockade; to the Committee on Interstate and Foreign Commerce.

4507. Also, petition of Joseph N. Matthai, of Baltimore, Md., re discrimination between Regular and other Army officers; to the Committee on Military Affairs.

4508. Also, petition of the Maryland League of Women Voters, of Baltimore, and the Baltimore Kindergarten Club, re House bill 10925; to the Committee on Interstate and Foreign Commerce.

4509. By Mr. McARTHUR: Petition of the Morrow County Wool Growers' Association, favoring an embargo on all foreign wool; to the Committee on Ways and Means.

4510. By Mr. O'CONNELL: Petition of Henry F. Samstag, of New York, favoring legislation that will provide for the administration of national affairs in Alaska; to the Committee on the Territories.

4511. Also, petition of the Disabled Emergency Officers of the World War, Fitzsimons Chapter, Denver, Colo., favoring the same retirement for disabled emergency officers as is provided for Regular Army officers who are disabled; to the Committee on Military Affairs.

4512. By Mr. SINCLAIR: Petition of the Women's Fortnightly Club of Carson, N. Dak., urging the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4513. By Mr. SMITH of Michigan: Petition of the Charlotte Tribune, Charlotte, Mich., protesting against the repeal of the zone system; to the Committee on the Post Office and Post Roads.

4514. Also, petition of the Wool Marketing Commission of the American Farm Bureau Federation, urging an embargo upon the importation of wools, woolens, and all sheep products; to the Committee on Ways and Means.

4515. Also, petition of Branch County (Mich.) Pomona Grange, favoring the "truth in fabric" bill; to the Committee on Interstate and Foreign Commerce.

4516. By Mr. SNYDER: Petition of the ice-cream manufacturers of New York State, urging relief in the matter of determining and collecting Federal taxes; to the Committee on Ways and Means.

4517. By Mr. TIMBERLAKE: Petition of the Disabled Emergency Officers of the World War, Fitzsimons Chapter, Denver, Colo., favoring the same retirement for disabled emergency officers as is provided for Regular Army officers who are disabled; to the Committee on Military Affairs.

4518. Also, four long petitions of citizens of Greeley, Colo., urging the immediate passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4519. By Mr. YATES: Petition of Mrs. F. S. White, Rock Island Women's Club, Rock Island, Ill., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4520. Also, petition of Mrs. H. W. Cheney, State president of the Illinois League of Women Voters, of Chicago, Ill., urging the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4521. Also, petition of Merrill Cox & Co., of Chicago, Ill., protesting against the dumping of foreign wools on our shores while our home production is seeking a market; to the Committee on Interstate and Foreign Commerce.

4522. Also, petition of Miss Katherine H. Obye, of Galena, Ill., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4523. Also, petition of Chester S. Simmons, of Chicago, Ill., protesting against House bill 12466; to the Select Committee on Water Power.

4524. Also, petition of Miss Jean Corlett, of Joliet, Ill., secretary P. E. O. Sisterhood, Chapter B. A., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4525. Also, petition of Mr. R. L. Mays, international president of Railway Men's International Benevolent Industrial Association, of Chicago, concerning section 301 of the transportation act; to the Committee on Interstate and Foreign Commerce.

4526. Also, petition of John H. Martin, of Chandlerville, Ill., protesting against a bill now before the Senate committee excluding all wireless amateurs; to the Committee on Interstate and Foreign Commerce.

4527. Also, petition of the National Association of Corrugated Fiber Box Manufacturers, of Chicago, protesting against the system of weights and measures known as the metric system; to the Committee on Coinage, Weights, and Measures.

4528. Also, petition of C. E. Wellman, clerk circuit county court, Danville, Ill., concerning legislation in regard to Spanish War widows' pensions; to the Committee on Pensions.

4529. Also, petition of the Thayer Action Co., of Rockford, Ill., protesting against the war and excess-profits taxes; to the Committee on Ways and Means.

4530. Also, petition of the Zirkel, by Louis Reinecker, secretary, of Chicago, protesting against the retention of colonial colored troops in the occupied area of Germany; to the Committee on Foreign Affairs.

4531. Also, petition of Roy F. Dusenbury, of Kankakee, Ill., favoring the Stevenson bill; to the Committee on Military Affairs.

4532. Also, presents petitions favoring the 1-cent drop-letter rate for cities, towns, and rural routes, of Swain Nelson & Sons Co., of Chicago; the Engineering Agency (Inc.), of Chicago; Russell-Meyer Grocer Co., of Clinton; F. E. and F. H. Avery, of Peoria; Ziegler Bros. Co., of Elgin; National Mirror Works, of Rockford, all in the State of Illinois; to the Committee on the Post Office and Post Roads.

4533. Also, petition of Capt. William H. Maxwell, Fitzsimons General Hospital, Denver, Colo., urging the passage of the Stevenson bill; to the Committee on Military Affairs.

4534. Also, petition of F. A. Roziene, president of the National Association of Vicksburg Veterans, of Chicago, favoring House bills 5 and 9979; to the Committee on Military Affairs.

4535. Also, the following protests against the Falls River Basin bill and the Federal Water Power Commission act: Thomas Boal, the Chicago College Club, Mrs. R. H. Fulton, Horace Porter, Ruth Freese, Catharine A. Mitchell, all of Chicago, and the La Grange Woman's Club, of La Grange, and the Nature Study Society of Rockford, all in the State of Illinois; to the Select Committee on Water Power.

SENATE.

WEDNESDAY, *December 15, 1920.*

The Chaplain, Rev. Forrest J. J. Prettyman, D. D., offered the following prayer:

Almighty God, Thou hast given us but little time. Thou dost require great things at our hands. A mighty task is before us. Tremendous responsibilities weight us down. Who are sufficient for these things? In the midst of life are changes and uncertainties. We look to Thee, O God, God of our fathers, who has presided over councils of state. We pray Thy blessing upon us that we may fill up the measure of our time with the largest measure of service to our fellow men and to the glory of Thy Name. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

TRAVEL EXPENDITURES OF AGRICULTURAL DEPARTMENT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing travel of officials and employees of the department on official business during the fiscal year 1920, which was referred to the Committee on Appropriations.

EXPENDITURES UNDER FEDERAL AID ROAD ACT.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing expenditures under the Federal aid road act during the fiscal year ending June 30, 1920, which was referred to the Committee on Agriculture.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the joint resolution (S. J. Res. 191) to create a joint committee on the reorganization of the administrative branch of the Government.

ENROLLED JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the enrolled joint resolution (H. J. Res. 407) authorizing payment of the salaries of officers and employees of Congress for December, 1920, on the 20th day of said month, and it was thereupon signed by the Vice President.

The message also announced that the House disagrees to the amendments of the Senate to the bill (H. R. 11984) entitled "An act to increase the force and salaries in the Patent Office, and for other purposes," and agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. DAVIS of Tennessee, Mr. NOLAN, and Mr. LAMPERT managers at the conference on the part of the House.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Harrison	McLean	Smith, Md.
Ball	Heflin	McNary	Smith, S. C.
Beckham	Henderson	Myers	Smoot
Brandegee	Hitchcock	Nelson	Spencer
Calder	Jones, Wash.	New	Sterling
Capper	Kellogg	Norris	Sutherland
Culberson	Kendrick	Nugent	Swanson
Curtis	Kenyon	Overman	Thomas
Dial	Keyes	Page	Underwood
Edge	King	Phipps	Wadsworth
Fernald	Kirby	Poindexter	Walsh, Mass.
Fletcher	La Follette	Ransdell	Walsh, Mont.
France	Lenroot	Sheppard	Warren
Gore	McCumber	Simmons	
Harris	McKellar	Smith, Ga.	

Mr. SHEPPARD. I wish to announce that the Senator from Oregon [Mr. CHAMBERLAIN] is absent on official business, and that the Senator from South Dakota [Mr. JOHNSON] is absent by reason of illness.

The VICE PRESIDENT. Fifty-eight Senators have answered to the roll call. There is a quorum present.

PERSONAL EXPLANATION—COTTON FACTORS.

Mr. RANSDELL. Mr. President, I rise to make a brief explanation.

During the debate on the 13th instant the Senator from Tennessee [Mr. MCKELLAR] made a statement in regard to the practices of cotton factors and the practices of the Federal Reserve Board in relation thereto. I stated to the Senator that I thought he was mistaken in so far as the New Orleans branch of the Federal Reserve Board was concerned. I find that I was mistaken and that the Senator from Tennessee was entirely correct in his statement of the case. I wish to make this correction.

PETITIONS.

Mr. MYERS presented a petition of the Orchard Homes Woman's Club, of Missoula, Mont., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

He also presented a petition of Local Union No. 3574, United Mine Workers of America, of Klein, Mont., in favor of amnesty for all political prisoners, which was referred to the Committee on the Judiciary.

Mr. MCCUMBER. Mr. President, I present a telegram from a convention of farmers lately assembled in my State, and I ask that it may be read.

The VICE PRESIDENT. Is there objection? The Chair hears none. The Secretary will read the telegram.

The telegram was read and ordered to lie on the table, as follows:

CANDO, N. DAK., *December 14, 1920.*

Senator MCCUMBER,
Washington, D. C.:

Over 300 farmers of this vicinity have been in convention here considering matter of prices of their produce. Farmers are anxiously watching Congress and looking to Congress as their last hope for relief against inevitable bankruptcy. Official and speculative deflaters, in order to create fear among farmers and force them to unload and reduce prices of their products without regard to cost of production or law of supply and demand, are using all available propaganda, much of which is without foundation in fact. The result will be a ruination of the agricultural industry of the United States if Congress does not promptly and efficiently act in the premises. Resurrect the War Finance Corporation to the end that credits may be extended to foreign countries desiring to purchase our surplus that can furnish satisfactory security. Place an embargo on the importation into the United States of all products which our farmers produce in sufficient quantity to supply the needs of our people, and in that manner not only protect our market but also insure to the American producer the benefit of the credit thus extended. Make the act of selling futures covering articles produced by the farmers of the United States a criminal offense on the part of the seller and his agent, if the seller does not at the time of the sale, in good faith, own and have in the United States the actual article covered by the future sold, and in that manner shut out of our markets the wind injected therein by the speculative deflater, whether he be citizen or foreigner. The American farmer is the best producer and consumer in the world. The agricultural industry is the backbone of our country. The American wheat grower was not dealt fairly with during the war, but he accepted the bitter given him because of his patriotic zeal for victory. After victory and because of the distress of the world, and believing that his Government would at least leave him in no worse position that it placed him during the war, he continued to produce every possible pound of foodstuff at continually increasing cost of production. The American farmer now believes that he is within his rights in demanding and of right is entitled to remedial legislation protecting his market.

J. J. KEHOE,
W. F. BACON,
D. F. MACLAUGHLIN,
Committee.

Mr. POINDEXTER presented a telegram in the nature of a petition from bankers in the city of Toppenish, Wash., praying for the enactment of legislation placing an embargo on wool, which was referred to the Committee on Agriculture and Forestry.

He also presented a telegram in the nature of a petition from bankers in the city of Yakima, Wash., praying for the enactment of legislation placing an embargo on wool and mutton, which was referred to the Committee on Agriculture and Forestry.

Mr. TOWNSEND presented a petition of sundry American Indians praying for the enactment of legislation which will grant and guarantee to them the rights and privileges of citizenship, which was referred to the Committee on Indian Affairs.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. MYERS:

A bill (S. 4649) to repeal section 7 of the act of October 6, 1917, entitled "An act making appropriations to supply urgent

deficiencies in appropriations for the fiscal year ending June 30, 1918, and for other purposes"; to the Committee on Appropriations.

A bill (S. 4650) to grant certain lands to the city of Miles City, State of Montana, for use by said city for park, recreation, community, and camping purposes; to the Committee on Public Lands.

By Mr. McKELLAR:

A bill (S. 4651) granting a pension to Carriston W. Looper; to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 4652) granting a pension to Ida L. Fay (with accompanying papers); to the Committee on Pensions.

By Mr. McNARY:

A bill (S. 4653) for the relief of E. W. McComas; to the Committee on Public Lands.

A bill (S. 4654) granting a pension to Adella M. Porter; to the Committee on Pensions.

By Mr. OVERMAN:

A bill (S. 4655) granting an increase of pension to James B. Waters; to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 4656) for the relief of Hubert J. Stanley, alias John H. Lash (with accompanying papers); to the Committee on Military Affairs.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 226) authorizing the erection on public grounds in the city of Washington, D. C., of a memorial to the dead of the First Division, American Expeditionary Forces, in the World War; to the Committee on the Library.

THE COLOMBIAN TREATY.

The VICE PRESIDENT. Concurrent or other resolutions are in order.

Mr. KING. Mr. President, the inquiry I am about to make does not come under the head of "concurrent and other resolutions," but I should like to ask some member of the Foreign Relations Committee—I do not see the chairman of that committee present—whether there is any disposition to bring to the Senate for action the pending treaty between Colombia and the United States? It does seem to me that this session of Congress should not adjourn until that treaty has been disposed of. It would be an act of justice to a friendly nation that we should dispose of that treaty.

Mr. McCUMBER. Mr. President, I do not see the chairman of the Committee on Foreign Relations present, and I therefore hope the Senator from Utah will defer the question, or at least the request for an answer to his question, until the chairman of that committee is in the Chamber.

Mr. POINDEXTER. Mr. President, I suppose that the Senator from Utah really means to say that we ought not to adjourn this session of Congress until that treaty shall have been ratified?

Mr. KING. Oh, Mr. President, the Senator from Utah does not mean that. The Senator from Utah knows that this session shall adjourn—and I think the Senator from Washington, having read the Constitution, knows that fact—on the 4th of March, and I feel that the ratification of that treaty is a matter of unfinished business that ought to be disposed of before we adjourn.

Mr. POINDEXTER. Does the Senator from Utah mean to say that it would be a friendly act to the State of Colombia to refuse to ratify the treaty?

Mr. KING. Responding to my friend from Washington, I will answer that question in the negative. I think that we ought to ratify the treaty.

Mr. POINDEXTER. That is what I assumed, and I was just going to suggest to the Senator from Utah that it is not likely that the treaty will be ratified at this session of Congress.

Mr. KING. I can not believe that the Senate of the United States will refuse to do justice to a friendly nation and will refuse to ratify the treaty.

Mr. THOMAS. Mr. President, I think the senior Senator from New Mexico [Mr. FALL], a member of the Committee on Foreign Relations, is the chairman of a subcommittee having the Colombian treaty in charge. I had a consultation with him a few mornings ago with a view of ascertaining whether the treaty would be considered at this session of Congress. He is very anxious to submit it and have it ratified, as I understand the Senator from Utah is; but there is some serious objection to the consideration of the treaty at all; and I need not remind my friend from Utah that such objections will, if persisted in, prevent the ratification of the treaty at this short session.

Some time ago I undertook to investigate the facts surrounding the acquisition of the Panama Canal, and, upon the assumption that that treaty would soon be presented for consideration, I prepared an address upon it. It is my intention, whether the treaty is before the Senate for consideration at this session or not, to incorporate that address in the RECORD before adjournment; but from what I know about the situation, I think my friend from Utah will have to postpone his vote for the ratification of the treaty until the new Congress comes in, when the treaty may or may not be ratified.

ASSOCIATION OF PRODUCERS OF AGRICULTURAL PRODUCTS.

The VICE PRESIDENT (at 12 o'clock and 30 minutes p. m.). Morning business is closed.

Mr. NELSON. I move that the Senate proceed to the consideration of Order of Business 611, being House bill 13931, the bill which was before the Senate on yesterday.

Mr. CALDER. I ask the Senator from Minnesota if he will yield to me to ask for the consideration of a resolution which comes over from yesterday? I am sure it will not take more than a minute or two for its consideration.

The VICE PRESIDENT. There is no resolution coming over from yesterday.

Mr. CALDER. I know that is technically true, but I simply ask the Senator from Minnesota if he will yield to me to present a motion in reference to the resolution. I am sure that action on my resolution will not take more than a moment or two.

Mr. KELLOGG. Will the Senator from New York yield to me? I wish to make merely a few remarks on the bill the consideration of which is proposed by my colleague, as I must return to a committee which is in session.

The VICE PRESIDENT. The question is on the motion of the senior Senator from Minnesota [Mr. NELSON].

The motion was agreed to; and the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13931) to authorize association of producers of agricultural products.

Mr. KELLOGG. Mr. President, I have not time to discuss the Sherman antitrust law fully as it may apply to the pending bill, but I wish to submit a few observations upon the measure as I must, in a few moments, return to a committee which is taking testimony on the cable situation. However, before mentioning the legal problems involved, let me suggest for a moment what the object of the pending bill is. I might say that many of the States—I have not time to go into detail—New York among others, have within the last year or two, in encouraging such farmers organizations as are here proposed, passed laws permitting them to exist. Such bills are pending before the legislatures of many States and will undoubtedly be passed. There is an aspect of interstate commerce involved, of course, for the States can not authorize shipments of products to market from one State to another. All that is asked in the pending measure is that Congress shall legalize such selling agencies, reserving in the Department of Commerce and Labor or the Department of Agriculture, whichever the Senate may decide, the right to supervise them and prevent their abuse so as to unduly increase prices.

I think it will be admitted that one of the gravest economic questions which exists to-day so far as the farmers of the country are concerned is that of marketing. Aside from those products which may be sold any day upon an exchange, the farmers of the country have been producing yearly hundreds of millions of dollars worth of products which must be sold, transported, and delivered to consumers on which the price the consumer pays is inordinately high as compared with what the farmer receives.

I wish I had the time to illustrate some of the discrepancies. For instance, statistics show that in the State of New York the farmer receives about 6 cents a quart for his milk, whereas the consumer pays 14 cents. Similar conditions exist in the West. Take the potato crop and many other crops, including the apple crop. This year they are rotting on the ground, because of no coordinated scientific system of marketing enabling the consumer to buy those products. There is to-day no question that is occupying the attention of local State officials and of legitimate, conservative farming organizations as much as the question of cooperative marketing.

Look at the condition in California. I can remember only a few years ago when the fruit producers of California were bankrupt all the time. They had no facilities for marketing their products and no agents to furnish the products to the country as the country required them. There were no storage facilities and no coordination, but each man proceeded to dump his stuff upon the railroads. Consequently the markets were glutted; people could not buy all the products when they were glutted, and at other seasons of the year they had to pay

enormous prices and many times could not get fruit. Now the producers have real scientific, businesslike organizations. They have built their own warehouses for the handling of their fruit; they have their own agents; they guarantee deliveries of good oranges and other fruit so that any man can buy from one of those farmers' organizations and know that the product will be good. The same thing to some extent applies to apples. The result has been that the public has paid less according to the standard prices of the country, and the producer has received more. It will be found to-day that the difference between what the fruit producer receives and what the consumer pays is less than applies in the case of most other products. It represents a small, fair profit over and above the actual handling cost. Why? Because they have their skilled agents.

Mr. President, I can not stop to go into this matter in detail, but the farm bureau organization, which is one of the greatest organizations in this country, the grange, and many other organizations have taken up the subject and are doing a great deal along that line—for instance, in the sale of butter, as has been done in my State, as my colleague [Mr. NELSON] explained yesterday. They need to do it in the case of potatoes and many other products. Every autumn in my State potatoes are dumped on the market; there are not sufficient facilities for handling them, and there is no organized selling system, and as a consequence the farmer ordinarily makes no profit on his production.

One thing is sure, that the farmers of this country have got to be fairly prosperous or the country will not be prosperous. Those in the cities can not go on making money unless their activities are based upon a fairly prosperous, independent agricultural industry.

There is no State in the Union in which this question was more discussed during the autumn than in Minnesota. We had a square issue, not between Democrats and Republicans but between the fairly conservative people, represented by the Republicans on the one side and on the other by the Nonpartisan League, representing state socialism and state ownership of all industries. I hold in my hand the platform of that party which made the square issue which was decided by the people of Minnesota after thorough discussion. The program of the Nonpartisan League embraced "public ownership and operation of railways, steamships, banking business, stockyards, packing plants, grain elevators, terminal markets, and all other public utilities, and the nationalization and development of basic natural resources, water power, and unused land, with the repatriation of large holdings." There you have it. It is a socialistic state ownership program, involving the means of distribution and natural resources.

I do not believe that the Government can go into such businesses and compete in the interest of the people with private enterprise. I believe that private enterprise must operate the industries of this country, that there must be the individual hope of gain and of betterment of condition, and the enterprise incident to the splendid American spirit in order to make them successful. But, Senators, we are going to have one or the other. Either the farmers are going to organize and have good and stable market conditions, which I believe they have the ability to establish, or we will have state socialism. We can take our choice.

Now, you know and I know that all the farmers of this country or all the small producers in any line of business can not combine and control the food products of this country. We know, furthermore, that the farmers of the community or of the State who are adjacent to a big market can organize, can procure better marketing facilities, warehouses, and agents, and can produce their products and put them in the hands of the consumer a great deal cheaper than it is being done now, and they will get the benefit of it, and we who are living in the cities will get the benefit of it.

The Republicans of Minnesota advocated and the State campaign was decided upon the principle of cooperation in marketing facilities among farmers, rather than State ownership of these facilities. I do not pretend at all that the Government can legislate prosperity to the farmer, the laboring man, the manufacturer, or anybody else, nor am I willing that the attempt shall be made. But the Government can permit, aid, and encourage the self-enterprise of the producer and the farmer to establish marketing conditions which will benefit him as well as the consumer, and we should not prevent that. I am not in favor of selecting one class of people in the country and legislating for their particular benefit, or exempting them from the general laws of the country; but if there is any one question that is vital to the production of this country and to the interest of both the consumer and the producer it is better marketing facilities in this country, and they must largely be procured through cooperation of the farmers themselves. They can do it, and in my opinion they have the intelligence to do it.

Mr. KING. Mr. President——

Mr. EDGE. Mr. President, may I ask the Senator one question?

Mr. KELLOGG. One question; yes.

Mr. EDGE. Granting that all the Senator says as to the necessity for organization is true—and I believe it is—what is the reason, from the Senator's viewpoint, that this particular class of persons should have an immunity from prosecution not granted to any other class of citizens?

Mr. KELLOGG. For the same reason that we granted it to exporters, who are marketing men, and who necessarily come in competition with other marketing men—exactly the same reason; no other.

This bill is not the only bill that the Congress has passed. The Congress found it was necessary for the American manufacturer and producer to compete in the markets of the world; and, as I said on the floor of the Senate the other day, the Governments of Europe are buying through commissions. Even before the war, many of the large concerns of Europe as to many of our products were combining and buying through commissions, because they could beat down the American market as against a multitude of unorganized sellers. That appeared when we passed the bill permitting combinations in foreign trade. We authorized incorporations to act as central selling agencies for all producers. Why should we not authorize agreements or selling agencies for farmers, both domestic and foreign, provided we protect—as we did in that bill—the American people against monopoly?

All that this bill does is to provide that they may cooperate, either with or without capital stock—

in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of their members; and such producers may organize and operate such associations and make the necessary contracts and agreements to effect that purpose, any law to the contrary notwithstanding.

But it is not left there. A limitation is placed upon how much this corporation shall earn—8 per cent, which, I am sure, in view of the profits made by many corporations, is entirely reasonable. There is no limitation placed upon what a foreign selling agency may make, or what other corporations may make. I think this is entirely reasonable.

The members are only allowed one vote each, in order that it may really be a cooperative institution. It appeared by the testimony that it was necessary to permit corporate organizations by reason of the large number of people interested, and the necessity to have some corporate organization to handle the business of the selling agencies; but, in order to protect the American people, it is provided that the Federal Trade Commission shall have full authority to decide that they are monopolistic, or unduly restrain trade, and to enjoin them if they do.

But it was said by the Senator from New Jersey [Mr. EDGE] that they may not know whether they have violated the law or not until they are haled into court. That is exactly the trouble. In other words, find an indictment first, and determine whether there is reasonable evidence of the man's guilt afterwards. That is the way they have been doing. These people have been hauled up and indicted in various States, some under State laws and some under Federal laws, and the legislatures of the States have promptly passed laws legalizing their activities. Now, I do not believe in the practice of indicting a man first and afterwards determining whether there is reasonable evidence of his guilt. It is a serious thing to indict an American citizen, and it is very rarely that there is a conviction under a statute of that kind, regulating business.

In order that we may protect the American people it is provided that if the restraint of trade or the lessening of competition is to such an extent that the price of the agricultural product is unduly enhanced by reason thereof the commission shall serve notice and may proceed in court to enjoin it and protect the American people. What the consumer is interested in, of course, is paying a fair price, and I do not believe that the doors should be thrown open for any class of the community to organize and combine to unduly elevate prices. There is ample opportunity for protection here if there exists any possibility that the farmers of this whole country could combine in one organization or in a dozen organizations which should conspire with each other to control the food supply of the country.

The farmers must have better marketing facilities, the consumer must buy his product cheaper, taking into consideration the cost of production, and the farmer must be prosperous, or 35 per cent of the people of this country will not produce sufficient food for the balance. We might as well make up our minds to that. There never was a nation on the face of the

earth where agriculture decayed and the nation remained prosperous and great.

I do not claim that the farmers have not made profits in the past. They are not making them to-day, however, and they are in an appalling condition. What they want to do is to organize selling agencies and get all the advantage they can from coordination in selling agencies, which is for the benefit of the farmer as well as the consumer.

There is a good deal in what the Senator from North Carolina said, that we shall not be able to run the business of this country with indictments or lawsuits. I have had five or six years of experience along that line, and I believe that a bill that I introduced, or the principle of it, will some day have to become a law, whereby there will be some supervision over the large corporations of this country which will restrain them and regulate them, rather than let them do as they please, and then seek indictments.

I am not in favor of permitting the unlimited organization of monopolies to throttle the American people, but I am in favor of permitting reasonable coordination and cooperation among the farmers in order that they may get a better market and lessen the cost of placing their products in the hands of the consumers of this country, which undoubtedly can be done. In the last year or two the best minds of the country have been concentrated and are now being concentrated upon this great problem, and I believe it is the greatest hope for the people of this country and for agriculture.

I do not think there is any great danger to the people in this bill. It is fairly guarded. I do not pretend that it does not make some changes in the Sherman Antitrust Act. I do not consider that a holy document that can not be touched when the business conditions of the country demand it. I am in favor of preserving its principles for the protection of the American people, but I am also in favor of modifying it, as we have done several times, and especially as we did in respect of foreign trade when it was necessary for the real benefit of the American people and the development of trade and markets. One of the changes is incorporated in this bill. It is required that it shall be shown that these restraints are monopolistic to such an extent that the price of agricultural products is unduly enhanced by reason thereof. Well, why should it not be shown? Why should not that appear? If it is not enhanced, if the price is lowered, there can not be any injury to the American people, unless it is used for monopolistic purposes to exclude somebody from the business.

With these safeguards in the bill, the farmer has what I think the business man is entitled to—a chance to work out this problem—and, then, if his organization is not legal, he has an opportunity before he is indicted to go before the proper tribunal and present the facts. It is very difficult for a business man or a farmer to tell whether or not he is violating the Sherman Antitrust Act in its criminal provisions; and it appears by the hearings on this bill that they are not willing to accept the risk of a technical violation of the criminal provisions of the Sherman Act in order to organize reasonable selling agencies, which, I believe, are protected by this bill.

Mr. TOWNSEND. Mr. President, I have been a little confused during the last three or four days with reference to the object of some of the legislation which has been proposed. For instance, the other day when we were discussing the revival of the War Finance Corporation some of the advocates of the measure suggested, in the specific case of cotton, which I imagine applies to wheat and other things in the same way, that they were advising the farmers in their part of the country to refrain from growing cotton, and they were advocating a measure whereby the Government was to aid these farmers in holding their crops, even as against the proposition of a forced reduction in production. I was wondering if the Senator is of the opinion that it is wise for Congress at this time to do anything which will, through the aid of the Government, enable the farmers, the manufacturers, or any other class of our people to hold their products until such a time as they feel it is proper for them to sell.

Mr. KELLOGG. Mr. President, I am not of the opinion that the Government should enter into a conspiracy with farmers or anybody else to hold products for the purpose of forcing the price up, and this bill does not authorize anything of the kind. It authorizes cooperation in collective processing, preparing for market, handling and marketing products in interstate and foreign commerce. That is the object of the bill, and that is what the bill is really for. It has been pending quite a while before Congress, and, as I said, many of the States have adopted the principles of the bill.

Congress did it some time ago, except that it left indefinite one clause. Congress provided that such horticultural or agricultural organizations might be organized, "not having capital stock or conducted for profit or to forbid or restrain individual members of such organizations from lawfully carrying out the legitimate objects thereof," and so forth; that is, they should not be forbidden from carrying it out, but the question of whether this was for reasonable profit was left in doubt in the Clayton Act, and the Government in some cases has claimed that if it was for reasonable profit it was illegal under that bill.

Mr. TOWNSEND. Mr. President, if I may be permitted further, I am very heartily in favor of granting every legitimate right to farmers and every other class of our people to which they are entitled. I realize, however, that we have in the past indulged in what is known as class legislation. A few years ago the tendency of the country was to legislate in favor of the corporations of the country quite largely. We know now that that kind of legislation was absolutely wrong. For a number of years we have been attempting to eliminate labor organizations, for instance, from the general operation of the laws of the land. At one time we associated with that legislation the word "farmer," in order to enlarge the class, when all of us knew that the farmers were not asking for it, and that it was of doubtful benefit to them.

As I said to begin with, in asking the question, I have been confused at some of the legislation, especially as illuminated by the arguments which have been made in support of it during the last few days. I repeat that I am in favor of granting every legitimate right and offering every proper encouragement to agriculture; but when the Senator proposes to amend the Sherman antitrust law—because I take it this is a proposal to amend it so that it shall not apply to one class of our people—I am wondering where it will stop. How can we make legislation of that kind general?

Mr. KELLOGG. Mr. President, I am compelled to leave in a moment, and I have not time to listen to any speeches put in the body of mine. I am perfectly willing that Senators should make speeches in their own time. I have not the time to answer any more questions.

Mr. McKELLAR. Mr. President, will the Senator yield to me just to make a correction?

Mr. KELLOGG. I am going to make a correction first, and then the Senator can make his afterwards.

Mr. McKELLAR. The Senator prefers that I should make mine afterwards?

Mr. KELLOGG. If the Senator pleases.

Mr. McKELLAR. Very well.

Mr. KELLOGG. This bill does not exclude entirely a class of people from the antitrust law. It does no more than was done in the foreign trade act. This bill has not been inspired by the present apparent necessity of maintaining prices of farm products, or anything of the kind. This bill was introduced during the last session, when prices were very high all over the country, and there was no demand for increased prices. It was inspired by a legitimate investigation and trial by farmers in organizing reasonable selling agencies and coordinating their efforts to place their products in the hands of the consumer. That is the real force behind this bill.

In the State of New York they indicted a lot of farmers under the State law, and the legislature took the subject up and inquired into it, and legalized the private organizations; and that has been done in many States.

As I said before, the experience of the conservative, fair-minded farm organizations of this country, like the grange, the farm bureau, and many other organizations which I could name, which are not socialistic, and are not asking anything from the Federal Government, shows that the greatest field for their ability and activity is the field of marketing their products, and certainly the prices we are paying in the cities, and have been paying, should demonstrate the same facts.

That was the real object of this bill. I am not going to advocate—I do not now—abrogating the Sherman Act and permitting people to organize to throttle the American people by holding their products and demanding any price they see fit. However impossible that would be for the farmers of the country, I would not permit it, and they do not ask it. If you will talk with the ablest of the farmers of this country who have discussed this subject you will find they are not state socialists; that they are in favor of the Sherman Act; that they want to develop a legitimate marketing business and make the farmer independent and thereby make the people independent.

Mr. McCUMBER. May I ask a question here? I want the Senator's opinion.

Mr. KELLOGG. Very well.

Mr. McCUMBER. I want to call the Senator's attention to line 11 on the first page, the last clause, "any law to the con-

trary notwithstanding." I think that some have rather been misled by the idea that there is really a law that is contrary to the provision. It is a provision "that persons engaged in the production of agricultural products * * * may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of their members; and such producers may organize and operate such associations" for this purpose. Is there any law to the contrary now? That is the real gist of the whole question.

Mr. KELLOGG. I will answer that question, and then I shall close.

I believe that under the law now reasonable cooperation in marketing and marketing facilities is permissible and that companies may be organized. There is some question as to just how far they may go, and there is a dispute between district attorneys and the representatives of these organizations as to whether they are legal or illegal, but I suppose nobody will know absolutely until there is a decision of the Supreme Court.

It is quite possible that the principles of the Northern Securities case, if carried out to a legitimate end, might prevent a selling agency from being organized which it is claimed has the power to raise prices, whether it exercises the power or not. This, in that event, would change the rule so that they might cooperate in marketing provided it is not found to be monopolistic and to the injury of the public in unduly enhancing prices.

I do not think that is an unreasonable regulation and I believe that in the main that is now authorized by the Sherman Act. I do not pretend to say that this does not make some changes.

Mr. SIMMONS. Will the Senator let me ask him one question?

Mr. KELLOGG. Yes; I will answer one question.

Mr. SIMMONS. I merely wish to ask the Senator if, in his opinion, the powers of supervision which are given in the bill will not protect the consumers of this country against monopolistic prices on the part of agricultural cooperation and association just as effectually as the application of the provisions of the Sherman antitrust law would protect them?

Mr. KELLOGG. I think they will; and I may say, further, that if it should ever appear that the provisions of that act did not, Congress would not be slow to amend it.

Mr. SMITH of Georgia. Mr. President, this bill was intended to, and will, encourage organizations of farmers for the cooperative sale of farm products. It expressly declares that they "may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce."

It will prove, I trust, of great value both to those engaged in farming and to those who buy their products. Anyone who has studied or even casually observed the marketing system of the farmers of the country must know that as a rule it has been unscientific and unsatisfactory. Producing in many instances commodities that are to be consumed during a 12-month period, they throw those commodities upon the market as individual producers and they are absorbed by middle men buying collectively from the individual farmers and, after gathering them together, selling at largely increased prices to the consumer.

All the farmers are competing with each other in a disorganized system of sale, in a system of sale in many instances without accurate knowledge of the value of the ultimate market and without business organization or business preparation to place their products in the hands of the consumers or to obtain from the middle men a fair return for their money.

The bill practically invites them to organize. I hope they will organize in every county and every State in the Union. I hope they will organize in localities to cooperate in the marketing of their products.

Secretary of Agriculture Wilson at one time declared that an investigation of the subject led him to the conclusion that what the farmer sold for $1, as an average when it reached the consumer cost the consumer $2. This has been due to unscientific sale by the farming classes resulting from their utter lack of organization and cooperative selling. If the farmers will in their localities make organizations broad enough for extensive cooperative selling the whole tendency will be toward enabling them to carry their products from the middle men more nearly to the ultimate consumer. While the farmer as the result of organization will receive more compensation for his labor, the ultimate consumer may expect to receive his product as a rule at a smaller cost.

We have organized in the Department of Agriculture a Bureau of Markets, with a view to helping bring from the producer to the consumer the products of the producer. Most of the States have organized market bureaus. I hope to see this carried to the extent of an agent of the State market bureau in every county in my State and in other States, where the farmers will be aided in the adoption of better business methods for the cooperative disposition of their products and be aided in disposing of their products more directly and immediately to the ultimate consumer.

Mr. FLETCHER. Mr. President, may I interrupt the Senator at that point?

Mr. SMITH of Georgia. I yield to the Senator from Florida.

Mr. FLETCHER. May I remind the Senator that about 1915, I think it was, some of us favored an amendment to the appropriation bill coming from the Committee on Post Offices and Post Roads, providing for an initial appropriation of $10,000 and authorizing the Post Office Department to make experiments and investigations into the question how best to promote direct dealing between producer and consumer. They did make that investigation. That was not only in the interest of the producer, but it was in the interest of the consumer, and that includes pretty nearly everybody. Some suggestion is made about this being class legislation. Everyone is interested in the subject, not only the farmer.

That appropriation led to experiments, and finally other appropriations were made in subsequent bills, and that work continued. The Post Office Department were putting into use trucks and other means for carrying products from the farm directly to the producer, and it was proving an immense success and a great advantage to the public generally, both the consumers and the producers. But in the last Post Office appropriation bill, in another branch of the legislative department of the Government, that item was stricken out entirely, so that we no longer have that means which was provided for the benefit of the public generally in the distribution of farm products.

I believe I am correct in stating that the item providing for the development of facilities for promoting direct dealings between the producer and the consumer was stricken out of the last Post Office Department appropriation bill, or was not put into it when the bill originated at the other end of the Capitol, and therefore that whole effort has fallen to the ground. It means all the greater necessity for this kind of legislation, in order that the producers may cooperate for their advantage and for the good of the public.

Mr. TOWNSEND. Mr. President, may I say a word?

Mr. SMITH of Georgia. I yield with pleasure to the chairman of the Committee on Post Offices and Post Roads.

Mr. TOWNSEND. It is true that Congress made an appropriation of $300,000 several years ago for the purpose of experimenting in truck service between producer and consumer. That was continued for the second year. It was discontinued at last because the department itself refused to recommend it—in fact, suggested that it was not a success. We well remember that there was considerable of scandal connected with that proposition and the method in which it had been conducted. Congress has always been very anxious and very willing to contribute to the actual object which the Senator from Florida has suggested, namely, to do what it properly could do to reduce the spread between the cost and the selling price.

I mention this simply to show that the reason why it was not in the bill the last time was because it had proven very unsatisfactory to the department itself, as represented by the Postmaster General, and they refused to recommend it.

Mr. FLETCHER. That, I understand, covered the broad question of the use of trucks, but the fundamental idea, the principal thought, was that the department should develop a means whereby it could be done without loss to the Government for promoting direct dealing between producer and consumer. That has never been a failure. The use of the trucks brings up another question for other purposes, and of course I do not care to go into that.

Mr. TOWNSEND. But the trucks referred to were operated for that express purpose and no other purpose; that is, that was the intention of the Congress. The Government has expended $600,000 on that very particular thing. I am not condemning it as a general proposition, I am simply recording the fact as it occurred with reference to that appropriation.

Mr. SMITH of Georgia. Mr. President, it has been suggested that as a result of the proposed cooperative selling by farmers there may be a holding of their products. I would be gratified, I believe it would be a public benefit, if that class of farm products which are harvested but once a year could be held by the farmers to be disposed of from time to time as the consumers need the products. I can not conceive that the prompt sale of a product which is harvested but once a year and which will be consumed during a 12-month period by

the public—I can not conceive that the prompt sale by the farmer as soon as he harvests that product, passing his product not to the consumer but to the middleman, is in any way conducive to lower prices to the ultimate consumer. I believe the farmer would receive better compensation if he could market more gradually, and the consumer would buy at a better price.

Now, why the necessity for this legislation? It is said that the provision "any law to the contrary notwithstanding" takes these organizations out from under the Sherman antitrust law. I think it does. I want it to do so. I understand that the bill legalizes cooperative action by farm associations, that it will free them from indictment under the Sherman Antitrust Act, and will free them from attack of any kind except that provided for in the bill. I want to see that done.

Mr. SMOOT. Is it not a fact that if that is not done there is no necessity for the passage of the legislation?

Mr. SMITH of Georgia. I do not know. I am not willing to commit myself upon that, but I do say that I think it does, and I want it to do so. That is one of the reasons why I want it passed.

Mr. SMOOT. I have not a doubt that the Senator from Georgia is correct. The object of the bill is just as he says it is, and I have not any doubt that the wording of the bill will be construed in that way.

Mr. SMITH of Georgia. I think it will. I would certainly construe it in that way myself. I think it wise to pass such legislation. I will give my reasons for that now.

The leading cases in the Supreme Court, to which reference has been made, are the Standard Oil case, the American Sugar Refining case, and the Steel Corporation case. In each one of those cases there were dissenting opinions. In the first two Justice Harlan dissented. In the Steel case my recollecction is that three of the justices—Justice Day, Justice Pitney, and Justice Clarke—dissented, and two of the justices did not sit—Mr. Justice Brandeis and Mr. Justice McReynolds. So that the principles enunciated in that case are still in a measure the subject of further inquiry.

They declared in the first of those cases what was called the rule of reason, which was that a combination must be an unreasonable and undue restraint of trade in interstate commerce to sustain an indictment or to justify legal procedure.

Now, the farm population are in most instances scattered through the country——

Mr. OVERMAN. Mr. President——

Mr. SMITH of Georgia. I yield to the Senator from North Carolina.

Mr. OVERMAN. I wish to read, as it has not been read, I think, from what is known as the Clayton Act, showing that these corporations have been exempted from the Sherman antitrust law.

Mr. SMITH of Georgia. I will come to that in a few moments. I do not think they have. I have that provision here before me, and I will come to that in connection with my discussion, if the Senator will allow me.

The farmers, as a rule, are scattered through the country, and they are easily deterred and discouraged about making cooperative business organizations. Instead of being discouraged, I think they should be encouraged.

The Senator from North Carolina suggests that in the Clayton Act we have taken care of this subject.

Mr. OVERMAN. No; I did not say that. I am in favor of the bill, but it is insisted here that we propose now to exempt them from the Sherman antitrust law, when we have already tried to exempt them, whether we have done it or not, in section 6 of the Clayton Act.

Mr. SMITH of Georgia. We have in a measure exempted them under section 6 of the Clayton Act, but I will call attention to why the pending bill goes substantially further than the Clayton Act did.

The Clayton Act, in section 6, provides that—

Nothing contained in the antitrust laws shall be construed to forbid the existence and operation of labor, agricultural, or horticultural organizations, instituted for the purposes of mutual help, and not having capital stock or conducted for profit—

It has been found necessary in western States to perfect such organizations by corporations and with capital stock. I believe that the first suggestion of this legislation came from the West, from organizations of that kind. I am not sure that the language I have quoted is broad enough even as to organizations other than corporations having capital stock. This bill proposes to make it so clear that there can be no doubt on the subject; this bill is intended to invite cooperative selling by farmers' organizations, and clearly shows that they can be interfered with only as the terms of the bill provide. I think that would, undoubtedly, be the effect of the language "any law to the contrary notwithstanding."

However, the bill then goes further. It provides specifically for the application of the "rule of reason" to these organizations. It provides that if, by their operations, they should unduly enhance prices they can be enjoined. They have, however, the advantage of knowing that they are not to be indicted, that their work will continue without interruption, unless, either by investigation on the part of the Department of Agriculture or the Federal Trade Commission, whichever is finally determined upon, the decision is rendered that their organization has gone to an extent where it unduly enhances prices. Then they may desist from that part of their work which is condemned and go on with the remainder; and they can only be legally stopped through the restraining order of a United States district court judge if they insist upon continuing their work.

Mr. POMERENE. Mr. President, will it interrupt the Senator from Georgia if I ask him a question?

Mr. SMITH of Georgia. No.

Mr. POMERENE. I desire to do so because I wish to get the construction which he places on this measure. On page 2 of the bill, beginning with line 6, is the following language:

Second. That the association does not pay dividends on stock or membership capital in excess of 8 per cent per annum.

Then, the first part of section 2 reads:

SEC. 2. That if the Federal Trade Commission shall have reason to believe that any such association restrains trade or lessens competition to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, the commission shall serve upon such association a complaint stating its charge in that respect, to which complaint—

And so forth.

I believe in marketing organizations, provided that they can be organized in such a way as will be just both to the producer and the consumer. Evidently it was the purpose of the draftsman of this bill to limit the profits which might be derived from such associations to 8 per cent on their capital stock or to 8 per cent upon the value of their membership. However, is that going to reach the situation? Suppose that a dozen men who are engaged in the same enterprise were to form such an organization. Under the terms of the organization, if there were $100,000 of capital stock, the association would be limited to 8 per cent, or if the cost of membership was $1,000 per member then they would be limited to 8 per cent on twelve times $1,000. I think I properly construe that, do I not?

Mr. SMITH of Georgia. I think so.

Mr. POMERENE. I assume, of course, that in practical operation it will be the purpose of the 12 men to sell to the association, and the association then will sell to the public; but what is there here in this language to prevent the 12 men from entering into some sort of an arrangement outside of their association whereby they will not sell to the association, to use an extreme case by way of illustration, for less than twice what would be regarded by all fair minds as a fair price for their products? Is there anything to prevent that?

Mr. SMITH of Georgia. In the first place, Mr. President, I desire to say that I do not anticipate any such plan of organization. I would regard the association managers as stupid if they allowed 12 men to select a class of commodities—take, for instance, wheat—and induce the association to pay those 12 men twice the market value of the wheat. What would they do with it afterwards? They would be in competition with the remainder of the wheat production of the country.

Mr. POMERENE. Mr. President, with all due respect to the Senator, that is not answering my question. I am taking a purely hypothetical situation, and I am not concerned about the stupidity of the men who might do the thing; I am looking to the power. Have these men the power to form an organization, and on the business of the organization itself earn 8 per cent, and its membership boost the prices to any point which they may see fit? I care not whether it is a dozen men or a thousand men. I desire to ascertain what this means.

Mr. SMITH of Georgia. I will answer the Senator that those men can not do what he suggests. It will be utterly impossible for them to do anything of the sort. Moreover, the bill further provides for investigation into their conduct by the Federal Trade Commission or by the Secretary of Agriculture, and they could be reached in that way.

Mr. POMERENE. Mr. President, the Senator from Georgia is just touching upon the question that I had in mind. Bear in mind, please, that the language of section 2 of the bill relates only to the investigation of the association; it does not go to the investigation of the acts of the members.

Mr. SMITH of Georgia. Mr. President, if 12 men joined together to act in that way that itself would constitute an association.

Mr. WALSH of Montana. Mr. President, I suggest to the Senator from Georgia and to the Senator from Ohio that if

some of the members of the association organized a side matter they would be afforded no protection under this act. The association is restricted in its profits to 8 per cent. If some other kind of a combination is organized outside of the association by some of its members they may possibly fall afoul of the Sherman Antitrust Act or other prohibitory acts.

Mr. SMITH of Georgia. One of two things would be true: They would either be an association under this act and subject to investigation by the Federal Trade Commission or they would be outside of the act and subject to indictment under the Sherman antitrust law.

Mr. POMERENE. Now let us see. I am interested in understanding this matter. I want some relief if we can provide it, and I am going to try to provide relief if we can get it, but I do not propose to lend myself knowingly, if I can, to a measure which may be so construed as to make things worse than they are.

Let me illustrate. We have mentioned wheat. Let me give another illustration. Suppose, for the sake of the argument, that in the District of Columbia the dairymen organized an association of this kind. It is true that on its face the bill provides that such an association shall not earn more than 8 per cent, but there are ways of doing things and whipping the devil around the stump. The babies in Washington need milk.

Mr. SMITH of Georgia. Mr. President, if the Senator wishes to ask me a question, I will be glad to have him ask it.

Mr. POMERENE. I am getting to it.

Mr. SMITH of Georgia. I hope the Senator will get to it.

Mr. POMERENE. But I wish to lay a foundation for it.

Now, let us assume for the sake of the argument, that after this organization is formed their milk goes to the association. They can sell it at such a price as will net the association and its members 8 per cent on the capital invested or on the value of their membership, but suppose they say "We are not going to sell to individuals; we are going to sell to this association alone," and some of them, although it may be a mere minority, it may be one, says "I am not going to sell my milk to any outsider; I am not going to sell my milk to the association for less than $1 a quart."

Of course, everybody recognizes that is unreasonable; it is an extreme case that is not likely to happen; but it is possible to unduly boost prices. I want the dairymen not only to make a reasonable profit, but I want them to keep the milk within the reach of the babies, if they can do so. What is there in this bill which is going to prevent the dairymen from in some way or other—it may be in some way similar to the Gary dinners or something of that kind—boosting the price of milk so as to put it beyond reach.

Mr. SMITH of Georgia. Is the Senator through?

Mr. POMERENE. I ask that question.

Mr. SMITH of Georgia. When the Senator gets through I will be glad to answer him.

Mr. POMERENE. The Senator is very indulgent, but I think we both want to get at the right solution of the problem. The amendment which I would suggest to relieve the situation would be to insert, in line 11, on page 2, after the word "association," the words "or its members," so that affairs of the members can be investigated as well as this entity called an association.

Mr. SMITH of Georgia. Mr. President, if that were done, it would broaden the entire bill to the members of the association. I am scarcely prepared to say at present that it would apply to them. I am scarcely prepared to say that the bill would cover the situation of members that undertook to combine outside of the association and make two combinations; first, the members agreeing that they will only sell to the association at an exorbitant price, and then the association to sell making only 8 per cent. If the bill did cover such a situation, then the members would themselves already be subject to investigation, and their primary organization could be suppressed under the bill by investigation on the part of the Federal Trade Commission. If, on the other hand, the bill does not apply to such an association of the members, they would all be subject to indictment under the Sherman antitrust act. So they are either under the bill or they are not under the bill. If they are under the bill, they are subject to the investigation of the Federal Trade Commission. If they are not under the bill, it has not affected them at all. I will add, however, that I do not personally see any objection to adding the language that the Senator from Ohio suggests.

Mr. LENROOT. Mr. President——

Mr. SMITH of Georgia. I yield to the Senator.

Mr. LENROOT. I should like to ask the Senator whether he construes this language so that an association would not be guilty of enhancing the price unless they paid more than 8 per cent dividends? I do not so construe it.

Mr. SMITH of Georgia. I do not; no.

Mr. LENROOT. They might be guilty of enhancing prices, although they might not make a cent of profit or pay a penny of dividends.

Mr. SMITH of Georgia. I think so. I think the 8 per cent provision was put in simply to discourage any effort by an association, or by those who put their money into the association, to make money for themselves. The real work of the association is not to make money for its stockholders. The contribution of the money by stockholders is to facilitate sales for members who may not be stockholders at all; and I think that is simply a deterring provision, to prevent those who put in the money from taking advantage of those who did not put in the money, where the corporation acts for a large number of members in helping to dispose of their goods.

Mr. WALSH of Montana. Mr. President——

Mr. SMITH of Georgia. I yield to the Senator from Montana.

Mr. WALSH of Montana. I think there is a misapprehension concerning the significance of that provision to which reference is made, referring to dividends at the rate of 8 per cent. The impression seems to prevail, I gather from the discussion here, that this is for the purpose of limiting the prices which may be charged for the products sold by the association. That is not the purpose of it at all. The matter of the prices that may be charged does not come in here. That provision is incorporated by reason of a practice observed in the organization of these associations. The farmers sometimes find it exceedingly difficult ot get the proportionate subscription of money to put the plant in operation. It requires more or less capital to conduct a selling agency. Some of them, therefore, contribute their capital, and they have thus a capital stock. The plan of all these associations is to pool all their products, and to divide ratably among the members the total avails of the operations, whatever they may amount to.

For instance, there are a hundred members, and each contributes exactly the same amount. The avails, whatever they are, the profits of the business, are divided proportionately. If one contributes 50 per cent, he gets 50 per cent of the profits, whatever they are; if one contributes only 5 per cent, he gets 5 per cent of the profits, and so on down the line. But it is found necessary to get in capital, and the provision is that those who contribute the capital shall get only 8 per cent on their capital. Then, after that 8 per cent on the capital is paid, the remainder of the avails, of the profits, whatever they are, is divided ratably among the members. It is not intended by any means—that ought to be understood perfectly—that these corporations shall not make more money than 8 per cent upon their capital stock involved, and that they must graduate their prices so as not to produce more than that return.

The matter is illustrated, for instance, by the raisin growers' association in the State of California. Here are a lot of people engaged in the business of growing raisins. The organization of this association and the establishment of agencies throughout the United States, as they have them, with bonded agents and with warehouses and all that kind of thing, calls for the investment of capital. Some of the members of the association are rich enough to take some capital stock. Others are not rich enough to do that. So those who are rich enough put in money in order to proyide the necessary capital for the operation, and on that money capital thus contributed they get 8 per cent annually, and the rest of the profits of the business are divided ratably among the members; and it is such an organization as that that is contemplated here.

Mr. SMITH of Georgia. And the 8 per cent limitation is intended as a protection to the membership who are not capital owners against the membership which may be large capital owners.

Mr. WALSH of Montana. Exactly; the Senator is correct about that. Now, under section 6 of the Clayton Act an association can be protected only when it has a membership without capital stock; and it was intended to extend this to associations that have capital stock, but that did not pay more than 8 per cent on that capital stock, the remainder of the avails to be divided exactly as the avails are divided among the associations organized under section 6 of the Clayton Act.

Mr. SMITH of Georgia. Mr. President, I shall not take more time. I hope we can reach a vote. I really did not intend to take so much time; but Senators have asked questions, and this has led to discussion and consumed time.

Mr. LENROOT. Mr. President, I think it ought to be frankly acknowledged by every Senator that this bill does repeal the terms of the Sherman Antitrust Act so far as the associations named in the bill are concerned. That is the object of it, and unless that is done I can see no purpose in the bill. I believe it ought to be done.

We have heard much during this debate concerning the alleged clarification of the Sherman antitrust law; that the "rule of reason" now prevails; and it was stated in debate yesterday that the provisions of this bill with regard to unduly enhancing prices are practically analogous to the construction of the Sherman antitrust law as it now is interpreted by the Supreme Court of the United States.

I can not agree with that. It seems to me that the so-called "rule of reason" of the Sherman antitrust law has made of that law a piece of legislation that no one understands, and that no one can tell whether he is violating it or not until a court passes upon the individual and particular case.

Mr. SMITH of Georgia. And the Supreme Court judges themselves differ about it.

Mr. LENROOT. Exactly.

Mr. SMITH of Georgia. In their latest decision they stood three to four, I believe.

Mr. LENROOT. The so-called "rule of reason" of the Sherman antitrust law is defined to be that the Sherman antitrust law prohibits an unreasonable or undue restraint of trade. What is an unreasonable or undue restraint of trade no living man can tell, except as the courts may apply this so-called "rule of reason" to the particular facts in a particular case.

As to whether or not these associations should be exempted from the Sherman antitrust law, we hear it said that this is conferring a special privilege upon one class of the American people, and that there ought not to be any such discrimination. What was the original purpose of the Sherman antitrust law, Mr. President? What is the object of the Sherman antitrust law? The object of the Sherman antitrust law is to cure an evil, and where an evil does not exist the Sherman antitrust law ought not to apply. This Congress has observed that rule in regard to the Edge bill. It is exactly the same principle. Why, some of the same Senators who urged that exemption in the Edge law believe—and if they think that these farmers' organizations are injurious, they are correct in saying so—that this ought not to be conferred upon farmers; but it is a privilege of exemption in one case just exactly as much as it is in the other.

Mr. EDGE. Mr. President——

Mr. LENROOT. I yield.

Mr. EDGE. Does not the Senator see a distinct difference between an exemption that provides entirely for business beyond the seas, in competition with business men of other countries, and an exemption which clearly provides for business within the boundaries of the United States?

Mr. LENROOT. Not in the exemption. There may be a distinction as to the reason for the exemption. The Senator from New Jersey and I may disagree. I may believe, as I do believe, that farmers' organizations should be exempted from the provisions of the Sherman antitrust law just as fully as combinations of exporters, because they are both in the public interest.

Mr. EDGE. Mr. President, does not one deal entirely with the exercise of that privilege in dealing with purchasers in other countries of the world, while the exemption for the farmers here is, as I understand, for the purpose of dealing in farm products with the people of our country in our own markets?

Mr. LENROOT. That, again, only goes to the reason for the exemption and not the exemption itself. The Senator urges the exemption in his case. Why? Because he took the position that it would be beneficial to have the Sherman antitrust law exempt that class of business; that is all.

Mr. EDGE. Across the sea.

Mr. LENROOT. Across the sea. It does not make any difference where it is; if it is beneficial to the public that any class of business men or producers should be exempted from the antitrust law, they should be exempted.

Mr. POINDEXTER. Mr. President, I might suggest to the Senator from New Jersey that he admitted by the introduction of his bill that the class of people whom it relieved were, prior to the enactment of that bill, subject to the terms of the antitrust law.

Mr. LENROOT. Certainly; and unquestionably they would be.

Mr. POINDEXTER. He admitted that they were one of the classes covered by the act, and he introduced the bill for the purpose of relieving them from the effects of the act.

Mr. EDGE. Mr. President, I must differ with the Senator from Washington. The principle of exemption for American producers, either farmers or manufacturers or what not, when their activities are beyond the sea, was established, if I am not mistaken, by the passage years ago of the act known as the Webb-Pomerene Act; and the so-called Edge Act simply followed up that policy, already established, in order that their activities abroad could be financed.

Mr. LENROOT. However that may be, Mr. President, there is only one reason—there could be no other reason—for the exemption of combinations of exporters. That reason was that that combination would not be harmful to the public; and if, upon the other hand, a combination of farmers is not harmful to the public, there is exactly the same reason for the exemption of farmers' associations as there is for the exemption of combinations of business men in the export business.

Mr. EDGE. I agree absolutely with the Senator, if their activities, as in the other case, are entirely in disposing of their goods abroad.

Mr. LENROOT. The question is not whether they are disposing of their goods abroad. The question is, Is the combination harmful or helpful to the people of the United States? That is the test and must be the test.

Of course, if the Senator from New Jersey [Mr. EDGE] believes that farmers' organizations, doing the things it is proposed that they be permitted to do under this bill, are harmful, then of course the Senator is correct in saying they should not be exempted from the provisions of the Sherman law. But the Senator is incorrect in saying that we must have a law of general application, and that it shall apply to all alike, because it does not now apply to all alike, and combinations under the bill which bears his name are now exempted from the provisions of the Sherman antitrust law.

Mr. EDGE. Not doing business in America.

Mr. LENROOT. That has nothing to do with the question. They are exempted from the provisions of the Sherman antitrust law in so far as certain business is concerned, just as it is proposed as to these farmers' organizations.

Then, again, Mr. President, I think we should all bear in mind that the Sherman law as now interpreted does not now apply equally to all. For instance, we will take the United States Steel Corporation, which has been given a clean bill of health by the Supreme Court as not being in violation of the Sherman antitrust law. Does anyone believe if the 10,000 or more stockholders of the United States Steel Corporation had done the things through association and combination the United States Steel Corporation as a single entity did that that association or combination would not have been declared in violation of the Sherman antitrust law by the Supreme Court? I think every lawyer will admit, must admit, that if those same things had been done by a large combination of individuals the Supreme Court would have held that to have been in violation of the Sherman antitrust law.

Industry can form great corporations, like the United States Steel Corporation, and various other kinds of corporations. Stockholders of competing businesses may join in one great corporation, and they may transact business and be exempt by reason of their corporate capacity, entering into one single entity, where the Sherman antitrust law will not apply.

It is not possible, it is not practicable, for the farmers to do likewise. Farmers can not do business by forming large corporations as industry can. And ought not farmers be permitted through association to do the same things at least that stockholders are permitted to do through the means of corporate organization? So that that is a very compelling reason, it seems to me, why they should be treated differently.

As to the Sherman antitrust law as interpreted by the Supreme Court, with the "rule of reason" that we now have, we appear to have come to a state where there is no possibility apparently of curing the evils that the Sherman antitrust law was designed to cure. The Standard Oil Co. controls the price of oil to-day perhaps more effectually than it ever did. What evil that the Sherman antitrust law was designed to cure has been cured through the administration or enforcement of that law? Whether it can be done or not I am not prepared to venture an opinion now, but we seem to have reached a stage where the administrative part of this Government has given up the idea of reaching the great trusts and combinations which are really injurious to the public and are devoting their time to prosecuting associations of farmers and others where they believe they can secure a conviction through technicality.

Reference has been made a number of times to the indictment and prosecution of certain fruit growers in the State of California. I was in California last fall when those indictments were handed down. Those prosecutions are being conducted to-day. I venture the opinion that in so far as reasonable prices to the public are concerned there will be more relief to the public from undue prices under the provisions of

this bill than any relief that has ever been had under the enforcement of the Sherman antitrust law.

Now, with reference to the amendment suggested by the Senator from Ohio [Mr. POMERENE]. Did I understand him correctly to say that he would provide that not only the association or combination shall be held to be guilty of an unlawful practice if they enhance the price unduly, but that any individual member of a farmers' association who may exact or receive what the Federal Trade Commission may believe to be an unduly enhanced price shall also be guilty?

I do not believe that the Senator from Ohio would desire to have a law apply to a farmer, a producer of agricultural products, that he would not apply to a manufacturer, a business man, or any other class.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Does the Senator from Wisconsin yield to the Senator from Ohio?

Mr. LENROOT. I yield.

Mr. POMERENE. The Senator misapprehended the purpose that I had in mind. Maybe I did not make myself clear, but my purpose was to provide that if the Federal Trade Commission was to take jurisdiction with a purpose of investigating and determining what they would do, they should have the right to investigate the individual member as well, in his capacity as a member of the association.

Mr. LENROOT. I do not question that; but if I understood the Senator correctly, he would give to the Federal Trade Commission the same power of control over the price exacted by an individual member for his product that he would over the association. If I am incorrect in that, I would be glad to be informed.

Mr. NELSON. Mr. President, the principle of the Senator from Ohio would make the members of a corporation who had stock in one of these associations personally liable, like members of a partnership, and it would in that respect be utterly destructive of all corporation law. One of the objects of creating corporations is to so provide that individual stockholders may not be personally liable, except in proportion to the amount of stock they hold or in cases of double liability. In the case of a partnership, however, each partner is liable for all the actions of the firm, and this would be a discrimination; this would put the farmers in a different position from the stockholders or members of any other corporation in the country.

Mr. LENROOT. Mr. President, so far as investigating the activities of the members of the associations or corporations is concerned, certainly it seems to me that that authority is granted under the bill as it now stands. That would necessarily follow, that in determining the lawfulness of the action or activities of a corporation or the association itself, the individual activities of the members must be investigated. But the test will be—and I do not think it ought to go any further—is it due to the formation or the action of this association in any way, directly or indirectly, that prices are unduly enhanced? If so, they come within the ban of the bill and within the jurisdiction of the commission.

Mr. POMERENE. Mr. President, I think I stated pretty clearly before that I was in favor of these marketing organizations. If it means simply a proper distribution of the products at reasonable rates I have not any objection to it.

But as I see this bill, in the way it is now framed, there is nothing in it to prevent a combination of men who are dealing in food products—and I refer to the dairymen—from getting the most exorbitant prices, and doing it at the expense of the babes of the country. If I am wrong about that, I would like to have it pointed out wherein I am wrong. I want to do the right thing, but it does seem to me that the Congress ought to give some consideration to the welfare of the poor, who must buy, and of the babes of the country, who ought to live and prosper and grow to manhood and womanhood.

If this bill is going to take care of that situation, then I am going to favor it; but if it is not going to take care of that situation, I scarcely know what ought to be done. I realize the influence that is back of this bill, and I want to help it if I can. In many respects it has my sympathy; but other people have my sympathy as well. I recognize the fact that that is a very impolitic thing to say; but I try to say what my sense of duty impels.

Mr. LENROOT. Mr. President, if I follow the argument of the Senator from Ohio, he seems to be of the opinion that if this association pays a certain price for an agricultural product to the members of that association, and then sells it at only a reasonable profit, the association is exempt from the provisions of this bill. I do not so understand it at all. As a matter of fact, the association might not make one penny of profit, but if, through means of this association, the producers receive two or three times what their product is worth, the provisions of this bill as to an enhanced price immediately apply.

Mr. POMERENE. Mr. President, that is just one of the things that I want to be sure of. I do not believe the present bill will do what the Senator from Wisconsin suggests it will do.

Mr. LENROOT. Let us see.

Mr. POMERENE. Will the Senator pardon me just a minute? I used the illustration a while ago of the dairymen. Suppose the dairymen simply use their association as a sort of a shield by which to protect them in some sort of an arrangement—it may be expressed, it may be implied, it may be one of those things that happens whereby they may hoard, or they may do something whereby they get a price which all fair-minded men would grant was an exorbitant price, an unconscionable price, and the consumers of milk are made to suffer by reason of it. Is it the judgment of the Senator from Wisconsin that this bill meets that situation and will prevent it?

Mr. LENROOT. Certainly. Mr. President, what would be the test in the case the Senator suggests? We will say an association is a selling agency for all the milk producers in a certain locality, so that there is but one selling agency, and there is one price fixed. The question that would be at once asked and determined is, Is it because of the existence of this association that there is an undue and exorbitant price the consumer is compelled to pay for milk? Would he be compelled to pay it if this association did not exist?

THE MEAT-PACKING INDUSTRY—LIVE-STOCK COMMISSION.

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes.

Mr. KENYON. Mr. President, it is the purpose of those in charge of the bill to accommodate the Senator from Minnesota [Mr. NELSON] by laying it aside temporarily, but we want to have a unanimous-consent agreement entered into if it can be done. If it does not break too much into the discussion of the Senator from Wisconsin [Mr. LENROOT], I should like to present a request for unanimous consent that we may vote on the bill now before the Senate, known as the packers bill, on Monday, January 24 next.

I will state the reason for putting the time so far ahead at present. It would undoubtedly be reached for a vote before that time, but the Senator from Illinois [Mr. SHERMAN], who is very much opposed to the legislation, is sick and can not be here until after the holidays. We want to take no advantage of the Senator from Illinois, but want to give him ample time. I have consulted with the Senator from Utah [Mr. SMOOT] and various Members of the Senate, and there seems to be no objection to the proposed agreement. It will require a roll call, I assume, and if there is any objection to it it can be made now.

Mr. NELSON. Mr. President, I understand the so-called packers bill is brought up now for the purpose of disposing of the proposed unanimous-consent agreement, and after that is disposed of the bill which we have been debating this morning will be again placed before the Senate.

Mr. KENYON. We will lay the packers bill aside temporarily as soon as the unanimous consent is secured.

Mr. POMERENE. Mr. President, I am not in the habit of trying to interfere with the consideration of bills. I like to have them acted upon promptly; and I do not think anyone can accuse me of trying to filibuster. But the Senator from Wisconsin [Mr. LENROOT] and myself seem to be a good deal at variance as to the proper construction to be placed upon the language of the bill which has been under discussion. I would just a little bit rather that that bill should not be voted upon this afternoon. I would like to investigate the subject somewhat further.

Mr. KENYON. The unanimous-consent request which is now pending has nothing to do with the bill which the Senator from Wisconsin has been discussing.

Mr. POMERENE. I did not hear the request of the Senator from Iowa.

Mr. KENYON. The request I am making for unanimous consent relates to the so-called packers bill and has nothing to do with the bill under consideration this morning. We are asking unanimous consent to vote on the packers bill at a certain time.

Mr. POMERENE. I made my observation in view of the statement made by the distinguished Senator from Minnesota

[Mr. NELSON] as to his understanding about the other bill. I am not making any objection to the unanimous-consent agreement.

The PRESIDING OFFICER. The Secretary will read the proposed unanimous-consent agreement for the information of the Senate.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Monday, January 24, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, etc., through the regular parliamentary stages to its final disposition, and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto.

The PRESIDING OFFICER. The Secretary will call the roll.

Mr. UNDERWOOD. Mr. President, I should like to ask the Senator in charge of the bill a question. The unanimous-consent agreement provides for voting upon the bill on the 24th of January. I myself have no objection to fixing that date, but what does it mean in reference to the disposition of other business between now and the 24th of January? Does the Senator propose to keep the bill continuously before the Senate during the intervening time?

Mr. KENYON. No; one of the objects to be accomplished is that we can transact other business. Apparently there is a disposition to debate the bill at great length.

Mr. UNDERWOOD. If an effort is made to take up other business, if this is agreed to, there will be no resistance on the part of the Senator?

Mr. KENYON. Not at all.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Harrison	McNary	Simmons
Beckham	Heflin	Moses	Smith, Ariz.
Borah	Henderson	Nelson	Smith, Ga.
Brandegee	Hitchcock	New	Smith, Md.
Calder	Jones, Wash.	Norris	Smith, S. C.
Capper	Kendrick	Nugent	Smoot
Curtis	Kenyon	Overman	Spencer
Dial	King	Page	Sterling
Dillingham	Kirby	Phipps	Sutherland
Edge	Knox	Pittman	Townsend
Fletcher	La Follette	Poindexter	Trammell
France	Lenroot	Pomerene	Underwood
Gronna	McCumber	Ransdell	Wadsworth
Harris	McKellar	Sheppard	Walsh, Mont.

Mr. KING. I desire to announce that the senior Senator from Oregon [Mr. CHAMBERLAIN] is detained on account of official business, and that the junior Senator from South Dakota [Mr. JOHNSON] is detained on account of illness.

The PRESIDING OFFICER. Fifty-six Senators having answered to their names, there is a quorum present. The Secretary will read the request for unanimous consent submitted by the Senator from Iowa.

The reading clerk read as follows:

It is agreed by unanimous consent that at not later than 4 o'clock p. m. on the calendar day of Monday, January 24, the Senate will proceed to vote without further debate upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, etc., through the regular parliamentary stages, to its final disposition, and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill, or more than once or longer than five minutes upon any amendment offered thereto.

The PRESIDING OFFICER. Is there objection?

Mr. JONES of Washington. I understand from the reading that no vote can be taken on the bill until the 24th of January?

The PRESIDING OFFICER. The wording of the agreement is not later than 4 o'clock p. m. on the calendar day of Monday, January 24.

Mr. JONES of Washington. And no vote is to be taken on any day before January 24?

The PRESIDING OFFICER. Of course not. Is there objection?

Mr. WALSH of Montana. Mr. President, I am sure that is not the interpretation that has already been given to unanimous-consent agreements of that character. It says "not later than 4 o'clock on January 24."

Mr. KENYON. It is the intention to vote on January 24, not later than 4 o'clock.

Mr. WALSH of Montana. Then it is understood there will be no vote prior to January 24?

Mr. KENYON. There will be no vote prior to that time.

Mr. SMITH of Georgia. But the unanimous-consent agreement would permit a vote before that time.

The PRESIDING OFFICER. On that date.

Mr. KING. If there is any controversy in respect to that matter, I suggest that it be amended, because the clear understanding is that no vote shall be taken until that day.

The PRESIDING OFFICER. The Secretary will again read the proposed unanimous-consent agreement so that Senators may assure themselves of its import.

The reading clerk again read the proposed unanimous-consent agreement.

Mr. KENYON. If it is not clear, simply make it read that on January 24 the vote shall be taken.

Mr. SMOOT. It is the regular form.

Mr. KENYON. This is the regular form that has been used heretofore.

Mr. KING. That language has been construed heretofore as meaning that day, and I am entirely satisfied.

The PRESIDING OFFICER. It is the calendar day that is mentioned, and the proposed agreement is in the usual form. It seems to be clear enough unless the author of the unanimous-consent agreement wishes to change it.

Mr. KENYON. I do not care to change it. I think there is no question raised by anyone trying to secure any other construction than what is plainly intended, the 24th of January, and nothing else will be attempted to be done of course.

Mr. WALSH of Montana. I suggest that the suggestion offered by the Senator from Iowa be adopted to make it perfectly plain that on that day——

Mr. KENYON. There is nothing else intended.

Mr. WALSH of Montana. At not later than 4 o'clock.

Mr. KENYON. The Secretary may make the change.

Mr. HARRISON. Mr. President, I wish to inquire why the date of January 24 is fixed in the proposed unanimous-consent request. In figuring it out, we know that the Congress will close on the 4th of March. Does the Senator who made the request know whether it is possible to get the matter up in the House and get it through in this Congress if we put it off until such a late date in the Senate?

Mr. KENYON. I do not know what it may be possible to do in the House. There is no reason why the House should not proceed during the intervening time, if they desire to do so. I will state the reason for fixing that date. I think the bill could be forced to a vote long before that time, but the Senator from Illinois [Mr. SHERMAN] is ill and unable to be here. He is very strongly opposed to the measure. We do not want to take any advantage of him and want to give him every opportunity to come here and make his fight against it. There are other Senators who are compelled to be away for a week or ten days in the middle of January, who are interested upon the other side of the bill. It was simply to accommodate everybody that we fixed this date. I realize that the date is late. I wish the bill could be voted upon long before that time, but under the circumstances it seems to be impossible.

The PRESIDING OFFICER. Is there objection to the unanimous-consent agreement?

Mr. GRONNA. Mr. President, I just wish to say a word as one of the members of the committee which had the bill under consideration. I had hoped that it would be possible to vote upon the bill before January 24, but, as the Senator from Iowa [Mr. KENYON] has stated, certain Senators are away, the Senator from Illinois [Mr. SHERMAN] is ill, and we do not wish to take any advantage of any Member of this body. It is not only possible but it is probable that the date suggested will be too late for the other House to pass the bill at this session, although it will give them considerable time.

At first I was not in accord with the postponement of this measure to the late date proposed, but as the friends of the measure and those who are the sponsors of the bill and have done more to advance it than have any others concurred in this action, I said that I should not oppose the unanimous-consent agreement to take a vote at the late day suggested. I simply desire the RECORD to show my position.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the unanimous-consent agreement is entered into.

The unanimous-consent agreement is as follows:

It is agreed by unanimous consent that on the calendar day of Monday, January 24, 1921, at not later than 4 o'clock p. m. on said day, the Senate will proceed to vote, without further debate, upon any amendment that may be pending, any amendment that may be offered, and upon the bill (S. 3944) to create a Federal live stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes, through the regular parliamentary stages to its final disposition, and that after the hour of 2 o'clock p. m. on said calendar day no Senator shall speak more than once or longer than five minutes upon the bill or more than once or longer than five minutes upon any amendment offered thereto.

Mr. KENYON. I ask the Senator from North Dakota if he will not now ask that the unfinished business may be laid aside?

Mr. GRONNA. I ask that the unfinished business may now be laid aside.

The PRESIDING OFFICER. The Senator from North Dakota asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? The Chair hears none, and it is so ordered.

ASSOCIATION OF PRODUCERS OF AGRICULTURAL PRODUCTS.

Mr. NELSON. I ask that the Senate may proceed with the consideration of the bill (H. R. 13931) to authorize association of producers of agricultural products.

The PRESIDING OFFICER. The Senator from Minnesota asks unanimous consent that the Senate may proceed with the consideration of the bill named by him. Is there objection?

Mr. UNDERWOOD. Mr. President, I wish to say to the Senator from Minnesota that I am not going to object at this time to the consideration of the bill, but I desire to make a statement before unanimous consent is granted for the consideration of the bill. There is a bill pending here to incorporate nitrate plants of the Government. I think it is of very great importance, and the Senator from South Carolina [Mr. SMITH], who reported the bill and is in charge of it, gave notice on yesterday that after the packers bill was disposed of he intended to ask for the consideration of the nitrate bill. The Senator from South Carolina is not on the floor just now, and I do not suppose if he were he would care to contest with the Senator from Minnesota as to the consideration of his bill; but I did not want the statement of the Senator from South Carolina to be foreclosed by taking up the pending matter until he came back. I only desire to say that some of the Senators on this side of the Chamber who are very desirous of having the nitrate bill considered do not want to waive any rights which we may have in the matter.

The PRESIDING OFFICER. Is there objection to the consideration of the bill asked for by the Senator from Minnesota [Mr. NELSON]?

Mr. FRANCE. Mr. President, I do not wish to object to the consideration of this bill, although I had hoped to have taken up to-day a measure of very great importance, being Order of Business No. 602, Senate bill 3259. It is a bill which is known as the maternity and infancy bill. I anticipate that the bill will cause very little debate and will be very promptly passed. I hope that I shall have an opportunity, when we shall have disposed of the measure which we shall shortly have before us, to move the consideration of the measure which I have named. I repeat I anticipate that it will cause very little debate and be promptly disposed of. I shall make an effort this afternoon or to-morrow at the close of the morning business to have that measure placed before the Senate for its consideration and decision.

Mr. SMOOT. I have only just entered the Chamber, and I ask the Senator from Maryland is he speaking of Senate bill 3259?

Mr. FRANCE. Yes.

Mr. SMOOT. Mr. President, I think that I may be prepared this afternoon to offer an amendment to that bill; and if so, I desire to offer it this afternoon, in order that it may be printed by to-morrow.

Mr. FRANCE. It would be very helpful if the Senator would do so. I believe the amendment is one which will improve the administrative features of the bill very materially, and I shall be very glad to have it printed, in order that the Senate may have the amendment before it to-morrow.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Minnesota [Mr. NELSON] for the consideration of the bill named by him?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 13931) to authorize association of producers of agricultural products.

Mr. LENROOT. Mr. President, with respect to the fear of the Senator from Ohio [Mr. POMERENE] that the provisions of the bill as drawn will not reach a situation such as he has outlined, I wish to call his attention to the fact that the only business that an association organized under this bill can do is in the preparing, handling, and marketing of the products of its own members. A member dealing with this association, selling his products to the association, will be, to an extent, dealing with himself; he will be selling to an association that represents him. If the association should pay to its members an exorbitant price for their products and then sell to the public even only at a slight advance, it would clearly, it seems to me, be within the jurisdiction of the commission to make an order requiring the association to desist from paying an exorbitant price, as well as selling at an exorbitant price. It must be so; it can not be otherwise; because certainly the provision with reference to 8 per cent dividends has nothing to do with the proposition, Does the existence of the association unduly enhance prices to the public? If it does, the commission can reach back; and it would be no defense on the part of the association that it paid its members almost the same price for the products that it charged to the public. So, it seems very clear to me, that in order to reach the evil of which the Senator from Ohio very properly complains, which might exist under some circumstances, the bill makes ample provision.

Mr. KING. Will the Senator from Wisconsin yield to me?

Mr. LENROOT. Yes.

Mr. KING. Does the Senator contend that under the language of the bill farmers who effect an organization may deal only with that organization and through that organization? In other words, may not a number of organizations combine in a nation-wide or state-wide combination of organizations of different classes embraced in the bill for any purpose which is embraced within the words "marketing" and "processing" and disposing of or selling?

Mr. LENROOT. That question was raised yesterday, and I am glad to give my opinion for whatever it may be worth. I think that under this measure there might be various kinds of organizations, and that they could all combine into one new organization. I do not believe, however, that under the terms of the bill an organization of wheat farmers could combine with an organization of cotton growers and the association of wheat growers sell cotton or deal with it in any way.

Mr. KING. But could they combine with the millers or with the warehousemen?

Mr. LENROOT. Certainly not. A miller would not be within the terms of the proposed law at all, nor would a warehouseman.

Mr. KING. Could they not combine for the purpose of erecting mills and warehouses in order to grind their grain and then store the product and hold it for an indefinite period for the purpose of disposing of it?

Mr. LENROOT. They might, for instance, subscribe to the capital stock of an elevator; they could do that; I have no doubt about it.

Mr. KING. Might not the ranchmen—that is the word that is used in the bill—erect packing establishments, buy refrigerating cars, and do all the things that the packers now do and take care of the by-products, and for that purpose launch out into all sorts of business and combine for the purpose of maintaining prices and creating monopolies with respect to the commodities in the production of which they are engaged?

Mr. LENROOT. They could not, for this reason: As I said a moment ago, the members of the association are confined to dealing in the things produced by their own members—in agricultural products. They can not combine these associations and attempt to monopolize the food products of the country as the packers do; they can not go into the wholesale grocery business; they can do nothing of that kind. They are confined to dealing with the things that the members themselves produce; that is all.

Mr. KING. I think the interpretation of the Senator is the one, doubtless, which the members of the committee desire to have placed upon the bill, but I doubt whether that interpretation is the one which will be followed.

Mr. LENROOT. I think, if the Senator will examine section 1, there can be no other interpretation. The language is:

> That persons engaged in the production of agricultural products as farmers, planters, ranchmen, dairymen, or fruit growers may act together in associations, corporate or otherwise, with or without capital stock, in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce, such products of their members—

And so forth.

In other words, one member of an association, as I view the terms of the bill, can not buy a thousand bushels of wheat in the market and deal with it through the association. So there can not be the slightest danger of a situation arising such as the junior Senator from Ohio suggests, that the farmers or the ranchmen might grow into a colossal monopoly greater than that of the meat packers.

Mr. WALSH of Montana. Mr. President, I rose to say something with respect to the inquiry made by the Senator from Ohio [Mr. POMERENE], but before doing so I desire to advert to the colloquy precipitated by the question addressed to the Senator from Wisconsin by the Senator from Utah. The evil of combination, as we understand it, has always arisen

from the combination of corporations—that is to say, from various associations combining. This bill does not permit the combination of various associations at all. I am inclined to think that, perhaps, the bill is weak in that respect. I think there ought to be a provision for the federation of marketing associations on the plan of the California Fruit Growers' Association; but this bill does not permit that. It does, however, beyond a doubt, permit a number of hog raisers, if they see fit to do so, to erect a packing house in which their own product will be treated, but such a packing house can not engage generally in the purchasing of hogs on the market, the product of others not belonging to them. So I apprehend that the fear that may enter the minds of some that associations of farmers will become formidable rivals of the great packing institutions of the country has very little foundation.

This measure is very restricted. In the first place, the association must be one of persons and not of corporations. If it were an association of associations, a federation, the federation would not be handling the products of its members, because its members would be the associations, which would have no products of their own; they would simply have the products of some one else, namely, members of those associations.

Now, Mr. President, a word or two with respect to the views suggested by the inquiry of the Senator from Ohio.

It is an error to suppose that this bill is intended to remedy the evil arising from the exaction of high prices by the producers of agricultural products. That is an evil, if the evil exists, to be taken care of by some other legislation. This legislation does not undertake to reach that. This legislation authorizes combinations of growers or producers of agricultural products; but inasmuch as a combination of that character might result in the exaction of unjust, unduly high prices by the association, provision is made that this association shall not exact high prices. But, Mr. President, when the members of that association—not the association itself, but the members of that association, outside of the association—engage in some arrangement or device by which prices are unduly enhanced, they are in the same situation as a similar association or combination by producers of agricultural products who are not members of the association at all, and are to be dealt with in exactly the same way.

To illustrate for the benefit of the Senator from Ohio, here is a man engaged in the dairy business. He does not join any association at all. His neighbors all join the association. Now, if the association charges unduly high prices for its products or otherwise restrains trade, it is brought under the jurisdiction of the Federal Trade Commission; but the man who is not a member of the association at all, if an amendment such as is suggested by the Senator from Ohio is incorporated in the bill, will not be subject to any control whatsoever. In other words, the matter of controlling the prices charged by individuals is a subject of entirely different legislation, and, it seems to me, has no place here at all. It would be quite unjust, it seems to me, to bring before the Federal Trade Commission a member of this association who has conducted his business in a way that is not in accordance with good morals, while his neighbor, who is not a member of the association, is at perfect liberty, at least so far as this law is concerned, to do as he pleases.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Montana yield to the Senator from Ohio?

Mr. WALSH of Montana. I do.

Mr. POMERENE. Now, we have this situation: My contention has been that under the present framework of this bill the members of the association, while continuing their membership in it, could go on and exact exorbitant prices for their products from the association.

Mr. WALSH of Montana. From the association?

Mr. POMERENE. From the association, and that they would not be amenable to the law or to the public for those exactions. When I make that suggestion the very able Senator from Wisconsin [Mr. LENROOT] tells me that I am in error; that under this bill, if these members do exact excessive prices they would be amenable to the law just as the association would be. He is one friend of the measure; and now here is my very able friend, the distinguished Senator from Montana, who tells me that this bill will not meet that situation; that if there is such an evil as exacting too high prices, it must be met by other legislation.

Mr. WALSH of Montana. Mr. President——

Mr. POMERENE. Pardon me one moment.

Mr. WALSH of Montana. The Senator, I know, wants to be right about that.

Mr. POMERENE. Certainly I do.

Mr. WALSH of Montana. We want to get this correct. I was not talking about the members selling to the association at all. If the Senator presents that problem, the answer to that is quite different from the one I gave. He suggested a case where the member was not selling to the association at all, but was selling outside of the association.

Mr. POMERENE. Who?

Mr. WALSH of Montana. I understood that that was the case that the Senator put.

Mr. POMERENE. Oh, no, no. My position was that it was within their power to sell to this association at a very exorbitant price, and do that not by way of a conspiracy, but I used the illustration—perhaps while the Senator was out—that it might be under some sort of arrangement such as was used during the so-called Gary dinners.

Mr. WALSH of Montana. But if the Senator will pardon me for just a moment, that is where the error comes in. The members do not sell to the association at all. This plan does not contemplate that the members ever do sell to the association.

Mr. POMERENE. It contemplates the same thing—in other words, that they are to dispose of their products through this association. That is what it means. It means that, if it means anything at all.

Mr. WALSH of Montana. If the Senator will pardon me, let me tell the Senator the theory of the thing. They do not sell their products at all. Indeed, the association would have no power to buy under this language. There is no provision here under which an association of this character could buy the products of the members at all. It will simple handle them for the members. The members come in, and they turn in their products to the association, and the association sells them, and divides among the members whatever avails there are. That is the plan. They never sell to the association; and the Senator will find that there is no warrant in the bill for his assumption.

Mr. POMERENE. Let me ask the Senator, then, this question. Perhaps it will clear up what seems to be a difference between us. Does the Senator now claim that these individuals can go ahead, by virtue of this association, and get, let us assume, for the sake of the argument, an exorbitant price, an unconscionable price, a price that places the consumer absolutely at their mercy——

Mr. WALSH of Montana. By no means; by no means.

Mr. POMERENE. Just let me finish my question, please. Do I understand the Senator to say that that thing could be done?

Mr. WALSH of Montana. No.

Mr. POMERENE. I do not say that it would be done. My question is, Could that be done under this bill?

Mr. WALSH of Montana. The Senator must not understand me so, because the bill expressly provides that it shall not be done, and if it is done the association is brought under the jurisdiction of the Federal Trade Commission.

Mr. POMERENE. No; it is so with respect to the association itself——

Mr. WALSH of Montana. Exactly.

Mr. POMERENE. But there is no such provision here with regard to the individual members of that association.

Mr. WALSH of Montana. That is exactly what I am talking about. If these members sell their products outside of the association they are in the same situation as anybody else outside of the association; and I assert to the Senator that they can not sell inside of the association. They do not sell to the association at all. There is nothing in the bill which will authorize an association to buy the products of its members.

Mr. POMERENE. Let me put another question to the Senator to see whether we can clear up this matter. This contemplates profits.

Mr. WALSH of Montana. Certainly; of the association, to be divided among its members.

Mr. POMERENE. Yes. Pardon me; just let me finish my question. It contemplates profits, which are to be distributed either by way of dividends on the stock, if there is a capital stock, or by dividends to the members on the price of their membership. Now, if there are no sales to this association how can there be profits to the association?

Mr. WALSH of Montana. Why, I thought I made it perfectly clear. The members of the association turn in their products. Take the ordinary creamery association. Everybody understands how it runs. The creamery association is organized, with certain members. Each member turns in his milk every day. That milk is tested for butter fat. That butter fat is converted into butter, and the butter is put upon the market by the association and sold. The expenses are paid, and there is a certain surplus at the end of the year, or at the end of the month, or at the end of the quarter, or whenever the

distribution is made, and those profits are divided among the members in accordance with the amount of butter fat that each one contributes. That is the way the thing works. The members do not sell their milk to the association at all at a fixed price or at any price. They simply take their distributive share of the avails of the operation.

Now, Mr. President, these combinations, these associations which the bill authorizes, can not go into the business of buying the products of their members or of anybody else.

Mr. KING. Mr. President——

Mr. WALSH of Montana. If the Senator will pardon me a moment, I trust I have made the matter clear. Accordingly, I will say to the Senator from Ohio, the association has nothing whatever to sell except the products of its members, and the members do not sell anything to the association, so they can not charge exorbitant prices to the association; and if they sell outside of the association they are just the same as a man who does not belong to the association, and amenable to whatever laws are applicable to the case.

I now yield to the Senator from Utah.

Mr. KING. Mr. President, I am not sure that I understand the construction placed by the Senator from Montana upon this bill. I do not agree with him if I do understand him correctly in asserting that the association may not buy the products of its members.

Mr. WALSH of Montana. Let us see, if the Senator will take up that matter with me. This bill provides:

> That persons engaged in the production of agricultural products, as farmers, planters, ranchmen, dairymen, or fruit growers, may act together in associations, corporate or otherwise, with or without capital stock—

How?—

> in collectively processing, preparing for market, handling, and marketing in interstate and foreign commerce such products of their members.

Now, how does that authorize the associations to buy the products of their members?

Mr. KING. Mr. President, I do not think the word "collectively" there, giving to it its proper qualifying meaning and interpretation, would forbid the association to purchase from the capital stock which it has the products of the farmers; and the farmers could sell, for instance, their milk or their wheat to this corporation for a price which they, as directors of the corporation, should fix and get their profits thereupon the sale, and then, after the corporation had processed it, converted it into flour, and held it for an indefinite period, and sold it and made a profit, they could receive a dividend not exceeding 8 per cent upon the capital stock which they had in the corporation.

Mr. WALSH of Montana. But the Senator must point to something in the bill that will permit that. All that this association is entitled to do is to process the products of its members, to prepare those products for market, to handle those products, and to market those products. It does not make any difference about the word "collectively." "Collectively" is a matter of no consequence. Those are the sole powers of this corporation. Now, when the Senator says they can go out and buy the products——

Mr. KING. I think, if the Senator will pardon me, that where a corporation is organized to process or to prepare for market or to handle or to market products, it has the power to purchase them; and I do not think any construction of the powers of a corporation, if you authorize a corporation to do those things, would restrict it so that it would be prohibited from purchasing.

Mr. WALSH of Montana. The Senator is a very able lawyer, and I can not see quite how he could reach the conclusion that a corporation with powers of that character could transform itself into a commercial organization. This is really in the nature of a commission business. That is what it is.

Mr. POMERENE. Mr. President——

Mr. WALSH of Montana. Let me say that it was perfectly easy for the Congress of the United States to put in the word "purchase" if it wanted to authorize it. Of course, a court would say that the Congress did not put that word in there or did not put anything else in there which signified purchasing, and accordingly the corporation, whose powers are always construed strictly, would not have those powers.

Now I yield to the Senator.

Mr. POMERENE. Mr. President, I can answer along the same line my good friend from Montana. The fact is that the word "purchase" is not there, and it is significant that there is not anything in the bill denying the right to purchase. Let me suggest to the Senator further that it provides for an association. Ordinarily associations have certain well-defined powers. I take it that these associations can do business just about as they choose, because in the first place it says this is for "collectively processing, preparing for market, handling, and marketing in interstate or foreign commerce, such products of their members; that such producers may organize and operate such associations and make the necessary contracts and agreements to effect that purpose," and so forth. Suppose an association get together and, after they have taken counsel together, say, "Well, now, we think that the title of these products should be in this association, and we think we can buy from these members." Is there anything here denying that power? Then it says these associations when organized can make the necessary contracts and agreements to effect that purpose.

Mr. WALSH of Montana. I would like to answer that question. I say to the Senator that there is not anything in the bill denying to them that power.

The Senator is a good lawyer, and he knows that in England a corporation is presumed to have every power that an individual has, except such as are expressly denied to it in the law, but in America the rule is quite the contrary; a corporation has no powers except those which are either expressly or impliedly conveyed in the law. So I answer the statement of the Senator from Ohio that it is not forbidden in the law to do this thing; that that is not the question; the power is not given to it in the law.

Mr. POMERENE. Let me suggest to the Senator that I do not think he is quite complete in his statement. He is speaking about a British corporation, and he is contrasting a British corporation with an American corporation. Of course, all students of the subject know that an American corporation is limited in its corporate power to powers which are conferred upon it by the State. But this refers to associations "corporate or otherwise." That is the point about it, and if his argument applies to the corporate organization—and it does not do that—it applies to associations which are "corporate or otherwise." I insist that under the circumstances these associations can be formed whereby they can buy from their members, and these members can charge exorbitant rates. I want to be liberal with all these organizations, but if it be so that they can charge rates which are concededly unconscionable, my friend the Senator from Wisconsin says that under those circumstances they are amenable to this law, and my good friend the Senator from Montana says they are not.

Mr. WALSH of Montana. The Senator must not misstate the situation.

Mr. POMERENE. I do not intend to do so.

Mr. WALSH of Montana. It does not make any difference, so far as the rule of construction is concerned, whether it is a corporate organization or whether it is an association authorized by the statute, an association not corporate in its character. Such a statutory organization, whatever it may be, has only such powers as the statute expressly or impliedly gives to it, and no others. So the rule would be just exactly the same. But if the Senator is correct—and I submit that he is in error—that the association may buy the products of its members, and may give exorbitant prices to its members for the products, it will be obliged, then, to charge the consumer exorbitant prices, and that, of course, is the case the Senator is contemplating.

Of course, the association becomes amenable, then, to the jurisdiction of the Federal Trade Commission, and when it is charged with having exacted exorbitant prices of consumers, it will be no answer for the corporation to say, "We were obliged to pay these exorbitant prices because our members exacted them of us." That would be a foolish answer to make.

So far as the consumer is concerned, it is a matter of no consequence to him whether the corporation can or can not buy the products of its members. Nor would the operation of the act be in the slightest degree different. If the Senator contemplates the case of members selling their products to the association, then the case is amply taken care of by the bill as it stands now, because the association would be subject to the order of the Federal Trade Commission, and in that way the members, of course, would be reached, and they would be obliged to abate their prices to the corporation.

Mr. POMERENE. If that is true, then would the Senator object to an amendment making this applicable to the members as well as the association?

Mr. WALSH of Montana. I would, Mr. President, simply because of the reason I gave, that it would then make the members of the associations amenable when rivals of the members, not members of the association at all, would not be amenable, and the law would not be fair in its operation. If you speak about members dealing outside of the association, you should make it applicable to everybody outside of the association.

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Mr. KING. Mr. President, may I suggest to the Senator, it having, of course, escaped his very acute mind, that men outside of the association, if they conspired to restrain trade, if I can recall the language of the Sherman law, or entered into a conspiracy to monopolize any part of interstate commerce, would be amenable under the Sherman antitrust law, and could be prosecuted criminally under that act?

Mr. WALSH of Montana. Exactly; and so if, outside of this association, they entered into a combination, the fact that they were members of this association would give them no immunity whatever.

Mr. KING. That was the question I desired to ask the Senator, whether he thought that immunity would be granted to members of the organization if they should enter into conspiracies outside of the organization or association which they organize?

Mr. WALSH of Montana. I can not think so for a moment.

Mr. KING. I do not dissent from that view, but I wanted the Senator's exposition of that matter.

Mr. WALSH of Montana. That is to say, they would be amenable to all the laws to which other people outside of the association would be amenable.

Now, I want to submit a few general observations on the bill, and they will be brief. I make no apology whatever for the position I take that the Congress of the United States may, without the slightest reproach, pass legislation of this character. Much has been said in a scornful way about this being class legislation. I have heard the same with reference to legislation which exempted organizations of laboring men, wage workers, from the effect of the Sherman antitrust law act.

Mr. President, I insist there is an essential difference between great combinations of capital, often referred to as trusts, whose exactions gave rise to the sentiment which produced the Sherman antitrust act, great aggregations of capital and associations of individuals, not of money but of men, for the purpose of securing higher wages or better conditions of working, and associations of farmers for the purpose of marketing their individual products.

These are so essentially different, Mr. President, that they may very properly be dealt with, and any evils growing out of them may very properly be dealt with, on an entirely different basis and by entirely different legislation. In fact, Mr. President, I think that it is undisputed history that the Sherman Antitrust Act never was, in its original inception, contemplated as a means of interfering either with associations of workingmen for the purpose of securing better wages or better working conditions, or associations of farmers for the purpose of marketing their prducts cooperatively, and I say that if there are evils in associations of farmers looking to cooperation in the marketing of their products, or of wage earners for the purpose of improving their condition, those evils are to be dealt with in some other way and by some other law than that law which was intended to curb the exactions of great monopolistic combinations of capital.

No one who has the history of the Sherman Act in mind will be able to recall the particular evils from which this country was suffering in the eighties by reason of combinations of farmers, and I say it never was intended to apply to associations of that character, and the sense of the people from that time down to this has been in accord with that idea, because until within the last six months, so far as my acquaintance with the subject is concerned, no man has ever attempted to prosecute associations of farmers for cooperative marketing under the provisions of the Sherman Antitrust Act, which has now been in force for 30 years, because even if they are within the letter of the Sherman antitrust law it was recognized upon all hands that that law never was intended to reach to associations of that character, and for abundant reasons I undertake to say that it is next to impossible, if it is possible at all, for the farmers of this country to organize an association which would be monopolistic in character or which would be able to exact exorbitant prices for their products.

Mr. KING. Mr. President, I dislike to interrupt the Senator, but my recollection is a little different from the statement made by the Senator, that it was not intended when the Sherman antitrust law was passed that it should be applicable to labor unions and, possibly, to agricultural interests. I am not clear yet what the intention of Congress was, but the Senator, if he will pardon me, will recall that during the discussion the question was raised as to whether the act did apply to labor organizations and to agricultural organizations, and Senator Sherman offered this proviso. May I trespass on the Senator's time?

Mr. WALSH of Montana. I am glad the Senator called attention to it. I was going to elaborate the subject myself.

Mr. KING. The proviso was as follows:

Provided, That this act shall not be construed to apply to any arrangements, agreements, or combinations between laborers, made with a view of lessening the number of hours of their labor or of increasing their wages, nor to any arrangements, agreements, associations, or combinations among persons engaged in horticulture or agriculture made with a view of enhancing the price of their own agricultural or horticultural products.

This amendment was offered later by Senator Aldrich, and on March 27 of that year, 1890, the bill was recommitted to the Judiciary Committee, and later it was reported out with a multitude of changes. The exemption clause which had been attached to the bill by amendment before the recommittal to the committee was eliminated from the measure, and that action was confirmed by the Senate and, of course, by Congress, and the bill emerged in the form of the present act.

The Supreme Court of the United States, as the Senator will remember, in the Loewe against Lawlor case, used this language:

The act made no distinction between classes. It provided that "every" contract, combination, or conspiracy in restraint of trade was illegal. The records of Congress show that several efforts were made to exempt, by legislation, organizations of farmers and laborers from the operation of the act, and that all these efforts failed, so that the act remained as we have it before us.

Mr. WALSH of Montana. I recall that history very well, and the Senator will find, if he follows it up, that it was withdrawn upon the very solemn suggestion of an eminent Member of the Senate to the effect that it was entirely unnecessary because the act could not by any reasonable construction be made to apply to those classes. That is why it was withdrawn.

Mr. POMERENE. I may say to the Senator that I went into that pretty thoroughly myself at one time, and while statements of that kind were made, it was afterwards recommitted and was entirely redrafted, so that it was general in its application.

Mr. WALSH of Montana. Exactly. That is exactly the situation. Those who were urging the exceptions to the original act were induced to withdraw their insistence upon the suggestion of the friends of the act that it could not possibly be given a construction so as to embrace them. It is a fact that the Supreme Court afterwards held, so far as labor organizations were concerned, that it did include them. I still insist that it never was the spirit of the act, but the matter came about in just that way.

There is just another word I desire to say in connection with this. The Supreme Court has held that the Sherman Act does not extend to every combination in restraint of trade, but only to those which unduly restrain trade. Accordingly it becomes a question for the court in every particular instance to determine whether or not a particular combination does or does not restrain trade. It has been held almost universally, and has been accepted, that under that definition these ordinary farmers' cooperative marketing associations do not come under the Sherman Act, because if they restrain trade at all they do not unduly restrain trade.

So we are not really amending the Sherman Act so as to give liberty of action to associations which would otherwise fall under this condemnation. We are simply making a legislative declaration that combinations of farmers of this character are not combinations which unduly restrain trade; but if they do in any manner unduly restrain trade, we have provided a remedy in the bill so that the restraint shall not go beyond the limits.

That is the purpose of the act. It is not even a concession that the associations do now fall under the provisions of the Sherman Act, but it merely removes whatever doubt there may be with respect to that particular matter.

Take the organization generally known as the Equity, which does a very excellent work all through the Northwest and furnishes an association through which farmers may market their own products. Of course they are subject to many restrictions and many embarrassments and much competition from the old organizations, which at one time had a monopoly of the business. The farmers throw their products all together, market them together, and divide the avails. Now, in a certain sense those individual farmers, by the association, have restricted competition. They do not compete with each other individually, and yet the price of wheat, as a whole, is probably not and undoubtedly not seriously affected by these associations, thus preventing competition among individual members. I apprehend that the court would hold that that is not a combination in undue restraint of trade; and yet it does, as a matter of fact, restrain trade to some extent; at least it restrains competition. It simply effects, and this is in the nature of a legislative declaration that in the opinion of the Congress—and that becomes the fixed law—combinations of this character are not in undue restraint of trade.

As I said, nothing was urged at the time the Sherman law was originally under consideration by Congress concerning the evils from which the country was suffering by reason of these organizations, nor has anyone even in this debate undertaken to put a supposititious case of injury to the public interest by the permission of the existence of organizations of this character.

Indeed, everyone concedes that so far as they have yet gone in this country their operation has been wholly beneficial. Take the great California Fruit Growers' Association. It furnishes to the country a constant supply of the citrus fruits that it markets. The raisin growers organized an association whose operations were under consideration by the Federal Trade Commission, which reported that whether it was a combination coming under the Sherman Act or not, no harm had been done to the public, up to the time the investigation occurred at least, by reason of its operations.

Take the fruit-growing industry in the Northwest. The Bitter Root Valley in my State was extensively advertised some years ago as a great place for the growing of apples, and that they produced a high quality of fruit and in great abundance. Nothing was said, I undertake to say, or little was said in those advertisements that was not true. That valley is remarkable in its capacity for the production of fruit of a high character of that nature, and yet the business has gone to pieces.

Farms are deserted, the orchards are no longer productive to any great extent, and simply because there was no system of marketing the product. An abundant food supply of that character could be furnished the public, of which it is now entirely deprived. Evils of much the same character beset the fruit grower in the State of Washington. The rich Yakima Valley is by no means as productive as it might be if there were a possibility of the growers getting together and marketing their supplies in common. One can very readily understand that an individual can not inform himself concerning the conditions of the market throughout the country as can a great association and combination of growers.

I submit, Mr. President, that far from any evils resulting to the public by reason of the organization of associations of this character they will contribute very largely to an increased food supply for the people of the country.

Mr. KING. Mr. President, before the Senator resumes his seat may I interrogate him for my own information?

Mr. WALSH of Montana. Certainly.

Mr. KING. Does the Senator think the bill would exempt from prosecution under the Sherman law any individuals or any association organized under the bill which created a monopoly or developed a monopoly in any of the products referred to in the bill?

Mr. WALSH of Montana. That is very carefully taken care of by the amendment offered by the Senate committee, reading as follows:

> Nothing herein contained shall be deemed to authorize the creation of or attempt to create a monopoly or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, on account of unfair methods of competition in commerce.

If any one of these organizations should resort to any monopolistic practices or attempt to drive any rival out of business or resort to corruption in the case of purchasing agents or anything of that kind, they would all be subject to the operation of the Federal Trade Commission act.

Mr. KING. Would they be subject to the operations of the Sherman law?

Mr. WALSH of Montana. Undoubtedly; it so provides.

Mr. KING. If they should seek to create a monopoly?

Mr .WALSH of Montana. Yes.

Mr. KING. Does the Senator think that the language which he has just read is not repealed, or at least a cloud be cast upon its applicability to acts which constitute monopolies, by the words found on page 1 of the bill, in lines 10 and 11, the words being—

> and make the necessary contracts and agreements to effect that purpose, any law to the contrary notwithstanding.

Would not those words seem to imply that any sort of contract or agreement might be entered into by these associations or organizations, even though the effect of such agreement or organization was to create a monopoly which might be denounced by the Sherman antitrust law?

Mr. WALSH of Montana. I should say not, upon two plain rules of construction. One is that if there is any inconsistency between two provisions of the act, the later one prevails.

Mr. KING. I had that in mind as probably a reconciliation.

Mr. WALSH of Montana. So if that is the case, the other would wipe it out. The second is that a specific provision outweighs a general provision. We have a general provision of the act, first, that "any law to the contrary notwithstanding," and then we have a specific provision that the Sherman law and the Clayton law shall remain in operation so far as indicated in that section. So I do not believe there is any danger of a monopoly. As a practical proposition, there is not any, and if there were, as a practical proposition, it is taken care of by the concluding portion of the act.

Mr. SMITH of South Carolina. Mr. President, the debate has revolved around a legal aspect of the case as to whether or not it will come under the provisions of the Sherman antitrust law. Of course, in our legislation we pay attention to this sort of thing, but there is not on record in all the history of agriculture in the country a case where an association, combination, or organization of farmers in our great staple products, such as are common to a vast area, has ever been accomplished that has had an appreciable effect upon the price of their commodity in its general market aspect.

It is true that some local organizations have taken a part of a great crop, and by eliminating the middlemen and certain local and incidental expenses have gotten a better profit to themselves under a given price than they would have gotten otherwise; the net to them was greater, but they have not increased the market price.

If time permitted this afternoon, I think I could demonstrate that it is an impossibility, involving both the physical and moral aspect, to organize the farmers of America in the sense that the law had in contemplation when we passed the Sherman antitrust law. I wish to suggest some of the difficulties.

In the first place, you have men engaged in the production of wheat and of cotton whose financial resources are as varied as the season, whose capacity is as varied as they possibly can be. Not only that but the product of the farm is subject not to the control of the producer, but is subject to the greatest extent to the season. Take the artificial producer, the manufacturer, to curb whom that law was primarily passed, or its intent was to curb him—combinations of capital in artificial production. Every manufacturer can produce to an inch, yard, or pound his crop. He can control his season, because it is an artificial season. He can produce to the foot in lumber, to the yard in textile, to the pound in steel. Not only that, but he can control the quality of his crop. He can produce according to the order of his science whatever he desires to be produced, according to the character of the work in which he is engaged.

If the manufacturer, the artificial producer, finds that he, in conjunction with those who are engaged in like business with himself, is producing too much for the market, he can almost instantly agree to arrest production and fix the output to suit the demand. Not only that, but, being a few in number and the aggregate of their output being as great as the commerce of the world, it is easy for manufacturers to get together, to parcel out the commercial regions to themselves, to agree upon a price, and to furnish their product according to their own will by regulating the amount of manufactures which they put out. So, to repeat what I have already said, they can control the quality and quantity of their output and its price.

Now, as to the natural producer, the farmer, not only has he no capital invested in brick and in mortar, in stock sold, but the principal capital the American farmer has invested is the land of this country and his own muscle and credit from somebody else. The major portion of his expenses are incurred in buying material that is essential to produce the crop. He has but one turnover in 12 months as against the artificial manufacturing producer, who has a commercial asset at the end of every 24 hours to meet the liabilities incurred by him in production. The farmer or the natural producer incurs his expenses when he plants his crop, when he puts his seed into the ground. He then must take the chances of nature as to the quality and quantity of the thing which he produces.

Not only that, but the larger percentage of the farmers are in debt for the production of their crops, and yet have no control over them so far as the time and place of marketing is concerned. The man the farmer is owing demands that he meet the obligation incurred in production. The result is that the great fundamental industry of this country, upon which everything else rests, is carried on by those who by the very nature of the case can not organize, and therefore are the victims of those who are organized and who are in a position to demand their profit.

I have a communication here which has just been issued by the Department of Agriculture which shows a startling condition of affairs. The Secretary of Agriculture himself says that no other business in the world could stand such a shrinkage in value as that which now exists as to agricultural products. The difference between the crop produced in 1920 and the crop

produced in 1919 as to quantity was largely in favor of the 1920 crop; perhaps it is 33⅓ per cent on the average for all production in this country, in favor of the crops of 1920 over that of 1919. The great shrinkage in value is in excess of $5,000,000,000; and adding the increased volume of production, the cost incurred, and the shrinkage in price it will approximate 35 per cent net loss to the farmers of this country in the aggregate amount received for the two crops, representing $5,000,000,000 of loss.

I have heard it said about the farmer on this floor during the debate that he must take his loss along with other people. That would be a fair view to take of the matter if the farmer had the same facilities for recouping the losses which he sustains as have other people. Let me call attention to a fact, not a theory. Last year cotton sold in my State—and I am going to refer to other staple products that are in the same condition—at the mills around 40 cents a pound. Cloth was manufactured from that cotton and sold to the world at large, and the mills of New England and the South made an average profit of 300 per cent, most of them declaring stock dividends, and thereby, through the decision of the court, getting rid of paying excess-profits taxes. Now mark. Let us take the mathematical and logical condition that exists. Certain mills in New England and the South have announced that they have cut the price of cloth—and I want Senators to pay particular attention to this—33⅓ per cent. The raw material out of which they had made that cloth has gone down 200 per cent. Now, if they were making 300 per cent out of 40-cent cotton and they cut their prices 33⅓ per cent and cotton goes down 200 per cent, they are making a larger percentage of profit out of the low-priced cotton, in spite of the fact that they have cut their prices 33⅓ per cent, than they did out of the 40-cent cotton.

Who has the farmer beneath him to enable him to recoup himself by charging his loss off in the next sale that he makes or in the purchase of his next raw material? It is small encouragement to the farmer of this country, knowing his condition, as he does know it, to be met with opposition whenever an effort is made here to encourage him in his disorganized condition, as he will be disorganized as long as farming is subject to the caprices of nature and to the different financial conditions in which the farmers find themselves. It is small encouragement to intelligent boys of the country to go back to the farm and be the hewers of wood and the drawers of water at the mercy of organized capital the world over, with not even the Government taking a stand and recognizing that the farmer is in a class by himself, and one upon which the whole superstructure of our civilization rests.

Senators stand here and argue whether farmers' organizations of this country should come under the Sherman antitrust law, and consume time drawing nice legal distinctions; but in all the history of agriculture in this country and elsewhere no case is on record where the farmers have ever been able to combine and get justice, much less to perpetrate injustice.

It is said that everything else in this country has sunk pari passu with farm products. That is not true. Everything moves along the line of least resistance, and that means that the poor devil on the farm, having no capital resources, having no friends save himself and those dependent upon him, when the financial crisis comes, his paper in the bank, being the weakest, is the first shaken out. So wheat and other grain, cattle, and wool and cotton were the first to feel the effect of the unfortunate cataclysm which unfortunately was brought about in part by those who should have been attempting to stem the tide rather than to precipitate the avalanche.

Now, here comes a measure for the purpose of showing the attitude or, as the Senator from Montana has said, of expressing the opinion of Congress that the farmer should not come under the restrictions of the Sherman antitrust law. I am not a lawyer, and sometimes I thank God I am not.

Mr. THOMAS. So do the lawyers, perhaps.

Mr. SMITH of South Carolina. Yes; some of them may, because they would not feel easy in honest company. But I want to state that it would be, it seems to me, a fine piece of statesmanship and patriotism if we could devise some means in this room—for means have not been found outside of it—by which the farmers could organize and at least put themselves in a position where they could protect themselves against just such conditions as now exist.

The party on the other side has committed itself to a high protective tariff—to do what? In platform after platform they have declared that industries which were not able to stand the competition and inroads of older and more highly organized ones abroad were entitled to the protection of the American Government to enable them to make a profit until they could get on their feet and fight for themselves. Have the farmers a less right to ask that the Government shall provide means by which they may be protected against the inroads of capital and organizations that ruin them?

I think it is to the credit and honor of this body that we are saying to the farmers of the country that we recognize the fact that as the producers of that out of which all the others must live, it being impossible for them to come under the terms of the Sherman antitrust law in fact, we will make it legal for them to be immune from the operation of the law.

I have sat here and listened until I have almost lost hope that Senators will study the actual conditions. They come in here with fine-spun theories, indulge in broad and general statements, and say "let the farmer take his medicine along with other men during the readjustment period following the war." During the war how many millionaires were added to our great millionaire population and from what classes did they come? Who knows of a single farmer who has become a millionaire because of the conditions brought about by the war? Although they number about 33⅓ per cent of the entire population of the United States, not one farmer became a millionaire; and now from the very peak of what seemed to be reasonable prices for that which they had to sell they are hurled into the very abysmal pit of ruin and disaster. Yet they are quietly told by men sitting in the United States Senate, "take your medicine."

Mr. President, the conditions in this country are frightful beyond expression. Although the farmers have been hurled from the very peak of prosperous prices within a period of six months to prices far below those antedating the war, yet we see men stand here and say "this is inevitable; the same condition has followed every war, and it will follow every future war." There was not a gun fired in America at an enemy; not a single piece of property on the American continent was destroyed by the enemy; not a business nor a vocation nor an avocation was invaded by the presence of a foreign foe; but, on the contrary, all of our resources were left untouched and were even developed, perhaps, and quickened by the influx of the lifeblood of commerce, namely, an abundance of money, and we have now after the war a condition in which there is a greater cry than during the war for production. During the war we were asked to produce to kill; after war we were asked to produce to make alive.

Then we held up every man and forced him with the threat of being branded as a slacker to buy Liberty bonds and to engage in the prosecution of the war; now, when we have triumphed, under the providence of God and the bravery and valor of our troops and because of the boundless resources of our country, with thousands in Europe and elsewhere in the world shivering in the cold and starving, we say, "Let them take their medicine, both the American people who helped win the war and those whom we helped to conquer."

We could find plenty of resources to whip the enemy, but we can find no resources to make alive a prostrate world, and the reason is not far to seek. Then it was a threat of political and of commercial death to all from a foreign enemy. Now it means the opportunity of these grafters who take advantage of the situation and put into their pockets the spoils that come from the wreck of business.

It is just as much our duty now, in the disorganized state of world society, to hold our hands on the financial and commercial throttle and see that justice is done and the condition met as it was when the sinister shadow of the Hun fell athwart the hope of the world; and here we are haggling about the Sherman antitrust law, breaking the heart of the farmer, sending millions to bankruptcy and ruin, taking our own American children out of the schools, taking the pictures from the walls and the carpets from the floors, and blighting the hopes of thousands of American homes, because we say it is not according to our policy to interfere in such matters.

This bill was not introduced during the time of peak prices. It was introduced because of the equity and justice that underlie the impulse that caused it, that is as eternal as the hills, that recognizes that the farmer is in a class to himself, subject in his production to the law of nature, while the manufacturer is subject to the law that he himself creates; he can open the throttle and turn the wheels or shut them down as he pleases; but the farmer, when he puts the seed in the ground, must wait upon the wheel of the seasons and the movings of the gods.

Mr. President, I have gotten tired to death of this eternal carping about the farmer being subject to the operation of law, to the very same processes that others are. In the great staple products, such as wheat and other grains, wool, and cotton, when did you ever know him to fix his own price and get it? Whom does he wait upon? A set of speculators that sit in the exchange places of this country, most of whom do not know a

wheat straw from a cane reed, or a cotton stalk from a Jimsonweed. They sit down and take the produce of the farmers as the dice in a box, and gamble at their sweet will upon the hopes of 35,000,000 Americans. That is all right; that is your law of supply and demand, that fluctuates as much as 33⅓ per cent of the average value of a crop in a day; and yet you coolly mock the farmer by saying "Take your medicine," the portion poured out by a gambling and scheming world, sacrificing him to meet their selfish greed.

I hope that every Member of this body will read the report of the Secretary of Agriculture. It is a sane, fair warning. Thank God, the world is making progress along educational lines. We talk about the high cost of living. I say here in the Senate Chamber this afternoon that the time has passed forever when the farmers of this country will live in bare huts and bear the burdens of the civilization of this country, produce its wealth, and yet not share in the wealth they produce. Universal education has raised the vision of all men to a higher point and it has poisoned all meaner choice. The comforts and conveniences of modern life and the luxuries that the genius of man has made possible in a cheap and popular form they are going to have, and have a right to have. If we are wise, we will make the law such that they can have them according to good, democratic law; but they are going to have them. It is not a question of the high cost of living; thank God, it is a question of the cost of higher and better living. Every man in this Chamber should devote himself to bringing about that condition; and yet we stand here, not to attempt to solve the great problem that stares us in the face but to quibble over some technical relation of a proposed law to another law that has been passed!

This is not socialism, but a right to demand at the hands of the Government certain things that the Government itself took over. In 1914 we took over and made a Government function the banking of this country. We placed in the hands of seven men the fate of America. They can lend to whom they please, extend credit to whom they please, withhold it from whom they please, under the terms of the law. And what are we confronted with now in this good year 1920, when in the spring every farmer was asked to produce, produce to feed the starving millions of the earth that were taken out of production by the exigencies of war? What are we confronted with now? We responded, borrowed money at the peak of prices, and planted the seed that has resulted in the largest crop we have had since the war began; and now we are asked to take $5,000,000,000 less for a bigger crop than any one we made during the war!

It is said that the law of supply and demand is operating. I want to make one suggestion. I want to ask a question of this body of men who talk about inflated currency. They say that the producer was demanding $5 for one unit of goods, and therefore that he was asking an exorbitant price. What in the name of reason and common sense is the difference between a man that asks $5 for one unit of goods and a man who asks five units of goods for $1? There is just as much profiteering to-day in cash as there was in commodities six months ago. If I increase the purchasing power of my dollar to a point where $1 will buy five times as much as it did before, I am profiteering in dollars just as the other fellow had profiteered in commodities. You hear no cry against that; no; but when sheep were bringing $8 or $10 or $12 a head the sheep grower was a profiteer, and now, when the man who has the money can buy twelve or fourteen times that many sheep for that many dollars, he is not a profiteer but a patriot!

What is the difference? If I, in all good faith, went to work and spent the money necessary to produce this crop, and bought the materials to produce it at the peak of prices, and then, when the 12 months is over and I come to sell it, I have to sell it at a fifth or a sixth of what it cost me, somebody is profiteering, because the man who is purchasing is getting five times as much for his dollars as I got for my dollars when I bought; yet there is not a word of criticism about the profiteer in dollars.

Mr. President, without regard to the aspect of this bill as to whether it comes within the Sherman antitrust law or whether it does not, let us pass it by all possible means in the encouragement of the agricultural interests of this country, in order that there may be an abundance for the American people and for export into the world at large, with a fair and just profit to those who produce it.

Mr. McKELLAR. Mr. President, I am in favor of the pending bill and expect to vote for it. I am not going to discuss it. I merely want to refer to a statement made by the Senator from Michigan [Mr. TOWNSEND] this morning about one of the objects of the bill being to secure the means to hold cotton for higher prices.

Inadvertently the Senator is mistaken about the situation which exists in regard to the holding of cotton, in my section of the country at all events. A few weeks ago, about the time I left for Washington, there were on hand some 241,000 bales of last year's cotton that those who owned the cotton had not been able to sell at all for any price. It is not a question of holding for a better price; it is a question of getting a market for the cotton at any price, and for fear that the statement of the Senator might lead to an erroneous opinion about the matter, I wanted to clear it up.

Unquestionably most of the cotton farmers in the South would have been delighted to sell their cotton and had no desire to hold it for better prices. But they could not sell it at all. There was an absolute lack of demand for the cotton, and of course the reason that this legislation is desired is to furnish a market for cotton.

I also want to call the attention of the Senate to another proposition about the question we are now discussing. It is contained in a telegram from Memphis, my home town. It is addressed to me here, and says:

> Railroads propose early date another heavy increase rates on grain. Present rates excessively inflated. Can you arrange conference with Senate Committees on Interstate Commerce and Agriculture?
>
> L. P. COOK,
> *President Memphis Merchants' Exchange.*

Of course, every additional burden placed upon grain will interfere with what it is purposed to do by these bills. I merely read this telegram for the information of the Senate.

Mr. TOWNSEND. Mr. President, lest I should be misunderstood from what I stated this morning, as it has been interpreted by others who have followed me, I desire to ask the indulgence of the Senate for just a moment, because I am as anxious as anyone can be to get this matter out of the way.

My criticism this morning was directed to some of the arguments that had been presented to the Senate during the last week or 10 days—the reasons which were given by some Senators for permitting what they termed a change in the Sherman antitrust law. I said, among other things, that it had been stated on the floor by some Senators that it was the province of the Government to enable the farmers, the growers of cotton being mentioned particularly, and I suppose it would apply to other agriculturists in the same way, to hold their products until they could get what they believed was the proper price for it. I know one or two Senators stated that, and that the advice would be given to their constituents that no more cotton should be raised, if that was the only way they could secure the price which they thought was right.

Mr. President, I have listened with a good deal of interest to the arguments which have been made upon this bill, and I am convinced that my first impressions about it are right. I do not think it is a provision which violates the real intent and purpose of the Sherman antitrust law. I agree with the Senator from Montana, especially under the decisions of the Supreme Court, that only undue restraint of trade was prohibited, and that any act which is passed by Congress which clarifies that purpose, and thus prevents the numerous indictments and threatened suits, is most desirable.

I realize, as every man who represents an agricultural constituency realizes, and especially as every man must realize who has lived practically his whole life upon the farm, that there are handicaps to the farmer which are not experienced by other business men. It is impossible for him to have the understanding, even the simple understanding which business requires, looking to farming and marketing under the most favorable and desirable circumstances, unless he can cooperate with other farmers.

It is possible that this act does repeal the Sherman antitrust law in certain particulars, but I do not believe that is a necessary conclusion. I think it makes clear, I repeat, the decision of the Supreme Court as to undue restriction of trade. I know from my own experience that there should be a better understanding among the farmers. They should not, and they do not, ask Congress to pass laws which would give them improper advantages, such advantages as are condemned by the Sherman antitrust law.

I have known for many years, as I think all of us have known, that there are good and bad trusts or combinations. It has been very difficult to pass a general law which would discriminate between the good and the bad, and I have always opposed ever since I have been in Congress any general law or rule in the nature of law laid down by Congress which works to the disadvantage of a portion of the people of the United States.

Most of the special privileges which have been granted and which are asked for have resulted and will result in detriment to the beneficiaries whom it is sought to help, because our Government, if it is to endure, must deal justly and fairly with all of its citizens, and because a man happens to represent an agricultural constituency or a laboring constituency or a manufacturing constituency he has no right, in my judgment, to ask for a law which would be detrimental to the other reputable classes of the people.

I do not think this proposed law is detrimental to the general welfare, although I have at times been confused, as I have said, while listening to the arguments pro and con of men carried away with their zeal for their political standing in their States and communities, who have, it seems to me, gone far wide of the real purpose of this legislation.

Farmers I know anything about, those who have organized, are only asking for such rights as are absolutely essential to the successful performance of their profession. Without the right to determine the best market, without the right to cooperate in production and disposition of products, the farm will continue to be a very unprofitable, unsuccessful place where men and women can work.

Evidently there must be a middle ground. There must be a place where you can not apply the original doctrine of no combinations. But when we have that definition restricted, and the general good protected, as is the case in this bill, we are not only aiding the farmers, giving them what actually belongs to them, but we are aiding all of the people of the United States, because our hope as a nation and the hope of the world rests upon successful agriculture.

Of course, I want again to protest against the false doctrines which have been uttered here many times during this discussion, asking for improper things and claiming that this measure probably grants things which would be detrimental to all of the people of the United States. Of course, it is unnecessary, probably, for me to make this statement, but inasmuch as I was not able to complete the interrogatory which I submitted to the Senator from Minnesota [Mr. KELLOGG] I felt that it was important that I should make this statement.

Mr. NELSON. Mr. President, I ask that the amendments of the Committee on the Judiciary may now be acted upon.

The VICE PRESIDENT. The Secretary will state the committee amendments in their order.

The ASSISTANT SECRETARY. On page 2, line 9, strike out the words "Secretary of Agriculture" and insert in lieu thereof the words "Federal Trade Commission"; on line 13, after the word "thereof," strike out "he" and insert in lieu thereof the words "the commission"; on line 14, after the word "stating," strike out the word "is" and insert "its"; on line 25, strike out the words "Secretary of Agriculture" and insert the words "Federal Trade Commission"; and on page 3, line 8, strike out the words "Secretary of Agriculture" and insert the words "Federal Trade Commission," so as to make the first paragraph of section 2 read:

That if the Federal Trade Commission shall have reason to believe that any such association restrains trade or lessens competition to such an extent that the price of any agricultural product is unduly enhanced by reason thereof, the commission shall serve upon such association a complaint stating its charge in that respect, to which complaint shall be attached, or contained therein, a notice of hearing, specifying a day and place not less than 30 days after the service thereof, requiring the association to show cause why an order should not be made directing it to cease and desist from so restraining trade or lessening competition in such article. An association so complained of may at the time and place so fixed show cause why such order should not be entered. The evidence given on such a hearing shall be reduced to writing and made a part of the record therein. If upon such hearing the Federal Trade Commission shall be of the opinion that such association restrains trade or lessens competition to such an extent that the price of any agricultural product is, or is about to become, unduly enhanced thereby, it shall issue and cause to be served upon the association an order reciting the facts found by it, directing such association to cease and desist therefrom. If such association fails or neglects for 30 days to obey such order, the Federal Trade Commission shall file in the district court in which such association has its principal place of business a certified copy of the order and of all the records in the proceeding, together with a petition asking that the order be enforced, and shall give notice to the Attorney General and to said association of such filing. Such district court shall thereupon have jurisdiction to affirm, set aside, or modify said order, and may make rules as to pleadings and proceedings to be had in considering such order.

The amendment was agreed to.

The next amendment of the Committee on the Judiciary was, on page 3, line 18, to strike out the words "Secretary of Agriculture" and to insert in lieu thereof the words "Federal Trade Commission"; and on page 4, line 7, after the word "thereof," to strike out the proviso in the following words: "*Provided*, That nothing contained in this section shall apply to the organizations, or individual members thereof, described in section 6 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, known as the Clayton Act," so as to make the second paragraph of section 2 read:

The facts found by the Federal Trade Commission and recited as set forth in said order shall be prima facie evidence of such facts, but either party may adduce additional evidence. The Department of Justice shall have charge of the enforcement of such order. After the order is so filed in such district court and while pending for review the district court may issue a temporary writ of injunction forbidding such association from violating such order or any part thereof. The court may upon conclusion of its hearing enforce such order by a permanent injunction or other appropriate remedy. Service of such complaint and of all notices may be made upon such association by service upon any officer or agent thereof engaged in carrying on its business, and such service shall be binding upon such association, the officers, and members thereof.

The amendment was agreed to.

The next amendment was to insert as a separate paragraph at the end of section 2:

Nothing herein contained shall be deemed to authorize the creation of, or attempt to create, a monopoly, or to exempt any association organized hereunder from any proceedings instituted under the act entitled "An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes," approved October 15, 1914, on account of unfair methods of competition in commerce.

The amendment was agreed to.

The VICE PRESIDENT. This completes the amendments of the committee. The bill is as in Committee of the Whole and open to further amendment.

Mr. SMITH of Georgia. Mr. President, I wish to call attention to the fact that section 2 leaves to the Federal Trade Commission the power to fix the place at which a hearing on any complaint against one of these associations or corporations should be held. I think it quite important that the hearing should be held in the county where such association or corporation has its principal office, and I desire to suggest that we add, on page 2, in line 20, after the word "article," the following words:

And the place named for the hearing shall be the county of the principal office of such association or corporation.

Mr. NELSON. I think that is a good amendment and should be adopted.

The VICE PRESIDENT. The Secretary will report the amendment.

The ASSISTANT SECRETARY. On page 2, line 20, after the word "article," insert the following words:

And the place named for the hearing shall be the county of the principal office of such association or corporation.

Mr. WALSH of Montana. I suggest to the Senator from Georgia that he place the word "within" after the words "shall be."

Mr. SMITH of Georgia. That is better. It will then read, "shall be within the county of the principal office," and so forth.

Mr. KING. May I suggest to the Senator from Georgia that I can conceive of cases where the operations of the organization might be in some county outside of the one within which it was organized, and the interests of the public, as well as the interests of the persons being investigated, might best be served——

Mr. SMITH of Georgia. The principal office would necessarily be the place from which it conducted its principal business.

Mr. KING. Suppose the charge is that a certain corporation has unduly restrained trade, or has improperly prohibited competition, and that its activities in which it has offended the statute have been in some other county than that in which the headquarters of the organization are located. Does the Senator think that, notwithstanding that fact, the hearing should be in the county where is the principal office of the corporation?

Mr. SMITH of Georgia. The general rule is that a corporation is proceeded against at its principal office, and I think it hardly possible to conceive that one of these associations could have its principal activities outside of the county of its existence. I really believe that this plan for jurisdiction is best.

Mr. KING. I can conceive of many corporations which might be formed under the bill whose sales and the marketing of and the processing of whose products might be outside of the State, even, in which the corporation is formed. I do not think the Federal Trade Commission has abused the authority which it now has in conducting such hearings, and to compel it to institute its investigation in a given county might be unwise and might be prejudicial to the interests of the Government.

I express no opinion, because the matter has not occurred to me before; but it seemed to me we could well afford, if the bill is to pass, to leave the Federal Trade Commission unlimited authority to conduct the examination where the interests of the public would best be served.

Mr. SMITH of Georgia. I would be willing to modify the amendment to the extent of saying "the Federal judicial district." I think that would certainly broaden it sufficiently, if that modification would be acceptable to the Senator.

Mr. KING. I make no objection to the amendment offered by the Senator from Georgia, but it seems to me that there may be cases in which, if the amendment shall obtain, the investigation would cost a very much greater sum than otherwise.

Mr. SMITH of Georgia. I would like to ask the Senator from Minnesota [Mr. NELSON] if he thinks it would be sufficient to say "within the Federal judicial district"?

Mr. NELSON. That would be satisfactory.

Mr. SMITH of Georgia. Then I will change the amendment so as to read "Federal judicial district."

Mr. NELSON. It would allow the hearing to be held within the Federal judicial district where the parties or the headquarters of the association were located, instead of dragging them all here to Washington before the Trade Commission. I think it is a good amendment modified in that way.

The VICE PRESIDENT. The amendment as modified will be stated.

The ASSISTANT SECRETARY. On page 2, line 20, after the word "article," insert a comma and the words:

and the place named for the hearing shall be within the Federal judicial district in which the principal office of such association or corporation is located.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

Mr. NELSON. I move that the Senate request a conference with the House on the bill and amendments, and that the conferees on the part of the Senate be appointed by the Chair.

The motion was agreed to; and the Vice President appointed Mr. NELSON, Mr. DILLINGHAM, and Mr. OVERMAN conferees on the part of the Senate.

PROTECTION OF MATERNITY AND INFANCY.

Mr. FRANCE. Mr. President, I move that the Senate proceed to the consideration of the bill (S. 3259) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States.

Mr. SMITH of South Carolina. Mr. President, I do not know that it will have any parliamentary effect, but I gave notice on yesterday that immediately upon the completion of the pending legislation I would ask for the present consideration of the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

As I stated, I gave notice that I would call up this bill, and I hope the Senator from Maryland [Mr. FRANCE] will allow it to be taken up at this time. I do not think it will take very much time to dispose of it.

Mr. SMOOT. It can not be passed to-night, I will say to the Senator.

Mr. SMITH of South Carolina. No; but we could make it the unfinished business, so that it could be discussed.

Mr. SMOOT. I have not any objection to that at all.

Mr. SMITH of South Carolina. I do not ask to take it up for the purpose of trying to pass it to-night, unless everyone is of the same opinion that I am, and that does not seem to be the case.

The VICE PRESIDENT. The Chair will say that while the notice of the Senator from South Carolina was purely informal and not binding, the Chair was under a misapprehension. The Chair thought the Senator from South Carolina said "at the close of the unfinished business."

Mr. SMITH of South Carolina. I meant the bill which has just been passed.

The VICE PRESIDENT. The Chair did not understand it. The Chair having recognized the Senator from Maryland [Mr. FRANCE], and he having moved to take up the other bill, the Chair must put that motion.

Mr. SMITH of South Carolina. I think the Senator from Maryland perhaps will yield for this nitrate bill to come up with the understanding that if it develops too much opposition we may take some other action.

Mr. LENROOT. Will the Senator from South Carolina yield? Was not the Senator's notice that he would move to take up his bill following the packers bill?

Mr. SMITH of South Carolina. No; I meant when the bill which we have been discussing to-day was disposed of. That was my intent. My language may have been unfortunate. I want to be perfectly frank. I considered the bill we have just disposed of to be the unfinished business.

I think we can reach an agreement with reference to this matter. If the Senator from Maryland will withdraw his motion, I am sure that whatever is to be done in reference to this bill will be developed directly as to what disposition shall be made of it. I have no desire to retard the passage of his bill any more than he would have a desire to retard the passage of my bill.

The VICE PRESIDENT. This was the language of the Senator from South Carolina on December 14:

I wish to take this occasion to serve notice on the Senate that when the unfinished business is disposed of—

And so forth.

Mr. SMITH of South Carolina. I was thinking that the Nelson bill was the unfinished business. That was my purpose.

Mr. UNDERWOOD. Mr. President, I suggest to the Senator from South Carolina and the Senator from Maryland, as these seem to be the two bills contending for the right of way, that some of the Members on this side are very anxious to get early consideration of the nitrate bill which the Senator from South Carolina is seeking to call up, and possibly we might reach an agreement, if that bill be taken up as the unfinished business, that the Senator from South Carolina might lay it aside temporarily and allow the Senator from Maryland to proceed.

Mr. SMITH of South Carolina. I would be very glad to do that.

Mr. FRANCE. As I have made my motion, I would be glad to have that motion prevail, and then I shall be very glad to lay my bill aside temporarily and allow the Senator from South Carolina to proceed, with the understanding that if his bill promises to occupy an undue amount of time he will again yield to my measure.

Mr. SMITH of South Carolina. Just to be perfectly frank each with the other, the situation is this: I am not sure that the bill which the Senator from Maryland is seeking to have considered will pass very shortly. I do not know of any very serious opposition to it. If the nitrate bill is made the unfinished business, and it promises to have some opposition, I shall be very glad to ask to have it temporarily laid aside and allow the other bill to receive whatever consideration it is entitled to.

Mr. SMOOT. Mr. President, it is now 10 minutes past 4 and I did not expect either one of the bills to be called up to-night. I have not the papers here to go on with a discussion of either measure. I do not intend to take very much time on either of them. I have no disposition whatever to interfere with the passage of either, except to the extent of speaking briefly and giving my views. I would very much prefer, if there is going to be discussion to-night, and I am compelled to speak, to take up the maternity bill; but I think there will be no time saved at this time of day by taking up either bill. Therefore, it seems to me that if we allow the maternity bill to be made the unfinished business and then adjourn, and take up the bill to which the Senator from South Carolina refers in the morning hour to-morrow, perhaps we could finish it in those two hours.

Mr. UNDERWOOD. I will say to the Senator from Utah that the nitrate bill has practically a unanimous report of the committee so far as I know. I think it undoubtedly has the votes here, but it is likely to bring on some discussion. It could not be disposed of to-night, and the Senator would have time enough anyway; but if it is taken up, why not let one of the bills be discussed to-night?

Mr. SMOOT. It is so late now that we can not do much on either one of them, and it seems to me there would be no time gained. Let us make the maternity bill the unfinished business.

Mr. SMITH of South Carolina. It will only take a moment to do as the Senator from Alabama suggests. The Senator from Maryland [Mr. FRANCE] is perfectly willing that that course shall be taken, and I therefore move, if he will allow me, to take up the bill to which I have referred, the nitrate bill. Then I will ask that it be temporarily laid aside to allow him to go on with his bill whenever he sees fit.

Mr. FRANCE. That course is agreeable to me.

Mr. SMOOT. To make the nitrate bill the unfinished business?

Mr. SMITH of South Carolina. Yes.

Mr. SMOOT. Why not do it the other way?

Mr. GRONNA. Mr. President, I wish to suggest that we ought to be perfectly frank. I think the bill which the Senator from South Carolina has in charge is a bill which will require some time. There will be some considerable discussion on it. I hope the Senator from Maryland will not insist on his

motion at this time. I do not like to be put in the position of voting against his motion, but I would have to vote against it at this particular time, and I think others who are friendly to his measure are in the same situation. I believe the bill reported by the Senator from South Carolina should at this time be made the unfinished business and that we can save time by doing that. I sincerely hope the Senator from South Carolina will so move.

Mr. SMOOT. I do not know what time the Senator will save by doing that. I can not see it. If I were the Senator from Maryland and wanted my bill passed—and there is no particular opposition to it that I know of—I would move to make it the unfinished business. I do not think there is any disposition on the part of anyone to stop the passage of either one of the bills. Simply because the Senator from North Dakota thinks that the farmers of the country are interested in one bill, and the women of the country are interested in the other, perhaps the bill in which the farmers are interested should be first disposed of.

Mr. GRONNA. Of course the Senator from Utah knows a great deal more than does the Senator from North Dakota——

Mr. SMOOT. I never stated that.

Mr. GRONNA. Just a moment. But the Senator from Utah must not speak for the Senator from North Dakota. The Senator from North Dakota has taken considerable time to study the bill which is now being presented to the Senate. Let me say to the Senator from Utah that I know—and I state it in good faith—that the bill will require some discussion. On the other hand, the bill which is now desired to be considered by the Senator from Maryland I do not believe will consume as much time as will the other measure. For that reason I stated that we could save time by first considering the latter measure.

Mr. SMOOT. I think in all probability it will take more time to consider the bill of the Senator from Maryland than the one now pending.

Mr. SMITH of South Carolina. Mr. President, I desire to state to Senators on the other side of the Chamber that I think I am entitled to at least ordinary courtesy. Although my language was, perhaps, unfortunate when I made the statement that I would call up the nitrate bill immediately upon the conclusion of the unfinished business, I had reference, of course, to the bill that was then being discussed and not to the packers bill, for I knew that that bill would involve, perhaps, a long-drawn-out discussion. It now transpires that the day for a vote on that bill has been fixed as the 24th of January.

It is a simple matter of courtesy. If Senators think I am trying to take a short cut on anybody, I desire to say that I have never done that since I have been in the Senate, and I am not going to do so now. I gave notice in good faith that I would call the bill up. Other Senators may have misunderstood the matter. If they have, I desire to say that there is not any sinister motive on my part to try to rush this bill through and to be discourteous to the Senator from Maryland. I have had no such intention.

Mr. SMOOT. No one has accused the Senator from South Carolina of that.

Mr. SMITH of South Carolina. No; but they have intimated it and have suggested that the Senator from Maryland stand on his rights. Of course, the Senator from Maryland has his rights, and so have I mine; but there is such a thing as courtesy in these matters.

I gave notice that when the time came I should ask for the consideration of my bill. I tried to explain the matter to the Senator from Maryland. I am perfectly willing to take my chances when the time comes. That is all I ask. I gave the notice in good faith that I would ask that the bill be taken up. That is all there is to it.

Mr. LENROOT. Mr. President, will the Senator from South Carolina yield to me?

Mr. SMITH of South Carolina. I yield to the Senator.

Mr. LENROOT. Does the Senator from South Carolina take the position that any Senator can get to his feet and give notice that he is going to call up any particular bill, and that that gives him any right?

Mr. SMITH of South Carolina. No; it merely gives him the right to have the matter discussed; and if the Senate does not desire to take the bill up, it may reject the request. It has, however, been a custom of the Senate ever since I have been here for a Senator to make a motion in accordance with his notice and then for the Senate to do as it pleased in regard to the matter.

Mr. LENROOT. I have not observed that.

Mr. SMITH of South Carolina. I have observed it ever since I have been here, and I have been here some time.

Mr. SMOOT. A Senator has the right to give any notice he sees fit, if he is recognized by the Chair.

Mr. SMITH of South Carolina. As a matter of course I understand that, and so does every other Senator; but it has been the custom here that if a Senator were interested in a measure and he gave notice that he was going to make the effort to have it considered, he might have the privilege of doing so, and then if Senators desired to vote the request down, they voted it down.

Mr. TOWNSEND. A parliamentary inquiry, Mr. President.

The VICE PRESIDENT. The Senator from Michigan will state it.

Mr. TOWNSEND. What is the motion now pending before the Senate?

The VICE PRESIDENT. It is the motion of the Senator from Maryland [Mr. FRANCE] to proceed to the consideration of Senate bill 3259, which motion is debatable after 2 o'clock.

Mr. FRANCE rose.

Mr. SMOOT. If the Senator from Maryland wishes to make a statement and desires to withdraw the request, I have no objection, but the matter rests with him.

Mr. FRANCE. Mr. President, under the circumstances and out of courtesy to the Senator from South Carolina, I will withdraw the bill for which I desire consideration, with the understanding that when he obtains consent for the consideration of his bill he will ask that it may be laid aside in order that the Senate may immediately proceed to the consideration of the bill which I have in charge.

Mr. SMITH of South Carolina. That is exactly the understanding which I had with the Senator from Maryland, and, dealing with him, I now move that the Senate proceed to the consideration of Senate bill 3390.

Mr. SMOOT. Just a word. There can be no understanding that a Senator shall not make objection to the laying aside of the unfinished business.

Mr. SMITH of South Carolina. I did not make any such statement.

Mr. SMOOT. The Senator from South Carolina can not make such an agreement. I simply make that statement, not because I intend to object to laying the unfinished business aside, but merely for the RECORD.

Mr. SMITH of South Carolina. Mr. President, I must amend my statement. I never intimated any such thing as that suggested by the Senator from Utah. I said the understanding was that I would make the motion temporarily to lay my bill aside when its consideration should have been agreed to. The Senator from Utah if he desires to object, of course, will have the right to do so.

Mr. SMOOT. The Senator from Utah had no reference to the Senator from South Carolina. The Senator from Maryland stated that he would withdraw his bill with the understanding that the unfinished business should be temporarily laid aside whenever it was desired to discuss his bill. Now, such an understanding as that can not be had.

Mr. UNDERWOOD. Mr. President, will the Senator from Utah allow me to say a word?

Mr. SMOOT. I yield to the Senator.

Mr. UNDERWOOD. I do not know what disposition the Senate is going to make of the nitrate bill. This side of the Chamber wishes a vote on it ultimately at a reasonable date. Our disposition is not to interfere with the business of the majority of the Senate, and we shall not do so, if we receive reasonable treatment at their hands. If we do not, we shall use the parliamentary tactics that are available to us. We want to help the Senators on the other side of the Chamber to conduct their business.

The Senator from South Carolina [Mr. SMITH], however, the other day gave what he considered a proper notice, although he may have made a mistake in its technique. If the Senate does not desire the bill to which he refers considered, of course, it will vote the motion down. We have no disposition in the world to stand in the way of the motion of the Senator from Maryland nor to prevent his having consideration of his bill, but we do think that we are entitled to the right of way for the nitrate bill. I think the Senate had better run along in such a manner that Senators on this side of the Chamber may work in harmony with those on the other side and attend to business; we are desirous of doing so; but when a Senator on this side gives a notice—it is true that his notice does not carry anything that is legal and binding; it has no binding effect; but we do recognize the courtesy between the sides—I do not think objection should come from the other side of the Chamber, when we are attempting to help the majority in transacting their business.

Mr. SMOOT. I will say to the Senator from Alabama I have not any doubt that both the bills referred to will pass within the next 24 hours.

Mr. UNDERWOOD. Then, why not let us have the courtesy of the consideration of the measure to which we think we are entitled?

Mr. SMOOT. That rests entirely with the Senator from Maryland, so far as I am concerned.

Mr. UNDERWOOD. The Senator from Maryland is willing that that be done and has so announced.

ATMOSPHERIC NITROGEN.

Mr. SMITH of South Carolina. I move that the Senate proceed to the consideration of Senate bill 3390.

The VICE PRESIDENT. The Senator from South Carolina moves that the Senate proceed to the consideration of a bill, the title of which will be stated.

The ASSISTANT SECRETARY. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

The VICE PRESIDENT. The question is on the motion of the Senator from South Carolina to proceed to the consideration of the bill.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Agriculture and Forestry with an amendment.

Mr. SMITH of South Carolina. Now I ask unanimous consent that the unfinished business be temporarily laid aside.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it is so ordered.

PROTECTION OF MATERNITY AND INFANCY.

Mr. FRANCE. Mr. President, as the unfinished business has been temporarily laid aside, I move that the Senate proceed to the consideration of Order of Business 602, being Senate bill 3259, or I will ask unanimous consent to that effect.

The VICE PRESIDENT. The question is on the motion of the Senator from Maryland.

The motion was agreed to; and the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3259) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States, which had been reported from the Committee on Public Health and National Quarantine, with an amendment.

Mr. FRANCE. Mr. President, I think we can very quickly pass this bill. I think that when the Senate has made up its mind to pass a measure debate is really useless, and vice versa; and I think that the Senate has really made up its mind to pass this measure, because it is a measure which I am sure commends itself to Senators.

Mr. SHEPPARD. Mr. President, I ask that the formal reading of the bill be dispensed with.

Mr. KING. I object.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Maryland that I have an amendment which I desire to offer to the bill and to have printed and lie on the table. When I shall have done that I am going to suggest to the Senator that after the reading of the bill we adjourn until to-morrow. There is, I think, no Senator ready to discuss the measure now, unless the Senator himself desires to speak to-night.

Mr. FRANCE. I do not desire to discuss the bill at length.

Mr. SMOOT. I think that time will be saved in that way.

Mr. FRANCE. But I thought that we might be able to pass the bill this evening.

Mr. SMOOT. We can not do that.

Mr. President, I offer the amendment which I send to the desk, and ask that it be read, printed, and lie on the table.

The amendment proposed by Mr. SMOOT was read and ordered to be printed and lie on the table, as follows:

On page 1 strike out all of line 10, and on page 2 strike out lines 1, 2, and 3 and substitute therefor the following: "For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act."

On pages 3 and 4 strike out all of section 3 and substitute therefor the following:

"SEC. 3. The Chief of the Children's Bureau of the Department of Labor, acting through the agency of the Children's Bureau of the Department of Labor (hereinafter called the Children's Bureau), shall be charged with the carrying out of the provisions of this act and the Chief of the Children's Bureau shall be the executive officer. The Chief of the Children's Bureau or executive officer is hereby authorized to form an advisory committee to consult with the Chief of the Children's Bureau and to advise concerning any problems which may arise in connection with the carrying out of the provisions of this act, such advisory committee to consist of the Secretary of Agriculture, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. The Children's Bureau shall have charge of all matters concerning the administration of this act and shall have power to cooperate with the State board authorized to carry out the provisions of this act. It shall be the duty of the Children's Bureau to make or cause to be made such studies, investigations, and reports as will promote the efficient administration of this act."

On page 4, line 14, and wherever thereafter they appear in the bill, strike out the words, "Federal board" and substitute therefor the words "Children's Bureau."

On page 4, line 24, insert, after the word "women," the following words: "all of the members of which advisory committee shall serve without compensation."

On page 7, line 8, after the word "medical," insert the following, "or other suitable remedial measures."

The VICE PRESIDENT. The bill will be read.

Mr. KING. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 28 minutes p. m.) the Senate adjourned until to-morrow, Thursday, December 16, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 15, 1920.*

The House met at 12 o'clock noon.

The Rev. Akaiko Akana, D. D., chaplain of the Senate of Hawaii, offered the following prayer:

Our God and our Father, whose sacred majesty is hallowed on the lips of men and before whose awe-inspiring presence we bow with humble submission: It is with the deepest and keenest sense of gratitude that we pause for a few moments and, in the attitude of prayer, turn to Thee with our special petition for Thy special guidance in and blessing upon the deliberations of this House for this day. We thank Thee for the special privilege and for the sacred honor with which this body of men is crowned of serving as lawmakers for this great Nation of America. Because of the gigantic proportions of its tasks, and the far-reaching moral obligation involved therein, we sincerely pray for Thy wisdom, "lest we forget." Great nations had been in existence before America. They had risen skyward in the splendor of their accomplishment and in the glory of their might. But, because God was forgotten, they fell, and, to-day, the remnant of their broken structures lie heaped upon the ruins of desolation with their names buried beneath and spelled in cold letters on the pages of history. Therefore, let us never forget the verdict of experience, and let our effort be richly blessed with the saneness of Thy counsel; and may the outcome of our endeavor for this day be the transcript of the divine mind and will. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the roll of the committees.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. It is obvious there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The roll was called, and the following Members failed to answer to their names:

Ackerman	Fess	Kettner	Nelson, Wis.
Babka	Fields	Kincheloe	Newton, Mo.
Baer	Focht	King	Nolan
Blackmon	Frear	Kitchin	O'Connell
Booher	Freeman	Kreider	Perlman
Browne	Fuller, Mass.	Langley	Porter
Caldwell	Gallivan	Larsen	Radcliffe
Candler	Gandy	Lesher	Rainey, Ala.
Cantrill	Godwin	Linthicum	Rayburn
Casey	Goldfogle	Lonergan	Reed, N. Y.
Christopherson	Gould	Luhring	Riddick
Coady	Graham, Pa.	McCulloch	Riordan
Copley	Griest	McKenzie	Robinson, N. C.
Costello	Hamill	McKinley	Robsion, Ky.
Crago	Hamilton	McLeod	Romjue
Cullen	Humphreys	Maher	Rouse
Currie, Mich.	Hutchinson	Mann, S. C.	Rowan
Dent	Igoe	Mason	Rubey
Dewalt	James, Mich.	Mead	Rucker
Donovan	Johnson, Ky.	Milligan	Sanders, Ind.
Dooling	Johnston, N. Y.	Minahan, N. J.	Sanders, La.
Drewry	Kahn	Monahan, Wis.	Sanders, N. Y.
Eagle	Kelley, Mich.	Mooney	Sanford
Emerson	Kendall	Morin	Scott
Ferris	Kennedy, Iowa	Mott	Scully

Sells	Smith, N. Y.	Volk	Wise
Shreve	Stiness	Ward	Wood, Ind.
Slemp	Sullivan	Wheeler	
Small	Vare	Winslow	

The SPEAKER. On this vote 316 Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to suspend further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to suspend further proceedings under the call. The question is on agreeing to that motion.

The motion was agreed to.

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday. The Clerk will call the roll of committees.

The Clerk called the Committee on Agriculture.

EXPERIMENT VINEYARDS NEAR FRESNO AND OAKVILLE, CALIF.

Mr. HAUGEN. Mr. Speaker, I desire to call up the bill H. R. 13402.

The SPEAKER. The gentleman from Iowa, the chairman of the Committee on Agriculture, calls up the bill H. R. 13402. This bill is on the Union Calendar. The House resolves itself into Committee of the Whole House on the state of the Union. The Chair will ask the gentleman from Kansas [Mr. CAMPBELL] to please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. CAMPBELL of Kansas in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 13402, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 13402) for the purchase of land occupied by experiment vineyards near Fresno and Oakville, Calif.

Mr. WINGO. Mr. Chairman, let the bill be reported.

The CHAIRMAN. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized to purchase and acquire the lands occupied by the department's experiment vineyards near Fresno and Oakville, Calif., now maintained under contracts with the owners of said lands: *Provided*, That the land purchased for the Fresno vineyard shall not exceed 20 acres at a cost not to exceed $12,000 and for the Oakville vineyard not to exceed 20 acres at a cost not to exceed $15,000; for the payment of which the sum of $27,000, or so much thereof as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Mr. HAUGEN. Mr. Chairman, the purpose of this bill is the purchase of land occupied by experiment stations maintained by the Government in California. There are two tracts, having 20 acres in each tract. It will insure the continuation of these experiments conducted by the Department of Agriculture there.

Mr. WINGO. I have listened to the reading of this bill, and it seems this is a bill for the Government to buy somebody's vineyards. Is there any connection between the effect of prohibition on the vine-growing industry and the desire to unload these vineyards on the Government?

Mr. HAUGEN. Evidently there is a less demand for land on which to grow grapes for wine.

Mr. WINGO. If it were not so, why should Uncle Sam take it off their hands.

Mr. HAUGEN. The Department of Agriculture has carried on experiments for about 15 years on the two tracts and there are some 700 varieties of grape stock planted on these two tracts.

Mr. WINGO. Is it advisable for the Government to continue experiments in wine growing?

Mr. HAUGEN. Not for making wine, but raisin grapes and grapes for the table.

Mr. WINGO. Raisins? [Laughter.]

Mr. HAUGEN. Not for drink, but for food.

Mr. WINGO. What is the price to be paid?

Mr. HAUGEN. Six hundred dollars an acre for one tract and $750 an acre for the other.

Mr. BRITTEN. Mr. Chairman, will the gentleman yield for a question?

Mr. HAUGEN. Certainly.

Mr. BRITTEN. As I understand the bill, it is for the purchase of experimental stations that have been used by the Government?

Mr. HAUGEN. Yes; for the purchase of the land on which the experiment stations are located.

Mr. BRITTEN. Was the land bare when the Government took it over, and has the land been developed by the Government?

Mr. HAUGEN. Yes; it has been developed by the Government for 15 years. It is held under contract by the Government.

Mr. BRITTEN. I would like to know what this land was worth when the Government took it over for experimental purposes.

Mr. HAUGEN. I can not answer that question, except to say that the representation is that $600 an acre is a very reasonable price. Of course, we do not authorize the payment of $600 an acre, but carry an appropriation sufficient to pay $600 an acre.

Mr. BRITTEN. What I am trying to develop is the fact that the Government has used this land for 15 years for experimental purposes, and the Government evidently has developed the land in this experimental manner. Now, in the development of these experiment stations has the Government also increased the value of the land?

Mr. HAUGEN. I can not answer that question. As stated in the report—

These experiment vineyards now contain approximately 700 varieties of grape stocks collected from all the vine-growing regions of the world. They constitute the largest and most valuable collection of grape varieties now known to exist. Their value for experimental and scientific purposes can not readily be estimated.

Mr. BRITTEN. Then, to go a little further, what is the necessity of purchasing land at this time, after the Government has had possession of it practically for 15 years?

Mr. HAUGEN. It is in order to continue the experiments. The contention is that the lease is about to be terminated and that the experiments that have been carried on there will cease unless the land is purchased and many of the collections that can not be removed will be lost.

Mr. BRITTEN. Will the gentleman please tell us under what conditions the land was leased? Can the gentleman tell the House?

Mr. HAUGEN. I rather questioned the authority to lease the land. A mistake may have been made, but the question now is whether we will continue the experiments. My belief is that the department should not have leased the land without authority of Congress or at least without conferring with Congress first.

Mr. BRITTEN. How has the department leased the land for 15 years?

Mr. HAUGEN. It has been leased for 15 years and the experiments have been carried on for that time.

Mr. BRITTEN. And it is deemed wise now to continue these experiments at these two stations?

Mr. HAUGEN. It is believed that the experiments hitherto carried on should be continued.

Mr. BRITTEN. But the gentleman can not tell what the land was worth when the Government took the land over?

Mr. CURRY of California rose.

Mr. HAUGEN. I yield to the gentleman from California [Mr. CURRY].

Mr. BRITTEN. Does the gentleman from California desire to make a statement on the merits of this bill now?

Mr. CURRY of California. I desire to answer your question now.

Mr. BRITTEN. What I wished to develop through my question, propounded to the gentleman from Iowa [Mr. HAUGEN] just now and now to the gentleman from California, is as to the purchase of this land at this particular time for experimental purposes, when it is shown that the Government has held the land for 15 years for experimental purposes, and evidently has developed the value that is now in that particular land to some $600 or $700 an acre. I would like to know just whether it is necessary to buy the land at this particular time and why the Government, if it is to continue its experiments, should buy this land which has been under lease for the past 15 years.

Mr. CURRY of California. I will answer that question. The land is for sale. The people who own the land were engaged in the growing of wine grapes. The land in the neighborhood of this experiment station has been sold for $800 and $900 an acre. The lease on this land was from year to year. The value of the land has been developed by the people who owned the land in the neighborhood. It was practically given to the Federal Government at a small lease, the Government maintaining one or two men there to have the control of the scientific part of the experiment. The people who owned the land provided the horses and machinery, and they cultivated it and took care of it, charging the Government the exact cost.

Prohibition has come into effect, and the wine industry is dead. We are not trying to make any wine in my State—at least not in my part of the State. There are over 340,000 acres

of vineyards in California, about 160,000 acres in wine grapes and the rest in table grapes or in raisin grapes.

Of course, the second and third crop and the culls of the raisin grapes and sweet grapes were used for sweet wine. That is not being done any more. Now, it is proposed, if the experiment station is continued, that these 160,000 acres of wine grapes may be grafted so that they may produce Zante currants and table grapes and other kinds of grapes. It takes four years and $300 an acre to develop a vineyard. There are over $200,000,000 invested in the vineyards in California—not in the wine industry, but in the lands and in the vineyards themselves. The people who own these vineyards went into the business at the express request of the Federal Government. The Department of Agriculture sent and still sends men out to California to advise that this, that, and the other kind of European grapes should be grown in that State. Almost all of this land is in 20, 40, 60, and 80 acre tracts. It is owned by men who have gone onto the bare land and developed it into productive vineyards, making homes for themselves, and—which may surprise some people—building up fine moral communities, where we have some of the best schools and best churches and as moral people as there are in this country. So far as the wine industry is concerned, that industry has been destroyed by prohibition. I think it is nothing but right for this Congress to continue the experiment stations to be maintained by this Government, so that these people may have the advice of the best thought in the Department of Agriculture, that they may go out there and continue these experiment stations and employ these men and to say to these people out there, "On this kind of a wine grape you can graft the Zante currant. On that kind of a wine grape you may graft a raisin grape, and on this kind of a wine grape you may graft a table grape," and permit these people to have the use and benefit of the experiment station. It will not cost much, and it will save this great industry by diverting it to the growing of grapes for raisins and table grapes.

Mr. BRITTEN. Will the gentleman from Iowa yield to me?

Mr. HAUGEN. I yield to the gentleman from Illinois.

Mr. BRITTEN. I heard the statement in California this fall that wine grapes brought more since prohibition went into effect than ever before. I want to ask the gentleman from California if that statement is correct?

Mr. CURRY of California. That is absolutely correct, and the reason for that is that some people have induced some of the folks who live in the East to believe that under the Volstead Act they can buy California grapes and make wine at home, and they can not do it legally.

Mr. BRITTEN. That being true, the value of these vineyards is not being destroyed.

Mr. CURRY of California. Absolutely, because the gentleman knows as well as I do that wine will not be made from wine grapes; that the usefulness of the wine vineyards is destroyed; that they will have to be grafted to other grapes or pulled up or else we will have to change the law.

Mr. BRITTEN. One more question.

Mr. CURRY of California. Yes.

Mr. BRITTEN. Why can not the Government go ahead with its experiment station under the lease rather than purchase it at this time?

Mr. CURRY of California. Because they can not lease this land. It is for sale. There are offers for it now. It is being held to find out whether the Government will buy it or will not buy it. The land can not be leased.

Mr. HAUGEN. I yield to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. I want to ask the gentleman if this is not the same item that went out of the Agricultural appropriation bill in the last session on a point of order which I made against the appropriation?

Mr. HAUGEN. Exactly.

Mr. BLANTON. And that bill went to the Senate, where, if the Senate had thought this was a deserving item, it could have been placed back in the bill, and then it would not have been subject to a point of order on the return of the bill to the House.

Mr. HAUGEN. My recollection is that it was inserted in the Senate, but, in view of the fact that it was new legislation, the conferees did not feel warranted in agreeing to it. They felt that it should be dealt with in the regular way. The committee has reported this bill favorably, and it is now properly before the House.

Mr. BLANTON. It is proposed here to pay $750 an acre for land which our colleague from California tells us was turned over to the Government 15 years ago for scientific experimental purposes, which we all know were carried on for the benefit and in the interest of these very grape growers in California. Our colleague from California likewise tells us that it costs $300 an acre to put land in a state of grape cultivation such as the Government has put this land into.

Mr. CURRY of California. I beg the gentleman's pardon; the Government did not put this land in this condition. It was put there by private people who own the lands, and what the Government did was to pay the wages of this labor.

Mr. BLANTON. The gentleman admits that the Government did pay the wages of the labor. The Government has put a particular kind of grapes on it for experimental purposes, a variety of 700 different kinds. If the gentleman from California will look at some of the appropriation bills passed during the last 15 years, he will find that a good sum of money has been spent by the department for experimentation in California.

Mr. CURRY of California. There is no such item.

Mr. BLANTON. Now, we are called upon, after the use of this land by the Government in the interest of these private parties, to purchase it of the grape growers for $750 an acre, when the value of grape lands in California has likely gone down.

Mr. CURRY of California. I beg the gentleman's pardon; the value has not gone down.

Mr. BLANTON. I understood it had gone down, but if not, then prohibition has been a wonderful advantage to the grape growers rather than a disadvantage.

Mr. CURRY of California. I have tried to explain that. The wine grapes have been bringing big prices this year, but will not next year. Where we have wine grapes the vines will have to be pulled up unless we can find something to do with the stock.

Mr. BLANTON. I am with the gentleman on the proposition that the Government owes it to these people to help them change their wine grapes to some other kind by experimentation. It should show how to use the land in growing other grapes salable under the law. I am with the gentleman thus far. But for us to say that the people of California who need this experimentation carried on, who need that much help—for us to say that there is any probability of the people of California taking the land away from the Government when the Government is seeking to help them, and that we ought to pay $750 an acre for it, is absurd, and compel us to pay indirect taxes on the property from now on.

Mr. CURRY of California. The gentleman from Texas is a lawyer, and I suppose he knows that Government property can not be taxed.

Mr. BLANTON. They find a way to indirectly tax Government property in the District of Columbia by making the Government pay half of all the expenses here.

Mr. HAUGEN. The land has been used without rental. These people furnished the labor, equipment, and live stock. They were reimbursed only for the actual cost. So the land has been used without rental. I think it is fair to continue it, considering the large expenditure made upon the land.

Mr. JONES of Texas. Will the gentleman yield?

Mr. HAUGEN. Yes.

Mr. JONES of Texas. What is the estimated yearly appropriation that will be necessary if this land is purchased by the Government?

Mr. HAUGEN. If the gentleman will turn to page 1362 of the hearings he will find that it is proposed to buy 36 acres, with the buildings, and so forth, for $14,650 at Fresno, and 30 acres at $750 an acre, with the buildings, fences, and so forth, at a cost of $39,850, at Oakville.

Mr. JONES of Texas. The gentleman has not answered my question. My question is, After we have purchased it, how much yearly appropriation will be necessary to maintain them?

Mr. HAUGEN. The appropriations are made annually for the support of the department and its activities. Appropriation for this station will be carried in the item for experimental stations. It will be up to Congress to determine the amount.

Mr. JONES of Texas. Does not the gentleman have any idea of what it would cost?

Mr. CURRY of California. Probably three or four thousand dollars a year.

Mr. JONES of Texas. I notice a statement in the report to the effect that these stations were established specifically to eliminate a disease which the grapes had, and the experiments have been conducted for the last 15 years. Have they found any remedy?

Mr. CURRY of California. Yes.

Mr. SNYDER. Mr. Chairman, I would like to ask the gentleman a question. The State of California is quite extensive and is a prosperous and rich State. These experimentations

are carried on largely for the benefit of the State of California. I spent some time in California this year, and the Californians took great pride in pointing out to me the fact that land which was worth $5 and $6 an acre years ago is now worth $700 or $1,000 an acre. What I want to know is, if I understand the conditions correctly, why, if California wants these experiments for its own use, it should not buy this land and carry on its own experiments?

Mr. HAUGEN. The same rule might apply to all other Federal experiment stations. The Government has purchased land and maintained experiment stations at Mandan, N. Dak., Chico, Calif., Bethesda, Md., and Beltsville, Md.

Mr. SNYDER. But this applies particularly to these vineyards where the experiments are particularly for the State of California.

Mr. HAUGEN. We have experiment stations all over the United States. This is in harmony with the other appropriations.

Mr. SNYDER. My idea with reference to this matter is that in any other State where experiments have been carried on to the extent they have here, where the benefits of that experimentation is wholly within the State, the Government can well afford to discontinue appropriations of this kind.

Mr. HUSTED. Will the gentleman yield?

Mr. HAUGEN. Certainly.

Mr. HUSTED. Are these the only vineyards where experimental grape culture can be carried on?

Mr. HAUGEN. There were a number of other experiment stations in California. My understanding is, however, that now the other stations have been abandoned and the experiments confined to these two.

Mr. HUSTED. If there are several other stations where experimental work can be carried on, are those places owned by the Government?

Mr. HAUGEN. No.

Mr. HUSTED. What is the necessity for establishing these stations?

Mr. HAUGEN. They are not now owned by the Government, although the Government has many experiments in progress on them.

Mr. CURRY of California. There were nine experiment stations in California. In the interest of economy and to centralize efforts, all of the other stations were to be abandoned, and have been, and these two retained, simply because it will cost the Government less money and that probably as much can be done. So far as experiment stations are concerned, there is no State in the Union where the Agricultural Department does not maintain experiment stations.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. CURRY of California. Yes.

Mr. SNYDER. Does the State of California carry on any experiments with respect to the growing of grape vines, and so forth, on its own account?

Mr. CURRY of California. The State of California, at the University of California and also on the State farm at Davis, carries on experiment stations for all kinds of agriculture.

Mr. SNYDER. Of course, I can appreciate the advantage of having an experiment station——

Mr. CURRY of California. I believe the gentleman's own State, at its university and on the State farms, carries on experiment stations.

Mr. SNYDER. Undoubtedly.

Mr. CURRY of California. And I also know that in the gentleman's own State there are a half dozen experiment stations carried on by the Department of Agriculture.

Mr. SNYDER. But I say to the gentleman now that if one of those should come into this Hall while I am here, asking that it be taken over by the Federal Government, and I have the opportunity to do so, I shall vote against any such appropriation, and insist that the State of New York shall carry on its own experimentations, where the experiment is wholly in the interest of the State.

Mr. HAUGEN. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. BARBOUR].

Mr. BARBOUR. Mr. Chairman, I think I can briefly explain the purpose of this bill so that it will be readily understood by everyone. There are many reasons why this legislation should pass, but there is one special reason which seems to me should appeal to everyone. It is that this is a business proposition which confronts us. As stated by my colleague [Mr. CURRY], these experiment vineyards were started in California about 15 years ago. At that time the vineyard industry in that State had not reached the high state of development in which it now exists. The vineyardists were confronted with a disease known as phylloxera, which was sweeping the vineyards of the State, causing untold destruction and disaster. This disease had gained such headway that large tracts of land, hundreds of acres, looked as though they had been swept by fire. It was at that time that the matter was taken up with the Department of Agriculture with the idea of establishing experiment stations in the State for the purpose of investigation to discover, if possible, resistant stocks which would be immune from this disease. The California Wine Association at that time was engaged in the manufacture of wine and also in the production of wine grapes. It had a large acreage of land in the State, and it turned over to the Department of Agriculture these two tracts which by this bill it is now proposed to buy. One tract of 20 acres lies just outside the city of Fresno and one is situated near Oakville, in the district of my colleague from California, Mr. CURRY.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. CHINDBLOM. Did the wine association own this land?

Mr. BARBOUR. The California Wine Association is a private corporation. It owned the land.

Mr. CHINDBLOM. Does it still own the land?

Mr. BARBOUR. It still owns the land.

Mr. CHINDBLOM. Then these are not individual farmers.

Mr. BARBOUR. I think one would call the California Wine Association an individual farmer. It is a private corporation. I presume it would come within the class of individual farmers. If I may proceed with my statement, I think the gentleman from Illinois will understand the situation fully.

Mr. CURRY of California. The association has sold all of the land that it owned in that county with the exception of these 15 acres.

Mr. BARBOUR. That is the fact.

Mr. CURRY of California. And does not own an acre of land otherwise at the present time.

Mr. BARBOUR. When the Department of Agriculture took over these stations their experts gathered vineyard stock from all parts of the world. They have at this Fresno station, and also at the one at Oakville, over 700 varieties of grape stocks that have been gathered at great expense from all parts of the world. It is with these stocks that they are experimenting, not only for the benefit of the vineyardists of California, but I am told by an expert of the Department of Agriculture who has particular charge of these vineyards that this work is carried on for the benefit of grape growers throughout the United States. The California Wine Association has gone out of the wine manufacturing business. This formerly was its principal activity, and it has disposed of these lands because the manufacture of wine has been prohibited. The association has sold these tracts of land which it owned and upon which these experiments were carried on by the Department of Agriculture. The Government paid no rental, but simply reimbursed the California Wine Association for the work it actually did and for the use of its horses and implements.

The Fresno vineyard, which included the station near Fresno, has been sold for a price much larger than $600 per acre, the price provided for in this bill. The manager of the California Wine Association called to see me at my office when I was at home during the recess and told me that the association has taken back, as a payment on the entire purchase price, these 20 acres which it is proposed by this legislation to buy. The man who purchased the California Wine Association's holdings at this place is not willing to hold it for the benefit of the Government. He is not willing that these experiments should be conducted and carried on there. In other words, he wants to realize something on the value of his property. So the association has arranged with him to take back, as a payment on the purchase price of the entire tract, these 20 acres and give him credit on the purchase price. The association is now holding this tract awaiting the outcome of this legislation.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. GARD. What is the object of having the Government permanently acquire these tracts of land now?

Mr. BARBOUR. That is the only way in which this work can be carried on. There are about 700 varieties of grapes on the land. To an individual vineyardist it would not have any commercial value whatever, for the reason that there are all kinds of grapes growing there—wine grapes, table grapes, sweet grapes, sour grapes, and many other kinds. There is no uniform crop produced. It is merely an experiment station. It is highly cultivated, lies within about 3 miles of a city of 45,000 inhabitants, within a mile of the electric car line, and within a half mile of a paved highway. The price of the land is very reasonable as fixed by this bill.

Mr. GARD. What I am trying to arrive at is the necessity for maintaining this as an experiment station permanently. I

see from the report that it has been experimented with out there for 15 years.

Mr. BARBOUR. Yes.

Mr. GARD. Doubtless in that time they have found the cause of this disease called phylloxera, have they not?

Mr. BARBOUR. I have been informed by representatives of the Department of Agriculture that they have found stocks that will resist phylloxera in certain soils in California. We have many kinds and varieties of soil. What will resist the disease in one soil will not do so in another. It is for the purpose not only of carrying on experiments with vine diseases, but also of developing stocks that can be grown profitably in California and in other parts of the United States that these experiments are being carried on. They are also experimenting for the purpose of finding new uses for the grapes, and also new products into which they can be manufactured. Experiments are also carried on for the purpose of discovering grape stocks that can be grafted to the wine-grape roots.

Mr. GARD. What is the price of wine grapes per ton in California now?

Mr. BARBOUR. The price of wine grapes per ton right now?

Mr. GARD. Yes.

Mr. BARBOUR. Well, I could not state what they are selling for right now, but they ran over $100 a ton this fall.

Mr. GARD. What was the price a year and a half ago?

Mr. BARBOUR. A year and a half ago it was not nearly so much as that.

Mr. GARD. What was the approximate price?

Mr. BARBOUR. Probably not over $15 or $20 a ton.

Mr. GARD. And now the price of wine grapes is $160 a ton?

Mr. BARBOUR. But the reason for that, if the gentleman from Ohio will permit, is as stated by my colleague from California [Mr. CURRY]; some of these grapes are being dried and some are sold in what we call in the green state, as distinguished from those that are dried. These grapes are being shipped east and elsewhere, some dried and some green.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. How much time have I remaining?

The CHAIRMAN. Twenty-seven minutes.

Mr. GARD. Give the gentleman 10 minutes more.

Mr. BARBOUR. Three minutes will be sufficient, if I can finish in that time.

Mr. MOORE of Virginia. Mr. Chairman, I ask that the gentleman be allowed 10 minutes additional; a good many of us want some of the information which he can furnish.

Mr. HAUGEN. I will yield the gentleman 5 minutes.

Mr. BARBOUR. These grapes, both dried and green, are being largely shipped out of California. As my colleague stated, somebody has convinced some one else that it is permissible under the Volstead Act to buy these grapes, take them to their homes, and manufacture wine. Recently there appeared an article in the papers that this is illegal and that as soon as the revenue officials are in a position to do so they are going to enforce the law against this form of home brew, as we might call it, made from grapes.

Mr. GARD. And prohibit the sale of malt and hops also.

Mr. BARBOUR. Yes. We do not consider the existing situation as to wine grapes at all permanent. While wine grapes have been bringing a great deal more since prohibition became effective——

Mr. GARD. The gentleman stated they are bringing ten times as much. I am only concerned if they have such value at this time, and prospectively their value I suspect will increase as the thirst increases, why the necessity for continuing any experimentation when experiments have all been arrived at, when the source of this disease has been traced out, and as far as I can see there is no further need for experimentation, why the Government should continue the experimentation at either of these places when there is no experimentation necessary?

Mr. BARBOUR. I will state to the gentleman from Ohio that I am advised by the Department of Agriculture that these experiments for the purpose of resisting phylloxera have not been completed. They have discovered some resistant stocks——

Mr. GARD. What is the nature of the contract now between the Government and the California Wine Association about this land?

Mr. BARBOUR. So far as the Fresno vineyard is concerned there is no contract. It might be described as a gentlemen's agreement between the Government and the California Wine Association.

Mr. GARD. The report says they are now proceeding under contracts near Fresno and Oakville, Calif., with the owners of said land.

Mr. BARBOUR. I should qualify my statement, I presume, by saying that there is no written contract. There is an agreement or understanding between the California Wine Association and the Department of Agriculture that the work shall be carried on under the supervision of Government experts, and that the live stock and implements of the wine association shall be used in doing the work, and that each year the Department of Agriculture would pay the wine association for the actual cost of using their horses, mules, and implements. There is nothing paid for the land.

Mr. HUSTED. Will the gentleman yield?

Mr. BARBOUR. I will.

Mr. HUSTED. Were these two stations to be acquired under this bill the most important stations in California for the experimentation with grape culture?

Mr. BARBOUR. I understand so. According to my understanding the others will be abandoned.

Mr. HUSTED. That is quite certain, that the others are to be abandoned?

Mr. BARBOUR. That is my understanding.

Mr. HUSTED. In the gentleman's opinion, would the Government lack adequate facilities for carrying on this work if these stations were not acquired?

Mr. BARBOUR. Absolutely. I am assured by the representatives of the Department of Agriculture that that is the fact.

Mr. HUSTED. It is necessary this work should be carried on for various purposes, not only for resisting such diseases as attack vines but also for the improvement of various kinds of grapes?

Mr. BARBOUR. And to discover new varieties.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. BARBOUR. I will.

Mr. FAIRFIELD. Is there now an appropriation received by the University of California from the Federal Government for agricultural experimentation purposes?

Mr. BARBOUR. I can not answer that question. The gentleman should ask the chairman of the Committee on Agriculture.

Mr. FAIRFIELD. Does the University of California receive aid from the Federal Government for agricultural experimentation purposes?

Mr. HAUGEN. Such as applies to every State in the Union. We have an experiment station in every State in the Union.

Mr. FAIRFIELD. Does the gentleman know the amount California receives?

Mr. HAUGEN. The same amount as Indiana under various acts.

Mr. MILLER. Will the gentleman yield?

Mr. BARBOUR. I yield to the gentleman from Washington.

Mr. MILLER. Can the gentleman from California give us any idea of the comparative price received for the wine-grape crop of 1920 as compared with previous years?

Mr. BARBOUR. Well, I think last year they brought almost as high if not a higher price than they did this year.

Mr. MILLER. There is little probability of the wine-grape culture going out of existence in the State of California, I think.

Mr. BARBOUR. Personally, I think there is if the Volstead Act is enforced. I think there is a serious probability of the wine-grape industry going out of existence.

Mr. SNYDER. If the gentleman will yield, he said considerable about the quantity of wine grapes sent East for the purpose of making wine. Has he any idea of the per cent in pounds of grapes that went East as compared with the amount that stayed in the country in which they were grown?

Mr. BARBOUR. No; I have none of those figures.

Mr. SNYDER. Do you think it was 5 per cent?

Mr. BARBOUR. I have no figures whatever.

Mr. SNYDER. Then you do not know when you are making this statement that all these grapes are going East for the purpose of making wine whether it is 1 per cent or 75 per cent?

Mr. BARBOUR. I do not know the exact percentage, but I do know that they have gone out of California by the trainload and sent to the East, and that cash was paid to the growers on delivery at the cars.

Mr. SNYDER. If you know there was a carload, what percentage of all the grapes that were grown for wine is one carload?

Mr. BARBOUR. You will have to ask some one besides me, and I do not believe that anyone can answer that question. It would depend on the size of the entire crop and the size of the particular car.

Mr. SNYDER. I do not know. I have heard of this matter. I do not know that there has been a single car sent East. I am about as wet as they make them, but I do not want the stigma put on the East of taking all the wine grapes when I think 90 per cent of them are used in the State of California.

Mr. MANN of Illinois. Will the gentleman permit? Add to that that it is a confidence game when they buy them. The gentleman from California said that they bought them to make wine with, and could not make wine out of them.

Mr. BARBOUR. It is not my intention to ascribe to the people of California any higher degree of morality than to the people of New York State. I am a native of your State.

Mr. SNYDER. I would like to get a little information. If the gentleman knows, about how much of the advantage of this experimentation goes to the people outside of the State of California?

Mr. BARBOUR. I can not tell you the percentage. I am told by the experts of the Agricultural Department that these experiments are not carried on exclusively for the vineyardists of California, but for people all over the United States.

Mr. SNYDER. I think we have about 5,000 experimental stations in this country, experimenting with various things, and they are carrying on, too, an intensive investigation of these things, and I think when you say that you are propagating 700 different kinds of grapes you have got about 695 more than you need to experiment on. And I will be glad to see some of these experimental stations eliminated in the interest of the taxpayers of this country, and I think this one that we are asked to appropriate for now should go out entirely, or become a charge on the State of California.

Mr. BARBOUR. Does the gentleman from New York think that it would be in the interest of the taxpayers, after the Federal Government has spent thousands of dollars on these stations, to walk off and abandon them?

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I yield two minutes to the gentleman from California [Mr. CURRY].

Mr. CURRY of California. The experiment stations in California are not exclusively for the purpose of trying to find out about phylloxera. The phylloxera is a small parasite that attacks the roots of the vine and destroys the vine. But to find out how to eradicate the phylloxera is one of the activities of the experiment stations. In France—and the phylloxera was imported into this country on vines from France—the vineyards were entirely destroyed by this pest. The French Government took over the vineyards of the country and maintained them at the expense of the Government for seven years. It did not collect any tax on them. After they had eradicated the phylloxera, the Government turned the vineyards back to the owners free of cost. They have practically found out how to control the phylloxera in California, and that is to tear up the vineyards and plant resistant vines, one kind in one locality, another kind in another locality, and another kind in another locality. The experimental vineyards are not solely in the interest of the wine grape vines. Ninety per cent of the raisins that are eaten in the United States are from the vineyards of California—the raisin grapes. The experiment stations of California are to conduct experiments in all kinds of viticulture and grape industry.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HAUGEN. Mr. Chairman, I reserve the balance of my time.

Mr. LEE of Georgia. Mr. Chairman, how much time am I entitled to?

The CHAIRMAN. The gentleman from Georgia is recognized for one hour.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. Is it not the duty of the Chair to inquire of the gentleman from Georgia [Mr. LEE] whether or not he is opposed to the bill before he recognizes him?

The CHAIRMAN. The Chair thinks the gentleman from Ohio is correct. Is the gentleman from Georgia opposed to the bill?

Mr. LEE of Georgia. I am not.

Mr. LONGWORTH. Then I make the point of order that the gentleman is not entitled to an hour under the Calendar Wednesday rule.

The CHAIRMAN. The Chair is of the opinion that if anyone desires the floor in opposition to the bill he may be recognized.

Mr. GARD. Mr. Chairman, I rise in opposition to the bill.

The CHAIRMAN. Is the gentleman from Ohio opposed to the bill?

Mr. GARD. Yes.

The CHAIRMAN. Is there any member of the Committee on Agriculture who is opposed to the bill and desires recognition in opposition to it? If not, the gentleman from Ohio [Mr. GARD] is recognized in opposition to the bill.

Mr. GARD. Mr. Chairman and gentlemen of the committee, in what I have to say I shall probably seek information rather than be able to give it. I first desire to know from the chairman of the Committee on Agriculture and the two gentlemen from California [Mr. BARBOUR and Mr. CURRY] whether this is to be an established policy of having the Government buy the so-called experimental stations having to do with grapes in the State of California?

While I am not familiar with the number of experiment stations, I suppose there are quite a number, at least they are not limited to these two experimental stations, and with the uncertain future of the grape industry I am led personally to inquire, and I direct my inquiry to the gentleman from California [Mr. CURRY], as to whether it is the purpose to acquire all the experimental stations concerning grapes and the culture and propagation of grapes in the State of California?

Mr. CURRY of California. No. These are the only two. The others have been abandoned, or will be. The vines are the things that are there that belong to the Government. The rest will all be abandoned.

Mr. GARD. Can the gentleman tell us how many experiment stations there are in California now?

Mr. CURRY of California. These two are all. Last year they did not appropriate for the others. I believe there are three or four others which have been abandoned.

Mr. GARD. Would the gentleman object to an amendment that would make certain the fact that there are to be no other experiment stations maintained in California but these two?

Mr. CURRY of California. What does the gentleman mean?

Mr. GARD. What I am trying to arrive at is this——

Mr. CURRY of California. Does the gentleman mean vinicultural experimental stations?

Mr. GARD. Yes. My object is not in any way to hamper the industry of grape growing. I seek to do what I reasonably can to encourage any proper agricultural growth. I would like to encourage the growing of grapes in California, but at the same time I realize that we can not go forward on a policy of expense and extravagance in the purchase of lands at this time. What I want to be assured of is that these stations are to be the only stations, if they are thought by gentlemen to be necessary, and whether it is necessary to have more experiment stations than these for experiments in regard to grapes; and if these be the only ones necessary, whether he will agree to an amendment to this bill providing that there shall be no other such stations maintained by the Government?

Mr. CURRY of California. I would be perfectly willing, so far as I am concerned, to accept that, but I believe that it is Congress that makes the appropriations. I would never ask for another experiment station. I would not stand for a proposition for an appropriation for another station, but I would not want to see adopted an amendment of that kind that would stop the maintenance of experiment stations in California.

Mr. GARD. No. I mean stations like this.

Mr. CURRY of California. Of course, I am not a member of the Committee on Agriculture, and that is done by the Committee on Agriculture. So far as I am concerned, I do not believe that any other vinicultural experiment stations will be maintained or asked for; and if so, I would oppose it.

Mr. LEA of California. The gentleman means in California?

Mr. CURRY of California. Yes.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes.

Mr. McLAUGHLIN of Michigan. If the amendment suggested by the gentleman from Ohio is adopted and becomes a law, do you think it would be binding on a future Congress?

Mr. GARD. It would be binding until repealed or until another was substituted.

Mr. McLAUGHLIN of Michigan. It might be binding on the Committee on Agriculture in establishing experiment stations in the manner in which these two were established, by lease, without the authority of Congress or an appropriation by Congress. But it would not bind a future Congress or the department in the manner or extent that the gentleman from Ohio seems to think.

Mr. GARD. My only thought, I desire to say to the gentleman, in suggesting the amendment was that if it be that there is no necessity for having more than two experimental stations for the culture of grapes and for the investigation of grape diseases in California, why not make that certain in your bill? Because if we put a limitation in the bill the Department of Agriculture, at this time at least, will not establish any additional stations. But if we leave it open, and if these two are

maintained, what is to prevent the Department of Agriculture from having 20 experiment stations?

But I am not so much concerned in that as in the policy of establishing experiment stations which increase the value of the land, building up a barren, sandy waste to that which is a typical experiment station, and then paying $750 an acre for what the Government created. That is what I am interested in.

Mr. McLAUGHLIN of Michigan. The gentleman is not quite correct in saying that this value was created by the Government. It is true, however, that the Government took this land when it had very little value and has developed it in value greatly.

But the value of the land has been created by the growth and improvement of the entire country in that part of California. Land like this is worth much more than it is asked now that the Government should pay. Adjoining land, near-by land, is worth more than this. The ordinary market price is much higher than this.

Mr. GARD. Does the gentleman mean to say that the land without any improvement on it and without these grapes on it in California is worth $750 an acre up in Fresno and Oakville?

Mr. McLAUGHLIN of Michigan. I will say that if this bill should become a law and it becomes necessary for the owners to take the land and dispose of it after the Government has removed from it all that can be removed from it the land can be sold for more than the Government is now asked to pay.

Mr. GARD. We have had no information about that, and there is nothing of it in the report. There is no information from the Department of Agriculture about the value of the land.

Mr. McLAUGHLIN of Michigan. The gentleman from California, speaking a few moments ago, was saying that the land was worth anywhere from $750 to $1,000 an acre.

Mr. GARD. For what purpose?

Mr. McLAUGHLIN of Michigan. For vineyard purposes and intensive farming purposes. One of these is near a city of 45,000 inhabitants. The land is very valuable. This is not an exorbitant price.

Mr. GARD. That would be a prospective value of land near the city.

Mr. McLAUGHLIN of Michigan. It is the market value.

Mr. LEA of California. I am familiar with these locations. These tracts are in the vicinity of the most productive lands in California, and lands in that vicinity are selling for that price. In fact, improved lands in the neighborhood of this station near Oakville in the last year have sold for as high as $2,000 an acre; and I have no doubt that is true of Fresno also.

Mr. GARD. Improved how?

Mr. LEA of California. For orchard purposes. Such lands are used for intensive farming. They are too valuable to be used for general farming purposes.

Mr. GARD. This land has no orchards on it.

Mr. LEA of California. It is a vineyard.

Mr. GARD. It is a vineyard, and the investigation in the vineyards, so called, were with respect to the number of different kinds of grapes, so that there is no development on the land as to any quantity of grape production. It is rather a sort of investigation without any desire definitely to fix a certain amount of product?

Mr. LEA of California. Yes. This is not as valuable as an ordinary commercial orchard, because it would not be a business proposition to buy an ordinary experimental vineyard. In other words, what the Government has put on there does not increase its value from a commercial standpoint, but it has greatly increased its value from the standpoint of experimentation.

In response to the suggestion of the gentleman that there should be a provision in this bill definitely preventing any further establishment of experimental vineyards, I will say this: There have been nine experimental vineyards in California, seven of which have been abandoned. These other seven have been run practically without any expense to the United States Government. The Government has simply sent a man at different times in the year to inspect these vineyards, but the cost of maintenance has been borne by the individual owners.

They were repaid by the grape crops they secured from these vineyards. But those seven experiment stations have all been abandoned, and now it is proposed to use only these two. There is no necessity of the provision that you suggest, because no one is advocating anything else.

Mr. MOORE of Virginia. May I ask the gentleman a question?

Mr. GARD. Yes.

Mr. MOORE of Virginia. Speaking not so much with reference to the value of the land as to the expense of conducting the experiment, can the gentleman state to what extent, if at all, the State of California has been carrying on corresponding experiments? I understand they have a very enterprising department of agriculture in the State of California.

Mr. LEA of California. We have an active agricultural department in California which is carrying on experiments similar to those that are being carried on all over the country in agricultural departments.

Mr. MOORE of Virginia. This particular vineyard matter is what I am speaking of.

Mr. LEA of California. They have no relation to this particular vineyard.

Mr. MOORE of Virginia. I understand that, but are they experimenting along the same line as those to which these Federal experiments apply?

Mr. LEA of California. To a degree they have cooperated, but not along this particular line of experimentation, with different varieties of grapes which have been gathered from all over the earth. They have not carried on that sort of experiment. The work of this experiment station has relation to the wine-grape industry and also to the table-grape industry, and the development of better varieties as well as the eradication of disease. So this work has not been completed any more than any other line of experimentation that has been carried on for the benefit of any other industry by the United States Government. In fact, considering it as a business proposition I believe this work is more important now than it was five years ago. Here are 160,000 acres of vineyards in wine grapes that ultimately will have to be transformed largely into other varieties or else dug up, and one important problem of this experimental vineyard is to make these wine grapes profitable for commercial purposes.

Mr. FAIRFIELD. What percentage of the total grape product of California in the period preceding the adoption of the eighteenth amendment was used for wine grapes?

Mr. LEA of California. About 170,000 acres were used for wine grapes and about 180,000 acres for table grapes and raisins.

Mr. FAIRFIELD. Nearly 50 per cent of the total production.

Mr. LEA of California. Nearly half; yes.

Mr. GRAHAM of Illinois. I should like to find out from the gentleman from Ohio [Mr. GARD] or from the chairman of the committee whether the Federal Government maintains experimental farms or fields similar to this in other States of the Union?

Mr. GARD. The gentlemen who are interested in the grape industry can answer that question better than I can.

Mr. HAUGEN. We have one or two experimental stations in North Dakota, one or two in Nebraska, and one in Louisiana.

Mr. LEE of Georgia. I think there is one in the State of the gentleman from Ohio [Mr. GARD].

Mr. GRAHAM of Illinois. Are these experiment stations carried on at the expense of the Government?

Mr. HAUGEN. Yes.

Mr. GRAHAM of Illinois. For what purpose?

Mr. HAUGEN. The one in North Dakota for experiments in tree planting, the one in Louisiana for experiments in the raising of live stock, and in Nebraska for tree planting. We have a number of stations. We have not as many as have been suggested for California. Of course, every State has an experiment station.

Mr. GRAHAM of Illinois. What I have in mind is whether by passing an act of this kind we are establishing a precedent by which every State in the Union will ultimately come in for some sort of an experimental farm or station, of an expensive kind, to be maintained by the Federal Government instead of by the States.

Mr. HAUGEN. The precedent was established in the establishment of the station in North Dakota.

Mr. GRAHAM of Illinois. How lately was that done?

Mr. HAUGEN. About six or eight years ago.

Mr. GRAHAM of Illinois. There is another question I should like to ask. If I understand it, there are no experiment stations in California that are maintained by the State. Is that correct?

Mr. HAUGEN. I can not answer as to the State.

Mr. GRAHAM of Illinois. The gentleman from California probably can tell us.

Mr. BARBOUR. The University of California, I believe, cooperating with the Department of Agriculture, maintains certain stations in California for experimentation in grape grow-

ing. One line of work in which they engage and advise the vineyardist is that of proper pruning, proper cultivating, and the proper sprays to use on the vines in order to prevent mildew and such insects as attack the vines. I believe the work of the State department of agriculture is conducted more along that line. I have never understood that the work of these two bureaus was duplicated, although they do cooperate.

Mr. GRAHAM of Illinois. Is it proposed to drop the experimentation of the State, either by the State university or by your State agricultural department, and have the sole experimentation done by the Federal Government?

Mr. BARBOUR. No; I presume that the State will go on with that work which it is already carrying on, which is of an entirely different nature from that carried on by the Government.

Mr. GRAHAM of Illinois. The other seven experiment farms or plantations are privately owned, are they?

Mr. BARBOUR. They are to be abandoned.

Mr. GRAHAM of Illinois. Are they conducted by private individuals or by the State?

Mr. BARBOUR. I understand that they are conducted on different lines.

Mr. GRAHAM of Illinois. Who conducts them?

Mr. BARBOUR. They have been conducted by the Federal Government, some of them.

Mr. HAUGEN. In cooperation with the State. I think the gentleman has reference to the experiment stations.

Mr. GRAHAM of Illinois. The seven which you say are going to be abandoned?

Mr. BARBOUR. They are already abandoned.

Mr. GRAHAM of Illinois. Were they maintained by the State?

Mr. BARBOUR. No; they were maintained, I am informed, on private land by the owners of the vineyards, and under a sort of supervision by the officers of the Department of Agriculture who went there occasionally and inspected them.

Mr. GRAHAM of Illinois. Has anyone ever offered to donate this land to the Government?

Mr. BARBOUR. No; not that I know of.

Mr. GRAHAM of Illinois. Has any effort been made to get them to donate it to the Government?

Mr. BARBOUR. No; the use of the land has been donated to the Government for the last 15 or 17 years. The owners have derived no direct benefit from the use of it.

Mr. GRAHAM of Illinois. Does it not occur to the gentleman that if the Government would establish stations in exchange for the donation of the land probably these owners would agree to it.

Mr. BARBOUR. No; because the owners are going out of the wine-grape business, so that they are not interested in that business any more. They are selling their entire holdings. The wine association has held back these 20 acres because it has been interested in the work and wants the Government to have the benefit of it. Now, so far as the price is concerned, I want to say that it is very reasonable, much below the price asked for land immediately surrounding it.

Mr. SMITH of Illinois. Will the gentleman yield?

Mr. BARBOUR. Certainly.

Mr. SMITH of Illinois. There are other vineyard lands surrounding these vineyards?

Mr. BARBOUR. Yes; but they have sold that land.

Mr. SMITH of Illinois. Is it not true that the maintenance of these experimental stations for this purpose would enhance the value of the surrounding property?

Mr. BARBOUR. No; no more than it would any other property on which grapes are grown.

Mr. SMITH of Illinois. In the State of Illinois we get a certain sum of money to help maintain experimental stations, but that goes into the agricultural college of our State. I suppose the State of California gets the same.

Mr. BARBOUR. Yes.

Mr. SMITH of Illinois. Suppose we asked to have a station for experimental purposes in growing corn. Does the gentleman think that would be a good policy for the Government to pursue?

Mr. BARBOUR. It might. I believe that we did have an appropriation here a while ago for the corn borer.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. BARBOUR. Yes.

Mr. CHINDBLOM. Does the gentleman know whether the Government owns land elsewhere for experimental purposes?

Mr. BARBOUR. I understand that it does. The chairman of the Committee on Agriculture has so stated.

Mr. HAUGEN. The Government owns a half section in North Dakota, and I think it has since added quite a number of acres to it.

Mr. CHINDBLOM. Land purchased by the Government?

Mr. HAUGEN. Yes.

Mr. CHINDBLOM. Under a bill passed by Congress?

Mr. HAUGEN. It was an appropriation bill passed by Congress; yes.

Mr. CHINDBLOM. What was it established for?

Mr. HAUGEN. I think for the growing of nursery stock, and some other purposes.

Mr. OSBORNE. Will the gentleman from Ohio permit a question?

Mr. GARD. Yes.

Mr. OSBORNE. Assuming that there are appropriations for every State in the Union for experimental purposes, and assuming that there are no other experimental stations in California, is it unreasonable that a State which grows about 90 per cent of the entire grape production of the United States should be selected as a proper place for the location of experimental stations in that particular industry?

Mr. GARD. I will say in answer to the inquiry of the gentleman from California that I do not know that experimental stations are maintained in other States of the Union; I do not know whether there are or not.

Mr. OSBORNE. I understood the chairman of the committee to state that there were.

Mr. GARD. He said there were some experimental stations, but I think North Dakota was the only one I heard mentioned.

Mr. OSBORNE. I understood there were appropriations for experimental work in every State.

Mr. HAUGEN. We have a sheep station for experimental purposes, also we have in Louisiana an experimental station for live stock, and stations in Nebraska to develop nursery stock. We have had a number of applications or bills, or amendments have been proposed for experimental stations in different parts of the country. I believe the appropriation bill of last year carried the suggestion of half a dozen, but none of them were allowed. This particular one seems to have merit, and the committee gave it a favorable report.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. GARD. Yes.

Mr. MOORE of Virginia. A great variety of experiments are carried on by the department through the Bureau of Plant Industry at a cost of $2,250,000. Some of that is spent for experiments at these two particular places.

Mr. HAUGEN. A part of it.

Mr. MOORE of Virginia. So the only question we have here, it seems to me, is as to the expediency of the Government acquiring the title to these two pieces of land. So far as the policy of experiment is concerned, that is definitely fixed up to this time, and is expressed in the current appropriation bill.

Mr. FLOOD. The report says that if the Government does not acquire this land the experiments will have to stop.

Mr. MOORE of Virginia. I quite understand that. The point I am making is with reference to the question raised here, that the Government has already adopted the policy of experiment stations; there is no doubt about that, and has appropriated money for that purpose. Now, here is a case where the experiments will cease unless the land is purchased by the Government.

Mr. HAUGEN. And a large investment will be lost. I want to say that we also have one experiment station in Washington for the propagation of fruit.

Mr. OSBORNE. Mr. Chairman, let me ask the gentleman one other question.

Mr. GARD. First I will yield to the gentleman from Missouri [Mr. CLARK].

Mr. CLARK of Missouri. I would like to ask the gentleman from California [Mr. OSBORNE] where he gets the basis for his statement that 90 per cent of all the grapes raised in the United States are grown in California?

Mr. OSBORNE. I think that is right.

Mr. CLARK of Missouri. I want to know why the gentleman says that.

Mr. CURRY of California. Some grapes, of course, are raised in Missouri.

Mr. OSBORNE. I know that, and of course there are a lot raised in New York and Ohio and some of these other minor States, but I think about 90 per cent of them are raised in California.

Mr. GARD. What the gentleman means is that 90 per cent of the raisin grapes are raised in California, is it not?

Mr. OSBORNE. They are all grown there.

Mr. GARD. Ninety per cent of all the grapes raised in the United States are not grown in California.

Mr. OSBORNE. The raisin grapes are.

Mr. GARD. Because the great State of New York has tremendous acreage of vineyards.

Mr. OSBORNE. I think the gentleman will find, if he looks it up, that California grows about 90 per cent of the grapes of the United States.

Mr. CLARK of Missouri. Before this prohibition amendment was adopted there was one winery in my district that made 3,999,000 gallons of wine in one year, and I do not believe there is any establishment in California that ever did that.

Mr. OSBORNE. I am not posted on the wine industry.

Mr. CLARK of Missouri. I want to ask the Chairman of the committee a question. Has not every State in the Union an agricultural experiment station under the Morrill Act of 1863?

Mr. HAUGEN. Yes.

Mr. OSBORNE. That is the point I wanted to make, and I will give way with that explanation. I thank the gentleman very much.

Mr. GARD. Mr. Chairman, the status of this bill, as it seems to have been developed, is, according to the report, that these experimental vineyards were established 15 years ago on lands owned by private persons for the purpose of developing grape stocks that would resist phylloxera, a disease that was then sweeping the grape-producing areas. So efficient was the work of experimentation that this dread disease has been arrested in its career, and grapes which a year and a half ago were selling for $15 a ton in the Golden State of California are now being sold for $160 a ton. The first inquiry, therefore, would logically be this: In view of the remarkable success of the experimental station in getting rid of this awful disease and in view of the greatly increased price of grapes in the State of California, why should the Government of the United States go into the policy of buying as a permanent investment two sites for experimental stations, when they may be continued, and properly continued, by the Government with the assistance of the grape grower and others in interest in the State of California or elsewhere?

Why should not the nine experimental stations, which the gentleman's State had before in existence, maintained by the State or by private individuals, such as the California Wine Growers' Association, be continued, since of course we realize that the first value of the experiment goes to the producer. These experiments in agriculture and in other things are the same as might be made in a manufacturing concern. A man who makes experiments in a factory makes them because he wants to increase his output and decrease his expense of manufacture. Experiments in the grape industry are intended doubtless to increase production and enhance the quality of the grapes. Both of these things seem to have been accomplished, at least it would seem so, when you review the remarkable change in price from $15 a ton to $160 a ton.

Mr. RAKER. Mr. Chairman, will the gentleman yield?

Mr. GARD. Yes.

Mr. RAKER. May I have 10 minutes?

Mr. GARD. I can not yield to the gentleman for 10 minutes now.

Mr. RAKER. I would like to put in a short statement to answer the suggestion made by the gentleman himself.

Mr. GARD. I decline to yield for that purpose at this time. The only thing that I am seeking information about, and it is pertinent, is the necessity for permanently putting the Government under the obligation of carrying on these two experimental stations in the State of California, in view of the fact that it is particularly for the benefit of private corporations, and of course for the benefit of the producers of these wine grapes, when in fact the only question about production so far as I am advised is getting enough grapes. The market seems to be very good for grapes in California and elsewhere, and the prospect is that it will continue to be so. What will be gained by the experimentation, so far as the United States is concerned?

The output, no matter what it may be, is hurriedly taken and will probably continue to be hurriedly taken. In other words, if it is of value, it is of important value first to the vine grower. The experimentation is for his benefit, and it has always been my personal view that things of this kind should be paid for by the men getting the immediate benefit. Of course, if there is any disease sweeping through the vineyards, to cope with which the Government may be of assistance, as it was in this matter 15 years ago, that is another question; but when the industry is established and it is on a paying basis that it is now, experiments, I think, should be conducted not in any paternal way but by those who have charge of the active management and who are getting the direct benefit of it. It is only in that view that I have submitted these suggestions.

I yield now 10 minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Chairman, the full statement of the facts as to the cost and the items for which expenditure is to be had were presented to the Committee on Agriculture last year, showing the purchase of the land, the buildings that are on the land that the Government would retain, the present value of the property, and what it would cost with the additional 10 acres in each tract. It seems to me that too much time or too much thought has been given to the one side of the question—that this applies to the wine grape only. I think that is not exactly the fact. It is true that after the State of California has expended vast sums of money its people, as well as the people of the United States, determined that California had the soil and the climate to produce a wonderful wine grape. It was also found that no place in the United States could produce a raisin grape for food as could the State of California, and this is true practically as to the whole world. While these experiments were being made and stock transported from the Old World it was found, after it had been grafted and cultivated for a number of years, that a vine disease developed, as well as the phylloxera.

In one year as much as some 75,000 acres of grapes were destroyed. It was necessary to make investigation and experiments, first, to get a resistant stock; second, to prevent the wine disease, so that this grape could be raised successfully. So far as the wine grape is concerned, the question is for grafting. They have the stock; they know that it resists the phylloxera; and they have some 700 varieties, gathered from all over the world, for the purpose now of food. It has been demonstrated by scientists and by the Department of Agriculture that there is no food with more nutrition than grapes. This product is being raised in California and sent all over the United States and to the people of the world at a reasonable price.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. RAKER. I yield to the gentleman from New York.

Mr. HUSTED Does the gentleman happen to know anything which has been accomplished at these experiment stations within the past two or three years that has been of any substantial benefit to the grape industry?

Mr. RAKER. Well, I would not like to designate within the last year——

Mr. HUSTED. Since the discovery of a means to withstand the inroads of this disease?

Mr. RAKER. They claim so. They claim in addition to that——

Mr. HUSTED. I understand that has been disposed of now and that is no longer a menace.

Mr. RAKER. Oh, no; that is not the fact. We say we cure a certain disease, but it is always prevalent. There is nothing which has been finally cured. But the question of discovering what will make it impossible to extend, of keep changing your location and land——

Mr. HUSTED. But if the gentleman will permit me. The disease may come again, but as I understand it they have now discovered means of resisting it even if it does come again.

Mr. RAKER. Not at all, partly——

Mr. BARBOUR. I would like to say to the gentleman from New York that certain parts of California are now seriously threatened with the disease making serious inroads there. They have discovered certain stock resisting the disease in certain localities; with reference to others, they are still experimenting.

Mr. RAKER. That is the situation; the cure has not been completed. They have been working for the last 15 years, whereas the countries of the whole world have been working for centuries. A lot of people in California have been making a success of raising grapes for raisins for food, and millions of tons have been sent over the United States and abroad that is valuable as cheap, wholesome, and nutritious, good for our people and other people. There is no other place found in the United States yet where this product can be raised so successfully.

Mr. HUSTED. Will the gentleman yield for just one moment?

Mr. RAKER. I would like to finish this thought.

Mr. HUSTED. It is about this disease.

Mr. RAKER. All right.

Mr HUSTED. Is that disease prevalent among all kinds of grapes, or is it peculiar to the wine grape only?

Mr RAKER. It is among all kinds of grapes.

Mr. HUSTED. Food grapes as well as wine grapes?

Mr. RAKER. Oh, yes. That is one of the things that destroyed the other grapes as well. One has but to go back to his boyhood of 35 years ago when instead of the great vineyards of California you saw cattle ranges and sheep ranges, poor, indeed, where few could be kept upon the land because

they could not make out on this land because it was too dry, and then to-day we see flourishing cities and thousands and tens of thousands of happy, prosperous homes.

Mr. WALSH. Will the gentleman yield?

Mr. RAKER. Just let me finish this. And we see trainload after trainload of this product being raised by this country and sent over the United States to places where it can not be raised—a cheap, nutritious food for the benefit of the American people. I now yield to the gentleman for a question.

Mr. WALSH. Is the gentleman opposed to this measure?

Mr. RAKER. Well, I should say no, with a strong accent on the "No."

Mr. WALSH. Then how is the gentleman occupying time in opposition?

Mr. RAKER. The distinguished gentleman from Ohio kindly and considerately gave me the short space of 10 minutes, and I am occupying that time in favor of the bill.

Mr. GARD. The generosity which always pervades me at the Christmas tide prompted me to yield to the gentleman.

Mr. RAKER. In addition, it has been said by my distinguished colleague from southern California that California raises and produces all the Zante currants which are raised in the United States or any place outside of Greece, the seedless Zante currants that are used in every household in this country. These experiment stations have made it possible that these people may continue to raise this product without having their grapes destroyed, and raise it to such a large extent that it may be transported at a reasonable price to the housewives, and every American family may obtain this native product, raised at home in one of the glorious States of this Union [applause] by American citizens without being imported from Greece.

That is one of the things that can be done and has been made possible by virtue of the ingenuity and the ability of the Agricultural Department in the West and the Department of Agriculture in the United States and its able men who have gone there, who have gone abroad and studied the subject, have studied it in all the States and found a home where climate and soil are combined for its production. The two stations are for this reason. The one at Fresno is in the dry, elevated altitude, and is in that part of California where irrigation is required, and that has the benefit of this experiment station as to its grapes, as to disease, as to production of grapes successfully. The station at Oakville is in the humid part of California near the bay, where a different climatic condition exists, and where irrigation is not necessary, where they develop the stock by grafting, by studying the question of disease, and so forth, and therefore they get both varieties, both theories, the dry irrigated and the wet unirrigated, so that they may have them properly propagated.

Mr. HUSTED. Pursuing my former inquiry a little bit further, will the gentleman kindly state if he knows just what important work is going on at these experiment stations at the present time?

Mr. RAKER. Well, they have some 700 varieties of grapes gathered from the four corners of the globe. They are raising the grapes, cultivating the vines. They are grafting from one to the other. They are testing them in the location of Fresno as to the dry climate and as to Oakville as to the humid climate. They interchange them, investigate in regard to disease and——

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. May I have one minute?

Mr. GARD. I will yield one minute to the gentleman to finish his sentence.

Mr. RAKER. So that the question of the vine disease and Phylloxera is analyzed by actual experiment work on the ground in testing various plants.

Mr. CURRY of California. If the gentleman will permit me to answer, the particular thing that is being done at this time is to graft the Zante currants onto the wine stock and develop a new industry in the United States.

Mr. RAKER. The Zante currant is a small, seedless raisin, and it is grown in the island of Crete. There are not any raised in the United States. The United States Agricultural Department is experimenting with them in California and has met with success to a certain extent, but it will take a year longer to determine whether it is a complete success or not.

I wish the gentlemen would read the hearings and see what is said about the Zante currant and its importation from Greece.

Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD.

Mr. GARD. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. YOUNG].

Mr. YOUNG of Texas. Mr. Chairman, as a member of the Committee on Agriculture, after hearing the full statements of those interested in this item, I gave my hearty consent and approval to voting this bill out of the committee and supporting it on the floor of this House. Ordinarily I dislike the policy of the United States Government going into any locality and buying real estate, but we have a situation in the case at hand for which I do not see any other remedy except to buy these two plats of land, unless the Government loses very largely the benefits that have accrued to the people of the United States, and especially to the State of California, in the experimentation that has been going on for some 15 years. These two plats of land have been leased at a nominal rental, and our Government has gone to the four corners of the world and gathered together every known species of grape and planted them on these two plats of ground.

Nothing else in the world will contain what these two plats already contain. If we lose those lands, which we are going to do unless the Government buys them, it will not be the loss of land that will hurt, because we would not need the land if it was not for the vineyards on it, but these vineyards will be destroyed, these experiments will lose much of their force, and the grape industry of the Nation will suffer a great loss, one that probably could never be made good again. And I am not willing as a member of the Committee on Agriculture to see that condition brought about. And so I gave my consent to report to Congress this bill that we might buy these two plats of land, not as land, but by virtue of the fact that they have these vines on them and the vines are the property of the United States. And it is not only for the benefit of California, but way down in Texas where I live, where we must look to California for our raisin crop and our grape crop, we do not feel that we want to do anything that will injure those people in developing that great industry, and in that great State, which I have the honor in part to represent, my people do not object, so far as my vote is concerned, to taking money out of the Treasury that we may develop this grape industry that is such a success in the wonderful State of California. First, it grew up as a matter of destroying a disease. Later it became more than that. It became a question of developing new varieties of grapes. And in the future, if we maintain this station, I see no reason why sections should not be found in the broken lands in many parts of our Nation where the grape industry could spring up and bring with it a happy, contented citizenship. It would be a mistake not to appropriate this small amount of money. I believe, as far removed as I am from the State of California, we should look at the situation as it really exists and appropriate this small sum of money that these institutions may be kept and the people of the Nation may be the beneficiaries of the information that may be brought forth. And I shall heartily vote for this measure. [Applause.]

Mr. GARD. Mr. Chairman, how much time have I remaining?

The CHAIRMAN. The gentleman has 11 minutes remaining.

Mr. GARD. I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, so far as carrying on this experimentation in behalf of the grape growers of California is concerned, I have not heard any voice in opposition to that work. No Member of Congress, as I understand it, is opposing it. It is something that is needed. I am in favor of it. I am in favor of the Government carrying on sane experimentation in behalf of any kind of industry of that importance. But the point to which objection has been lodged is the policy of our Government to buy land out in a distant State as a permanent experimentation against those things which may cease early in the future if they have not already ceased at this time. That was the objection of the distinguished gentleman from Ohio [Mr. GARD] when he asked for the time to oppose this bill. That is the sole question in this case.

In the current appropriation bill for the present fiscal year, as well as all other agricultural bills within the last 15 years, appropriations have been made annually to carry on experimentation, including this one. There was no objection to it. But why should we buy this land and establish a permanent policy there and let the need for the experimentation cease? And when we have the land on our hands, then the Government salvage will take place, and we all know what Government salvage means.

I was talking to a distinguished officer here in Washington this summer with regard to the probable salvage from one of these big temporary buildings down here. He was then recommending that it be demolished, taken down and destroyed. I asked him, "What do you think the Government could get out of that tremendously big building? There is lots of valuable material in it of every kind." He said, "Well, I think we ought

to be able to get some contractor to agree to demolish that building and remove it without cost to the Government."

That was his idea of salvaging Government property. Why, that kind of a building anywhere down in the State from which I come would bring a number of thousands of dollars from contractors. It would be impossible for this Government to sell that land for anything like its cost. I do not care what the market value of land is around it. It would be impossible, if it became necessary for us to stop this experimentation in the next few years, for this Government to realize anything like the cost that we would be paying out for that land, to wit, $750 per acre. Now, if these grape growers want this experimentation to go on as they seem to be the only ones interested, let them see to it that the Government is permitted under proper laws to carry it out under lease contract as we have done for the last 15 years.

It is to their interest to get together and see to it that the Government is permitted to carry on this property under reasonable rental. I am in favor of helping it, just like I would be in favor of helping any industry throughout this Nation. Why should we buy? If the land is worth so much money, why, the grape growers, so far as these two tracts of 35 acres are concerned, could easily arrange for the Government to carry it on. I do not think we ought to buy. I think we ought to continue to lease it.

Mr. GARD. Mr. Chairman, I yield five minutes to the gentleman from California [Mr. HERSMAN], unless there be some gentleman on that side who desires to be heard.

Mr. HERSMAN. I will answer the question just asked by the gentleman from Texas. In fact, they can not lease this tract.

The testimony given before the committee brought out these facts: The California Wine Association before the adoption of the eighteenth amendment owned large holdings in wine grapes in California. After the adoption of the eighteenth amendment they disposed of practically all their holdings, retaining this particular tract, with its valuable collection of grapes, in order to give the Government an opportunity to purchase it. For 15 years the California Wine Association has allowed the Government the use of this property in order that they, as well as others engaged in the cultivation of grapes, might be benefited by the experiments the Government would carry on. These experiments have been of great value to the grape interests of the Nation. The origin, cause, and control of the root disease that was wiping out the vineyards of California can be credited largely to successful experiments by Government experts on this land. Now, what will be the result if we do not pass this bill, if we do not buy these vineyards? The Government has collected the most valuable assortment of vines in all the world and they are now growing in Fresno County and Napa County on these two tracts. The value in dollars and cents can hardly be measured when we think of the number of years and great care that has been exercised in collecting them from all the countries of the world and bringing them to California. The Government can not afford to allow this collection of vines to be destroyed, and I again ask what will happen if we do not pass this bill? These two vineyards will be sold to private parties who could not afford to maintain the land with 700 varieties of grapes on it. They would be a liability; the grapevines would have to be dug up, and the land planted either to some one particular variety or to fruit trees, according to the judgment of the purchaser.

If the established policy of the Government to maintain experimental stations in order to encourage agricultural pursuits and combat diseases affecting such occupation is correct, then there can be no question as to the wisdom of buying these two tracts. The testimony shows that the land can be sold for as much or more to individuals who wish to purchase. Why should we hesitate to spend $27,000 in order to preserve and maintain to the industry the result of 15 years of scientific work?

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. HERSMAN. Yes.

Mr. TILSON. Do I understand that some gentlemen in favor of this bill a few moments ago said that it was the intention to graft into the stock of the vines already there the Zante currant or some kind of table grape? Is that the intention?

Mr. HERSMAN. That is only one of the functions of an experimental station. They are sentries to prevent disease, to protect that particular industry. They are physicians to heal when the disease is recognized; they are inventors to discover new and useful varieties. There is nothing in this country that has so increased the wealth of our Nation as the Government activities and experiments in agriculture, and I think that no one disagrees with that statement.

The CHAIRMAN. The time of the gentleman from California has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Agriculture be, and he is hereby, authorized to purchase and acquire the lands occupied by the department's experiment vineyards near Fresno and Oakville, Calif., now maintained under contracts with the owners of said lands: *Provided*, That the land purchased for the Fresno vineyard shall not exceed 20 acres at a cost not to exceed $12,000 and for the Oakville vineyard not to exceed 20 acres at a cost not to exceed $15,000; for the payment of which the sum of $27,000, or so much thereof as may be necessary, is hereby appropriated out of any money in the Treasury not otherwise appropriated.

Mr. WALSH. Mr. Chairman, I rise to a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WALSH. This bill contains a paragraph which is in violation of Rule XXI, as amended by House resolution 324, which became effective July 1 last, in that it carries an appropriation of $27,000, beginning with the word "for," in line 10, and continuing in lines 11, 12, and 13.

The rule, as the chairman will recall, centered the appropriating power in a single committee of 35 Members, which committee has been elected by the House, and no committee other than that provided for in the rule now has jurisdiction over legislation carrying appropriations, unless it should be under the provision of a special rule.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Tennessee?

Mr. WALSH. I yield.

Mr. GARRETT. Will the gentleman be kind enough to give us the date when the bill was reported? I have not a copy of it.

Mr. WALSH. The bill was reported April 28, 1920.

Mr. LONGWORTH. I was about to remind the gentleman as to whether the date of the report would not give the jurisdiction to the committee, notwithstanding the rule.

Mr. WALSH. I do not think so, in view of Rule XXI.

Mr. CURRY of California. I would like to ask the Chair if it is not too late to raise the point of order after the bill has been reported?

The CHAIRMAN. The point of order comes in time.

Mr. LONGWORTH. I call the attention of the Chair to the fact that the resolution which went into effect July 1, 1920, relates to reporting. It says:

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction.

This bill, as I understand, was reported on April 28, 1920, before the resolution changing that general rule as to appropriations went into effect.

Mr. WALSH. That is true.

Mr. LONGWORTH. Does not the gentleman think that would govern in this case?

Mr. WALSH. The gentleman from Ohio points out that this measure was reported on April 28, 1920, prior to the adoption of the rule, which became effective July 1 last, and asks if I do not think that fact would make this in order. I hardly think so, from the language of the rule, as amended by the addition of clause 5, which is to the effect, it is true, that—

No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on any appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

Now, I think that concluding clause, Mr. Chairman, brings within the scope of that amended rule every bill now on the calendar carrying an appropriation brought in by a committee having jurisdiction at the time the report was made, on July 1, and substantially, if a question is raised, eliminates appropriations from bills reported by committees having jurisdiction at the time and converts such measures, if the point is raised, into mere authorizations.

Why, if that be not so, it seems to me that the last sentence, as to the question of order on an appropriation in such bill or joint resolution or amendment, that it may be raised at any time, must be, of course, restricted to measures reported afterwards.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. TILSON. Is not that just what is intended, that to a bill reported and placed on the calendar after the amended rule went into effect a point of order may be raised at any time that such bill is not properly on the calendar? In other words, the point of order could be made that it was reported by a committee that has no jurisdiction to report an appropriation. Of course, no objection can be raised to this bill being on the calendar, because at the time it was reported the committee reporting it had proper jurisdiction of it.

Mr. WALSH. I do not think that is so.

Mr. HUSTED. Will the gentleman yield?

Mr. WALSH. Yes; I yield to the gentleman from New York.

Mr. HUSTED. As a general proposition, does not every resolution speak from the date of its adoption unless the contrary intention is clearly expressed in the resolution itself?

Mr. WALSH. This resolution is to take effect July 1, 1920. Of course, that speaks from the date of its taking effect.

Mr. HUSTED. From the date of its adoption.

Mr. WALSH. No; it was adopted June 1 to take effect July 1.

Mr. HUSTED. In other words, it will not have an ex post facto effect unless the intention to give it such effect is clear from the language of the resolution itself.

Mr. WALSH. That resolution was reported on June 1, 1920. The resolution by its terms provided that it should become effective July 1, 1920. But it says that a question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time. Now, these bills were upon the calendar at the time that amendment to the rules was adopted.

Mr. GARRETT. Will the gentleman yield?

Mr. WALSH. Yes; I yield to the gentleman from Tennessee.

Mr. GARRETT. I should like to ask the gentleman if he does not think that the language which he has just quoted—

may be raised at any time—

has reference to the time when it may be raised, when the bill is actually called up for consideration? As, for instance, just now the gentleman from California [Mr. CURRY] inquired if the gentleman from Massachusetts [Mr. WALSH] was not too late in raising the point of order, to which the Chair very properly responded no, because it may be raised at any time. In other words, it may be raised after we reach consideration of the bill under the five-minute rule. The gentleman does not insist that that language "at any time" had reference to bills that were then on the calendar at the time of its adoption.

Mr. WALSH. No; not in so far as the applicability of it refers to the time of raising it. But the Chair has ruled that it is not too late to raise this question now. In the absence of this rule, I think under the ordinary procedure of the House the Chair would have been compelled to hold that it was too late.

Mr. MANN of Illinois. Oh, no; because the bill had just been read for amendment. There had been no debate on the bill since it was read for amendment.

Mr. WALSH. I think, however, that this concluding sentence in this rule permits points of order to be raised against the measures which, if reported subsequent to the adoption of the rule, would have been subject to the point of order, even though they were reported prior thereto, and it would seem to me that under the entire language of the rules as amended, which consisted of amendments to Rule X, to Rule XX, and to Rule XXI, the plain intent and purpose of the House was that after July 1 measures taken up for consideration which carried appropriations would be subject to points of order unless they came from the committee possessing the jurisdiction to report appropriations.

This committee has no authority to report appropriations. Neither have the Committee on Foreign Affairs, the Committee on Military Affairs, the Committee on Naval Affairs, the Committee on the Post Office and Post Roads, or the Committee on Indian Affairs. They have the right to report at any time on certain matters stated within the rule, clause 56, but they can not have considered, even though reported prior to the adoption of the rule, a measure which carries an appropriation, which is in violation of the existing rules of the House at the time the matter is considered. It seems to me that this clause in this bill is clearly subject to Rule XXI as amended by the addition of paragraph 5.

Mr. GARRETT. Mr. Chairman, I respectfully take issue with the gentleman from Massachusetts. The ruling that is called for by the point of order made by the gentleman from Massachusetts [Mr. WALSH] is perhaps a pretty important one. I have not examined the calendar and the various bills that are on it sufficiently to know just how many bills there may be in the category of this particular measure. But without any refereifce to that it seems to me that a retroactive rule should not be adopted by the House unless at least at the time of its adoption it be clearly and specifically made such. And unless it clearly appears from the rule itself that it is and is intended to be retroactive it should not be made so by construction. Although this rule passed on the 1st of June it was within the power of committees, had Congress remained in session up to the 1st of July, to continue reporting bills just as they had reported them through the many years of the past. Now, the construction which the gentleman from Massachusetts seeks to have placed upon this rule would make it absolutely retroactive. It would, of course, go to every bill which, though legitimately placed upon the calendar under the rules of the House at the time, would now be obnoxious to the particular rule which the gentleman has quoted—the budget rule, if I may so term it. Certainly it was not the thought of the Committee on Rules, I am sure, though it did not have consideration of this particular rule except as it considered it in connection with the resolution which was brought in in order to bring up the budget matter; certainly it was not the thought of the Committee on Rules to create a rule which would strike from the calendar bills legitimately placed there before its passage, nor do I think it was in the thought of the membership of the House in adopting the so-called budget rule that it should be retroactive in any sort of a way.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Illinois.

Mr. MANN of Illinois. I do not know quite what the gentleman means by "retroactive." Here is a bill that comes up that has an item in it carrying an appropriation. If that item in the appropriation is now subject to a point of order does that make the rule retroactive?

Mr. GARRETT. The gentleman from Massachusetts has insisted that the whole bill is out of order because of the particular item.

Mr. MANN of Illinois. I did not understand the gentleman from Massachusetts to make the point of order that the bill could not be reported. There is only one paragraph in the bill.

Mr. GARRETT. Perhaps I misunderstood the gentleman.

Mr. MANN of Illinois. If there is anything in that paragraph subject to the point of order, then the whole paragraph is subject to the point of order, and therefore the whole bill is subject to the point of order. The gentleman from Massachusetts [Mr. WALSH] pointed out why he thought the paragraph was subject to the point of order.

Mr. GARRETT. Do I understand the gentleman from Illinois to insist that this bill would have been out of order prior to the adoption of this new rule, and that the committee could not report it?

Mr. MANN of Illinois. I think they could report it.

Mr. GARRETT. Yes; that is it.

Mr. MANN of Illinois. I am inclined to think that they could report it now. The question is, What happens to it when it gets in the House? I do not know what the ruling of the Chair may be in the end, whether the Chair will hold that if a committee of the House reports a Senate bill which has an item of appropriation in it that you can make the point of order in the House and strike the bill off the calendar on the ground that under the rule the committee had no authority to report it, or whether the Chair will hold that it having reported a bill with an item in it subject to a point of order you can make the point of order against the item, as has been customary in the past in appropriation bills. I do not know, because the language in the rule is new, ill considered, and nobody knows what it means, and I doubt if anybody ever knew what was meant by it.

Mr. LONGWORTH. It seems to me that the point of order if it lies at all lies against the entire bill, because the rule says that no bill or joint resolution carrying an appropriation shall be reported. It seems to me that the rule applies to the entire bill.

Mr. MANN of Illinois. Suppose this was a Senate bill; does the gentleman contend that no House committee can report a Senate bill—the Committee on Appropriations would not have jurisdiction to report it because they have no legislative jurisdiction—have we adopted a rule by which the House declines to consider a proposition sent to us by the Senate in a bill?

Mr. LONGWORTH. That seems to present a different question. May I suggest to the gentleman that if this was a Senate bill which had been reported by the Committee on Agriculture before the 1st of July, clearly the committee would have jurisdiction to report it at that time, and if reported since I think a point of order would lie against it.

Mr. MANN of Illinois. Against the report of a committee?

Mr. LONGWORTH. Against it when it came up in the House.

Mr. MANN of Illinois. Have we adopted a rule by which the House can not bring before it a bill sent to it by the Senate for consideration?

Mr. LONGWORTH. I do not believe I would be prepared to answer that question.

Mr. POU. I would like to have the gentleman from Illinois answer it.

Mr. MANN of Illinois. I am frank to say that I have my opinion about it. The rule says that no committee shall report a bill carrying an appropriation. I do not think the proper construction of that rule is to say that the committee has no power to report a bill, but if it does put an item in the bill carrying an appropriation it is subject to a point of order. For years we have had a rule in the House that no appropriation could be reported in a general appropriation bill unless authorized by law. The prohibition was not against reporting a general appropriation bill, but only against reporting an item in the bill which would be subject to a point of order. We have raised the point of order in the House when the bill came up and it has been ruled out by the Chair without a vote of the House.

It seems to me that the gentleman who drew this rule, without a very critical scanning of the language, intended to make the same principle applicable to this rule. He did not undertake to say to the House by the rule that if the Senate sends over a bill to the House that carries an appropriation in it that no committee of the House can do anything with it, or that any gentleman of the House could come in at any time and strike it off the calendar on the ground that the committee could not report it.

Mr. LONGWORTH. Does the gentleman think that if the bill was a Senate bill and had come over after the passage of the resolution of July 1 last that it would have gone to the Appropriations Committee instead of the Committee on Agriculture?

Mr. MANN of Illinois. I do not think so. The Committee on Appropriations has no jurisdiction over legislative matters. The Committee on Appropriations could not report a bill like this; it would be like sending it to the Dead Sea.

Mr. LONGWORTH. It has jurisdiction over bills making appropriations for agricultural purposes, and this bill is for agricultural purposes.

Mr. MANN of Illinois. It is not a bill making appropriations for agricultural purposes. It is to authorize the purchase of land and makes an appropriation to pay for it.

Mr. BANKHEAD. The gentleman from Illinois has been giving an interpretation of the rule——

Mr. MANN of Illinois. Only on request.

Mr. BANKHEAD. I understand, and we are glad to have it; but, in the gentleman's judgment, what would become of the bill in the case put by the gentleman from Ohio?

Mr. MANN of Illinois. I think it would go to the Committee on Agriculture, and, if they desired, they would report the bill to the House, and when it came on the floor of the House anyone who desired to make a point of order to the provision carrying an appropriation could make it, and it could never be agreed to in conference without a direct vote of the House. It may be that I am saying more than I know about it.

Mr. BANKHEAD. Then, in order to legislate, we ought to have a change of the rule.

Mr. HUSTED. I would like to ask the gentleman if it is not also true, in addition to the point which he has made, that the provision allowing the point of order to be made at any time can not be construed to create a new ground for a point of order which did not exist before? In other words, it relates solely to the stage of consideration and simply permits the point of order to be made at any stage which might otherwise be made only at a certain stage. The effect of the position taken by the gentleman from Massachusetts would be to create a new ground for a point of order which did not exist before, simply because the rule says that a point of order may be made at any time.

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. WALSH. Does the gentleman agree with the distinguished gentleman from New York [Mr. HUSTED] that making the point of order creates a new ground for a point of order?

Mr. GARRETT. I neither assented to or dissented from the statement of the gentleman from New York. I did not answer his question.

Mr. WALSH. Will not the gentleman from Tennessee agree that in the ordinary procedure of the House here points of order are raised only when matters are under consideration?

Mr. GARRETT. Certainly. Points of order are reserved on the regular appropriation bills usually when they are reported, but they are not made except as the item at which the point is leveled is reached. I think, Mr. Chairman, that so far as the particular point is concerned raised by the gentleman from Massachusetts the nub of the proposition has been stated. Answering the gentleman from Illinois [Mr. MANN], if I may now, as to what I mean by the expression "retroactive," it seems to me that this bill, having gone on the calendar properly under the rules of the House as they then existed, any subsequent rule which would make the bill subject to a point of order would be retroactive in character. That is as clear as I can make myself on that point. That undoubtedly would be the effect, if the point of order made by the gentleman from Massachusetts be sustained, that a rule brought in here on the 1st of June, and which by its terms would not take effect until the 1st of July, reaches back and strikes down a bill that was properly placed upon the calendar under the rules of the House as they then existed.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. TILSON. Does not that depend upon the language of the rule itself? Suppose the rule itself had said that no bill shall be considered which carries an appropriation, instead of saying, as it does here, that no bill shall be reported.

Mr. GARRETT. We would have had different language for consideration at least. I think it ought to have been made clear that it was intended to reach back even if worded as the gentleman from Connecticut states; but after all, that is academic, because that is not the language.

Mr. TILSON. It seems it meant to exclude that very language by saying that no bill shall be reported.

Mr. RANDALL of California. Was not the attitude of the House made plain when it was designated in the rule that it should not go into effect until 30 days later?

Mr. GARRETT. I think so. I think that is very true.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. BLANTON. Has not the House absolute jurisdiction and authority over all bills on the calendar as well as those unreported from committees?

Mr. GARRETT. Certainly it has.

Mr. BLANTON. Then any action concerning bills on the calendar would be authoritative action?

Mr. GARRETT. Undoubtedly the House could by a properly drawn rule or resolution clear the calendar of all bills that are on it. I know of no bill on the calendar, and I can not think just now of any bill that could be put on the calendar that could not be taken off by a proper resolution of the House; but this resolution did not do that.

Mr. POU. I would like to ask the gentleman, adopting a word of his own, if the nub of this whole matter is not one of application, whether or not this particular rule applies to this particular bill. If the Chair shall decide that it does not apply, then all these spun-out questions raised here would not have to be answered.

Mr. GARRETT. I think the point is well taken. The express language, as has been emphasized by the gentleman from Ohio [Mr. LONGWORTH], is that no committee should report a bill, and then the date when the rule should take effect was provided. It seems to me, in other words, that the clear meaning is that after July 1 no committee should report a bill such as this.

Mr. LONGWORTH. Mr. Chairman, I do not know whether I can throw any particular light on this question, because I myself have not given it any thorough consideration and it is the first time that the point of order has been raised, so far as I know, under this rule. While the bill itself is of comparatively small importance, the question that the Chair is called upon to decide may be of vast importance, because many bills, though I do not know that this is true, may be on the calendar carrying appropriations, which were reported out of committees before the 1st of last July. It seems to me very clear from a reading of the rule that the resolution of June 1 was not intended to apply to any bills which had theretofore been reported. The rule relates only to the reporting and not to the consideration of bills. It seems to me, therefore, that the question raised by the gentleman from Massachusetts [Mr. WALSH] in respect to the time at which it would be proper to raise the point of order has very little to do with the case. The question for the Chair to decide is this: Does the rule apply to anything except the reporting of bills? And if so, the question then arises, Was this bill reported before the rule went into effect? It seems very clear from the phraseology of the last line—

This resolution will take effect on July 1, 1920—

that the language just read expressly excludes any bills on the calendar before that time. It does not seem to me necessary for the Chair to decide whether a different question would arise in case this were a Senate bill. This is a House bill. It was reported on the 14th of April, 1920, when the Committee on Agriculture had full jurisdiction over appropriations. The

Committee on Agriculture to-day would not have the right to report such a bill, but did it not have the right to report such a bill at the time it did make that report? It seems to me that is the only question for the Chair to decide, and it seems to me that under those circumstances the Chair must overrule the point of order raised by the gentleman from Massachusetts.

Mr. WALSH. Mr. Chairman, I agree that the point to be decided has been concisely stated by both the gentleman from Tennessee [Mr. GARRETT] and the gentleman from Ohio [Mr. LONGWORTH], but I submit that making this rule effective as of July 1, 1920, is not controlling at all in this instance. Here is a matter brought up for consideration in the House. The rules of the House, however, have been changed since the measure was reported and since it went on the calendar, and the rule itself says that the point of order may be raised at any time. The first opportunity to raise it is when the matter is brought up for consideration. The question is, Has this committee, under the present existing rules of the House, authority to call up and put upon passage and take up for consideration a measure carrying an appropriation which is in distinct violation of the existing rules of the House, and if a point of order is made against that part of the bill carrying the appropriation shall it not be sustained? That is the situation.

The CHAIRMAN. Suppose there are more than two paragraphs in the bill. Does the gentleman contend that the point of order would apply to the bill if the appropriating language were only in one of the paragraphs of the bill?

Mr. WALSH. I think the point of order would lie against either.

The CHAIRMAN. Would lie against the whole bill?

Mr. WALSH. Either against the whole bill or against the appropriating paragraph. My point of order in this instance was made to the concluding language in lines 10, 11, 12, and 13, which is the appropriating language of the bill.

Now, as I was stating, it seems to me that the question—and I agree with the gentleman from Ohio that it is rather an important question—to be determined, in view of the state of the calendar, many measures upon it carrying appropriations from committees previously having appropriating jurisdiction—whether, their jurisdiction having ceased, those measures still can be called up by the committee, taken up for consideration, and appropriations made without being subject to a point of order, despite the fact that the only jurisdiction in the House to-day to report an appropriation measure is vested in one committee and not in these various other committees. They lost their jurisdiction July 1, 1920. That is true as to reporting anything subsequent to that, and if there is anything still on the calendar, I submit, from the language of Rule XXI, paragraph 5, that still the point of order can be made.

Mr. MANN of Illinois. Mr. Chairman, the standing rule of the House for many years, paragraph 2 of Rule XXI, provided:

> No appropriation shall be reported in any general appropriation bill, or be in order as an amendment thereto, for any expenditure not previously authorized by law—

And so forth.

That has been construed to mean that you could not make a point of order against a general appropriation bill reported from the Committee on Appropriations on the ground it had no authority to report the bill, but when the item of the bill in violation of the rule is reached on a reading of the bill a point of order can be made against that item, not against the bill itself. Now, the language of the new rule is in a different form. It provides:

> No bill or joint resolution carrying appropriation shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration—

And so forth.

I think it is perfectly plain, to begin with, that when an item is proposed here by way of amendment to amend this bill by making an appropriation it would be subject to the rule and would be out of order, but what I hope the Chair will not feel that he is called upon to decide is whether this rule forbids the committee to make report of a bill at all. It is perfectly plain to me, to my mind at least, that points of order can not be made against the bill here. The bill was reported before the rule was adopted. The bill was in order when it was reported. The rule did not strike the bill from the calendar. It did not return the bill to the committee. The bill is properly before the committee in that respect, and the only question is whether the rule shall be enforced when a bill comes up for consideration as to items in the bill. An amendment plainly would be subject to a point of order. Is an item in the bill carrying an appropriation subject to a point of order? Now, if we should hold under this rule it meant exactly what it said, that a point of order could be made on the reporting of a bill, strike the bill off the calendar on a point of order, what will we do with Senate bills that carry items of appropriation?

Mr. GARRETT. Will the gentleman permit?

Mr. MANN of Illinois. Certainly.

Mr. GARRETT. I have had the impression that the expression saying that the point of order may be raised at any time was included for this reason——

Mr. MANN of Illinois. I know why it was included.

Mr. GARRETT. The custom is when an appropriation bill is reported from the floor that some Member reserves all points of order.

Mr. MANN of Illinois. This does not affect appropriation bills.

Mr. GARRETT. This does not affect appropriation bills, but it does the reverse. It provides that a legislative bill shall not carry appropriations in it. If that old order had been observed and you were required to reserve your point of order at the time and these bills are reported to the basket, of course you could not have raised the point of order, and this language, at least it was my impression, was to meet that condition. I may be wrong.

Mr. MANN of Illinois. The language was put in because of the practice in another body. In this House it has been the rule that the point of order must be made before the debate begins, but in the Senate they can discuss an item for a week and at the end of that time make a point of order, insist upon it, and if the point of order is sustained it goes out. There they can raise the point of order at any time. It was intended by this rule to permit the same thing to be done in the House. Now, I do not care how the Chair rules on this proposition, except I hope the Chair will not feel constrained to rule upon the question of whether this rule forbids a committee to make a report upon a bill at all which has been referred to it, although the language of the rule says it can not make the report. It is sufficient, it seems to me, to decide upon the item of the bill subject to the point of order and not endeavor to rule the authority to report a bill which has been referred to it as out of order.

The CHAIRMAN. The Chair is ready to rule. The bill under consideration was introduced in the House on April 1 and referred to the Committee on Agriculture. At that time the Committee on Agriculture had jurisdiction over appropriations for the support of the Department of Agriculture. The committee deliberated upon the bill, and on the 28th of April reported it from the committee and it went on the calendar. It remained there and was on the calendar on the 1st day of July when this rule was adopted:

> No bill or joint resolution carrying appropriations shall be reported by any committee not having jurisdiction to report appropriations, nor shall an amendment proposing an appropriation be in order during the consideration of a bill or joint resolution reported by a committee not having that jurisdiction. A question of order on an appropriation in any such bill, joint resolution, or amendment thereto may be raised at any time.

Is this bill, as a whole, subject to the point of order? Whether the Chair should hold that to be the rule the bill being one paragraph, the decision would not necessarily have application to bills which were not similarly constructed. This bill is in one paragraph, and if one portion of the paragraph is subject to the point of order the entire paragraph would go out under the rules of the House. The important question is as to whether or not the appropriating clause in this bill is subject to a point of order and therefore vitiates the bill under the new rule. The rules of the House are made for the purpose of enabling the House to expedite its business and the rules should have a reasonable construction. The Committee on Agriculture had jurisdiction over appropriations at the time the bill was referred to it and reported by it and placed on the calendar.

That jurisdiction continued. The bill might have been acted upon at any time before the 1st of July without question. Shall an amendment to clause 5 of Rule XXI, effective on the 1st of July, be so construed as to render void all the business of the House of a similar character reported by the committees of the House prior to the 1st of July? The Chair is of the opinion that that would not be a proper interpretation of the rules of the House; it would not tend to expedite the business of the House. If this point of order were to be sustained, it would set aside all that has been done and send this bill back to the Committee on Agriculture. The Chair does not think where a committee having had jurisdiction, and having properly acted upon the subject matter of a bill at the time, that a rule subsequently adopted should be so construed as to retroact on work of committees already done under the rules. The Committee of the Whole House on the state of the Union is now under-

taking to complete work that was properly done by the Committee on Agriculture and reported to the House on the 28th day of April last. The Chair, therefore, feels constrained to overrule the point of order made by the gentleman from Massachusetts [Mr. WALSH], and overrules the point of order.

Mr. McLAUGHLIN of Michigan. Mr. Chairman, I move to strike out the last word. I wish to say just a few words in support of the bill.

The Department of Agriculture took up the work of experimentation in California at these two places a number of years ago, and it may seem now that the title to these parcels of land should have been acquired, but the department did not take that course. It accepted the offer made of the use of the land without charge to the Government, and during the years that have passed a very large number of roots and cuttings and settings and plants of one kind and another have been put in the ground in each one of these places, making plats of ground, with what is in them, places of very large value. Now, conditions have arisen by which the land is no longer available to the Government unless it shall acquire title, and conditions are such that the valuable property in and connected with the land belonging to the Government can not be removed.

The cancellation of the lease, the leaving of the land by the Government, will destroy all that valuable property and result in very great loss, and the department and the country will lose much of the advantage of all that has been done. It is said it is work the State of California should have carried on itself, because it is peculiarly local. That is not entirely true. It is a matter of general interest, notwithstanding the statement of the distinguished gentleman from New York [Mr. SNYDER] who says the work is local. That is not true. This entire work is of general interest.

The Committee on Agriculture rarely, if ever, recommends a proposition or advises an appropriation of money for carrying on work entirely of local interest to the State in which it is to be done. It must be something of interest to the entire country or of more than State interest. We think the work which has been carried on is of such large importance as not at all to be open to the objection made by the distinguished gentleman from New York. And for us to say that the work on experimentation in grapes and vines of one kind and another of a very numerous character in those localities has been finished is not correct. The department is carrying on new work there, new work is coming on year by year, and new conditions and new problems will come as the years go by. And in the interest of the entire country—of all the country interested in this great industry—these experiment stations should be continued. The amount of money involved is very small, only $27,000. Each of these pieces is worth much more money for other purposes than the owners have asked the Government to pay. The amount of money necessary to continue in the work of experimenting on these propositions will be very small. I do not recall that the department made any estimate or statement to the committee as to how much money would be necessary, but it will be very small, almost insignificant. In my judgment, after mature consideration, the committee having given a great deal of time to the consideration of this matter, the bill ought to be passed.

Mr. TILSON. Mr. Chairman, I think the membership of this House will quite generally agree that any experiment station of general interest to the country or even to one large and important State like California ought to receive very serious consideration before it is discontinued. It seems that in this case an experiment station has been carried on for a long time in cooperation with the State of California, or with individuals in California, or both. It is now proposed to purchase land on which it is located and continue it as an experiment station of the United States exclusively, or at any rate to be owned in fee simple by the United States. As I understand it, that is not the way that most of the experiment stations of the country to-day are carried on. They are largely carried on in connection with the States themselves. I know it is so in the case of my own State. The Federal Government has not bought land and constructed experiment stations as a rule. What I fear is that this is but the beginning of buying land and establishing Government experiment stations all over the United States. It is only the beginning of the trouble and expense when the land is bought. Then we begin to erect the buildings for the stations, and every year we add to them. Then the employees begin to grow in number. In this way we build up another large and expensive Federal agency to do something that might be much better done by the States. In my judgment, the best way, so far as possible, is for the Federal Government to cooperate with the several States in these matters which are so vital to them.

Mr. HUSTED. Will the gentleman yield?

Mr. TILSON. I will.

Mr. HUSTED. The gentlemen advocating the passage of this bill and who are more or less familiar with the conditions have stated that a wonderful collection of grapes have been obtained from all parts of the world and have been planted on these two tracts of land, and that they are very valuable for experimentation purposes. Now, does not the gentleman think that some consideration should be given to that fact, in view of the fact that no suggestion has been made by anybody as to what should be done with these plants if this ground is not purchased; and, further, that there does not seem to be any practical way of acquiring possession of that land except by purchase?

Mr. TILSON. These matters should be seriously considered, and if it be so that the Government stands to lose a considerable amount of valuable property here and no arrangement can be made with the State of California or with individuals in that State by which this very valuable collection may be saved, probably the bill ought to be passed. I am addressing myself to the general proposition.

Mr. FLOOD. Will the gentleman yield?

Mr. TILSON. I will.

Mr. FLOOD. Would it not be possible to lease a piece of land somewhere else and move these plants to them? The plants belong to the Government.

Mr. TILSON. It seems to me it might be possible. It has not been brought out clearly by the advocates of the bill what it is intended to do with this land when purchased, whether it is intended to cut back the grapevines already on the land and graft upon them Zante grapes, or whether it is the intention to graft table grapes upon the wine-grape vines, or whether it is the intention to continue the experiments with wine grapes, regardless of the eighteenth amendment. Just what it is intended to do here has not yet been made perfectly clear.

Mr. GREENE of Vermont. Mr. Chairman, will the gentleman yield?

Mr. TILSON. Yes; I yield to the gentleman from Vermont.

Mr. GREENE of Vermont. Is it not one of the particular things that must be borne in mind in connection with grape culture that the special varieties depend altogether upon the character of the soil in which the roots are? How are we going to transplant some kinds of grapes? It is the soil that gives character to the product.

Mr. FLOOD. Is this the only character of land that these grapes will grow in?

Mr. GREENE of Vermont. If the gentleman will give attention to the principles of viniculture that are most carefully followed and practiced in Europe, he will recall that sometimes there is the most arbitrary distinction between vineyards, and that a distance of a few feet means an entirely different kind of flavor in the grapes.

Mr. FLOOD. If these particular varieties of grapes will not grow anywhere else, then it would be useless to transplant them.

Mr. GREENE of Vermont. If the gentleman follows that theory, he will rid himself and the world of some of the most precious varieties of grapes.

Mr. TILSON. This tract of land would not be of great value for experimental purposes if it grows only a certain kind of grape. If the grapes that grow there will grow nowhere else, what is the use in experimenting with them.

Mr. HERSMAN. Of course, everybody having a knowledge of growing plants knows that not one of these vines could be successfully removed from this particular place. For 15 years the Government has been collecting from all over the world different varieties of grapes to experiment with, and to give that information to the people of the United States in building up their vineyards. The testimony had before the committee is direct that if the United States Government does not buy this particular piece of land which is being held, it will be sold to private individuals. What does that mean, if it is sold to private individuals?

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. CANNON. Mr. Chairman, I make the pro forma motion to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. CANNON. I have listened with much interest to the statements that have been made on this bill in general debate, particularly as to the unnumbered millions of tons of grapes that have been produced in California and shipped all over the United States, and so on. It is a great industry, which is liable now from the want of $27,000 to be destroyed or impaired.

So far as the Government is concerned, this is an agricultural experiment station in California, as I understand, where experiments are made; a station which was founded and paid for by the Government upon land—40 acres—that the Government does not own, and here is a proposition to buy two 20-acre pieces of land to maintain those stations. I have no doubt it would be claimed that they should be maintained in perpetuity, although I do not know. Yet it is of great importance, with these millions of tons of grapes that are being sent everywhere in the United States.

One gentleman said the price of grapes had been raised three, four, or five times; indeed somebody said it had been raised ten times. But let that be as it may, this is a precedent that is being set. It is said it will only cost $27,000. What it is to cost through the ages, and through the years to come, I do not know.

We are being taxed pretty heavily, and we are going to be taxed still more heavily, and this Republican Party is soon to come into full power, as you know, and we have got a certain policy to follow, so far as we can, and reduce expenditures. We are to reduce appropriations. I can hear many of the brethren sitting around me say that we are to reduce appropriations; that is to be done, and if not accomplished we will be weighed in the balance and held responsible.

I am going to vote against this bill. It authorizes the purchase of these two tracts of land for $27,000, and as I said, if there is not enough interest in it, with the hundreds of thousands of grapevines, as it is claimed, growing there, and if it would all go to the demnition bowwows unless the land is bought by the Government—if that is true, then let it go. [Laughter and applause.]

Mr. SNYDER. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from New York moves to strike out the last two words.

Mr. SNYDER. Mr. Chairman, some one has said that I am opposed to this measure. I am. Some one has said that the land that it is proposed to buy is owned by the Wine Growers' Association of California. To me it looks very much like a proposition where the wine growers had used the Government for their experimentation for 15 years, and now they have come to the point where they do not need this proposition any longer and want to turn the land back at a profit. On the same theory, it seems to me, every brewer in this country who has been put out of business by the Volstead Act might just as well come here and ask that we purchase his brewery.

That is one reason why I am opposed to the proposition, because I do not think the Government can stand for expenditures of that sort.

The point I made originally here is that it is a fact—and no one is able to say that it is not—that 90 per cent or more of the value of this experiment station has been enjoyed by and confined to the State of California, and under those circumstances it is my belief that the State of California should carry that expense herself. And that is one of the reasons why I am opposed to this bill, and would be opposed to any other legislation of the same kind. [Applause and cries of "Vote!"]

Mr. MANN of Illinois. Mr. Chairman, I move to amend by striking out all after the semicolon following "$15,000," in line 10.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Line 10, after "$15,000," strike out the remainder of the paragraph.

Mr. MANN of Illinois. Mr. Chairman, I do not care what the committee does about it. This merely strikes out the appropriation and leaves the authorization, so that if the bill becomes a law the appropriation will come in the proper appropriation bill instead of being segregated here, where nobody will look for it. If we are going to have these new rules enforced, so far as appropriations are concerned, we might as well have them enforced.

Personally I expect to vote for this bill. I am not disposed to be overextravagant, and I doubt whether the grape industry of California will go to ruin if this bill is not passed. But, after all, we do carry on a large amount of work akin to this, experimental work in the Department of Agriculture, designed to benefit all people who may be interested. I can see no reason why we should not carry on this work in California. Doubtless it grew up without any authorization of law to begin with. Somebody in the Department of Agriculture under some appropriation took possession of ground which was voluntarily given for this purpose.

Probably the vines were mostly given to them, but they carried on some work which was useful. It is still useful. Some gentlemen may express the idea that the work ought to have been finished by this time; but as long as grape vines are grown, and that will be as long, probably, as the human race exists, they will keep on finding something new about grapes and grape vines. Wherever the Government does this thing, it does good work if it is done economically.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. MANN].

The question being taken, the Chairman announced that he was in doubt.

The committee divided; and there were—ayes 38, noes 26.

Accordingly the amendment was agreed to.

Mr. HAUGEN. I move that the committee do now rise and report the bill back to the House with amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. CAMPBELL of Kansas, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (H. R. 13402) for the purchase of land occupied by experiment vineyards near Fresno and Oakville, Calif., had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the bill as amended do pass.

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time.

The SPEAKER. The question is on the passage of the bill.

The question being taken, the Speaker announced that the ayes appeared to have it.

Mr. CANNON. I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order that there is no quorum present. Evidently there is no quorum present. The question is on the passage of the bill. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The question was taken; and there were—yeas 192, nays 106, not voting 133, as follows:

YEAS—192.

Almon	Dyer	Lea, Calif.	Ransley
Anderson	Eagle	Lee, Ga.	Rayburn
Andrews, Md.	Elliott	Little	Reavis
Andrews, Nebr.	Elston	Longworth	Rhodes
Anthony	Esch	Luce	Robsion, Ky.
Ashbrook	Evans, Mont.	McArthur	Rodenberg
Aswell	Fisher	McDuffie	Schall
Ayres	Focht	McFadden	Sears
Bankhead	Foster	McKeown	Sells
Barbour	French	McKinlry	Shreve
Bee	Fuller, Ill.	McLane	Siegel
Benham	Ganly	McLaughlin, Mich.	Sinclair
Black	Glynn	McLeod	Sinnott
Bland, Ind.	Goodall	MacCrate	Smith, Idaho
Bland, Mo.	Green, Iowa	MacGregor	Smith, Mich.
Bland, Va.	Greene, Mass.	Magee	Smithwick
Boies	Greene, Vt.	Mann, Ill.	Steele
Burroughs	Hadley	Mann, S. C.	Steenerson
Brand	Harrison	Mapes	Stephens, Ohio
Brinson	Hastings	Martin	Strong, Kans.
Brooks, Ill.	Haugen	Mays	Summers, Wash.
Brooks, Pa.	Hawley	Michener	Sweet
Burdick	Hays	Miller	Swindall
Burke	Hernandez	Minahan, N. J.	Tague
Byrnes, S. C.	Hersey	Monahan, Wis.	Taylor, Colo.
Campbell, Kans.	Hersman	Moon	Temple
Campbell, Pa.	Hickey	Moore, Ohio	Tillman
Carew	Hill	Moore, Va.	Timberlake
Carss	Hoey	Moores, Ind.	Tincher
Chindblom	Holland	Murphy	Towner
Classon	Howard	Nelson, Mo.	Upshaw
Cleary	Hudspeth	O'Connor	Vaile
Collier	Hull, Iowa	Ogden	Venable
Cooper	Husted	Oliver	Vestal
Crisp	Jacoway	Osborne	Vinson
Curry, Calif.	Johnson, Miss.	Park	Walters
Dale	Johnson, Wash.	Parrish	Wason
Dallinger	Juul	Patterson	Webster
Darrow	Keller	Pou	Welling
Davis, Minn.	Kelly, Pa.	Purnell	Whaley
Dempsey	Kennedy, R. I.	Quin	Wilson, Ill.
Denison	Kettner	Rainey, H. T.	Wilson, Pa.
Dickinson, Iowa	Kinkaid	Rainey, J. W.	Wingo
Dominick	Kleczka	Raker	Wright
Doremus	Knutson	Ramsey	Yates
Drane	Lankford	Ramseyer	Young, N. Dak.
Dunbar	Larsen	Randall, Calif.	Young, Tex.
Dupré	Lazaro	Randall, Wis.	Zihlman

NAYS—106.

Bacharach	Blanton	Britten	Clark, Mo.
Barkley	Bowers	Buchanan	Cole
Begg	Box	Butler	Connally
Bell	Briggs	Cannon	Cramton

Crowther	Harreld	Madden	Smith, Ill.
Davis, Tenn.	Hicks	Major	Snell
Dickinson, Mo.	Hoch	Milligan	Snyder
Doughton	Huddleston	Mudd	Steagall
Dowell	Hulings	Newton, Minn.	Stedman
Drewry	Hutchinson	Newton, Mo.	Stephens, Miss.
Eagan	James, Va.	Oldfield	Stevenson
Echols	Jefferis	Olney	Stoll
Edmonds	Johnson, S. Dak.	Overstreet	Strong, Pa.
Evans, Nebr.	Jones, Pa.	Paige	Swope
Fairfield	Jones, Tex.	Parker	Taylor, Ark.
Fish	Kearns	Pell	Tilson
Flood	Kiess	Peters	Tinkham
Fordney	Kincheloe	Phelan	Volstead
Gallagher	Kraus	Reber	Walsh
Gard	Lampert	Reed, W. Va.	Watson
Garner	Lanham	Ricketts	White, Kans.
Garrett	Layton	Rogers	White, Me.
Goodykoontz	Lehlbach	Rose	Wood, Ind.
Graham, Ill.	Lufkin	Rowe	Woods, Va.
Griffin	Luhring	Sherwood	Woodyard
Hardy, Colo.	McAndrews	Sisson	
Hardy, Tex.	McPherson	Slemp	

NOT VOTING—133.

Ackerman	Fields	Lonergan	Rubey
Babka	Frear	McClintic	Rucker
Baer	Freeman	McCulloch	Sabath
Benson	Fuller, Mass.	McGlennon	Sanders, Ind.
Blackmon	Gallivan	McKenzie	Sanders, La.
Booher	Gandy	McKinley	Sanders, N. Y.
Browne	Godwin, N. C.	McLaughlin, Nebr.	Sanford
Brumbaugh	Goldfogle	Maher	Scott
Byrns, Tenn.	Good	Mansfield	Scully
Caldwell	Goodwin, Ark.	Mason	Sims
Candler	Gould	Mead	Small
Cantrill	Graham, Pa.	Merritt	Smith, N. Y.
Caraway	Griest	Mondell	Stiness
Carter	Hamill	Montague	Sullivan
Casey	Hamilton	Mooney	Sumners, Tex.
Christopherson	Hayden	Morin	Taylor, Tenn.
Clark, Fla.	Houghton	Mott	Thomas
Coady	Hull, Tenn.	Neely	Thompson
Copley	Humphreys	Nelson, Wis.	Treadway
Costello	Igoe	Nicholls	Vare
Crago	Ireland	Nolan	Voigt
Cullen	James, Mich.	O'Connell	Volk
Currie, Mich.	Johnson, Ky.	Padgett	Ward
Davey	Johnston, N. Y.	Perlman	Watkins
Dent	Kahn	Porter	Weaver
Dewalt	Kelley, Mich.	Radcliffe	Welty
Donovan	Kendall	Rainey, Ala.	Wheeler
Dooling	Kennedy, Iowa	Reed, N. Y.	Williams
Dunn	King	Riddick	Wilson, La.
Ellsworth	Kitchin	Riordan	Winslow
Emerson	Kreider	Robinson, N. C.	Wise
Evans, Nev.	Langley	Romjue	
Ferris	Lesher	Rouse	
Fess	Linthicum	Rowan	

So the bill was passed.

The following pairs were announced:

Until further notice:

Mr. GOOD with Mr. FERRIS.

Mr. MONDELL with Mr. KITCHIN.

Mr. TREADWAY with Mr. BYRNS of Tennessee.

Mr. MCLAUGHLIN of Nebraska with Mr. MONTAGUE.

Mr. MASON with Mr. CARAWAY.

Mr. COPLEY with Mr. SCULLY.

Mr. WINSLOW with Mr. CLARK of Florida.

Mr. GRAHAM of Pennsylvania with Mr. CASEY.

Mr. FREEMAN with Mr. LONERGAN.

Mr. NELSON of Wisconsin with Mr. DAVEY.

Mr. ACKERMAN with Mr. GALLIVAN.

Mr. VOLK with Mr. GOLDFOGLE.

Mr. GOULD with Mr. MEAD.

Mr. WHEELER with Mr. MANSFIELD.

Mr. LANGLEY with Mr. O'CONNELL.

Mr. KAHN with Mr. THOMAS.

Mr. BRITTEN with Mr. EVANS of Nevada.

Mr. GRIEST with Mr. MAHER.

Mr. WILLIAMS with Mr. SUMNERS of Texas.

Mr. MORIN with Mr. BABKA.

Mr. BAER with Mr. MOONEY.

Mr. SANDERS of New York with Mr. SANDERS of Louisiana.

Mr. MCKENZIE with Mr. HAYDEN.

Mr. BURROUGHS with Mr. SMALL.

Mr. WARD with Mr. HULL of Tennessee.

Mr. FESS with Mr. WATKINS.

Mr. VARE with Mr. GODWIN of North Carolina.

Mr. CHRISTOPHERSON with Mr. WISE.

Mr. THOMPSON with Mr. LESHER.

Mr. CURRIE of Michigan with Mr. NEELY.

Mr. RADCLIFFE with Mr. WEAVER.

Mr. VOIGT with Mr. HUMPHREYS.

Mr. HOUGHTON with Mr. PADGETT.

Mr. REED of New York with Mr. WILSON of Louisiana.

Mr. PERLMAN with Mr. SABATH.

Mr. ELLSWORTH with Mr. MCGLENNON.

Mr. SCOTT with Mr. RUBEY.

Mr. MERRITT with Mr. COADY.

Mr. COSTELLO with Mr. RIORDAN.

Mr. SANDERS of Indiana with Mr. CULLEN.

Mr. KELLEY of Michigan with Mr. CARTER.

Mr. FULLER of Massachusetts with Mr. BENSON.

Mr. KENNEDY of Iowa with Mr. RUCKER.

Mr. TAYLOR of Tennessee with Mr. GANDY.

Mr. IRELAND with Mr. SMITH of New York.

Mr. NOLAN with Mr. IGOE.

Mr. CRAGO with Mr. JOHNSON of Kentucky.

Mr. SANFORD with Mr. DEWALT.

Mr. JAMES of Michigan with Mr. RAINEY of Alabama.

Mr. STINESS with Mr. BLACKMON.

Mr. BROWNE with Mr. SIMS.

Mr. MCKINLEY with Mr. FIELDS.

Mr. PORTER with Mr. SULLIVAN.

Mr. MOTT with Mr. ROMJUE.

Mr. HAMILTON with Mr. DONOVAN.

Mr. RIDDICK with Mr. CANTRILL.

Mr. DUNN with Mr. LINTHICUM.

Mr. KENDALL with Mr. ROWAN.

Mr. MCCULLOCH with Mr. ROBINSON of North Carolina.

Mr. FREAR with Mr. DOOLING.

Mr. KING with Mr. MCCLINTIC.

Mr. KREIDER with Mr. NICHOLLS.

Mr. EMERSON with Mr. BRUMBAUGH.

The result of the vote was announced as above recorded.

A quorum being present, the doors were opened.

On motion of Mr. HAUGEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota, from the Committee on Appropriations, by direction of that committee, reported the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, which was read and, with the accompanying papers, ordered printed, and referred to the Committee of the Whole House on the state of the Union.

Mr. GARRETT reserved all points of order.

IRELAND.

The SPEAKER. The Clerk will call the roll of committees.

The Committee on Foreign Affairs was called.

Mr. FLOOD. Mr. Speaker, I do not see the chairman of the Committee on Foreign Affairs present, and as a member of that committee I call up a resolution reported by that committee and which the chairman was authorized to call up—House concurrent resolution 57—expressing the sympathy of the Congress of the United States with the aspirations of the Irish people for a government of its own choice. It is a very mild resolution, but it will help the Irish patriots in their struggle for self-government to have the House act upon it at this time.

The SPEAKER. Is the gentleman from Virginia authorized to call it up?

Mr. FLOOD. Only by being a member of the Committee on Foreign Affairs. I did not have any special authority.

Mr. MANN of Illinois. The gentleman must be authorized under the rule.

Mr. FLOOD. The rule says that the committee which reported the resolution shall call it up, and this committee reported the resolution on the 28th of May. It was not brought up, because there was no opportunity between that time and the adjournment of Congress on the 5th of June. There is nothing in the rule which denies to any member of the committee the right to call up a resolution reported by the committee.

This is the first Calendar Wednesday that the committee has been called since the resolution was reported. I would like to see the resolution brought before the House and have the House give it consideration.

The SPEAKER. The impression of the Chair was that the gentleman must be authorized, but the Chair will examine the rule.

Mr. FLOOD. Mr. Speaker, when this resolution was reported on the 28th of May——

The SPEAKER. Who reported the resolution?

Mr. FLOOD. The chairman, Mr. PORTER. He was authorized to call it up, but he is not present, and I thought I would perform the service for him. [Laughter.]

The SPEAKER. The gentleman does not claim to be authorized by the committee to call it up?

Mr. FLOOD. No; I think the chairman was authorized to call it up.

Mr. GARRETT. Mr. Speaker, I make the point of order that it does not require express authority of the committee in committee under the Calendar Wednesday rule.

The SPEAKER. Does the gentleman from Tennessee think that any member of the committee could call up any business?

Mr. GARRETT. I see no reason why. This is reported and is on the calendar, and therefore the committee is back of its report.

Mr. FLOOD. In addition to that the committee authorized it to be called up on the first Calendar Wednesday that the Committee on Foreign Affairs was called.

Mr. NEWTON of Minnesota. Does the gentleman understand that the committee authorized the chairman to call it up on the first Calendar Wednesday?

Mr. FLOOD. I assume that that was the intention, that it should be called up on the first Calendar Wednesday if it had not been acted upon before the committee was reached on a Calendar Wednesday.

Mr. NEWTON of Minnesota. I have no such recollection; I do not recollect that there was anything said about Calendar Wednesday.

Mr. FLOOD. The committee authorized it to be called up, and the assumption is that it was to be called up on the first Calendar Wednesday when that committee was called, if not acted upon sooner, and there are no other bills or resolutions from the Committee on Foreign Affairs on the calendar.

Mr. MANN of Illinois. Oh, yes; there are several.

Mr. FLOOD. At any rate, that was the assumption. During the closing days the chairman had no opportunity to call that up, because he could not get unanimous consent to call the matter up and he could not get recognition from the Speaker to move a suspension of the rules.

Mr. MANN of Illinois. Mr. Speaker, this discussion is all improper, as the gentleman knows.

Mr. GARRETT. Mr. Speaker, the Calendar Wednesday rule reads:

> 7. On Wednesday of each week no business shall be in order except as provided by paragraph 4 of this rule, unless the House by a two-thirds vote on motion to dispense therewith shall otherwise determine. On such a motion there may be debate not to exceed five minutes for and against.
>
> On a call of committees under this rule bills may be called up from either the House or the Union Calendars excepting bills which are privileged under the rules; but bills called up from the Union Calendar shall be considered in Committee of the Whole House on the state of the Union.

The point I make is that it is not necessary for a Member to have special authority to call it up, being favorably reported by the committee and being on the calendar, it is presumed that it has been authorized. That is a conclusive presumption. If it should be held that only the chairman could call up bills, then the entire work of the committee would be placed at the mercy of the chairman of the committee.

The chairman of the committee might be against a bill that was reported and refuse to call it up.

The SPEAKER. Will the gentleman from Virginia yield for a question?

Mr. FLOOD. Certainly.

The SPEAKER. In this case, the gentleman from Virginia says that the chairman was authorized by the committee to call this up. Does that give authority to a minority member of the committee to call it up?

Mr. FLOOD. I will be glad to yield to a majority member to call it up.

Mr. GARRETT. So far as the rule itself is concerned, I know of nothing which prescribes who shall call up a bill. Of course, as a matter of practice a bill is called up by the chairman of the committee.

The SPEAKER. It is called up by the member who is authorized to do so, not necessarily by the chairman. Other members are often so authorized.

Mr. GARRETT. Of course, the only official notice that the House has of the action of the committee is that which is contained in the favorable report as it appears on the calendar. The House has no official information as to any action taken in committee directing any particular member to call up a bill.

The SPEAKER. In this case the House has been notified by the gentleman from Virginia [Mr. FLOOD].

Mr. FLOOD. I have a report of the bill in my hand. The report was made on May 29.

Mr. BEGG. Mr. Speaker, I happen to be a member of that committee and I was present when that resolution was reported or passed upon. As I recall it the motion was that the resolution be reported to the House with the recommendation that it do pass. I think that will be found in the minutes of the committee.

Mr. MANN of Illinois. Mr. Speaker, the authority is to the committee to call up a bill. I have seen the matter questioned before. If a bill is called up by a member of the committee who states that he is authorized to call it up, the Chair accepts the statement, but the authority is to the committee. The committee can delegate any member of the committee to call up the bill. It is true, usually, that the authority is not given. The rule provides that a committee may call up a bill, and the Chair has ruled on more than one occasion that he accepts the statement of the chairman of the committee or a member of the committee that he is authorized to call up the bill, but the authority is not to any Member of the House to call up a bill, nor, likewise, to a member of the committee who is not authorized to call it up.

Mr. FLOOD. One member authorized to call up a bill might defeat it absolutely by being opposed to it and never call it up, and thus defeat the wishes and action of the committee.

Mr. MANN of Illinois. But a wise committee frequently authorizes any member of a committee to call up a bill.

Mr. GARRETT. May I call the attention of the gentleman from Illinois to the fact that there is nothing in the Calendar Wednesday rule which limits it to the committee?

Mr. MANN of Illinois. The Calendar Wednesday rule simply extends the authority to call bills up from the Union Calendar, in accordance with the previous rule of the House, and puts certain limitations on debate, and so forth. So far as the practice is concerned, the whole thing comes under paragraph 4 of Rule XXIV. The Calendar Wednesday part of it simply makes application of that rule to the Union Calendar bill.

Mr. FLOOD. Then if one member of the committee was authorized to call up a bill and he was absent continually by reason of sickness or otherwise, nobody could call it up.

Mr. MANN of Illinois. If the committee desires not to call up a bill, it could find many ways to prevent it being called up.

Mr. FLOOD. And the gentleman from Illinois says that nobody is authorized to call this bill up. What is the status of it then?

Mr. MANN of Illinois. That if nobody is authorized to call it up, the status is that the gentleman from Virginia is now authorized to call it up. [Laughter.]

Mr. FLOOD. The resolution has certainly been reported to the House with the recommendation that it be passed, and the Foreign Affairs Committee now has the call.

Mr. MANN of Illinois. I am frank to say that I am willing that the resolution should be called up. I have my copy of the resolution here with copies of other bills from that committee.

Mr. FLOOD. I suggest that if it is thought a Member of the minority ought not to be permitted to call this resolution up, that some of the members on the majority side of the Foreign Affairs Committee who I see upon the floor take advantage of this and call the resolution up.

Mr. MANN of Illinois. Of course, we know that this whole discussion or effort by the gentleman is purely political, and that while he was in power he would not attempt to do it, but the moment he gets out of power he tries to make trouble. [Laughter.]

Mr. FLOOD. That is an unfair statement.

Mr. MANN of Illinois. I forced a vote in the Democratic Congress on a similar resolution when the gentleman was trying his best to prevent it.

Mr. FLOOD. The gentleman is entirely mistaken. I suppose he is mistaken; I hope he is, for his statement is entirely incorrect. When I was the chairman of the committee we reported an Irish resolution to this House. I was very strongly in favor of that resolution, and I secured recognition by the then Speaker, the distinguished gentleman from Missouri [Mr. CLARK], and moved to suspend the rules and pass it, and it was passed by an overwhelming vote. I did all that anyone could have done for that resolution, known as the Gallagher resolution. The gentleman is dreaming. I was earnestly for it all of the time, and I am earnestly for this resolution, and now that men, women, and children are being indiscriminately murdered in Ireland, cities are being ruthlessly burned and turned into veritable battle fields, no better occasion could be selected by the Congress of the United States to express its interest in and sympathy for the Irish people and their cause.

Mr. SNELL. Mr. Speaker, I demand the regular order.

The SPEAKER. This discussion is out of order.

Mr. FLOOD. The gentleman from Illinois [Mr. MANN] started the improper discussion. I want to say that it is not political now with me.

The SPEAKER. The Chair finds a ruling by Mr. Speaker Carlisle on this very subject. When Mr. Speaker Carlisle was in the chair a similar question arose, and he said:

The Chair decides that under the rule a measure must be called up by the committee having it in charge, which means that the committee must authorize it to be called up, just as a committee authorizes a report to be made, or as a committee is required to authorize a motion to suspend the rules when committees are called for that purpose. But whether the committee did or did not authorize its chairman to call up a particular measure is a question of fact which, of course, the Chair can not decide. * * * That is a question of fact which must be decided by the committee itself, and the Chair must depend, of course, upon the good faith of Members in regard to that matter. Where there is a difference of opinion upon a question of that sort, it is impossible for the Chair to decide it.

The gentleman from Virginia himself stated that the chairman was authorized to call it up. He does not claim that he was authorized to call it up, and therefore it seems to the Chair, under the decision of Mr. Speaker Carlisle, that he has not the right to call it up.

Mr. FLOOD. Mr. Speaker, I will be glad for any Member of the majority to call it up.

Mr. SNELL. I move that the House do now adjourn.

The SPEAKER. The Clerk will call the committees.

The Clerk called the Committee on Military Affairs.

Mr. SEARS. Mr. Speaker, I make the point of order that there is a motion before the House.

The SPEAKER. What is the motion?

Mr. SEARS. The gentleman from New York made a motion to adjourn.

Mr. SNELL. I was not recognized.

The SPEAKER. The Chair is not aware that the gentleman made a motion to adjourn.

Mr. SEARS. The gentleman made a motion to adjourn and everybody heard it. I make the motion, Mr. Speaker, that the House do now adjourn.

The SPEAKER. The gentleman from Florida makes the motion that the House do no adjourn.

The question was taken, and the motion was rejected.

SETTLEMENT WITH LESSEES, CAMP FUNSTON, KANS.

Mr. GREENE of Vermont. Mr. Speaker, I call up the bill S. 3706, on the Union Calendar.

The SPEAKER. This bill is on the Union Calendar and the House resolves itself into the Committee of the Whole House on the state of the Union. The gentleman from New York [Mr. HUSTED] will take the chair.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 3706, with Mr. HUSTED in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of the bill S. 3706, which the Clerk will report.

The Clerk read as follows:

An act (S. 3706) authorizing the Secretary of War to make settlement with the lessees who erected buildings on a five-year lease on the zone at Camp Funston, Kans., and for other purposes.

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized to make such settlement as he thinks just and proper, with the several lessees who erected buildings under a five-year lease, with renewal clauses, on the zone of Camp Funston activities and amusements, at Camp Funston, Kans., the buildings having been erected under the authority of the War Department and at the invitation of the department of camp activities, under leases which were properly approved, but which have been canceled before the expiration of any of said leases and over the protest of the holders.

Mr. GREENE of Vermont. Mr. Chairman, I yield 15 minutes to the gentleman from Kansas [Mr. STRONG].

Mr. QUIN. Mr. Chairman, will the gentleman yield a minute before he starts? I want to know something about the time the ranking Member on my side will have.

Mr. GREENE of Vermont. The rule allows not more than two hours' debate, and the practice is that the gentleman recognized in favor of the bill gets an hour, and if there is opposition then the opposition is entitled to an hour.

Mr. QUIN. I guess I had better take charge of this hour over here, then.

Mr. MANN of Illinois. Is the gentleman opposed to the bill?

Mr. QUIN. I do not say——

Mr. MANN of Illinois. There is a unanimous report of the committee on it.

Mr. QUIN. I simply wanted to save the hour.

Mr. MANN of Illinois. The gentleman does not lose——

Mr. GREENE of Vermont. If I take the hour, if there is no recognition in opposition, the debate is closed at the end of the hour which I control.

The CHAIRMAN. The gentleman from Kansas is recognized for 15 minutes.

Mr. STRONG of Kansas. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, before the gentleman begins may I ask him a question? I have understood from the gentleman that there will be an amendment offered by the committee to insist upon limiting the amount that could be collected from the Government to the actual loss. Is that the fact?

Mr. STRONG of Kansas. That is true, and I expect to offer the amendment at the end of my remarks.

Mr. BLANTON. Your committee will insist upon that amendment going into the bill?

Mr. STRONG of Kansas. Yes, sir. Mr. Chairman and gentlemen of the committee, when Camp Funston was organized at the beginning of the war it was decided by the authorities in command at that camp to establish a zone of activities for the purpose of assisting the morale and for the convenience of the troops which were to be trained there. The Eighty-ninth and Ninety-second Divisions were to be trained at Camp Funston, and this zone of activities, comprising theaters, banks, halls, schools, stores, barber shops, restaurants, and other amusements and activities, was to be located in the center of the camp. The War Department gave permission for the location of this zone of activities on the condition that it was to be constructed without expense to the Government under a five-year lease. The officers in charge of the camp solicited concessionaires to come to Camp Funston and build upon the Government reservation these buildings which they designed after plans they had prepared. I have here a picture of the zone of activities at Camp Funston, four blocks long, as built by the requirements of the officers in charge there. The operations for the building of this zone began in October, 1917. It was designed and built under the direction of Maj. Foster, who, before his entrance into the service, had been an architect at Kansas City, Mo. He drew the plans and required each concessionaire to build buildings as prescribed. They also required the building of a heating plant separate and apart from that of the camp, which cost in the neighborhood of $110,000, and to which each concessionaire subscribed according to his use of the plant. The buildings comprised four large blocks, which were built upon concrete piers or foundations and covered with lath and concrete, and were fairly substantial buildings.

They cost nearly a million dollars. In April, 1918, when the contract under which these concessionaires were to build was finally produced by the Government and when these activities had been fairly under way, it was found that in the contract which the Government required to be signed by the concessionaires was a 10 days' forfeiture clause, giving the Government the right to order these men off the reservation and forfeit all rights and all interests and title in the buildings on 10 days' notice. This stopped the activities on the buildings in this zone. Gen. Wood, who was in command of the camp, and his judge advocates were called into consultation, and through Maj. Foster the concessionaires were advised that while this 10 days' forfeiture clause was required by the Government and could not be abrogated or withdrawn from the contract, that it would not be called into use except as a war necessity or when the concessionaires should have violated some rule of the camp. The men who were furnishing the money or financing contractors or concessionaires did not want to accept this explanation, but did so, as they had purchased material and had commenced the construction of their buildings, and they went ahead under the contract, they being on their face for a 5-year term. Trusting upon the assurances of those in command for the Government that the 10 days' forfeiture clause would not be invoked except for either a military necessity or for their own violation of the rules of this camp, it being assured them that a military necessity would mean a need for the ground, and as there are about 30 square miles of land in that reservation owned by the Government, they were convinced that no forfeiture would result from that cause, and were willing to assume the risk of a forfeiture because of their own violation of the rules of the camp.

The zone of activities was completed and was a great success, as testified by Gen. Wood and Maj. Foster before the Committee on War Claims. It afforded entertainment for the men who were training there, there being no city near the camp. It furnished them not only a place of amusement, but also a place to be shaved and to buy food and other things that they cared to buy, and to entertain the parents when they came to visit them at Camp Funston; and, as Gen. Wood testified, it was so great a success that if he were to be called upon to have charge of another camp the first thing he would do would be to create a like zone. This zone of activities——

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. STRONG of Kansas. I will be glad to do so.

Mr. JOHNSON of Mississippi. Is it intended to compensate organizations such as the Y. M. C. A., the Knights of Columbus, and the Young Men's Hebrew Association for buildings erected?

Mr. STRONG of Kansas. Not under this bill.

Mr. JOHNSON of Mississippi. That is what I wanted to know. Is it only intended for the purpose of paying the claims of individuals who have erected these buildings?

Mr. STRONG of Kansas. Yes.

Mr. JOHNSON of Mississippi. That were erected on the Government reserve?

Mr. STRONG of Kansas. Yes, sir; and the buildings have become the property of the Government.

Mr. BEGG. Will the gentleman yield to another question bearing on that point?

Mr. STRONG of Kansas. Yes.

Mr. BEGG. These men who erected these buildings went into it as a private venture for gain?

Mr. STRONG of Kansas. I suppose so.

Mr. BEGG. And they simply took a gamble and lost?

Mr. STRONG of Kansas. That is hardly a fair statement. They went into it for a chance of gain, but they were given a five-year lease, and were assured that their contract would not be abrogated or canceled unless they themselves committed some violation of the rules of the camp or there was a military necessity for canceling the contract.

Mr. BEGG. And the contract was canceled?

Mr. STRONG of Kansas. The contract was canceled in about a year and a half, but not because of a military necessity or because of a violation of the rules of the camp.

Mr. BEGG. Why were the contracts canceled?

Mr. STRONG of Kansas. For the purpose, I think, as the hearings show, of getting possession of the buildings and later using them for the war vocational school and other camp purposes.

Mr. BLANTON. If the gentleman will permit me in that connection, they carried on their businesses there for quite a while before the contracts were canceled, and some of these parties made money?

Mr. STRONG of Kansas. Yes, sir. Some of them did.

Mr. RAKER. How long did the concessionaires use the buildings after the contracts were completed?

Mr. STRONG of Kansas. Until the fall of 1919; about a year and a half, perhaps; some of them; some of them two years.

Mr. RAKER. What is the amount involved that the concessionaires desire to adjust with the War Department? About how much do they claim?

Mr. STRONG of Kansas. Under the amendment I shall offer it will amount to probably $60,000 to $70,000.

Mr. RAKER. The total amount?

Mr. STRONG of Kansas. The total amount.

Mr. RAKER. In other words, if the Government should pay from $60,000 to $70,000 to the concessionaires, all the legal obligations and rights to this place would be disposed of and the Government would be clear of any dispute?

Mr. STRONG of Kansas. Yes. The Government has possession of them now and is using them, and then there will be no controversy whatever.

Mr. RAKER. Then this question: What are the concessionaires seeking?

Mr. STRONG of Kansas. Under the bill they were seeking to recover the value of the buildings, but under the amendment I shall offer only those who lost money will be recompensed for their losses.

Mr. RAKER. I see. And the gentleman thinks it will be about $65,000?

Mr. STRONG of Kansas. I do not think it will be over that.

Mr. GARD. Will the gentleman yield for a question?

Mr. STRONG of Kansas. I will be glad to do so.

Mr. GARD. I have been reading the report. Possibly the gentleman can enlighten me as to what is exactly to be done here. The Secretary of War has said that these concessions were made with the different concessionaires on leases, and he has said that each lease is now being adjusted. He says that these are now being canceled in accordance with the terms of the leases themselves. So whatever is done in the end would depend upon the agreement between the concessionaires and the Government, would it not?

Mr. STRONG of Kansas. I do not think the gentleman understood my statement regarding it. The leases were supposed to be made for five years, but contained a clause which had been interpreted as I have explained, giving the Government a right to forfeit the leases and forcing the concessionaire off of the reservation on a 10-day notice.

Mr. GARD. Under the law which we passed the Secretary of War can cancel and adjust leases.

Mr. STRONG of Kansas. Yes; but after taking the matter under advisement he asked that some authority be given him by Congress. I will explain if given an opportunity.

Mr. SNELL. Will the gentleman yield?

Mr. STRONG of Kansas. I will.

Mr. SNELL. I was going to ask the gentleman if the Military Committee had any hearings whatever in regard to this bill?

Mr. STRONG of Kansas. I do not know whether they had or not. I am not a member of that committee. Our committee had several hearings on this bill.

Mr. SNELL. There were some hearings before the War Claims Committee, but you can not find any record of any hearings before the Committee on Military Affairs?

Mr. STRONG of Kansas. I am not a member of that committee, and I am not advised of what hearings they had. Our hearings before the War Claims Committee were had when the bill introduced in the House was referred to our committee, but the Senate acted first and passed the bill, and when it came over to this House it was sent to the Military Affairs Committee, which reported it out to this House with the recommendation that it should be passed; it was then that our War Claims Committee discussed the amendment which I shall offer limiting the claims to actual losses to be proven before the Court of Claims.

Mr. SNELL. You do not know that they had any?

Mr. STRONG of Kansas. I do not know that they had any, or that they did not have any.

Mr. SNELL. It was brought out at our hearings originally that there is only one or perhaps two claimants. How many claimants are there at the present time, so far as you know?

Mr. STRONG of Kansas. I am advised that there will be perhaps six, but that one of them may not press his claim.

Mr. SNELL. What does the gentleman think will be the total amount of the claims to be presented?

Mr. STRONG of Kansas. I think from about $60,000 to $65,000. It may be more or it may be less.

Mr. SNELL. But there is no evidence on file to show the amount, is there?

Mr. STRONG of Kansas. Well, in response to your request, I asked for the claims, and had them sworn to and filed with our War Claims Committee, and they are now on file before our committee.

Mr. SNELL. That includes all of them, does it, as you know personally?

Mr. STRONG of Kansas. Yes, sir; all that I know of.

Mr. SNELL. This bill, as it is presented, simply leaves the matter open to the Secretary of War to adjust these claims as he sees fit?

Mr. STRONG of Kansas. Yes; but we have an amendment.

Mr. SNELL. I understand that the gentleman has an amendment that he will present which, instead of referring it to the Secretary of War, will give these people the right to go before the Court of Claims and recover the loss they have actually sustained?

Mr. STRONG of Kansas. Yes, sir.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. MADDEN. These were the people who erected the buildings, were they?

Mr. STRONG of Kansas. Yes.

Mr. MADDEN. They were the ones who constructed the buildings and entered into contract with the Government?

Mr. STRONG of Kansas. Yes. They entered into contract for a period of five years.

Mr. MADDEN. Was there a provision in the contract for the cancellation of the concession?

Mr. STRONG of Kansas. Yes. In this contract there was a provision that the Government could cancel the privilege within 10 days.

Mr. MADDEN. That was a provision inserted in the contract?

Mr. STRONG of Kansas. Yes.

Mr. MADDEN. They knew that that provision was in the contract?

Mr. STRONG of Kansas. Yes; they did.

Mr. MADDEN. So that when they erected the buildings they did it as a business risk?

Mr. STRONG of Kansas. They did; but they were advised by the officers of the camp that that clause of the contract would not be exercised by the Government except as it might be rendered necessary by military necessity, or from their own violation of the camp rules; and under this assurance they went ahead and invested this money.

Mr. MADDEN. But these men must also have been advised, if they had an attorney, that these officers had not been authorized to make such a promise as that. They must have known that such a promise would not be binding.

Mr. STRONG of Kansas. I am only stating what I believe to be the facts.

Mr. MADDEN. Does the gentleman now, as a Member of the House, believe that this claim ought to be adjudicated?

Mr. STRONG of Kansas. I certainly do.

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. GREENE of Vermont. Mr. Chairman, I yield to the gentleman five minutes more.

The CHAIRMAN. The gentleman from Kansas is recognized for five minutes more.

Mr. GREENE of Vermont. I would like to ask the gentleman a question. When the concessionaires went into the original contracts and built these buildings with their own money, what was the intention as to what should become of these buildings themselves when they ceased to use them?

Mr. STRONG of Kansas. It was the intention that they should become the property of the Government at the end of the 5-year period.

Mr. GREENE of Vermont. At the end of the 5-year period or on vacancy?

Mr. STRONG of Kansas. On vacancy, of course; but they went into this with the understanding that they were to have the use of these buildings for a period of five years.

Mr. SNELL. Mr. Chairman, will the gentleman yield again?

Mr. STRONG of Kansas. Certainly.

Mr. SNELL. Was it not brought out before the Committee on War Claims that at the time these buildings were taken over there were so few men there at the camps that these large concessionaires were not being run at a profit?

Mr. STRONG of Kansas. Some of them were not run at a profit. One of the theaters was being run. Whether it was the larger one or not I do not know.

Mr. SNELL. It is stated that the one that is making the large claim here, the large theater, was not being run and it could not be run at a profit with the number of people there.

Mr. STRONG of Kansas. No. I believe it was the smaller one that was run at a profit.

Mr. SNELL. There were two theaters at that time?

Mr. STRONG of Kansas. Yes; but they could not both be run at a profit. One of the theaters was in operation, but the Government took it over and used the property. I understand the camp had something like 5,000 men in it at that time.

Mr. BOIES. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. I will yield for a short question.

Mr. BOIES. Is it not a fact that Gen. Leonard Wood was in command at Camp Funston, and he sent out his agents to induce men to invest their money in this proposition?

Mr. STRONG of Kansas. Yes.

Mr. BOIES. And when they came to sign this contract, with the forfeiture clause in it, Gen. Leonard Wood guaranteed to them that that clause would not be insisted upon, and upon his promise they signed the contract?

Mr. STRONG of Kansas. I do not want to say his "promise," but he assured them that with safety they could go on with the contracts.

Mr. BOIES. Yes; and in a short time Gen. Leonard Wood went to some other camp, and a new man came in and forfeited the contract under the forfeiture clause, without regard to any complaints?

Mr. STRONG of Kansas. Yes; upon the forfeiture clause, which they had been assured would not be used against them.

Mr. BOIES. Is it not a fact that some $1,000,000 was invested in these plants?

Mr. STRONG of Kansas. Yes.

Mr. BOIES. And these buildings will be taken over by the Government simply by the payment of $60,000 or $65,000, although the concessionaires lost much more?

Mr. STRONG of Kansas. Yes; and the camp received over $200,000 in cash from the concessionaire, representing the 10 per cent that was paid from the gross income of the concessionaires.

Mr. BOIES. And do you think that anyone in this House reading Gen. Leonard Wood's statement before the committee would have any objection to the approval of this bill?

Mr. STRONG of Kansas. I can not think they will if I can get them to understand the proposition.

Mr. JEFFERIS. Was this assurance given by Gen. Wood in writing, or was it verbal?

Mr. STRONG of Kansas. It was verbal, of course.

Now, I should like to continue my statement. Under these conditions the zone was completed—the best zone in any camp in the United States.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRONG of Kansas. I should like 10 minutes more. I have had nearly all my time taken up in answering questions.

Mr. GREENE of Vermont. I yield to the gentleman five minutes, and we will see how far we can get. There are several other requests for time within the hour.

The CHAIRMAN. The gentleman is recognized for five minutes.

Mr. STRONG of Kansas. The zone having been completed, these men continued in these activities for about a year and a half, when Gen. Wood was removed from the command of the camp and Gen. McLachlan placed in charge. Soon after that he caused to be served the 10 days' notice requiring these men to get off the reservation and leave their buildings. They immediately protested and went to the War Department. The result was that Senator CURTIS, after a conference, I think, with the War Department, introduced this bill in the Senate, which I introduced in the House. It passed the Senate, but before its passage there the bill in the House was referred to our Committee on War Claims, and Gen. Wood and Maj. Foster being in the city were asked to come before that committee, and we had several hearings upon the matter, in which Gen. Wood and Maj. Foster substantiated the statements I have made, saying that they induced these concessionaires to build this zone for the benefit of the camp; that they followed out the plans required of them; that when the question came up about signing the contract with the 10 days' notice of forfeiture clause they assured them that this clause in the contract would not be taken advantage of except for two reasons, one that of military necessity, which he did not think would be invoked, because of the large size of the reservation, it containing about 20,000 acres, the other reason being their own violation of the rules of the camp. But without claim of a military necessity or any charge of a violation of the rules of the camp, this forfeiture clause was used, and the men were ordered out of their buildings and off the reservation. The Government then immediately proceeded to occupy these buildings. They used the theater; they took charge of the bank and put their zone finance organization in it. They took charge of the restaurant; they took charge of the pool hall and the barber shop. They also used the other buildings for their motor school and their carpenter shop and their other vocational-training activities in connection with their camp school.

This was the condition when these men came and urged before the committee that these claims be referred to the War Department for adjustment.

Before our committee some of our members urged that only those who had lost money in the enterprise should be recompensed; that none of those who had pursued their activities to the point where they had earned enough money to pay themselves for the buildings should be paid anything, and the gentleman from Nebraska [Mr. EVANS] prepared an amendment which in his absence in committee work I have promised to introduce, providing that instead of these claims being referred to the Secretary of War they should be referred to the Court of Claims, with instructions to consider only those claims where the concessionaires lost money upon their enterprise and the building they had constructed and which the Government has and is using.

Mr. SWOPE. Will the gentleman yield?

Mr. STRONG of Kansas. If the gentleman will make it short.

Mr. SWOPE. Has the gentleman the names of the parties who lost money?

Mr. STRONG of Kansas. Their names are filed with the committee.

Mr. SWOPE. Has the gentleman the exact amounts?

Mr. STRONG of Kansas. Yes; as they are stated in their sworn claims.

Mr. SWOPE. How much did they amount to, approximately?

Mr. STRONG of Kansas. Approximately $54,000 or $55,000, but with interest they will amount to a few thousand dollars more.

Mr. CONNALLY. Where can we get copies of these hearings?

Mr. STRONG of Kansas. On the desk there.

Mr. GREENE of Vermont. Does the gentleman intend to introduce that amendment before he leaves the floor, so that it may be pending?

Mr. STRONG of Kansas. I will. During the time that these concessionaires were operating on the zone the Government also collected under its contract 10 per cent on the gross income received by the concessionaires. Under this provision the camp obtained over $200,000. So the camp organization had $200,000 cash, and the Government has these four blocks of buildings, costing $1,000,000, with a heating plant that cost $110,000. The amendment provides that only those who lost money shall be compensated.

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRONG of Kansas. Can I have additional time to offer this amendment?

Mr. TILSON. I make the point of order that this is not the time for the gentleman to offer the amendment.

Mr. GREENE of Vermont. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

Mr. MADDEN. Mr. Chairman, I recall a number of cases where private individuals or corporations have erected buildings in years gone by at military posts for one purpose and another, authorized by the War Department under contracts similar to the one now pending before us. When they were dismissed from further privilege or use of the buildings which they erected, that ended the obligation of the Government.

There are pending before the Committee on Claims probably many claims of this sort, but I have never known one yet to be allowed. I have a claim for one of my constituents amounting to several thousand dollars. It has been pending before the Committee on Claims for years. It is a claim where I believe there is a good deal of merit, but no consideration has been given to it; and how this bill got away from the Committee on Claims and before the House is more than I can understand.

Gen. Wood in his testimony before the Committee on War Claims says that there was a general understanding with these people that they probably would not be disturbed in the occupation of the buildings they were about to erect if they carried out the terms of the agreement. But Gen. Wood also says that the general understanding was that the understanding was in no sense an obligation against the Government. Then, further on, Gen. Wood says that he had been transferred from this command to another and another commander came into power, and under the order of the other commander the buildings were set apart for other purposes and the people that erected them were taken out.

In response to a question asked by the committee, Gen. Wood says that nearly all the concessionnaires made money. Only two of them did not; the two that did not make any money were the bank and the theater, but no one suggests that those who made a lot of money should come in here and divide it with the Government. Just as soon as some person who enters into a plan to supply buildings in which he was permitted to conduct business for the sole purpose of making money lost a few dollars the Government must be held responsible.

Now, I claim, Mr. Chairman, that these men took the ordinary business risk. It is true the risk they took was a hazardous risk, because it was within the power of the War Department at any time to cancel the contract within 10 days, although the contract extended for a period of 5 years. Under the contract these men knew when they made it that they had a 10 days' cancellation clause. If they had made money they would not be here.

Mr. STRONG of Kansas. Will the gentleman yield?

Mr. MADDEN. Yes.

Mr. STRONG of Kansas. If these gentlemen turned over to the Government their buildings and the Government profited by the use of the buildings, ought they not to be compensated?

Mr. MADDEN. The contract provided that the Government should own the buildings at the end of the period.

Mr. STRONG of Kansas. Does the gentleman think the Government should put these men out without any fault on their part and take possession of their buildings?

Mr. MADDEN. They were permitted to remain unless some military necessity arose, and the mere suggestion that a military necessity might arise was notice to them that it could arise.

Mr. STRONG of Kansas. It did not arise.

Mr. MADDEN. It must have arisen or they would not have been put out. Now, to conclude, I assume that these men were men of ordinary business sense. The purpose for which they entered into the contract was to give them an opportunity to make money.

The testimony shows that the most of them made money and only two lost. These two men are here now asking the Congress of the United States to give them $65,000. The contract provided that they were to pay a certain percentage of their receipts into the Treasury of the United States. But the Government, through the military authorities, remitted this provision of the law immediately after the armistice was signed.

Mr. STRONG of Kansas. The gentleman means to be fair—after the Government had received $200,000.

Mr. MADDEN. Yes; but they could have insisted on the payment of the percentage from the day the buildings were erected until the business closed, but they did not do it. To the extent that this remission was made, the Government made them a contribution, and to that extent they have been saved from a greater loss; and those who made money have had added to their profits more than they would have been able to make if it had not been for the liberality of the Government. Gen. Wood had no power to make any contract to pay these men anything except what was in the contract made originally.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GREENE of Vermont. I yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, like the gentleman from Illinois [Mr. MADDEN] I really do not understand how this bill came on the floor of the House from the Committee on Military Affairs. This matter was before the War Claims Committee. That committee held quite extended hearings on the bill. I sent down to-day to the Military Affairs Committee and was informed by the clerk of that committee that they had never held any hearings. It does not seem to me proper for a large committee of the House to bring a matter of this kind on the floor, which involves such an important precedent as this bill does, without any hearings whatever.

Mr. STRONG of Kansas. Mr. Chairman, will the gentleman yield?

Mr. SNELL. I yield for a question.

Mr. STRONG of Kansas. Does the gentleman not know that we did discuss this before our committee, when the bill as it passed the Senate came over to the House and was referred to the Committee on Military Affairs? We consented to let the bill come back and put in this amendment.

Mr. SNELL. The fact is that these people went there when there were fifty or sixty thousand men. They thought they were going to make a great deal of money by getting these concessions. If the war had lasted long enough they would have made a lot of money. The war did not last long enough, and, according to the testimony before the committee, they did not make anything. There were only two at that time who did not make any money. But when this matter came before Congress, and it got to be rumored around that part of the country that Congress was going to reimburse those who had not made any money, the original two soon became six, and there is no reason to suppose, notwithstanding the statement of the gentleman from Kansas [Mr. STRONG], that he does not think there will be others who, when they look over their books and find that they did not make any money, will come to Congress to get their share.

I think this is establishing a precedent that ought not to be established. These people went there as a business proposition to make money. The war did not last long enough and, therefore, they did not make the money and we are to blame and must make up the shortage. The conditions of the contract were distinctly understood when they constructed these buildings. There is no legal obligation on the part of the Government. If you do this, you are simply giving this money to these people because they did not make money with the concessions that they got from the Federal Government.

Mr. JEFFERIS. Did the Government take the buildings after the armistice, or before?

Mr. SNELL. I can not tell the exact date, but I do know this, and it was brought out in the testimony before the committee, there were not enough men there at the time the Government took the buildings over so that these men were making any money.

Mr. STRONG of Kansas. But those operating were making money.

Mr. SNELL. There were a lot not operating.

Mr. STRONG of Kansas. The bank was operating there.

Mr. SNELL. Yes; but the two big concessions, the bank and the large theater, were not making any money at that time.

Mr. STRONG of Kansas. Does the gentleman think that one picture show will not make money in a town of 5,000 people?

Mr. SNELL. Yes; but we are considering them all, whether running or not. They all come in under this bill.

Mr. STRONG of Kansas. Would not the one that was running be making money?

Mr. SNELL. Mr. Chairman, the position I take is that at the time the Government took over this property there were not enough men there so that they could operate all of these at a profit, and they really did not lose anything by having the Government take them over. I asked that question of a

woman who appeared before our committee, and she said that was true.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WALSH. Mr. Chairman, I desire to ask if anyone has been recognized to control the time in opposition to the bill?

The CHAIRMAN. No one has been recognized.

Mr. QUIN. Mr. Chairman, I think half of this time ought to be controlled by some one in opposition to the bill. I can not support this bill, but I do not want to fight my friend ANTHONY.

Mr. WALSH. The gentleman is, of course, a member of the committee, and if he is opposed to bill is entitled to recognition to control half of the time.

The CHAIRMAN. Is the gentleman from Mississippi opposed to the bill?

Mr. QUIN. I can not vote for this bill.

The CHAIRMAN. Then the gentleman is entitled to one hour.

Mr. GREENE of Vermont. While of course that is strictly within the intention of the rule, it comes somewhat as an ex post facto proposition here. Once before in consideration of this measure an opportunity was given to some one to claim the hour's time in opposition, and it was not taken.

The gentleman from Mississippi was given an opportunity, and at that time he stated, as I recall, that he was not against the bill.

The CHAIRMAN. The Chair is of the opinion that he can claim it at any time.

Mr. GREENE of Vermont. Very true; but meanwhile I have parceled out my time here to those for and against the bill.

Mr. QUIN. I will yield the gentleman that part of the time which he has allotted to me.

Mr. GREENE of Vermont. All right. With such an understanding——

Mr. WALSH. We ought to have a quorum here, Mr. Chairman, and I make the point of order that there is no quorum.

Mr. GREENE of Vermont. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HUSTED, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill S. 3706, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. EMERSON, indefinitely, on account of sickness in his family.

To Mr. MCLAUGHLIN of Nebraska, for one day, on account of sickness.

JOINT RESOLUTION PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that this day they had presented to the President of the United States for his approval the following joint resolution:

H. J. Res. 407. Joint resolution authorizing payment of the salaries of officers and employees of Congress for December, 1920, on the 20th day of said month.

ADJOURNMENT.

Mr. GREENE of Vermont. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 57 minutes p. m.) the House adjourned until to-morrow, Thursday, December 16, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

223. A letter from the Secretary of the Navy, transmitting draft of requested legislation to place the direction and management of all vessels in the service of the Government under the control of the Secretary of the Navy in case of war or national emergency; to the Committee on Naval Affairs.

224. A letter from the Secretary of the Navy, transmitting list of disbursing officers who have been relieved of losses after investigation by the Secretary of the Navy; to the Committee on Expenditures in the Navy Department.

225. A letter from the Secretary of the Navy, transmitting request for amendment to H. R. 12305, in connection with distant control radio station in Porto Rico; to the Committee on Naval Affairs.

226. A letter from the Secretary of the Navy, transmitting request for legislation for the retirement of certain officers of the Marine Corps on account of disability contracted in line of duty; to the Committee on Naval Affairs.

227. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Hudson River, New York, with a view to the removal of a shoal near the steamboat landing at Albany; to the Committee on Rivers and Harbors.

228. A letter from the Secretary of War, transmitting, from the Ordnance Department, statement of the cost of manufacture at the several arsenals, etc.; to the Committee on Expenditures in the War Department.

229. A letter from the Secretary of War, transmitting, from the Office of the Inspector General, reports of inspections of money accounts; to the Committee on Expenditures in the War Department.

230. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriation required for the United States Shipping Board for the fiscal year 1921 (H. Doc. No. 924); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. ESCH, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 14674) to amend section 501 of the transportation act, 1920, reported the same without amendment, accompanied by a report (No. 1123), which said bill and report were referred to the House Calendar.

Mr. DAVIS of Minnesota, from the Committee on Appropriations, to which was referred the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, reported the same without amendment, accompanied by a report (No. 1124), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SANFORD, from the Committee on Military Affairs, to which was referred the bill (H. R. 11182) for the relief of Benjamin R. Buffington, reported the same with an amendment, accompanied by a report (No. 1122), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HOCH: A bill (H. R. 15122) to prohibit certain sales for future delivery of grain and cotton; to the Committee on Agriculture.

By Mr. CLASSON: A bill (H. R. 15123) for the relief of the Wisconsin Band of Pottawatomie Indians, and for other purposes; to the Committee on Indian Affairs.

By Mr. HULL of Tennessee: A bill (H. R. 15124) to appropriate additional sums for Federal aid in the construction of rural post roads, and for other purposes; to the Committee on Roads.

By Mr. EVANS of Montana: A bill (H. R. 15125) to reimburse the State of Montana for expenses incurred by it in suppressing forest fires on Government land during the year 1919; to the Committee on War Claims.

By Mr. ESCH: A bill (H. R. 15126) to amend an act entitled "An act to create a Federal power commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto, and to repeal section 18 of the river and harbor appropriation act, and for other purposes," approved June 10, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. LARSEN: A bill (H. R. 15127) to authorize the appropriation of additional sums for Federal aid in the construction of post roads, and for other purposes; to the Committee on Roads.

By Mr. GREEN of Iowa: A bill (H. R. 15128) imposing temporary duties upon imports that are agricultural products to meet present emergencies, to provide revenue, and for other purposes; to the Committee on Ways and Means.

By Mr. WELTY: A bill (H. R. 15129) providing for a standard of naturalization and Americanization of aliens and amending the act of February 18, 1875; to the Committee on Immigration and Naturalization.

By Mr. DAVIS of Minnesota: A bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. PARKER: A bill (H. R. 15131) to authorize the construction of a bridge across the Hudson River between the city of Troy in the county of Rensselaer and the city of Cohoes in the county of Albany, State of New York; to the Committee on Interstate and Foreign Commerce.

By Mr. WELLING: A bill (H. R. 15132) to establish a national bison range and game preserve in the State of Utah; to the Committee on Agriculture.

By Mr. BENSON: A bill (H. R. 15133) to provide for the erection of a public building at Bel Air, Md.; to the Committee on Public Buildings and Grounds.

By Mr. VAILE: A bill (H. R. 15134) granting pensionable status to surviving members of the third battalion of Ohio Militia who served during the Civil War and to the widows of certain members of said battalion; to the Committee on Pensions.

By Mr. McARTHUR: Joint resolution (H. J. Res. 413) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

Also, joint resolution (H. J. Res. 414) proposing an amendment to the Constitution of the United States; to the Committee on Election of President, Vice President, and Representatives in Congress.

By Mr. EDMONDS: Joint resolution (H. J. Res. 415) extending the time for the payment of taxes under the act of February 24, 1919; to the Committee on Ways and Means.

By Mr. STEPHENS of Ohio: Resolution (H. Res. 615) to increase the salaries of two pages at the House telephone booths; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOWERS: A bill (H. R. 15135) granting an increase of pension to George A. Liston; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 15136) granting a pension to Bessie Patton; to the Committee on Invalid Pensions.

By Mr. GOULD: A bill (H. R. 15137) granting an increase of pension to Mary E. Whitbeck; to the Committee on Invalid Pensions.

By Mr. HARRELD: A bill (H. R. 15138) granting an increase of pension to Elijah P. Higgins; to the Committee on Pensions.

By Mr. HUSTED: A bill (H. R. 15139) for the relief of the dependent parents of Fred Ward, civilian employee of the Government, who was killed while in the discharge of his duties at the United States naval magazine at Iona Island, N. Y.; to the Committee on Claims.

By Mr. McKINLEY: A bill (H. R. 15140) granting an increase of pension to Mary Winegardner; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15141) to amend the military record of Wade H. Newman; to the Committee on Military Affairs.

By Mr. MOORES of Indiana: A bill (H. R. 15142) granting a pension to Lewis V. Boyle; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 15143) granting an increase of pension to Lou Phillips; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15144) granting an increase of pension to Tivis C. Simmons; to the Committee on Pensions.

Also, a bill (H. R. 15145) for the relief of John W. Hardwick; to the Committee on Military Affairs.

By Mr. SHERWOOD: A bill (H. R. 15146) granting a pension to Emma Durocher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15147) granting a pension to Sarah A. Warren; to the Committee on Invalid Pensions.

By Mr. SLEMP: A bill (H. R. 15148) granting a pension to Elizabeth M. A. Baumgarner; to the Committee on Invalid Pensions.

By Mr. THOMPSON: A bill (H. R. 15149) granting a pension to William H. Linnabary; to the Committee on Invalid Pensions.

By Mr. WELTY: A bill (H. R. 15150) granting a pension to Daisy B. Shindollar; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4536. By the SPEAKER (by request): Petition of a special committee of the Columbia Heights Citizens' Association, urging the appointment of a special committee to investigate the eligibility of the members of the public utilities commission of the city of Washington, D. C.; to the Committee on the District of Columbia.

4537. By Mr. BRIGGS: Petition of A. B. Robinson, of Palestine, Tex., urging the defeat of the Smith bill and any other measure which will grant irrigation privileges in national parks; to the Select Committee on Water Power.

4538. Also, petition of Robert I. Cohen, of Galveston, Tex., urging Congress to accept the recommendation of the Postmaster General to adopt a 1-cent drop letter rate for towns, cities, and rural routes; to the Committee on the Post Office and Post Roads.

4539. By Mr. FULLER of Illinois: Petition of the Nature Study Society, of Rockford, Ill., favoring preservation of national parks; to the Committee on the Public Lands.

4540. Also, petition of the Wilson Shoe Co., of La Salle, favoring 1-cent drop letter postage; to the Committee on the Post Office and Post Roads.

4541. Also, petition of the Yorkville (Ill.) Woman's Club, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4542. Also, petition of the National Council, Sons and Daughters of Liberty, concerning restrictions of immigration, etc.; to the Committee on Immigration and Naturalization.

4543. Also, petition of W. C. Ritchie & Co., of Chicago, favoring the Nolan Patent Office bill (H. R. 11984); to the Committee on Patents.

4544. Also, petition of W. J. Clancy, of La Salle, Ill., favoring amendment to sections 204, 214, and 234 of the revenue act; to the Committee on Ways and Means.

4545. By Mr. GARNER: Petition of sundry citizens from the fifteenth congressional district of Texas, favoring recognition of the Irish republic; to the Committee on Foreign Affairs.

4546. By Mr. LUCE: Petition of members of the Woman's Club of Newton Highlands, Mass., urging the elimination of national parks from Federal water-power act; to the Select Committee on Water Power.

4547. By Mr. O'CONNELL: Petition of the directors of the East New York Savings & Loan Association, favoring an amendment to the present income tax laws; to the Committee on Ways and Means.

4548. Also, petition of the Corrugated Bar Co. (Inc.), of Buffalo, N. Y., and the Brunswick-Balke-Collender Co., of New York, N. Y., favoring increase of salaries in Patent Office; to the Committee on Patents.

4549. By Mr. PAIGE: Petition of sundry citizens of Massachusetts, protesting against water-power privileges in national parks; to the Select Committee on Water Power.

4550. By Mr. ROGERS: Petition of corporation of the members of the Catholic Association, Lowell, Mass., protesting against the passage of the Smith-Towner bill; to the Committee on Education.

SENATE.

THURSDAY, *December 16, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, at the threshold of the duties of a new day we pause to turn our thoughts toward Thee. We would carry the inspiration of a moment of prayer into the duties of this day. Whether Thou dost call us to things that are great or small we would remember that all has a divine relationship and that we are called to be coworkers with God. Fit us for the high calling of this day and enable us to glorify Thy name through the efforts of our lives and the consecration of our spirits to Thy service. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unani-

mous consent, the further reading was dispensed with and the Journal was approved.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Gronna	McLean	Smith, Ga.
Beckham	Harris	McNary	Smith, Md.
Brandegee	Harrison	Moses	Smith, S. C.
Calder	Heflin	Nelson	Smoot
Capper	Henderson	New	Spencer
Chamberlain	Johnson, Calif.	Nugent	Stanley
Colt	Jones, Wash.	Overman	Sterling
Culberson	Kendrick	Page	Sutherland
Curtis	Kenyon	Phipps	Swanson
Dillingham	Keyes	Poindexter	Thomas
Edge	King	Ransdell	Townsend
Fernald	La Follette	Sheppard	Trammell
Fletcher	McCumber	Simmons	Warren
France	McKellar	Smith, Ariz.	Watson

Mr. HEFLIN. My colleague [Mr. UNDERWOOD] is unavoidably absent, having been called from the city on account of the serious illness of a member of his family. He is paired on all questions with the junior Senator from Ohio [Mr. HARDING].

Mr. NELSON. I desire to announce that my colleague [Mr. KELLOGG] is detained on account of important business.

Mr. HARRISON. I wish to announce that the Senator from Delaware [Mr. WOLCOTT] is absent on official business, and that the Senator from South Dakota [Mr. JOHNSON] is absent owing to illness.

The VICE PRESIDENT. Fifty-six Senators have answered to the roll call. There is a quorum present.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (H. R. 13402) for the purchase of land occupied by experiment vineyards near Fresno and Oakville, Calif., in which it requested the concurrence of the Senate.

PETITIONS AND MEMORIALS.

Mr. HARRIS presented petitions of the board of commissioners of roads and revenues of Dougherty County, Ga., and the State highway board of Georgia, praying for the enactment of legislation to continue the appropriation for Federal aid to post roads in the several States, which were referred to the Committee on Post Offices and Post Roads.

Mr. CAPPER presented a resolution in the nature of a petition adopted by various farm organizations at a joint meeting held at Hotchkiss, Colo., praying for the enactment of legislation placing an embargo on agricultural products and assistance to the agricultural producers, which was referred to the Committee on Agriculture and Forestry.

Mr. COLT presented a petition of the Fleet Naval Reserve C. & D. Association, of Newport, R. I., praying for the enactment of legislation for certain employment under authority of the Navy Department, which was referred to the Committee on Naval Affairs.

He also presented memorials of the board of aldermen of the city of Newport, and the Chamber of Commerce of Providence, R. I., remonstrating against the enactment of legislation removing the Naval War College from Newport to Washington, which were referred to the Committee on Naval Affairs.

Mr. SMITH of Maryland presented petitions of the Women's Civic League, the Sorosis Club, the Mother's Club, the Women's Nonpartisan Political Study Club, and the Neighborhood Improvement Club of Govan, all of Baltimore, Md., and the Women's Club of Laurel, Md., praying for the enactment of legislation for the protection of maternity and infancy, which were ordered to lie on the table.

He also presented a memorial of Mount Savage Council, 1058, of Mount Savage, Md., remonstrating against the enactment of legislation to create a department of education, and for other purposes, which was referred to the Committee on Education and Labor.

He also presented memorials of the dean of the department of engineering of Johns Hopkins University, the district superintendent American Radio Relay League, Radio Association of Maryland Academy of Science, all of Baltimore, Md., remonstrating against the enactment of legislation providing for the regulation of radio communication in the United States, which were referred to the Committee on Naval Affairs.

He also presented memorials of the Washington Radio Club, of Bethesda, Md., and the La Salle Institute, of Cumberland, Md., remonstrating against the enactment of legislation providing for the regulation of amateur radio communication in the United States, which were referred to the Committee on Naval Affairs.

He also presented memorials of the Kohler Manufacturing Co., the William H. Crawford Co., the Carr-Lowry Glass Co., and the Buck Glass Co., all of Baltimore, Md., remonstrating against the passage of the so-called Haugen bill proposing to amend the pure food and drugs act, which were referred to the Committee on Agriculture and Forestry.

He also presented petitions of the Woman's Club of Westminister, the Women's Civic League of Howard Park, the Baltimore Kindergarten Club, the Arundel Club of Baltimore, the Women's Christian Temperance Union of Sandy Springs, the Women's Club of Kensington, the Women's Christian Temperance Union of Washington County, the Allegany League of Women Voters, and the Hyattsville Women's Club, all of the State of Maryland, praying for the enactment of legislation for the protection of maternity and infancy, which were ordered to lie on the table.

Mr. TOWNSEND presented a memorial of the Knit Goods Manufacturers of America in session at Utica, N. Y., protesting against the passage of the so-called French-Capper truth in fabric bill, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the executive committee of the National Association of Purchasing Agents, praying for the enactment of legislation to establish commercial bribery as a Federal penal offense, which was referred to the Committee on the Judiciary.

He also presented a petition of Detroit Branch No. 1, National Association of Letter Carriers of the United States of America, of Detroit, Mich., praying for the enactment of legislation granting an increase in the salaries of postal employees, which was referred to the Committee on Post Offices and Post Roads.

MEDALS OF MERIT IN MERCHANT MARINE.

Mr. JONES of Washington. Mr. President, from the Committee on Commerce I report back favorably without amendment the bill (H. R. 13264) to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

The passage of the bill is recommended quite strongly by the Secretary of Commerce. It is based upon the report of a special commission that he appointed. The bill has passed the House and I ask for its present consideration.

There being no objection, the Senate as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to present, but not in the name of Congress, a medal of merit of appropriate design with a bar and ribbon, together with a rosette or other device to be worn in lieu thereof, to any person who in the merchant marine of the United States between the 6th day of April, 1917, and the 11th day of November, 1918, distinguished himself by extraordinary heroism or distinguished service at sea in the line of duty.

SEC. 2. That no more than one medal of merit shall be issued to any one person, but for each succeeding deed or service sufficient to justify the award of a medal, the President may award a suitable bar or other suitable emblem or insignia to be worn with the decoration and the corresponding rosette or other device.

SEC. 3. That, except as otherwise prescribed herein, no medal or bar or suitable emblem or insignia in lieu of said medal shall be issued to any person after three years from the passage of this act, unless a specific statement or report distinctly setting forth the act or distinguished service and suggesting or recommending official recognition thereof shall have been made and substantiated at the time of the act or service or within three years after the passage of this act.

SEC. 4. That in case an individual who shall distinguish himself dies before the making of the award to which he may be entitled, the award nevertheless may be made and the medal or bar or other emblem or insignia presented to such representative of the deceased as the President may designate.

SEC. 5. The Presicent is authorized to make from time to time any and all rules, regulations, and orders which he shall deem necessary to carry into effect the provisions of this act.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

WATER POWER IN NATIONAL PARKS.

Mr. JONES of Washington. The Committee on Commerce directs me to report back favorably without amendment the bill (S. 4554) to amend an act entitled "An act to create a Federal power commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act, approved August 8, 1917, and for other purposes," approved June 10, 1920.

I desire to submit an oral report for just a moment, but will not ask for the present consideration of the bill, as there are Members of the Senate, especially of the Committee on Public Lands, who may desire to look over the bill.

At the last session we passed the water-power bill. It was not signed on the last day of the session. It was supposed of

course, to have failed by reason of the failure to be signed, but upon investigation we reached the conclusion that the President had further time to consider the bill.

Upon a conference with the Secretary of the Interior I found that he had objected to the signing of the bill for the reason that it embraced within its terms and gave jurisdiction to the commission over national parks. He did not think that this should be done. He thought that no permit for the construction of water power, dams, reservoirs, houses, and so forth, in national parks should be made except by an act of Congress and all the circumstances considered. I assured him that if he would withdraw his objection to the signing of the bill I would introduce a measure at the opening of this session taking the national parks out of the jurisdiction of the Water Power Commission. I, of course, committed no one but myself. Upon that assurance he withdrew his objection, and the bill was signed, and the water-power legislation is now on the statute books.

This bill was introduced to carry out that assurance given to the Secretary. It is a bill prepared by the Secretary to meet his views. The Committee on Commerce considered it this morning, and directed me to report it unanimously without amendment. So I submit the report and ask that the bill may go to the calendar, with the statement, however, that at the first opportunity, after the Senate has had an opportunity to consider it, I shall call it up and ask the Senate to pass it.

The VICE PRESIDENT. The bill will be placed on the calendar.

BARNEGAT CITY, N. J.—CHANGE OF REFERENCE.

Mr. JONES of Washington. Mr. President, the bill (S. 4631) to reimburse the borough of Barnegat City, State of New Jersey, for expenses incurred by it in the construction of jetties and in other work having for its object the protection of the lighthouse and adjacent property belonging to the Government of the United States situate at Barnegat Inlet, in the State aforesaid, was on Monday last referred to the Committee on Commerce. That committee upon examining the bill have decided that it is a bill which properly should go to the Committee on Claims. I therefore ask unanimous consent that the Committee on Commerce may be discharged from the further consideration of the bill and that it may be referred to the Committee on Claims.

The VICE PRESIDENT. Without objection, it is so ordered.

SUPERINTENDENT OF SENATE DOCUMENT ROOM.

Mr. CALDER. Mr. President, we have had George H. Boyd as superintendent of the document room for a number of years. His salary has been carried in the legislative, executive, and judicial appropriation bill. He died recently and it is necessary to appoint a new man.

I am directed by the Committee to Audit and Control the Contingent Expenses of the Senate to report back favorably Senate resolution 405, providing for the appointment of a new man and the payment of his salary out of the contingent fund of the Senate. I ask unanimous consent for its present consideration.

The Senate, by unanimous consent, proceeded to consider the resolution, which was read as follows:

Resolved, That the Secretary of the Senate be, and he is hereby, authorized and directed to appoint William Grant Lieuallen superintendent of the Senate document room at the rate provided by the legislative, executive, and judicial act approved May 20, 1920, to be paid out of the contingent fund of the Senate until otherwise provided by law.

Mr. KING. I did not understand the statement of the Senator. Does the resolution involve the creation of a new place?

Mr. CALDER. The former incumbent of the office died and the new appointee can not be paid in any other way.

The VICE PRESIDENT. Without objection, the resolution is agreed to.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENDERSON:

A bill (S. 4657) granting a pension to Ensign O. Lane;

A bill (S. 4658) granting a pension to J. E. Peters; and

A bill (S. 4659) granting a pension to Thomas W. Bath; to the Committee on Pensions.

By Mr. KING:

A bill (S. 4660) to appropriate $100,000 for the survey of public lands in Utah; to the Committee on Public Lands.

By Mr. HEFLIN (for Mr. UNDERWOOD):

A bill (S. 4661) granting a pension to Marie Doughty Gorgas; to the Committee on Pensions.

PROTECTION OF MATERNITY AND INFANCY.

Mr. FRANCE submitted an amendment intended to be proposed by him to the bill (S. 3259) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States, which was ordered to lie on the table and to be printed, as follows:

Strike out section 15 and insert in lieu thereof the following:

"SEC. 15. That the Secretary of Labor shall include in his annual report to Congress a full account of the administration of this act and of the expenditures of the moneys herein authorized."

HOUSE BILL REFERRED.

The bill (H. R. 13402) for the purchase of land occupied by experiment vineyards near Fresno and Oakville, Calif., was read twice by its title and referred to the Committee on Agriculture and Forestry.

THE CALENDAR.

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). Is there any further morning business? If not, morning business is closed.

Mr. SMOOT and Mr. CALDER addressed the Chair.

The VICE PRESIDENT. The Senator from Utah.

Mr. SMOOT. I ask unanimous consent that we may proceed to the consideration of the calendar under Rule VIII, beginning at Order of Business No. 198, the point reached when the calendar was last under consideration under Rule VIII.

The VICE PRESIDENT. Is there objection to the request of the Senator from Utah?

Mr. CALDER. I have no objection to that, Mr. President.

The VICE PRESIDENT. In the absence of objection, unanimous consent is granted to proceed with the consideration of the calendar at the point indicated.

Mr. CALDER. Mr. President, I move that the Senate take up for consideration Senate resolution 392, amending Senate resolution agreed to April 17, 1920, authorizing the appointment of a committee to inquire into the general building situation.

Mr. FLETCHER. I suggest that that motion is out of order. We have just entered into a unanimous-consent agreement to take up the calendar. The resolution referred to by the Senator from New York may be considered when it is reached on the calendar.

The VICE PRESIDENT. The Chair just inquired if there was any objection to the request for unanimous consent, and the Senator from New York said that he had no objection. The Chair will have to rule him out of order.

Mr. CALDER. Very well.

BILLS AND JOINT RESOLUTION PASSED OVER ON THE CALENDAR.

The bill (S. 2785) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, was announced as first in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. Being objected to, the bill will go over.

The joint resolution (S. J. Res. 51) directing the Court of Claims to investigate claims for damages growing out of the riot of United States negro soldiers at Houston, Tex., was announced as next in order.

Mr. SMOOT. Let that joint resolution go over.

The VICE PRESIDENT. The joint resolution will go over.

The bill (S. 2672) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased, was announced as next in order.

Mr. SMOOT and Mr. KING asked that the bill go over.

The VICE PRESIDENT. The bill will go over.

JOHN H. RHEINLANDER.

The bill (S. 1302) for the relief of John H. Rheinlander was considered as in Committee of the Whole. The bill had been reported from the Committee on Claims with an amendment, on page 1, line 4, after the words "sum of," to strike out "$3,000" and insert "$1,200," so as to make the bill read:

Be it enacted, etc., That there be paid, out of any money in the Treasury not otherwise appropriated, the sum of $1,200 to John H. Rheinlander, of St. Louis, Mo., to compensate him in full for all claims he may have against the United States arising out of injuries received by him while in the Government employ in the Quartermaster's Department, United States Army, at St. Louis, Mo., in February, 1883.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND RESOLUTION PASSED OVER.

The bill (S. 2444) to create the commission on rural and urban home settlement was announced as next in order.

Mr. SMOOT and Mr. KING asked that the bill go over.

The VICE PRESIDENT. Being objected to, the bill will go over.

The bill (S. 3201) fixing the salary of the district attorney for the eastern district of New York was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 3224) relating to the creation in the Army of the United States of the grade of lieutenant general was announced as next in order.

Mr. KING. Mr. President, I should like to ask some member of the Military Affairs Committee if, in view of the reorganization of the Army which has taken place, there is any necessity for the passage of this bill? I do not know its relation to the legislation which recently was enacted dealing with the question of Army reorganization. In the absence of any explanation, I ask that the bill may go over until the chairman of the Committee on Military Affairs comes in.

The VICE PRESIDENT. The resolution will go over.

The resolution (S. Res. 215) providing that whenever the United States becomes a member of the League of Nations this Government should present to the council or the assembly of the league the state of affairs in Ireland and the right of its people to self-government was announced as next in order.

Mr. STERLING. Let that go over.

The VICE PRESIDENT. The resolution will go over.

The bill (S. 3090) to repeal the espionage act was announced as next in order.

Mr. NELSON. I ask that that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 848) to reimburse Isaiah Stephens, postmaster at McMechen, Marshall County, W. Va., for money and postage stamps stolen was announced as next in order.

Mr. KING and Mr. SMOOT asked that the bill go over.

The VICE PRESIDENT. Being objected to, the bill will go over.

The bill (S. 3109) to amend section 26 of the act approved July 17, 1916, known as the Federal farm-loan act was announced as next in order.

Mr. STERLING and Mr. FLETCHER asked that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 1455) for the relief of John L. O'Mara was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. Being objected to, the bill will go over.

The bill (S. 2954) to remove the charge of desertion from the military record of Albert S. Smith, deceased, was announced as next in order.

Mr. OVERMAN. Let that bill go over.

The VICE PRESIDENT. Being objected to, the bill goes over.

The bill (S. 3152) for the relief of George W. Mellinger was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 1453) for the relief of Adolph F. Hitchler was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (H. R. 1713) authorizing and directing the Secretary of War to appoint a commission to investigate and report upon the available sources of water supply for the District of Columbia was announced as next in order.

Mr. KING. My recollection is that under some other resolution the proposed investigation has been made. In the absence of some Senator who is more familiar with the subject than am I, I will ask that the bill go over.

The VICE PRESIDENT. The bill will go over.

ADDITIONAL MONEYS FOR RECLAMATION FUND.

The bill (S. 2822) making available additional moneys for the reclamation fund, and for other purposes, was considered as in Committee of the Whole.

The bill had been reported from the Committee on Irrigation and Reclamation of Arid Lands with amendments. The first amendment was, in section 1, page 1, line 4, after the word "or," to insert "heretofore," so as to make the section read:

That for the purpose of carrying on and completing irrigation projects and units thereof heretofore begun or heretofore surveyed, estimated for and approved but not begun for lack of funds, and for the investigation, commencement, and completion of such new projects as may be deemed feasible and desirable to undertake, and that can be completed within the limit of the reclamation fund as increased by the amount herein provided, there is hereby authorized to be appropriated and placed in the reclamation fund, from time to time as estimates are submitted therefor, the sum of $250,000,000 to be expended under the terms and conditions of the act commonly known as the reclamation act and acts amendatory thereof, and to be repaid as is by said act and amendments thereto provided.

The amendment was agreed to.

Mr. SMOOT. I ask that the bill go over.

The VICE PRESIDENT. Being objected to, the bill goes over.

BILLS AND JOINT RESOLUTION PASSED OVER.

The joint resolution (S. J. Res. 139) repealing the joint resolution of April 6, 1917, declaring a state of war to exist between the United States and Germany was announced as next in order.

Mr. OVERMAN. Let that joint resolution go over.

The VICE PRESIDENT. Being objected to, the joint resolution goes over.

The bill (S. 3395) to discontinue the improvement to provide a channel extending from the sea to the Charleston Navy Yard was announced as next in order.

Mr. SMITH of South Carolina. Let that bill go over.

The VICE PRESIDENT. Being objected to, the bill goes over.

The bill (S. 3396) to discontinue the construction of a dry dock at the navy yard, Charleston, S. C., was announced as next in order.

Mr. SMITH of South Carolina. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

Mr. BALL. I move that the Senate proceed to the consideration of Senate bill 3396, or I will ask unanimous consent that that be done.

Mr. SMOOT. I ask the Senator from Delaware if he will not defer making any motion to take up any particular bill and allow the unanimous-consent agreement for the consideration of the calendar to be carried out, and let us go through the calendar.

The VICE PRESIDENT. The Chair is going to hold that the unanimous-consent agreement has to be carried out or that it will have to be set aside by unanimous consent.

BILL PASSED OVER.

The bill (S. 310) for the relief of John Murphy was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

COMPENSATION OF CERTAIN GOVERNMENT EMPLOYEES.

The bill (H. R. 5726) to fix the compensation of certain employees of the United States was announced as next in order.

Mr. KING. I ask that that bill go over.

Mr. JOHNSON of California. The bill the title of which has just been stated is pending, I think, on a motion to reconsider made by the Senator from Colorado [Mr. THOMAS]. May I inquire of the Senator from Colorado whether he desires to press that particular motion?

Mr. THOMAS. I made that motion, Mr. President, because of the absence of certain Senators who had what I conceived to be some very material objections to the bill. Among them was the chairman of the Senate Committee on Appropriations [Mr. WARREN] and, I think, the Senator from Georgia [Mr. SMITH]. When the bill came up for consideration during the last day, or the last day but one of the last session, the Senator from Wyoming stated at some length what the effect of that bill, if passed as it came from the House, would be upon certain lines of employment. The Senator from Iowa [Mr. KENYON], having charge of the bill, stated very frankly that from the information given by the Senator from Wyoming the bill should undergo amendment and be further considered. My participation in the matter ended when the motion to reconsider was carried, and I must refer the Senator therefore to the Senator from Wyoming and to the Senator from Georgia, who are far more familiar with the bill than I am, my action being as I have stated.

Mr. WARREN. Mr. President, I think the bill should go over and await further consideration on account of certain matters which are before the House which will to some extent affect the necessity for the passage of this measure. There are also some matters which will come before the Senate that may necessitate changes in it. I am not so familiar now with the particular points as I was at the time when this measure was under consideration at the last session; but the complaint comes to the Committee on Appropriations, as well as to other committees, that this measure should not be considered until the

question of reclassification is taken up and until the matter of the budget is considered as well; in other words, it seems as if it were somewhat like putting the cart before the horse to pass this bill before we can consider other angles of the situation that are now being considered, in fact, on the House side.

The VICE PRESIDENT. Is there objection?

Mr. KING. Objection has been made.

The VICE PRESIDENT. The bill will be passed over.

BILL AND JOINT RESOLUTION PASSED OVER.

The bill (S. 2292) for the relief of the William Gordon Corporation was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

The joint resolution (S. J. Res. 151) to permit the payment for certain lands whereon Army supply bases are situated was announced as next in order.

Mr. SMOOT. I ask that that joint resolution may be passed over.

The VICE PRESIDENT. The joint resolution will be passed over.

UNITED STATES GRAIN CORPORATION.

The bill (S. 3844) to provide for discontinuing the purchase and sale of grain by the Government, and for other purposes, was announced as next in order.

Mr. GRONNA. Mr. President, when I introduced Senate bill 3844 the Grain Corporation was in existence. That corporation has now been discontinued by virtue of the limitations contained in the act creating it. It was wound up on the 30th day of May, 1920. I therefore ask that the bill be indefinitely postponed in order to get it off the calendar.

The VICE PRESIDENT. Without objection the bill will be indefinitely postponed.

BILLS PASSED OVER.

The bill (S. 3430) fixing the salaries of certain United States attorneys and United States marshals was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes," was announced as next in order.

Mr. THOMAS. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, a time has been fixed for a vote on that bill, and I ask that it go over.

The VICE PRESIDENT. The bill will be passed over.

SHIPS ACQUIRED FROM GERMANY.

The bill (S. 3928) relating to the ships acquired from Germany, and for other purposes, was announced as next in order.

Mr. JONES of Washington. Mr. President, that bill should be indefinitely postponed, the matter having already been dealt with in the merchant marine act. I therefore move that the bill be indefinitely postponed.

The motion was agreed to.

BILLS PASSED OVER.

The bill (H. R. 1853) to reimburse E. T. Thing and S. A. Thing for losses and damages sustained by them by the negligent dipping of their cattle by the Bureau of Animal Industry, Department of Agriculture, was announced as next in order.

Mr. SMOOT. I ask that the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3725) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.

Mr. SMOOT. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1391) to add certain lands to the Sequoia National Park, Calif., and to change the name of said park to Roosevelt National Park was announced as next in order.

Mr. KING. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 5218) to provide revenue for the Government and to establish and maintain the production of magnesite ores and manufactures thereof in the United States was announced as next in order.

Mr. THOMAS. I ask that that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7785) to provide revenue for the Government, to establish and maintain in the United States the manufacture of laboratory glassware, laboratory porcelain ware, optical glass, scientific and surgical instruments, was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10074) to enlarge the jurisdiction of the municipal court of the District of Columbia and to regulate appeals from the judgments of said court, and for other purposes, was announced as next in order.

Mr. WARREN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7705) to amend section 339 of the tariff act of October 3, 1913, in respect to the tariff on buttons of steel and pearl, was announced as next in order.

Mr. THOMAS. Let that go over.

Mr. KING. I suggest that that go over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4437) to provide revenue for the Government and to promote the production of tungsten ores and manufactures thereof in the United States, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2989) for the relief of Walter I. Whitty was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3139) for the purchase of land adjoining Fort Bliss, Tex., was announced as next in order.

Mr. WARREN. Let that go over, Mr. President.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 6238) to provide revenue for the Government and to establish and maintain the production of zinc ores and manufactures thereof in the United States was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

ELECTION CONTESTS IN THE SENATE.

The bill (S. 4166) to provide for election contests in the Senate of the United States was announced as next in order.

Mr. SPENCER. Mr. President, this is a bill that provides, may I say, a method for contesting elections in the United States Senate. There is no law upon the question now, because it is only comparatively recently that United States Senators have been elected by the people. The bill follows largely the same procedure that is now in vogue in connection with contests of the election of Members of the House of Representatives. The bill as introduced was presented to the Committee on Privileges and Elections and was sent to a subcommittee, of which the junior Senator from Pennsylvania [Mr. KNOX] was the chairman; and this bill, with two or three simple amendments, is the result. If there is no objection, I think some such legislation ought to be put upon the statute books.

Mr. KING. Mr. President, will the Senator permit an inquiry? Has the Senator found that there has been any difficulty in the past if a person desired to contest the alleged successful candidate's election to the Senate of the United States?

Mr. SPENCER. So far as I know, there has been only one contest for the Senate that has ever been presented since Senators were elected by the people, and that is the Ford-Newberry contest, which we are now considering. This bill would have been a great help in that contest if it had been the law.

Mr. KING. Let me suggest to the Senator that under the Constitution the Senate is the judge of the qualifications and the elections of its own members. Does it not have ample power now to determine whether there has been a fraudulent election or a fair election, and whether or not the contesting candidate is entitled to a seat? What is the necessity of additional legislation?

Mr. SPENCER. The same constitutional provision applies to Members of the House of Representatives, and it has always been found desirable there to have some simple method of

procedure, of giving notice and of gathering testimony, in order that it might be presented to the body which, in the last analysis, is the sole judge of the qualifications of its Members.

Mr. POINDEXTER. Mr. President, is this matter under consideration, or has it been objected to? If it has been objected to, I make the point of order that we should proceed to the consideration of the next bill on the Calendar.

The VICE PRESIDENT. There is no objection.

Mr. THOMAS. I understood that it had not been objected to.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 4166) to provide for election contests in the Senate of the United States, which had been reported from the Committee on Privileges and Elections, with amendments.

Mr. KING. Let the bill be read for information.

The Assistant Secretary read the bill, as follows:

Be it enacted, etc., That any person who intends to contest the election of a Member of the United States Senate shall, within 30 days after the result of such election has been determined by the officer or board of officers authorized by law to determine the same, give notice in writing to such Member of such intention, and in such notice shall specify particularly the grounds upon which he intends to rely in the contest.

SEC. 2. That any Member or Member elect of the Senate upon whom such notice is served shall, within 30 days after the service thereof, answer in writing, admitting or denying to the best of his knowledge the facts alleged therein and specifying any grounds upon which he intends to rely in support of the validity of his election; he shall serve a copy of such answer upon the contestant within 30 days after the service of the notice of contest.

SEC. 3. That the time allowed for taking testimony in cases under this act shall not exceed 120 days. Such testimony shall be taken in the following order: The contestant shall be allowed the first 50 days, the Member of the Senate the succeeding 50 days, and the contestant in rebuttal the remaining 20 days.

SEC. 4. That either party desiring to take a deposition under the provisions of this act shall notify the opposite party in writing when and where such deposition will be taken, the names of the witnesses to be examined and their places of residence, and the name of the officer before whom such deposition will be taken. This notice shall be personally served upon the opposite party or upon any agent or attorney authorized by him to take testimony or to cross-examine witnesses in the matter of such contest; but if by the use of reasonable diligence such personal service can not be made, service may be made by leaving a duplicate of the notice at the usual place of abode of the opposite party. The notice shall be served in time to allow the opposite party one day for preparation, exclusive of Sundays, holidays, and the day of service, and sufficient time by the usual route of travel to attend. Testimony in rebuttal may be taken on three days' notice. Testimony may be taken at two or more places at the same time.

SEC. 5. That either party to a contest desiring to obtain testimony respecting such contested election may apply for a subpœna to either of the following officers who may reside within the State in which the election was held:

First. Any judge of any court of the United States.

Second. Any chancellor, judge, or justice of a court of record of any State.

Third. Any commissioner or officer appointed by any judge of any court of the United States or by any chancellor or judge or justice of any court of record of any State, to take such testimony.

SEC. 6. That the officer to whom the application authorized by the preceding section is made shall upon such application issue his writ of subpœna, directed to such witnesses as shall be named to him, requiring their attendance before him, at such time and place named in the subpœna, in order to be examined respecting such election.

SEC. 7. That the parties or their agents or attorneys in any case under this act may take depositions without notice by consent in writing and by written consent may take depositions before any officer authorized in any State to take depositions, and waive proof of the official character of such officer. All such written consents shall be returned with the depositions.

SEC. 8. That each witness shall be served with a subpœna by copy thereof delivered to him or left at his usual place of abode, but no witness shall be required to attend an examination out of the county in which he may reside or in which he may be served with a subpœna, unless at the time of the service of the subpœna he is tendered mileage at the rate of 7 cents per mile going to and returning from the place where such examination is to be held by the shortest route, and $3 for one day's attendance, or to remain outside of the county in which he lives for more than one day unless for each such day there is tendered to him $3 for his living expense.

SEC. 9. That any person who, having been summoned as above provided, refuses or neglects to attend and to testify, shall, except in case of sickness or other unavoidable cause, forfeit the sum of $20, to be recovered with costs in an action of debt, in any court of the United States, by the party at whose instance the subpœna was issued, and shall also be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding $100 or imprisonment for not more than six months as the court may direct. All witnesses who attend in obedience to the subpœna or who attend voluntarily at the time and place appointed as provided in this act shall then and there be examined under oath in regard to any matter respecting such contest by either of the parties or their agents, by the officer who issued the subpœna, or, in the case of his absence, by any other officer authorized by the provisions of this act to issue a subpœna, or, in case of his absence, by any officer before whom depositions are to be taken by written consent; that any person who fails to comply with the subpœna issued in pursuance of this act, or in case of the contumacy of any witness appearing for examination under this act, the officer who issued such subpœna or who is conducting such examination may invoke the aid of any United States district court. The court may thereupon order the witness to comply with the requirements of the subpœna or to give evidence touching the matter in evidence, as the case may be, and failure to obey such order may be punished by the court as a contempt thereof.

SEC. 10. That the testimony to be taken by either party shall be confined to the proof or disproof of the facts alleged or denied in the notice and answer provided for in this act.

SEC. 11. That the officer taking the testimony shall cause it to be reduced to writing by competent stenographers or such other person as he may designate and to be signed by the witness unless such signature is expressly waived by the parties to the contest or their attorneys. He may require the production of papers, and any person who refuses or neglects to produce and deliver up any paper or papers in his possession or any certified or sworn copies in the case of official papers pertaining to the election shall be liable to all the penalties prescribed in this act for witnesses who fail or refuse to answer. All papers thus produced and all certified or sworn copies of official papers, together with the testimony of the witnesses, shall be transmitted by the officer taking the same to the Secretary of the Senate.

SEC. 12. That if any witness refuses to sign the testimony which he has given, the officer taking the same shall certify as to the fact and shall also certify as to the correctness of the testimony of such witness.

SEC. 13. That the taking of testimony may be adjourned from day to day or for a longer period, as may be agreed upon by the parties, within the limits provided for in this act.

SEC. 14. That the notice to take depositions, together with the proof or acknowledgment of the service thereof, and the copies of subpœnas which have been served and of the notice of contest and of the answer shall be attached to the depositions and transmitted with them to the Secretary of the Senate.

SEC. 15. That all officers taking testimony under this act, whether by deposition or otherwise, shall, when the taking of the same is completed, and without unnecessary delay, certify and carefully seal and immediately forward the same, by mail or express, to the Secretary of the Senate, Washington, D. C., and shall also indorse upon the envelope containing such deposition or testimony the name of the case in which it was taken, together with the name of the party in whose behalf it was taken, and shall subscribe such indorsement.

The Secretary of the Senate, upon the receipt of such deposition or testimony, shall notify the contestant and the contestee, by registered letter, to appear before him at the Capitol, in person or by attorney at such reasonable time, not exceeding 20 days from the mailing of such letter, as he may specify. Upon the day appointed for such meeting the Secretary shall proceed to open the packages of testimony in the presence of the parties or their attorneys, and such portions of the testimony as the parties or their attorneys may agree to have printed shall be printed by the Public Printer, under the direction of the Secretary. In case of disagreement between the parties as to the printing of any portion of the testimony, the Secretary shall determine whether such portion shall be printed. The Secretary shall prepare a suitable index of such testimony to be printed with the record. The notice of contest and the answer of the Member shall be printed with the record.

If either party, after having been duly notified, fails to attend, by himself or by an attorney, the Secretary shall proceed to open the depositions or other testimony and shall cause such portions thereof to be printed as he shall determine.

The Secretary shall carefully seal up and preserve the portions of the testimony not printed, together with the other portions when returned from the Public Printer, and lay the same before the Committee on Privileges and Elections as soon as practicable. As soon as the testimony is printed, the Secretary shall, upon request therefor, forward by mail two copies thereof to the contestant and to the contestee, and shall notify the contestant to file with the Secretary, within 30 days thereafter, a brief of the facts and the authorities relied on to establish his case. The Secretary shall forward by mail two copies of the contestant's brief to the contestee, with like notice.

Upon receipt of the contestee's brief the Secretary shall forward two copies thereof to the contestant, who may, if he desires, reply to new matter in such brief within 30 days thereafter. All briefs shall be printed at the expense of the parties, respectively, and shall be of like folio as the printed report; and 60 copies thereof shall be filed with the Secretary for the use of the Committee on Privileges and Elections.

SEC. 16. That every witness required by a subpœna to attend an examination under this act shall be entitled to receive 7 cents for each mile necessarily traveled in going to and returning from the place where such examination is to be held by the shortest possible route and $3 for each day's attendance: *Provided*, That where the testimony is taken at the place of residence of the witness, he shall receive $1 for each day's attendance.

SEC. 17. That any officer taking testimony or serving any subpœna or notice as provided in this act shall be entitled to receive from the party at whose instance the service was performed such fees as are allowed for similar services in the State where such service is rendered.

SEC. 18. That no Member of the Senate or contestant under this act shall be paid any sum on account of expenses in such contest unless he files with the clerk of the Committee on Privileges and Elections a full and detailed account of his expenses, accompanied by the vouchers and receipt for each item, which account and vouchers shall be sworn to by the party presenting the same.

The first amendment of the Committee on Privileges and Elections was, in section 5, on page 3, line 7, to strike out the parentheses and the word "contested," so as to make the section read:

SEC. 5. That either party to a contest desiring to obtain testimony respecting such election may apply for a subpœna to either of the following officers, who may reside within the State in which the election was held.

The amendment was agreed to.

The next amendment of the committee was, in section 9, page 5, lines 9 and 10, to strike out the words "that any person who fails" and to insert in lieu thereof the words "in case of failure"; on page 5, line 9, to strike out the word "the" and to insert in lieu thereof the article "a"; and on page 5, line 17, to strike out the word "evidence" and to insert in lieu thereof the word "question," so as to make the section read:

SEC. 9. That any person who, having been summoned as above provided, refuses or neglects to attend and to testify, shall, except in case of sickness or other unavoidable cause, forfeit the sum of $20, to be recovered with costs in an action of debt, in any court of the United States, by the party at whose instance the subpœna was issued, and

shall also be guilty of a misdemeanor and upon conviction shall be punished by fine not exceeding $100 or imprisonment for not more than six months as the court may direct. All witnesses who attend in obedience to the subpœna or who attend voluntarily at the time and place appointed as provided in this act shall then and there be examined under oath in regard to any matter respecting such contest by either of the parties or their agents, by the officer who issued the subpœna, or, in the case of his absence, by any other officer authorized by the provisions of this act to issue a subpœna, or, in case of his absence, by any officer before whom depositions are to be taken by written consent; in case of failure to comply with a subpœna issued in pursuance of this act, or in case of the contumacy of any witness appearing for examination under this act, the officer who issued such subpœna or who is conducting such examination may invoke the aid of any United States district court. The court may thereupon order the witness to comply with the requirements of the subpœna or to give evidence touching the matter in question, as the case may be, and failure to obey such order may be punished by the court as a contempt thereof.

The amendment was agreed to.

The VICE PRESIDENT. The bill is as in Committee of the Whole and open to further amendment.

Mr. KING. Mr. President, I desire to ask the Senator from Missouri [Mr. SPENCER] what provision is made in the bill for reopening a case in the event of newly discovered evidence. As the bill has been read—and I have attempted to follow it—it seemed to me that when the testimony was all in there was no provision made, in the event of newly discovered evidence, no matter how important, for taking that evidence and presenting it to the Senate.

Mr. SPENCER. The constitutional provision that the Senate is the judge of the qualification and election of its own Members has been so construed in the House under similar bills, that whenever the Committee on Elections in the House desired any additional evidence they took it. There would be nothing in the bill that could prevent it.

Mr. KING. Let me suggest to the Senator that if after the contestant, by the proceedings provided in the bill, has taken his testimony, and the contestee has submitted his testimony, and the testimony has been printed, but before the Senate takes the matter up for consideration either of the parties discovers material evidence which with due diligence could not have been discovered and obtained prior to that time, it does seem to me that the bill is defective in failing to afford some means by which such testimony can be taken. Of course, I appreciate the fact that he could appeal to the Senate or to the committee and ask for an extension of time within which to produce this additional testimony; but there ought to be some provision, because the Senate may not be in session, by which he can obtain that testimony and complete the record before it is finally considered by the Senate.

Mr. SPENCER. I submit, Mr. President, if I may, to the good judgment of the Senator, that there are two answers: First, there ought to be some time, which ought to be as liberal as may be, within which the evidence ought to be concluded. That is true in every case, and it ought to be true in every contest. The bill does provide fully ample time for the taking of any evidence.

In the second place, if, after the evidence was closed, any additional evidence which was relevant or material should be discovered, there would undoubtedly be two ways by which it could be submitted, either by consent of the parties or by the order of the Committee on Privileges and Elections of the Senate when they came to take up the contest. All the rules as to time are subject to the control of the tribunal which tries the case precisely as the Senator knows in a lawsuit we have the statutes which provide when an answer may be filed or when testimony shall be concluded; but the court can extend it, as can the counsel themselves by agreement. That is equally true in a contested-election case. I submit to the Senator that it would be unwise to accord an additional time within which to close a case at the suggestion alone of either party, after ample time has been given.

Mr. KING. Mr. President, of course the answer which the Senator has made is one which would suggest itself quite readily to anyone who thought of the matter, but I do not think the Senator has really answered the inquiry which I made. We are providing here a code for dealing with contested elections in the Senate of the United States. Provision is made for the taking of testimony to be filed, but there is no provision for taking testimony after the case is closed. While we are enacting a general statute, and in detail, providing the procedure to be followed, provision should be made for the taking of testimony that was not discovered by either the contestant or the contestee, and could not have been discovered with reasonable diligence, when the original testimony was obtained.

Of course, the reply of the Senator was the one which I suggested, that undoubtedly the committee, in the exercise of a sound discretion, upon application, could grant additional time and reopen the case for the purpose of permitting either the contestant or the contestee to obtain additional evidence. But that necessitates a halting of the procedure until the committee meets.

Let me assume a case. The testimony has been taken during a recess of the Senate. All the testimony offered in the first instance by the contestant and contestee is in and is printed. The Senate will not be in session for two or three months. One or the other of the parties discovers additional testimony vital and material in the case. He desires to have it printed as a part of the record, and desires that it shall be considered by the Senate. That can not be done under this bill. He would have to wait until the Senate convenes, wait until the committee was organized, and then address himself to the committee and ask for an order to reopen the case for the purpose of enabling him to obtain the newly discovered evidence.

The committee undoubtedly would reopen the case for the purpose mentioned. I only call attention to the fact that the procedure herein outlined does not cover all the contingencies which may arise, and makes no provision for the condition to which I have just referred, one which, as the Senator knows in his large and extensive practice, is apt to arise in any case.

Mr. SPENCER. Mr. President——

The VICE PRESIDENT. We are proceeding by unanimous-consent agreement under Rule VIII, which authorizes any Senator to speak once and for five minutes and no longer. If the bill is to be passed under Rule VIII, let it be passed; and if it is not, let an objection be made and the bill go over.

Mr. GRONNA. I ask that the bill may go over.

The VICE PRESIDENT. The bill will be passed over.

BILLS PASSED OVER.

The bill (S. 1519) making appropriations for expenses incurred under the treaty of Washington was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3251) granting longevity pay from and including August 5, 1917, to certain officers and enlisted men was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3318) for the relief of Willis B. Cross was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 515) to correct the military record of Charles K. Bond, alias Kimball W. Rollins, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 8038) to amend section 4 of the act approved July 17, 1916, known as the Federal farm loan act, extending its provisions to Porto Rico, was announced as next in order.

Mr. SMOOT. I think that had better go over until the Supreme Court decides the question as to whether the farm loan act itself is constitutional.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 4076) to amend section 4404 of the Revised Statutes of the United States as amended by the act approved July 2, 1918, providing that the supervising inspectors of the Steamboat-Inspection Service be included under the classified civil service, was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2903) to provide that robbery of a Federal reserve bank or member bank shall constitute a felony, and for other purposes, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 12266) to amend an act entitled "An act to provide for vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended by the act of July 11, 1919, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 974) for the relief of W. T. Dingler was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 4184) for the relief of C. V. Hinkle was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 644) for the relief of Oscar Smith was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 1789) for the relief of Thomas P. Darr was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1313) for the relief of Francis Nicholson was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will be passed over.

SOUTHERN IRON & METAL CO.

The bill (S. 3031) to appropriate $1,189.35 for the relief of the Southern Iron & Metal Co., Jacksonville, Fla., for salvage material, consisting of submarine cable purchased from the War Department, was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $1,189.35 for the relief of Southern Iron & Metal Co., Jacksonville, Fla., for salvage material consisting of submarine cable sold and delivered at Key West, Fla., to Southern Iron & Metal Co. at the instance of the Director of Purchase and Storage of the War Department, which salvage material was in good faith paid for but was not of the kind and quality represented.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

RUDOLPH L. DESDUNES.

The bill (H. R. 7900) for the relief of Rudolph L. Desdunes was considered as in Committee of the Whole, and was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Rudolph L. Desdunes, the sum of $1,200 as full compensation for the loss of eyesight while in the discharge of his duties as an assistant weigher in the United States customhouse in New Orleans, La.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

EMBARGO ON SUGAR.

The bill (S. 4420) to prohibit the exportation of sugar, and for other purposes, was announced as next in order.

Mr. SMOOT. Mr. President, if the Senator from Oregon [Mr. MCNARY] was in the Chamber, I would move that this bill be indefinitely postponed. We would like very much to get some export market for sugar that is piling up from one end of the United States to the other, and there is no necessity for the proposed legislation. But the Senator being out of the Chamber, I merely ask that the bill may go over.

The VICE PRESIDENT. The bill will be passed over.

INTERFERENCE WITH COMMERCE.

The bill (S. 4204) to prohibit interference with commerce was considered as in Committee of the Whole.

The bill had been reported from the Committee on Interstate Commerce with amendments. The first amendment was, on page 1, line 9, after the word "employed," to insert the words "by any carrier subject to the act to regulate commerce, or amendments thereto," so as to make the section read:

Be it enacted, etc., That whoever with intent to obstruct, delay, hinder, or prevent the movement of commodities in commerce with foreign nations or among the several States shall by word of mouth, or by the presentation, exhibition, or circulation of written or printed words, or otherwise solicit, advise, induce, or persuade, or attempt to induce or persuade any person or persons employed by any carrier subject to the act to regulate commerce, or amendments thereto, in any capacity in the production, care, maintenance, or operation of any means or agency of such commerce to quit such employment shall be guilty of a felony and punished by a fine not exceeding $10,000, or by imprisonment not exceeding 10 years, or by both such fine and imprisonment.

The amendment was agreed to.

The next amendment was, on page 2, line 14, to strike out the word "for" and insert "not exceeding," so as to make section 2 read:

SEC. 2. That whoever, with intent to obstruct, delay, impede, hinder, or prevent the movement of commodities in commerce with foreign nations or among the several States shall by force or violence, or by threats or menace of any kind, prevent or seek to prevent any person from engaging in employment or from continuing in employment in any capacity in the production, care, maintenance, or operation of any means or agency of such commerce shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $15,000, or by imprisonment not exceeding 15 years, or by both such fine and imprisonment.

The amendment was agreed to.

The next amendment was, on page 2, line 23, to strike out "of" and insert "not exceeding," and, on line 24, to strike out "for" and insert "not exceeding," so as to make the section read:

SEC. 3. That whoever, with intent to obstruct, delay, hinder, impede, or prevent the movement of commodities in commerce with foreign nations or among the several States shall injure, disable, or destroy any car, bridge, track, ship, or any other means or agency of such commerce or shall with like intent solicit, advise, induce, or persuade others to do so, shall be deemed guilty of a felony, and upon conviction thereof shall be punished by a fine not exceeding $10,000 or by imprisonment not exceeding 10 years, or by both such fine and imprisonment.

The amendments were agreed to.

The next amendment was to add a new section, as follows:

SEC. 4. That it shall be unlawful for two or more persons, being officers, directors, managers, agents, attorneys, or employees of any carrier or carriers subject to the act to regulate commerce as amended, for the purpose of maintaining, adjusting, or settling any dispute, demand, or controversy which, under the provisions of this act, can be submitted for decision to the committee of wages and working conditions or to a regional board of adjustment, to enter into any combination or agreement with the intent substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce, or in pursuance of any such combination or agreement and with like purpose substantially to hinder, restrain, or prevent the operation of trains or other facilities of transportation for the movement of commodities or persons in interstate commerce; and upon conviction any such person shall be punished by a fine not exceeding $500 or by imprisonment not exceeding six months, or by both such fine and imprisonment.

The amendment was agreed to.

The next amendment was to add a new section, as follows:

SEC. 5. That nothing in this act shall be taken to deny to any individual the right to quit his employment for any reason.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

Mr. LA FOLLETTE subsequently said: Mr. President, while I was temporarily absent from the floor I understand the bill (S. 4204) to prohibit interference with commerce was passed without objection in the Senate. I wish to enter a motion to reconsider the vote by which that bill was passed and to have it pending. The bill has not yet been transmitted to the House, I understand.

The PRESIDING OFFICER (Mr. HENDERSON in the chair). The Chair understands it has not. The motion to reconsider will be entered.

Mr. JOHNSON of California subsequently said: While some of us were absent a brief period ago, Mr. President, the bill S. 4204, introduced by the Senator from Washington [Mr. POINDEXTER], I understand was passed, the bill which in ordinary parlance makes it a crime to strike. Some of us are interested in the bill, and I understand from Senators that a motion was made by the Senator from Wisconsin [Mr. LA FOLLETTE] subsequently to reconsider it. I want to be certain of the standing of the matter.

The PRESIDING OFFICER (Mr. OVERMAN in the chair). The bill is on the calendar for reconsideration. There is a motion to reconsider pending.

Mr. POINDEXTER. Mr. President, in order that there may not be any possible misunderstanding about the matter, may I inquire, as I did not understand the Chair quite clearly, whether he said that the bill was reconsidered. My understanding was that there was no action taken.

The PRESIDING OFFICER. No action was taken. A motion was entered to reconsider, and it is on the calendar.

BILLS PASSED OVER.

The bill (S. 4432) to provide for awarding decorations, devices, or insignia to the next of kin of deceased persons who would have been entitled to receive the same, and making it unlawful for anyone other than the person authorized to do so to wear such decoration, device, or insignia, was announced as next in order.

Mr. CHAMBERLAIN. Mr. President, I reported that bill out from the committee, but I would rather have it go over until the Senator from California [Mr. PHELAN] can be here.

The VICE PRESIDENT. It will go over.

The bill (S. 2665) for the relief of Prof. William H. H. Hart, principal of the Hart Farm School and Junior Republic for Dependent Children, to establish Hart University, and to provide for its maintenance and support, was announced as next in order.

Mr. SMOOT. I ask that this bill may go over until we see what is done with the next number on the calendar, which simply refers this bill to the Court of Claims. If the resolution on the calendar is agreed to, then I shall ask for the indefinite postponement of this bill.

The resolution (S. Res. 377) referring to the Court of Claims the bill (S. 2665) for the relief of Prof. William H. H. Hart,

principal of the Hart Farm School and Junior Republic for Dependent Children, was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill and resolution will be passed over.

The bill (H. R. 8067) to establish standard weights and measures for the District of Columbia; to define the duties of the superintendent of weights, measures, and markets of the District of Columbia, and for other purposes, was announced as next in order, and the Assistant Secretary proceeded to read the bill.

Mr. KING. I supposed that this was merely a codification of existing law. It seems to create new offices and to increase salaries. I object.

The VICE PRESIDENT. It will go over.

The bill (H. R. 12502) providing for a report on the cost of improving and maintaining the Government boulevard on Missionary Ridge, in the Chickamauga and Chattanooga National Military Park, was announced as next in order.

Mr. SMOOT. Let it go over.

The VICE PRESIDENT. It will go over.

HOSPITAL TREATMENT OF DISEASED ALIEN SEAMEN.

The bill (H. R. 7930) to provide for the treatment in hospital of diseased alien seamen was announced as next in order.

Mr. SMOOT. The Senator reporting the bill is not present.

Mr. KING. Will my colleague permit an interruption?

Mr. SMOOT. Certainly.

Mr. KING. The bill was very fully considered by the Committee on Immigration. At first it seemed to me to be improper legislation, but upon listening to the testimony which was given and the report submitted by the officials of the Government, the committee, as I recall, unanimously reached the conclusion that it is necessary and proper legislation.

Mr. SMOOT. The only object I had in rising at this time was to ask if the present law does not require this same treatment for all alien seamen.

Mr. KING. It does with respect to one character of disease. It is many months since the matter was before the committee, but as I recall now there is one class of ailment or one disease that is not covered by existing law. It is for the purpose of affording the same relief with respect to that class of disease that is afforded with respect to other classes. I am sure it is proper legislation.

The Senate, as in Committee of the Whole, proceeded to consider the bill, which had been reported from the Committee on Immigration with amendments, in line 11, page 1, to strike out the word "being" and insert the words "to be"; in line 12, after the word "vessel," to insert the words "and not to be deducted from the seamen's wages"; on page 2, in line 3, to strike out the word "however"; in line 3, page 2, strike out the words "in cases" and insert the words "alien seamen suspected of being afflicted with any such disability or disease may be removed from the vessel on which they arrived to an immigration station or other appropriate place for such observation as will enable the examining surgeons definitely to determine whether or not they are so afflicted, all expenses connected therewith to be borne in the manner hereinbefore prescribed," so as to make the bill read:

Be it enacted, etc., That alien seamen found on arrival in ports of the United States to be afflicted with any of the disabilities or diseases mentioned in section 35 of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States," shall be placed in a hospital designated by the immigration official in charge at the port of arrival and treated, all expenses connected therewith, including burial in the event of death, to be borne by the owner, agent, consignee, or master of the vessel, and not to be deducted from the seamen's wages, and no such vessel shall be granted clearance until such expenses are paid or their payment appropriately guaranteed and the collector of customs so notified by the immigration official in charge: *Provided*, That alien seamen suspected of being afflicted with any such disability or disease may be removed from the vessel on which they arrive to an immigration station or other appropriate place for such observation as will enable the examining surgeons definitely to determine whether or not they are so afflicted, all expenses connected therewith to be borne in the manner hereinbefore prescribed: *Provided further*, That in cases in which it shall appear to the satisfaction of the immigration official in charge that it will not be possible within a reasonable time to effect a cure, the return of the alien seamen shall be enforced on or at the expense of the vessel on which they came, upon such conditions as the Commissioner General of Immigration, with the approval of the Secretary of Labor, shall prescribe, to insure that the aliens shall be properly cared for and protected, and that the spread of contagion shall be guarded against.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The amendments were ordered to be engrossed and the bill to be read a third time.

The bill was read the third time and passed.

BILLS PASSED OVER.

The bill (S. 3279) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States, and the bill (S. 4357) to authorize the Secretary of the Treasury to provide medical, surgical, and hospital services and supplies for discharged soldiers, sailors, marines, Army and Navy nurses (male and female), and for other purposes, were next in order on the calendar.

Mr. KING. These two measures, one of which will be under consideration to-day and the other of which will need some amendment and some discussion, I suggest go over.

The VICE PRESIDENT. They will go over.

The resolution (S. Res. 380) referring to the Court of Claims the bill (S. 2673) for the relief of James L. Vai was announced as next in order.

Mr. KING. Let it be read.

The Assistant Secretary read the bill.

Mr. SMOOT. I wish to ask if any Senator present knows what is the nature of the claim. I do not see the chairman of the committee here.

Mr. KING. Then I ask that it go over.

The VICE PRESIDENT. It will go over.

The bill (S. 3483) for the relief of George T. Hamilton was announced as next in order.

Mr. KING. I reserve the right to object after the bill is read.

Mr. SMOOT. I ask that the bill may go over.

The VICE PRESIDENT. It will go over.

The bill (S. 4057) to authorize the Secretary of the Navy to remove the charge of desertion under certain conditions from the records of former members of the naval service, and for other purposes, was announced as next in order.

Mr. KING. Let the bill go over.

The VICE PRESIDENT. It will go over.

The bill (S. 4322) for the relief of Philip A. Hertz was announced as next in order.

Mr. KING. That is to relieve a person from the charge of desertion and give him a pension. Let it go over.

The VICE PRESIDENT. It will go over.

LIABILITY OF HOTEL PROPRIETORS.

The bill (H. R. 12887) establishing the liability of hotel proprietors and innkeepers in the District of Columbia was announced as next in order.

Mr. KING. If that bill will lower the prices charged by hotel proprietors, I am very much in favor of it. Let the bill be read.

The bill was read and considered as in Committee of the Whole, as follows:

Be it enacted, etc., That whenever the proprietor of any hotel or inn in the District of Columbia shall provide in such hotel or inn a suitable safe or vault for the safe-keeping of any money, jewelry, or other articles of value, other than wearing apparel, belonging to or in the custody of guests, and shall notify the guests thereof by keeping conspicuously posted in the office and on the inside of the entrance door of the sleeping rooms of said hotel or inn a notice printed in distinct English type, such proprietor shall not be liable for the loss of or injury to any such property by theft or otherwise sustained by any guest unless such guest has offered to deliver the same to such proprietor for custody in such safe or vault and such proprietor has omitted or refused to receive it and deposit it in such safe or vault and to give such guest a receipt therefor: *Provided*, That in no case shall such proprietor be liable for the loss or injury to property so deposited in an amount exceeding the sum of $500, except by special contract in writing, stating the kind and value of property received, the kind and extent of the liability of said proprietor, and the reasonable consideration to be paid for such safe-keeping, not in excess of the customary insurance charge or premium, and which said contract shall be signed by said guest and said proprietor or his clerk: *Provided further*, That nothing herein contained shall apply to such an amount of money and such jewelry or other articles of value as is usual, common, or prudent for guests to retain in their rooms.

SEC. 2. That whenever the proprietor of any hotel or inn shall keep posted in a conspicuous manner on the inside of the entrance door to the sleeping rooms of said hotel or inn a notice printed in distinct English type requiring the guests occupying said rooms to lock or bolt the door of said room and upon leaving said room to lock the door and deposit the key at the office, the proprietor shall not be liable for any baggage stolen from said room if it shall appear that said room was left by the guest unlocked or unbolted, or that the key was not so deposited at the office at the time of the loss of said baggage, unless the loss is directly or indirectly caused by or attributable to the proprietor or his employee or employees.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

BUSINESS PASSED OVER.

The bill (S. 4501) for the relief of certain estates was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (H. R. 1856) for the relief of Arthur J. Burdick was announced as next in order.

Mr. SMOOT. Let that bill go over.

The VICE PRESIDENT. Being objected to, the bill will go over.

The bill (H. R. 9794) for the relief of Wendell Phillips Lodge, No. 365, Knights of Pythias, was announced as next in order.

The Secretary proceeded to read the bill.

Mr. KING. Mr. President, the language of that bill seems to be rather ambiguous, and I suggest that it go over until we can have some explanation of it.

The VICE PRESIDENT. The bill will be passed over.

The bill (H. R. 7567) for the relief of G. T. and W. B. Hastings, partners trading as Hastings Bros., was announced as next in order.

Mr. KING. Let that go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 4005) to carry out the findings of the Court of Claims in the case of the Fore River Shipbuilding Co. was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 676) for the relief of Reuben R. Hunter was announced as next in order.

Mr. KING. Let the bill be read.

The VICE PRESIDENT. The bill will be read.

The Assistant Secretary read the bill, which had been reported from the Committee on Claims with an amendment to strike out all after the enacting clause and to insert the following:

That the United States Employees' Compensation Commission is hereby authorized and directed to award and pay to Reuben R. Hunter, of Deming, N. Mex., who suffered a total and permanent loss of sight in both eyes as a result of voluntarily fighting a forest fire on Government land in the vicinity of Cloudcroft, Otero County, N. Mex., in May, 1904, in an effort to protect valuable standing timber and other property of the United States, compensation at the rate of $66.67 per month, from September 7, 1916, for the period and in the manner provided by the act entitled "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, for the payment of compensation for permanent disability of a civil employee resulting from personal injury sustained while engaged in the performance of his duty.

Mr. SMOOT. Let the bill go over.

The VICE PRESIDENT. The bill will go over.

The bill (S. 4372) to encourage the establishment of farms and suburban homes by veterans of the World War was announced as next in order.

Mr. KING. Let that bill go over.

The VICE PRESIDENT. Being objected to, the bill will go over.

The joint resolution (S. J. Res. 203) authorizing the Secretary of War, in his discretion, to turn over to the county commissioners of Dickinson County, Kans., suitable pontoon equipment for temporary use across the Smoky Hill River at Chapman, Kans., was announced as next in order.

Mr. KING. Let the joint resolution go over.

The VICE PRESIDENT. Being objected to, the joint resolution will go over.

NATIONAL BUDGET SYSTEM.

The bill (H. R. 14441) to provide a national budget system and an independent audit of Government accounts, and for other purposes, was announced as next in order.

Mr. KING. I suggest that that bill may go over.

Mr. SMOOT. Mr. President, it is exactly similar to the bill which heretofore passed the Senate, with the exception of the amendment which was made in the other House to the original bill in order to meet the objection of the President, because of which he vetoed the bill, which had passed both bodies. I will say to the junior Senator from Utah that the amendment that was agreed to in the other House meets the objection of the President, without a doubt.

Mr. KING. Mr. President, the objection made to the budget bill by the President of the United States may have merit, but it occurred to me that the bill as it was passed was not an infringement of the rights of the Executive department; indeed, I think the bill did not go far enough in giving the legislative branch of the Government control over the employees of the Government. Personally, I should be very glad to see the bill become a law as it passed the House and the Senate rather than accede to the amendment made by the House. I suggest to the senior Senator from Utah that the bill ought to go over for the present.

Mr. SMOOT. Of course, I have no objection to that, but I will say to the Senator that there is no need of passing the bill in the shape in which it heretofore passed, because it would meet the same veto at the hands of the President.

Mr. KING. The bill, of course, would fail to become a law unless it should be passed over the veto of the President by a two-thirds vote.

Mr. SMOOT. I agree with my colleague; I do not believe the bill as it originally passed Congress was unconstitutional, and I think the objection which was made to it by the President was merely technical. However, the President is still in the White House; this bill, if passed, will be again sent to him and, of course, he would again veto it if it contained a similar provison.

Mr. KING. Mr. President, I prefer that the bill go over in order to see if we can hereafter get a two-thirds majority in its favor. I should be willing to pass it over the President's veto; but if that can not be done, it may be well to let the bill go over to the next Congress, when we may then strengthen the bill.

The VICE PRESIDENT. Being objected to, the bill will be passed over.

AMENDMENT OF TRANSPORTATION ACT OF 1920.

The bill (S. 4526) to amend section 501 of the transportation act, 1920, was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That section 501 of the transportation act, 1920, be amended to read as follows:

"SEC. 501. The effective date on and after which the provisions of section 10 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, shall become and be effective is hereby deferred and extended to January 1, 1922: *Provided*, That such extension shall not apply in the case of any corporation organized after January 12, 1918."

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

FORT DE RUSSY MILITARY RESERVATION, HAWAII.

The bill (S. 4572) granting to the city and county of Honolulu, Territory of Hawaii, a right of way over and across the Fort De Russy Military Reservation for the purpose of extending its sewer system was considered as in Committee of the Whole.

The bill was read, as follows:

Be it enacted, etc., That there be, and there hereby is, granted to the city and county of Honolulu, Territory of Hawaii, subject to the conditions named in section 2 of this act, a right of way over and across the Fort De Russy Military Reservation in said Territory for the purpose of constructing an extension of its sewer system, including a booster station in connection therewith, and of maintaining and operating the same, said right of way to include a strip of land 12 feet in width and approximately 1,420 feet in length, and in addition thereto a contiguous area of approximately 800 square feet for the erection, maintenance, and operation of said booster station.

SEC. 2. That the grant made in section 1 of this act is upon the condition that said sewer and booster station shall be placed underground; that the United States shall have the right at any and all times to connect with said sewer at such place and places as it shall deem desirable and to use the same for purposes of drainage and sewage disposal from said reservation; and that the construction of said sewer and booster station upon the right of way herein granted shall be along such route and upon such site and in accordance with such plans and specifications as shall have been previously approved by the Secretary of War.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FORT JACKSON, NEW DEPTFORD, GA.

The resolution (S. J. Res. 172) authorizing and directing the Secretary of War to sell a certain parcel of land known as Fort Jackson, at New Deptford, on the Savannah River, Ga., was considered as in Committee of the Whole.

The joint resolution had been reported from the Committee on Military Affairs with an amendment on page 1, line 4, after the word "advertisement," to strike out "or private sale, as in his judgment may best subserve the interests of the United States," and insert "public sale," so as to make the joint resolution read:

Resolved, etc., That the Secretary of War be, and he is hereby, authorized and directed to sell for cash, by advertisement and public sale, and to make the required conveyances, of all the right, title, and interest of the United States in and to that certain parcel of land occupied by Fort Jackson, formerly known as wharf lot No. 12, situate at New Deptford on Savannah River, east of the city of Savannah, Ga., described as follows: Beginning at a point A on the outside wall of the moat surrounding the fort and adjacent to the river; thence south 37° 13′ 7″ east, 75 feet to point No. 1, which point No. 1 bears south 53° 14′ 44″ east, 14⅛ feet from harbor reference point No. 82, which reference point is in concrete monument with a copper bolt in center buried in the center of wall surrounding the moat of Fort Jackson; thence south 37° 13′ 7″ east, 258 feet to point No. 2; thence north 52° 46′ 53″ east, 200 feet to point No. 3; thence north 37° 13′ 7″ west, 194 feet to point No. 4; thence north 37° 13′ 7″ west, 90 feet to point B, which point is on the outside wall surrounding the moat of Fort Jackson and adjacent to the river; thence along the outside wall of the moat surrounding the fort on the river side of the same to point A, which is the point of beginning;

containing 1⅛ acres; all as shown by a map made under the direction of Lieut. Col. F. W. Alstaetter, Corps of Engineers, on March 6 and 7, 1920, filed in United States Engineer office, Savannah, Ga., and indexed D. P. 1–16.

The joint resolution was reported to the Senate as amended and the amendment was concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

REPORT ON HOUSING CONDITIONS.

The resolution (S. Res. 392) amending Senate resolution agreed to April 17, 1920, authorizing the chairman of the committee to inquire into the general building situation, was announced as next in order.

Mr. KING. Mr. President, I ask that the resolution be read.

The resolution (S. Res. 392) which had been reported by Mr. CALDER from the Committee to Audit and Control the Contingent Expenses of the Senate on the 14th instant was read, as follows:

Resolved, That the resolution of the Senate No. 350, agreed to April 17, 1920, authorizing a special committee of the Senate to investigate the existing situation in relation to the general construction of houses, manufacturing establishments, and buildings, and the effect thereof upon other industries and upon the public welfare, be, and the same is hereby, amended to empower said special committee to employ counsel, to be paid from the contingent fund of the Senate.

The VICE PRESIDENT. The question is on agreeing to the resolution.

Mr. OVERMAN. I ask that the resolution go over.

Mr. THOMAS. Mr. President, I think, inasmuch as the Senator from New York [Mr. CALDER] is very much concerned about this measure and attempted to get it before the Senate a little while ago, that we ought not to dispose of it so hastily. I am not in favor, as a general proposition, of investigating committees, because they accomplish comparatively little and promote the tendency to investigate everything, well founded or otherwise, to which the attention of some individual Senator be called; but the purpose of the Senator from New York in asking for this amendment to the original resolution, I think, is prompted by and is certainly justified by the disclosures which have been made by the New York legislative investigating committee under the direction of Mr. Samuel Untermyer.

This committee has disclosed the existence of one or two ironclad combinations or conspiracies against trade and against social and economic conditions that may surprise some, but which seem to me to be the direct outgrowth of the tendencies of the times. The remarkable and startling fact disclosed by that committee is the fact that this combination is not peculiar to New York. There seems to be, in every city sufficiently large to justify it, a similar coalition between a few owners of certain classes of material, a few building concerns, and a few labor unions, and the combination enables the beneficiaries of it to work their will in every community where they exist, to dictate prices, to determine who shall and who shall not receive contracts and at what figure, to declare strikes, to create at any time differences between employee and employer, and to levy blackmail by the hundreds of thousands of dollars.

Yesterday the committee had before it Mr. Grace, the president of the Bethlehem Steel Co. He was called before the committee because the day before two of the great contracting firms of the country, speaking through their principal officers, testified that they were unable to purchase any structural steel from the steel manufacturers of the country because the concerns represented in another combination had determined to refuse to sell structural steel to any concern which did not operate what is called the open shop.

Now, I am an open-shop man. I believe in it thoroughly, and must believe in it as long as I believe in equality of opportunity in a country like this. But a combination of steel producers which proposes to dictate to purchasers what course they shall pursue with regard to employment, and to refuse to supply material, at whatever cost, to those who will not comply with its requirements is quite as vicious and wholly as indefensible as any combination I ever heard of.

I have reason to believe that in my city, having a population of less than 275,000 people, materials and contracts and labor are also united for the purpose of dominating the building trade; and I am fully satisfied that if this committee, headed by the Senator from New York [Mr. CALDER], is given authority to investigate, it will bring these things to the attention of the public, and thereby set in operation the machinery of the courts of justice and punish this system of profiteering, which is little short of infamous; because housing conditions everywhere are not up to the demands for shelter, and the one justification which the landlords of the country can now have lies in the fact that they must pay an enormous excess price in the shape of blackmail for every brick that is laid, every column of steel that is erected, and every barrel of cement that is used in construction.

Generally speaking, I do not favor the selection of outside counsel to conduct proceedings for a senatorial committee; but it is clear that the splendid work of the legislative committee now sitting in New York is largely due to the excellence and the ability of their counsel, just as the insurance investigation became successful through the splendid exertions and talent of Charles E. Hughes. These combinations will have plenty of counsel, and good counsel; and to turn our committee loose upon this investigation without giving them authority to employ competent counsel to conduct the investigation, and to cross-examine these conspirators and scoundrels—for that is what they are—would, in all probability, lead to comparatively small results.

I do not know whom the committee have in view. I do not care. He may be a Republican or he may be a Democrat. The chances are that there are no Democratic lawyers to speak of since the election of November; but whoever he may be, he should be a most excellent, competent, and experienced man, and here is an instance in which we can expend money wisely. It will not take a great deal, comparatively, for public opinion will be aroused by the facts that they will disclose—and I know they will disclose them. I should like to see Mr. Untermyer selected, to be perfectly frank about it, because of his experience and the success which has attended his efforts as the counsel for this committee in New York City.

The desire, therefore, of the Senator from New York [Mr. CALDER]—and I wish he were here——

Mr. KENYON. Mr. President, I will say that the Senator from New York was compelled to leave the city at 1 o'clock. He asked me, as a fellow member of the committee, to bring this matter before the Senate.

Mr. THOMAS. If I had known that, I should not have taken up the time of the Senate.

Mr. KENYON. No; the Senator has done it much better than I could do it.

Mr. THOMAS. The Senator from Iowa is on the committee, and he has been connected with its work of investigation up to this time, and consequently he must be more familiar with the details that I can be; but I think at this time, when we are exempting certain associations from the operation of general law, we ought to investigate what some of the fellows who are not yet exempted have been doing and will continue to do. I want to see the producers of steel in this country compelled to sell their material to anybody who will buy it at the market price. It is none of their business whom the contractors employ for the purpose of construction and of use of that material. I want to see these scoundrels who call themselves contractors and material men and union labor men who conspire and combine for the purpose of holding up honest property holders and honest builders brought to book by the States where they operate and by the Nation, if it can be done through the exercise of our powers over interstate commerce, and the fundamental basis of it is this investigation; and it can not be done too quickly, because people are suffering for shelter and winter is here.

Mr. KENYON. Mr. President, I should like to get a little advice from the Senator that may be valuable as we proceed with the investigation. I should like to have the Senator's idea as to how the steel people, for instance, can be compelled to sell steel to any particular persons.

Mr. THOMAS. I do not know.

Mr. KENYON. I thought perhaps the Senator had some ideas on that subject.

Mr. THOMAS. I do not know. I know that the Supreme Court of the United States has held frequently that whenever a concern grows so large as to affect the public and affect it seriously it is charged with a public interest.

Mr. KENYON. That is exactly what I have been contending for the last week or two as to the packers, and I have not been able to get very much support.

Mr. THOMAS. I know the Senator has, and he is absolutely right; but I say that if the packers' combination is to be disciplined by statute, then, a fortiori, combinations like the one that the Senator from New York proposes to run to earth should not only be disciplined but be disciplined severely and punished for the violation of these laws, because they are criminals at common law, which is the best law in the world—a good deal better than 99 per cent of the statutes that have been passed to interfere with its processes and to destroy or undermine its principles. Men who at common law conspire to injure the public in this way can be indicted, and if found guilty, can be punished and punished severely, and ought to be; but, unfortunately, in these days men seem to be able to do these

things with impunity by applying the good old principle of protection as we have applied it so much and so often to their own affairs and to their own combinations.

Mr. KING. Mr. President, I was interested in the statement of the Senator that at common law the classes of people or combinations to whom the Senator has referred could be punished, and I deduce from his observations that they could be punished now under the common law.

Mr. THOMAS. Why, certainly.

Mr. KING. I desire to ask the Senator whether or not we have any Federal penal statute covering the subject, because we have no penal Federal common law?

Mr. THOMAS. I am not talking about Federal punishment. There is no common law that applies to the Nation.

Mr. KING. That is what I had in mind.

Mr. THOMAS. But each of these combinations in the State where it is organized or where it is operating violates the common law of that State.

Mr. KING. Oh, absolutely; but the conduct of many of the States would lead one to believe that they are paralyzed or atrophied or are under the control of corporations and trusts and conspiracies to destroy competition, because the criminal laws upon their books, which would reach these criminal organizations, are not invoked, and the scoundrels controlling such organizations continue their nefarious acts with impunity, to the injury of their people.

Mr. THOMAS. Why, Mr. President, every monopoly that has vexed the people has been the outgrowth of a neglect to enforce the State laws where it was created or of State laws that have been passed for the purpose of creating it; and the corporation laws of New Jersey and Delaware, enacted for the purpose of procuring revenue, have invited every scoundrel, every adventurer, every speculator, every man who is willing to take a chance, to go to those States and incorporate his company, because they practically exempt him and his officers from all responsibility, on the one hand, while endowing them with authority to take their charter on the other, and invade any or all the other States of the Union and there practice their nefarious business.

I do not mean to imply that that is the only result of the statutes of those States, because they are utilized by good men and by honest corporations and by legitimate business perhaps to a greater degree, but the fact that liberal laws, as they are called, are passed under the operation of which any scheme, however nefarious, may find shelter, justifies my contention that in their genesis all of these violations of the rights of consumers and of producers, all of these levies of blackmail—for that is what they are—upon the property holders and producing energies of the country are due either to State laws or to the permissive conduct of State officials.

Our efforts to control them, in my judgment, will only be successful when we require all corporations engaged in interstate commerce either to incorporate or to secure licenses from the Federal Government, if the Federal Government is ultimately to become, as now seems probable, the one authority to deal with them, to correct them or to punish them. I am not in favor of that unless it be absolutely essential, but I am strongly impressed with the absolute need of this investigation, and the need also for its being conducted under the auspices of some lawyer of high reputation and great experience, having the power to wring from the breasts of these conspirators the secrets of which the people have been so long ignorant, and unless that is done the investigation is apt to prove abortive.

Mr. OVERMAN. Mr. President, I withdraw my objection. I offer this amendment, however: After the words "shall employ counsel," I move that there be inserted the words "at a sum not exceeding $5,000."

Mr. KENYON. Mr. President, I think there will be no objection to accepting that amendment. I know I feel, as a good many other Senators do, that the fees which are paid special counsel are entirely too high in most cases, and I believe we can get along on this committee with that limitation. We care more for some counsel who will work than for one who may have a great reputation.

I believe, Mr. President, that this committee, under the chairmanship of the Senator from New York [Mr. CALDER], is doing real work. It is one of the few committees that is engaged in constructive work, not after somebody, and not destructive in its tendencies. We already have a great many leads along various lines of profiteering and plundering and propose to follow them out, no matter whom it hits or how it hurts.

The situation in New York, as developed by the committee of the State legislature over there, has been such as to shock the conscience of all citizens who have read the proceedings of that committee. They can not extend their work beyond the State. I have no authority to state that our committee will cooperate with them in any way, but we shall try to see whether the same plan of blackmail that has gone on in New York has been carried into the other States, and resulted, through this building trust, in preventing the building of homes. That is the purpose of this committee. We are all too busy to do all of this work ourselves, and that has led us to ask for counsel, and as far as I am concerned, as far as I have the power, we will accept the amendment of the Senator from North Carolina [Mr. OVERMAN] limiting the amount to be spent for counsel fees under the resolution to $5,000.

Mr. SMITH of Arizona. How long does the Senator think it will take to finish the investigation? Five thousand dollars might not be adequate compensation at all, or it might be overpay.

Mr. KENYON. I think that will have to be left to the committee. If it will not carry it through, we shall have to do more ourselves. I think a couple of months will be sufficient, if we can get down to work, with our other duties.

Mr. SMITH of Arizona. We have had experience with this kind of an investigation, and it is not easy to get competent counsel, as the Senator knows. Special men, especially qualified, are usually pretty hard to get.

Mr. KENYON. I know, but I think we pay too much for reputation oftentimes.

Mr. SMITH of Arizona. That is true.

Mr. KING. Mr. President, when the resolution creating the committee to investigate building conditions in the United States was under consideration by the Senate, I expressed, as I now recall, some dubiety as to the efficacy of any investigation which would be made by the committee, and also expressed some doubt as to the propriety of creating the committee, as well as the authority of Congress to make investigations into purely local and domestic concerns. The committee, however, seems to have elaborated its purposes and to have entered upon a rather comprehensive investigation, one which involves alleged infractions of the Sherman antitrust law, if not other penal or quasi penal Federal statutes. I have sometimes felt that committees appointed by Congress have served no useful purposes, and that their investigations brought no reforms, or suggested remedial legislation.

There is too much of an inclination upon the part of the Federal Government, or, at least, upon the part of officials of the Federal Government, to inquire into the activities of individuals and of States and to investigate matters with which the Federal Government has no concern. I have been led to believe that Congress has encouraged the development of a disposition upon the part of too many of our people to come to Congress with complaints which relate to local and domestic affairs, and can not, by the wildest stretch of imagination, be construed to be within the purview of the General Government. Hysterical people are constantly knocking at the doors of Congress asking for investigation of matters which have no relation to political, economic, or industrial affairs—indeed, which call for no investigation. If fancied evils exist, an immediate demand is made by one or more for congressional investigation. Thousands and tens of thousands of pages of testimony are taken by committees of both the House and the Senate which no one ever reads and which contain no valuable or important information.

The welfare of the people would be best subserved if the press and men of influence and standing in the various local communities would preach sound individualism and inculcate the view that the vast majority of our problems are individual or local and can be solved only by the people themselves. This constant invocation of Federal interposition in the domestic affairs of the people and of the States is enervating, and can only result in weakening the moral fiber of the people and those splendid qualities and virtues upon which free government and civilization must rest. Instead of weakening and devitalizing the States, the citizens living therein should seek to have them maintain their proud eminence and that primacy which, under our form of government, is their mission.

But, returning to the matter before us. I confess to an agreeable surprise with respect to the work of this committee. I believe that it is in the way of doing some substantial service to the country. The recent investigations of the so-called "Lockwood committee" in the State of New York have revealed a condition so shocking as to call for correction. Mr. Samuel Untermyer is doing most excellent service in connection with the work of the Lockwood committee. The investigations of this committee furnish incontrovertible evidence of the existence of corrupt combinations and criminal conspiracies aimed at the destruction of competition and the plundering of the people. I do not recall that in the revelations as to the existence of trusts

and monopolies in the United States a more sordid page has been presented than that brought to our attention by the Lockwood committee. Contractors, builders, labor-union leaders—all have joined in criminal and wicked conspiracies to rob the public and to hamper building activities, notwithstandng the fact that thousands of homeless people were subjected to continued hardships as a result of these wicked machinations and corrupt and criminal combinations. It has been shown that the dealers in lumber and in all forms of building material have built up the most gigantic and oppressive monopolies and have resorted to the most cowardly and wicked schemes and practices to enhance their profits and to plunder the public.

There are still cells in the penitentiaries unoccupied. These men who have engaged in these conspiracies and have violated not only every rule of honor and decency but the plain letter of criminal statutes should speedily be sent to fill them.

As I understand, the Senate subcommittee, of which the Senator from New York [Mr. CALDER] is chairman, expects to investigate organizations whose operations are interstate in character, which have, perhaps, followed the wicked practices of the builders and organizations which have been under investigation by the Lockwood committee, and also corporations and organizations, interstate in character, which have combined and conspired to create monopolies in restraint of trade and commerce or to destroy competition in interstate commerce. There are increasing evidences that combinations in restraint of trade and conspiracies in aid of monopolies and organizations and combinations for the purpose of stifling and destroying competition are in existence in all parts of our country. During the war many combinations were formed which, in my opinion, violated the Sherman antitrust law. We became so used to cooperation and combination that, following the armistice, organizations and combinations were either perpetuated or new ones formed which were criminal in character and oppressive in their activities. In a most flagrant and brazen manner monopolies have operated and conspiracies in restraint of trade have functioned.

The recent position of the Supreme Court of the United States in the Steel Trust case seems to devitalize the Sherman antitrust law, or at least to reduce it to a rather anemic and flaccid pronouncement. That decision, in my opinion, will encourage the growth of monopolies and stimulate still further combinations in restraint of trade and conspiracies to lessen, if not destroy, competition. This is to be regretted. The competitive system, notwithstanding its disadvantages and weaknesses, and notwithstanding the waste and inefficiency which inevitably flows therefrom, has brought our Nation to the heights of economic growth and industrial prosperity. But there can not be competition if trusts and monopolies are permitted unrestrained action and combinations to destroy competition are afforded a free and unrestricted field of operation. The American people, in my opinion, desire the maintenance of the competitive system in our economic and industrial life. They desire a free and fair field for those who engage in industry. They do not desire special privileges or advantages or preferences.

Of course, there are some who not only desire special advantages and privileges, but who would deliberately strive to obtain them. To this class belong those who would use the Government for private ends. To this class belong the criminals who have been unmasked by the Lockwood committee.

Even the most casual investigation of the evils resulting from combinations and conspiracies in restraint of trade and commerce reveals the lamentable fact that the States have been derelict in the performance of their duties. I conceive it to be the duty of the sovereign States to exercise their undoubted power to deal with combinations and conspiracies and monopolies intrastate in character. Many of the criminal organizations of the character under discussion operate within the States; that is, their operations are circumscribed by the boundaries of the States within which they are created. They are amenable to State law, and there is no reason why the States should not enact comprehensive laws dealing with these criminal organizations. The people of the States should be protected by the States. The indifference of the States to deal in an effective way with this manifest evil compels the most serious reflection. Are the States to abdicate their powers and conventions and to shirk their responsibilities which rest upon them? The States are the citadels of the liberties of the people. Their maintenance unimpaired is essential to the preservation of our Government, and in that form which is indispensable to the happiness, progress, and prosperity of the people.

It would be a tragedy, almost unexampled in history, if the States of this Union were to become atrophied, and by their indifference to their prerogatives and duties lead the people to make demands for Federal usurpations and the assertion by the Federal Government of unauthorized and of unrestricted power. The States should immediately, if their laws are inadequate to deal with these criminal organizations, enact broad and comprehensive ones; and where they have statutes under which trusts and monopolies and conspiracies to restrain trade and stifle competition can be prevented, they should be vigorously enforced and stern justice meted out to all malefactors. But, of course, there is a field in which the Federal Government may not only act with propriety, but within which the duty rests upon it to exercise its undoubted authority.

The Sherman antitrust law was enacted to reach combinations and monopolies and conspiracies in restraint of trade, which were not amenable to State statutes. It would seem that this statute, as interpreted by the Supreme Court of the United States, does not reach all who offend against good morals and who engage in practices which result in monopolies and lessen competition. The investigation which is being conducted by the subcommittee of the Senate may obtain information that will call for additional legislation, or may obtain facts which will further inform Congress, and in the light of which the Sherman antitrust law may be strengthened. I am therefore willing to continue this committee and to give it proper aid so that it may investigate the activities of corporations and individuals engaged in interstate commerce, with a view to determining whether they are violating any existing law or indulging in practices which are against good morals and which should be denounced by an appropriate act upon the part of the General Government. Let me say, Mr. President, that it is very important that organizations and combinations engaged in interstate commerce shall not be permitted to create monopolies or interfere with legitimate trade and commerce, or destroy competition or indulge in practices inimical to the best interests of the public. We desire interstate trade and commerce. We desire the development of the resources of our great Republic. We want the agriculturist to be prosperous. It is important that those engaged in manufacturing pursuits shall enjoy prosperity. Additional railroads are required. Additional factories must be built, and in a thousand fields of human endeavor the virile and energetic pushing American must have full and fair opportunity for endeavor and to win the prize of success, and in order that these results may be realized, the sinister forms of monopolies and trusts and combinations to restrain trade and destroy competition must not be permitted to arise. I desire to preserve the competitive system. I am opposed to governmental control of the private activities of the people. I should regret to see the Federal Government take charge of all interstate commerce, require licenses of all corporations and individuals so engaged, and control the business of our country through the medium of Federal commissions, agencies, bureaus, and an army of agents and employees.

The Senator from Iowa [Mr. KENYON] has just referred to the packers bill, and he is demanding that the packing industries of our country should be placed under Federal control. I have received communications urging that the canneries, the elevators, the smelters, as well as other industries and business enterprises be required to obtain Federal licenses and be subjected to the regu'ation and control of the Federal Government. If the day shall ever come when our business activities must be conducted under the surveillance and control and regulation of a Federal bureaucracy, then, in my opinion, America's progress in the economic world will be arrested and the crown of leadership of this Nation in the industrial and business world will in the end be worn by some other nation. But if monopolies are organized and combinations are formed which destroy competition, and if gigantic corporations absorb through unfair and destructive methods the business of the country, there will be developed a sentiment socialistic or paternalistic in character which will culminate in the overthrow of the competitive system and our present economic structure. I believe that Congress should immediately address itself to the consideration of legislation necessary to preserve competition and to prevent monopolies and combinations that interfere with legitimate trade and destroy competition.

The Sherman antitrust law should be strengthened. We are about to reach a point in our economic and industrial life where we will be compelled to decide whether we shall have free competition or whether business shall be put into a straitjacket and be conducted under such forms and regulations and bureaucratic and "red tape" and exasperating methods as the General Government shall prescribe. The business men of our country should be alive to the situation. The future is largely in their hands. If they act with wisdom and fairness and honesty and patriotism then prosperity and progress and peace and happiness will be the inheritance of the American people.

"Big business" and the great industries of our country must have a clean slate. Their methods must be above reproach; their policies such as to square with the ideals and moral concepts of an enlightened and Christian Commonwealth.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from North Carolina [Mr. OVERMAN]. The Secretary will state it.

The READING CLERK. On page 1, line 8, after the word "counsel," insert the words "at a sum not exceeding $5,000."

The amendment was agreed to.

The resolution as amended was agreed to.

ATMOSPHERIC NITROGEN.

The VICE PRESIDENT. The hour of 2 o'clock having arrived, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed nitrogen production, and for other purposes.

Mr. KING. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Harrison	McNary	Smoot
Beckham	Heflin	Nelson	Spencer
Borah	Henderson	New	Stanley
Brandegee	Hitchcock	Norris	Sterling
Capper	Johnson, Calif.	Nugent	Sutherland
Chamberlain	Jones, Wash.	Overman	Swanson
Colt	Kendrick	Phipps	Thomas
Curtis	Kenyon	Poindexter	Townsend
Dillingham	Keyes	Pomerene	Trammell
Fernald	King	Ransdell	Warren
Fletcher	Kirby	Sheppard	Watson
France	Knox	Simmons	Wolcott
Frelinghuysen	La Follette	Smith, Ariz.	
Gronna	McCumber	Smith, Md.	
Harris	McKellar	Smith, S. C.	

The PRESIDING OFFICER (Mr. HENDERSON in the chair). Fifty-seven Senators having answered to their names, there is a quorum present.

Mr. SMITH of South Carolina. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside in order that we may take up the maternity bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

PROTECTION OF MATERNITY AND INFANCY.

Mr. FRANCE. I ask unanimous consent for the present consideration of the bill (S. 3259) for the public protection of maternity and infancy, and providing a method of cooperation between the Government of the United States and the several States.

The PRESIDING OFFICER. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill.

Mr. THOMAS. Let the bill be read.

Mr. SMOOT. Mr. President, I wish to say to the Senator from Maryland [Mr. FRANCE] that there is a conference appointed between members of the Finance Committee of the Senate and the Ways and Means Committee of the House to meet at 2 o'clock. I simply wish to give notice to the Senator that I am obliged to attend that meeting. As I understand it, the amendment which I have offered to the bill is now pending, and, of course, if it leads to any discussion I would like the Senator to notify me at the meeting, and I will come to the Chamber as quickly as possible.

Mr. FRANCE. Very well.

Mr. WARREN. Mr. President, I wish to ask if the Senator from Maryland will not put the bill over for to-day. There are Senators who wish to be heard who do not happen to be in the city at this time. I did not have an opportunity to read the bill until an hour ago. It is going to lead to some discussion, and I think we will gain time by allowing it to go over until Senators can become more familiar with its provisions. I have an important committee meeting this afternoon, and the Senator from Utah [Mr. SMOOT] seems to be situated likewise. The bill is one that I think ought to have consideration and discussion at the proper time, and it ought not to be—I will not say forced upon us, because, of course, it has not been, but I think it ought not to be brought up here so unexpectedly as it now comes up.

Mr. FRANCE. I should be pleased to yield to the wishes of the Senator from Wyoming, but I feel that inasmuch as the Senator from South Carolina [Mr. SMITH] has laid aside his measure, which is the unfinished business, in order that we may proceed with the maternity bill, I am not at liberty to defer action upon the measure. I feel that this is the only opportunity which I may have to get consideration for it. If the maternity bill was the unfinished business, I should be very glad to accommodate the Senator by laying it aside, but I do not feel that I am at liberty to do so under the circumstances.

Mr. WARREN. I was not in the Chamber at the close of business yesterday, but I understand that there was no difference of opinion between the Senator from South Carolina and the Senator from Maryland as to the two bills being considered one immediately after the other. I do not ask to have it put over with any idea of delaying it beyond a day or two until we can consider it a little more fully.

Mr. FRANCE. I think there will be some discussion of the bill this afternoon, and that Senators will have an opportunity of becoming informed as to its provisions. It is a very simple measure and does not carry a very large appropriation. I feel that if we should have a brief discussion this afternoon it would be advantageous to all of us and would advance the measure.

Mr. SMITH of South Carolina. If the Senator will allow me, I have heard quite a number of Senators indicate that they desire to discuss the bill and intimate that they are prepared to discuss it. It seems to me that no time would be lost to allow those who care to discuss it to begin this afternoon, and this may give ample opportunity to those who wish to do so to look further into it during that discussion.

Mr. SMOOT. Before leaving the Chamber I wish to ask the Senator from South Carolina if he has not an agreement with the Senator from New York [Mr. WADSWORTH] that no final action will be taken upon the unfinished business until he returns?

Mr. SMITH of South Carolina. He called me up and stated that he was unavoidably called from the city. That is also true of other Members of the Senate who were unavoidably called away, one of them on account of illness in his family.

Mr. SMOOT. I just wanted to know before leaving, because I know the Senator from New York is very much interested in the measure.

Mr. WARREN. I happened to take the Senator from New York home from the Capitol last night, and he expressed an earnest desire to be present when the bill is considered. He assumed that it would be laid over since it came up in a rather unexpected way.

Mr. SMITH of South Carolina. I wish to state that I am not advised as to what debate either one of the bills will lead to. I have been informed there are quite a number of amendments that will be proposed to the present unfinished business. I think, if the Senator from Maryland would now proceed with his bill that we will a little later on get a clearer vision of the whole situation than we have now.

Mr. FRANCE. I hope the Senator from Wyoming will not object to our proceeding at this time with the consideration of the bill, as I think discussion will be most helpful and informing to the Senate, and I feel that the bill can be moved on speedily to its passage.

Mr. NELSON. Mr. President, I should be very glad to hear the Senator from Maryland explain what the bill involves, how large an appropriation is called for, and all the important details of it. The range of legislation is so great that about all a Senator can well keep track of are the measures that belong to his own committee, and when it comes to measures from other committees we have to rely on the members of those committees. I should be very glad if the Senator would explain his bill.

Mr. THOMAS. I was going to say that I had called for the reading of the bill at the time this discussion began.

The PRESIDING OFFICER. The Secretary will read the bill.

Mr. SMITH of South Carolina. The bill is now before the Senate?

The PRESIDING OFFICER. The bill is now before the Senate.

The reading clerk read the bill, as follows:

Be it enacted, etc., That there is hereby annually authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sums authorized in section 2 of this act, to be paid to the several States for the purpose of cooperating with the States in promoting the care of maternity and infancy in the several States; to provide instruction in the hygiene of maternity and infancy, and the sum authorized in section 5 for the use of the Federal board of maternal and infant hygiene for the administration of this act and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

SEC. 2. That for the purpose of paying the expenses of said cooperative work in providing the services and facilities specified in this act and the necessary printing and distribution of information in connection with the same there is permanently authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sum of $480,000 for each year, $10,000 of which shall be paid annually to each State in the manner hereinafter provided: *Provided*, That there is also authorized to be appropriated for the use of the States, subject to the provisions of this act, for the fiscal year ending June 30, 1921, an additional sum of $2,000,000; for the fiscal year ending June 30, 1922, the sum of $2,400,000; for the fiscal year ending June 30, 1923, the sum of $2,800,000; for the fiscal year ending June 30, 1924, the sum of $3,200,000; for the fiscal year ending June 30, 1925, the sum of $3,600,000; for the fiscal year ending June 30, 1926, the sum of $4,000,000; and annually thereafter the sum of $4,000,000: *Provided further*, That the additional appropriations herein authorized shall be apportioned among the States in the proportion which their population bears to the total population of the United States, not including outlying possessions, according to the last preceding United States census: *And provided further*, That no payment out of the additional appropriation herein authorized shall be made in any year to any State until an equal sum has been appropriated for that year by the legislature of such State for the maintenance of the services and facilities provided for in this act.

So much of the amount appropriated apportioned to any State for any fiscal year as remains unexpended at the close thereof shall be available for expenditures in that State until the close of the succeeding fiscal year. Any amount apportioned under the provisions of this act unexpended at the end of the period during which it is available for expenditure under the terms of this section shall be reapportioned, within 60 days thereafter, to all the States in the same manner and on the same basis, and certified to the Secretary of the Treasury and to the State boards described in section 4 in the same way as if it were being apportioned under this act for the first time.

SEC. 3. The Federal Board of Maternal and Infant Hygiene (hereinafter called the Federal board) shall consist of the Secretary of Labor, who shall be the chairman; the Chief of the Children's Bureau, who shall be the executive officer; the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. The Federal board shall have charge of all matters concerning the administration of this act, and shall have power to cooperate with the State boards authorized to carry out the provisions of this act. It shall be the duty of said Federal board to make, or cause to have made, such studies, investigations, and reports as will promote the efficient administration of this act.

SEC. 4. That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State board of maternal and infant hygiene, consisting of not less than three members, which shall have all necessary powers to cooperate as herein provided with the Federal board in the administration of the provisions of this act: *Provided*, That in any State having a child welfare or child hygiene division in its State board of health, the said State board of health may be directed to administer the provisions of this act through such divisions. The Federal board may require the State boards cooperating under this act to appoint advisory committees, both State and local, to assist in carrying out the purposes of this act; the members of such advisory committees shall be selected by the State boards, and at least half of such members shall be women. In any State, the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, may accept the provisions of this act and create a State board of maternal and infant hygiene of not less than three members, or designate a division of child welfare or child hygiene in the State board of health, to act in cooperation with the Federal board. The said Federal board shall then recognize such State board for the purposes of this act until the legislature of such State meets in due course and has been in session 60 days.

SEC. 5. That so much, not to exceed 5 per cent of the amount authorized for any fiscal year under this act, as the Federal board may estimate to be necessary for administering the provisions of this act, shall be deducted for that purpose, to be available until expended. Within 60 days after the close of each fiscal year the said Federal board shall determine what part, if any, of the sums theretofore deducted for administering the provisions of this act will not be needed for that purpose, and apportion such part, if any, for the fiscal year then current in the same manner and on the same basis, and certify it to the Secretary of the Treasury and to the several State boards described in section 4 above, in the same way as other amounts authorized by this act to be apportioned among the several States for such current fiscal year.

SEC. 6. That out of the amounts authorized under this act the Federal board is authorized to employ such assistants, clerks, and other persons in the city of Washington and elsewhere, to rent buildings outside of the city of Washington, to purchase such supplies, material, equipment, office fixtures, and apparatus, and to incur such travel and other expense as it may deem necessary for carrying out the purposes of this act.

SEC. 7. That within 60 days after the approval of this act the Federal board shall certify to the Secretary of the Treasury and to each State board described in section 4 the sum which the Federal board has estimated to be deducted for administering the provisions of this act, and the sum which it has apportioned to each State for the fiscal year ending June 30, 1921, and on or before January 20 next preceding the commencement of each succeeding fiscal year it shall make similar certifications for such fiscal year.

SEC. 8. That any State desiring to avail itself of the benefits of this act shall, by its board described in section 4, submit to the Federal board detailed plans for carrying out the provisions of this act. These plans shall include the provisions to be made in the State for the administration of the act; the provision of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas. If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

SEC. 9. That in order to provide popular, nontechnical instruction to the residents of the various States, particularly to those to whom such facilities are not accessible, on the subject of the hygiene of infancy, hygiene of maternity, and related subjects, the State board described in section 4 is authorized to arrange with the State university, land-grant college, or other public educational institution for the provision of extension courses by qualified lecturers: *Provided*, That not more than 25 per cent of the sums granted by the United States to a State under this act may be used for this purpose.

SEC. 10. That in order to receive the benefits of the appropriations authorized under this act the State shall, through the legislative authority thereof, appoint as custodian for said moneys its State treasurer, who shall receive and provide for the proper custody of such money and its disbursement on requisition of the State board described in section 4.

SEC. 11. That the facilities provided by any State boards cooperating under the provisions of this act shall be available for all residents of the State.

SEC. 12. That the Federal board shall every three months ascertain the amounts expended by the several State boards described in section 4 in the preceding quarter year. On or before the 1st day of January and quarterly thereafter the Federal board shall certify to the Secretary of the Treasury the amount to which each State is entitled under the provisions of this act. Upon such certification the Secretary of the Treasury shall pay to the State treasurer as custodian the amounts so certified.

SEC. 13. That each State board cooperating under this act shall make such reports concerning its operation and expenditures as shall be prescribed by the Federal board. The Federal board may withhold the allotment of moneys to any State whenever it shall be determined that such moneys are not being expended for the purposes and under the conditions of this act.

If any allotment is withheld from any State, the State board of such State may appeal to the Congress of the United States, and if the Congress shall not direct such sum to be paid it shall be distributed elsewhere, in the manner described in the last paragraph of section 2.

SEC. 14. That if any portion of the moneys received by the treasurer of any State as custodian under this act shall, by any action or contingency, be diminished or lost, it shall be replaced by such State, and until so replaced no subsequent allotment under this act shall be paid to such State. No portion of any moneys apportioned under this act for the benefit of the States shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings or equipment, or for the purchase or rental of any buildings or lands.

SEC. 15. That as chairman of the Federal board, the Secretary of Labor shall include in his annual report to Congress a full account of the administration of this act and of the expenditures of the moneys herein authorized.

The PRESIDING OFFICER (Mr. NUGENT in the chair). The bill is before the Senate as in Committee of the Whole, and there is an amendment reported from the Committee on Public Health and National Quarantine.

Mr. FRANCE. Mr. President, I do not wish at this time to discuss the measure further than to say that I reported it from the Committee on Public Health and National Quarantine on the 2d day of June last. The bill was reported after we had held a hearing and after it had been carefully considered by the members of the committee, all of whom seemed to feel that it was an important and wise measure. I shall not further discuss the bill at this moment, because I think it might be well to have the Senator from Texas [Mr. SHEPPARD], who introduced the bill, explain to the Senate its provisions.

Mr. WARREN. Mr. President, unless there is objection, I wish the amendment to the bill may be now read, in order that we may have the whole measure before us as reported from the committee.

Mr. SHEPPARD. I have no objection to that course being taken.

Mr. WARREN. I desire whatever amendments have been offered to the bill may be now stated.

The PRESIDING OFFICER. The Secretary will state the amendments which have been proposed to the bill.

The READING CLERK. On page 6, section 8, line 16, the committee propose to strike out:

That any State desiring to avail itself of the benefits of this act shall, by its board described in section 4, submit to the Federal board detailed plans for carrying out the provisions of this act. These plans shall include the provisions to be made in the State for the administration of the act; the provision of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas. If the Federal Board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

And in lieu thereof to insert:

That the cooperative work in promoting the care of maternity and infancy shall consist of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas; and this work shall be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act.

Mr. SHEPPARD. Does the Senator from Wyoming desire amendments which have been offered to the bill by Senators also stated?

Mr. WARREN. I desire to have all amendments, by whomsoever offered to the bill, now stated. The amendment which has just been stated is embodied in the printed copy of the bill.

Mr. THOMAS. Mr. President, if I correctly understood, the senior Senator from Utah [Mr. SMOOT], before leaving the Chamber, referred to some amendments which he had offered or proposed to offer.

Mr. SHEPPARD. I have a copy of his amendments, and I shall be glad to have them read.

Mr. THOMAS. I should like to be informed of its purpose.

Mr. SHEPPARD. I send the amendments to the desk.

The PRESIDING OFFICER. The amendments will be read for the information of the Senate.

The READING CLERK. The senior Senator from Utah proposes the following amendments:

On page 1 strike out all of line 10, and on page 2 strike out lines 1, 2, and 3 and substitute therefor the following: "For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act."

On pages 3 and 4 strike out all of section 3 and substitute therefor the following:

"SEC. 3. The Chief of the Children's Bureau of the Department of Labor, acting through the agency of the Children's Bureau of the Department of Labor (hereinafter called 'the Children's Bureau'), shall be charged with the carrying out of the provisions of this act and the Chief of the Children's Bureau shall be the executive officer. The Chief of the Children's Bureau as executive officer is hereby authorized to form an advisory committee to consult with the Chief of the Children's Bureau and to advise concerning any problems which may arise in connection with the carrying out of the provisions of this act, such advisory committee to consist of the Secretary of Agriculture, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. The Children's Bureau shall have charge of all matters concerning the administration of this act and shall have power to cooperate with the State board authorized to carry out the provisions of this act. It shall be the duty of the Children's Bureau to make or cause to be made such studies, investigations, and reports as will promote the efficient administration of this act."

On page 4, line 14, and wherever thereafter they appear in the bill, strike out the words "Federal board" and substitute therefor the words "Children's Bureau."

On page 4, line 24, insert after the word "women" the following words: "All of the members of which advisory committees shall serve without compensation."

On page 7, line 8, after the word "medical," insert the following: "Or other suitable remedial measures."

Mr. SHEPPARD obtained the floor.

Mr. FRANCE. Mr. President, if the Senator will yield for a moment——

Mr. SHEPPARD. I yield to the Senator from Maryland.

Mr. FRANCE. I will say that I have examined the amendments presented by the senior Senator from Utah, and I feel that they materially improve the measure, and I shall be very glad to see those amendments adopted. However, if they shall be adopted, one additional amendment will be required. I send that amendment to the desk in order that it may be read, and at the proper time I shall offer it, if the amendments of the Senator from Utah shall be adopted.

Mr. KENYON. Mr. President, if the Senator from Texas is to discuss this measure at this time, I think there should be more Senators here.

Mr. SHEPPARD. I will say to the Senator from Iowa that I think we have a fairly representative attendance here, in view of the record of the Senate so far at this session.

Mr. THOMAS. Mr. President, I suggest to the Senator from Iowa that he consider the old adage that "you can lead a horse to water, but you can not make him drink."

Mr. KENYON. In other words, you can bring a Senator here, but you can not make him listen to what is said?

Mr. THOMAS. No; the chances are that after the roll is called there will be fewer Senators here than at present.

Mr. KENYON. I had not reached the point of making the suggestion of the absence of a quorum, so it is not necessary to withdraw it.

The PRESIDING OFFICER. The Secretary will read, for the information of the Senate, the amendment to be offered by the Senator from Maryland.

The READING CLERK. It is proposed to strike out section 15 and in lieu thereof to insert:

SEC. 15. That as executive officer the Chief of the Children's Bureau shall make an annual report to the Secretary of Labor for presentation to Congress, such report to render a full account of the administration of the act and of the expenditure of the moneys herein authorized.

Mr. SHEPPARD. Mr. President, the principal object of this bill is to enable the Federal Government to cooperate with the States in the distribution of information relating to maternal and infant hygiene. The immediate direction of the work is to rest with the State agencies, and the work is to be carried on in such manner as may be mutually agreed upon by Federal and State authorities.

The work consists in distributing information and instruction in the hygiene of maternity and infancy through bulletins, public-health nurses, consultation centers, lectures, and other suitable methods. Wherever necessary, and especially in remote areas, medical and nursing care for mothers and infants may be provided, in so far as available funds will permit.

A Federal board of maternal and infant hygiene, composed of the Secretary of Labor as chairman, the chief of the Children's Bureau as executive officer, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education, is created to represent the Federal Government in cooperating with State agencies.

The amendment offered by the Senator from Utah [Mr. SMOOT] confers upon the Children's Bureau the function of administering the act, and converts the Federal board established by the bill into an advisory committee—a change which the chairman of the committee has accepted.

A State signifies its intention to cooperate under this measure when its legislature authorizes a State board of maternal and infant hygiene or a child welfare or a child hygiene division of the State board of health to represent the State. The board representing the State submits to the Federal board a plan for carrying on within the State the purposes of this act.

Acceptance of the plan by the Federal board qualifies the State to receive the sum of $10,000 from the United States Treasury to aid in enacting its details, and also to receive a share of an additional Federal appropriation conditioned on the appropriation of a like amount by the State itself. This additional Federal appropriation is to be $2,000,000 for the first fiscal year after the passage of this act, $2,400,000 for the second, $2,800,000 for the third, $3,200,000 for the fourth, $3,600,000 for the fifth, and $4,000,000 for each succeeding fiscal year. The share of a State in this additional allotment is to be based on the proportion of its population to that of the United States, not including outlying possessions, according to the last preceding United States census.

Thus every State establishing or having a proper agency and submitting an acceptable plan will receive substantial cooperation from the Federal Government as follows: First, every complying State receives $10,000, and, if it should desire to go further, a share in the additional appropriation before described, based on an equal appropriation from its own treasury.

The Federal board certifies to the Secretary of the Treasury on the 1st of each January, and every three months thereafter, the amounts to which each accepting State is entitled, whereupon the Secretary pays such amounts to the State treasurer. The State treasurer pays out these funds on vouchers signed by the State board. The Federal board may withhold any allotment if it appears that a State is not properly cooperating, the State board having an appeal to Congress from the decision of the Federal board.

The Federal board may require such reports from State boards as it deems advisable, and thus keeps in intimate touch with the work in the States.

The Secretary of Labor is to include in his annual report to Congress a full account of the administration of this measure and the expenditures authorized by it.

The need for this act is shown in the appalling number of deaths of mothers in the United States due to causes connected with childbirth, and among infants under one year of age. It developed at the hearing on this bill before the Committee on Public Health that 23,000 mothers died in this country from such causes in 1918, that nearly 250,000 infants less than one year old perished during the same year, and that most of these deaths were preventable. It was made clear that lack of instruction and care not only led to such deaths, but to reduced vitality and permanently impaired health and efficiency among thousands of women and children who survive.

In March, 1920, the Metropolitan Life Insurance Co. issued a statistical bulletin in which it was stated that even at this late date more women between the ages of 15 and 45 years die from causes incidental to childbearing than from any other cause except tuberculosis; that this condition has begun to interest those concerned with the conservation of human life; and that, as a result, a hitherto undeveloped field of public health work has been opened up.

The Federal Government expends millions of dollars every year in the distribution of information and instruction as to how cattle and hogs and other domestic animals may be saved from disease and death, but so far has provided the merest pittance for women and babes, who are suffering each year a preventable mortality greater than that of our armies during the entire period of our participation in the World War.

This bill provides a simple and practicable method by which instruction and assistance may be made available to mothers in the hygiene of maternity, infancy, and childhood. It meets one of the most vital needs of the time. It is nonpartisan, and should have the support of all parties and sections. In the House a Republican has introduced it, in the Senate a Democrat. In the preceding Congress a bill of similar purpose was intro-

duced by Miss Rankin, a Republican, and the first woman Member of Congress. Both President elect Harding and Gov. Cox have indorsed legislation of this kind. It is approved by nearly every woman's organization of importance in the country.

The League of Women Voters and the National Federation of Women's Clubs have listed it among the leading measures representing the desires and the demands of American women. Both the women's national Republican and Democratic committees have recorded their approval. The Democratic national platform of 1920 specifically favors an enactment of this nature.

The bill involves no radical departure in method or principle. In providing for State and National cooperation, it follows the example of the vocational education and good roads acts. Other countries have already adopted policies of similar aid to maternity and infancy, with most satisfying results.

The bill creates no new department, no new supervising officials, but combines existing Federal officials into a single board for the administration of its provisions. It has been indorsed by the following organizations, and many others:

General Federation of Women's Clubs.
National Congress of Mothers and Parent Teacher Associations.
Women's National Democratic Committee.
Women's National Republican Committee.
League of Women Voters.
Association of Collegiate Alumnæ.
National Women's Christian Temperance Union.
Council of Jewish Women.
National Board of Young Women's Christian Association.
Continental Congress of the Daughters American Revolution.
National Association of Deans of Women.
National Women's Association of Commerce.
National Consumers' League.
National Organization for Public Health Nursing.
National Child Welfare Association.
National Council of Women.
Service Star Legion.
American Child Hygiene Association.
Woman's Foundation for Health.
National Women's Trade Union League.
Life Extension Institute of New York.
Superintendents' department of the National Education Association.
New Mexico Child Welfare Board.
Legislative Council of California.
Colorado Children's Bureau.
Colorado Eastern Star.
Colorado Ladies of the Grand Army of the Republic.
North Dakota Votes for Women League.
Women's Education Club of Toledo.
Twentieth Century Mothers' Club, Newport, Tenn.
Cocke County Red Cross Chapter, Newport, Tenn.
Portland Equal Franchise League, Portland, Me.
Buchanan Democratic Club, Texarkana, Tex.
Social Service Club, Flagstaff, Ariz.
Fulton County Tuberculosis Committee, Johnstown, N. Y.
Denver Woman's Christian Temperance Council.
Childress-Collingsworth-Donley-Hall County Medical Society, Clarendon, Tex.
Director and trustees of the Elizabeth McCormich Fund.
Chicago Visiting Nurse Association.
New Orleans Infant Welfare Association.
League of American Pen Women.
Women's Press Club.

I desire to conclude this brief explanation of the bill by reading to the Senate the letters of the governors of many States in reference to this measure, showing that the States will welcome it and will cooperate with the Federal Government in this beneficent work.

These letters were sent to Mr. W. F. Bigelow, editor of Good Housekeeping, who has taken a profound interest in this bill and rendered invaluable service in its behalf:

STATE OF NEW YORK,
EXECUTIVE CHAMBER,
Albany, April 28, 1920.

Mr. W. F. BIGELOW,
Editor Good Housekeeping, New York City.

MY DEAR MR. BIGELOW: I am of the opinion that legislation looking toward the establishment of health centers, public health nursing, and maternity centers is of great importance. I have dealt with these matters in both of my messages to the Legislature of New York State and in special messages covering special phases of public health legislation.

The State of New York will be among the first to give the Federal Government effective cooperation in carrying out the provisions of the Sheppard-Towner bill.

Yours, very truly, ALFRED E. SMITH.

CHARLESTON, W. VA., *November 3.*

W. F. BIGELOW,
Editor Good Housekeeping:

Referring to your letter of the 31st ultimo, this State will cooperate to the limit.

JOHN J. CORNWELL, *Governor.*

COLUMBIA, S. C., *November 3.*

W. F. BIGELOW,
Editor Good Housekeeping:

Your letter. I heartily approve of measure for protection of maternity and infancy. I think it important for bill to retain feature providing that this fund shall be handled by State health machinery already existing, otherwise there might arise annoying duplication.

R. A. COOPER, *Governor.*

TALLAHASSEE, FLA., *November 3, 1919.*

W. F. BIGELOW,
119 West Fortieth Street, New York:

Letter received. I am in favor of anything that will help the mothers and infants of our country.

SIDNEY J. CATTS, *Governor.*

PHOENIX, ARIZ., *November 12, 1919.*

W. F. BIGELOW,
Editor Good Housekeeping:

Am heartily in favor of Sheppard bill for public protection of maternity and infancy. In event it passes, will extend cooperation of the State of Arizona for its successful administration. Am sure that legislature will take necessary steps to carry out purposes of the act, and I will make such recommendations when it convenes.

THOMAS E. CAMPBELL, *Governor.*

TOPEKA, KANS., *November 6, 1919.*

W. F. BIGELOW,
Editor Good Housekeeping:

Am heartily in favor measures for protection of maternity and infancy. Kansas is already organized for that work through the child-hygiene division, State board of health, and we will welcome cooperation of National Government.

HENRY J. ALLEN, *Governor.*

PROVIDENCE, R. I., *December 12, 1919.*

W. F. BIGELOW,
119 West Fortieth Street, New York City:

Think Senate bill 3259 is a most excellent one, and I certainly hope it will pass.

R. LIVINGSTON BEEKMAN.

SACRAMENTO, CALIF., *December 17, 1919.*

W. F. BIGELOW,
Good Housekeeping, 119 West Fortieth Street, New York, N. Y.:

I heartily favor cooperation of State and National Governments for protecting maternity and infancy.

W. D. STEPHENS, *Governor.*

SALEM, OREG., *November 6, 1919.*

W. F. BIGELOW,
Good Housekeeping, 119 West Fortieth Street, New York City:

You may count on what cooperation I may give to aid in your campaign for making better conditions for mothers of the Nation. I believe Oregon will back move suggested in your letter of October 31.

BEN W. OLCOTT, *Governor.*

LITTLE ROCK, ARK., *December 16, 1919.*

W. F. BIGELOW,
119 West Fortieth Street, New York, N. Y.:

I heartily indorse Senate bill 3259 by Senator SHEPPARD.

CHARLES J. BROUGH, *Governor of Arkansas.*

STATE OF ALABAMA,
EXECUTIVE DEPARTMENT,
Montgomery, January 12, 1920.

Mr. W. F. BIGELOW,
119 West Fortieth Street, New York, N. Y.

DEAR SIR: I beg to acknowledge receipt of your letter of the 8th instant, with inclosure of a copy of the Towner bill pending in the House of Representatives. I am in hearty sympathy with the purpose of the bill and shall do whatever lies within my power to further its passage through Congress and for all necessary cooperating legislation by this State.

Very truly, yours, THOS. E. KILBY, *Governor.*

STATE OF NORTH DAKOTA,
OFFICE OF THE GOVERNOR,
Bismarck, December 27, 1919.

Hon. W. F. BIGELOW,
119 West Fortieth Street, New York City, N. Y.

DEAR SIR: Your letter of December 9 awaited my return of several days' absence from the city.

I assure you that I am heartily in favor of laws that will protect the mothers and children of our country. I have made the statement a great many times that the State and National Governments were giving more consideration to the health of live stock than they were to the health of the people.

* * * * * * *

Yours, very truly, LYNN J. FRAZIER.

STATE OF NEVADA,
EXECUTIVE CHAMBER,
Carson City, January 13, 1920.

Mr. W. H. BIGELOW,
Editor Good Housekeeping, New York City, N. Y.

MY DEAR SIR: I am in receipt of your letter of January 8, together with a copy of the Sheppard bill for the promotion of maternity and infant welfare. It gives me pleasure to indorse this measure and to assure you that should it be enacted in Congress, I will recommend to the State of Nevada that it assent to the acceptance of its terms.

Very sincerely, yours,

EMMET D. BOYLE, *Governor.*

STATE OF NEW MEXICO,
EXECUTIVE OFFICE,
Santa Fe, November 5, 1919.

Mr. W. F. BIGELOW,
119 West Fortieth Street, New York City.

DEAR SIR: I am in receipt of your letter of the 1st instant, informing me of the introduction of a bill in the Senate of the United States by Senator SHEPPARD, of Texas, providing for the cooperation of the Federal Government with State governments in the matter of hygiene for mothers, to the end that mothers, as well as babies, may be properly taken care of and the mortality heretofore existing among them be reduced to the minimum.

In this connection I beg to say that I am heartily in favor of such a law. We have in this State a child-welfare board, created by the last legislature, the object of which is strictly in line with the objects that would be accomplished by the Sheppard bill now pending in the Senate. If that bill passes the Federal Congress, New Mexico will be in a position to cooperate along those lines and will be very glad to do so.

In fact, I believe our Government should go one step further in that direction. Among other things, you say in your letter: "The Nation rests on mothers; it should protect them."

I quite agree with that, and, let me add, the Government should help poor widowed mothers who have infant children on their hands, without means of support, to properly support those children, who are to be the future citizens of the State. In other words, there should be a pension provided by law for such mothers.

Very respectfully,

O. A. LARRAZOLO, *Governor.*

STATE OF IDAHO,
OFFICE OF THE GOVERNOR,
Boise, November 6, 1919.

Mr. W. F. BIGELOW, Editor,
119 West Fortieth Street, New York, N. Y.

MY DEAR SIR: Replying to your letter of October 31, I am very glad to say Idaho already has on her statute books a law similar to that proposed for the Nation by Senator SHEPPARD, of Texas. I take pleasure in attaching a copy hereto. If you desire to know more in detail concerning the operation of the law, Mr. J. K. White, commissioner of public welfare, Boise, Idaho, will be glad to send you all information at hand.

Since I gave my approval to this bill for the State of Idaho, it follows that I shall be glad to see other States adopt such legislation, and would advocate legislation in this State in cooperation with the bill pending as outlined in your letter.

Very truly, yours,

D. W. DAVIS, *Governor.*

[Chap. 121, S. B. No. 118.]

An act creating a bureau of child hygiene in the department of public welfare, and defining the duties of the same.

Be it enacted by the Legislature of the State of Idaho:

SECTION 1. There is hereby created in the department of public welfare a bureau to be known as the division of child hygiene, to be under the general supervision and direction of the department, the director of which bureau shall be the commissioner of the public welfare, or some woman, if any there be, in that department.

SEC. 2. The general duties of the bureau of child hygiene shall include the issuance of educational literature on the care of the baby and the hygiene of the child, the study of the causes of infant mortality and the application of preventive measures for the prevention and suppression of the diseases of infancy and early childhood, and such other duties as are prescribed by the department.

Approved, March 11, 1919.

STATE OF MAINE, OFFICE OF THE GOVERNOR,
Augusta, November 6, 1919.

DEAR MR. BIGELOW: I have noted with much interest your letter of the 1st instant regarding a bill for the public protection of maternity and infancy. I feel that the subject is one that could well be taken up by the State of Maine, but I believe that the creation of a special State board of maternal and infant hygiene is not necessary here.

The work could very well be carried on by our State department of health, which is one of the most efficient organizations in the country, headed by Leverett Dale Bristol, an energetic young man, who has already been giving this subject much consideration.

I am prepared to recommend to the legislature the granting of a special appropriation to meet any funds made available by the Federal Government and to suggest that this work be carried on by special division for child hygiene and infant welfare, under the auspices of the State department of health.

Very truly, yours,

CARL E. MILLIKEN.

Mr. W. F. BIGELOW,
Editor Good Housekeeping,
119 West Fortieth Street, New York City.

STATE OF WYOMING, EXECUTIVE DEPARTMENT,
Cheyenne, December 15, 1919.

Mr. W. F. BIGELOW,
Editor Good Housekeeping,
119 West Fortieth Street, New York City, N. Y.

DEAR SIR: I am in receipt of your letter of the 10th instant, and wish to advise you that I will be very pleased to write to our delegation in Congress indorsing the bill which you mention in your letter.

Very truly, yours,

ROBERT D. CAREY.

STATE OF MONTANA, EXECUTIVE OFFICE,
Helena, April 26, 1920.

Mr. W. F. BIGELOW,
Editor Good Housekeeping,
New York City.

DEAR SIR: I am in receipt of your letter of April 20 relative to the Sheppard-Towner maternity bill, and am writing to say that you may advise the Senate committee that I recognize the necessity of cooperation between the States and the Federal Government in all possible protection to mothers and babies.

Very truly, yours,

S. V. STEWART, *Governor of Montana.*

EXECUTIVE CHAMBER,
Nashville, Tenn., April 27, 1920.

Hon. W. F. BIGELOW,
New York, N. Y.

DEAR SIR: You are authorized to add my name to the list of those favoring the Sheppard-Towner maternity bill.

Very respectfully,

A. H. ROBERTS, *Governor.*

STATE OF NEBRASKA,
Lincoln, April 26, 1920.

Mr. W. F. BIGELOW,
Care Good Housekeeping Magazine, New York City.

DEAR SIR: Your letter of the 20th instant, addressed to Hon. Samuel R. McKelvie, Lincoln, Nebr., has been referred to my attention.

Will say in reply that letters of indorsement have gone forward to the Senators of this State urging their support of the Sheppard-Towner maternity bill. This bureau is very heartily in favor of all of the provisions of the bill, and think there is no question but what the State of Nebraska will comply with the requirements of this bill should it be enacted into a law.

Yours, respectfully,

I. H. DILLON, M. D.,
Chief Bureau of Health.

Mr. HARRISON. Will the Senator yield before he takes his seat?

Mr. SHEPPARD. Certainly.

Mr. HARRISON. It may have been that some amendments were adopted before I came into the Chamber.

Mr. THOMAS. None have been adopted.

Mr. HARRISON. On page 2 the original appropriation is for $480,000 for each year. Then the following language:

Provided, That there is also authorized to be appropriated for the use of the States, subject to the provisions of this act, for the fiscal year ending June 30, 1921, an additional sum of $2,000,000.

Mr. SHEPPARD. Of course, that would be put forward a year.

Mr. HARRISON. That is what I wanted to inquire. So the Senator will put that off one year, to June 30, 1922?

Mr. SHEPPARD. Yes.

Mr. HARRISON. I want to ask the Senator another question. Does this bill in any way repeal the law which now prevents the dissemination of information touching the control of childbirth?

Mr. SHEPPARD. It does not.

Mr. HARRISON. This in no way affects that?

Mr. SHEPPARD. No; it does not.

Mr. THOMAS. Mr. President, with 15 Senators present, the Secretary, the reading clerk, the doorkeepers, the pages, and spaces filled with unoccupied and deserted seats, I shall occupy a few moments of your time and of the Senate's time in expressing the reasons which compel me to oppose the adoption of this measure.

I know full well, Mr. President, that all opposition to this and similar measures is futile, and consequently that opposition is a waste of effort. It is no pleasure to me, I can assure my small but highly cultivated audience, to persist in expressing opposition and objecting to measures which, so far as my own convictions go, are either beyond the powers of the National Congress, consist of added burdens upon the Treasury, or are otherwise seriously objectionable.

A good many years ago Herbert Spencer directed the attention of the public of Great Britain to the fact that legislation in free governments tended more and more to place restrictions and impose penalties upon all of the various activities of the individual, repealing statutes upon the same subject when the original ones proved unavailing or unsatisfactory, until its societies were irritated and pestered with multitudinous statutes and laws of a regulatory character necessarily requiring the multiplication of bureaus and official agencies for their enforcement, enlarging the burden of taxation because of the enormously increased expenditure necessary for their administration, and ending, or threatening to end, in a despotic legal condition or in the collapse of the social and economic fabric. This he declared to be the most serious of all the consequences of so-called free government, when the statesmanship and the caution of those in authority yielded to and thus accelerated that tendency.

I think that the history of the United States and of the 48 States composing it during the past quarter or half a century abundantly confirms the existence of this evil, the difficulty of checking its operation, and the unfortunate and sinister consequences which must flow from its repeated exercise. I am told that during the last 20 years the States and the Congress together have placed 79,000 laws upon their statute books, all of them designed to produce a better social and political condition by legislation, and many of them relating to the same subject, which seems to have been improperly or unsatisfactorily dealt with at the beginning.

The Nation is not as happy now as it was 25 years ago. We are more discontented, more dissatisfied with our condition and that of the body politic, and therefore we are clamoring for more statutes, like the inebriate who, prior to the 16th day of last January, was prone to cure his malady by prolonging his debauch. Of course, having enacted prohibition he can not do that any more, but we all know that the Nation is as dry as

the Reed amendment would have it dry, because one-half of the people of the United States are spying upon the other half, which, notwithstanding this espionage, manages somehow or other to meet an ever-increasing bill for smuggled whisky. Of course the remedy for that is another constitutional amendment of some sort, a bigger appropriation, and a vast increase of the bureau or the agency designed to enforce it; and I have no doubt, Mr. President, that when those who honestly believe that prohibition will prohibit discover as time goes by that there is a vast distinction between an act that is prohibited and a country that is dry they will demand additional legislation, possibly in the shape of blue laws to take the sun out of Sunday and make it a crime for a man to kiss his wife on the Sabbath day. When that good time comes, if it fails to restore all morality of the public to the extent and to the degree for which men clamor, other legislation more drastic in character will in all probability be enacted, in consequence of which husband and wife will probably be locked in separate rooms, the children put in the barn with the horse or taken from their parents, the gasoline tank emptied late Saturday afternoon, and the chauffeur put in jail until the holy time shall have elapsed, so that men and women shall be good, virtuous, and happy in the freest country under the shining sun.

This is part of the same legislation and it is the germ of repeated acts upon the same subject bound to come, among which will be the clamor of the governors of the States for legislation imposing the whole financial burden of the operation of this law upon the Federal Treasury, while the bureau for its administration, extending over the vast area of the Republic to deal with a condition which is as universal as mankind, will have multiplied its employees beyond comprehension and this $4,000,000 a year for which provision is made year after year, another extraordinary provision of the bill, will only be a drop in the coming bucket of expenditures.

A man is a fool who in the Congress of the United States questions the constitutionality of any bill in these days. He only provokes ridicule, if not pity and contempt. What is the Constitution between appropriation bills and their exponents? What does it amount to in the face of an overwhelming petition of those who are interested in a given measure?

In the first place, there will be very few who will question it in the courts unless it immediately concerns them, and in the next place any and every thing seems now to be in the power of the Federal Congress that the judgment, the whim, or the caprice of our several Members seem to think desirable. So I shall say nothing about the constitutionality of the measure beyond asserting that in my judgment if such legislation as this had been supposed even a remote fantastic possibility in the early days the Constitution of the United States would never have been ratified.

I concede that it is no worse than scores of statutes that have been placed upon the statute books during the eight years of my service in this body. I concede that the purpose of the bill is a most benevolent one, a most beneficent one, a most humane one, and if benevolence and beneficence and humanity measure the limit of our powers as a Government of delegated authority then there is no question about our right and perhaps our duty to enact measures of this sort.

Governments, and especially those existing by consent of the governed, constitute an agency formed by the people for governmental purposes, to protect life and limb, to give security to property, to levy taxes for public necessary purposes, wage war, make peace, conduct domestic affairs not reserved by the States to themselves, and to conduct at all times our relations with foreign Governments and people.

Such was the conception of this Government of delegated powers by those who framed it and by the first two or three generations who lived under it. But in these days the Treasury of the United States having long ago become the most attractive temptation in the world to all the people of the United States, both our actions and our purposes have revolved around that Treasury as the center of practically 90 per cent of all our legislation. As a result, our States have become practically innocuous and irresponsible Commonwealths. They have become so accustomed to the extension of Federal activities within their dominion, to the exercise by the Federal Government of police and other local authority and power, that they have long ceased to be indifferent to the process and are actively inviting further invasion.

So long as money obtained by appropriation bills from the Treasury is to be administered and expended locally, so long will we continue to saddle upon the National Government both the possession and the performance of those important duties and obligations, which is but another name for the exercise of local self-government. In other words, we are wiping out the actual distinctions between the States, with their consent and approval and active cooperation, and substituting a huge central authority in its place, and substituting also for the local powers Federal bureaus and boards and agencies, with their headquarters in Washington and their myrmidons spread all over the country. The lice in Egypt were scarcely thicker than the Federal employees of the United States, scattered from the Pacific to the Atlantic, each representing in his own opinion the sovereignty and majesty of the Republic and sometimes making and enforcing his own rules upon the people, occasionally in harmony but frequently in conflict with statute law, thus making the city of Washington the county seat of practically every county in the United States.

Why, the hotels here are constantly filled with men, sometimes with women, whose business at great expense brings them to Washington to secure the arrangement of some matter of entirely domestic concern which now is represented by a bureaucrat, clothed with the authority of Federal law and exercising his duties through a red-tape process that generally means from two to six months before anything can be accomplished.

We are multiplying that situation with almost every statute we enact. Hence the man who speaks of the United States to-day as a democracy either speaks hastily or in spite of the fact that this Government is a bureaucracy pure and simple.

Mr. KING. It is worse than Prussia as a bureaucratic Government.

Mr. THOMAS. What has not yet been bureaucratized will be before the Nation is five years older. I think I am safe in asserting that one-half of the bills that are enacted into law by Congress require for their operation and administration a bureau or a board or a commission, and once it is created it is immortal. It defies time, tides, and the threatening processes of political instability. It is here to stay, and any attempt to remove it is met by the opposition of the organized employees and representatives of it, backed by every other organization of similar character, with the result that we damn them in the cloakroom and vote for them in the Senate.

I know, Mr. President, that even to criticize these conditions is useless. You can not stem a tide that seems to be irresistible, and as long as there is any money in sight this tide will rise as it is rising.

I had occasion a day or two ago to remind the Senate of the fact that the lobby which Wilson is said to have destroyed in 1913 has been succeeded by 125 separate lobbies, political, racial, social, industrial, some of them sectional, every one of them having no concern whatever for the general welfare, no desire to decrease the expenditures of the Government, but determined by threats, by persuasion, by entreaty, or by other processes to secure for themselves and to defeat for others legislation in which they may be interested. We are afraid of them, especially since they now help each other and expect mutual favors. The only thing on earth that stands between most of these organizations and legislation is the absence of a roll call, and as soon as it is ascertained that a roll call will accomplish all that is desired, some one will at all times see that it is had.

Let me illustrate. The bonus bill came up in the House of Representatives shortly before the last session died, and a vast majority of the membership was opposed to it. That was demonstrated by every viva voce vote that was cast upon the measure. Those behind it finally demanded and obtained a roll call, with the result that a bill increasing the indebtedness of the United States by more than two and a half billion dollars was passed with scarcely any opposition whatever.

Will you tell me, Mr. President, that such a situation is promising for the future or that a nation already burdened and overburdened with the most colossal debt in history can long keep its head above the waves if we continue to accumulate additional appropriations upon that burden on the one hand while the taxpayer is defaulting upon the other because of his inability to secure the means which are essential to meet the demands of the Government? The newspapers yesterday announced that in the great city of New York taxpayers owing more than $40,000,000 defaulted in their payments because, they declared, it was absolutely impossible for them to meet their last quarterly payment upon income and excess-profits taxes. One concern whose taxes were $2,800,000, which had paid three of the installments, found it impossible to raise the remaining $700,000. You may say as to any institution whose revenues are so enormous as to make them liable for such a tremendous sum in taxes that it serves them right, since they have made no provision for such an emergency; but the unfortunate fact is that we are confronted upon the one side with falling revenues and upon the other with increasing expenditures.

What are we going to do about it? The Republican Party has just swept this country and has achieved the most enormous victory that a political party ever won. It is in control of the Government for the next four years absolutely. What will they do under those circumstances?

Mr. KING. Does not the Senator mean for two years?

Mr. THOMAS. No; I said four years. I do not, however, believe their majority will be quite so big two years from now; not because the Republican Party will not do its best, but they can not satisfy the taxpayer on the one hand and the man who wants an appropriation on the other any more than we could. I think much of the vote which went to the Republican ticket in the last campaign was attracted there because we had failed to enact such financial legislation as some of the people demanded. I do not mean that we were not willing to do so. If we on this side shied at any appropriation bill that has been introduced since I have been in Congress it must have been when I was out of the Chamber, and I have been here practically all of the time, or simply because we either did not have time or there did not seem to be enough push behind the bills which were defeated.

I am not myself willing to add to the existing burden. I think the individual members of the Republican Party are the best fellows I ever knew in my life, but collectively I never did and never will have any use for them [laughter], and yet I feel too friendly to the incoming administration to do anything that will increase the terrible burden which they must carry, because if we do we must take our share of the consequent responsibility. I want to see prosperous times return. If the prayers of the wicked availed anything, I would pray that the next administration would restore prosperous conditions; I think as common Americans we should all feel so; but I greatly apprehend, Mr. President, that the very influences to which I have referred will be exercised quite as potently upon Republican human and official nature as they have been upon Democratic human and official nature.

The Senator from Texas [Mr. SHEPPARD] called attention to the fact that the pending bill was nonpartisan because a Republican had introduced it in the other House and he had introduced it here. I have no doubt it is nonpartisan, not because of the manner of its introduction—for that is shrewd legislative business—but because the purpose of the bill really appeals to both sides of the Chamber, and the 30 or 40 women's associations which have indorsed it appeal more strongly now that they have the votes. I think I have received about 25 or 30 letters and telegrams since yesterday morning from the good women of my State calling upon me to support this measure; and I am satisfied that the ladies of the other States have been just as busy with their representatives here as mine have been with me. It is pretty hard to refuse a good woman, a conscientious woman, and it is equally hard to refuse a good and conscientious man.

I know how hard it is. Therefore, while we wish them in Tophet when we are in the cloakroom, we are going to sing their praises here upon the floor and tell them how anxious we have been here for years to vote for this and similar legislation. Consequently the bill will pass.

Mr. President, before I take up the bill I wish to refer to one or two of the reasons which have been assigned for it by the Senator from Texas. He tells us that he has letters from 30 governors showing that they are all for it. I said a few moments ago that State officials were apt in these days, no matter what their politics, to be for anything to get money out of the United States Treasury for local expenditure. I am surprised that the Senator has not a letter from the governor of every State. What is a poor governor going to do when the representatives of 30 women's associations come to his office, gather around him with pleas and with tears, with flattery and with threats, and with suggestions regarding his ability and the need for reelecting him—what is he going to do? In nine hundred and ninety-nine cases out of one thousand he will not only write a letter to the proponent of the measure, but he will publish the fact of his adhesion as broadly as possible. I have no doubt I might do it myself if I were the governor of my State and wanted to be reelected. That sort of support to me, however, means absolutely nothing. I will guarantee that I can take any measure that has promise of an appropriation for local expenditure and I can get the support for it of practically all of the men and all of the women of the State where the money is to be expended. It counts, of course; it counts so much that we legislate here not according to our convictions but according to the demands of our constituents; in other words, we are no longer Senators; we are delegates; we are rubber stamps. We used to keep one ear to the ground, but now we keep both, and as soon as we think we know what the prevailing sentiment is at home we make up our minds. As a result leadership, statesmanship, originality of legislation, the standards of the Congress and of legislatures have been transformed, and when the whip cracks outside we get into line. This is bureaucracy in action. With our civil service organized and affiliating with the American Federation of Labor, and with all the other organizations of a kindred character united we can now, under such pressure, easily pass a resolution in Congress dissolving the Union or declaring war against Great Britain or opening trade with the Bolsheviki or take any other action that seems to have behind it sufficient pressure of a potential political character.

Mr. SMOOT. And a sufficient appropriation.

Mr. THOMAS. Oh, the appropriation is inevitable. There used to be a play when I was a young man called Mulberry Sellers in the Gilded Age, the chief character in which always ended his rhapsodical statement to his friends, "I go in for the old flag and an appropriation." So do we; we stand when we hear the music of the Star-Spangled Banner and proclaim our 100 per cent Americanism, and support all the appropriation bills for which we get a chance to vote.

I do not believe that sort of patriotism to be good for the present or the future, Mr. President; but there is a great deal of it on hand.

But the Senator reminds us that the last Democratic platform indorsed this measure. Now, there is an argument that appeals to me, and especially since the election. I am sorry to say that what this country failed to do for the last Democratic platform is beyond my comprehension. There is nothing left of it; and if it means anything now, it means "Beat this bill." The other convention—I do not know why; I do not know how they got around it—seem to have dodged this particular measure. Perhaps they were so taken up with phrasing their plank upon the League of Nations so as to include the bitter-enders and the nonbitterenders, and they succeeded in doing it, that they had no time for trifles like this.

As platform makers, gentlemen, I take off my hat to you. You drew a plank concerning the League of Nations that meant nothing, yet everything to everybody; and under its benevolent phraseology the bitterenders, the ex-President of the United States, and the Lodge reservationists all found ground to stand on. Now, if that is not the height of political statesmanship, then it never has been and never will be reached in this country.

We were not so successful; consequently we were snowed under, not once but several times over. Hence I can not help feel that I am relieved of the obligation imposed upon me by my party with regard to the particular plank which involves this measure.

Mr. SHEPPARD. Mr. President, will the Senator yield?

Mr. THOMAS. I yield.

Mr. SHEPPARD. The Republican candidate for the Presidency indorsed this measure.

Mr. THOMAS. Oh, yes.

Mr. SHEPPARD. He commended the measure in a public speech in the course of the campaign.

Mr. THOMAS. To be sure; and if I had been in his place I should have done the same thing. He did not know then as well as he does now that he did not need any extra votes. The other man indorsed it, and where, oh where, is he?

Mr. President, there is a good illustration of the way in which both parties make votes by voting pensions. Both sides are ready to give the old soldiers or the young soldiers all they want. Why, then, should they change their politics? We have been doing that for some time.

I have the highest respect and a warm personal affection for the President elect. I have the honor to consider him one of my best friends in this Chamber. I am willing to do anything for him that I can do conscientiously, but I can not support this bill even though he indorsed it; and, of course, if that be the case, the appeal, while it may be effectual with some, breaks harmless at my feet. In other words, I am getting to be a pretty tough old opponent, hardened by unsuccess and the misfortune of constant defeat during my otherwise very pleasant career in this eminent body.

Now let us come to this bill.

If it had been introduced before the armistice, it would have been entitled "A bill for the more successful prosecution of the war and for the public protection of maternity and infancy, and providing a method of cooperation between the Government of the United States and the several States"; but the Senator drew this measure after the war was ended, and consequently it can not be considered a war measure, first because it does

not say so, and second because there is not any war. I beg pardon of Senators on the other side; there is still a state of war, but no necessity for longer promoting its successful prosecution.

The bill, Mr. President, to begin with, authorizes the annual appropriation of $2,000,000 for the fiscal year ending June 30, 1921; $2,400,000 for the fiscal year ending June 30, 1922; $2,800,000 for the fiscal year ending June 30, 1923; $3,200,000 for the fiscal year ending June 30, 1924; $3,600,000 for the fiscal year ending June 30, 1925; $4,000,000 for the fiscal year ending June 30, 1926; and annually thereafter the sum of $4,000,000, making down to and including June 30, 1926, a total of $18,000,000, plus, as the Senator from Utah [Mr. SMOOT] reminds me, $480,000 a year, which shall be paid annually to each State at an equal rate, $10,000 to each.

Here, then, is an authorized appropriation running over a series of years. Now, a very good lady in urging my support of this bill called my attention to the fact that this was such a poor little mite of an appropriation that it ought not to be considered in the general condition of affairs. It is a small appropriation, relatively. Millions of dollars are only chicken feed for us in these days. They are so insignificant that a bill carrying only half a dozen millions is hardly of sufficient consequence to provoke either opposition or debate, but the multiplication even of millions, little millions, by an accumulated number of bills, sometimes aggregates quite a sum.

Until we were overtaken by the recent high-price wave which, now that it is leaving, is frightening us to death, the municipal traction companies over the country met all their expenses and paid their dividends upon a common fare of 5 cents for each passenger. I mention that illustration as showing the cumulative power of money or of figures. This is one of a large number of bills, and their addition now to the annual fixed charge upon the Government revenues is a subject that ought to receive, I venture to submit, no matter what the amount of the sum, the most serious consideration.

We listened the other day to the ominous figures presented to the country by the senior Senator from North Dakota [Mr. MCCUMBER]. The deficiencies we are bound to confront are so appalling in their magnitude that I scarcely dare to repeat the amounts; and the revenues, as I have stated, are falling off. In the face of that situation we propose, if we follow this calendar, perhaps several times over, to make other fixed charges upon the Treasury which will not only make the reduction of taxes impossible, but will inevitably lead to their increase if the business and productive interests of the country can stand an increase.

"Oh, but," it is said, "this is for a good purpose," and so it is; but should that now be the test of our legislation? I know of a great many good things I should like to see helped. I wish in some way we could abolish poverty altogether. I know that the precedents we have set in this body, if the House shall approve them, will inevitably result in bills for the relief of the unemployed, whose numbers are large enough now, too large for comfort, and in my judgment will be very much larger next spring. We can not legislate for the financial benefit of one class of people and refuse to legislate for another—indeed, we should not do it—for, once the Government enters entirely into the scheme of paternalism, the equality of man will be more manifest in appeals to Congress than it ever has been heretofore.

Candidly, Mr. President, I think, as I said the other day, that the man who is thrown out of employment because of changed economic conditions is as much entitled to the financial consideration of the Government as the producer who has lost his market, the difficulty in both cases being that we are advancing beyond the domain of governmental action, that we are not using our taxing power for public purposes, but that we are yielding to the doctrine that the people were all made for the government, and not the government for the people.

Hence, from the standpoint of our pecuniary condition, I can not support this or any similar measure at this time. If it is a good thing it must go over, in my judgment, until our Treasury is in a very different condition from that in which it unfortunately is at the present time.

This bill is devised so that the benefits of the appropriations can be enjoyed only by the States which appropriate similar amounts. Upon the face of it, that makes it a joint affair; the Federal Government pays half of the cost of its administration, and the State governments pay the other half. A great many similar measures in the past have carried, and they lead inevitably to the effort, at least, on the part of the States to shirk their part of the burden, and to pivot the entire thing upon the shoulders of the Nation.

I have several times been requested by some of my constituents to support a measure here relieving the States from their required contributions to the fund for good roads, on the ground that it was too heavy a burden for them to carry; and, of course, the United States, having plenty of money, possessed of some invisible and mysterious and never-failing source for securing it, and getting the benefit of these improvements, ought to do it themselves. Hence I do not think it is an unreasonable statement to predict that the progression of this bill, or of the law after it becomes a law, will constantly tend in the one direction to increase the burdens and in the other direction to double them through the exemption of the States; and when the attempt is made letters will be read here from every governor in the Union recommending it, especially those who are candidates for reelection, because it will be a big thing for themselves and their constituents.

But in addition to that, Mr. President, I affirm that this board can not function, and in its functionings comprehend the entire subject among one hundred and odd millions of people, on $4,000,000 a year or twice that sum. If it is to save the lives of thousands of women and infants now offered as a sacrifice upon the altar of our negligence and incompetency, it will need a fund ten or fifteen times greater than the amount which this bill now carries.

You tell me that if it does, the object it accomplishes is worth it. I grant you. But then I come back to the proposition, where are we to get the money? I wish it were possible for a Government like ours to be able, either automatically or by some other process which would relieve the taxpayers, to keep its Treasury full all the time. The age of miracles has passed. We can no longer feed a vast multitude with a few loaves and fishes. The widow's cruse of oil in these days does not last overnight.

It must be replenished, and replenished from some source, and the only source I know of for the replenishment of the Treasury is the property of the people, and unless our taxes are diminished, and sensibly diminished, in the next four years, millions of votes which were cast last fall for the Republican ticket will be cast against it when the next presidential election comes around, for we have educated the people, Mr. President, by yielding to their wants to believe that the Government is the source of all their misfortunes, of all their evils, and of all their misery; therefore that the Government is capable by legislation to heal their misfortunes, to replenish their wealth, and to restore to them, at any time we see fit to do it, their prosperity. That is the job you gentlemen have. I am glad that after the 4th of March I will be in respectable life. It is a job that can not be performed if we are going to constantly enact appropriation bills, and especially those which increase the fixed charges of the Government.

This Nation is going through the travail of reactionary conditions, through the operation of inevitable economic laws whose processes have already begun. The next year is going to be a hard year for producer and consumer. Business is already depressed. These untoward conditions breed discontent and sometimes disaster. There is no royal road to prosperity, no legislative road, certainly, through which these conditions can be avoided. We must meet them and overcome them in the good old way, as we did in 1857, in 1873, and in 1893, and those whom we have educated to believe that they will find their panaceas through legislation will be bitter in their resentment toward those who fail to extend them, or who, attempting to extend them, shall not measure up to the limit of the expectation.

So I protest, Mr. President, in all seriousness, against the addition of legislation like this to our statute books, and this is from the standpoint of our financial condition.

But, Mr. President, this subject, in my judgment, is one which, if it is as serious as claimed, it is the duty of the States in their respective jurisdictions to meet. If the Government of the United States has authority and jurisdiction, as a Government of delegated powers, over a subject like this, then we should create a bureau to see to the decent burial of every citizen, man, woman, and child, not only aiding in the bringing of people into the world, but in seeing that they pass away amidst surroundings at least of Christian decency. I might mention other illustrations, but it is not necessary. I know that each of these successive measures constitutes a precedent for others, and every man or woman, conceiving an idea of something which will be of beneficial result to the human race or to reform it, will not only hasten to Congress to present the measure here, but will inevitably have behind it the support of everybody who will give his assent to it, as being more pleasant than either to refuse or to be indifferent.

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The mortality in maternity cases given here from some unstated official source as being 23,000 last year out of a population of perhaps 25,000,000 adult women, while very serious and deplorable, is not much less than the number of murders that have cursed this country during the same period. I will not say so, because my information is not sufficiently definite, but I think, Mr. President, that this is a normal mortality, and if it is, then it will persist.

We do know this, that as woman rises in the scale of civilization and refinement the dangers of maternity increase, and the lower this scale the more easily that ordeal, which in the course of nature is essential to the perpetuation of the race, is borne. I do not mean to say for that reason that this measure is not properly devised, but I do say, Mr. President, that if it is to be administered by a Government bureau, it is a failure, for if bureaucracy means anything it means a decrease of efficiency and capacity, and a substitution for both of a red-tape program that is the most expensive thing to the people of the United States that I know of.

We have another bill here for the purpose of taking over the educational interests of the country and then in creating them into a bureau or department and binding it with the irremovable fetters of Washington red tape, all because the States have the notion that the Government of the United States ought to carry the expense of education; and yet the education of the young is one of the supreme elements of local self-government, one of the things which perhaps of all things should remain under the dominion and control of local authorities everywhere. There is no educational system in the world like that of the United States, beginning with the district school and ending with the State university. That is coming to Washington, I am told, with its additional appropriation. School-teachers are all for it, and I do not blame them, for God knows their compensation has been a shame and a disgrace to the people of the United States for many years. They may get more money, but the injury that such a bill, in my judgment, will do to local self-government in the United States, to say nothing of the cost of education itself once it became bureaucratized, is far greater than any monetary compensation, even if the Government were wealthy, that could flow from that direction.

So I believe, Mr. President, that we have gotten along pretty well in the good old way, the people attending to their own business the best they can, the Government attending to its business the best it can. Jefferson is the idealized statesman of this side of the Chamber. He once said that that government is best which governs least; but we honor Jefferson on this side—or have since I have been here—by going contrarywise to every sensible thing that he ever advised us to do. I know that that government which governs least must be better than the one which governs most, because it is that kind of a government that I have been accustomed to during the last 25 years of my life.

It is said here that heretofore Congress has appropriated large sums for hogs and cattle. That is true. Most of the hogs have walked on two legs, and since we began to squander money on these hogs their appetites have increased amazingly and will continue, in all probability, to do so as long as their threats and their commands are heeded by this body and the one at the other end of the Capitol. It is true, Mr. President, that a great deal of money has been appropriated for the animal industry of the United States. It is easy to draw a comparison between a hog and a child, and to say if you do so much for hogs, why do not you do something for children? Hogs form a part of the interstate commerce of the country, therefore peculiarly within the jurisdiction of the United States Government. The child is supposed to be under the guardianship of the family and the family to be the foundation of our form of government.

Every well-regulated parent tries, as soon as possible, to look after the welfare, both physical and mental, of his offspring. Mr. President, we should beware of the first move toward the physical control of children, lest we end with the system which prevails to-day in a country which possesses 180,000,000 of people.

You may say that there are many who have not the means to properly nurture a child or to care for a wife in the throes of maternity. It is to them that the duty of the separate Commonwealths should go. When I was governor of my State I advocated something of that sort, and it is to them, Mr. President, that this duty will go, if we by our legislative action compel the States to do their duty—to carry their share of public responsibility and enable the Government of the United States to properly function along the lines it was designed to occupy.

This report says there is no difference of opinion among the women as to the necessity of this measure. I do not doubt but that is true. I think I am safe in saying that not 1 per cent of the women of the United States have ever read this bill. They may have heard something of it. I have known bills to pass here which were said to have the support or approval of practically all the women in the country. They did not appeal to me particularly for that reason, because, while it is something that should be considered at all times respectfully and seriously, it never should be the controlling influence of legislative action. Why were we sent here, Mr. President? Was it not to exercise our own powers of thought and action, to take an oath to support the Constitution of the United States, and give our time and our talents to such legislation, and to the prevention of such legislation as seemed to be essential at the time, and to correct such former legislation as experience has shown to be unnecessary or inexpedient? Hence that should be the basis of our action, and while welcoming opinions of others, not be overswayed and taken from our seats because of their numbers, but from the sense of our duty, of our obligations, and of the effect upon the body politic, all the people, of any laws that we may pass upon the statute books. Hence the first question is, in my judgment, to what extent does a measure like this affect all the people of the United States? Some one ought to speak occasionally for all the people of the United States.

I say, in the first place, that it is a usurpation of State authority, and, in the next place, that we bureaucratize—I wish I could find a better word and a simpler one to express what I mean—all these various domestic duties and conditions, and aggravate the evils that they are designed to cure rather than give the benefit which it is hoped they will bring. It is inevitable that a Federal board in the city of Washington, charged with a duty of this sort in a remote village in the State of Washington or of Maine or of southern California or of Florida, can not be as effective under any circumstances as those directly upon the ground, ready to act, and who ought to act by every impulse of humanity, to say nothing of the duty resting upon the broad shoulders of the particular Commonwealth.

God knows where this sort of legislation will end. I have called the attention of the Senate to the views of Herbert Spencer upon the subject. I suppose he was the keenest and most profound political and philosophical thinker of his generation. His works are immortal. His warning has never, in my judgment, been answered. Indeed, I question if anyone could do so.

If we continue this infinite series of legislation affecting the person, affecting his association with his fellow man, affecting domestic affairs, affecting his business, we will soon affect his politics, arouse his hostility, and, by our irritation, possibly alienate his loyalty to the Republic, which is charged with the duty of protecting and not persecuting.

Now, Mr. President, I shall not occupy the time of the Senate any longer upon this measure. As I stated at the outset, I know that I have been wasting my fragrance on the desert air. In the first place, only a meager half dozen of Senators have done me the honor to listen, even in part, to what I have said.

In the next place, I think they are precommitted to the bill. I have no doubt a large number of them believe just as honestly and conscientiously that it is wise and necessary as I believe that it is not; but it carries an appropriation, and that is the open sesame of Federal legislation. Indeed, let me close by relating an incident that occurred on this floor during the consideration of the good roads bill immediately after the war.

You will remember, Mr. President, that our lamented brother and colleague, former Senator Bankhead, chairman of the Committee on Post Offices and Post Roads, reported an amendment to the Post Office appropriation bill of that year appropriating $250,000,000 for good roads. Some of us thought it was unwise, I still think so, and did at that time. The Senator from Utah [Mr. KING] asked the Senator from Alabama [Mr. Bankhead] this question: "Does the Senator know where the money is coming from to make this appropriation?" The Senator from Alabama retorted, "You had better ask the Finance Committee. It is their business to supply the money, and it is simply our business to vote it." And it is; he answered correctly. You gentlemen who are to control the Finance Committee next year should remember that. It is your province to supply the money, to regulate taxation, and as you discharge your duty, so, in my judgment, will the fate of your party be.

IMMIGRATION LEGISLATION.

Mr. KING. Mr. President, I desire to address myself for a moment to another matter. Recently a bill restricting immigration passed the House. That measure is now before the Senate Committee on Immigration. A number of bills were

introduced by Senators dealing with this important subject, and those measures are now before the committee.

I have seen the statement in a number of newspapers that in all probability nothing further would be done with this legislation during this session; that the Senate would take no action whatever upon the House bill or any other pending measure. I do not know where this information came from. Conceding accuracy, generally, to the press, I am inclined to think, however, that in this matter an error has been fallen into.

Speaking for myself—and I think for other members of the committee—I desire to say there is no disposition to delay the passage of legislation at this session dealing with the question of immigration. I know that a number of Senators, members of the Committee on Immigration—and I am a member of that committee—have asked for speedy consideration of either the House bill or some of the measures which have been introduced in the Senate. I am reasonably confident that within a short time the Senate committee will take up for consideration the measures now pending before it and report some bill to the Senate. I believe that some legislation should be enacted before we adjourn. I believe that the information which we have obtained relative to the purpose of millions in Europe to come to our shores in the immediate future calls for some prompt action upon the part of the legislative branch of this Government.

Of course, no policy will be adopted which will permanently exclude aliens from our shores. Our country for more than a century has been the asylum for the oppressed of all nations, and we have welcomed to our shores millions of people from all parts of the world. Our composite citizenship testifies to the fact that we have drawn peoples from nearly all parts of the world. There is yet room in the United States for millions of honest, intelligent, and progressive people. But the situation in Europe and other parts of the world to-day is such as to call for restrictive legislation. Indeed, there seems to be strong reasons calling for a law that will forbid for a limited period practically all immigration. During such period an exhaustive investigation can be conducted and full information obtained, so that at the end of such period we will be ready to put into operation a law which will be fair and just and which will preserve the ideals of this Republic and make for the happiness and welfare of the American people.

Mr. SHEPPARD. Is it the intention of the Committee on Immigration to hold hearings?

Mr. KING. My understanding, responding to my friend from Texas, of the attitude of the Senate committee is to hold hearings.

Mr. SHEPPARD. After the holidays?

Mr. KING. I am advised that the chairman of the committee—though I have not heard it from him directly—has stated that there will be no hearings until after the holidays. In my opinion, we should have the hearings immediately. I hope the committee will refer these bills to a subcommittee, if it shall not conclude to consider them in the full committee, and that the subcommittee or the full committee will grant hearings to those who desire to be heard.

I think there has been some propaganda in the United States and a good deal of hysteria calculated to inflame the minds of the American people, so that they would oppose for a long period any migration to our shores. This subject is of vital importance and should not be treated lightly. A sound and rational immigration policy should be adopted, but we are not in possession of sufficient data to formulate a permanent law. But, as I suggested, the chaotic conditions of Europe and the imminence of a flood of undesirable immigrants, among whom would be thousands of persons who desire the overthrow of this Republic, not only justifies but requires the immediate passage of a measure which will practically prevent any aliens from coming to the United States for a period of from six months to one year.

I sincerely hope that the committee will immediately consider the question, and that before the holidays or immediately after the holidays the House bill, with suitable modifications and amendments, or a similar one, will receive favorable action upon the part of the Senate.

CALL OF THE ROLL.

Mr. WARREN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. FERNALD in the chair). The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ball	Capper	France	Heflin
Borah	Curtis	Harris	Henderson
Brandegee	Fernald	Harrison	Jones, Wash.
Kendrick	Overman	Smith, Ariz.	Thomas
Kenyon	Page	Smith, Md.	Trammell
Keyes	Phipps	Smith, S. C.	Warren
King	Pittman	Smoot	Watson
Kirby	Poindexter	Spencer	Wolcott
McNary	Pomerene	Stanley	
Norris	Ransdell	Sutherland	
Nugent	Sheppard	Swanson	

The PRESIDING OFFICER. Forty-one Senators have answered to their names. A quorum is not present. The Secretary will call the names of the absent Senators.

The Assistant Secretary called the names of the absent Senators, and Mr. FRELINGHUYSEN, Mr. MCKELLAR, Mr. NEW, and Mr. STERLING answered to their names when called.

Mr. NELSON and Mr. COLT entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-seven Senators have answered to their names. There is not a quorum present. What is the pleasure of the Senate?

Mr. LA FOLLETTE entered the Chamber and answered to his name.

Mr. SMITH of South Carolina. Mr. President, a parliamentary inquiry. If a motion to adjourn were made and carried without the unfinished business being laid before the Senate after the consideration of the pending bill, would that change the status of the bill which is now the unfinished business?

The PRESIDING OFFICER. The Chair rules that it would not.

Mr. SMOOT. The unfinished business was temporarily laid aside and we can adjourn now without affecting its status as the unfinished business. It will come up to-morrow as the unfinished business at 2 o'clock.

Mr. SMITH of South Carolina. Is that the ruling of the Chair?

The PRESIDING OFFICER. It is.

Mr. HITCHCOCK entered the Chamber and answered to his name.

The PRESIDING OFFICER. Forty-nine Senators have answered to their names. A quorum of the Senate is present.

RECESS.

Mr. FRANCE. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate took a recess until to-morrow, Friday, December 17, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 16, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Teach us, O Lord God, our Heavenly Father, the simple, the normal life, that we may live in consonance with the laws thou hast ordained, loving mercy, doing justly, walking humbly with Thee, our Father, and thus possess a conscience void of offense toward Thee and our fellow men, after the similitude of the Lord Jesus Christ. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALL OF THE HOUSE.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order there is no quorum present.

The SPEAKER. The gentleman from Illinois makes the point of order there is no quorum present. Evidently no quorum is present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The roll was called, and the following Members failed to answer to their names:

Ackerman	Clark, Fla.	Eagle	Goodwin, Ark.
Anthony	Copley	Edmonds	Gould
Ayres	Costello	Ellsworth	Graham, Pa.
Babka	Crago	Emerson	Griest
Baer	Crowther	Ferris	Hamill
Bell	Cullen	Fess	Hamilton
Blackmon	Currie, Mich.	Fields	Hill
Bland, Ind.	Davey	Fish, jr.	Holland
Booher	Davis, Tenn.	Freeman	Igoe
Britten	Dent	Fuller, Mass.	Ireland
Butler	Dominick	Gallivan	James, Mich.
Campbell, Kans.	Donovan	Gandy	Johnson, Ky.
Candler	Dooling	Ganly	Johnston, N. Y.
Cantrill	Doremus	Godwin, N. C.	Kahn
Casey	Dupré	Goldfogle	Kelley, Mich.
Christopherson	Eagan	Good	Kendall

Kettner	Madden	Radcliffe	Smith, N. Y.
King	Maher	Rainey, Ala.	Snyder
Kitchin	Mason	Reed, N. Y.	Steenerson
Kleczka	Mead	Riordan	Stiness
Kraus	Moon	Robinson, N. C.	Sullivan
Kreider	Mooney	Romjue	Taylor, Colo.
Langley	Morin	Rouse	Taylor, Tenn.
Lesher	Mott	Rowan	Thomas
Lonergan	Nelson, Wis.	Rubey	Vare
Lufkin	Newton, Mo.	Sanders, Ind.	Venable
McCulloch	Nolan	Sanders, La.	Vestal
McFadden	O'Connell	Sanders, N. Y.	Volk
McGlennon	Padgett	Sanford	Williams
McKinley	Perlman	Scott	Wingo
McKinley	Peters	Scully	Winslow
McLeod	Phelan	Sells	Wise
McPherson	Porter	Small	

The SPEAKER. Three hundred Members have answered to their names, a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

LEAVE TO SIT DURING SESSION.

Mr. GREENE of Massachusetts. Mr. Speaker, I ask unanimous consent that the Committee on the Merchant Marine and Fisheries have permission to sit during the sessions of the House.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent that the Committee on the Merchant Marine and Fisheries have permission to sit during the sessions of the House. Is there objection? [After a pause.] The Chair hears none.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed with amendments the bill (H. R. 13931) to authorize association of producers of agricultural products, had requested a conference with the House on the bill and amendments, and had appointed Mr. NELSON, Mr. DILLINGHAM, and Mr. OVERMAN conferees on the part of the Senate.

The message also announced that the Senate had passed without amendment the bill (H. R. 13264) to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

The message also announced that, in accordance with the provisions of the concurrent resolution of the Senate (S. Con. Res. 34) for the appointment of a joint committee to make the necessary arrangements for the inauguration of the President elect of the United States, the Vice President had appointed Messrs. KNOX, NELSON, and OVERMAN as members of the committee on the part of the Senate.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message from the President of the United States, by Mr. Sharkey, one of his secretaries, announced that the President had approved and signed House joint resolution 407, authorizing payment of the salaries of officers and employees of Congress for December, 1920, on the 20th day of said month.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:

S. 4565. An act extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921; to the Committee on Mines and Mining.

ADDRESS OF REPRESENTATIVE MONDELL.

The SPEAKER. Under the special order of the House, the gentleman from Wyoming [Mr. MONDELL] has leave to address the House for one hour. [Applause.]

ECONOMY IN APPROPRIATIONS THE ONLY ROAD TO RELIEF FROM TAX BURDENS.

Mr. MONDELL. Mr. Speaker, of the many problems before the Congress pressing for solution none is more urgent than that of relieving the American people of the burdens, vexations, inequalities, and downright confiscations of certain features of our present war-tax policy. Our people have borne with extraordinary patience and patriotism a tax burden which has paid a much larger proportion of our war costs out of current revenues than has been paid by any other people engaged in the World War. While the war lasted, and during the succeeding period in which we were meeting our war obligations, there was comparatively little criticism or complaint of even the more burdensome, inequitable, and hampering of the war taxes. But with the passage of two full years since the signing of the armistice the demand for relief from the Federal taxes, which vex, annoy, and inequitably burden the individual and which seriously interfere with the normal flow of business and the development of industry, has become well-nigh universal. There is no appeal before the Congress more general, more imperative than this.

No considerable or satisfactory relief from tax burdens can be afforded, however, unless and until we shall have laid the foundation for such relief by a very considerable reduction in Government expenditures. There might, it is true, be adjustments or modifications of the revenue laws that would afford some relief, that would remove certain inequalities and lighten some burdens, but a very substantial reduction in Government expenditures must precede and form the basis for any material relief or reasonably satisfactory readjustment.

PROGRESS IN DEBT REDUCTION.

Fortunately we have in the past 18 months made real and substantial progress in the reduction of Federal expenditures. The total net ordinary expenditures of the Government decreased from $18,514,000,000 in the fiscal year ending June 30, 1919, to $6,403,000,000 in the fiscal year ending June 30, 1920. This Congress in its first session reduced the appropriations carried by the eight regular supply bills for the fiscal year ending June 30, 1920, which had failed of passage in the former Congress in the sum of approximately $940,000,000 below what those bills carried when last considered by the former Congress and $1,685,000,000 less than the administration estimates for the same services. This enormous reduction in appropriations below the estimates of the departments and the sums carried by the appropriation bills as they failed in the Sixty-fifth Congress had the effect of transforming an anticipated deficit into a surplus of $291,000,000 of ordinary receipts over ordinary net disbursements for the fiscal year ending June 30 last. The exact figures are as follows:

Receipts and disbursements for fiscal year ending June 30, 1920.

Total ordinary receipts	$6,694,565,388.88
Net ordinary disbursements	6,403,343,841.21
Excess receipts over expenditures	291,221,547.67

In the second session of this Congress the total of appropriations carried by the regular supply bills was $1,474,000,000 below the administration estimates, and this stupendous saving bids fair to accomplish even more satisfactory results in Government finances for the current fiscal year.

Mr. HULL of Tennessee. Mr. Speaker, will the gentleman yield?

The SPEAKER. Does the gentleman from Wyoming yield to the gentleman from Tennessee?

Mr. MONDELL. I ask that I be not interrupted until I have concluded.

For the first quarter of the fiscal year which ended September 30 last the ordinary receipts were in excess of ordinary disbursements in the sum of $289,000,000, and the Secretary of the Treasury in his annual report recently issued estimates total ordinary receipts for the fiscal year, including public debt receipts, at $5,799,758,375, and ordinary expenditures, including interest on the public debt and payments on the sinking fund, at $4,851,298,931, or an excess of receipts over expenditures in the sum of $948,459,444. This sum would be available and would be utilized for the reduction of the volume of certificates of indebtedness of which there were outstanding on June 30 last $2,509,550,500, coming due within the year.

The situation thus presented would under the circumstances be a very satisfactory one were we assured of a progressive reduction of Federal expenditures such as we have been able to accomplish in the last 18 months. Unfortunately, however, the estimates presented to us by the executive departments, through the Secretary of the Treasury, not only do not propose or contemplate a further reduction of Government expenditures, but an increase of over a billion dollars. The total of the regular estimates for the 13 appropriation bills are $1,098,535,805.71 in excess of the current appropriations for the same services. I leave it to others to properly characterize these estimates. My wonder grows as I examine these colossal estimates in detail and in their total after having read in his annual report the appeal of the Secretary of the Treasury, who submitted them, for the practice of rigid economy in Government expenditure, and the President's reminder of the necessity of economy in his recent message to the Congress.

But I turn from a contemplation of these measureless and unfathomable inconsistencies on the part of the administration to the consideration of the duty and responsibility which is laid upon us to reduce Government appropriations and expenditures for the good of the country in setting an example of wise economy and in order to render it possible to reduce tax burdens and remove the cloud and handicap on business and industry which some of the present war taxes impose.

THE GOAL OF OUR EFFORTS.

In order that we may lay the foundation for tax reductions it is highly important that we shall have some goal toward which we may strive; that we shall make some estimate of probable

reductions in appropriations below the estimates which, by the practice of rigid economy, we may hope to accomplish. I am frank to say that in the face of the estimates that have been transmitted to us and the attitude of the departments toward these estimates, notwithstanding the plea for economy made by the President and the Secretary of the Treasury, it will, in my opinion, require even more courage and a greater effort on the part of Congress to reduce the estimates now presented to us as much as they ought to be reduced than it was to cut $1,474,000,000 from the estimates for the present fiscal year. And I here and now appeal to the Members of this House on both sides for support of the committees of the House in the efforts which I feel confident they will make toward the reduction of Government expenditures.

I make this appeal not only to the Members of this Congress, but to the constituencies they represent. I realize how trying and embarrassing it will be for gentlemen to vote for appropriations far below the estimates while their constituents are demanding liberal expenditure of Government money for purposes which, for one reason or another, appeal strongly to them. The demand for the lifting of the tax burdens and the tax handicap is practically universal, but unless those who are demanding reductions and readjustments of taxation will give encouragement to Congress in the reduction of expenditures the Congress can not afford them early or adequate relief.

WHERE REDUCTIONS MAY BE MADE.

It must be borne in mind that the very large savings, if they be accomplished, must be in items carried on three of our appropriation bills—the Army, the Navy, and the sundry civil. The excess of the estimates over current appropriations for services provided for by these three measures total over $914,000,000, nearly the total cost of government before the war, or if we add to this the Military Academy and fortifications estimates, the total is more than $935,000,000 of estimates in excess of current appropriations. More than $615,000,000 of this enormous increase of estimates over appropriations is for the Military and Naval Establishments and the construction of Army posts and works of defense. In other words, the administration is asking Congress for $1,414,467,768.06 for the Army, Navy, and fortifications more than two years after the close of the war, at a time when the world outside of our borders is largely bankrupt and everybody is praying for a reduction of armaments. [Applause on the Republican side.] The sum asked is about five and a half times the appropriation of $260,000,000 for all these services in 1916, our highest peace-time, prewar appropriation for these purposes ever made.

The appropriations for the Army and the Navy for the present fiscal year are higher than they otherwise would have been because the services were in a state of transition. The Army was being reorganized; the Navy was still carrying certain war burdens. The current appropriations for these services are, in round figures, Army, $392,000,000; fortifications, $18,000,000; Navy, $433,000,000; Military Academy, $2,000,000; or upward of $845,000,000 for these services. This is more than three times our highest prewar appropriations for these purposes. It is much more than we should appropriate for the coming fiscal year [applause on the Republican side], and yet the War Department is asking us for $567,000,000 more.

It is difficult at this time to estimate how much the items in these various bills may be properly reduced, but taking into consideration all of the services estimated for in the regular annual estimates, notwithstanding the fact there will be a considerable increase in the Post Office bill and an increase in the District of Columbia appropriation bill, which will be presented to us to-day, there ought to be a reduction by the amount of the excess of estimates over current appropriations and of at least $200,000,000 below the present total of appropriations for these services, or a total reduction of at least $1,350,000,000 below the estimates. These reductions should reduce the total of our regular annual appropriations to about two billions and, together with certain reductions in permanent annual and indefinite appropriations, ought to bring the total of our regular annual, permanent annual, and indefinite appropriations very near to $3,250,000,000.

UNWARRANTED DEFICIENCIES.

This sum does not include deficiencies the total of which, if the present policy of the War Department is continued, may be swollen indefinitely. At the last session of Congress provision was made for the reorganization of the Army with a maximum of approximately 280,000 men. It was not contemplated, however—it never has been contemplated under any of our Army acts—that the Army would be recruited to the maximum in time of peace.

The departments have understood heretofore that it was the Congress and not the departments that fixed the limitation of the burden on the American people. [Applause on the Republican side.] As a matter of fact the Congress appropriated for an Army of about 178,000 men, with the understanding and expectation that the War Department would recruit the Army only to the strength contemplated by the appropriations. Notwithstanding this action on the part of Congress the Secretary of War has carried on an expensive and questionable system of recruiting until the Army has reached a maximum now estimated at 208,000, and the Secretary of War has stated before the Military Committee that he expects to continue to recruit the Army to its maximum strength.

And on the way to the Capitol this morning I saw a recruiting booth down here on Pennsylvania Avenue actively at work, recruiting the Army far beyond the strength authorized by the action of the Congress. This action is in entire harmony with the contemptuous attitude which the War and some other departments have assumed toward Congress during this administration, and it becomes the duty of Congress to take such action as will effectually prevent the Secretary of War, or any other executive officer, from squandering the people's money by creating deficiencies in violation of law and without regard to the limitations of appropriations made by Congress. It would seem that there are still gentlemen occupying high places under this administration who have not given heed to the thundering rebuke which the people gave on November 2 for the squandering of the public funds and the practice of high-handed autocracy.

Before I leave this subject, may I again appeal to the Members of this body, and through them to the people they represent, for support in an earnest effort to bring Government appropriations and Government expenditures within reasonable bounds. There are certain works of development and improvement, certain activities of the Federal Government along helpful, beneficial lines, which I should like to see enlarged and expanded, but little can be done along these lines until we have appreciably reduced the total of Government expenditures. In the meantime, while providing reasonably for every useful and necessary work and activity in which the Government is engaged we may, and we should, not only wipe out the entire total increase of estimates over present appropriations but make a very considerable saving in addition thereto, which I have suggested.

LIFTING THE TAX BURDEN.

If we can and shall effect the economies I have suggested, we may, in my opinion, substantially lighten the sum total of the internal-revenue tax burdens on the business and incomes of the calendar year 1921. If we do not effect these reductions, then the best we can hope for is a more or less unsatisfactory shifting and readjustment of these tax burdens.

The Secretary of the Treasury, while urging in his annual report a revision of the internal-revenue laws, including a reduction of the higher income surtaxes, the repeal of the excess-profits tax, and of certain classes of consumption taxes, recommends a variety of new or modified taxes in order to accomplish a "revision without reduction of revenue." The Secretary states that the internal-revenue receipts may not greatly exceed four billions for the fiscal year 1921, and he would revise, with a view of raising that amount through internal-revenue taxes to the end of the fiscal year ending June 30, 1923. In my opinion, we are not justified in laying any such internal-revenue burden on the people and the business of the country for two years after January 1 next—or for one year, for that matter. [Applause.]

If we are to follow the extravagant estimates that have been presented to us, then we must maintain the present high level of national income, but I am confident we shall not do that. I am hopeful we shall make as great or even greater reductions than I have suggested, and if we do there will be no necessity arising out of appropriations for a continuation of the present enormous total of revenues.

But the Secretary of the Treasury does not base his recommendation for a continuation of heavy tax levies wholly, or in the main, on anticipated increases of appropriations, but rather not only to meet current bills, including interest and sinking-fund charges, but also to retire the present floating indebtedess and a considerable part of the Victory notes before the close of the fiscal year 1923.

On September 30 last there were outstanding loan and tax certificates, maturing within a year, in the sum of $2,347,000,000; $800,000,000 war-savings certificates will mature January 1, 1923; and $4,500,000,000 of Victory notes become due May 20, 1923. All these tax and savings' certificates, totaling

$3,147,000,000, and half a billion of the Victory notes, or a grand total of $3,647,000,000 of the war debt, the Secretary would pay out of current revenues before January 30, 1923.

Manifestly, if we are to continue to pay off our war debt at the rate of more than a billion and a half a year, in addition to approximately a billion and a quarter for interest and sinking-fund charges, we must maintain the present high rate of taxation; but I am of the opinion that by the end of the fiscal year we shall have reached a point in the reduction of our war debt from which the further reduction, except through the sinking-fund operations and returns from salvage, should not continue to impose war-time burdens.

We reached the peak of our gross war debt on August 31, 1919, when it amounted to a total of $26,596,000,000, of which about $4,000,000,000 was in short-time loan and tax certificates. On September 30 this year the debt had been reduced to $24,087,000,000, of which $2,347,000,000 was in certificates. We have thus accomplished a reduction of about two and a half billion in the public debt in a little more than a year out of the proceeds of taxation, salvage, and, to a limited extent, by reduction of Treasury balances.

The Secretary of the Treasury anticipates a further reduction of the public debt through the payment of certificates, as they become due, to the extent of perhaps $800,000,000 by the end of this fiscal year. If this reduction is accomplished, the public debt at the close of the fiscal year June 30 next will amount to about $23,250,000,000, of which sum about $1,500,000,000 will be represented by short-time tax and loan certificates.

LARGE REDUCTION OF FLOATING DEBT.

The reduction of the total debt by the payment and reduction of the floating debt has up to this time been highly important, in fact, almost imperative, for when the total of the floating debt amounted to over four billions the vast volume of certificates were a disturbing factor in business affairs, seriously curtailing the loaning capacity of our financial institutions. On the other hand, with the reduction of the floating debt represented by certificates, to about one-third of the former total, the fact that we will still have a certain amount of the floating war debt that should have been converted into Victory notes will not present a situation warranting the maintenance of the war level of tax burdens with a view of its immediate extinction.

In his report for 1920 the Secretary of the Treasury estimates that up to June 30 last we have paid 32 per cent of the net cost of the war, including foreign loans, out of current revenues, or 44.57 per cent if we exclude the foreign loans. Estimated reductions of the war debt up to June 30 next will raise these percentages to at least 35 and 48 per cent, respectively. This remarkable showing of war-burden bearing need not be improved upon by a continuation of tax levies of war magnitude. In due course we shall proceed to the refunding of the Victory notes, which mature May 20, 1923, and at that time, no doubt, we shall want to make a general survey of our total indebtedness with a view of taking such action as may seem wise and proper in the maintenance of the national credit. In the meantime I see no reason why we should keep up war rates of taxation for the purpose of reducing the public debt at a rate greatly in excess of the sinking-fund rate applied to the entire debt, including the floating debt.

AGREE WITH SECRETARY AS TO REPEAL.

I entirely agree with the recommendations that have been made by the Secretary of the Treasury for the reduction of the higher income surtaxes, the repeal of the excess-profits tax, and certain consumption taxes. Without regard to the question of the wisdom or unwisdom of these taxes when originally levied, everyone who has given the matter careful consideration must agree with the Secretary of the Treasury that these taxes can not be successfully defended at this time, either from the standpoint of justice and equity to the taxpayer or of a proper regard for the interest of all the people in the maintenance of sound and normal conditions in business and industry.

I do not pretend to know, I would not venture to suggest, what other sources of internal revenue it might be wise to tap to provide in part, at least, for the loss of revenue should the recommendations of the Secretary be carried out. That is a matter for the Ways and Means Committee to pass upon. I am quite sure, however, that with the practice of the economies I have suggested we need not, for the purpose of meeting any obligations which are now before us or would be presented by these reduced appropriations, to continue to lay a tax burden of internal revenue of upward of four billions upon the American people, as suggested by the Secretary.

No one can say in advance of the passage of a tariff bill along protective lines what increased revenues we may expect from customs duties, but without venturing an estimate of such sources of revenue, under proper economies and wise management our necessary income from internal revenue taxes ought easily fall far below the four-billion-dollar mark fixed by the Secretary of the Treasury.

APPEAL FOR ECONOMY.

In conclusion let me again appeal to the committees and the membership of the House for the practice of economy. This Congress so far has established an enviable record in the reduction of departmental estimates and in curtailing expenditures, particularly for purposes local in character, and on behalf of which there is always a strong local appeal.

There have been no pork-barrel appropriations. As a matter of fact, we have not been able to make the appropriations we ought to make in normal times for works of internal improvement, for public buildings to house and care for the public business, for rivers and harbors, and we never shall be able to make adequate appropriations for these purposes unless we reduce the enormous total of the appropriations carried in the Army and the Navy bills. [Applause on the Republican side.]

We have now reached a point in the progressive reduction of expenditures after the war where, if those reductions are continued for this session we shall also have laid the foundation for a substantial lightening of the public tax burdens. I have every confidence that the Congress will continue its good work; that we shall make the reductions which I have suggested and more. The people are tired of enormous Federal expenditure; they are weary of tax burdens; they are impatient of the handicap that enormous contributions to the Federal Treasury under present tax laws place upon trade and business enterprise and development. They expect relief, and they are looking to this Congress. We shall not disappoint them. [Applause on Republican side.]

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 15130, it being the District of Columbia appropriation bill; and pending that motion I will ask the gentleman from Texas [Mr. BUCHANAN] if he has any definite time fixed in his mind that we should consume in general debate?

The SPEAKER. The gentleman from Minnesota moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 15130, the District of Columbia appropriation bill; and pending that——

Mr. BUCHANAN. Practically any time that that side can get along with will suit us. I will ask the chairman to suggest the time.

Mr. DAVIS of Minnesota. Well, I have, I think, a little more than an hour spoken for on this side, so I suggest that we have the total fixed at two hours and a half, one-half to be controlled by the gentleman from Texas [Mr. BUCHANAN] and one-half by myself.

Mr. BUCHANAN. That will be sufficient to cover all the requests that I have.

Mr. DAVIS of Minnesota. I would like to have it understood, however, that if we can get through before that we will finish general debate and begin the reading of the bill.

Mr. MANN of Illinois. Does the gentleman expect to commence the reading of the bill to-day?

Mr. DAVIS of Minnesota. That is the intention, if we can.

Mr. MANN of Illinois. Of course, the bill has only been accessible since about noon to-day to anybody except the members of the committee.

Mr. DAVIS of Minnesota. Does not the gentleman think that we should push the bill along as fast as we can?

Mr. MANN of Illinois. Yes, I think that; but I think that the Committee on Appropriations ought to bring in bills promptly instead of holding them up as they do. It has not been done in this case, but they have been in the habit of reporting bills on one day and forcing consideration the next day in order that no one will know what is in them.

Mr. DAVIS of Minnesota. I do not wish to force the consideration of this bill, but we thought we ought to begin reading the bill at the end of an hour and a half or two hours. But I will say to the gentleman that the hearings on this bill have been expedited more than the hearings on the District of Columbia bill have ever been expedited before. In order that we might proceed as fast as possible, we often worked as late as 10 o'clock at night.

Mr. MANN of Illinois. Each of the appropriation bills will now be reported by the Committee on Appropriations, and for that reason the Committee on Appropriations ought not to pre-

vent the House from seeing the bills before they are passed. I appreciate the fact that the Committee on Appropriations must necessarily be more or less in a rush in order to get these appropriations passed, and I am not going to object at this time, because, so far as I am concerned, I am somewhat prepared on this bill. But in view of the fact that the Members generally have not been able to see the bill and study it, I do not think the gentleman will be able to make very rapid progress in reading the bill this afternoon.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the general debate shall not exceed two hours and a half, one half of that time to be controlled by himself and the other half to be controlled by the gentleman from Texas [Mr. BUCHANAN]. Is there objection?

Mr. GARD. Reserving the right to object, would it not be better to extend the time to three hours or three hours and a half and at the end of that time rise, so that we can have an opportunity to see and study the different elements in the bill?

Mr. DAVIS of Minnesota. Certainly. So far as I am concerned, I would be willing to let the matter stand at three hours. I am not in a position to attempt to rush this bill through the Congress. I want it to be examined thoroughly and given proper consideration. That is my position. Only I know that we are a little rushed for time. If the gentleman desires, we can extend the time to three hours, and then perhaps we could take the bill up and read a little. I would like to begin the reading of the bill to-night.

Mr. GARD. I did not think the bill should be seriously gone into to-day with the intention of reading a great part of it, because we have not had opportunity to see what is in the bill.

Mr. DAVIS of Minnesota. Well, we will go on with the debate, and I think we can satisfy the gentleman in regard to the matter.

The SPEAKER. The gentleman from Minnesota modifies his request and asks that the general debate be limited to three hours. Is there objection?

There was no objection.

Mr. LONGWORTH. Mr. Speaker, I ask unanimous consent that on next Tuesday, after the reading of the Journal and the disposition of the business on the Speaker's table, I be permitted to address the House for 45 minutes on the question of the tariff, particularly as it relates to our present conditions with respect to foreign trade.

The SPEAKER. The gentleman from Ohio asks unanimous consent that on next Tuesday, after the reading of the Journal and the disposition of business on the Speaker's table, he may address the House for 45 minutes on the tariff. Is there objection?

There was no objection.

The SPEAKER. The question is on agreeing to the motion that the House resolve itself into Committee of the Whole House on the state of the Union.

The motion was agreed to.

The SPEAKER. The gentleman from New York [Mr. HICKS] will please take the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 15130, the District of Columbia appropriation bill, with Mr. HICKS in the chair.

The CHAIRMAN. The House having resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 15130, the Clerk will report the bill.

The Clerk read the title of the bill, as follows:

A bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes.

The CHAIRMAN. The gentleman from Minnesota is recognized for one hour and a half. Will the gentleman from Minnesota allow the Chair a moment?

Mr. DAVIS of Minnesota. Certainly.

The CHAIRMAN. Does the gentleman want to make a request to dispense with the first reading of the bill?

Mr. DAVIS of Minnesota. Yes; I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Minnesota asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I hope all the gentlemen in the House will not leave the floor, and yet I shall not blame them, because I am satisfied that I can not, in the time I have proposed to consume, interest the House as did the gentleman from Wyoming [Mr. MONDELL], who has just addressed you. I will be very brief, and for several reasons. One is it will be folly for me in this opening statement to go into many of the details concerning this bill. As you all know, a District of Columbia appropriation bill is composed of many, many items, and they will be carefully scrutinized, and then the details will be gone over minutely under the five-minute rule. Therefore I shall make only a comparatively brief statement upon some of the main features of the bill.

The first thing which I consider of importance in the bill is that the committee, not only the subcommittee, but the full committee of 35 gentlemen, have recommended to this House that the 60–40 plan be adopted, and it is contained in this bill.

From what I can learn from those who usually oppose anything that does not correspond to the 50–50, I do not believe that they are going to object at this time to the 60–40 proposition, and I believe from what I can learn outside that many of the business men of Washington are comparatively well satisfied with that proposition.

Also, you know at the last session we raised the tax rate here from a minimum of 15 mills, which had been on the statute books for many years, to a maximum of 20 mills; not to 20 mills, but using that as a maximum, so that hereafter the commissioners in making up their estimates can base the amount of revenue they desire to obtain by taxation up to 20 mills. This last year I understand they did not use the full limit, but their estimates this year are based upon 1.95, not quite 2 per cent.

The present bill is the largest bill that was ever presented to this Congress for the District of Columbia. It is about a million and a half dollars larger than that of last year, and last year was the largest bill that had then ever been presented. While we cut many estimates, still I believe that if the Members of the House had sat upon our committee and heard the various reasons given for wanting greater appropriations they would have agreed with the subcommittee, which was unanimous, and with the full committee, which adopted this report without a dissenting voice.

The present bill as we now present it to you contains appropriations amounting to $19,878,012.99. It is in excess of last year's bill by $1,505,008.12.

I wish the House to understand that this bill, containing appropriations of $19,878,000, is not all the money that goes to the District of Columbia. There is the sundry civil bill, there is the legislative bill, and there are other bills that contain each year a total of about $3,000,000 in addition to this, and this year the estimates of those amounts which are not contained in this bill but will be put into the sundry civil and other bills will amount to $3,382,943. So you see, if all the appropriations were put into this one bill, it would amount to about $23,000,000.

Now, the estimates based upon a tax rate of 1.95 would raise only $13,772,000. That would be a pretty close proposition. They have got to keep within the tax rate that they are allowed; and without going specially into details on that I will say that the passage of this bill now, with the money that they can raise under the 1.95 tax rate, in my judgment does not leave a disparity of $100,000. We have hewed so close to the line and considered the matter so thoroughly that I do not believe there is over $100,000 margin, and I know some little deficiencies will come in that will probably eat up that $100,000 and more.

So you see your committee have not made a running jump and guess at this matter, but we have figured it out scientifically and mathematically under the law as we understand it.

If we had appropriated the amounts estimated by the District Commissioners this year, they would have had to raise the tax rate, and instead of making it 1.95 they would have had to make it 2.29. Well, you know that there is quite an objection here to raising taxes in the District of Columbia. We did not wish to do that to them this year, so there was only one thing left to do, and that was to cut the estimates. That is all there was to it. We had either to cut the estimates or else raise the tax rate to 2.29. So we took the other alternative and cut the estimates.

There was one thing I would have liked to do which we did not do. We did not raise salaries. Last year we raised the teachers' salaries, and by legislation the salaries of the policemen and firemen were raised, but the clerks, and so forth, in the District of Columbia have not had their salaries raised. We could not raise them unless we went away outside of the money at our command.

Now, I heard the suggestion made the other day that we did not give enough for the improvement of streets. We gave only a little over half what we gave last year. But two years ago and before that we did not do enough for the improvement of the streets. Why? Because labor was so high and material was away up in the air. We really did cut down that item too much. But last year we gave them a large appro-

priation. We made up, so to speak, for what we omitted the year before that, and so on. Of course, we did not take care of all the streets, but we went a long way in that direction. Now, having done so last year, we cut the appropriation for repair of streets this year somewhat.

What did we do with that money? We added nearly $2,000,000 to their schools and school buildings more than last year, or in other words, $1,944,700 in all. We thought it was just and proper to curtail a little on the surfacing of streets, and to give that amount to the children, schools, and extra playgrounds. So we gave them every school building and every addition to every school building that the commissioners of this District requested. In other words, we have increased the amount for care and maintenance of schools and school buildings in this District nearly $2,000,000. Have we done right? We are going to leave that to you gentlemen to say. We can not do it all. I do not think we ought to do it all in one year. I do not think we ought to tax the residents of the District to do everything in one year, but I assure you that the subcommittee, of which I happen to be chairman, are willing to proceed just as rapidly as we possibly can without doing injustice.

Now, our floor leader, the gentleman from Wyoming [Mr. MONDELL], said that the appropriations ought to be cut down. Well, I am going to give him an opportunity. He can repeat what I say and make it more beautiful. While I want the appropriations cut down, while they ought to be cut down, and while they must be cut down, still I come in before this Congress and say, "Gentlemen, here is a District appropriation bill which is a million and a half or so greater than we ever gave you before." The gentlemen may say, "Why don't you practice what you preach?"

Mr. MONDELL. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. MONDELL. I think I can make all the speech I desire in a few minutes.

Mr. DAVIS of Minnesota. I will give the gentleman five minutes.

Mr. MONDELL. I do not want five minutes. I am sure the gentleman from Minnesota is in full accord with the desire, as is the committee and the Members of the House generally, to reduce appropriations. I had no idea that the District of Columbia bill could properly be reduced below the present appropriations. As a matter of fact, I congratulate the gentleman from Minnesota, who has given the matter close attention, his subcommittee, and his committee on the fact that they have been able to bring in the District of Columbia bill, which I think reasonably meets the present situation, with so moderate an increase as the bill carries over the present appropriation. This was not one of the places, as the gentleman knows, where we expected to reduce appropriations this season below the last, but one of the places where the necessary work to care for the activities of the Government—education of children—required some increase.

Mr. DAVIS of Minnesota. I thank the gentleman very much. He, in a way, is my boss, if I may use that word, and requested a few minutes ago that I let him have 5 or 10 minutes, as he wanted to speak. I did not know but that I was going to get a reprimand for bringing in a bill $1,500,000 larger than the last.

Mr. MONDELL. On the contrary, I congratulate the gentleman and will not need any additional time.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. CHINDBLOM. Was all of the excess of a million and a half of the proposed appropriation for next year over the actual appropriation for this year used for school purposes?

Mr. DAVIS of Minnesota. Oh, no; not all. I think about a million and a half was used for schools and school buildings, and the other is divided along the line in many places—charitable institutions, child labor, playgrounds, and so forth—but the bulk of it is for the schools and playgrounds.

Mr. CHINDBLOM. How much reduction is there in the matter of street improvements?

Mr. DAVIS of Minnesota. Pretty nearly cut in two—$250,000 this year and about $500,000 last year. There is another item of $500,000 or $600,000 on the assessment and permit plan, which we do and pass it up to the residents themselves. The other is what we take out of the Treasury. We cut that a little bit, because we were pretty liberal last year.

The committee spent two days in looking over the streets, and while we found some places that are not quite as smooth and oily as we would like to have them we found them in pretty good condition, and we did not want to run it up above a million and a half this year.

Mr. JOHN W. RAINEY. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. JOHN W. RAINEY. I would like to ask the gentleman whether the appropriation of a million and a half dollars over last year precludes the school-teachers from any appreciable increase in salary this year?

Mr. DAVIS of Minnesota. It does for the present. Let me say to the gentleman that the bonus continues, and the gentleman must bear in mind—and I speak from absolute knowledge—that two or three years ago the low-grade teachers were getting only $500 or $600 as a basic salary. Now, the basic salary of the lowest grade is $1,200, with a $240 bonus. I do not say that that is large enough, but they have been increased, doubled, and almost trebled in the last three years. Other employees in the District are looking a little sad because they have been raised more in salary than they have, and while all the teachers have not been raised in the same ratio, I am a believer that it should be raised more in the lower grades of teachers. It costs the teacher in the low grade just as much for a dozen eggs or a pound of butter as it does the teacher in the high grades.

Mr. BUCHANAN. Will the gentleman yield?

Mr. DAVIS of Minnesota. Certainly.

Mr. BUCHANAN. I suggest to the chairman of the subcommittee that it might be well for him to say that besides the $1,200 basic salary and the $240 bonus the teachers have the longevity pay, which amounts to $50 a year, increased automatically for 10 years.

Mr. DAVIS of Minnesota. I forgot to state about the longevity pay, which is peculiar to Washington. They get $50 additional every year in some grades, and more in others, and that increases their pay materially.

Mr. JOHN W. RAINEY. Let me say to the gentleman that I fear if something substantial is not done for the teachers, by and by all you will have will be the buildings, and you will not have any teachers to take care of the children.

Mr. DAVIS of Minnesota. We have heard a good deal about that, and the gentleman may be right.

Mr. WALSH. Will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. WALSH. Is the only element which the gentleman took into consideration in increasing these salaries the cost of food and clothing?

Mr. DAVIS of Minnesota. Oh, no.

Mr. WALSH. The gentleman stated that it cost the teachers of the low grade just as much for a dozen eggs as it did teachers in the higher grade. I was wondering if when the prices of food go down he intended to reduce the salaries.

Mr. DAVIS of Minnesota. If the gentleman from Massachusetts wants my idea on the low-grade teachers' salaries, I will give it to him.

Mr. WALSH. I would like to know where we will stop.

Mr. DAVIS of Minnesota. I am willing to go on record that the most important school in the life and education of a child is the so-called kindergarten. I think the condition of the mind of the child and the character of a child is more impressed in that formative stage, before he is 10 or 12 years of age, than after, and if I had my way about it the kindergarten teachers who have made a success in that line should be paid just as much, nearly, as teachers in some of the higher grades. I know some teachers here in Washington who remained as kindergarten teachers when they could have been promoted to the other grades. They refused to leave that grade because they loved that particular work, and I admire those teachers, and I did want to give them an opportunity to live at least respectably. Hence, I was for raising them more rapidly than the others.

Mr. WALSH. The gentleman's theory looks very fine in type, but he will admit, I think, it is entirely impractical that the kindergarten teacher should be placed upon the basis of the salary that is paid to the principals of schools of the common grades or of the high grades.

Mr. DAVIS of Minnesota. It may be impractical and it may be that it can not be done, but still I think the character of the child is formed to a very great extent before it reaches 12 years of age.

Mr. WALSH. I think the influence of the home has a great deal to do with that.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. BLANTON. From his action heretofore I believe the gentleman is in favor of granting better pay for the teachers. This House has without any apparent hesitation at all voted to pay salaries of $3,900 to examiners in the Patent Office. I would ask the gentleman what specific thing it is that each year keeps our District of Columbia Committee and now the Appropriations Committee from raising the salaries of these teachers to something like a living wage. The gentleman speaks

of low-grade teachers. In my judgment, if we would raise the basic salary to $2,000, which it ought to be, we would not have any low-grade teachers. We might have teachers for the lower grades in the schools, but they would not be low-grade teachers. We must do something along that line or, as the gentleman from Illinois [Mr. JOHN W. RAINEY] said, we are not going to have any teachers here that are fit to teach the children of any American citizen.

Mr. DAVIS of Minnesota. I do not wish to get into any controversy about that.

Mr. BLANTON. I do not court any controversy. I want to know what it is that keeps us from properly raising those salaries?

Mr. DAVIS of Minnesota. That is a question that we will have to consider. I have always voted for an increase of salaries of the teachers.

Mr. BLANTON. Is there any move made in the committee to do it, and if there is, is there some influence in the committee that keeps it down year after year? I want to know the facts; I want to know what keeps it down.

Mr. DAVIS of Minnesota. I do not know that this is any good criterion, but, as compared to the teachers in other cities throughout the United States, the salaries paid to the teachers in the city of Washington are pretty high. I do not know that that is any good reason for not raising them any higher. I know of only one or two cities in the United States that pay more than the teachers of Washington receive.

Mr. BUCHANAN. Mr. Chairman, if the gentleman will yield, since we adopted the budget system and concentrated all appropriations in the Appropriation Committee, the sentiment has gone around the House—it has been expressed to me by numerous Members—that the House would not tolerate any legislation on appropriation bills. An increase of salary is legislation and is subject to a point of order. That absolutely controlled my action on some increases that I thought ought to have been made, and as long as that rule maintains or as long as that is the dominant sentiment of this House, no legislation will come in on an appropriation bill, and people desiring an increase of salary, teachers as well as others, must go to the legislative committee to get it, or at least until the House reverses itself and will permit legislation on appropriation bills.

Mr. DAVIS of Minnesota. That was one reason why we left out a great many things. We were fully advised that points of order would be made on anything that was legislative.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. GARD. I notice in the report that the appropriations for public schools are increased from $5,018,000 to $6,114,000, an increase of $1,096,700. Then the report cites instances of increase in pay of $131,800 and an increase in the longevity pay of about $50,000.

Mr. DAVIS of Minnesota. That is not an increase in the longevity pay. That is a statutory matter, and we have simply to comply with the statute.

Mr. GARD. The report says that the appropriation is increased from $520,000 to $570,000.

Mr. DAVIS of Minnesota. That comes as a matter of course, and it is not subject to a point of order. If we did not allow that, a deficiency would have to be allowed.

Mr. GARD. The other elements in the increase of $1,096,000 are contained under the retirement funds, the janitors, and appropriations for janitors. Is that it?

Mr. DAVIS of Minnesota. There are a great many different items under the schools—repairs and things of that kind—that all come under that head.

Mr. GARD. I was wondering whether the gentleman could advise me without going into too much detail what constitutes the great volume of increase in this $1,096,000? The gentleman must understand that I am in favor of having the best schools in the country here in the city of Washington, or at least as good schools here as there are any place in the United States, both so far as the buildings are concerned and the personnel of the teachers. I do not know that they are entitled here to any better schools, but they are entitled to schools equally as good.

Mr. DAVIS of Minnesota. I will give the gentleman the exact figures. The total for public schools is $1,096,700 greater than last year. The school building increase is from $395,000 to $1,243,000 this year. On that item alone there is an increase of $848,000, and that is the largest item going to make up the item of $1,096,700.

Mr. GARD. That is what I desire to know.

Mr. BUCHANAN. That and the new teachers.

Mr. DAVIS of Minnesota. We have provided for 98 new teachers. We had to provide for them because of the increase in the number of buildings. There will be very soon completed 64 new schoolrooms and we have to have additional teachers to operate in those new schoolrooms.

Mr. GARD. My recollection is that we authorized last year the erection of new school buildings in certain places.

Mr. DAVIS of Minnesota. Quite a number of them.

Mr. GARD. How many of them have been completed?

Mr. DAVIS of Minnesota. Not any of them has been fully completed.

Mr. GARD. How does it happen that notwithstanding the authority given last year to erect school buildings and the necessity for their erection they have not been completed?

Mr. DAVIS of Minnesota. That is a matter about which there has been considerable discussion. I insist upon maintaining that Congress is not to blame. The money has been appropriated, some of it for two or three years. The buildings are not yet completed. Congress is not to blame.

Mr. GARD. Why is Congress called upon to appropriate sums of money for specific purposes when there is a need for the fulfillment of certain specific purposes, as in the construction of school buildings, and after the appropriation is made the money is permitted to lie idly by for a few years without anything being done?

Mr. DAVIS of Minnesota. That is a matter I refer the gentleman to the Commissioners of the District of Columbia to settle. For instance, we authorized the construction of a building at $190,000, full cost, and gave $50,000 the first year; that was all they could use, and the balance the second year, and the building is not completed. Is that the fault of Congress? I refer you to the gentlemen having charge of the District.

Mr. GARD. The fault is not that of Congress, because the power of Congress is simply to appropriate money for the utilities which the commissioners say are necessary.

Mr. DAVIS of Minnesota. All right.

Mr. GARD. But it seems to me not to be the proper policy—I do not speak in criticism of anybody connected with the Government—to make appropriations of money for a specific purpose in a generous spirit and then the appropriations are not used, but instead that money is held idly to the exclusion of some other necessity that might exist.

Mr. DAVIS of Minnesota. I will refer the gentleman to the legislative Committee of the District of Columbia to pass any law that he sees fit for urging and hastening up the construction of buildings.

Mr. GARD. I do not believe that it is fair to suggest that the legislative committee do that, because that is not a matter on which the legislative committee could get any quicker action, because their all-powerful Appropriations Committee, which guides our destinies, both small and great, in this House, determines the policy of appropriating the money, and of course if they do not have the money they can not put up the buildings. What I am trying to get to the mind of the gentleman is that if they need the buildings and have the money, why not build them?

Mr. DAVIS of Minnesota. I will ask the gentleman why; tell me why?

Mr. GARD. I am asking the gentleman.

Mr. DAVIS of Minnesota. I do not know, sir.

Mr. BUCHANAN. Will the gentleman yield for a suggestion?

Mr. DAVIS of Minnesota. Certainly.

Mr. BUCHANAN. I would like to state to my colleague from Ohio that some of these appropriations were passed fixing a limit of cost on the buildings, and they claim they could not let the contract under such limit of cost. They started construction of some of them. If the gentleman will look on the report here, he will find six buildings now nearing completion. In this bill we carry the last item of appropriation to complete the six buildings. I will further state that never yet have I seen appropriations made by Congress for the District that the District was not as prompt as possible in spending the money. I believe they have spent everything we appropriate for them just as rapidly as possible, and I think the District Commissioners have done the very best they could to complete these school buildings at the earliest practical moment, but there have been many difficulties in the way. During the war they could not construct at all; since the war they have been hampered by the limitation put on in some of our appropriations, they not being large enough to let a contract, the best bids being above the limit of cost. The fluctuations in cost of material, labor, and so on, made any estimate unreliable and any limitation of the cost a mere guess.

Mr. GARD. The gentleman's construction of the difficulty is that, notwithstanding Congress had made the appropriations, conditions have developed that require a larger appropriation?

Mr. BUCHANAN. In some instances.

Mr. GARD. And therefore they have been compelled to defer from time to time——

Mr. BUCHANAN. Compelled to defer until Congress raises the limit of cost or the cost of material goes down or the cost of labor decreases so that the contractor could come within it.

Mr. DAVIS of Minnesota. And Congress has always promptly raised the limit of cost; in all instances we have always promptly raised the limit of cost.

Mr. SNELL. Will the gentleman yield for a question?

Mr. DAVIS of Minnesota. I will.

Mr. SNELL. I notice in the report the rate of taxation is fixed at 1.95, and there will be a deficit of $3,000,000 to provide for the funds of the District.

Mr. DAVIS of Minnesota. Not a deficit.

Mr. SNELL. Lacking enough to pay the expenses?

Mr. DAVIS of Minnesota. There will be appropriations in favor of the District of Columbia in other bills—the sundry civil bill and other bills. I can give the gentleman the exact figures——

Mr. SNELL. Three million dollars is near enough.

Mr. DAVIS of Minnesota. It is $3,382,943. That is aside from what is contained in this bill.

Mr. SNELL. Is there not some law which prohibits putting a taxation on the District of more than 2 per cent?

Mr. DAVIS of Minnesota. There certainly is on an appropriation bill——

Mr. SNELL. But is there some law somewhere that says we shall not levy a tax on the District of more than 2 per cent?

Mr. DAVIS of Minnesota. Until we changed it last year the maximum was 15 mills, and that was the case for many years. Last year we raised the maximum to 20 mills, and there it stands to-day. Now, they figure in the estimates this year they will use instead of 20 mills 1.95.

Mr. SNELL. If it is necessary to raise the money why should it not go to 2.29 and cover the whole amount? Is that the least amount of tax——

Mr. DAVIS of Minnesota. All the gentleman would have to do, or any man of the 435, would be to make a point of order that it was legislation and out it would go. We have been trying for years and finally succeeded in getting it raised from 15 mills to 20 mills, and we got that done last year.

Mr. SNELL. Does not the gentleman suppose it can be raised again so as to raise enough money to pay the proportionate share of the taxes?

Mr. DAVIS of Minnesota. I do not believe it can be done on an appropriation bill this year.

Mr. SNELL. Even with 2.29 they would be getting out with the payment of a less proportionate amount of taxes perhaps than people living in other cities of the same size and with the same conveniences.

Mr. DAVIS of Minnesota. These are matters that have been discussed on this floor since I have been in Congress, for 18 or 20 years.

Mr. SNELL. Do you think it futile to try to do it any more?

Mr. DAVIS of Minnesota. I think it would be useless to try it other than through the District legislative committee. I think there will be a fight, as there was two years ago on this little raise of 5 mills. I did not feel like doing it this year.

Mr. SNELL. What is the gentleman's idea of what ought to be done on that? Would the gentleman care to discuss it at this time?

Mr. DAVIS of Minnesota. I would not care to do so.

Mr. SNELL. I am frank to say that they ought to pay all their bills.

Mr. DAVIS of Minnesota. I will state to the gentleman that at the present time the legislative committee of the District of Columbia has passed a bill on the subject of taxation, which is now pending in the Senate, and I think probably a conference has been requested. But that is not fixing any definite amount. The substance of it is that it taxes the residents of the District of Columbia a reasonably fair tax——

Mr. SNELL. That is my proposition.

Mr. DAVIS of Minnesota. Hold on. And whatever amount that raises, if the Congress wants to appropriate more to further and better improve the city of Washington, they can do it regardless of the amount, whether it is 20, 40, 60, or whatever it is. It would tax the residents of the District of Columbia a reasonable sum, and the amount beyond that, whatever it is, be made up by Congress. That bill is now in conference between the two Houses.

Mr. SNELL. That seems to be a fair and reasonable proposition. On what basis are the assessments made on a piece of property—what percentage of value?

Mr. DAVIS of Minnesota. It is supposed to be made on a two-thirds basis.

Mr. SNELL. Does the gentleman think they are somewhere near that?

Mr. DAVIS of Minnesota. I would dislike to express an opinion on that.

Mr. SNELL. I think it is pretty light even at two-thirds.

Mr. LARSEN. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. LARSEN. I notice on page 3 of the bill you say:

Veterinary surgeon for all horses in the departments of the District of Columbia, $1,400.

How many horses does the District own?

Mr. DAVIS of Minnesota. I think about 700 or 800.

Mr. LARSEN. Does this man give his entire time to that?

Mr. DAVIS of Minnesota. I do not think he strains himself particularly.

Mr. LARSEN. What are these 800 horses doing?

Mr. DAVIS of Minnesota. They are doing all kinds of work that a horse ever did, but we are trying to reduce the horsepower of the District of Columbia as fast as we can and replace it with motor-drawn vehicles, and in every bill every year we are adding a few more motor-drawn vehicles to replace horse-drawn vehicles. We are doing it as rapidly as we can.

Mr. LARSEN. If you make that change, that would necessitate the employment of skilled mechanics to keep up that part of it. Is that correct?

Mr. DAVIS of Minnesota. I think we have quite a number now. We have quite a number of motor machines also, you know.

Mr. LARSEN. The point I was getting at was whether or not the veterinary surgeon was needed in that department.

Mr. DAVIS of Minnesota. I think so, when we have that number of horses.

I wish to say this, that here is a bill in which there are quite a number of thousands of employees in the District of Columbia—laborers, and so forth—and in this entire bill the new employments are as follows:

One clerk in the assessor's office, $1,200; one clerk in the collector's office, $1,400; one clerk in the auditor's office, $1,400; two attendants at the big Public Library, $900 each; and an allowance of $1,500 for temporary clerk hire in the license bureau.

That is the great extravagance we have gone into. I presume they needed many more additional, but we have granted them five or six clerks. And I think in another place over here we increased the list by three or four janitors because of the new school buildings that are going into operation. They had to have three or four additional janitors. So we put them in at the same price as we did the others. I hardly think that an extravagance in the number of employees.

Now, Mr. Chairman, I will reserve the balance of my time. How much time have I consumed?

The CHAIRMAN. The gentleman has consumed 43 minutes.

Mr. DAVIS of Minnesota. That is more than I anticipated.

The CHAIRMAN. The Chair will recognize the gentleman from Texas [Mr. BUCHANAN] for an hour and a half.

Mr. BUCHANAN. Mr. Chairman, I yield 30 minutes to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman and gentlemen of the committee, I do not know that I will need that much time, but I want to say a word in answer to some criticism that I hear, not in justification of the committee, because it needs no justification, but in justification of the officers of the District government in reference to school buildings.

When the war broke out we had authorized all of the school buildings that had been requested by the school authorities. These school buildings were estimated for by the Supervising Architect and the money was appropriated by the Congress. However, before the law went into effect war broke out, and there were two reasons why these buildings could not be erected. First, there was the very sudden rise in the price of material and labor, which prevented the contracts being let at the figure fixed in the bill. At the next session of Congress the commissioners came back with the old amount unexpended—I mean by that, the amount that was first appropriated—and with a statement that these buildings could not be put up for less than a certain amount, and in each case the amount was either doubled or more than doubled in accordance with the bids which they had had. Again, the District Commissioners, in accordance with the law, advertised for bids, and they did not get a bid within double the amount that they formerly thought these buildings would cost. The second reason why your committee declined to appropriate any additional money for these buildings was for the reason that the war activities of the Government put an embargo on the use of the railroads in hauling material into the District of Colum-

bia. Not only that, but labor was very scarce by reason of the fact that during the war all the available people, all the laboring men, were virtually taken out of the District of Columbia or used for military activities.

Many building operations were going on in the District of Columbia, but all of this building was for the War Department, for housing the various war activities. You will notice a number of buildings on the Mall and similar buildings in other parts of the city that consumed all labor in the District, and a private contractor could not have gotten this labor except that he was building for the War Department. Therefore the school-building situation, which is so much complained about, is neither the fault of Congress nor the fault of the District Commissioners.

Now, in this bill there has been carried as much money as the District Commissioners feel they can economically use during one year. You can not do it all in one year, frankly. If, when these buildings that are authorized in this bill are completed, they will use the portable buildings that are now in existence in the District, with the exception of the high schools, and if they will use these portable buildings in connection with the high schools, there will be ample floor space to accommodate the children.

You will recollect that when we found that we could not build the school buildings authorized the school board and the committee of Congress and the District Commissioners decided that the only thing that could be done was to build these portable buildings. Now we have them. My judgment is that these portable buildings are splendid school buildings, so far as the comfort of the children is concerned, so far as the heat and light are concerned, and while the æsthetic feelings of some people may be somewhat offended by the presence of one of these portable buildings, you will admit, if you look at it, that it is not an unsightly thing, and it will take care of the congested situation until this District can have the labor and the material to construct permanent buildings.

I think this statement is necessary, because Congress has been totally misinformed by the press, totally misinformed by propaganda that has been going on, and I imagine that some of the criticisms, maybe, of the chairman of this committee and of the subcommittee have been founded on that propaganda. But I want to say that the criticism is totally unfounded and unjust and does not comport at all with the desire not only that the chairman of the committee has, but with the desire of the committee to provide ample school facilities for the District of Columbia.

One other question that I want to call to the attention of the House is this: Congress made permanent law in this bill the division of 60–40 in the appropriation of money out of the District revenues and the revenues of the Treasury. In my judgment, that proportion is too large now for the Treasury. I think it only takes a casual investigation of the tax rate in all the cities and towns of the United States, excluding, if you please, the State and county taxes, which are all included in one tax here, to confirm the accuracy of that statement, and I think it will be conclusively shown that by all odds the lowest tax rate of any constituency in America is now in the District of Columbia. They pay only 1.95 on a two-thirds valuation of the property. I do know that there are many misinformed Members of Congress who, by virtue of propaganda by those interested in real estate in the District of Columbia—they may be interested themselves in property in the District of Columbia—take a different view, because, as was stated in the newspapers some years ago:

We find—

Says the paper—

that a man changes his mental attitude toward the treatment that the District is entitled to as a Member of Congress the moment we can get a Member of Congress or a Senator to become an owner of real estate in the District of Columbia.

So when you find Members of Congress who feel that Congress is doing the District any injustice by virtue of this new arrangement, you will find either a man who has not made the investigation or a man who, if he knows, is interested in the matter perhaps from a selfish point of view. I do not mean that he is dishonest when he does it. It is human nature.

Now, in my judgment, this may seem a radical statement, but after some years of experience here I feel that every man who comes from a district in the United States representing the people, as long as any arrangement exists whereby the Federal Treasury could contribute to the expenses of this local government, should avoid the very delicate suspicion that might lie at his door by owning any property in the District of Columbia if he acquires it after he is elected to Congress. I do not believe that men that might own property in the District of Columbia are in the least dishonest, but human nature is weak the world over, however strong a man may be.

Now, after a number of years of investigation I have formed a definite opinion on this subject, as has also every man who has served these committees who has gone into the matter, even including the commission that was appointed for the purpose of recommending a readjustment of this tax. When Mr. Page was chairman of this committee and Mr. DAVIS was ranking member of the minority you will recall that we brought in a provision to change that arbitrary half and half. It was assailed on the floor of the House, but after several debates finally it was passed not only by two-thirds, but by so many more than two-thirds that the opposition could not even get a roll call in the House. Then the gentleman from Alabama, Mr. UNDERWOOD, was a Member of the House, and the Democratic leader of the House. When the matter came back from the Senate he offered, as you will recall, an amendment to create a commission of three Members from the House and three from the Senate to investigate the whole matter.

Mr. DAVIS was then the ranking Republican, Mr. Page was chairman of the subcommittee at that time, and I was the ranking member of that side of the committee, and we three were on the conference. We felt very much outraged that the Speaker should have appointed three men on the part of the House all of whom had voted regularly and consistently against the provision that we had put in. They had voted consistently for the half-and-half plan. All of those gentlemen are Members of this Congress now except Mr. Cooper, of Wisconsin, and he comes back in the next Congress, as I understand. But Mr. HENRY T. RAINEY, of Illinois, and Judge GARD, of Ohio, were members of that commission. After several months' session they brought back a report, very much to the delight of those of us who had been against the arbitrary half and half, and unanimously reported to change it—not only the three Senators who had always been against our proposition but also these three gentleman appointed by the Speaker of this House, who were men of intellectual integrity. Although we felt that we ought to have had one man on it at that time who agreed with us, yet the fact that the Speaker had appointed them, and all three had been against us, we realized that the Speaker had made no mistake in the appointment, because it only strengthened the position that we had always taken that the Treasury of the United States was paying too much of the expenses of the District of Columbia. Now, notwithstanding that fact, another body declined to yield, and for that reason we put the matter on the appropration bill in order to get it before the Congress. The conferees stood pat on the proposition, and eventually we got it effected at 60–40. That 60–40 is carried in this bill, and in my judgment that proportion is greater than the Treasury of the United States ought to pay.

Mr. WILLIAMS. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from Illinois.

Mr. WILLIAMS. Did not the joint commission find against you on the question whether or not the taxable property in this District was paying a tax comparable to that in other cities?

Mr. SISSON. I do not think so.

Mr. WILLIAMS. They did.

Mr. SISSON. I do not think so.

Mr. WILLIAMS. But they reported that there is no reason any further for the half-and-half system.

Mr. SISSON. None in the world for the half and half. I ask any gentleman who has investigated it without having any interest in the District of Columbia, so that he can bring to bear upon it a fair, free, and open mind. I ask him to investigate the taxes in Chicago, in New York, in Cleveland, in Los Angeles, in San Francisco, in Louisville, in Memphis, Tenn., in New Orleans, in the villages of this Nation, including the State and county taxes, and he will be ashamed of himself if he shall say that the people of this District are being taxed in accordance with what the people are paying everywhere else. The man does not live who can investigate this matter with intellectual integrity and say that any injustice is being done the people of the District of Columbia. I would be just as far from doing these people any injustice as any man on earth. Now they are clamoring for school buildings. They are clamoring for great improvements and I am willing that they should have them; but when they shall get these enormous improvements for which other cities pledge themselves and their posterity, the people of the District ought to be willing to do the same thing. I would put a reasonable tax upon the people of the District of Columbia, no more and no less, and in order that it might be absolutely fair I would make it less than the average paid in other cities. Then if this Congress wants to appropriate more money for the beautification of the Capital, let it go as a contribution from Congress toward the beautifica-

tion of the Capital in which the people of the District of Columbia have nothing but an indirect interest. I am tired of the idea that the people of the District of Columbia are contributing something to the beautification of the Capital. They ought not to do it as such. They ought to pay it as citizens, for what they get.

Mr. SNELL. Will the gentleman yield?

Mr. SISSON. I yield to the gentleman from New York.

Mr. SNELL. Has the gentleman made any investigation in regard to the valuation put on this property, whether it is two-thirds or less than two-thirds of the actual value?

Mr. SISSON. I investigated that matter. Not this year, but if the gentleman will recall, I got reports from sixty-odd cities as to the rule of assessment. Now, of course, you can not tell with absolute certainty whether or not the law is literally carried out in any city, as to whether or not the assessment is in accordance with the law. So the only true test is to ascertain if you can what a man pays for property, the amount of money invested in this city and the amount of money invested elsewhere, and then take that investment as to the basis of taxation, as to the amount paid per hundred dollars in this city and in Chicago, or New York, or Cleveland, or other cities, and the amount paid on a like investment in this city. I made inquiries of various and sundry people who were frank and fair, who told me what they had invested here. The chairman of this committee has some personal knowledge of this matter. But I asked other gentlemen, friends of mine who had property investments here and property investments in other cities. One gentleman, whose name I withhold because of the fact that the conversation was a private one—I could mention many others—bought a house and lot here in which he had invested a certain amount of money. He showed me his tax receipts. He was rather abusive. I said, "Are you paying too much taxes here?" He said, "No; but at home on the same investment, dollar for dollar, I pay more than three times as much taxes as I do on my property here, and it is an outrage, because I do not pay what I ought to pay here."

Mr. SNELL. How does the rent on property here compare to the rent on property at home, compared to the taxation?

Mr. SISSON. If you take the present rental values I do not believe there is a place in the world, unless it is in the congested business districts of cities like New York, where the rents on residential apartment houses are as high as they are in the city of Washington.

Mr. SNELL. Is there not some way we can arrange the assessment so that they shall bear the same relation to rentals that assessments in other cities bear to rentals?

Mr. SISSON. If you can do it, I think that is the fairest way to assess property. Some of the cities, in reference to the rate of taxation, have taken into consideration the rental value of property for fixing the assessment.

Mr. SNELL. That is the way they do in New York City.

Mr. SISSON. Of course, that sort of legislation could not be handled in an appropriation bill. This item was handled in the appropriation bill because it came within the Holman rule as a reduction of expenditures out of the Treasury. I understand the chairman of the legislative committee is at work on that proposition.

Mr. SNELL. One of the reasons that my landlord gave for increasing the rent was on account of the increased taxation, and I wondered if the taxation increased in proportion to the increase of the rent.

Mr. SISSON. If the gentleman's landlord pays taxes in proportion to the tax he pays here and what other people would pay on like property situated in other States, the gentleman would get his rent for about one-half of what he gets it now.

Now, gentlemen, I thought this much ought to be said, first, in justification of the committee in reference to the school facilities in the city of Washington, and, secondly, in reference to some criticism that has been made in the press about the hardships on the people of the District of Columbia.

I want to say in conclusion that I do not know that all of the cities in all of the States tax choses in action, but I do know that the overwhelming majority of them do. This condition prevails in the District of Columbia, which is lamentable. There are many men who come to the District of Columbia who have large fortunes in choses in action, intangible property, because, as one man told me, by living at home he would have to pay 3 per cent on his choses in action and that he investigated the various cities and found that he could come to Washington, build him a home, pay his entire family expenses, and, in addition, save many thousand dollars in the form of taxes on his personal estate. There have been a number of people who, to evade taxes at home, come to the city of Washington and escape the payment of taxes with the exception of three-tenths of 1 per cent, which is the rate of taxation here.

Now, a great deal of it does not find its way to the light, even upon the payment of three-tenths of 1 per cent. It has been suggested by one member of the subcommittee, and I agree with him, that in reference to these needed improvements that if the Congress desired to do so we might meet these additional improvements alone by putting a reasonable tax on intangible property. I do not want the National Capital to longer labor under the imputation of being, with the consent of Congress, the haven of the tax dodger. I think it is doing the community and the people at home a great injustice.

Of course, the question of taxation is a vexatious one and it requires a great deal of painstaking, good judgment, and labor to adjust it fairly. I have never known any tax law that was not in some features unpleasant and sometimes working a hardship, but that is true in all laws that you pass. I do feel that a great deal can be done in the way of adjusting the relations between the District and the Federal Treasury.

Mr. FAIRFIELD. Will the gentleman yield?

Mr. SISSON. I will.

Mr. FAIRFIELD. Has the gentleman any information as to the total value of intangible property held in the city of Washington?

Mr. SISSON. It would be largely a guess, but my recollection is that it is somewhat over $300,000,000.

Mr. BUCHANAN. I can give the gentleman the figures: Real estate, $461,660,000; personal property, $77,000,000—that is, visible personal property; intangible property, $343,300,000, making a total of $881,960,000.

Mr. SISSON. My recollection was approximately correct.

Mr. FAIRFIELD. How did the gentleman secure his information in regard to the amount of intangible property?

Mr. SISSON. There is already a tax of three-tenths of 1 per cent levied on intangible property. That is a new departure, but the rate on intangible property is not high enough. Those of us who feel that intangible property ought to be taxed think that 1.95 or 2 per cent is approximately which the owner of the little home pays, while the owner of the vast fortune in intangible property pays only three-tenths of 1 per cent is an inequity.

Mr. FAIRFIELD. I think the gentleman is absolutely right, and it was his statement in regard to intangible property that interested me. As a matter of fact, if 1 per cent was put on intangible property it would materially take care of the improvements which the public and the District demand.

Mr. SISSON. If you will add seven-tenths of 1 per cent to the intangible property tax, which would make it 1 per cent in the District of Columbia, that increase in a few years would take care of every reasonable need of the District of Columbia without going into the Federal Treasury for a dollar.

Mr. LARSEN. Will the gentleman yield?

Mr. SISSON. Yes.

Mr. LARSEN. What is the distinction between personal and intangible property?

Mr. SISSON. Personal property is made up of stocks, goods, furniture in homes, things of that kind which are visible. Intangible property is known in the States as choses in action, like notes, bonds, and moneys in the bank, certificates of stock, certificates of deposit in various trust companies, and so forth. In other words, choses in action in a broad sense about covers what is known in the District as intangible personal property.

Mr. LARSEN. Then, why should not it be taxed as well as any other property, and even taxed higher?

Mr. SISSON. I do not know about its being taxed higher, but I think that sometimes it is taxed too high, and if it is taxed too high you might run the deposits out of one city into another. I do not believe that you can tax intangible property as high as you are compelled to tax visible property and real estate. As a matter of absolute, eternal fairness, as absolute equity and justice, of course it ought to be taxed exactly alike, but as a practical proposition, if you tax money in the bank too much, you drive it out of the bank and into some other State, you drive it into hiding, and in taxation you have to make some distinction between money in bank and personal property.

Mr. WILLIAMS. One of the difficulties is as to the valuation. When a tax is levied on intangibles, it is on the actual value of the property, and often in the assessment of visible personal property the rate is fixed on a very small percentage of the actual value.

Mr. SISSON. Of course, that can be taken care of by the percentage of value, but still I appreciate the difficulty the gentleman has in mind. For example, here is a man who has

$10,000 of money in bank on deposit. His neighbor does not have $10,000 in money in the bank, but he has a house that he rents which is worth $10,000. Like other people, his property may be assessed actually at $5,000, and he then would pay half the taxes that the man with $10,000 in cash would pay.

Mr. WILLIAMS. It would be equitable and fair to have the rate on intangible and tangible property the same, if the basis of valuation were the same.

Mr. SISSON. Yes.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BUCHANAN. Mr. Chairman, I yield two minutes more to the gentleman from Mississippi.

Mr. SISSON. Mr. Chairman, the difficulties that confront the District are the same difficulties that confront every city and county and State. However, we must not avoid doing our duty and doing the right thing, because this is a matter that usually presents difficulties. These things will have to be worked out by the officers that shall administer the law, but we have made the most just and the fairest arrangement that it is possible for us to make and have left the details to be worked out.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. SISSON. Yes.

Mr. SNYDER. In the State of New York we had these same difficulties endeavoring to tax intangibles. It was solved by the method of income tax. It occurs to me that in the District of Columbia, it being an entity, the same as a State, the proper way to get taxation on all intangibles is by an income tax. That same thing is true not only as to personal property of individuals, but as to the personal property of corporations. We have done away in the State of New York and in the municipalities of New York with all of these difficulties about getting a tax from intangibles.

Mr. SISSON. I think perhaps that with proper inquisitorial powers as to incomes, the income tax is one of the fairest. Property that does not bring in income pays no tax.

The CHAIRMAN. The time of the gentleman from Mississippi has again expired. The gentleman from Wisconsin is recognized for 30 minutes.

Mr. FREAR. Mr. Chairman, I ask unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FREAR. Mr. Chairman, under our practice we are obliged to occupy time devoted to some committee, on Appropriations ordinarily, in order to speak on any subject that may be of importance, and that is my excuse for discussing to-day briefly the Philippine Islands. Communications have been given to the press, and people have assumed to speak for the party that recently went over to the Philippine Islands, and have expressed themselves so forcibly and contrary to my own opinion that I believe it is due to myself and to others who feel as I do to have ourselves understood on this subject. I do this without assuming to speak for anyone else.

Mr. Chairman, why has not the American Congress granted to the Philippine Islands their independence? The question has been asked repeatedly by the Filipinos, and exhibits have been filed wherein they furnish evidence that these islands, 10,000 miles away from our seat of government, with different interests, ambitions, and racial conditions, have made the most wonderful development in all history, entitling them to a fulfillment of our pledge according to their claims.

The Philippines have 10,500,000 inhabitants in round numbers, 91 per cent of whom are classed as Christians, with a complete form of stable government, maintained by officials selected at popular elections, by a people 70 per cent of whom are able to read or write, according to accepted literacy tests.

Certain influences are alleged to be in opposition to a grant of independence guaranteed by Congress, and in the brief time assigned me I desire to discuss claims made by the Filipinos for independence and our own duty as I see it.

Let me say at the outset I am not speaking at the request, direct or indirect, of the Filipinos, but from my standpoint and on my own responsibility as a Member of Congress, a former member of the Insular Affairs Committee, and based on such information as I have gained from a study of conditions after a visit to the islands in 1920.

Over 20 years ago, in 1898, Admiral Dewey sailed into Manila Bay and destroyed the Spanish fleet. Two years before that event the Filipinos, under Aguinaldo and other leaders, wrested a large part of the Philippines from Spanish rule in their fight for independence, but on pledges of reform by the Spaniards these leaders consented to await developments.

The promised reforms by Spain were not realized and Aguinaldo returned to the islands in 1898, hastily raised an army of 25,000 poorly armed men, but with this force he removed the last vestige of Spanish control in the islands outside Manila. Cooperating with Dewey's ships in the bay, he helped bottle up 12,000 Spanish soldiers in the old city until they finally surrendered. Dewey, Funston, and other American officers give due credit for that aid, and in his statement before the Senate committee in 1912 Dewey said of Aguinaldo's force of 25,000 men, "They could have had any number of men; it was just a question of arming them. They could have had the whole population."

I do not intend to offer any extended argument of our purposes then as a Government toward the Philippines or their understanding on the subject, because that is all merged in recent legislative and administrative declarations, but it is proper to refer briefly to conditions under which we happened to occupy the Philippines.

WHY WE OCCUPIED THE PHILIPPINES.

When the United States announced to the world its purpose in the name of humanity of destroying Spanish rule in Cuba all doubt was removed as to our intentions by specific announcement in the declaration of war:

That the United States hereby disclaims any disposition or intention to exercise sovereignty, jurisdiction, or control over said island (Cuba), except for the pacification thereof, and asserts its determination when that is accomplished to leave the government and control to its people.

After that frank declaration our professions of idealism and honesty of purpose would be discredited to say that the United States as a heaven-sent missionary would free the bonds of Cuba with one hand, while fastening our own government onto the Philippines with the other.

We could never intend to hold the 10,500,000 Filipinos, with their 114,400 square miles of territory, while liberating 2,600,000 Cubans, with only 44,164 miles. In that declaration of war we might have written with equal frankness and certainty the words "Philippines and Cuba," so far as our intentions were concerned.

Comparing these two peoples at the time of the Spanish War, Admiral Dewey said in a cablegram June 23, 1898:

In my opinion these people (Filipinos) are superior in intelligence and more capable of self-government than the natives of Cuba, and I am familiar with both.

In his testimony subsequently before the Senate committee Admiral Dewey explained his cablegram by saying:

I wrote that because I saw in the newspapers that Congress contemplated giving the Cubans independence.

On August 29, 1898, Dewey wrote President McKinley:

In a telegram sent the department on June 23 I expressed the opinion that "these people (Filipinos) are far superior in their intelligence and more capable of self-government than the natives of Cuba, and I am familiar with both races." Further intercourse with them has confirmed me in this opinion.

Two years afterwards, in 1900, or 20 years ago, the organization of the Republic of Cuba was begun and completed by May, 1902, when permanent military occupation by the United States ceased.

Mr. Chairman, after over 20 years we are now found apologizing, excusing, and avoiding our promise in the case of the Philippines, although high authority asserts the superiority of the Filipinos far back in 1898, while their remarkable progress since that date is known to the civilized world.

On June 18, 1898, about the date of Dewey's first telegram, Aguinaldo issued a formal declaration of independence for his people, which was enlarged on June 23, a few days later, based on the possibility of the American squadron returning to America. It was a notice to Spain and to the world of Filipino aspirations voiced by Rizal, Aguinaldo, and other leaders.

Gen. Anderson, who was placed in control of the American forces in 1898, wrote The Adjutant General of the Army at Washington:

They (the Filipinos) are not ignorant, savage tribes, but have a civilization of their own, and although insignificant in appearance, are hard fighters, and for a tropical people they are industrious.

Judge Blount, an able writer, six years in the Philippines, two years as an officer during the insurgent rebellion and four as a civil judge, says of Aguinaldo and his insurgent government at that time:

The more you know of the educated, patriotic Filipino the more certain you become that the (Aguinaldo) government we destroyed in 1898 would have worked quite as well as most any of the republics now in operation between the Rio Grande and Patagonia.

About that same period John Barrett said before the Shanghai Chamber of Commerce on January 12, 1899:

Aguinaldo has organized a government which has practically been administering the affairs of the great island of Luzon (about the population and area of Ireland) since the American occupation of Manila,

which is certainly better than the former administration; he has a properly constituted cabinet and congress, the members of which compare favorably with Japanese statesmen.

That estimate, offered 21 years ago to the most influential business organization of the Orient by an acknowledged authority, with other corroborating statements I have quoted, gives a fair understanding of the capacity of the Filipinos for self-government before any aid was given them by the United States.

This remarkable people has arisen rapidly in the scale of education, industry, and general enlightenment during the 21 years that have elapsed, and abundant data shows that many Filipinos are far more enlightened and capable than self-satisfied critics who do not understand or comprehend how their own Government functions or what it stands for.

OUR PURPOSE THEN AND NOW.

Possibly the best and briefest declaration of their aspirations and his own judgment was given by President Schurman, of Cornell University, who headed the first Philippine Commission. In an address to the university, January 11, 1902, about 19 years ago, he said:

Any decent kind of government of Filipinos by Filipinos is better than the best possible government of Filipinos by Americans.

In President McKinley's message to Congress in 1899 he said:

We must make these people, whom Providence has brought within our jurisdiction, feel that it is their liberty and not our power, their welfare and not our gain, we are seeking to enhance.

Anticipating the secret power of human greed, he sought to forestall hairsplitting arguments in the future by saying further:

The Philippines are ours not to exploit, but to develop, to civilize, to educate, to train in the science of self-government. This is the path of duty, and we must follow or be recreant to a mighty trust committed to us.

President McKinley declared in effect that if we sought to hold or exploit the Philippines we would be recreant to a mighty trust committed to us by Providence. This sentiment he reiterated in various State papers.

To the same effect ex-President Taft, while civil governor of the islands, answered the pugnacious American papers in the Philippines that then as now refused to be reconciled. December 17, 1903, he said:

Some of our young lions of the local press have spoken of the "childish slogan," "the Philippines for the Filipinos." It is unnecessary to comment on the adjective used, but it is sufficient to say that, whether childish or not, the principle makes up the web and woof of the policy of the United States with respect to these islands, as it has been authoritatively declared by two Presidents of the United States—for President Roosevelt has followed sedulously the policy of President McKinley—and, by the interpretation of the supreme popular will, the Congress of the United States.

Mr. Chairman, the "young lions," that represent six thousand and odd Americans—men, women, and children—in the Philippines to-day, are equally noisy, notwithstanding McKinley, Roosevelt, Taft, and the American Congress have spoken definitely on the subject. A leading Senator, in debate in 1916 on the Jones bill, expressed the situation in the islands as it appealed to him when he declared, "We ought to get the carpetbaggers out," and for fear his designation might be indefinite he referred in debate to those who would exploit the islands as "speculators, financial buccaneers, and commercial bandits." The sentiment of President McKinley is more just and all sufficient when he says we will be recreant to a great trust if we exploit these islands.

In 1907 Governor General Taft said to the Philippine Assembly:

Our jurisdiction and control will finally end in the islands when they are capable of self-government.

And again, as Secretary of War, he said:

Our jurisdiction is until ultimate independence is granted.

ROOSEVELT'S JUDGMENT.

Ex-President Roosevelt wrote a carefully prepared press article in 1915, shortly before the Jones law was passed, saying:

If we act so that the natives understand us to have made a definite promise, then we should live up to that promise. The Philippines, from a military standpoint, are a source of weakness to us. The present administration has promised explicitly to let them go, and by its action has rendered it difficult to hold them against any serious foreign foe. These being the circumstances, the islands should at an early moment be given their independence, without any guaranty whatever by us and without our retaining any foothold in them.

Theodore Roosevelt, a certain President in 1921 had he lived, a military and naval authority, and a foremost American, expressed his conviction that the islands should be given their independence at "an early moment." Had he lived no doubt exists that he would have carried into effect "at an early moment" his convictions expressed in 1915.

It has been alleged that self-interest and a spirit of pettifogging have actuated those who would play the Philippines as a pawn in politics. Whatever the facts the American Congress, in 1916, when enacting the Jones law containing a large measure of self-government to the Philippines, gave definite pledge of independence to the Philippines. This was in confirmation of many assurances given in the name of the American people, which had been accepted at 100 per cent by the Filipinos and by the world.

In conformity with that purpose a Republican Congress passed the Jones law, which was approved by the President. Little opposition occurred in either House or Senate, and to the lasting honor and credit of the Congress it merged a moral obligation into the nearest approach to a legal declaration that one Congress can make for another in the following language, that appears in the Jones law passed nearly five years ago:

It is, as it has always been, the purpose of the people of the United States to withdraw their sovereignty over the Philippine Islands and to recognize their independence as soon as a stable government can be established therein.

In the recent Democratic platform of 1920 appears this pledge:

We favor the granting of independence without unnecessary delay to the 10,500,000 inhabitants of the Philippine Islands.

STABILITY ESTABLISHED.

This pronouncement is in harmony with the declaration of Roosevelt, that independence be granted "at an early moment," and with the specific promise of the American Congress on the subject, whenever a "stable government" has been established. President Wilson, in his message to Congress December 7, 1920, declared a stable government now exists, when he said:

Allow me to call your attention to the fact that the people of the Philippine Islands have succeeded in maintaining a stable government since the last action of the Congress in their behalf, and have thus fulfilled the condition set by the Congress as precedent to a consideration of granting independence to the islands. I respectfully submit that this condition precedent having been fulfilled, it is now our liberty and our duty to keep our promise to the people of those islands by granting them the independence which they so honorably covet.

Mr. Chairman, that promise will be kept. The only question now fair for discussion is whether or not the Philippines have established a "stable government," as is specifically declared by President Wilson. If so, "the purpose of the people of the United States to withdraw their sovereignty and to recognize their independence" has arrived, and in public honesty and national good faith we should without further delay or excuses keep our agreement.

In 1919 the Philippine mission, composed of members of all political parties of the islands, presented to Congress in person at Washington a memorial for independence passed by the Philippine Legislature, from which I quote the concluding paragraph because of the splendid sentiment therein expressed, which is as follows:

The Filipinos will thus have a better opportunity to demonstrate how deeply rooted is their gratitude for America when, after her voluntary withdrawal from these islands, we preserve here the immortal spirit of her democratic institutions, and associate with her in her future enterprises of justice and peace, in carrying to the darkest corners of the earth, which lack happiness because their people do not control their own destinies, the quickening flame of justice, democracy, and liberty.

No disagreement is claimed to exist in the islands among the Filipinos over their desire for independence. While a few American civilians and Army and naval officers in the islands have objected to the policy set forth by the different American Executives and other high officials and by Congress, the Filipinos, who outnumber the civilian Americans fifteen hundred to one, in round numbers, have joined unanimously in their independence memorial to Congress. By legislative action which I can not take space to quote the Philippine Assembly and Philippine officials year after year during the past 12 years have memorialized or expressed their nation-wide appeal for independence. On this one question, vital and of supreme importance to them, the Filipinos appear to be remarkably united.

Ignoring the contention of those who say the "Filipinos do not know what they want," I pass over this expression of colossal ignorance or purpose to misrepresent and refer to the unanimous action of those most vitally affected in order to show there is no such division over independence as occurs in Ireland, on which subject one branch of the American Congress has spoken unanimously.

A GOVERNMENT OF FILIPINOS BY FILIPINOS.

To use the comprehensive statement of President Schurman, of the Philippine Commission, back in 1902, "Any decent kind of government of Filipinos by Filipinos is better than the best possible government of Filipinos by Americans."

In other words, no government is good enough or wise enough to rule another people against their will, and 10,000 miles distance from our seat of government does not lessen the character of the Philippine task.

The Philippines have a government that has existed in substantial form since Dewey and Barrett said in 1898 and 1899 the Filipinos were superior to Cubans for self-government and equal to Japanese statesmen in ability. We have pledged our faith repeatedly since the declaration of war with Spain, down to the passage of the Jones law, that we will give the Philippines a government of their choice.

Congress, representing the voice of the United States, has promised to release all claims of sovereignty to the Philippine Islands and grant unrestricted independence when a "stable government" has been established. What is a "stable government"?

For many years our own Government was unstable compared with some European monarchies, although its foundation stones of liberty and equal justice to all enabled it to outlive the storms of 1776 and 1812 and the great Civil War. What government of to-day is to be the measure for the Philippines?

English, French, and Italian ministries have been overturned politically several times during the last war. In Japan, Greece, and other Governments joined with the Allies recent changes in ministries have frequently been accompanied by violence or rioting. Russia, Germany, Austria, and Turkey have lost all semblance of the governments that existed four years ago. Practically every nation of importance, including our own, in the short space of eight years will have changed every department of government politically and in its policies. Governments from the Rio Grande to Patagonia, including the islands of the Caribbean Sea, are no guide when Judge Blount declares the government of Aguinaldo which we destroyed far back in 1898 was superior to many of these governments 20 years ago. What, then, is specific evidence of stability?

In every department of government the Filipino people have progressed marvelously since 1898, and particularly during the past four years since the passage of the Jones law, which gives them an autonomous form of government.

The government of the Philippines, including its administrative officers, its senate, assembly, municipal, judiciary, educational, and fiscal departments, is all practically in the hands of Filipino officials who have shown by years of service that they are in every way capable of managing their own affairs. Educationally their progress has been rarely, if ever, equaled.

Mr. Chairman, before the Pilgrim fathers landed at Plymouth Rock the Santo Tomas University at Manila in the sixteenth century was graduating the Filipino students in the arts and sciences. When Dewey sailed into Manila Bay 2,100 private schools existed in the islands. To-day over 6,500 schools and colleges are instructing the Filipinos, young and old, taught by over 17,000 Filipino teachers and about 1,000 other teachers, one-half of whom are Americans. A school enrollment of 884,000 without any compulsory attendance laws carries its own argument of the extent of its educational progress, which includes the English language in every school.

Several months ago a party of 20 Senators and Representatives unofficially visited the islands, and while there came in contact with hundreds of Filipinos in all walks of life. Of the congressional party not one, so far as I observed, could talk either the Spanish or Filipino languages and presumably less than a dozen Members of the American Congress can speak either language. Practically all Filipinos we met could speak the Spanish and Filipino languages, and many of the business men and officials could speak English fluently.

Apart from Philippine school students, many native-born Filipinos in the islands are graduates of Yale, Harvard, Wisconsin, Indiana, and other American universities, and others have had like opportunities in English, Spanish, and different European institutions. It is a rash man who criticizes the widespread intelligence, culture, and educational advancement of these people.

PHILIPPINES RANK HIGH IN EDUCATION.

A standard of comparative illiteracy may be equally interesting. Practically every Government of South America and Central America, from Mexico with 70.7 per cent; Costa Rica, 80.2 per cent; and Guatamala, 92.7 per cent, down to Argentina, 54 per cent; Colombia, 73 per cent; Bolivia, 82.9 per cent; and Brazil, 85.2 per cent illiteracy, ranks far below the educational standards of the Philippines, which, based on the recent census, are reported at only 30 per cent illiteracy, a striking reduction from 55 per cent in 1910. Even Greece with 57.2 per cent; Spain, 58.7 per cent; Bulgaria, 65.5 per cent; Portugal, 68.9 per cent; Russia, 69 per cent; Siberia, 78.9 per cent, are far below the standard now reached by the Filipinos.

During the recent war Secretary Lane, in his report to the President, said of the pick of America's finest, her selected soldiers, 25 per cent of the 1,600,000 between 21 and 31 years of age who were first drafted into the Army could not read or write our language.

While it may shock our own national self-esteem in this connection, our official census statistics show that after the Philippines were occupied by American troops 12 of our States, or one-quarter of the total number, reported between 30 to 40 per cent illiteracy, or in several of our own States lower than in the Philippines to-day. This proportion has since been materially reduced, but if our Government, after over a century of enlightenment, had made such slow progress by 1900, results as announced in the Philippines have been marvelous.

HOME OWNERS, AGRICULTURISTS, AND TRADESMEN.

Stability of any government largely rests in the contentment of its people, industrially as well as politically—in their ability to maintain themselves independently. Restlessness throughout the world, causing Russia's overthrow and shaking other Governments to their foundations, is caused primarily by the wide gulf that separates classes economically dependent on each other.

In the United States less than one-half of our people own their homes, and less than one-quarter are directly engaged in farming. I believe the latter estimate is conservative, based on approximately 6,500,000 farms.

In the Philippines 1,955,276 farms are owned by 1,946,579 Filipinos, or less than one half of 1 per cent (0.9697) are owned by all other people combined; and, figuring the conservative figure of four to a family, nearly 80 per cent of the total Filipino population is engaged in farming, with farms averaging approximately 5 acres in size. Of the 1,955,276 Philippine farms only 26,612, or less than 1½ per cent, were mortgaged, whereas farm mortgages in this country cover about 40 per cent of our farms in North Central States in 1910 and an average exists throughout the country of over 30 per cent, which is a further occasion for anxiety and unrest at home.

Ninety per cent of the Filipinos own their own homes in the cities, or an average of over 95 per cent in country and city, because only a small fraction, less than 5 per cent, live in the cities.

As a self-reliant, home-owning people, the Filipinos are "stabilized." Other industries in the Philippines, according to the recent census, include 8,354 manufacturing establishments, with a capital investment of $111,236,000 and an annual production of $178,047,000. An analysis of these figures has been made by Philippine officials, showing the cost of production, average profits, amounts paid laborers and in salaries, all carried out to a surprising degree of detail.

Mr. Chairman, long before America knew of the Philippines, and presumably centuries before Spain occupied the islands, the much-advertised Igorrotes were surpassing the world in their knowledge and application of irrigation. In the subprovince of Ifugao 12,000 miles of walls, 8 feet in height, long enough to reach nearly halfway around the world, rise like giant steps up the sides of steep mountain canyons to a total height of 3,000 feet or more—a colossal industrial and engineering accomplishment that, in view of comparative conditions, dwarfs our own vaunted irrigation schemes. The pyramids of Cheops or the tallest skyscraper in the world are insignificant in size or achievement compared with this great food-producing monument constructed by a remarkable people, whose Igorot descendants to-day are graduated from Rush Medical, Johns Hopkins, and other leading American institutions of learning.

Foreign trade reaching $250,000,000 annually, 600 miles of railways (Government owned), and 7,000 miles of good highways indicate convenience of intercourse when it is remembered that a large part of the commerce and business must be carried on among the different islands by thousands of boats.

Practically the entire government of the islands is now in the hands of the Filipinos, duly elected by Filipinos. An annual deficit existing in the Philippine treasury up to 1913 has been wiped out under their modern budget law, together with expenditures totaling over $38,000,000 in 1919, including a portion of the $15,000,000 special educational appropriation, leaving a cash balance in the treasury at the end of 1919 of $13,500,000, or a clear surplus, after deducting all outstanding charges against the treasury, of over $6,000,000.

FILIPINOS PAY ALL THEIR OWN GOVERNMENTAL EXPENSES.

Every salary and all governmental expenses, from Governor General down to that of the lowest public officer, are paid by the Filipinos. Our own Government does not pay one dollar. All we do is to foist a high-salaried political appointee on the islands, whose sumptuous court and palatial quarters rival that of the Sultan of Turkey—all paid for by the Filipinos.

It may seem strange for us to saddle this uninvited guest onto the Filipino treasury and the Filipino people, but it gives the President of the United States a rare plum, drawing down an $18,000 annual salary, a real palace, and other side perquisites that might make any plum recipient worried over the danger of a "Jap menace" and of general "instability" of governments—so long as the job lasts.

However, it can be said that Governor General Harrison has just reported to President Wilson on the Philippines that—

> The stable government stated as a prerequisite for independence has already been established in the Philippines—

and he recommends that independence now be granted.

A declaration against interest generally is given high value in law and it may safely be accepted in Philippine affairs, particularly as President Wilson has made the same announcement to the country.

Modern hospitals, strictly enforced health regulations, a strong practically universal religious training, a law-abiding disposition on the part of the people, together with thousands of native constabulary and efficient police, all contribute toward the absence of riots and to obedience of law found among this people.

PHILIPPINE LOYALTY.

During the recent war, although agitators from abroad sought to stir up anti-American sentiment and provoke revolution, the Filipinos were loyal in their support of this country. They raised 25,000 troops for home and overseas use, thereby releasing 10,000 American soldiers in the Philippines who left for Europe and Siberia. The islands raised more than their quota of Liberty bonds and came through the war period without a single disturbance, evidencing their stability and singleness of purpose, under unexpected and trying conditions.

Governor General Harrison, appointed by President Wilson and serving as nominal chief officer of the islands under the Jones law, says:

> Native Filipinos are to-day governing 1,000 municipalities and 42 Provinces economically, efficiently, and for the good of the entire people.

Again he says in 1919:

> The Philippines are away ahead of the United States in successful Government ownership and operation of public utilities. The Government took hold of the steam railways and made them pay a profit of 1,000,000 pesos ($500,000) a year more than under private ownership. It took hold of the highways, and we have 7,000 miles of the best macadamized roads in the world. The Manila city government is about to take over the street railways and the gas and electric plants, while the Territorial government is arranging for ownership and control of the coal supply.

Those familiar with the spineless handling by Congress of the unbusinesslike Washington City street railway system that perpetrates legalized robbery on the one hand to make dividends on watered stock on the other can determine which Government is most in need of guardianship on this point.

A pen picture of a legislative body not taken from the gallery of the American Congress is afforded by Dr. Heiser, director of public health in the Philippines, who calls the Philippine assembly "a crackerjack." He continues:

> Their capacity for self-government is so crude, as yet the members have not learned to read newspapers while a colleague whose seat is next to theirs is addressing the house, nor do they keep up such a buzz of conversation that the man who has the floor can not hear himself talk. They listen to the program of public business.

Volumes have been written by unprejudiced Americans who bear testimony to the Filipinos' capacity and present right for self-government. Dewey, Anderson, Blount, Barrett, all speak of the Filipinos' capacity for self-government before the American occupation in 1898. For over 20 years the islands have participated in some form of home government and now practically conduct all their own affairs, as has been stated, with slight supervision by our own Government, but the same conditions that made English tea more palatable at the bottom of Boston Harbor than in the stomachs of the colonists still exists with any foreign Government's supervision of another people.

ARMY OFFICERS AND THE PHILIPPINES.

What of opinions held by the Army and naval officials in the Philippines? No Army of occupation or Government voluntarily relinquishes its hold or dominion over a "subject race." In fact, our own Government was the last in the world to grant complete emancipation within its own borders. From the time of Alexander to Napoleon and on down to the Kaiser's power in our day and age military officers the world over are trained to command others. From the day he gives first orders to the plebe at the academy down to final retirement by this Government the gulf between the civilian or enlisted man and shoulder straps is generally wide. What wonder that the opinions of officers small and large are colored by life-long training, or that, due to habit, such opinions ordinarily agree with superiors in matters of national policy. A different social life, which often assumes individual and racial superiority, may also be an important factor, but the policy of "findings is keepings" is one hard to avoid by nations as well as individuals and explains the background for military opinions not ordinarily affected by national pledges, governmental responsibility, or exact justice.

AMERICAN CIVILIANS IN THE PHILIPPINES.

Other objections have been offered, and their character and the self-interest of those offering them may be briefly discussed. Less than 7,000 Americans live in the islands out of 10,500,000 people, or less than 1 American to every 1,500 people. These Americans settled in the islands with full knowledge of their status, and have received equally fair treatment and consideration personally and in a business way, so far as we know. They are in the same position as the Americans in Cuba or Chile or China, subject to the local government. I will not call them "carpetbaggers," "exploiters," and other harsh terms used in another legislative branch of this body, because I know that some of these Americans are upright, conscientious business men; and, again, leading American business men there have told me they are enjoying equal privileges with Filipinos, have found no evidence of graft or unfair treatment among local officials, and are not alarmed over independence.

Mr. Chairman, I do not care to comment upon the effort of less than a handful, comparatively, of Americans, who propagate misinformation in order to influence legislation for the islands and who urge that we repudiate a national pledge given to the world and to the islands of independence, or on the absurdity of American citizens settling in Cuba, China, Chile, or elsewhere in preference to their own country and then demanding Congress take over the country in which they prefer to live, because one out of every fifteen hundred of all the people is not contented in the land of his adoption.

As evidence of strong, personal bias, I read, about the time the Jones bill was under consideration, an extraordinary book against the Filipinos. It appears the writer of the book, a former American official appointed to the Philippines, had been charged in Congress in 1910 with gross irregularities, while acting as such official, relating to exploitation in the Philippines. Without discussing the merits of the charge or of subsequent happenings, I am informed the author of the book was and now is prominently connected with the largest oil factory in the Philippines, and is also an official in a large development company organized to exploit oil, live-stock transportation, etc., in the islands. These circumstances and others not necessary to relate explain a frame of mind naturally affected by the personal and pecuniary interest of the author who opposes Philippine independence.

Poisoned press cablegrams from Manila are now regularly appearing in daily papers in this country which resemble bitter attacks on Filipinos by an American newspaper published in Manila last summer while we were there, all seeking to ridicule and discredit stable and law-abiding conditions in the islands. Governor General Harrison and other prominent men past and present, census statistics, and our own observation were all to the contrary.

A "chamber of commerce" in the Philippines, which claims to represent the six thousand and odd American men, women, and children on the island, has objected to independence of the 10,500,000 Filipinos, both on the ground of business and the "Japanese menace," and has enlisted the support of business interests of this country which also voice their protests through the press.

Judge Blount, in his comprehensive work on the Philippines, says: "Americans interested in business in the Philippines come back to this country from time to time and give out interviews in the papers, declaring that the 'Filipinos do not want independence.' What they really mean is that it makes no difference whether they want it or not, they are not going to get it. * * * The gulf in the Philippines between the dominant and subject races will continue to widen as the years go by so long as indirect taxation without representation continues to be perpetrated at Washington for the benefit of special interests having a powerful lobby."

CLASHING COMMERCIAL INTERESTS.

Every well-informed person in the world knows how far clashing commercial interests of the world have been responsible for troubles in the Occident and Orient.

One moving cause for misunderstandings and disagreement between Governments is human greed, and that, under a variety of excuses and pretexts, has been responsible for widespread suffering, countless waste of lives and money, and creation of standards that appeal to the selfish, cruel, and worst part of our natures.

Mr. SHERWOOD. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes, certainly; I yield to Gen. SHERWOOD.

Mr. SHERWOOD. Does the gentleman think that the moral status of the Filipinos has been improved by the American occupation?

Mr. FREAR. Undoubtedly so, although they are naturally a generous, moral, and industrious people. Higher education has made them a stronger, better developed race. The Filipinos are the ones who speak so encouragingly upon that subject. Over there they say that America is the hope of the world, and they have the warmest feeling toward America and Americans. Let me say in addition to that, that within the last 10 years our commerce has increased several times because of their generous feeling toward us, and to-day we supply two-thirds of their foreign commerce, which amounts to $250,000,000 to the islands annually.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. HARDY of Texas. Does the gentleman know what our stay in the Philippine Islands has cost the American Government?

Mr. FREAR. I do not know; but I will say that every dollar of expense for the Philippine government to-day is paid out of the Philippine treasury by taxation, including the cost of the governor general whom we send over there to act nominally, supposedly to govern the islands. The American army of occupation, which we have there to-day, reaching about 10,000 men, with all of the enormous expense incurred by that army, is paid for by our Government.

I discussed conditions with men like President Quezon, whom so many of you know, with Gen. Aguinaldo, Speaker Osmenia, with the Philippine Commissioners, especially Delegate DE VEYRA and Madame De Veyra, his distinguished wife, and with others, including the chief justice of the islands, Judge Mappa, in respect to the islands, because I knew they were vitally interested, whatever may be our own disposition in respect to immediate independence. They said, among other things, unquestionably that anything the United States wants in the islands in the way of coaling stations, a naval station, or whatever else it may be, will be cheerfully accorded by the Philippine Government, because they acknowledge the obligation that they owe to this Government.

Mr. SHERWOOD. Take the island of Luzon. What proportion of the natives are educated?

Mr. FREAR. In the island of Luzon and all of the other islands, including the seven large islands, with over 10,000,000 people, the number of educated people now reaches 70 per cent, according to the best information we have. That includes the Igorrotes, of the tribe we saw in Chicago in 1893, and I may say something further that will be of interest to you gentlemen of the Congress.

I asked Quezon, "How about the Igorrotes; are they susceptible of education? Can they be assimilated in your civilization over here?" Although 90 per cent of the Filipinos are Christian and nearly all are educated, there is a small percentage who are Igorrotes and Moros. Quezon said in reply: "I will introduce you to an Igorrote from the islands, who is a graduate of Rush Medical College, Chicago, and afterwards graduated from Johns Hopkins University, of Baltimore." That speaks for their progress.

Mr. Chairman, America with her lofty ideals has repeatedly declared that humanity and not profit or pelf shall be her national aim with all countries. Have we been true to those ideals in our dealings with weaker nations generally?

Great business interests that make and unmake governments, that recognize or refuse to recognize national autonomy in other countries, that make for peace or war, are all powerful to-day—even in America. How far are these interests concerned in the present equivocal status of the Philippines? Probably direct evidence is hard to find, although Judge Blount declares that the agricultural-implement business known as the Harvester Trust, and the hemp business interests, and the Sugar and Tobacco Trusts of this country and other large influential combinations are opposed to Philippine independence.

THE PRICE OF SOVIET RECOGNITION DEMANDED BY THE POWERS.

It is not hard to discover nation-wide propaganda by big business when the purpose is apparent, but a consistent propaganda may deceive even those who are familiar with methods pursued. During the past year the press of the country, daily and weekly, has contained columns regarding bolshevist atrocities and in denunciation of the soviet government. Every case of labor agitation in our own country, every bomb-throwing outrage, was declared to be instigated by Russian Reds. Many of us were affected by the anti-Russian hysteria. Presumably 99 per cent of our people are against the soviet form of government, but the chorus that fed on bolshevists for breakfast, Russian Reds for dinner, and soviets for supper was violent in its daily tales of tortures, official incapacity, and Russian anarchy, until about November 15, when a Mr. Vanderlip, international booster from Los Angeles, announced through the press that an American syndicate had secured vast concessions from the soviets. Simultaneously Great Britain made peace with the soviet government, announcing it meant billions of dollars in business to her. France then let the cat out of the bag by protesting against Great Britain's action, because the soviet government refused to guarantee repayment of $8,000,000,000 in bonds loaned the overthrown Russian monarchy by France before the war. Then the chorus suddenly stopped.

VANDERLIP'S MODEST DEMAND.

A new big-business chapter is from Vanderlip's press-bureau statement of December 11.

Vanderlip is the man who claims to have an enormous $3,000,000,000 concession in Siberia, which he has repeatedly announced to the world. This is what he said in last Sunday's Washington Post:

> I've been over the top and I've brought back to America a concession to 400,000 square miles of the richest territory in Russia with $3,000,000,000, and it's up to America to keep it. * * * The territory is now occupied and claimed by the Japanese, and the concessions of the American group will be of no value unless the Japanese are pushed out of the Kamskatka region. * * * Mr. Vanderlip said he was looking to the United States to compel the Japanese to move.

Ignoring the merits of a prior French mortgage and also conflicting Japanese squatter sovereignty claims to this territory, Vanderlip now wants a few hundred thousand American troops and a score of American battleships to land his Russian gold brick. Vanderlip is violating the Volstead Act in vodka land and needs a police ambulance quick. This new Los Angeles Charlie Chaplin is in the position of the verdant rustic who frequently receives a deed to the National Capitol Building from some unknown affable stranger, and then shrieks for the police. Now that the anti-Russian press chorus is suddenly silenced and the "Japanese menace" press chorus takes the center of the stage, it is time for Vanderlip to retire and also time for the Philippines to cut loose from inspired interests that seek to provoke a quarrel with Japan. The Filipinos earnestly ask not to be dragged into our foreign troubles.

Nothing has been heard of bolshevist atrocities since the Vanderlip and Great Britain concessions in Russia were announced. There are those unkind enough to say that $80,000,000 in bonds held by Morgan & Co. and by the National City Bank of New York and $187,000,000 of hard American coin turned over by the administration officials to a fly-by-night Russian ambassador representing a nonexisting Russian government had much to do with the bolshevist ghost walk occurring in our midst for many months.

Mr. Chairman, it is needless to illustrate further the power of business which under cover of noisy pounding thus sought to compel a guaranty of American and French holdings of ancient Russian bonds, or else the "stop short, never to go again" grandfather's clock chorus discovered overnight that the bolshevists, reds, and soviets of Russia had suddenly reformed. Enormous new commercial concessions cover a multitude of sins when a Russian government, "unstable" because nonexistent, is recognized by our Department of State and financed by American taxpayers, while the Philippines' claim for independence is ignored. Why American troops were sent to Russia and kept quartered in a country with which we were not at war is yet unknown, unless repudiation of bonds originally executed by a deposed Czar would justify such action by our administration.

Why approximately 10,000 American troops are kept quartered in the Philippines at a cost of several million dollars annually is also a matter of speculation, in view of the large native Philippine Constabulary force that has maintained excellent order in recent years, better by far than in some American cities and States.

SANTO DOMINGO'S EXPLOITATION.

The example of Santo Domingo, where our Government took possession of the Republic and established a military government with an American admiral at its head, is also in point.

A Dominican debt of $20,000,000 incurred prior to 1907 is involved, which it is reported our military and naval authorities are to collect. Not by permitting the Republic of Santo Domingo to function, but by seizing the customs and entire Government and placing the Santo Domingo Government under martial law, a country that has never been at war with the United States. I am not repeating innumerable tales of oppression and injustice that filter through the lines, but am suggesting that the doctrine of self-determination in the Philip-

pines and Santo Domingo, for which our soldiers fought in France in 1917, does not seem to apply where commercial interests are involved.

HAITI'S EXPLOITATION.

Haiti is another small Government that we are violently assimilating. On November 13, 1920, the President of Haiti declared in a long press statement that Haiti is under the absolute control of American marines, who have been stationed on the island for several years. That means martial law. The Haitian President declares he is treated only as a figurehead, not entitled to draw his own salary. He says:

Since American occupation no effective aid has been given Haiti for developing its agricultural and industrial resources as stipulated in the treaty.

Preventing a vote on the budget, contrary to the voice of the Haitian constitution, and confiscation of officers' salaries by the American financial adviser and American minister is charged against the National City Bank of New York, which refuses to permit the importation of foreign gold into Haiti. James Johnson, a reputable writer, declares this New York bank has a strangle hold on the financial life of Haiti. By a coincidence, it is the same National City Bank reported to be a holder of $80,000,000 Russian bonds which the soviet government refuses to guarantee.

It may be improper to have our State Department disclose to Congress our diplomatic relations with Haiti or Santo Domingo, or any other Government where our Army or Navy is collecting debts for private business concerns, even though it results in killing off 2,000 or more Haitians by way of mild excitement in a tropical climate, but every well-informed man knows that Haiti, like the Philippines, Santo Domingo, and Mexico, is a promising field for private exploitation. Other Governments in South America and Central America, including Colombia, Guatemala, and the 51 per cent Brown Brothers' corporation called "Nicaragua," have interesting chapters on the same subject that can not be covered in a few words.

MESOPOTAMIA OIL FIELDS EXPLOITATION.

What opera bouffé performance outrivals the stern pronouncement recently sent by our Secretary of State to England, demanding that American oil interests be given a free hand in Mesopotamia, and what possible international complications might follow such demands? Another chapter occurs when France follows our State Department's Mesopotamia protest, and itself protests against Vanderlip's Russian concession. It is a striking commentary on modern civilization that immediately after the greatest war in all history, three allied Governments that contributed 18,000,000 soldiers and sustained years of suffering and sorrow, are now found squabbling over spoils and rights of private exploitation at the instance of big business.

Mr. Chairman, when this country, at the conclusion of its greatest war, is immediately confronted with estimates of $1,500,000,000 for support of its Army and Navy because of possible dangers, it may be well for Congress to thoroughly probe the charge that commercial rivalries and big business battles to-day are jeopardizing the peace of the world and our own country's safety more than the Japanese menace and all the bolshevist threats combined. Our people have no sympathy with the small group of powerful, selfish interests that loudly preaches national idealism while holding us up to the world as a nation of dollar-money grabbers.

I have no purpose to discuss at length the far-reaching power of business interests in our relations with other Governments. The field is one familiar to all, but I am suggesting that when a Government like the Philippines has met every condition imposed by our Government, that failure then to act by Congress is looked upon with suspicion because of influences I have described.

Mr. SHERWOOD. Will the gentleman yield again?

Mr. FREAR. I will.

Mr. SHERWOOD. How many soldiers do we have over there now?

Mr. FREAR. About 10,000 soldiers are stationed in the Philippines permanently.

Mr. SHERWOOD. If the Filipinos are loyal, what is the necessity of having so many soldiers?

Mr. FREAR. I will go a step further and say that about 10,000 Filipino constabulary police the different islands. Our 10,000 American soldiers are largely stationed at Corregidor.

Corregidor is an enormous fortification, a Gibraltar, near the entrance to the bay. It protects Manila and is a valuable stronghold we would probably like to maintain.

Mr. SHERWOOD. Spain had possession of the Philippines for about 300 years, and until the Aguinaldo rebellion they had only about 1,200 soldiers.

Mr. FREAR. They had just 12,000 when Aguinaldo assisted Dewey in capturing Manila in 1898. Aguinaldo furnished all the land forces and Dewey the naval.

Mr. SHERWOOD. If the gentleman will yield for another question. Will the Filipinos reimburse the United States Government for the millions we have spent in improvement there in case they have their independence?

Mr. FREAR. Well, I do not know why we should ask them to do that. I never suggested that in the discussions, because they have had no voice in that enormous expenditure. They are conducting their own government to-day; they are giving us two-thirds of their commerce and doing everything they can for us, and we have spent probably $50,000,000, or even more than that——

Mr. SHERWOOD. More than that.

Mr. FREAR. In constructing these fortifications, maintaining a great army, and so forth, it seems to me it was an unjust burden to place upon 10,000,000 Filipinos—a burden which they had no hand in contracting. I find that we appropriated $119,000,000 for the Philippine and Hawaiian Islands from 1903 to 1914. This indicates over $100,000,000 for the Philippines alone during 20 years. A large part of this expense was and is an unnecessary and continuing burden on our own people.

Mr. Chairman, is business, "big business," seeking to prevent our Government from keeping its pledge of independence made to the Philippines? Judge Blount said seven years ago that a powerful lobby at Washington was then working to that end, and now that all conditions have been met and Congress has unequivocally declared its purpose to release the islands, the handful of business interests there and business interests here that persistently oppose independence find a last straw to support their opposition in a "Japanese menace."

THE JAPANESE MENACE.

It is a familiar rule of conduct to look with suspicion on those whose arguments are directly traceable to reasons not frankly disclosed. By that rule the purpose of propagandists on the "Japanese menace" to Philippine independence will be discredited in advance, because these interests have always been opposed to independence. What they fail to get by direct efforts is now sought by staging a ghost walk with the Japanese bugaboo, even as other propagandists up to November 15 frightened small children, and older ones, too, with Russian bolshevist goblins that are "to get us if we don't watch out." In other words, we are asked to hold the islands indefinitely for fear the Japanese or some one else may have designs upon them.

Only about 6,000 Japanese in round numbers live in the Philippines out of a population of 10,500,000 in round numbers, or less than 1 Japanese to every 1,500 Filipinos.

One hundred thousand Japanese now live in the Hawaiian Islands, that have only a little over 200,000 population in all, compared to 6,500 Japanese in the Philippines, which contain 10,500,000 population. Twelve Japanese now live in California compared to every Japanese living in the Philippines. The comparison needs no further comment.

Manchuria, Korea, and Formosa, near Japan, all offer a fairly promising field to Japanese expansion, because of proximity and comparative small population to country occupied. Yet Japan has failed in its attempts to colonize Formosa, less than a thousand miles distant and midway between Nagasaki and Manila. If after many years Japan has been unsuccessful in fastening its government on the small island of Formosa, what probability is there of attempts to conquer the Philippines, with many times the area and population of Formosa; a people who are well educated, enlightened, of Christian religion, and of tested courage, living far down in the Tropics; a race that back in 1898 was declared by John Barrett then equal to the Japanese in statesmanship, by Gen. Anderson to be "hard fighters," and by Dewey as a race whose army in 1898 could have comprised "the entire population."

Quotations from leading Japanese officials might be given showing that Japan has never had any designs on the Philippines, but these are superfluous, because when our Government releases the Philippines it owes to them and to civilization a neutralization by consent of the great powers under an agreement to protect the integrity of the islands. This doubtless can be secured with whatever coaling stations or naval stations on the islands we may desire, because leading Philippine officials have repeatedly given such assurance; but if for any reason an agreement of nations can not be had those familiar with the progressive, self-reliant spirit of the Filipinos will not worry over danger from Japan or any other power.

Roosevelt in 1915 insisted that we release the Philippines at an early moment because "from a military standpoint they are a source of weakness." The Philippines are more likely to be

threatened by those countries with whom our Government's relations are strained than from any acts of their own. Roosevelt clearly points out the danger to us. It is doubly great to those whom we would necessarily involve in our diplomatic troubles. The Filipinos are in more danger through our continued military occupation than if freed from an unsought controlling alliance.

Mr. Chairman, this question has been decided by the Filipinos in the affirmative when in Philippine independence hearings before the joint committee June 3, 1919, Senator HARDING, now President elect, asked the Filipino witness, Dean Bocoba:

> Suppose the league [of nations] should fail and if you were to have your independence you wou'd be called upon to accept it without any American protection, would you still prefer it, if pressed upon your own resources?
> Mr. BOCOBA. Yes, sir; absolutely (p. 73).

That sentiment, I am informed, is universal among the Filipinos.

Mr. Chairman, if the Philippines are without danger from the Japanese hobgoblins, discovered only by those who have ever sought to block their independence, if they have established a stable government, as statistics and a record of 20 years of unexampled progress show, what further objection is urged against early fulfillment of our promise to them?

The CHAIRMAN. The time of the gentleman has expired.

Mr. FREAR. May I have a few minutes additional?

Mr. GARD. Mr. Chairman, by direction of the gentleman from Texas [Mr. BUCHANAN] I yield the gentleman from Wisconsin 10 additional minutes.

The CHAIRMAN. The gentleman from Wisconsin is recognized for 10 additional minutes.

CONGRESSIONAL ACTION IN EUROPEAN CONTROVERSIES.

Mr. FREAR. Are we slow going as a Nation in international matters when interested commercially or politically? I have briefly alluded to commercial interests that influence our foreign policy when territory is to be exploited or debts are to be collected.

If several hundred thousand or several million Filipino American voters were living in this country, would we become more actively interested politically in granting demands for independence of the islands?

Over 30 resolutions have been introduced in the American Congress, House or Senate, relating to Irish independence. No more dignified or highly respected legislative body in the world exists than the other branch of Congress, that last session by a vote of 60 to 1 passed a strong resolution demanding that the peace conference at Versailles hear Ireland's representatives present her cause.

That resolution set forth "that the Senate of the United States expresses its sympathy with the aspirations of the Irish people for a government of its own choice." It was passed almost unanimously.

With the sentiment of self-determination the average American is in sympathy not alone with Ireland but with all people who would be free. Ireland's population in 1911 consisted of 1,578,572 people living in Ulster and 2,803,379 in the rest of the island. A majority vote in Ulster was registered against home rule, estimated at one-quarter of the total vote. Predictions are made by English statesmen, writers, and others that the independence asked for and so strenuously opposed by Ulster will be disastrous; but all these arguments fall before the desire of a people who want independence. Our own people have become actively interested in Ireland's cause; the conservative upper House of the American Congress has asked unanimously that Ireland be given a government of its choice, urging that self-determination be exercised by a part of Great Britain against the mother country, even though Ireland has been a part of the empire practically within the shadow of England's hills for over seven centuries.

The Philippines have over three times the territory of Ireland and more than double its population. They are 10,000 miles distant from our seat of government, and peopled by a race that in climate and customs has little in common with ours. They are unanimous in their request for independence and we have repeatedly pledged it to them. For years they have maintained their own government against the strenuous efforts of exploiters and speculators. They see America actively concerned in European matters, although standing guard over the Monroe doctrine in the Western Hemisphere. They find America hesitating to grant them independence in the far-away Orient while pleading for Ireland; and in their inexperience with American policies that are not clearly understood even by the great mass of our own people the Filipinos ask, "Why not give us what you ask of England for Ireland?"

HISTORY REPEATS ITSELF.

Other arguments handed out by modern-day obstructionists have a musty, camphor-laden smell that bring back memories of long ago—of days when English orators in Parliament voiced the protests of Tory American colonists against being left to the tender mercies of Adams, Henry, Franklin, John Hancock, and their fellow conspirators. Our patron saints of to-day were then denounced as dangerous, rabid revolutionists, fit for the gibbet. It was then contended the American Colonies would not be able to agree among themselves, and so would become the prey of any monarchical world buccaneer that chose to gather them in—so my lords in silks and velvet professed to believe. "Do not turn them loose to be swallowed by some stronger nation." That was said then as it is said to-day.

Rich and fertile fields, forests, mines, and untold wealth were dangled temptingly before those whose cupidity and greed were controlling motives in 1775. England was then declared by her wiseacres to be filling the rôle of a world benefactor when thus protecting the Colonies from their own rapacious leaders in their mistaken demand for freedom.

The voice of arrogance, commercialism, and self-conceit was heard then as now, while the insistent cry for independence came from the same heaven-born impulse for unrestricted action—then as now; an impulse that will be the same a thousand years hence, for it is implanted in the breast of every man, in every clime, and will continue to move the world to the end of time.

Ambition properly directed is a righteous force, and the Filipino's ambition is the same force that inspired our forefathers to write a declaration for all time and for all people struggling for independence, be they in America, Ireland, or in the isles of the Orient.

The American Congress, several Presidents and ex-Presidents have voiced the pledge for Philippine independence. That promise has been given repeatedly during the last 20 years. The policy of excusing, evading, and avoiding fulfillment of that promise is not characteristic of Americanism. We should keep our pledge and grant Filipinos their independence, without delay and without strings. [Applause.]

Mr. JUUL. Will the gentleman yield?

Mr. FREAR. I will.

Mr. JUUL. If I understand the situation correctly the Filipinos now make all their own local laws?

Mr. FREAR. Entirely.

Mr. JUUL. So that the only thing left for the United States to do would be to withdraw its military and its governor. That would give the Filipinos in addition to what they now have foreign representation and consular representation. Is not that all they lack?

Mr. FREAR. That is practically so, except they are to-day maintaining a governor general, who is a representative from this Government over there, foisted on them at a salary of $18,000 a year, living in a palace, which I will say to you is one of the most wonderful places I have ever seen, a useless burden placed on them that ought not to exist because it is inexcusable and un-American. Other jobless officials now supported by the Philippine treasury and usually opposed to independence will return to America if independence is granted with an occupation now in jeopardy, then ended. But the islands will survive.

Mr. JUUL. Will the withdrawal of the American troops necessitate an equal outlay by the Filipinos for their own self-protection? Would they need 10,000 soldiers?

Mr. FREAR. Well, the gentleman is asking a question——

Mr. JUUL. The gentleman has been in conversation with Filipinos.

Mr. FREAR. Yes; and am somewhat familiar with the situation. This is a question I did ask of them. I said, "Would you gentlemen over here in the Philippine Islands"—I asked this of Gen. Aguinaldo and others—"would you be willing to give a coaling station and a place in the Philippine Islands for a haven for all Americans in the Orient, Japan, China, and elsewhere, who may choose to come here to find a safe place at all times?" They said, "Unquestionably that would be granted, because that was the disposition of their people." Now, they may need, in addition to their constabulary force, a small army in time, and in time a small navy like any other small country. A Filipino army of 25,000 native soldiers helped Dewey capture Manila. The Japanese are the only people said by business interests to be dangerous. If they captured Manila they would be in exactly the same position that Gen. SHERWOOD suggested with reference to the Spaniards who only held Manila. Great Britain when she captured Washington and New York could not hold America during the Revolution. She never could get

America because she could not wage a successful war at that distance. If the Japanese can not colonize Formosa it is impossible to believe that with the Filipinos they will be able to have any greater success. Again, I believe it is our duty, as a matter of international obligation and policy, to arrange with all the strong Governments to have the Philippines "neutralized"; for instance, as is the case of Switzerland and possibly other small Governments in Europe.

Mr. MOORE of Virginia. Will the gentleman yield for a question?

Mr. FREAR. Yes; certainly, if I have further time.

Mr. MOORE of Virginia. Has the gentleman examined the bill that is pending, as I understand, that proposes to give the Philippines their independence—a bill recently introduced or introduced during the present Congress? I want to inquire of the gentleman, if he has examined it, whether it makes any provision at all for the protection of the islands by the United States, or is it a clean proposition granting them independence?

Mr. FREAR. I have not examined it. But I will say that the Filipinos ask for independence, whether they have neutralization granted them or not. We have pledged independence to them without any strings in the past—Republican Presidents and Democratic Presidents, and the Congress of the United States as well. So I feel it is our duty, and we can not do anything else in justice to them and ourselves but grant it to them "at the earliest possible moment," to use the expression of ex-President Roosevelt. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

The gentleman from Texas [Mr. BUCHANAN] has 48 minutes remaining and the gentleman from Minnesota [Mr. DAVIS] 17 minutes.

Mr. BUCHANAN. I yield 10 minutes to the gentleman from Texas [Mr. CONNALLY].

Mr. CONNALLY. Mr. Chairman and gentlemen of the committee, I am very much gratified to know that the majority leader, the gentleman from Wyoming [Mr. MONDELL], is really now for economy. The only fear I have that his economy is not going to be a success is that after the 4th of next March he will not have any departmental heads of the administration upon whom to lay the blame for his failure to carry out his pretended economy.

It is a right singular thing that the gentleman from Wyoming is making such a loud declamation against the Secretary of War for the increase of the Army. As one of the minority at the last session I tried to point out to the gentleman from Wyoming and the majority side that the War Department and the Army, if they had a chance, would recruit up to the limit of legislative authorization. We knew over here on this side that every soldier who is a professional soldier wants to increase enlisted men in the Army, because the more enlisted men you have the more commissioned officers you will have and the higher their rank. They also sincerely believe in a large Army. It is a singular thing that the gentleman from Wyoming now complains very bitterly that the Secretary of War has increased the Army to 216,000 men, when the gentleman from Wyoming voted himself, and insisted on this House voting, for a bill that not only permitted him to recruit the Army up to 216,000 but permitted him to recruit it to 280,000.

The ranking minority member of the Military Affairs Committee was Mr. DENT. At the last session he presented a motion to recommit the Army bill. That motion to recommit provided that in peace times the strength of the Army should not exceed 185,000 enlisted men, but that in war it might be extended to proper proportions. The gentleman from Wyoming stood on this floor and joined that side of the House in voting down the motion offered by the gentleman from Alabama [Mr. DENT].

I want to call attention to the CONGRESSIONAL RECORD of March 18, 1920, page 4559.

> Mr. DENT moves to recommit the bill with the following amendment: To instruct the committee to report the same back with an amendment providing that the total enlisted force of the line of the Regular Army, excluding the Philippine Scouts, enlisted men in the Quartermaster Corps and Medical Department, Signal Corps, and the unassigned recruits, shall not at any time, except in actual or threatened war, exceed 185,000 men.

The gentleman from Wyoming, I regret to say, voted against the motion to recommit, and on that occasion, when the issue was sharply drawn between a peace-time Army of 280,000 men and 185,000 men, voted for the big Military Establishment.

What do we find on the final passage of the bill? We find that 92 Members, the majority of whom were on the minority side of the House, voted against increasing the Military Establishment, and 245 Members, the majority of whom came from the majority side of the House, led by the gentleman from Wyoming, voted for the bill increasing the Army from about 175,000 men under the national defense act of 1916 to 280,000 enlisted men and 18,000 officers.

Let us see what the gentleman from Wyoming had to say on the occasion when the conference bill came back. The gentleman from Wyoming, as leader of the majority, in a well-prepared speech expressed himself as follows:

> Mr. Speaker, I congratulate the members of the Military Committee and the conferees on the part of the House and the country upon the conference report now presented on the Army reorganization bill. I believe it embodies a most excellent military plan, and that it will receive the indorsement of practically everyone in the country who is familiar with legislation of this character, and in this connection I desire to submit some general remarks.

Mr. SEARS. Will the gentleman yield?

Mr. CONNALLY. I shall.

Mr. SEARS. I find in many sections of the country people who do not know who constituted the majority, or what party was in power.

Mr. CONNALLY. Oh, the Republican Party, of course, was in the majority. Now, I want to call attention to the fact that this bill for which the gentleman from Wyoming was sponsor on that occasion provided as follows:

> Except in time of war or similar emergency when the public safety demands it, the number of enlisted men of the Regular Army shall not exceed 280,000, including the Philippine Scouts.

In addition to the enlisted men the number of officers authorized by that bill brought it up to about 300,000 men, as I understand it.

Mr. DENISON. Will the gentleman yield?

Mr. CONNALLY. Certainly.

Mr. DENISON. I would like to know if the gentleman from Texas would himself interpret the language to be mandatory on the Secretary to enlist up to 280,000 men?

Mr. CONNALLY. I would not. I would not interpret it as mandatory; but it evidences ignorance on the part of the majority leader and on the part of the majority not to know that when you authorize military officers to increase the Army they are going to increase it to the maximum—I say it evidences ignorance on their part or an intention to make the size of the Army 280,000 enlisted men.

Mr. HARDY of Texas. The language is that "the Army shall consist of," and it does not use the word "maximum."

Mr. CONNALLY. No; the language is:

> Except in time of war or similar emergency when the public safety demands it, the number of enlisted men of the Regular Army shall not exceed 280,000, including the Philippine Scouts.

That is an expression, at least, that the Congress had it in mind that in peace times we ought to have an Army of approximately 280,000 men.

Mr. DENISON. The idea of the gentleman from Texas is that if any mistake was made we made a mistake in assuming that the War Department would look at that question as we did and consider that as a maximum and not as a minimum.

Mr. CONNALLY. The gentleman made a mistake in assuming that the War Department would understand that you meant something else from what you said in the law. The Congress should express in law what it means and not trust to some "understanding" that has no binding force, as indicated by the gentleman from Wyoming.

Mr. HARDY of Texas. In organization it gives the number of each arm that there shall be.

Mr. CONNALLY. It perhaps does, but I was just reading the maximum.

Mr. BUCHANAN. Mr. Chairman, I yield 10 minutes to my colleague from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, if, like my colleagues from Texas, Judge HARDY and Mr. CONNALLY, I believed that the Secretary of War had done as he should have done on all occasions, no man would rise more quickly in his defense than I would, but I do not look at the matter from the same standpoint that they view it. I am one Democrat who believes that when an administrative officer does contrary to the wishes of Congress, even though he is of the same political faith and party as I am, it is just as much my duty, as a Democrat, to criticize him as it is the duty of any other American citizen. I am one who does not believe that the Secretary of War has carried out the wishes of this Congress. The Secretary of War knew that Congress had appropriated only a certain amount of money for the Army. He knew the action of Congress, because every single Cabinet officer watches the votes that are taken in this House. He knew that the Congress voted money to pay for only a certain number of men. He knew it is against the law of this country to create a deficiency. He knew that when an administrative officer recruits men in the Army, the Govern-

ment is going to have to pay them, because the Government of the United States carries out its obligations and pays its debts, and he knew that if he created a deficiency of this kind the Government and the Congress were going to have to pay the men whom he recruited against the will of Congress, and I have no patience with him in recruiting men in number larger than Congress had authorized by the money appropriated.

With regard to the Secretary of War, if he goes beyond the wishes of Congress it is the duty of Congress, and it is the duty of Democrats, if they expect to retain the confidence of the country, to bring him back into line. I want to call attention in that connection to a letter which I wrote to the Secretary of the Navy on November 5 with regard to posters that he had put up and down the streets in Washington. That letter is as follows:

WASHINGTON, D. C., *November 5, 1920.*

Hon. JOSEPHUS DANIELS,
Secretary of the Navy, Washington, D. C.

MY DEAR MR. SECRETARY: There has recently been placed on Pennsylvania Avenue at the corners of Seventh, Ninth, Tenth, and Thirteenth Streets large Navy two-sided billboards, advertising on one side an urgent appeal for Navy enlistments, specifying in enticing terms 16 different special inducements, with the opposite side of the billboard containing in attractive type the following:

TWO HUGE UNITED STATES FLEETS TO ENCIRCLE THE GLOBE—200 FIGHTING SHIPS, MOST POWERFUL IN AMERICAN HISTORY, TO MAKE YEAR'S VOYAGE.

WASHINGTON, *October 17.*

The two great fleets that the Navy Department plans to send around the world next June will be the most powerful ever assembled under the American flag, it was stated here to-day. Each fleet will include approximately 110 units, selected with the greatest care from 200 or more warships available. As described to-day this stupendous armada is aimed to be a spectacle that will impress the world with America's great naval power.

And this Navy recruiting advertisement states that these two fleets will embrace the powerful dreadnaughts *Pennsylvania, Arizona, Oklahoma, Nevada, Kansas, Utah, Florida, Delaware, North Dakota, Michigan, South Carolina, Minnesota, New Hampshire, New Mexico, Wyoming, Arkansas, Texas,* and *New York,* and the wonderful superdreadnaughts *Tennessee, Idaho,* and *Mississippi,* and that each fleet, the Atlantic and Pacific, will be accompanied by numerous battleships, 8 cruisers, 80 destroyers, and 10 auxiliary ships.

May I remind you that ever since the armistice, just such seductive representations as the above have influenced hundreds of ambitious young lads 15, 16, and 17 years old to run away from home and with the connivance of recruiting officers, falsely swear that they were 18 years of age, and enlist in the Navy for a term of years, without their parents' knowledge; and later realizing their mistake, when parents sought a release, your department has threatened their frantic mothers into the frightened belief that if a discharge is insisted upon prosecution for false swearing will follow, and the son will be dishonorably discharged, and turned loose hundreds of miles from home without mileage or travel allowance.

I could not believe the assertions in this recruiting advertisement, or the similar newspaper reports thereof, so I went to see Admiral Robert E. Coontz, Chief of Naval Operations, who, while claiming that the above exaggerated the program, admitted that the Navy Department had the plan of a junketing on foot, denying, however, its extent. I respectfully submit that in permitting these Navy recruiting advertisements to be publicly displayed on Pennsylvania Avenue here in Washington, the Navy Department thereby adopts and thereby becomes responsible for such assertions.

As one humble representative of the people, I hereby respectfully protest against this proposed junketing trip. It should not be taken. Admiral Coontz advised me that he expects to defray the expenses out of the general blanket appropriations. Congress has not authorized any such trip. In none of the appropriations made did Congress even contemplate such a trip. It is my belief that Congress will not authorize it. As one humble Member I shall vote and vigorously fight against any appropriation proposed to pay for it. It is simply ridiculous.

Naval statistics show that it would require at least 70 per cent more coal and oil than ordinary to run these two fleets on such a cruise. Considering the present fuel situation, aside from the enormous expense which should not now be incurred, it would be almost criminal just now to waste the hundreds of thousands of gallons of oil and tons of coal necessary to operate our two big fleets on such a jaunt. There are now several thousand households in Washington absolutely without coal, and even when love and money will procure it, we are now threatened with the price of coal going to $20 a ton. A serious shortage of gasoline is also threatened, with the price in some communities ranging now as high as 40 cents per gallon. Both England and France have been depending largely upon us for coal. Shipping has been retarded in many ports for lack of coal.

Moreover, Mr. Secretary, I respectfully submit that this is no time for the United States to make a vain display of our submarines, destroyers, cruisers, battleships, dreadnaughts, and superdreadnaughts. It would cause every nation in the world to become apprehensive and suspicious, would cause many to become jealous, and would influence many to further grind their already overburdened people with increased naval programs. And every new keel laid by any nation would cause every other, including ourselves, to use same as an excuse for laying additional keels and further increasing naval armaments.

Our people are already tax burdened. There is but one way to reduce taxes. We must quit spending. Our Government has no money except what it takes from the people. As you well know every time we spend public money our only way of providing it is to take it out of the pockets of the people in taxation. It matters not whether it is taken directly or indirectly, after all it comes from the people. The people of the United States who foot the bills have become tired of the waste and extravagance daily prevalent here in Washington.

Last Tuesday's election was not a repudiation of Democracy or of a League of Nations, but it was a repudiation of wanton extravagance, high taxes, and lawless anarchy permitted by Congress, and for which Republicans are fully as much, if not more, to blame, though the people have held us Democrats responsible for it. There will be a League of Nations to enforce the peace of the world, entered into even by the incoming Republicans, for our people are tired of war. No war can occur between any two nations, however far removed, without vitally affecting our rights and interests, for we depend upon the markets of the whole world for a sale of our products. The people will learn that not since the war Congress convened in April, 1917, has there been a Democratic majority in the House of Representatives, and that since May 19, 1919, the Republicans have been in absolute control of both House and Senate, and are justly responsible for present conditions, for which we Democrats have been whipped. It was a Republican Congress which caused Admiral Coontz to leave Washington to-night with a congressional committee on an expensive junketing trip to the naval bases on the Pacific coast, and in addition to providing for the expenses to be paid out of the contingent funds appropriated an additional $50,000. When the blame for present conditions is justly placed where it belongs the people will soon be glad to have Democrats run their business again. I hope, Mr. Secretary, that you will not permit this world cruise. Life may grow monotonous, and being entertained in foreign ports is enticing, but our naval officers should forego it now and seek diversion in their local clubs.

Very sincerely, yours, THOMAS L. BLANTON.

Mr. BUCHANAN. Mr. Chairman, I yield the remainder of my time to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman, I ask unanimous consent to extend and revise my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DAVIS of Minnesota. Mr. Chairman, I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, I am glad to know that there are still Democrats in Texas. I began to doubt it when I heard the gentleman from Texas, Mr. HARDY, and the gentleman from Texas, Mr. CONNALLY, take the extraordinary position that not the Congress of the United States, of which they are honored Members, fixes the expenditures, but the departments and bureaus of the Government. I am glad that there is still one Texan in this House who respects the Constitution, understands its character, and has the courage, even though it involves criticism of an officer of the administration, to declare his faith.

From the beginning of our history we have made provision for the maximum Military Establishment, and from the beginning down to a few days ago, no one anywhere under the flag, so far as I know, ever claimed that the provision for the Military Establishment was other than a maximum provision, only to be fully carried out when the Congress appropriated the money for that purpose, or in the case of a national emergency demanding it. It may be that the Secretary of War has not actually violated the law against creating a deficiency by recruiting above the number which the Congress appropriated for. We all realize that we can not well apply that law in the matter of the pay of the Army, for it might be absolutely necessary to increase the Military Establishment to the maximum. We could not hold guilty of a violation of the law a man who in the face of national peril did increase to the Army maximum. On the other hand, no Secretary of War has heretofore ever claimed that he was not limited by the appropriation made by Congress, except and unless there was a national emergency demanding an increase above the number that Congress contemplated. The gentleman from Texas, Mr. HARDY, and the gentleman from Texas, Mr. CONNALLY, both talk as though it were possible for the Congress to provide by law for the exact number of men and officers we shall have at all times. They know better than that. There must be some leeway. There must be an opportunity for expansion, else in time of emergency the officer in charge of and charged with the responsibility could make no provision for the emergency.

Mr. CONNALLY. Mr. Chairman, will the gentleman yield?

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. In just a moment. Never before in our history has the Secretary of War claimed that the establishment provided by law was anything but a maximum assumed authority to recruit an Army in ordinary normal times above the numbers that may be paid and subsisted within the appropriations provided by Congress, except in an emergency, and the Secretary of War made no pretense the other day in his testimony before the committee that there was any emergency or extraordinary condition existing anywhere warranting the action he took.

Mr. HARDY of Texas. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. I yield.

Mr. HARDY of Texas. Does not this very bill warrant, in case of war emergency, a much larger Army?

Mr. MONDELL. The Army reorganization bill provides for a maximum—provides what shall be the maximum strength of the Army of the United States.

Army organization bills have always been understood to provide for the maximum strength, and the actual size of the Army has been determined by the amount of the appropriation, but the Secretary of War was piqued because Congress did not carry out his recommendation for an army of over half a million in the last Congress, and that pique was apparent in his statement before the committee the other day, which was, in effect, that as Congress did not see fit to do what he recommended, he proposed to show the Congress what he could do under the law Congress passed, notwithstanding the fact that Congress did not appropriate as he had suggested. That is what it amounted to.

Mr. GREENE of Vermont. Will the gentleman yield for a suggestion?

Mr. MONDELL. I will.

Mr. GREENE of Vermont. Right in line with what the gentleman says, it is obviously impractical and impossible for the Congress to fix an absolute determinate number of men, and although as construed by gentlemen who sought to criticize on the other side, the law specifies the exact number of men and officers, if we were to take it to be the duty of the Secretary of War always to see that we should have the exact number of commissioned officers, he could not do it, because the law of averages shows that the commissioned personnel year by year is short 10 per cent.

Mr. MONDELL. The gentleman from Vermont is quite right. The gentleman from Texas [Mr. BLANTON] did not intend to misquote me as to what I said about what occurred on the 2d of November. What I said was that it was an overwhelming rebuke to those who squandered the people's money and indulged in acts of high-handed autocracy.

Mr. BLANTON. But is not the main cause of the Secretary of War going beyond the authority given him by Congress in our appropriations the fact that he knows that the policy of the chairman of the great Military Affairs Committee, the gentleman from California [Mr. KAHN] is with him in reference to this big Army?

Mr. MONDELL. No; I do not think that is true. The gentleman from California [Mr. KAHN] was the first Member of this Congress to criticize the Secretary of War for the excessive recruiting.

Mr. BLANTON. That was political; I am talking about the facts.

The CHAIRMAN. The gentleman has 14 minutes remaining.

Mr. CONNALLY. Will the gentleman yield?

Mr. MONDELL. I yield for a question.

Mr. CONNALLY. If I understood the gentleman from Wyoming a moment ago in the colloquy with the gentleman from Vermont, the result of that colloquy was that the gentleman agreed that Congress has no way of determining the exact number of men for the Army. Is that correct?

Mr. MONDELL. Congress did provide for the number of men for the Army.

Mr. CONNALLY. How many?

Mr. MONDELL. By fixing the maximum of the Army.

Mr. CONNALLY. What was that?

Mr. MONDELL. Then in appropriating it did what it has always done, set a limit of the size of the Army for this year.

Mr. CONNALLY. At what figure?

Mr. MONDELL. By fixing the appropriation beyond which the Secretary had no authority to go except in an emergency. The gentleman from Texas can not make me believe that he believes that Secretaries of War and Secretaries of the Navy may run amuck and build up such armies and navies as they see fit within the maximum provided by law.

Mr. CONNALLY. Will the gentleman yield?

Mr. MONDELL. I can not believe he holds any such view as that, and if he does his colleague from Texas, who takes the other view, comes very much nearer representing the Democratic view on the subject and the view of the country on the subject than he does.

Mr. CONNALLY. Will the gentleman yield for a question?

Mr. MONDELL. Yes; briefly.

Mr. CONNALLY. The gentleman from Texas who is now on the floor does not take that position, and if the gentleman had been on the floor a moment ago and had heard my remarks he would not make that statement. I then stated that we warned you gentleman if you adopted this bill making the maximum the Secretary of War would recruit up to it and we tried to leave it at 185,000 and you voted the motion down.

Mr. MONDELL. I do not remember that the gentleman from Texas warned us that the Secretary of War was so lawless, so reckless of the limitations of appropriations, so utterly at variance with the view of his predecessors, so contemptuous of the Congress, that he would carry out his view of what the Army ought to be regardless of appropriations by Congress. Repeatedly during the debate fixing the appropriation it was stated by gentlemen that the size of the Army would be limited by the amount of the appropriation.

Mr. HARDY of Texas. Will the gentleman yield right there for a question?

Mr. MONDELL. I will yield.

Mr. HARDY of Texas. On page 13 of this act, section 17, it reads as follows:

SEC. 17. Infantry: The Infantry shall consist of one chief of Infantry with the rank of major general; 4,200 officers in grades from colonel to second lieutenant, inclusive, and 110,000 enlisted men, organized into such Infantry units as the President may direct.

Does the gentleman——

Mr. MONDELL. I can not yield for the gentleman to read the act.

Mr. HARDY of Texas. Does the gentleman hold that is not mandatory?

Mr. MONDELL. I hold that the provisions of the act with regard to the size of the Army are for the maximum establishment, and that the actual size of the Army is limited by the appropriations.

Mr. HARDY of Texas. But this section 17——

Mr. MONDELL. There are some mandatory provisions in the act, of course, but the provisions relative to the size of the establishment are intended to fix a maximum.

Mr. GREENE of Vermont. If the gentleman will permit, if the gentleman will turn over in the act, he will find that there is not a fixed and determinate number of the Infantry. There are, exactly as Mr. MONDELL has said, a maximum, which the Secretary of War himself may decrease by percentages which will be found further on in the act.

Mr. TILSON. Will the gentleman permit me to call his attention to the circumstances under which that maximum of 280,000 was fixed? The Secretary of War had asked for an Army of 586,000 men, as I remember, stating that the world was still in a turmoil, that we still had an army of occupation on foreign soil, and that an emergency might well arise during the year in which we would need a large Army. Under those circumstances the maximum of 280,000 was fixed, but the appropriation was fixed at a much smaller amount.

Mr. MONDELL. That is true; the fixing of so large a maximum was a compromise between the vast Army the Secretary asked for and the much smaller Army generally favored by Congress. It was not the expectation on the part of anyone that the Army was to be recruited to that size. I do not believe there was a Member on either side who had any idea that the Army would be recruited to the maximum. It never has been in all of our history. Now, the gentleman from Texas attempts to defend the extravagant estimates of the administration for the Army and the Navy by saying that those estimates were based on the action that Congress took in providing for the maximum of the Army and the Navy. The gentleman is not accurate in that statement. The estimates go beyond what would be necessary, even with the Army recruited to the maximum. The estimates for the Navy are greater than would be necessary under economical management if we were to recruit every man and every officer that can be recruited in the Navy. The Secretary of War has apparently based his estimates on the theory that, having last year demanded an enormous Military Establishment, and Congress having refused to give it to him, he should still persist, notwithstanding the action of Congress, to make the same kind of estimates that he made last year, estimates that are not sustained by public sentiment anywhere. The Secretary of the Navy does not pretend that his estimates are necessary under present conditions, but he wails because we have not entered the League of Nations, and presents us with enormous estimates with the assertion that they will be necessary unless we do enter the League of Nations. His estimates are simply a belated argument for our joining the League of Nations.

Mr. HARDY of Texas. I understand from the gentleman now, then, that the Secretary of the Navy made an argument for a bigger Navy than Congress wanted, and said if we had that we would have to have a larger appropriation?

Mr. MONDELL. What I said was—and I repeat it—neither the Army nor the Navy estimates are defendable from any viewpoint of present conditions. They even run beyond the necessary expenditure if those establishments were expanded to their maximum.

Mr. HARDY of Texas. I just wanted to know what the suggestion of the Secretary of War was for the expenditures to which you refer.

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Mr. MONDELL. I have not before me the exact figures. The total is a billion and something over four hundred and fifty millions.

Mr. HARDY of Texas. How much was for the Army, and how much for the Navy?

Mr. MONDELL. I do not recall the exact figures. But whatever they are, they are far beyond the needs of the Navy and the Army, based even on the maximum provided by law. They total nearly twice the total expenditure of the Government prior to our entry into the Great War.

Mr. HARDY of Texas. Will the gentleman yield to the gentleman from Vermont [Mr. GREENE] to tell me where this section 17 and this other section of the law are that warrant the action taken?

Mr. MONDELL. My time has nearly expired, and he and the gentleman from Vermont may discuss that matter later in their own time. Let me say to my friend from Texas again, it is very strange doctrine to come from a Democrat that the departments of the Government may fix the expenditure rather than the Congress of the United States. It is a doctrine that he will not attempt to defend under another administration, I feel quite sure.

Mr. HARDY of Texas. Will the gentleman permit me?

Mr. MONDELL. I can not yield further. This Congress represents the American people. It represents their will, their desire, their wish. It is the only body under the flag authorized to provide for the expenditure of the people's money.

Mr. HARDY of Texas. Then I suppose the gentleman does not believe in a deficiency bill at all.

Mr. MONDELL. I ask that I may not be interrupted. And when any Member of Congress attempts to defend executive departments in expenditure of money far beyond what Congress has appropriated, he is not dealing fairly with the body of which he is a Member.

Mr. HARDY of Texas. Will the gentleman yield?

The CHAIRMAN. Will the gentleman from Wyoming yield to the gentleman from Texas?

Mr. MONDELL. I will not yield further.

The CHAIRMAN. The gentleman from Wyoming declines to yield.

Mr. MONDELL. The Congress of the United States will continue to hold the national purse strings, and will not allow executive officers to fix the expenditures of the Nation. [Applause on the Republican side.]

The CHAIRMAN. The time of the gentleman has expired; all time has expired.

Mr. HARDY of Texas. Mr. Chairman, may I ask unanimous consent for just one minute?

The CHAIRMAN. The gentleman from Texas asks unanimous consent to be allowed to address the House for three additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. Mr. Chairman, the House fixed the time for general debate and the committee can not change it.

The CHAIRMAN. The Chair is aware that under a strict ruling, of course——

Mr. MANN of Illinois. Under all rulings.

The CHAIRMAN (continuing). The time can not be extended, but precedents, over and over again, show where debate has been fixed in the House and the committee has extended it.

Mr. MANN of Illinois. Not under general debate, as long as I have been here.

Mr. HARDY of Texas. If there is any objection, I will not take it.

Mr. MANN of Illinois. I make the point of order that it is not the duty of the Chair to state the request. The Chair is under the instructions of the House.

The CHAIRMAN. The Chair recognizes the gentleman from Illinois as correct under a strict construction of the rule. And if the gentleman from Illinois insists upon that the gentleman from Texas [Mr. HARDY] is not entitled to recognition.

Mr. HARDY of Texas. I will say that if the gentleman from Illinois insists upon it I do not think it is of enough importance to complain.

The CHAIRMAN. The Clerk will report the bill for amendment.

The Clerk read as follows:

Appropriations for the fiscal year ending June 30, 1922, heretofore or hereafter made in other acts and chargeable in any proportion against the revenues of the District of Columbia shall be paid in the proportions of 40 per cent from the Treasury of the United States and 60 per cent from the revenues of the District of Columbia.

If the estimated net revenues of the District of Columbia for the fiscal year ending June 30, 1922, are not sufficient to meet the proportion of the appropriations for that fiscal year charged against such revenues by this and all other acts, or which may be estimated to be charged against such revenues by acts that may be approved during such fiscal year, the Commissioners of the District of Columbia shall increase the rates of taxation on real estate and tangible personal property sufficiently to make up the difference: *Provided, however,* That such rates of taxation shall in no event be less than 1½ per cent nor more than 2 per cent.

The CHAIRMAN. There are a number of typographical errors in the section read. Is there objection to their correction by the Clerk?

There was no objection.

The Clerk read as follows:

Plumbing inspection division: Inspector of plumbing, $2,000; assistant inspectors of plumbing—principal, $1,550, 6 at $1,360 each; clerks—2 at $1,200 each, 1 $900; temporary employment of additional assistant inspectors of plumbing and laborers for such time as their services may be necessary, $3,000; draftsman, $1,350; sewer tapper, $1,000; 3 members of plumbing board, at $150 each.

Mr. GARD. Mr. Chairman, I move to strike out the last word. I wish to ask for some information from the chairman of the committee.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word.

Mr. GARD. In the statement of the chairman of the committee, made before the consideration of the bill under the five-minute rule, something was said about the advisability, at least, of increasing the salary of certain clerks in the District of Columbia government. I was under the impression that such salaries referred to employees in the executive office of the District of Columbia. Can the gentleman from Minnesota advise me as to that, and also as to what clerks he had reference whose salaries have not been raised commensurately with the advances given to other employees?

Mr. DAVIS of Minnesota. I will read for the gentleman's benefit all the increases of emolument, and so forth, very briefly. On page 2 of the report he will find it concisely stated. The following new employments are recommended, and these that I read are all recommended.

Mr. GARD. I understand that.

Mr. DAVIS of Minnesota. "One clerk, assessor's office, $1,200." We have not reached that yet. "One clerk, collector's office, $1,400." We have not reached that yet. "One clerk, auditor's office, $1,400." We have not reached that yet. "Two attendants, library, at $900 each." We have not reached them. "An allowance of $1,500 for temporary clerk hire in the license bureau is recommended." We have not reached any of those yet. If the gentleman will make a note of that, all right. If not, I will call his attention to it when we reach it.

Mr. GARD. Where are all these clerks employed as to whom the gentleman said their salaries had not been raised? He said the salaries of other employees had been raised, and unfortunately, owing to circumstances, these had not been raised.

Mr. DAVIS of Minnesota. None of the salaries of employees in the District Building have been raised. These are new ones.

Mr. GARD. The gentleman said there were certain persons whose salaries should be raised but which have not been. I was trying to find out who they were.

Mr. DAVIS of Minnesota. It would be hard to enumerate them. They are scattered all through the bill. If we raise one we would have to raise all.

Mr. GARD. Are they in any particular department?

Mr. DAVIS of Minnesota. I do not know of any particular department that it would apply to.

Mr. BUCHANAN. If the gentleman wants it, I would be glad to give him the information.

Mr. GARD. I would be glad to have the information.

Mr. BUCHANAN. If the gentleman will look at page 4 of the bill, at the bottom of the page, he will see that the number they wanted increased was 1,500. There are 1,500 statutory employees and the pay has not been adjusted except by the bonus, and the bonus applies to those who receive less than $2,400. Those employees are scattered throughout the service in different positions who have not been increased except by a bonus, and they appear all through this bill. They have requested an increase of about 25 per cent of salary throughout the bill. We have excluded them all.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. GARD] has expired.

Mr. MANN of Illinois. Mr. Chairman, may I ask the gentleman from Minnesota if the estimates this year ask for an increase in the salaries of the District Commissioners?

Mr. DAVIS of Minnesota. They did.

Mr. MANN of Illinois. I hope they did not. I believe last year the committee recommended an increase in salary of that kind, but I am not sure about that.

Mr. DAVIS of Minnesota. The committee did. For two years or four years we have recommended an increase of $1,000.

Mr. MANN of Illinois. It has been asked for this year?

Mr. DAVIS of Minnesota. Yes.

Mr. MANN of Illinois. I hope it will not be granted.

Mr. DAVIS of Minnesota. It has been asked for.

Mr. MANN of Illinois. Mr. Chairman, the best appointment that President Wilson has made in a long time, in my opinion, was the appointment of Miss Mabel Boardman as a Commissioner of the District of Columbia. She is a woman of remarkable executive ability. It will not be many years until the women are largely running the municipalities of the country, and I would not be at all surprised if they were running the country itself through officials of their own sex. They run the country now, so far as that is concerned. [Laughter.]

Mr. TILSON. And always have done so. [Laughter.]

Mr. MANN of Illinois. Yes; and always have done so. I think the District of Columbia is to be congratulated, decidedly so, upon the appointment of Miss Boardman as District Commissioner.

Mr. DAVIS of Minnesota. Does not the gentleman think her salary ought to be raised?

Mr. MANN of Illinois. No; and I hope she did not ask for it. I have known more or less about her work in the past in a public way, and I asked the chairman whether she had asked for it. I am quite certain that if the request was made it did not come from her for an increase in salary.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

Mr. GREENE of Vermont. I ask unanimous consent to proceed out of order for five minutes.

The CHAIRMAN. The gentleman from Vermont asks unanimous consent to proceed out of order for five minutes. Is there objection?

There was no objection.

Mr. HARDY of Texas. If the gentleman will allow me before he starts——

Mr. GREENE of Vermont. If the gentleman does not have any more mud to throw, I certainly will.

Mr. HARDY of Texas. I simply want to say that if anything sounded unpleasant in what I said, I meant that it was as clear as mud to my mind. I hope the gentleman will not think there was any intention to say anything unpleasant.

Mr. GREENE of Vermont. If I were not to take that part of the gentleman's remarks literally perhaps I might be pardoned for not understanding the rest of them literally, also.

Mr. HARDY of Texas. I certainly did not intend to be unpleasant. The gentleman can be, if he sees proper.

Mr. GREENE of Vermont. I have no such intention.

It seems to me that the situation with regard to the recruitment of the Army, so far as the question has been brought here, is a very simple one, because it has been the long-established policy of Congress in its relations with the War Department. And if I am not very much mistaken, it will be found upon examination that the present Secretary of War is the first—certainly among recent Secretaries—within the memory of this generation who has failed to understand that policy.

The policy hitherto and to-day—whatever may be thought by some minds to be a strict interpretation of the text of the act—is that it is for Congress to determine what shall be the outside or maximum limit of a lawfully established Army in the United States; and then, following a long-established practice among the men charged with the administration of that law, to have the force within that maximum regulated by the control of the appropriations which put the act into effect.

That has been done through successive administrations and was in the mind of the Committee on Military Affairs not only when they drew the act but when they explained the intention on the floor. Over and over when the question was raised whether the country was prepared to maintain an Army of 280,000 men the assurance was given on this floor that unless this body so desired there was no likelihood, except in an emergency, of its being recruited to 280,000; that the control of the purse strings would still be in Congress and Congress would control the Secretary of War as it had always done.

There was something besides that in that policy, because it might involve an international situation of extreme delicacy and sensitiveness. When we pursued, as we had for a great many years, a certain nominal and normal recruiting policy, during which we kept within the law of averages of a certain number of men, that number came within the range of general expectation from year to year, and the Army was appropriated for on that basis. But there was still left in the law a provision for the President to exert his authority to carry the Army up to the maximum in a time of extreme emergency without publicly asking Congress to give him the legislative authority so to do, and possibly by that very act alarming the people in some other country whom at that time we were particularly careful not to offend. It has often been found, as we all know, that negotiations and relations between two countries approach a state of more or less sensitiveness, and the first move on the part of one nation openly to prepare itself for a possible war would so alarm the other as to precipitate the war. So it has long been thought wise in such affairs or in the case of possible domestic insurrection or disturbance that the President should have the right to exercise that latent authority to recruit to a maximum without making a public demonstration of increasing the Army strength by coming to Congress and asking for a law to do it.

Above and beyond the text of the act comes the policy of the administration of the law, and if there is any one thing that our English-speaking civilization stands for to-day it is the long struggle of the Congress to control by the power of the purse the Army they give to the Executive to use in their name and behalf. That is exactly the foundation upon which we abided when we undertook to say by the amount we took from the purse how much of an Army we wanted the Executive to maintain. It was thought more prudent not to fix such an arbitrary limit of peace-time numbers in the law so that in an emergency he might increase the Army and still prevent an alarm by not having to come to Congress to do it.

Mr. HARDY of Texas. Will the gentleman yield?

Mr. GREENE of Vermont. If I have the time.

Mr. HARDY of Texas. Has there not been emergency and deficiency appropriations in every Army bill?

Mr. GREENE of Vermont. There have been, but they have come through the normal administration of the law, because it was impossible to fix the number of men that might be recruited throughout the land in every 24 hours, and thus be certain at 12 o'clock on any day, we will say, that only a positively fixed number had been reached.

The CHAIRMAN. The time of the gentleman has expired.

The Clerk read as follows:

License bureau: Superintendent of licenses (who shall also be secretary to the automobile board without additional compensation), $2,000; clerks—two at $1,400 each, two at $1,200 each, one $1,000, one $900; inspector, $1,200; inspector of licenses, $1,200; assistant inspector of licenses, $1,000; messenger, $600; temporary clerk hire, $1,500; in all, $14,600.

Mr. WALSH. Mr. Chairman, I reserve a point of order. I would like to ask the chairman in reference to this temporary clerk hire, $1,500, what is the necessity for it?

Mr. DAVIS of Minnesota. On account of the large number of licenses they have to issue. The licenses have increased, doubled and almost trebled. They embrace automobiles and elevators——

Mr. WALSH. I think if they issued fewer automobile licenses it might be better. You do not have to issue elevator licenses every day, only once a year.

Mr. DAVIS of Minnesota. No; but this is a small amount compared with what they wanted. It is because of the increase of the amount of work in that department. It did seem to the committee that they must have some extra help.

Mr. BUCHANAN. The issue of licenses of different characters come in a greater amount during certain months of the year than at other times.

Mr. WALSH. Why is that?

Mr. BUCHANAN. Because it started out in that way, and they issue them annually or semiannually. They expire at that time and the people come back, and that is the reason for it. There is a great rush on the office at those times, perhaps for one month, until the rush period is over with, and then the business falls back to the regular employees. This saves the District government money, so that they can employ more temporary services during the rush period and dispense with the employees when the rush is over.

The CHAIRMAN. Does the gentleman from Massachusetts make the point of order?

Mr. WALSH. Mr. Chairman, I am trying to get a little more information about the matter. Can not the chairman advise me when this rush of work comes?

Mr. DAVIS of Minnesota. Quarterly, semiannually, and annually—chiefly annually. They have certain seasons when a large number of these licenses expire, and then they come around in droves, as it were, to have the licenses reissued. Then is when they want these temporary employees to help them out of their difficulty, and that occurs three or four times a year.

Mr. WALSH. I withdraw the point of order on this item, but I do not wish to have that considered as a precedent for the future.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word, in order to ask the chairman what, if anything, is being done with regard to bringing about better reciprocity agreements between the District of Columbia, the State of

Maryland, and the State of Virginia with respect to the recognition of automobile licenses. For instance, the owner of an automobile residing out toward Chevy Chase, close to the Maryland line, but in the District, if he has to drive over into Maryland, possibly a few hundred yards, or over into Virginia, less than a mile, I understand he must maintain three licenses—an automobile license in the District, one in Maryland, and one for the State of Virginia. He must have his car titled in Maryland, and here, as I understand it, and possibly in Virginia. Surely the time has come when there should be reciprocity in this regard between the District and these two States?

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. WALSH. Does not the District recognize the license of the State of owner of the car? For instance, let us take a Texas license.

Mr. BLANTON. Oh, yes; my Texas license is absolutely good in the District, in Maryland, and in Virginia, but unfortunately there has been a bad feeling regarding reciprocity between the District and the States of Maryland and possibly Virginia. A resident of the District of Columbia who takes out his license here, who must have his car titled under the law, if he lives within a few hundred yards of Maryland and drives 200 yards over there to see his neighbor, is arrested unless he takes out a Maryland license and has his car titled in Maryland. That reciprocity has not been brought about between the District and the State of Maryland, and I think something ought to be done to bring it about.

Mr. DAVIS of Minnesota. Will the gentleman suggest how we can do that on this appropriation bill?

Mr. BLANTON. The Appropriation Committee is the grandmother of the District and of the Commissioners of the District.

Mr. DAVIS of Minnesota. Where is the grandfather?

Mr. BLANTON. There is no grandfather; but nothing is brought about with respect to the welfare of the people of the District, it seems to me, unless there is a pinning down by this committee upon the commissioners in some respects. The gentleman realizes that?

Mr. DAVIS of Minnesota. That is a matter that the legislative committee of the District of Columbia here would cheerfully take up if the gentleman would introduce a bill of that kind.

Mr. BLANTON. There is just one other thing in that particular respect to which I desire to call attention. Of course, with regard to a Congressman, he has no trouble, because his State license on his car will get him anywhere. He can go in any State, but so far as the people who live here are concerned, a different rule obtains in the State of Maryland and, I think, also Virginia. Then, again, for instance, if a license were taken out in November, the owner is not charged for a quarter of a year as in some States, but for a whole year.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLANTON. I know in some States that where they take out a license in November they are charged for only three months, one-quarter of the annual charge; if they take out the license in August they are charged for half of a year, but, as I understand it, if you take out a license here in November, you are charged for the whole year. That is unjust to the people.

Mr. DAVIS of Minnesota. But we residents of the District of Columbia want to get some money in order to build schoolhouses and improve streets. We need the money very much.

Mr. BLANTON. My experience is that all they have to do is to come before the District Committee and they get it.

Mr. DAVIS of Minnesota. Not all.

Mr. GARD. Mr. Chairman, I move to strike out the last two words, for the purpose of observing, in connection with the so-called licenses of the bill, reading but the other day that the opportunities for licenses was now at hand for those who desired to have licenses in the District of Columbia, but they were not seemingly being applied for very promptly, the idea being that those who were required to get licenses were deferring the purchase of such license until the last possible moment, and I desire to inquire of the chairman of the committee whether these licenses are issued for annual periods or what length of time they cover?

Mr. DAVIS of Minnesota. It has been my information they are issued for an annual period, and I do not know anything to the contrary.

Mr. GARD. The gentleman from Texas spoke about the matter of a better understanding between the State of Maryland and the District of Columbia with regard to licenses. It seems to me that the better understanding should be between those two political subdivisions not alone so much in the matter of licenses but for the protection of people who travel on the public roads, because the newspapers carry almost daily accounts of persons who, on the so-called Washington Boulevard between Washington and Baltimore, are assaulted and held up, to use the common everyday expression, by different elements of the criminal classes, and there seems to be a lack of complete understanding or recognition of authority between the State of Maryland and the District of Columbia as to who shall be the guardian of these public roads and as to what the extent of their jurisdiction is. It has always seemed to me that right here in the shadow of the Capitol, on this magnificent public road that is called the Washington Boulevard, certainly the traveling public or the people who live here who have business between Baltimore and Washington should be protected, and I wondered why there was this lack of apparent unity of efforts between those who should make certain the peace of the District of Columbia and the peace on the roads in the State of Maryland.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Collector's office: Collector, $4,000; deputy collector, $2,000; chief clerk, arrears division, $2,000; cashier, $1,800; 2 assistant cashiers, at $1,500 each; bookkeeper, $1,600; 3 bailiffs, at $1,200 each; clerks—6 at $1,400 each, 13 at $1,200 each, 4 at $1,000 each, 5 at $900 each, 1 $720; clerk and bank messenger, $1,200; 2 messengers, at $600 each; in all, $53,620.

Mr. WATSON. Mr. Chairman, I move to strike out the last word, in order to inquire of the chairman what the two functions are which are placed in one person called a clerk and bank messenger, at $1,200. It is in the second line of page 6. What are the functions of the clerk, who must also be a bank messenger?

Mr. DAVIS of Minnesota. Well, he is a clerk, and he is a messenger whom they send out to the banks.

Mr. WATSON. Why should there not be two messengers, as reported in the bill, and another at $600, instead of a clerk and a messenger combined at $1,200?

Mr. DAVIS of Minnesota. We granted in the office of the auditor, assessor, and collector one additional clerk, because they did seem to combine as much as possible in one clerk. Instead of having two, they have one, and that is the idea of giving the additional clerk. This man has two names instead of one, and they seem to be trying to run down there on an economical basis.

Mr. WATSON. The clerk mentioned as clerk and bank messenger combined, has he higher qualifications than the other two messengers at $600 each?

Mr. DAVIS of Minnesota. Oh, yes; he is clerk as well as messenger, and when he can be spared from his duties as clerk he is sent away as a bank messenger. A bank messenger is considered of higher importance than an ordinary messenger. They send checks, and so forth, whereas an ordinary messenger is sent out on any purpose. He is of more importance and is designated both clerk and bank messenger.

Mr. WATSON. With all the clerks this department desires and names in this section, could we not save $600?

Mr. DAVIS of Minnesota. They do not have $600 clerks.

Mr. WATSON. Messenger, rather.

Mr. DAVIS of Minnesota. They want a superior man in that place, and this clerk could be used both ways, and they have utilized him. As a matter of fact, I think they wanted two $1,200 clerks, one a clerk and the other a messenger, and they combined and they were given a $1,200 man.

Mr. WATSON. And you save $600——

Mr. DAVIS of Minnesota. No; I think we save $1,200. That is what we have saved.

Mr. GARD. Mr. Chairman, I make the point of order there is no quorum present.

Mr. DAVIS of Minnesota. I wish the gentleman would wait until we read about two paragraphs more. I was then going to ask that the committee rise. I will tell you why I want to go past that point. There is only one place more, in the auditor's office, where there is an additional clerk asked for, and I want to end the controversy as to more clerks.

The CHAIRMAN. Does the gentleman from Ohio make the point of order?

Mr. GARD. I prefer to make the point of order. I do not want to embarrass the gentleman in the presentation of the bill.

Mr. DAVIS of Minnesota. If the gentleman insists upon it——

Mr. GARD. I do not desire to embarrass the gentleman.

Mr. DAVIS of Minnesota. I simply want to read through the paragraph relating to the auditor's office here, a few lines, and then I will move to rise.

The CHAIRMAN. The gentleman from Ohio makes the point of order there is no quorum present.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15130, the District appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. ROMJUE, by unanimous consent (at the request of Mr. RUCKER), was granted leave of absence for 10 days, on account of sickness.

ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 191. Joint resolution to create a Joint Committee on the Reorganization of the Administrative Branch of the Government.

CHANGE OF REFERENCE.

Mr. VAILE. Mr. Chairman, I ask unanimous consent for change of reference of the bill H. R. 4744, which is a bill for the relief of one Sarah D. Chamberlain. The bill was referred to the Committee on Claims and should have been referred to the Committee on War Claims. I have consulted the chairman of the Committee on Claims, and the change of reference is agreeable to him.

The SPEAKER. That is a private bill, and the reference will be changed accordingly.

ADJOURNMENT.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 4 o'clock and 52 minutes p. m.) the House adjourned until Friday, December 17, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

231. A letter from the Secretary of the Treasury transmitting supplemental estimates of appropriations to cover the salaries of employees desired in the office of the Quartermaster General, War Department (H. Doc. No. 925); to the Committee on Appropriations and ordered to be printed.

232. A letter from the Secretary of the Treasury transmitting, from the Secretary of War, supplemental estimate of appropriation required by the Panama Canal for pay of employees under "Civil government, Panama Canal and Canal Zone," fiscal year 1921 (H. Doc. No. 926); to the Committee on Appropriations and ordered to be printed.

233. A letter from the Secretary of the Treasury transmitting a supplemental estimate of appropriation required by the Treasury Department for additional employees in the office of the Auditor for the Treasury Department during the fiscal year 1921 (H. Doc. No. 927); to the Committee on Appropriations and ordered to be printed.

234. A letter from the chairman of the Federal Trade Commission transmitting the report of the commission on sugar supply and prices, made pursuant to House resolution 150, adopted October 1, 1919; to the Committee on Interstate and Foreign Commerce.

235. A letter from the Doorkeeper of the House of Representatives transmitting a list of property belonging to the United States and under the charge of the Doorkeeper in the various rooms of the House in the Capitol Building and folding room in the House Office Building as of December 6, 1920; to the Committee on Accounts.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. KALANIANAOLE, from the Committee on the Territories, to which was referred the bill (H. R. 9231) to authorize and provide for the manufacture, maintenance, distribution, and supply of electric light and power within the district of Hamakua, on the island and county of Hawaii, Territory of Hawaii, reported the same with amendments, accompanied by a report (No. 1125), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14053) granting a pension to Elizabeth Leher; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 14929) granting an increase of pension to James W. Scott; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 14816) granting a pension to Linda Bradley; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 14876) granting a pension to Mary Price; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. SMITH of Illinois: A bill (H. R. 15151) to provide for the purchase of a site and the erection of a public building at Dwight, Ill.; to the Committee on Public Buildings and Grounds.

Also, a bill (H. R. 15152) increasing the limit of cost for a Federal building at Paxton, Ill.; to the Committee on Public Buildings and Grounds.

By Mr. HERSEY: A bill (H. R. 15153) to prohibit for one year the importation of potatoes; to the Committee on Ways and Means.

By Mr. MILLER: A bill (H. R. 15154) authorizing the award of the distinguished service cross or the distinguished service medal provided for in act of July 9, 1918, to Army officers, brevetted for gallantry during the Spanish-American War, Philippine insurrection, or China relief expedition; to the Committee on Military Affairs.

By Mr. ESCH: A bill (H. R. 15155) to amend section 9 of an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, as amended; to the Committee on Interstate and Foreign Commerce.

By Mr. HOWARD: A bill (H. R. 15156) to pay to the Pawnee Tribe of Indians, of Oklahoma, the sum found to be due by the Court of Claims; to the Committee on Appropriations.

By Mr. BUTLER: A bill (H. R. 15157) to abolish the punishment of solitary confinement on bread and water as authorized by the Articles for the Government of the Navy; to the Committee on Naval Affairs.

By Mr. BLANTON: A bill (H. R. 15158) for the apportionment of Representatives in the Congress among the several States under the Fourteenth Census; to the Committee on the Census.

By Mr. HASTINGS: A bill (H. R. 15159) changing the designation of the Superintendent for the Five Civilized Tribes to the Third Assistant Secretary of the Interior, defining his duties, and for other purposes; to the Committee on Indian Affairs.

By Mr. HUDSPETH: A bill (H. R. 15160) to amend the Federal reserve act, approved December 23, 1913, by adding certain words in section 13; to the Committee on Banking and Currency.

By Mr. RAKER: A bill (H. R. 15161) authorizing the Secretary of the Interior to provide relief and care of nonreservation Indians in California in destitute circumstances, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 15162) to provide for the consolidation of forest lands in the Plumas National Forest, Calif., and for other purposes; to the Committee on the Public Lands.

By Mr. SNYDER: A bill (H. R. 15163) for the purpose of determining the heirs of deceased Indian allottees having any right, title, or interest in any trust or restricted property, etc.; to the Committee on Indian Affairs.

By Mr. VAILE: A bill (H. R. 15164) creating an immigration board and prescribing the powers and duties thereof, and amending the act of February 5, 1917, entitled "An act regulating immigration of aliens to and residence of aliens in the United States," and amending also the act of June 29, 1906, entitled "An act to provide for a uniform rule for the naturalization of aliens throughout the United States and establishing the Bureau of Naturalization," and acts amendatory thereof,

and for other purposes; to the Committee on Immigration and Naturalization.

By Mr. IRELAND: Joint resolution (H. J. Res. 416) repealing a limitation upon expenditures from the contingent fund of the House for certain supplies; to the Committee on Accounts.

Also, joint resolution (H. J. Res. 417) authorizing the Postmaster General to make payment through postmasters of all bills presented by local managers of telegraph companies for telegrams sent by officials of the Government of the United States, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. YOUNG of North Dakota: Joint resolution (H. J. Res. 418) to provide for the collection of duties for the period of one year upon importations of certain agricultural products; to the Committee on Ways and Means.

By Mr. BEGG: Resolution (H. Res. 616) requesting the Secretary of War to transmit a copy of the report of the board of general officers concerning medals of honor from March 4, 1897, to date, and for other purposes; to the Committee on Military Affairs.

By Mr. IRELAND: Resolution (H. Res. 617) providing for the extermination of insects from the House wing of the Capitol and House Office Building; to the Committee on Accounts.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15165) granting an increase of pension to Leah A. Brubaker; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 15166) for the relief of Ellis Pugh; to the Committee on Claims.

By Mr. ELLIOTT: A bill (H. R. 15167) granting a pension to Mace Wise; to the Committee on Pensions.

By Mr. FERRIS: A bill (H. R. 15168) granting a pension to William C. Schwoerke; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 15169) granting a pension to Allie Lyzear; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15170) granting a pension to Elizabeth A. Rice; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15171) granting a pension to Bryntha Flinn; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 15172) granting an increase of pension to Stamford W. Rife; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15173) granting a pension to Hannah R. Bower; to the Committee on Invalid Pensions.

By Mr. HULINGS: A bill (H. R. 15174) granting a pension to Peter Edwin Fitzpatrick; to the Committee on Pensions.

By Mr. McKINLEY: A bill (H. R. 15175) granting a pension to Isaac Eads; to the Committee on Invalid Pensions.

By Mr. MAJOR: A bill (H. R. 15176) granting an increase of pension to Charles L. McClure; to the Committee on Pensions.

By Mr. PELL: A bill (H. R. 15177) waiving the age limit for the transfer to the Regular United States Navy in the case of Lieut. Clarkson Potter Ryttenberg; to the Committee on Naval Affairs.

By Mr. REAVIS: A bill (H. R. 15178) granting a pension to Eliza A. Ebbs; to the Committee on Invalid Pensions.

By Mr. TILSON: A bill (H. R. 15179) granting a pension to Alexander B. Murphy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15180) granting an increase of pension to Mary J. Milton; to the Committee on Invalid Pensions.

By Mr. UPSHAW: A bill (H. R. 15181) granting an increase of pension to Lena Fitzgerald; to the Committee on Pensions.

By Mr. VAILE: A bill (H. R. 15182) granting a pension to Adelia A. Dell; to the Committee on Pensions.

By Mr. WHITE of Maine: A bill (H. R. 15183) granting an increase of pension to John C. McCoy; to the Committee on Pensions.

Also, a bill (H. R. 15184) granting a pension to Samuel G. Flewelling; to the Committee on Invalid Pensions.

By Mr. WILLIAMS: A bill (H. R. 15185) granting an increase of pension to Jemima J. Parker; to the Committee on Invalid Pensions.

By Mr. WILSON of Pennsylvania: A bill (H. R. 15186) granting a pension to John Baker; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4551. By Mr. BURROUGHS: Telegram from the Manchester (N. H.) Women's Club to the effect that the Manchester Federation of Women's Clubs, representing 800 members, heartily indorses the Smith-Towner bill; to the Committee on Education.

4552. Also, telegram from the Manchester (N. H.) Women's Club to the effect that the Manchester Federation of Women's Clubs, representing 800 members, heartily indorses the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4553. Also, petition of the Woman's Club of Exeter, N. H., signed by 47 members, urging the enactment of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4554. By Mr. CURRY of California: Petition of Alameda district, California Federation of Women's Clubs, protesting against the enactment of House bill 12466; to the Committee on the Public Lands.

4555. By Mr. FULLER of Illinois: Petition of the Monday Club of Rockford, Ill., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4556. Also, petition of the Catholic Women's League of Rockford, Ill., favoring the passage of the Smith-Towner bill; to the Committee on Education.

4557. Also, petition of the American Chamber of Commerce of the Philippine Islands, favoring a Territorial form of government under the sovereignty of the United States; to the Committee on Insular Affairs.

4558. Also, petition of Block & Kuhl Co., Peoria, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4559. By Mr. HULINGS: Petition of board of governors of Elk County Manufacturers' Association, favoring an amendment to the internal revenue act of 1918; to the Committee on Ways and Means.

4560. By Mr. KENNEDY of Rhode Island: Resolution of the Providence (R. I.) Chamber of Commerce, protesting against the removal of the Naval War College from Newport, R. I.; also petitions of Mayor Joseph H. Gainer, of Providence, R. I., and Mayor J. P. Mahoney, of Newport, R. I., protesting against removal of the college; to the Committee on Naval Affairs.

4561. By Mr. MAJOR: Petition of the star-route carriers of Missouri, favoring increased compensation for star-route carriers of the United States; to the Committee on the Post Office and Post Roads.

4562. By Mr. MOONEY: Petition of sundry citizens of Ohio, urging the recall of the semicivilized colored French troops from the occupied territory in Germany; to the Committee on Foreign Affairs.

4563. By Mr. MURPHY: Memorial of Local Union No. 1077, United Mine Workers of America, asking for amnesty for political prisoners; to the Committee on the Judiciary.

4564. By Mr. O'CONNELL: Petition of Horrocks Desk Co., of New York City, regarding the Nolan Patent Office force and salaries bill (H. R. 11934); to the Committee on Patents.

4565. By Mr. OSBORNE: Memorial of the board of supervisors, Los Angeles County, Calif., in favor of the establishment of a forest-experiment station in the forest reserve of southern California; to the Committee on Agriculture.

4566. By Mr. ROWAN: Petition of Corrugated Bar Co. (Inc.), of Buffalo, N. Y., regarding the Nolan Patent Office force and salaries bill; to the Committee on Patents.

4567. By Mr. SMITH of Michigan: Petition of the Lambert Machine Co., of Marshall, Mich., urging amendments to sections 204, 214, and 234 of the revenue act of 1918, to make them applicable to any taxable year; to the Committee on Ways and Means.

4568. By Mr. STINESS: Petition of Board of Aldermen of the city of Newport, R. I., and the Providence (R. I.) Chamber of Commerce, of Providence, protesting against the proposed removal of the Naval War College from Newport, R. I., to Washington; to the Committee on Naval Affairs.

4569. By Mr. TIMBERLAKE: Petition of Woman's Club of Boulder, Colo., protesting against the inclusion of national parks and monuments in the provisions of the Federal water power act of June, 1920, and protesting against the granting of any irrigation or other privileges in any national park except those customary for the comfort and conveniences of visitors; to the Committee on the Public Lands.

4570. By Mr. YATES: Petition of Miss Jessie Lancing Moller, Miss Nancy Hill, Mr. F. J. Brownley, Mr. Walter H. VanZwoll, Miss Nancy Barrow, Miss Anna S. Gaw, and Mrs. C. Conway, all of Chicago, Ill., protesting against House bill 14226 and Falls River Basin bill; to the Committee on Water Power.

4571. Also, petition of Mrs. Ira Couch Wood, chairman child-welfare division, General Federation of Women's Clubs, Chicago; Illinois Council of Parent Teacher Associations, by Mrs.

Mark P. Mears, legislative chairman; Austin Woman's Club, Austin Station, Chicago, by Mrs. J. Marc Fowler, president, and Mae A. Zimmerman, chairman resolutions; and River Forest Woman's Club, River Forest, Ill., urging the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4572. Also, petition of O. R. Henson and 13 others, of Quincy, Ill., urging the passage of the bill providing retirement of civil-service employees; to the Committee on Reform in the Civil Service.

4573. Also, petition of the Prairie Club of Chicago; L. F. Van Ness, of the Gardiner B. Van Ness Co., Chicago; Miss Mary E. Adkins, general secretary Young Woman's Christian Association, Rock Island, Ill.; and R. B. Mennie, Chicago, urging defeat of House bill 12466 and the amendment of the Federal water power act, so that it shall not apply to national parks and monuments; to the Committee on Water Power.

4574. Also, petition of the American Bankers' Association, by Mr. L. D. Woodworth, protesting against tax exemption; to the Committee on Ways and Means.

SENATE.

FRIDAY, *December 17, 1920.*

(Legislative day of Thursday, December 16, 1920.)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Harrison	New	Spencer
Beckham	Heflin	Overman	Stanley
Brandegee	Henderson	Page	Sterling
Capper	Hitchcock	Phipps	Sutherland
Chamberlain	Kendrick	Pittman	Thomas
Colt	Kenyon	Poindexter	Townsend
Culberson	Keyes	Pomerene	Trammell
Dillingham	Kirby	Ransdell	Walsh, Mass.
France	Knox	Robinson	Warren
Frelinghuysen	McCumber	Sheppard	Watson
Gerry	McKellar	Simmons	Wolcott
Gronna	McLean	Smith, Ga.	
Hale	McNary	Smith, S. C.	
Harris	Moses	Smoot	

Mr. SMOOT. I desire to announce the absence of the Senator from Montana [Mr. WALSH], the Senator from Minnesota [Mr. NELSON], the Senator from Kansas [Mr. CURTIS], and the Senator from Maine [Mr. FERNALD], who are in attendance upon a committee meeting.

Mr. HARRISON. I wish to announce the unavoidable absence of the Senator from Arizona [Mr. ASHURST], and also the absence of the Senator from South Dakota [Mr. JOHNSON] on account of illness.

The VICE PRESIDENT. Fifty-three Senators have answered to their names. There is a quorum present.

DOCUMENTS IN DEPARTMENT OF INTERIOR.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Department of the Interior, transmitting, pursuant to law, a statement showing documents received and distributed during the fiscal year 1920, which was referred to the Committee on Printing.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Pennsylvania certifying to the election of BOIES PENROSE as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

IN THE NAME AND BY AUTHORITY OF THE COMMONWEALTH OF PENNSYLVANIA,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, BOIES PENROSE was duly chosen by the qualified electors of the Commonwealth of Pennsylvania a Senator from said Commonwealth to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

In testimony whereof I have hereunto set my hand and caused the great seal of the State to be affixed, at the city of Harrisburg, this 7th day of December, in the year of our Lord 1920, and of the Commonwealth the one hundred and forty-fifth.

[SEAL.] WM. C. SPROUL.

By the governor:

CYRUS E. WOODS,
Secretary of the Commonwealth.

PETITIONS AND MEMORIALS.

Mr. McLEAN presented petitions of the Wethersfield Foreign Missionary Society and Woman's Christian Temperance Union, of Wethersfield; sundry citizens of Romford; sundry citizens of Ridgefield; and sundry citizens of Suffield, West Haven, and Connecticut, all in the State of Connecticut, praying for the enactment of legislation for the public protection of maternity and infancy, which were ordered to lie on the table.

He also presented a memorial of Westport Teachers' League, of Westport, Conn., remonstrating against the enactment of legislation commercializing national parks for power plants and other purposes, which was referred to the Committee on Commerce.

Mr. HALE presented a petition of the members of the Kennebec County Farm Bureau, of Augusta, Me., praying for the passage of the so-called French-Capper truth in fabric bill, which was referred to the Committee on Interstate Commerce.

He also presented a memorial of members of the Institute Jacques-Cartier Society, of Lewiston, Me., remonstrating against the enactment of legislation to create a department of education, and for other purposes, which was referred to the Committee on Education and Labor.

Mr. HARRIS presented a memorial of the Carpenters Local Union No. 1927, of Atlanta, Ga., remonstrating against the enactment of legislation repealing the Chinese exclusion act, which was referred to the Committee on Immigration.

He also presented a resolution adopted at the annual convention of the Episcopal Church in the Diocese of Georgia, in favor of the enactment of legislation establishing a Federal censorship of motion-picture films, which was referred to the Committee on Education and Labor.

Mr. PAGE presented a petition of the women of the Autonoe Club, of St. Albans, Vt., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

COPPER RIVER & NORTHWESTERN RAILWAY CO.

Mr. THOMAS, from the Committee on Finance, to which was referred the bill (S. 551) for the relief of the Copper River & Northwestern Railway Co., reported it without amendment and submitted a report (No. 668) thereon.

JOINT COMMITTEE ON NAVAL BASES.

Mr. BALL. I ask unanimous consent to report from the Committee on Naval Affairs a joint resolution extending until January 31, 1921, the time within which the special joint committee created by the naval appropriation act approved June 4, 1920, is required to make its report to the Congress of the United States, and I ask for its immediate consideration.

Mr. SHEPPARD. The consideration of this measure will not interfere with the pendency of Senate bill 3259?

The VICE PRESIDENT. The Chair understands that the time has expired to make a report and it is simply a request that it be extended to the 31st day of January. If there is no objection, it will be passed in a moment.

Mr. SHEPPARD. Very well.

The joint resolution (S. J. Res. 227) extending the time within which the special joint committee appointed to investigate the advisability of establishing certain naval, aviation, and submarine bases in the United States is required to make its report to Congress was read the first time by its title, the second time at length, and considered as in Committee of the Whole, as follows:

Resolved, etc., That the time within which the special joint committee to investigate the advisability of establishing a naval base on San Francisco Bay; a deeper channel to Mare Island Navy Yard; an aviation base at Sand Point, Wash.; submarine bases at Los Angeles, Calif., and Port Angeles, Wash., which was created by the act entitled "An Act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, is required to submit its report to the Congress of the United States, is extended to January 31, 1921.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 4662) granting a pension to Matilda Lucas; to the Committee on Pensions.

By Mr. HALE:

A bill (S. 4663) granting an increase of pension to Fred F. Harris (with accompanying papers); to the Committee on Pensions.

By Mr. McLEAN:

A bill (S. 4664) to amend the first paragraph of section 20 of the act of Congress approved July 17, 1916, known as the Federal farm-loan act, as amended by the act of Congress approved April 20, 1920; to the Committee on Banking and Currency.

By Mr. HITCHCOCK:

A bill (S. 4665) to amend section 7 of the Federal reserve act; to the Committee on Banking and Currency.

By Mr. SMITH of Georgia:

A bill (S. 4666) to amend section 13 of an act known as the Federal reserve act, approved December 23, 1913; to the Committee on Banking and Currency.

By Mr. ROBINSON:

A bill (S. 4667) granting certain lands in Hot Springs, Ark., to the Leo N. Levi Memorial Hospital Association; to the Committee on Public Lands.

By Mr. KNOX (for Mr. PENROSE):

A bill (S. 4668) for the relief of Cecilia Barr; to the Committee on Claims.

A bill (S. 4669) for the retirement of certain emergency officers of the Army; to the Committee on Military Affairs.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House agrees to the amendment of the Senate to the bill (H. R. 1865) for the relief of the Baltimore Dry Dock & Ship Building Co., owner of a dry dock at Baltimore, Md.

The message also announced that the House insists upon its amendments to the bill (S. 643) to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia, disagreed to by the Senate, and agrees to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. KAHN, Mr. MCKENZIE, and Mr. FIELDS managers at the conference on the part of the House.

ENROLLED JOINT RESOLUTION SIGNED.

The message further announced that the Speaker of the House had signed the joint resolution (S. J. Res. 191) to create a Joint Committee on the Reorganization of the Administrative Branch of the Government, and it was thereupon signed by the Vice President.

PROTECTION OF MATERNITY AND INFANCY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3259) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States.

Mr. WARREN. Mr. President, as I understand, when we recessed last night we were considering the so-called Sheppard-Towner bill. If I am right about that, I wish to say that I rise with no small degree of pain, and certainly with no degree of pleasure, in opposition to the passage of the bill at this time in the form in which it is written, for many reasons, but mainly because of the condition of the Treasury.

I feel that the Treasury of the United States needs friends now if it ever did, if this Nation is to remain solvent. I feel it incumbent upon me in performing the duties that devolve upon me with which I have been honored by the Senate to say that in my opinion we are going to be without credit in this Nation, our bonds are going much lower, and we are going to have to pay larger interest upon these certificates of indebtedness than is now being paid, to wit, 6 per cent, unless we are able to retrench very sharply and not branch out in any new lines, no matter how desirable they may be under ordinary circumstances.

The condition of the Treasury is something like this: During the war of course it was easy to obtain funds, because every patriotic, loyal citizen was anxious to support the Government in protecting its honor and credit as well, at home and abroad. They subscribed for funds readily at a low rate of interest, many of them—in fact, I might say almost the majority of them—being compelled to borrow money—I say "compelled" to borrow money, but I would better say that they chose to borrow it—in order to buy the bonds. They have since had to call upon the banks to relieve them, to take the bonds from time to time at a reduction of from 5 to 17 per cent. They have had to dispose of many of them to pay their Government taxes. If you go to New York, or even in this city, or in most any other place, you will find the last payment of taxes, made two days since, was quite largely made by those who had no other funds available and who had to sell their bonds.

In giving in an extemporaneous effort, to quote exact figures down to dollars and cents, is tedious to both speaker and hearers, so I shall deal with round numbers.

During a part of the war period we had almost $30,000,000,000 of indebtedness, perhaps sometimes more. We had nearly $4,000,000,000 of certificates at the highest tide. We have now $24,000,000,000 of funded debt and something over three and one-half billion dollars of floating debt. On that floating debt we are paying largely 6 per cent, which is two or three times as much as we paid immediately after the passage of the bill authorizing the sale of certificates in peace times. When we had occasion to borrow some money we could then borrow it at 2 and 3 per cent upon the certificates.

The Government is now in a position that we all would think unsound for a business man who was borrowing from day to day on the street, selling his paper where he might. The Government now from month to month is appealing to citizens and to bankers to buy these certificates, that it may buy up others.

We had a prosperous year in 1919; nearly everyone engaged in business then made money. Hence when they made their returns for taxation they made liberal returns, and the tax to be collected for 1919 was ample to meet expectations. That, with the help of temporary borrowings, which are being replaced from time to time, has carried us through; but I think every Senator in this body knows that 1920 has not been altogether a prosperous year. It certainly is not expected that thousands and tens of thousands, it might be said millions, who in 1919 reported an ability to pay taxes, and who actually paid considerable amounts, are going to be able for the year 1920 to report more than an even break, and most of them will have to report losses.

I know very well from the information which comes from various directions, particularly as it has come before the Senate since we have assembled, that the live-stock men, the growers of wheat, cotton, corn, and, in fact, the farmers as a class, will lose money, and much money, on the present year's production. Consequently there is no tax to be expected from them.

The Secretary of the Treasury has sent us the regular estimates, excepting, of course, the deficiencies and miscellaneous, which, as we know from information which comes from the departments and otherwise, are going to be huge, and excepting, of course, all such appropriations as this bill and other special bills may carry. Under the regular estimates which we have here the amount called for is $4,653,856,000. There will have to be added to that half a billion dollars, more or less, for contingencies and for miscellaneous expenditures in the regular lines of governmental business. We know that we can not find funds enough to cover a sum near this five billion or more to be asked for without raising the present rate of taxation, and we must greatly reduce amounts to be appropriated or else increase our present load of United States indebtedness.

This pending bill proposes to create another division or bureau. The bill carries, it is true, for the current year an appropriation for expenses of less than a half million dollars, or $480,000 to be exact, that still being a very large sum. It does, however, provide for very much larger appropriations for the succeeding years, as follows:

> For the fiscal year ending June 30, 1921, an additional sum of $2,000,000; for the fiscal year ending June 30, 1922, the sum of $2,400,000; for the fiscal year ending June 30, 1923, the sum of $2,800,000; for the fiscal year ending June 30, 1924, the sum of $3,200,000; for the fiscal year ending June 30, 1925, the sum of $3,600,000; for the fiscal year ending June 30, 1926, the sum of $4,000,000; and annually thereafter the sum of $4,000,000.

Passing for a moment the illogical and unsafe method of making appropriations which this bill proposes, by virtue of its attempt to mortgage the future, no matter whether it rains or shines, it is starting us out in a new direction, with big appropriations to continue to the end of time.

I want to ask the Senate not to pass the bill at this time in its present form. I suggest that the bill ought to be committed, in a safe and sane way, to the joint committee which the Senate and the House have provided for, which is to be appointed by the Vice President and the Speaker of the House of Representatives, and which is to study the question of a reorganization of the several branches of the Government, in order to make the best use which we can of the money we appropriate, and to prevent the lapping over of one governmental service with another.

Take the matter at issue. The $480,000 which the bill proposes to appropriate, of course, is to set up an establishment here in the city of Washington, to employ many clerks and others, with no intention, of course, of accomplishing any

especial benefit elsewhere until we shall have appropriated very much larger sums.

Bearing upon a subject analogous to this, a few years ago we established a Children's Bureau. If I remember correctly—and I paid particular attention to it, because it created a new bureau in the governmental service—the able Senator who was the proponent of the legislation or who had charge of it during the discussion established the fact that it would cost but $25,000 a year; and he very eloquently gave us a statement of the benefits that would accrue from the enactment of the bill.

Now I ask Senators to observe where that legislation has carried us in the line of appropriations and requests for future appropriations up to this date. Those of us who voted for the measure started with the understanding that it would cost only $25,000 a year, but for the present fiscal year we have appropriated $271,040. The sum of $106,040 of that appropriation goes for salaries of a bureau which we established on a basis of a total cost of $25,000 a year. Think of it! For the regular salaries alone this year we have appropriated—and the appropriation will be expended—$106,040. Then under the head of general expenses there is an appropriation of $85,000, which is largely, of course, expended here. Some of that undoubtedly is for temporary labor.

Now we come to an appropriation which, if the pending bill shall be passed, will involve overlapping. The appropriation for the investigation of child welfare, in addition to the other appropriations, is $80,000. In God's name, if we are expending $80,000 for investigating child welfare, are we not mindful of the matter of maternity and the care of the infants?

It will be remembered that last year the other House took great and deserved credit for cutting down the appropriation which had been determined on in an earlier bill, but which failed of passage. Before the original bill became a law we adjourned, and the proposed appropriations were cut down in the regular annual appropriation bill which followed; but even then we gave this bureau $271,000.

What are the estimates for the Children's Bureau for this year? They are $654,260, all for the Children's Bureau. They ask an appropriation of $107,140 for salaries. They also ask for general expenses an appropriation of $164,250—nearly double what they previously asked—and they also ask for the investigation of child welfare $382,770.

Do they exclude the consideration of matters affecting maternity when they are asking for an appropriation of $382,770 for infant care, and so forth? However, Mr. President, that is not enough.

Mr. SIMMONS. Mr. President, I should like to ask the Senator who determines the number of employees of that bureau?

Mr. WARREN. Largely the bureau itself.

Mr. SIMMONS. Are they authorized by the law to do that?

Mr. WARREN. The Senator from North Carolina, I think, is conversant with the law and the situation. The Children's Bureau is under the Department of Labor.

Mr. SIMMONS. Does not the Appropriations Committee recommend appropriations for the salaries of the employees of the Children's Bureau?

Mr. WARREN. To some extent, yes; in the main, no.

Mr. SIMMONS. Does Congress make appropriations for those salaries in a lump sum?

Mr. WARREN. As a matter of law, as the Senator knows, the Appropriations Committee must report and recommend the appropriations.

Mr. SIMMONS. Is the appropriation in the form of a lump sum?

Mr. WARREN. It is largely in the form of a lump sum. We provide what the chief of the bureau shall receive and what some of the others shall receive.

Mr. SIMMONS. Could we not change the law so as to make the salaries statutory?

Mr. WARREN. That is a matter which perhaps is not at issue at the time, but undoubtedly we could do so. There is no question that all of them could be made statutory.

Mr. SIMMONS. I ask the Senator the question with the view of ascertaining if there is not some way by which the Appropriations Committee might eliminate part of that expenditure.

Mr. WARREN. That undoubtedly could be done; but I desire in the brief mention which I make of these matters merely to show what the committee has been required to do. I am willing to say that, as chairman of the Appropriations Committee of the Senate, I have been accused, perhaps on both sides of the Chamber, of too great liberality. I think that charge has been made oftener than the charge that I am penurious or that I have undertaken to cut down too greatly appropriations for any particular activity or department of the Government, and I confess that, so far as my feelings are concerned, I always like to fall upon the most liberal side within the limits of consistency and safety for the Nation; but I submit that there comes a time when I can not abide my own conscience unless I bring to the attention of this body some of the items for which Congress is called upon to appropriate and to inquire where we are going to land unless we endeavor to coordinate and, as might be said, to reestablish certain governmental agencies. Take the estimate to which I have referred of $654,260 for the Children's Bureau.

Mr. THOMAS. Mr. President, may I ask the Senator what the original appropriation was when the Children's Bureau was created?

Mr. WARREN. It was $25,000 for all purposes.

Mr. THOMAS. And how long ago was that bureau created?

Mr. WARREN. I have not looked the matter up, but I should say it has been created within 10 years. Perhaps some Senator present may locate the date exactly.

Mr. THOMAS. Is it not the Senator's experience that nearly all of the bureaus and boards which we create for specific purposes increase their demands upon the Public Treasury?

Mr. WARREN. They do in every particular instance. Every last one of them does it.

Mr. THOMAS. So that, while the board proposed under the pending bill will start out with $2,000,000 or some such amount, and while the bill authorizes appropriations for a series of years, the extreme of which is $4,000,000 per annum, there is every probability that with each succeeding year the dimensions of the appropriation will increase.

Mr. WARREN. Our experience in every instance following the creation of a new department or a new bureau or a new governmental activity will prove the absolute correctness of the Senator's observation.

Mr. KING. Mr. President, will the Senator permit an observation?

Mr. WARREN. I yield.

Mr. KING. I think the Senator from Colorado underestimates the amount required by this bill. It starts out with an appropriation of $2,480,000.

Mr. THOMAS. I used my figures largely for the purpose of an illustration. Of course, there is an appropriation for expenses of $480,000 a year. Then we add for the first year $2,000,000 more, and the last authorized appropriation is $4,000,000, exclusive of the annual $480,000.

Mr. KING. May I suggest to the Senator from Wyoming in connection with his consideration of this matter that there is now pending a bill offered by the Senator from Iowa [Mr. KENYON]—and that bill has the support, I am told, of the President elect, Senator HARDING—for the creation of a department of public welfare? It would seem to me, if such a department shall be organized, that the subject embraced in the pending bill will come naturally within the purview of that department. In view of the fact that there is to be a reorganization of these multitudinous bureaus and commissions and agencies and instrumentalities and departments of the Government, and in view of the fact that we are to have, if the program of the Republicans is to be carried out, as I understand that program, a department of public welfare, why would it not be the part of wisdom to relegate this matter to the future and consider it in connection with the question of the reorganization of the departments?

Mr. WARREN. Mr. President, the Senator's conclusion is one to which I can agree; but I think the Senators who have served with me here know that I have yet to make the first real political speech on this floor. I have tried to avoid introducing politics and political matters, except in an incidental way, in the consideration of appropriations; and I may say that in the Committee on Appropriations I do not suppose there is one word out of a million of the conversation and the testimony taken in the consideration of these bills that even slants at politics. Therefore, I do not wish to say I either indorse or repudiate what may be said by any person during the excitement of a campaign, or by any candidate, whether he be Republican or Democrat.

As to the proposed department of public welfare, I assume that the Senator alludes to the bill of the Senator from Iowa [Mr. KENYON] now present. I have not had the pleasure of discussing the subject with that Senator. I know that his intentions are of the best, and I believe—and I am only saying this from my knowledge of his understanding and good intentions—that he will expect that that subject will be considered by the joint committee which is to take up all of these matters and coordinate them.

I was about to proceed on that line, when a question was asked, to show the necessity of it.

UMI

Having put before you the matter of the $654,260 that is required this year, $382,770 of which is for investigation of child welfare, it might be well to say that that is asking for more than twice as much for next year as we have appropriated for the present year. That shows the exceeding interest that there is in the departments, and it shows that this estimate passed through the hands of the Secretary of the Treasury, notwithstanding the observations in his report about the necessity of economy, and so forth. I know that the desire of the Senate is to allow everything that is consistent and safe to such pursuits of human endeavor and human benefit as this bill contemplates; but to show what, in my opinion, should be coordinated, I want to call the attention of the Senate to the fact that this $654,260 having been estimated, the Committee on Appropriations is powerless to prevent its being voted in here on the floor. The committee may decide that that is too large an estimate; in fact, they must cut some of the many estimates, unless we want to endanger bankruptcy of the Nation.

When we get on the floor with the appropriation bills there are certain, I might say, emotional subjects, certain things that touch our hearts rather than our heads, perhaps, and the committee is considered to be too penurious, and some Senator rises in his place and offers an amendment and states that the amount proposed to be appropriated is under the estimate. That places it beyond any point of order. It places it directly before the Senate for it to vote upon. How easy it is for every Senator to vote on the liberal side of something to which he has not given strict or special attention; and so, as I said before, we have got to look not only to what we have spent, or what we may bring in here in the way of bills, but what is possible to be placed upon each bill before it leaves the body, unless the brake is applied at the proper time and place; and I consider that the proper time and place is here, in Committee of the Whole, now, before the whole Senate.

Proceeding further: We passed a law—I have it here if anyone wishes to read it—last year to establish a Woman's Bureau. This is another branch, but certainly it is along the same lines. We appropriated to start it this year $8,500 for the salaries of a director and a secretary. Now the estimate comes up for that bureau for $92,500 for salaries, and also for miscellaneous purposes $57,500. In other words, while the one above it that I read we more than double, we are asked now to raise this one from $8,500 to $150,000. That is more pardonable, because it is a very modest rise compared with some of the others, and we know that it is an institution of great benefit to humanity.

Of course, some of these recommendations come from the women, dear souls, and they come before us not only on our human side of life but as to the part that they are to take in the Government. I happen to live in a State that has had complete woman suffrage for 50 years. I have lived constantly in that State during that period and have voted in every election.

I have not been elected to this body a single time except where I had the support of women the same as men, for they were exactly equal as to suffrage under the laws of Wyoming. It is true that the legislature elected me in the earlier part of my service, as the general election has done since; but women elected the legislature and were sometimes a part of it. So that from every standpoint I should be, as I have been, the constant friend and advocate of women taking a full part in the management of this Government; and it pains me beyond expression that this, among other things, is a matter that it is desirable to halt where it is until those who are, as I might say—I do not want to use the word offensively—forcing us into some action upon this subject now can have the general situation of the Treasury brought before them.

The women of this country, with the men, have been and are patriotic. The women of this country want us to preserve the credit of the country. They do not want to see us go back to the time following the Civil War, when our currency was debased, when our bonds were worth 40 cents on the dollar, when we were, you might say, in the trough of the sea, from the Civil War up to, I think, 1878. Those of us who were in that struggle and who undertook to make their way again in their homes to positions which had closed behind them when they went to war know the difficulties, the privations, and the poverty that were involved. They know the thousands of men—and it worked out well in the long run—who were driven out to other States bordering on the Pacific and in the Great West, some on account of shame because they had to take smaller places, others because of the fact that they could do better there, and others simply from pride, feeling that if they were to starve to death they would rather their bones would be on the broad prairies than among their friends in their old homes.

This Woman's Bureau and this Children's Bureau and this new duty—for it is new as this bill proposes—of taking up this maternity matter all ought to be so coordinated that we will not be having money used from three distinct directions, and there will not be this piling and doubling up of money upon us, and especially not now, when, as I said before, the Treasury is pressed more than at any other date that I can remember since away back in the Civil War times, of which I have spoken. It seems to me that the least we can do is to ask the committee that we have provided for to take up all three of these matters and make them one powerful entity, one that can handle these matters economically and liberally, rather than to go on in the manner that we would under the proposals of this bill.

The House of Representatives, evidently wincing under the galls of these extra and overlapping appropriations, started, as you know, early last session and passed a budget bill. The Senate did the same thing. It met with defeat at the White House. It started again, passed the House, and then was halted here in the tumult of political activity, perhaps I should say, and did not pass. The House immediately provided that all of the bills making appropriations should go before one committee, and that committee was made larger and divided into subcommittees, so that the subcommittees are composed of those who know the affairs of the particular departments or angles that are delegated to them; but in that way it brings them all together finally before a body of men that keep track of all together, so that they may not be troubled in the way that they have been. And yet, having done that much, the House felt it necessary, and proceeded accordingly, to take up the joint committee bill which I have mentioned, which we passed late in the last session, and the House passed it—almost one of the first things—and it is now, I suppose, awaiting the proper signature.

But quite aside from this condition, which forces us to be careful in our expenditures, this kind of legislation is reprehensible. Why are we going to mortgage the future? Why do we undertake to so distribute what we expect in the way of an income over which we shall have no further control? When I say no further control, I know what might be said—that this authorizes but does not appropriate. But Senators who have served on the Appropriations Committee, as I have, and those who have not but who have observed, know very well that when we have passed a law authorizing a matter and have made an initial appropriation and started the machinery, immediately there is propaganda started, and God knows there would be no greater propaganda than in a case like this. Senators are always besought not only here but in their homes, in the streets and alleys, and everywhere, to carry into effect authorizations. It will be estimated for, so that it will be out of our control, except that we shall have the support of the Congress. If we are going to have the support of Congress to prevent things of that kind, now is the time, in a case like this, of all times, before you commit yourselves to that kind of legislation. It is an insidious way of crawling under the tent to see the show, rather than coming to the front and saying at once, "We want so many millions of dollars for this year to protect the health of this Nation."

What backing has the chairman or any member of the Appropriations Committee on this floor when, under our rules, the estimates have been made and sent up here, to prevent any Senator and all Senators from moving to put the whole thing through in mass or any portion of it? Then we have need to depend upon the votes of the Senate, and if the bills come up, as they usually do, in a busy time of the session, when Senators are called away from their luncheon, or from some interview in the Marble Room, and the question is up, we turn to the next man and say, "What is up?" He says, "I do not know," and you say "I will vote yes." And you have to vote against the Appropriations Committee anyway to get more rather than less. The consequence is you are going to load the Government with debt, and you might as well now, at this time, decide whether you are going to pay out these millions in the immediate future, while our condition is as it is; whether you are going to force down the securities of this country until they are kicked about as they are in some foreign countries. Are you going to force the Government in the next issue of certificates it puts out to go to 6¼ or 7 per cent? Those are questions we have to decide, and we have to decide them no matter how much heartache it may cause.

The Secretary of the Treasury, who has been mindful of his duties, in his last report, which I have before me, says this, and I want Senators to pay particular attention to this:

ADDITIONAL SOURCES OF REVENUE.

The loss of revenue which would result from the adoption of the preceding recommendations, together with the loss to result even under existing law from the shrinkage of business, would have to be made up from new sources. For the convenience of the committees of the Congress which will be directly responsible for tax revision, I set out below a number of new or additional taxes capable of yielding in the aggregate as much as $2,000,000,000 a year. These estimates are based upon conditions in the midsummer of 1920, and changes in the future may affect the revenue yield of the taxes mentioned.

Source.	Tax rate.	Estimated additional yield for a 12-month period.
Normal income tax	Increase the 4 and 8 per cent rates to 6 and 12 per cent.	[1] $150,940,000
Readjusted surtax rates	(2)	[2] 230,000,000
Corporation income tax	Additional 6 per cent	[3] 465,000,000
Do	Abolish $2,000 exemption	58,000,000
Corporation undistributed profits tax:		
Increase in corporation income tax, estimated at $190,000,000.	20 per cent	600,000,000
Additional revenue from the application of the surtax rates to dividends distributed by corporations to avoid the 20 per cent undistributed profits tax, estimated at $500,000,000.	Individual surtax rate	
Stamp taxes, Title XI, act of 1918.	Double rates in subdivision 10 and quadruple rates in subdivisions 1-9, 11, and 12.	[4] 134,000,000
Federal license tax on use of automobiles.	50 cents per horsepower	100,000,000
Cigars	25 cents per 1,000 additional	5,000,000
Cigarettes, weighing not more than 3 pounds per 1,000.	$2 per 1,000 additional	70,000,000
Tobacco and snuff	6 cents per pound additional	8,000,000
Gasoline	2 cents per gallon	90,000,000
Admissions to theaters	10 per cent additional	70,000,000
Increase rates on following articles specified in section 900 of the revenue act of 1918: Automobiles (other than automobile trucks and wagons) and motor cycles, including automobile and motor-cycle tires, inner tubes, parts, and accessories (subdivisions 2 and 3).	5 per cent additional	100,000,000
Musical instruments (subdivision 4).	....do	13,000,000
Chewing gum (subdivision 6)	7 per cent additional	2,000,000
Candy (subdivision 9)	5 per cent additional	20,000,000
Toilet soap and toilet-soap powders (subdivision 21).	7 per cent additional	4,000,000
Jewelry and articles of precious metal (sec. 905, revenue act of 1918).	5 per cent additional	25,000,000
Motion-picture films (sec. 906, revenue act of 1918).	....do	4,000,000
Perfumes, cosmetics, and medicinal articles, a tax upon the sale by the manufacturer, producer, or importer in lieu of the tax imposed under section 907, revenue act of 1918.	10 per cent	16,000,000

[1] It is estimated that an increase of the 4 and 8 per cent normal income-tax rates to 5 and 10 per cent, respectively, would yield during a 12-month period additional revenue amounting to $75,470,000. It is also estimated that if only the 8 per cent normal income-tax rate is increased to 12 per cent, the additional revenue to be derived therefrom during a 12-month period would amount to $163,690,000.

[2] The surtax rates, shown on page 45, it is estimated, would yield the same amount, $980,000,000, as the present surtax rates. Inasmuch as the loss of revenue resulting from the abatement of surtaxes on saved or reinvested income has been estimated at $230,000,000, only this amount has been included in the table of suggestions.

[3] It is estimated that an increase in the corporation income tax from 10 to 12 per cent would yield during a 12-month period an additional revenue of $118,800,000.

[4] If the stamp taxes imposed by Title XI of the revenue act of 1918 were doubled the additional yield for a 12-month period would, it is estimated, be $90,000,000.

The following surtax rates, limited to 20 per cent on saved or reinvested income, would yield, it is estimated, as much as the present surtax rates:

Incomes.	Surtax rates.	
	Saved income.	Remainder of income.
	Per cent.	*Per cent.*
$5,000-$6,000	2	2
$6,000-$8,000	5	5
$8,000-$10,000	10	10
$10,000-$15,000	12	12
$15,000-$20,000	15	15
$20,000-$30,000	20	20
$30,000-$40,000	20	25
$40,000-$50,000	20	30
$50,000-$75,000	20	35
$75,000-$100,000	20	40
Over $100,000	20	50

These possible sources of revenue are mentioned for the information of the Congress. While I shall not attempt to discuss them in detail, attention should be called to the new or additional consumption taxes included. Reasons have been given for the belief that no valid objection exists against the employment of a moderate number of consumption taxes properly selected; but it would, in my opinion, be neither wise nor expedient to increase radically the volume of consumption taxation.

Now, Senators, when in July of this year the Secretary of the Treasury, working day and night, as they sometimes do in his department, and naturally not quite up to date in the different divisions of the country, can see a shortage of that amount, what kind of a shortage may we expect now, when the year is about to close, and we have had our attention called to losses which have occurred since July, and those which are to occur, in the various lines of business? When the products of the farmers, live stock men, and those who were stricken early, went from their upper story to the cellar and even to the subcellar in values—went down before either wages or materials or supplies were reduced—what followed, and what must follow? Of course, there must later follow less business for manufactories, and indeed we know that manufactories have been closed and are closing and have been closing ever since about May, wholly or in part.

When we come to the closing of this calendar year and the business men close their accounts, as they usually do, and develop the losses they have made and see the sliding scale which has affected them and affected others, they have to consider what they are going to do for the next year, to consider whether or not they had better reef sail, remain closed, and work perhaps part of their departments a part of the time; but the best they can hope for in nearly every instance is that they may get a new dollar for an old dollar, until, as they may say, the disorganization blows over. When we are going to be short this year, 1920, in income taxes, where are you going to get your money, unless you increase the taxes very greatly, for the coming fiscal year, 1922, for which the Congress is now appropriating?

Referring to the report of the Secretary of the Treasury, in which he suggests doubling and even more than doubling some of the present tax rates, I ask, Mr. President, that with my remarks may be printed the proposal of the Secretary of the Treasury, to which I have heretofore called attention, of a way in which the taxes might be increased in order to cover necessary expenses and also to decrease our indebtedness.

The present burden of taxes is a heavy one. No one loves taxes, local or national. During the war, when every bosom was stirred with loyalty to the Government, and the desire, at whatever cost, to protect her honor and her standing, it was easy to make the tax acceptable for the time being. But who among your correspondents, who among your constituents, ever expected that year after year the tax would have to continue as high as it was then? What Senator can say that any of the voters, that any of his constituents, are asking him to so vote on measures that taxes can not be reduced, and, worse yet, who can you expect to say, "We are ready to have them increased"?

It can be shown from the statements of the Treasury that during the last year we have paid a billion dollars of our debt, and I am sorry to have to make this statement, because I would rather say that we were getting out of debt very rapidly than otherwise, but during this last year in saving a billion dollars we sometimes failed to notice that we have sold hundreds of millions of dollars of war supplies, surplus supplies, which accounts, or did account in the last statement I saw, for seventy-odd millions more than what we are reputed to have saved; so that, as a matter of fact, in the legitimate expenses of the Government and the legitimate income, even under the prosperous year of 1919, we only remain at or nearly even, and we have not the same prospect of miscellaneous receipts for the future.

Here we are with this matter of these great estimates before us. Here we are with bills coming in to establish bureaus and departments, and you could not point to one bureau or department anywhere in the line of the business the Government has been doing that has not grown and grown fast.

I have given you two or three items of that kind. Let us take up just for a moment another instrumentality touching the human side again, through which we want to protect the health and good of the country. We have a Public Health Service for which we thought originally a half million dollars was a great deal of money. What is the condition now? We appropriated last year $8,673,720. Let us see the expectation. The past growth I have not itemized as to years, but it has been extreme. But here is the estimate for this year, and I will say that every item in it is one which we can see the necessity for if we are going to follow down to the utmost nicety of the benefits. They

are asking for $13,486,618. There is a rise of some $5,000,000. Where are we going to land? Nobody can say that we can withdraw our support from the Public Health Service. But this does not cover the extreme expenditures and the great appropriations we have to make, if not for the Public Health Service proper, for the Public Health Service and the Vocational Education Board together, and the War Risk Insurance Bureau, which is along the same line, hundreds of millions of dollars in our main bills and hundreds of millions more in deficiencies. The sums have been fabulous. I do not undertake now to give the amount of the expenses, because I have not taken the time to amass it. But you know it has been thirty millions here and forty millions there and ninety-odd millions somewhere else, and all of this is going out as a result of the war.

The people were patriotic in the war, they supported the war, and they are not only willing now but anxious to support those who suffered by the war, and they are undertaking to place rightly all the soldiers who are sick or maimed.

We started in, for instance, with $40 and $60 as the very extreme pension, or compensation, I should say, for soldiers who were injured. We have raised that from time to time until it now stands at a hundred and a hundred and a quarter, outside of family allowances, which are provided otherwise; and we have appropriated for these services in the War Department bills and the other great appropriation bills.

Another reason why I have not figured those together is because we have not yet finished the year. We have the deficiency estimates yet to come, which, I regret to say, have not yet reached the House and Senate.

We not only have got to meet these certificates. The Government is a business concern. You and I go to the bank and borrow for three months or six months or a year, and we can not ask the bank to renew forever. We do not ask it. If we did ask it, our credit would be gone. We have to rustle the money to pay the debt when it becomes due, even though we may have to borrow more immediately at that bank or go to another bank and borrow, as the Government is doing, from one to pay the other.

It is true that the Government has the advantage of individuals in that it can go to the national banks and the Federal reserve banks and force them to take these certificates, you might say. In fact, no one of those banks would dare refuse to take them, and the Government therefore has that advantage. But what is the result of that? The Government absorbs the money that is in these banks and depositories that might be used to carry the farmers and the business men over this financial chasm which lies before some of them. Take, for instance, the live-stock business, where after this time of the year a man can not well secure money for anything he has to sell until the last of next summer, and he must, if he has not the money already in his possession, borrow to carry him over. There are millions of men in that condition who have to depend upon the banks to carry them over, and those banks must depend largely, under this very excellent law that we passed establishing Federal reserve banks, upon those banks to help them. But if the Government is going to continue to borrow as largely as it has been doing, we shall have just that much of frozen resources which can not be legislated out of existence.

Mr. President, I will not follow this matter further, because I think that I have at least shown wherein I feel, under the duty that I owe the Senate and the country, compelled to bring the danger of this kind of legislation before them. Before I take my seat, however, I wish to say that so long as I am permitted to occupy a place in the Senate, unless my mind shall change on this particular subject as it never has changed, I shall never support any bill which goes into the line of mortgaging the future where we have either got to repudiate, as you might say, our own paper and abrogate that legislation or be forced, whether we have the funds or not, into going to the open market and borrowing at whatever rate we may have to pay in order to meet what seems simple to-day, but what might in a crisis mean a very, very serious matter.

Mr. FRELINGHUYSEN. Mr. President, I wish to take the time of the Senate to explain for a few moments my position on the pending bill. I am under somewhat of an embarrassment in regard to the bill, because I have promised some of the people who were deeply interested in it to support it. I believe thoroughly in its principle. I believe that anything which will improve the condition of the public health of the country is, of course, meritorious. But I feel that under my constitutional oath of office I have no right to vote for any bill, however meritorious, when I know that the condition of the Public Treasury will not permit the expenditure of money for legislation of this character.

We are told at the present time that there is a deficit of $1,200,000,000. The chairman of the Committee on Appropriations [Mr. WARREN] has pointed out to the Senate that the deficiencies are not all reported at the present time. Therefore we may face a still further deficit.

I will support the measure at such time when it is shown that the condition of the Treasury will permit it, but I believe it my duty and the duty of every Senator on this floor to vote against the measure at this time because there is not sufficient money in the Treasury to make the appropriation.

Unless we stop this habit that we have pursued during the last year of passing legislation simply because it is meritorious, unless we call a halt on the continued appropriation of money on these special measures, we will have a condition in the country which will bring about a famine, and if that comes there will be no babies to take care of.

I feel at this time that it is the duty of every Senator to oppose every measure which will place a fixed charge on the Treasury permanently and for all time. The bill provides for an appropriation of $2,480,000, increasing progressively to $4,000,000. We all know that in the creation of a new bureau of public welfare or public health of this character these estimates are always under the amount actually wanted. I venture to predict that if the bill is passed at the end of the year a still further appropriation will be asked for deficiency purposes. I have every sympathy with the principle of the bill, but I do not believe that we have any right under our constitutional oath to spend the money of the taxpayers, who will call upon us for a reckoning some day in this country, when the Public Treasury shows a deficit of $1,200,000,000.

Mr. FRANCE. Mr. President——

Mr. FRELINGHUYSEN. I yield to the Senator from Maryland.

Mr. FRANCE. Knowing that the Senator is a banker, I want to ask him if he makes no distinction between an expenditure and an investment? This is not an expenditure; it is an investment.

Mr. FRELINGHUYSEN. Mr. President, I note the statement of the Senator. I am not a banker. In answering the questions I am reminded of the story of the minister who said, "There are nineteen reasons why we can not put a new roof on the church. The first one is that we have not the money, and there is no need to mention the other eighteen."

This may be an investment, but there are other things in which we can invest. We can invest in the education of the illiterates in this country; we can invest millions of dollars in that way, and it would be an investment, as we could invest in many other beneficial measures. I am not opposing the principle of the measure, which is meritorious, but I do oppose spending $4,000,000 of the people's money at this time when we have not got it.

Mr. FRANCE. Will the Senator yield?

Mr. FRELINGHUYSEN. I yield the floor. I have finished.

Mr. FRANCE. I only wish to observe that the Senator, I think, has answered his own argument. The reason that we have illiterates in this country is because the argument of economy has been advanced when an effort has been made to secure adequate appropriations for the wiping out of the illiteracy. We meet this argument of economy whenever legislation of an ameliorative character is presented.

There is absolutely no excuse for illiteracy existing in this country, and the only reason for it is because the economy argument is always presented when great public educational measures are presented.

So far as I am concerned, I do not care to enter into an extended argument as to why this expenditure should be made or why this investment should be made. If I desired to do so I think without any question I might show where millions and millions of dollars have been absolutely thrown away by the votes of Senators on this floor for purposes unconstitutional and unjustifiable, without there being a question as to how the money was expended. We have not even asked for an accounting as to how these moneys were expended. So far as I am concerned, from now on, now that the war is over, I propose to exercise my desire for an accounting on measures which are destructive rather than upon measures which are of a constructive and upbuilding character.

We have had a great war. For four years the world has been engaged in the work of destruction. Millions of men have been forming organizations and creating great engines of destruction. So far as I am concerned, as we are entering upon the period of reconstruction, I shall not listen to any argument for economy when there are presented measures for the rehabilitation which must take place.

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This I believe is a measure which is meritorious. I believe that the returns from the assessment which we are making under it will be large and I feel that is the sentiment of the majority of the Senate. I hope that we may get a vote upon the measure very promptly.

Mr. SHEPPARD. Mr. President, almost the entire argument of the Senator from Wyoming [Mr. WARREN] was based upon the proposition that the pending bill establishes a new bureau or a new board. Under the amendment offered by the Senator from Utah [Mr. SMOOT], and which has been accepted by the Senator from Maryland [Mr. FRANCE], this entire work is placed under the supervision of the Children's Bureau. So no new bureau or board is created.

Again, the $480,000 to which the Senator referred, is not for the expense of the bureau, but is for apportionment among the States. Only 5 per cent of the amounts authorized in the bill is available for expense.

When the Appropriations Committee comes to report the appropriations for the Children's Bureau it can harmonize and coordinate the two purposes with perfect ease.

Mr. President, if it is desired to save money, it may be done in this way: When we shall have decided to expend $400,000,000 for the Navy for the next fiscal year—and we shall, perhaps, expend more—and to expend $300,000,000 or $400,000,000 for the Army, merely cut one appropriation $2,000,000 and cut the other appropriation $2,000,000; the loss will not be felt; the aggregate of expenditures will not be increased, and this beneficent purpose will have been subserved.

Mr. PITTMAN. Mr. President, I realize the spirit which prompts the Senator from New Jersey [Mr. FRELINGHUYSEN] in voting against the pending bill, and no blame can be attached to him for that position, holding the views which he does. If I held the same views I should not hesitate to vote as he is going to vote.

This bill, however, states that it is "for the purpose of cooperating with the States in promoting the care of maternity and infancy in the several States; to provide instruction in the hygiene of maternity and infancy." I know of no cause with which we may deal in this body that is higher. I am a member of the Naval Affairs Committee; I believe in a great Navy; I think it is our first line of defense; and I am going to vote for a large appropriation for that Navy. It will probably require five or six hundred million dollars. This bill requires only $4,000,000 per year. We are going to appropriate at least $400,000,000 for the Army. I do not consider the Army so essential to the defense of the country as is the Navy. I feel that we could get along with half the sized army that we are appropriating money for. I should prefer to take $4,000,000 proposed to be appropriated for this purpose from the $400,000,000 that we are going to appropriate for the Army.

The Senator from New Jersey will probably feel that he is obeying his oath of office when he votes for an appropriation of $400,000,000 for the Army; and yet he thinks that he would be violating his oath of office if he voted for the little sum of $4,000,000 to assist in saving 23,000 women and 200,000 children who die every year, so it is authentically reported, from a lack of the teaching and care that this $4,000,000 is to provide. I can not conceive how the Senator from New Jersey arrives at his conclusions.

The bill does not seem to require much argument to sustain it. It is well for the chairman of the Committee on Appropriations, the Senator from Wyoming [Mr. WARREN], to warn the Senate with regard to economy, but the last place that we should start in with economy is where it affects the lives and health of the women and children of the country. It is very easy for the Appropriations Committee to adjust its accounts so that this $4,000,000, out of the billions of dollars that are going to be appropriated, will not be felt.

However, it would be worth every cent which the Congress appropriates for every purpose if it would succeed in saving the lives of 200,000 children; yes, if it should save the lives of one-tenth or one-twentieth of that number it would be worth the burden that the people of this country would have to bear. We complain little of burdens where there is some chance of profit, but we are never willing gracefully to bear burdens where the only return for doing so is human life or the health of children.

The distinguished Senator from Colorado [Mr. THOMAS] made a very able speech yesterday; not against this bill, however, but it was a very able speech against our system of action in this body and the system prevailing in this country in the election of Senators.

Mr. THOMAS. Mr. President, if the Senator from Nevada will permit me, his conclusion may be that of all my auditors, but I spoke not against the system of the election of Senators but against our methods of procedure, and also against the bill.

Mr. PITTMAN. Mr. President, I know the Senator from Colorado well, yet I can never tell accurately from his speech how he is going to vote.

Mr. THOMAS. Mr. President, if the Senator would listen to my speeches, perhaps his criticism would be more just and correct.

Mr. PITTMAN. I realize that my criticism was only partially correct when I charged that the Senator was fighting the system and not the bill. Now he intimates that he is fighting the bill, and I accept his statement.

Mr. THOMAS. There is no intimation about it; it is an assertion.

Mr. PITTMAN. I distinctly remember when the distinguished Senator from Colorado did me the kindness on one occasion to vote for a bill of mine.

He spoke on this floor for two hours against the bill and probably lost me five or six very good votes, and then he voted for the bill.

Mr. THOMAS. I ask the Senator if the bill was carried?

Mr. PITTMAN. The bill carried in spite of the speech of the Senator.

Mr. THOMAS. That is the usual result of my addresses in this body.

Mr. PITTMAN. Mr. President, I rose for the purpose of complimenting the Senator's speech. As I was saying, it is one of the most able speeches to which I have ever listened, with regard to a subject that was not before the Senate, but in this the speech is not peculiar. The speech dealt with a fear that is alleged to animate Members of this body; it dealt with the lack of statesmanship of the present age; it called attention to the tendency of Senators to listen to and to give consideration to petitions and to the opinions of great masses of people throughout the country; it deplored the fact that statesmanship on the part of individual Senators could be influenced by the words and opinions of the voters of the country. That is one theory; but there seems to be a growing theory in the Nation that it is better to listen to what the majority of the people think. As a matter of fact, that theory seems to be winning in the country. So far as I am concerned, I will admit here that I am always afraid that I am wrong when an overwhelming majority of the people hold a different view from me.

Mr. THOMAS. I assume, therefore, that the Senator will now join the Republican Party.

Mr. PITTMAN. No; and I expect to be reelected as a member of the Democratic Party by virtue of the views I hold.

Mr. THOMAS. I certainly hope the Senator will.

Mr. PITTMAN. I am very sorry that the Senator was not reelected in November last. I did everything in my power to reelect him, although my efforts may have hurt him.

Mr. THOMAS. Mr. President, the Senator need waste no tears over my defeat. I shall very soon return to private and therefore to a far more congenial life; but if the Senator wants to return I am for him, notwithstanding the fact that he does not accept the logic of his own position and join the Republican Party.

Mr. PITTMAN. The Republican Party is a very great party, and I have a higher admiration for it now than I had a few months ago. I probably have more admiration for it now than I will have two years hence; but, be that as it may, the candidate who holds to the view that true statesmanship consists in differing with great masses of the people with regard to policies and principles, in my opinion, will not long be in public life, whether he is a member of the Republican Party or of the Democratic Party.

Of course, I know that is not the primary consideration of statesmanship. The primary consideration, of course, is to bring about the accomplishment of a good purpose. The Senator from Colorado is always trying to accomplish a good purpose, but he fights those things that are settled; he fights to accomplish something that is determined finally. He is still fighting the lost cause of the Civil War; he undoubtedly believes in the constitutional right of slavery; he believes that the cause of the South was right. He would have fought for slavery then, and he would fight for slavery now.

Mr. THOMAS. Mr. President, I do not like to interrupt the Senator, but surely he does not wish to misrepresent me upon the subject of slavery or upon any other subject. I have believed that slavery was constitutional. I think Abraham Lincoln also believed it, and so stated on numerous occasions; it required a constitutional amendment to abolish it; but when the Senator says that I am still fighting the cause of the Civil War, that I would fight for human slavery now as I did then, he makes a statement against which I must protest, for it is not the fact. I was raised in the South and amidst southern institutions, and I believed—and I say it without shame—in all I was then taught to believe by my people, who were as capable

and conscientious as others disagreeing with them. That was a good many years ago.

I came North shortly after the war, and in my new environment I soon learned that there were two sides to every question; that there was nothing more hateful than human slavery; that it was eternally wrong; and that the issue of the Civil War was settled correctly and, I trust, forever. I am glad the war ended as it did, and, in my humble way, I shall always oppose slavery in every form in which it manifests itself, however unsuccessful my efforts may prove.

Mr. PITTMAN. It seems, Mr. President, that I continue to do injustice to the Senator unintentionally. What I tried to convey was that he is still fighting in behalf of hopeless causes.

Mr. THOMAS. That I assent to most heartily, Mr. President. I have been doing that ever since I have been in this body.

Mr. PITTMAN. Mr. President, no one doubts the wisdom of the division of our Government into its various municipalities, into its subdivisions. State rights, however, were larger in the beginning than they are now, and it was proper that they should be larger in their scope, because the States were remote from each other in those days, and legislation of nearly every character had to be left to the States, because the people of the States were the only ones who had knowledge of the local conditions. But with the growth of the Nation, with the growth of transportation and intercommunication, these reasons for exclusive State action became of less force. We know more about the conditions in every State now, and that which takes place in every State now affects everyone in every other State. It is impossible to have an epidemic in one State without its communicating to another State, unless there is a proper system of quarantine. We can not stand to-day and see slavery of any kind or character in one State and say that it is not our concern and does not affect us in another State. It affects us everywhere.

Why, the time was when each county took charge of the building of its own roads, and when a county failed to build good roads it affected no one except the people in the county. But to-day, with rapid transportation by automobile and other means, one county, by refusing to build a link in a chain of roads could greatly affect the use and depreciate the value of the roads in all the other counties of the State, except for State action. For that reason, it became essential for the States to take supervision over the highways through every county in the State, and, on a larger scale, it becomes essential for the Federal Government to take charge of certain matters that rightfully should be attended to by the States, because the States will not attend to them.

The States should provide the appropriations and the means of educating the people with regard to the matters provided in this bill; but few of the States have done it, and the death and disease that is spreading throughout the whole country by reason of this failure of State action is affecting every State, and therefore it is the duty of the Federal Government to act. It is forced on the Federal Government, and it does not lie in the mouth of any State rights man or the governor of any State or the people of any State to complain against this legislation when the conditions that require the legislation are due to the negligence of those same complainants.

This bill is going to become a law, and it should become a law.

Mr. FRANCE. Mr. President, may we have a vote on the pending question?

The VICE PRESIDENT. There is a committee amendment pending, and the Chair understood that the Senator from Utah [Mr. SMOOT] has an amendment to offer, which he has not yet presented.

Mr. FLETCHER. Mr. President, I suggest the absent of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The roll was called, and the following Senators answered to their names:

Ball	Harrison	Norris	Spencer
Beckham	Heflin	Nugent	Stanley
Capper	Henderson	Overman	Sterling
Chamberlain	Johnson, Calif.	Page	Sutherland
Colt	Kendrick	Phipps	Swanson
Curtis	Kenyon	Pittman	Thomas
Dillingham	Keyes	Poindexter	Townsend
Fernald	King	Ransdell	Trammell
Fletcher	Kirby	Sheppard	Walsh, Mass.
France	McKellar	Smith, Ga.	Wolcott
Gerry	McNary	Smith, S. C.	
Harris	New	Smoot	

Mr. SMITH of South Carolina. I wish to announce the unavoidable absence of my colleague [Mr. DIAL].

The VICE PRESIDENT. Forty-six Senators have answered to the roll call. There is not a quorum present. The Secretary will call the names of the absentees.

The assistant secretary called the names of the absent Senators, and Mr. BRANDEGEE, Mr. MCLEAN, Mr. SIMMONS, Mr. WALSH of Montana, and Mr. WARREN answered to their names when called.

Mr. BORAH, Mr. FRELINGHUYSEN, Mr. HALE, Mr. MOSES, Mr. MCCUMBER, and Mr. HITCHCOCK entered the Chamber and answered to their names.

Mr. HEFLIN. My colleague [Mr. UNDERWOOD] is unavoidably absent on account of illness in his family.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is an apparent quorum present.

Mr. KING obtained the floor.

Mr. FRANCE. Mr. President——

Mr. KING. I yield to the Senator from Maryland.

Mr. FRANCE. Will the Senator yield for a moment and permit us to offer amendments which will perfect the bill before he proceeds? I think there will be practically no debate upon them.

Mr. KING. It may be that if an amendment or two which I purpose offering should be adopted, it might modify the amendments which the Senator desires to offer, but not being advised as to the character of the amendments I am unable to state.

Mr. FRANCE. It is possible that some of these amendments might so alter the bill that the Senator would not care to press his amendment.

Mr. KING. I have no objection to waiting until the Senator offers the amendments which the committee desires.

The VICE PRESIDENT. The question is on the pending amendment, to strike out section 8. The Secretary will report the amendment.

The ASSISTANT SECRETARY. It is proposed to strike out section 8 in the following words:

> That any State desiring to avail itself of the benefits of this act shall, by its board described in section 4, submit to the Federal board detailed plans for carrying out the provisions of this act. These plans shall include the provisions to be made in the State for the administration of the act; the provision of instruction in the hygiene of maternity and infancy through public-health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas. If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

And to insert in lieu thereof the following:

> That the cooperative work in promoting the care of maternity and infancy shall consist of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas; and this work shall be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act.

The VICE PRESIDENT. The question is on the amendment of the committee.

Mr. KING. Mr. President, I would like to ask the Senator from Maryland having this bill in charge what reasons prompted the committee to offer this amendment. It seems to me that the amendment, if it prevails, would compel the adoption by the States, in order to secure the aid herein provided for, of a plan which might be too elaborate, and to engage in activities and services so minute and individual and local in character that they should be left to local communities or to the people themselves. For instance, the bill contains a provision that the States "shall" be compelled to furnish hospitals, particularly in remote areas, and medical and nursing care. Does the Senator believe that this bill should prescribe in positive terms exactly the course which shall be pursued by the States in dealing with these matters and the character of aid which shall be rendered? Does it not impose too much of a straitjacket system upon the States and leave too little to their discretion?

It would seem to be the purpose of the bill to standardize everything carried by the bill; to reduce all activities and operations to a dead, monotonous level; to deprive the States of any initiative or discretion. As a matter of fact, we know that that is the policy of the General Government, to place everyone on a Procrustean bed, and to compel uniformity. There is too much uniformity in the world. It is lack of uniformity that spells progress. The curse of bureaucracy is "uniformity." Incompetent Government officials attempt to force upon States and State officials obsolete or archaic methods and policies, and the result is either confusion or revolt or stagnation. The States are making progress. They do not want the paralyzing hand of Federal bureaucracy and incompetency laid upon them.

Mr. FRANCE. Mr. President, in reply to that question I will say that the criticism implied in the question would be a perfectly proper one if the language were susceptible of such an interpretation. It was not the purpose of the committee to make any hard and fast language in outlining the general str-

poses of the bill. I think that if the Senator will read the amendment again he will see that hospital care, for example, is not compulsory, the language being to the effect that the care shall be either at home or at a hospital, the matter being left, of course, to the discretion of the local authorities.

I think that there will be no difficulty in putting upon this language such an interpretation as will leave it largely to the discretion of the local authorities as to how the work shall be carried on, and that was the purpose of the committee in framing the amendment.

Mr. SHEPPARD. Furthermore, Mr. President, if the Senator will yield, the bill specifically forbids the use of any of the money appropriated hereunder for the erection of buildings or hospitals of any kind, section 14 concluding as follows:

> No portion of any moneys apportioned under this act for the benefit of the States shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings or equipment, or for the purchase or rental of any buildings or lands.

Mr. KING. May I suggest to the Senator from Maryland that the impression seems to me—and I know some Senators have that impression—that this measure was offered merely for the purpose of obtaining data relative to maternity and the hygiene of children and the dissemination of that data among the States. But an examination of the bill shows that its scope is much broader. As I now understand the measure, it puts the Federal Government into the States and calls for the employment of nurses, the erection or construction of hospitals or consultation centers, whatever that may be, and the furnishing of doctors and nursing care, and hospitals when necessary, so that it is clear that the scope of the bill is far beyond what many have understood its terms to be. The Federal Government, in cooperation with the States, must furnish hospital care and nurses and medical attention to those who come within the scope of the bill; and there is nothing, of course, as I read the bill, determining just exactly those who may be entitled to its benefits. Are the poor and needy alone to be the objects of its benefactions? If so, where is the line to be drawn, and who is to draw it? Is the test of benefits to be measured by the amount of wealth the individual or family may possess? Is it contemplated that this is the beginning of a policy to have the United States take over the entire field of biology, of birth and marriage, and the education of the children of the people? Is the Government to furnish hospitals and medical care for all the people? Is the Federal Government ultimately to assume the control of the children of the Nation and care for them until they reach majority? These questions naturally arise when one studies the provisions of this bill.

Mr. FRANCE. Mr. President, in reply to that I will say that the enlargement of the scope of the bill is in reality merely an enlargement of the scope of the discretion which the local authorities may exercise in the administration of the measure. The language "and care for mothers and infants at home or at a hospital when necessary" instead of directing that such care shall be given by the State merely enlarges the discretionary power of the local authorities in such a way that they may use the funds if, in their judgment it may be necessary, for actual care.

The whole purpose of the bill, and the amount of the appropriation, would indicate, I think, that it was not contemplated that any large numbers of patients would be accommodated at hospitals. More of this amount would be needed perhaps to accommodate patients, for example, in one State. I think that language merely enlarges the scope of the discretion of the authorities, rather than placing a narrow and arbitrary definition of what the duties of the State should be. I think if the Senator will reconsider the amendment in that light he will see the force of what I say.

Mr. KING. May I suggest to the Senator that in the second line of the amendment now under consideration there is an imperative word employed? It says:

> That the cooperative work in promoting the care of maternity and infancy shall consist of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas.

It is obvious that if the States desire to secure the benefits of this act, they will be compelled to carry out the kind of "cooperation" that is indicated in the bill and such as the General Government prescribes. It is not optional. What is to be the character of the cooperative work? There "shall" be not only instruction in hygiene through nurses, but there shall be consultation centers and other "suitable methods," and there shall be provision for medical and nursing care for mothers and infants, and hospitals when necessary.

Mr. FRANCE. Mr. President, I have indicated the purpose of the language of the amendment. In view of what the Senator has said, if he would care to offer an amendment changing that word "shall" to "may," I think that, so far as I am concerned at least, it will be satisfactory. Some language is necessary, as the Senator undoubtedly will concede, in which to outline the general purpose of the measure, and this language was designed to do that very thing. If the Senator would care to offer that amendment to the amendment, I should not personally feel like combating it.

Mr. McCUMBER. Before the Senator offers that amendment allow me to suggest what I think, at least, would be a more proper amendment, namely, after the word "methods," in line 7, to strike out all down to the word "areas," on line 10, so you would strike out "and the provision of medical and nursing care for mothers and infants at home or at a hospital, when necessary, especially in remote areas." That would leave intact all the provisions relating to instruction and the matter of promoting the care of maternity and infancy, but at the same time would not compel the Government itself to enter into the business of furnishing nurses and doctors to take care of all the maternity cases in the United States, because if there is reason and justice in taking care of them in one instance it is equally reasonable and just in other cases, the only difference being that in some instances, perhaps, the mother or the father could pay and in other instances they could not. But you are putting in an opening wedge upon this proposition of Government care of the individual that will swell more rapidly than any paternalistic wedge that has ever been adopted by the Congress. As I have to leave in one minute, I want to express myself upon the bill, if the Senator will allow me.

Mr. President, I think the Government can do nothing that is more valuable than to give information which will alleviate distress, and especially which will prevent illness, with all its consequences. I think all the education we could give along that line is most proper. But when the Government itself goes beyond instructing and enters into the business of taking care of the individuals constituting the American citizenship it has made a leap into the arena of paternalism from which it can never escape.

Let me call attention to the fact as it actually presents itself. We first introduce this bill and pass it, which provides for the taking care of the mothers and the infants. Admitting that beneficial results will follow, where are we going to stop?

If there is 1 case of death by reason of maternity there are 8 or 10 cases of death by reason of tuberculosis. I believe that a fair estimate of death from this dread white disease amounts to more than 250,000 a year. Poor boys, poor girls, poor children who can not get out into the open air and live in the right kind of climate are dying by the hundreds of thousands. Now, if we are to furnish nurses and furnish money in the case of maternity, tell me any good reason why we should not furnish the same care for those who are dying of tuberculosis and kindred diseases? Why should we stop with the one case? If the one class are eight times greater in numbers, then why should we not also provide for those who constitute the far greater number?

How many children are dying yearly from diphtheria? Are we furnishing nurses for them? Are we furnishing doctors for them? Why should not we furnish doctors for those who are afflicted with diphtheria where the father and mother are unable to furnish that medical assistance?

Then, again, there are hundreds of thousands of children dying yearly of typhoid and other fevers. Why should we restrict our governmental activities to one class of cases? The only answer that I can conceive of is the reply that this is but the first step and we will reach the other sooner or later. I believe that is true. I think we will have to reach them sooner or later if we take this first step. But have you contemplated the enormous cost of extending this help to all the suffering people in this country?

Mr. FRANCE. Mr. President——

The PRESIDING OFFICER (Mr. TOWNSEND in the chair). Does the Senator from North Dakota yield to the Senator from Maryland?

Mr. McCUMBER. I yield.

Mr. FRANCE. I do not need to remind the learned Senator, who is so well posted on all the Government operations, that we are already expending large sums of money for the prevention of typhoid fever, diphtheria, and the white plague.

Mr. McCUMBER. That is what we are doing and properly doing, but we are not providing nurses for them; we are not providing the medicine; we are not taking care of them in any way. The only point that I seek to make is that there is no line of demarcation by which you can differentiate between the sev-

eral classes of human ailments and say that this class shall have assistance and this class shall have none.

Mr. FRANCE. I was not criticizing the Senator's able argument which he was making. I realize its force. Of course, personally I hold the view that preventable disease and illiteracy are chargeable to the Government. There is only one argument against the elimination of illiteracy and preventable disease, and that is the economy argument. It has been proven that typhoid fever and tuberculosis can be stamped out by the proper governmental action. I hope that the very able argument of the Senator, and his arguments are all very able, may serve to point the way to the Senate, which is, of course, the way in the protection of a feeling of great responsibility by both the Federal and local governments for the existence of these evils, which can be readily eliminated by proper governmental action, an action which, I may say, must be taken both by local and by the Federal Government, because we have already come to a realization that separate State action is not adequate for the meeting of a nation-wide condition.

Mr. McCUMBER. Mr. President, as I said, I think the Senator agrees with me, in part at least, that this is the entering wedge for enormous appropriations in the very near future. If there is any one thing that the public is afflicted with in the world, it is disease. If there is anything that is expensive in the world, it is the attempt to live longer and to cure our ailments; and as we all have them, we would all be more or less the wards of the Government to take care of our several ailments.

I read in the Star a few weeks ago that in one of our departments provision is made for all Government employees in that department to get free medical service and free medicine whenever they are afflicted. So that if a person is lucky enough to be employed in one of the Government departments, he or she can go to the dispensary and get everything from a corn plaster to the most expensive medicine without the payment of a cent. He and she will have dentists to look after their teeth, the oculist to look after their eyes, and all these people are to be furnished this service at the expense of the Government, while the poor clerk down in the department store, man or woman, must pay that expense in added taxes, although his or her earnings are not to exceed two-thirds, and in most cases not to exceed one-half, that of the Government employee.

I do not like that paternalistic idea. If we are going into the subject of furnishing medical aid for any class of American citizens, then in Heaven's name let us make it a public affair and treat them all alike. There is no more reason for furnishing a nurse to one than there is to the other class, provided that they are both so situated that they can not pay the cost of the nurse.

I think Senators must agree with me that that is a fair proposition and that we ought not to embark in the particular feature of furnishing doctors and medicines and nurses for one class of people to be paid for by another class who perhaps need the service just as badly as the first class. I have not been blind to the operation of some of the charities here in the city where free service is rendered. The ordinary person of Caucasian blood has some pride about ever accepting charity in any form, and that person will deprive himself or herself of almost anything on earth rather than to accept it. There is another class of another race that has not that same pride, and this class will receive the charitable aid while the other class, because of its pride and its sensitiveness, its manhood and womanhood, is deprived of it.

I insist that we either ought to make it a general policy that we are to furnish nurses and medicines and doctors wherever the patient is unable to pay for it, if it is to save life or health, or else not embark in it at all. I believe that the lives of thousands and hundreds of thousands of people have been saved by reason of the information that has gone out, issued weekly and monthly by the Society for the Prevention of Tuberculosis. I think that is true of other societies, and I believe the Government could give information that would be most useful and very beneficial in these maternity cases.

But, Mr. President, I do not wish to have the Government embark in a course of becoming in fact a caretaker of the poor or merely a charitable institution. Do all we can to educate the people, help them all we can in the matter of how to take care of themselves, spend any amount of money that may be necessary to give them proper information, but stop right there, because if we go beyond it there is no stopping place. That is why I have suggested to the Senator from Utah [Mr. KING] that it would be better to cut out that portion which provides for the actual medical attendance and the furnishing of nurses by the Government of the United States. I wish to vote for this bill for the good there is in it. I wish I could eliminate that section which I feel is dangerous. If it can not be eliminated, then I must vote for the good with the hope that the evil may be minimized.

Mr. SMOOT. Mr. President, I am compelled to leave the Chamber to meet with a committee from the House of Representatives——

Mr. FRANCE. Will the Senator yield for a moment?

Mr. SMOOT. Certainly.

Mr. FRANCE. Mr. President, I ask unanimous consent for permission to withdraw the committee amendment for the moment in order that the Senator from Utah may offer his amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none. The committee amendment is withdrawn.

Mr. SMOOT. For the reasons I have stated I desire to offer the following amendment to the bill. If Senators will kindly excuse me, I wish to call the attention of the chairman of the committee to the fact that my amendment should be followed with an amendment to section 15 to make it conform to the amendment which I have already offered. The chairman of the committee will, I believe, offer the amendment which I suggest to section 15, which makes the bill conform to the amendment that I have offered, if my amendment is agreed to.

I will state briefly that the amendment is for the purpose of eliminating from the bill the Federal board of maternal and infant hygiene. It is to place the management of the activities under the Children's Bureau, and provides that whatever activities are had in the future shall be under the direction of the Children's Bureau. The amendment covers that question with the single exception of the amendment to which I have referred in section 15, which the chairman of the committee will offer.

Mr. DILLINGHAM. May I inquire of the Senator from Utah whether it makes this bureau responsible to the Department of Labor or does it leave it an independent body?

Mr. SMOOT. The Children's Bureau is to stay under the Department of Labor. It simply adds to the duties of the Children's Bureau the additional labors required by the bill, rather than to have a separate bureau for that purpose.

The PRESIDING OFFICER. The Secretary will report the amendment offered by the Senator from Utah.

The READING CLERK. On page 1 strike out all of line 10, and on page 2 strike out lines 1, 2, and 3 and substitute therefor the following:

For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

Mr. KING. May I ask the Senator whether that contemplates that the administration of this bill shall be committed to the Children's Bureau?

Mr. SMOOT. To the Children's Bureau.

Mr. KING. I have not the amendment before me, but I was about to propose an amendment to the bill providing that the administration of the measure shall be left with the United States Public Health Service. That is an organization which is familiar with matters concerning the health of the people; it has to do with the public health of the people in all the States. This organization is nation-wide in its activities and in its functions. It would seem that, instead of creating another organization, which will have to do with medical matters and the health of the people, it would be better to place the administration of this bill upon an organization which is already functioning, and which in the very nature of things will be perpetuated.

Mr. SMOOT. Mr. President, the amendment provides that—

The Chief of the Children's Bureau of the Department of Labor, acting through the agency of the Children's Bureau of the Department of Labor, shall be charged with the carrying out of the provisions of this act.

The amendment also provides that the advisory committee shall consist of the Secretary of Agriculture, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education.

In the first place, I wanted to prevent the creation of any more bureaus in the Government. I recognize that the suggestion of my colleague would have that same effect; but, as the Surgeon General of the United States Public Health Service is one of the advisory committee, together with the other two members of the board I have named, I thought perhaps it would be better to have it administered by the Children's Bureau than by the Public Health Service. I think my colleague recognizes the fact that there is about as much duplication of work in the Public Health Service as there is in any bureau of the Government. I do not want to afford them any further excuse for coming to Congress and asking for an appropriation of more

than $4,000,000 a year to carry on the work contemplated by the pending bill. I recognize the fact that this agency, if established, is going to cost a great deal of money. I know the bill provides that after a few years the appropriation shall be $4,000,000 plus $480,000, or a total of $4,480,000 a year; but if the provisions of the act shall be carried out and no favoritism shown and the object of the legislation shall be effectuated, or approximately so, of course it will mean millions of dollars more. It will be for the Senate to decide whether the administration of the proposed act shall be placed under the Children's Bureau, in connection with the advisory committee, or whether it shall be placed under the Public Health Service. I thought under the circumstances it had better be placed in the hands of the Children's Bureau under the Department of Labor.

Mr. HITCHCOCK. Mr. President, I should like to ask some Senator who is familiar with the real purpose of the pending bill whether it was not originally intended that its administration should be similar to the administration of the act passed by Congress appropriating money for the promotion of the construction of highways; in other words, that the real administration on the ground should be by the States, and that the appropriation should be considered a contribution by the United States Government.

Mr. SHEPPARD. That is true.

Mr. HITCHCOCK. It seems to me if that is true that there ought to be some amendment to the bill. In section 4, for instance, the provision is made that the State authorities may be created, but they are only given power "to cooperate as herein provided with the Federal board in the administration of the provisions of this act," whereas it seems to me that the State authorities in the different States should be given the power to administer the act on the ground. Then again, in section 6, a most sweeping grant of power is given to the bureau. That section provides—

> That out of the amounts authorized under this act the Federal board is authorized to employ such assistants, clerks, and other persons in the city of Washington and elsewhere, to rent buildings outside of the city of Washington—

There is no limitation of any sort. They are given carte blanche to employ people at any salaries they may please and as many as they please.

Then they are given the authority to rent buildings outside of the city of Washington. That means they may go into every State of the Union and rent buildings for the purpose of administering this proposed act, instead of allowing the States to administer it. They are given authority "to purchase such supplies, material, equipment, office fixtures, and apparatus, and to incur such travel and other expense as it may deem necessary for carying out the purposes of this act."

Mr. SMOOT. I will say to the Senator that I had that matter in mind when I made the statement that an appropriation of more than $4,480,000 would be required in a very few years.

Mr. HITCHCOCK. The bill appears to me to provide for the administration of the law practically by this bureau.

Mr. SMOOT. It does.

Mr. HITCHCOCK. And to place no limitation whatever upon the expenditures of the bureau except possibly that contained in section 5, which indicates that for expenses it may employ not more than 5 per cent of the total amount appropriated in any one year.

We proceed in the first year to appropriate $2,000,000. That is supposed to be for the States, but, as I understand, that amount may be used for the expenses of the bureau, and it seems that something like $100,000 can be used by it for activities outside of the city of Washington very largely.

Mr. SMOOT. I will say to the Senator that I think that is a very small amount if the object of the bill is carried out. I do not wish to be deceived; I am not going to deceive myself; and I do not think Congress ought to be deceived into thinking that this appropriation will be confined to the amount which is named in this bill. That will not happen any more than it happened in connection with the Children's Bureau, when we were told at the time the bureau was created and $10,000 appropriated for it that the expenses of the bureau would never at any time amount to more than $25,000 a year. We now have the estimates for the Children's Bureau for the coming fiscal year and find they are between seven hundred and eight hundred thousand dollars.

So I want to be perfectly frank with the Senator, and say that, so far as I am personally concerned, I will not be surprised if when this bill shall become a law—and I think it will become a law—at some time before the $4,000,000 annual appropriation shall be reached, or if not previous to that time then shortly following that time, the appropriation will be very much more than that provided now in the bill.

Mr. HITCHCOCK. Mr. President, I am not altogether disturbed over the amount appropriated. What I dislike to see is the creation of a great machinery here in Washington when I had been led to believe that the purpose was merely to use the organization here as a small clearing house and actually to encourage each of the 48 States to put into operation the work of administering the law. I thought that was the conception of the bill—that Congress was to appropriate the money to encourage each State in the administration of the law—but it seems to me that as the bill is drawn the power is all left in the bureau here, and that it will multiply the number of its employees and continue to rent offices and incur expenses, so that the money we appropriate, instead of going for the alleviation of existing conditions and for securing the result aimed at by the measure, will be consumed in expenses.

Mr. SHEPPARD. Mr. President, I wish to say to the Senator from Nebraska that there is a limitation on expenses of 5 per cent of the amount authorized in the bill.

Mr. HITCHCOCK. I have already cited the fact that that is the only limitation; that there is no limitation on the amount of salaries. I, for my part, distinctly object to a bureau in Washington renting quarters in all of the 48 States of the Union to carry on business. The bureau ought to operate here in Washington, and it ought not to be permitted to rent quarters in various States and undertake to administer the law when its administration should be left to the State authorities under the instructions of this bill.

Mr. SMOOT. Mr. President, I wish to say to the Senator that unless the bureau is allowed to go into the various States the object of the bill will not be accomplished. The bureau here will have to have some kind of headquarters in every State in the Union, and perhaps a number of headquarters in each State in the Union, in order that the work provided for may be carried on. It is true that there is a limitation of the amount that can be expended in the District of Columbia to 5 per cent of the appropriation. On $4,000,000, 5 per cent will amount to $200,000. The remainder is to be expended under the provisions of the bill outside of the District of Columbia. If I had time to go into the bill in detail and consider it more closely than I have had an opportunity to do, I might suggest other changes than those which I have suggested. I do not think, for instance, that it ought to provide unlimited power to pay any sort of salary that may be decided upon.

Mr. HITCHCOCK. Mr. President, there is no limit, so far as I can see, in the section under discussion, and, so far as I am concerned, I am distinctly opposed to having a bureau in Washington rent headquarters in every State in the Union. That is what they will have the power to do under the section.

Mr. SMOOT. How will the provisions of the bill be carried into operation unless they do have such power?

Mr. HITCHCOCK. They can very well operate through the quarters occupied by the State authorities.

Mr. SMOOT. Then we will have to change the theory of the bill.

Mr. HITCHCOCK. We have a Labor Bureau now that is operating in the various States, but it operates generally through existing agencies in each State, and there is no reason why a bureau of this kind can not act in a similar way. If we give the bureau authority to rent quarters in each of the 48 States, they are going to consume the funds in expenses and in creating a great piece of governmental machinery.

Mr. SHEPPARD. How can they do that in view of the limitation of 5 per cent? It is not a limitation merely as to the District of Columbia, but applies everywhere.

Mr. HITCHCOCK. The limitation can be changed in the appropriation bill.

Mr. FRANCE. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from Maryland?

Mr. HITCHCOCK. I do.

Mr. FRANCE. I desire to say that the Senator's interpretation of the bill is correct. This work should be carried on by the local authorities under the supervision of the bureau here. That is the whole tenor of the bill. If the Senator had had an opportunity of reading it more closely, I think he would realize that that method is provided for—the decentralized method of having the local authorities carry on the work. So far as I myself am concerned, I should be very glad, if the Senator cares to offer such an amendment as he has suggested, to see modified the authority to rent buildings outside of Washington. I can not think that it was the contemplation that the bureau chief should rent buildings in the States for carrying on this work, and I repeat that I should be very glad to accept such an amendment as the Senator has suggested, so far as I am concerned.

Mr. HITCHCOCK. I think that such an amendment would materially improve the section.

Mr. SMOOT. Mr. President, of course, the Senator having the bill in charge can do as he pleases; but does he not think it will be absolutely necessary that some agency outside of the District of Columbia, representing this organization, shall have a headquarters?

For instance, take California, Arizona, and New Mexico. Suppose they were made a district. It seems to me it would be very much cheaper to have a headquarters there than to have the employees and representatives of the organization paying traveling expenses from Washington to every State in the Union and back again to Washington. They will have to have a headquarters somewhere, it seems to me, to administer this bill as it ought to be administered; and if you are going to prevent the renting of quarters anywhere outside of the District of Columbia, I think the expenses will be a great deal more than the rent which would be paid, and traveling expenses of the representatives in going from one end of the country to the other.

Mr. FRANCE. Mr. President, I realize the force of what the Senator from Utah says; but it seems to me that under section 8 the local authorities would be authorized to establish consultation centers and to rent headquarters for carrying on this work, and it seems to me that is the proper method, as suggested by the Senator from Nebraska, and I think it is the method contemplated under the bill.

Mr. HITCHCOCK. Mr. President, if the Senator will permit me, the experience is that at the present time there are representatives of a number of Washington bureaus that are not required to rent headquarters in the various States. The Government has buildings in every State, and my recollection is that the representatives of the Department of Labor occupy positions in courthouses or in other Government buildings wherever they are; and other representatives of Government bureaus are always able to find, either in the capitol of the State with which they are cooperating or elsewhere, the necessary places.

But if you open to any bureau here in Washington the power to establish a separate headquarters in each of the 48 States, you open the door very wide to the building up of an enormous department, and it will come rapidly. The place will be rented, and there will have to be a clerk in it, and there will have to be a telephone in it, and there will have to be rent paid, and a gas bill, and an electric bill, and a great machinery will soon develop.

I hope this bill will be changed so that I can give it my support, as I originally expected to, upon the theory that while the Government of the United States appropriates this large sum of money and coordinates the activities of the various States by the bureau here in Washington, it will leave to the authorities in each State the active administration and application of the law. I think that is where it can be made most efficient and most acceptable to the various States.

I do not know whether it is in order to offer this amendment at the present time or whether there is an amendment pending.

Mr. SMOOT. There is an amendment pending.

Mr. FRANCE. Mr. President, if that inquiry is directed to me, I should be very glad to see the amendment of the Senator from Utah adopted, because I feel that it materially improves the administrative features of the bill; and then, with another slight amendment which I shall offer to make the remainder of the bill conform after the adoption of the amendment of the Senator from Utah and after the adoption of the committee amendment, I shall be very glad to have the Senator from Nebraska suggest an amendment to the particular portion of the bill to which he refers—that portion authorizing the chief of the bureau to rent buildings outside of Washington. This bill is very carefully drawn, so that this work will be decentralized by being carried on by the local authorities.

The PRESIDING OFFICER. The question before the Senate is the amendment offered by the senior Senator from Utah [Mr. SMOOT].

Mr. KING. Mr. President, I offer the following amendment to the amendment offered by my colleague: Strike out all of lines 10, 11, 12, and the words "called 'the Children's Bureau,'" in line 13 of his amendment to section 3, and insert in lieu thereof the words "the United States Public Health Service," so that it will read:

The United States Public Health Service shall be charged with the carrying out of the provisions of this act.

If the amendment I have just suggested is adopted, then a like amendment would be necessary in other parts of the amendment offered by my colleague.

I think that the execution of this bill should be lodged with some one particular bureau or agency and not left to a multitude of officials, but I suggested to my colleague a moment ago that in my opinion the Public Health Service of the United States is the best equipped bureau or agency of the Government for carrying this measure into effect.

I have understood the provisions of this bill to be along the lines indicated by the Senator from Nebraska [Mr. HITCHCOCK]. I was very much surprised when I came to read it, in view of the statements which have been made to me by many proponents of the bill, to find that it is an attempt to build up here in Washington a great bureaucracy which will extend its tentacles into every State of the Union.

We were led to believe that the purpose was to have specialists and competent officials of the Government collect data with respect to maternity and hygiene, and then to distribute that information to the various States through the instrumentality of such State organizations as might be provided; but an examination of the measure reveals that it is very much like many other measures which have found approval at the hands of Congress. Measures are offered, apparently innocent upon their face, but when they are enacted into law they become the basis of gigantic Federal agencies, which encroach upon the States, and compel the appropriation of vast sums from the Federal Treasury. A measure which apears to be serving some benevolent and proper purpose becomes a huge bureaucratic machine, which seeks the subversion of State functions and the aggrandizement of the Federal Government.

Unquestionably this measure in its present form will be the basis for the creation of a gigantic, bureaucratic Federal organization. It will not be content with furnishing data to the States, but it will insist upon going into the States and taking charge of administrative matters there. It will not be content with furnishing data and information relative to the subjects mentioned in the bill, but it will seek to establish hospitals and consultative centers, and promote organizations of nurses, and take over the conduct of matters which should be under the cognizance of private individuals or by the States themselves.

It is manifest from an examination of the bill that it contains the germs of perennial growth and development, and that it will create an organization in force or power which will eventuate in the people looking to Congress for appropriations to care for them in sickness and in death. It will enervate the people, destroy the individual sense of responsibility, and educate the State to place upon the Federal Government duties which it should perform. I predict that within a few years, if this bill becomes a law, there will be thousands of Federal employees operating under its provisions and millions of dollars appropriated annually by the General Government. Not four millions will be required, but forty millions, and doubtless very much more. If we begin to establish hospitals and nursing centers and supply medical care in all of the States of the Union for maternity cases and to care for children, the Federal Government will soon have upon its hands the performance of a task which will increase its burdens and demand heavier taxes from the people.

The States will soon cease to look after State hospitals, if there shall be State hospitals, and the people, little by little, will make their demands upon the Federal Government to furnish medical care and hospital care and nursing in all maternity cases. This will be followed by demands from the employees of the Government who will desire to extend their functions and increase their power and emoluments that aid be given the mothers and the children for an indefinite period. It will be insisted that they should be supplied with homes and food and clothing, and that efforts should be made to supply them with work and positions. Thus the view will be pressed that the Federal Government should help all persons who are afflicted or diseased or insane, and that this organization or some other Federal agency should undertake this additional work. Already we see a weakening of individualism and individual responsibility and a growing feeling that the United States must or should care for the people.

But to return. The Public Health Service is already in existence, and while it is a most extravagant organization, costing enormous sums annually, it is equipped to perform the work called for by this measure.

From my investigations, Mr. President, I am led to believe that the Public Health Service contains some very excellent officials and medical men of ability and high standing, men who have given years to the study of those questions which are properly cognizable by a bureau of that character. The activities of the Public Health Service are not confined to Washington, but their activities extend to all of the States. We have made appropriations of thousands of dollars to enable that organization to study diseases and sanitation, and all cognate questions, and to make distribution of the information obtained to the various States of the Union.

Now, if we have a medical organization already functioning, and if there are hospitals already in existence, owned by the Government, and more to be erected, and if this organization is engaged in obtaining data respecting the diseases prevalent in the United States, why not utilize this organization? Why create another one? If we create another organization, manifestly we will need doctors and nurses and medicines and instruction and the collection of data for distribution. We now have an organization which can accomplish those things, one which is collecting data and disseminating information among the people.

Mr. President, I am told that the Public Health Service has even instituted researches among the schools for the purpose of giving information to parents as to the diseases of children and the methods which should be employed to promote the health of the children. The object undoubtedly is praiseworthy, but there may be differences of opinion as to the power of the bureau to carry on such work.

So, Mr. President, it seems to me that it would be the act of wisdom, and it would certainly be a logical thing to do, to commit to an organization which is now functioning, which is extensively operating in the United States, the administration of the provisions of this bill. The amendment offered by the senior Senator from Utah [Mr. SMOOT] calls for the services of the Public Health Service for consultative and administrative purposes. If this organization is to be called into action to aid in the execution of the bill, why not devolve upon it the entire administration of the bill? It is obvious that those who drew the bill felt that the Public Health Service should be consulted in the administration of the act, and therefore the original bill, as I recall, provides that the United States Public Health Service shall constitute, in connection with other branches of the Government, an advisory board to aid in the execution of the act.

If the Public Health Service is to constitute a portion of the advisory board, it is clear that the drafters of the bill felt that its superior knowledge and the experience of its members would be of incalculable benefit in the execution of the bill. I repeat, Mr. President, that if this organization, composed of some of the best medical men of the United States, is to be employed in a consultative way, the whole responsibility of enforcing the act should devolve upon that organization.

Just one word further, Mr. President, not quite apropos of the amendment, but along the lines indicated by the Senator from Nebraska [Mr. HITCHCOCK]. I do not agree with the position taken by my colleague, Mr. President, if I understood his position, that there should be headquarters for this organization in every State. If headquarters are established in every State, there will soon be headquarters in every county containing a large population. If headquarters are to be established in a State with a population of half a million or a million people, how many headquarters and buildings would be required in the great State of New York, or Pennsylvania, or Illinois, or Ohio? If this is to be administered by the Federal Government through officers and bureaus and employees placed in all of the States of the Union, Mr. President, it will require an army of officials, and it will cost hundreds of thousands of dollars annually for the rent of public buildings. We will convert this organization into a mighty Federal bureau instead of an instrumentality to aid the States. The Federal Government will overshadow the States; instead of furnishing information to the States, the Federal Government will assume the administration of the bill; it will enter into the States, control certain of their activities, and create a machine that will cost the people millions and tens of millions of dollars annually.

Mr. President, it seems to me that the amendment which I have offered ought to secure the approval of Senators.

Mr. WALSH of Montana. Mr. President, I am in sympathy with the principles of this measure and want to give the bill my support. I am not seriously troubled about the question of power with respect to legislation of this character. It is true there is no express delegation of power in the Federal Constitution to the Congress of the United States to deal with a subject of this character. Neither is there any such delegation of power over the subject of education. That was reposed, under our kind of government, in the States. Understanding that fact, from the very beginning of the Government Congress has been making grants of public lands to the States in the interest of education. I believe those grants began with the very beginning of our Government and have gone on at intervals ever since, and I am entirely unable to distinguish in principle between the grant of public lands from the Government to the States in aid of education, which lands might have been sold for cash and the cash turned into the Treasury, and the grant of money outright for the purpose of aiding the States in their work of education. The practice has gone on too long; it has become sanctioned by usage to such an extent that I apprehend no one at this day would be heard to say that it is beyond the scope of the powers of the Federal Government to vote aid to the States for the purpose of carrying on the work of education.

Mr. President, if the Government may thus make grants of land or of money to the States for the purpose of educating children, it would be difficult to establish that it has not the power to grant aid, either in money or land, to aid in bringing children into existence, and that is the purpose of this bill, as I understand it. It is not only a humanitarian measure, but it is founded on a wise public policy, because I believe that, since the war at least, it is generally recognized that the greatest asset any country has is its own citizens.

So, Mr. President, it was my conception of this measure that it was built upon that principle, practically the same as the good roads act. In that case the Federal Government votes aid to the States for the purpose of carrying on the work of constructing roads; the work being carried on by the States, the Federal Government merely making such supervision as will insure the appropriate and economic use of the aid extended.

That, as I say, as I understood it, at least, is the theory upon which this bill is constructed. That would seem quite clear from section 1 of the bill. I read from lines 5 and 6, as follows:

> The sums authorized in section 2 of this act to be paid to the several States for the purpose of cooperating with the States in promoting the care of maternity and infancy in the several States—

Clearly implying that the work of promoting the care of maternity and infancy in the several States is to be carried out by the States, this act to extend aid and cooperation in that work by the Federal Government.

That idea is also conveyed by the language found at the bottom of page 3 and the top of page 4 of the bill, as follows:

> The Federal board shall have charge of all matters concerning the administration of this act and shall have power to cooperate with the State boards authorized to carry out the provisions of this act.

That is to say, it is the State boards which are authorized to carry out the provisions of this act, and the Federal board acts in cooperation with the State authorities.

But that idea, Mr. President, is, as I say, rather at war with the language of the succeeding section, namely, section 4, which reads:

> That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State board of maternal and infant hygiene, consisting of not less than three members, which shall have all necessary powers to cooperate as herein provided with the Federal board—

Which would seem clearly to imply that the Federal board is the one which is to conduct the operations, to be the main wheel in the machinery, and that the State boards are simply to cooperate with the Federal board, which is to be the active, important, and primary agent. That would introduce quite a new principle, to my mind.

But I am very certain that that was not the purpose of those who framed the bill, and accordingly I offer this amendment, to make the bill, as I conceive it, conform to the ideas entertained by those who drafted the bill, namely, in section 4, page 4, line 12, after the word "members" insert the word "with," and after the word "which," in the same line, insert the words "the Children's Bureau," to conform to an amendment which, as I understand it, has been accepted, and then to cut out the words "with the Federal board," at the end of line 13 and the beginning of line 14, on the same page, so that the section will read:

> That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State board of maternal and infant hygiene, consisting of not less than three members, with which the Children's Bureau shall have all necessary powers to cooperate as herein provided in the administration of the provisions of this act.

The PRESIDING OFFICER. May the Chair suggest to the Senator from Montana that there is already an amendment pending, to which an amendment has been offered?

Mr. WALSH of Montana. Then I will ask for the consideration of the amendment offered by me in its regular order.

Mr. KING. I was going to ask the Senator having the bill in charge, if the Senator from Montana will pardon me, if he will not accept that amendment.

Mr. FRANCE. Mr. President, I think the point made by the Senator from Montana [Mr. WALSH] is good, and I think his amendment corrects a defect in the bill, and I should be very glad to see it accepted at the proper time.

Mr. WALSH of Montana. I ask unanimous consent for the present consideration of the amendment to the amendment.

The PRESIDING OFFICER. Without objection, the pending amendment of the junior Senator from Utah [Mr. KING]

to the amendment of the senior Senator from Utah [Mr. SMOOT] and the amendment of the senior Senator from Utah will be considered temporarily withdrawn, and the amendment offered by the Senator from Montana [Mr. WALSH] is now before the Senate as in Committee of the Whole.

The amendment to the amendment was agreed to.

The PRESIDING OFFICER. The amendment now before the Senate is the amendment offered by the junior Senator from Utah [Mr. KING] to the amendment offered by the senior Senator from Utah [Mr. SMOOT].

Mr. FRANCE. I hope the amendment to the amendment will not prevail.

Mr. HARRISON. Let the amendment be reported, Mr. President.

The PRESIDING OFFICER. The Secretary will report the amendment offered by the junior Senator from Utah to the amendment of the senior Senator from Utah.

The READING CERK. The senior Senator from Utah [Mr. SMOOT] proposes the following amendment, on pages 3 and 4: Strike out all of section 3 and substitute therefor the following:

SEC. 3. The Chief of the Children's Bureau of the Department of Labor, acting through the agency of the Children's Bureau of the Department of Labor (hereinafter called "the Children's Bureau"), shall be charged with the carrying out of the provisions of this act and the Chief of the Children's Bureau shall be the executive officer. The Chief of the Children's Bureau as executive officer is hereby authorized to form an advisory committee to consult with the Chief of the Children's Bureau and to advise concerning any problems which may arise in connection with the carrying out of the provisions of this act, such advisory committee to consist of the Secretary of Agriculture, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. The Children's Bureau shall have charge of all matters concerning the administration of this act and shall have power to cooperate with the State board authorized to carry out the provisions of this act. It shall be the duty of the Children's Bureau to make or cause to be made such studies, investigations, and reports as will promote the efficient administration of this act.

The junior Senator from Utah proposes the following amendment: After the numeral "3" strike out the words "The Chief of the Children's Bureau of the Department of Labor, acting through the agency of the Children's Bureau of the Department of Labor (hereinafter called the 'Children's Bureau')" and insert in lieu thereof the words "the United States Public Health Service," so that the amendment would read:

The United States Public Health Service shall be charged with the carrying out of the provisions of this act and the Chief of the Children's Bureau—

And so forth.

Mr. KING. Mr. President, if the first amendment which I have suggested is agreed to, then I shall desire further to amend the amendment offered by the senior Senator from Utah [Mr. SMOOT], by striking out the words on page 2, lines 1 and 2, of the proposed amendment, "and the Chief of the Children's Bureau shall be the executive officer."

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 2 of the proposed amendment of the senior Senator from Utah [Mr. SMOOT], line 1, after the word "act," strike out the words "and the Chief of the Children's Bureau shall be the executive officer."

Mr. KING. The amendment which I have now submitted reads:

The United States Public Health Service shall be charged with the carrying out of the provisions of this act.

Mr. FRANCE. Mr. President, I desire to say a word on the proposed amendment. I realize that there are many reasons why this work should be placed under the supervision of the Surgeon General of the Public Health Service. Indeed, when the matter first came to me, in my consideration of it I was inclined to feel a good deal that there were so many advantages to be secured by the administration of the bill by the Public Health Service that perhaps the bill should be amended as the Senator from Utah has now suggested that it should be amended.

But after giving the matter my most careful thought, and after talking the matter over with the members of the committee, it seemed to me to be a mistake to put the work under the direction of the Public Health Service. I do not care to detain the Senate now with an enumeration of all the reasons why the bill should go for administration to the Children's Bureau, but there are very important reasons.

The amendment offered by the senior Senator from Utah [Mr. SMOOT] meets many of the objections which have been urged to the creation of the new board. I feel that the administration of the work, as provided in the bill after it is amended as it will be by the amendment of the senior Senator from Utah, will be most efficient and that every objection has been taken care of. The amendment of the senior Senator from Utah provides that the administration shall be by the Children's Bureau. It provides that the Chief of the Children's Bureau shall be authorized to appoint an advisory committee, that committee to be formed of the Surgeon General of the Public Health Service, the Secretary of Agriculture, and the Commissioner of Education. It seems to me that is an ideal arrangement, and under it the administration will be carried on efficiently.

I sympathize with the views of the junior Senator from Utah [Mr. KING], but I do feel that if he had the opportunity of studying the matter as fully as I have had and if he had had an opportunity to look into the matter as carefully as members of the committee looked into it, he would realize, of course, what I have said, and he would realize the advantages of the administration proposed in the amendment offered by the senior Senator from Utah.

Mr. HARRISON. Mr. President, as I understand it, the agents who will be employed in this department to carry out the purposes of the bill will be more or less expert in medicine and in hygiene, will they not?

Mr. FRANCE. Yes; I think it is contemplated that the work shall be carried on by those familiar particularly with hygiene and nursing. The work which it is contemplated will be carried on under the bill is generally carried on by district nurses who act under medical supervision in all that work.

Mr. HARRISON. May I ask the Senator, in his opinion, how many nurses is it estimated that it will take to carry on the work with the appropriations that are provided for in the bill?

Mr. FRANCE. Of course, it would be very difficult to state offhand how many persons would be required for the administration of the provisions of the bill.

Mr. HARRISON. Practically all the field force will necessarily be experts, trained in hygiene and medicine. Is that correct?

Mr. FRANCE. It is rather difficult to define the term "expert." It is a question whether we have in the United States more than a thousand experts on the question of hygiene.

Mr. HARRISON. Of course, if the Government is going to employ nurses who do not know their business and are not versed in the purposes which this measure is intended to serve, then we can not look for much result from it. The Senator will agree with me in that, I know.

What I am trying to get at, because I am going to support the bill, is that it would seem to me upon first blush that the Public Health Service would be a better department under which to place the work, because of the work that it is doing, than the Children's Bureau. The Children's Bureau is doing great work and rendering great service to the country, but it has not any trained nurses in its work. The head of that bureau, while the whole country respects her and admires her and knows of the great service she is rendering, is not trained in this particular work as an expert.

So, as I said, it would seem to me upon first blush that the Public Health Service could render greater service than the Children's Bureau, and that is why I sought the information from the Senator.

Mr. FRANCE. As I have stated, I think that there is much to urge in defense of the view which the Senator entertains, but upon the other hand I feel that the plan provided in the amendment is the plan which looks to cooperation between the Children's Bureau, under which this work would naturally fall, and the Surgeon General of the Public Health Service, the Surgeon General of the Public Health Service acting on the advisory committee. It seems to me that is really the proper distribution of the administrative powers, the Children's Bureau actually carrying on the work, the Surgeon General acting upon the advisory committee.

Mr. HARRISON. But the work that the Children's Bureau will be doing under the provisions of the bill will be quite unlike the work it is now performing. If it is a sentimental reason merely to have a lady at the head of this service—and I think there ought to be a woman at the head of the work—why not make her an assistant in the Public Health Service and put her at the head of this work? It does seem to me it would be economy, and that we could get more out of the bill by putting it under the Public Health Service than under the Children's Bureau.

Mr. HITCHCOCK. If the Senator will yield, I think I can suggest a good reason why the bill should remain as it is, making the Children's Bureau the administrative agency for this work.

The Public Health Service has apparently taken no interest in the matter and has voluntarily yielded the field to the Children's Bureau. The Children's Bureau is the only agency, so far as I know, which has made any move in this direction. It has begun by the publication of documents, one of which I have in my hand, and it has already, as far as it had the power and

ability, entered upon the work of looking after this important matter.

It seems to me, therefore, that rather than call in expert medical authority and call upon a bureau or service which is already overburdened with very important duties, it would be better to leave it, as the bill proposes, in the hands of the Children's Bureau, that has already undertaken the work.

Mr. HARRISON. Is that an official document issued by the Children's Bureau?

Mr. HITCHCOCK. It is gotten out by the bureau. It is one of the publications of the Department of Labor.

Mr. HARRISON. It is not propaganda to bring about the passage of this particular bill?

Mr. HITCHCOCK. It is a document which shows they have gone extensively into the gathering of statistics, not only domestic but foreign, and made a study of the subject and have used the influence of the bureau for the purpose of protecting child life. I think under the circumstances it would be rather a mistake for Congress to step in and withdraw the matter from the administration of the Children's Bureau.

Mr. HARRISON. As I understand the Senator, the Children's Bureau is now issuing official documents to promote the care of infants and mothers in maternity.

Mr. HITCHCOCK. This is entitled, "Save the young. Seven charts of maternal and infant mortality in the United States, with explanatory comments." It is a public document, for public information, intended to promote greater care in the treatment of infants and of mothers. I think it would be rather a mistake under these circumstances, without any consideration, to withdraw the matter from that bureau. To my mind, too, it is a matter which comes more properly under the head of social welfare. Its work would hardly require any considerable amount of medical expert treatment.

Mr. HARRISON. If the Senator will permit me, I notice that the bill provides for hospital care.

Mr. HITCHCOCK. It may.

Mr. HARRISON. It provides in remote areas for nurses to take care of the mothers and the infants.

Mr. HITCHCOCK. The Senator realizes that there is growing up now a practice by which wives expecting to become mothers go to a hospital for that purpose. I do not imagine this provision means anything more than the ordinary use which women make of hospitals. To my mind it is more a matter of nursing, more a matter of milk supply, more a matter of promoting the ordinary hygienic practices which any intelligent people know how to use without calling in a physician.

Mr. HARRISON. If the bill stops at that, the Children's Bureau, it strikes me, could function, and very properly function; but when they have to employ trained nurses and do this hospital work, they have evidently got to go and get a corps of trained people.

Mr. HITCHCOCK. The Senator is laboring under a misapprehension. It is proposed under the provisions of the bill that each State will employ nurses under the supervision and guidance of the Children's Bureau.

Mr. HARRISON. But this bureau must approve everything that the State recommends before anything can be done by the State. There must be complete cooperation there.

Mr. HITCHCOCK. I understand the Senator in charge of the bill, by accepting the amendment of the Senator from Montana [Mr. WALSH], has already recognized the fact that the State authorities are the ones who are to administer the bill—that is, to apply it in each particular State—and I think that is a very important safeguard.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER (Mr. HENDERSON in the chair). Does the Senator from Mississippi yield to the Senator from Montana?

Mr. HARRISON. Certainly.

Mr. WALSH of Montana. I was rather astonished by the statement just made by the Senator from Mississippi to the effect that the State can do nothing, not even the hiring of a nurse, without the approval of the Federal board.

Mr. HARRISON. No; the policy to be outlined by the State, I understand, must be approved by the authorities here.

Mr. WALSH of Montana. I do not so understand it. I understand that when a State meets the requirements of the bill it gets the aid; that is all.

Mr. HARRISON. Is it the understanding of the Senator from Montana that the way the money is to be used by the States is not to be approved by the authorities in charge of the work here in Washington?

Mr. WALSH of Montana. I see nothing that so provides at all. The State gets the money when it establishes a board and meets the requirements of the bill.

Mr. HARRISON. I think that is the way it ought to be.

Mr. WALSH of Montana. If it is not, I agree with the Senator from Mississippi.

Mr. HARRISON. I had the impression from reading the bill, and I have not given it the study that I should, that there was a complete cooperation here between the Federal Government and the States, and that the plan which was promulgated by the State must be approved by the Federal authorities.

Mr. WALSH of Montana. True, but it is understood that the operations are to be carried on by the State. I should have called attention, when I was speaking before, to a very specific provision found in section 2. I read from line 12:

> That there is also authorized to be appropriated for the use of the States, subject to the provisions of this act * * * $2,000,000—

And so forth.

That is appropriated for the use of the States. The Federal board, it is true, is directed to cooperate with the State authorities, and it does seem to me it would not be cooperating with the State authorities if the State authorities desired to hire a nurse and the Federal authorities could say, "No; you can not do that." Of course, if the Federal board is given the power to put a veto upon every detail that the State board may choose to enforce or require, you might just as well abolish the State board and put the whole administration in the hands of the Federal board here in Washington. I do not so understand it, I will say to the Senator.

Mr. HARRISON. I agree thoroughly with the Senator in what should be done, but I think the language of the bill is not very clear along that line.

Mr. SHEPPARD. May I say to the Senator from Mississippi that the bill was largely prepared in the Children's Bureau. It is the outgrowth of the work and experimentation of that bureau, the development of facts which grew out of investigations made by that bureau in the course of its official work.

Inasmuch as it is a logical outgrowth of the work of the Children's Bureau, I believe it to be more advisable to leave it under the supervision of that bureau.

Mr. HARRISON. Mr. President, I dislike very much to put myself in the attitude of opposing whatever the Children's Bureau desires, but if we really mean to accomplish what it seems we desire to accomplish by this bill, if we desire that this bill shall render some service in promoting the care of infants and their mothers, we ought to go about it, it seems to me, in the best way. The Public Health Service has its experts; it has experts on all matters pertaining to health, while the Children's Bureau have not. For that reason, it struck me that the amendment offered by the Senator from Utah [Mr. KING] was a very sensible amendment.

If the bill did not go any further than, as suggested by the Senator from Nebraska [Mr. HITCHCOCK], in diffusing information such as that contained in the document which has been issued by the Children's Bureau, it would be right to lodge these powers there; but when it is proposed to enter the field of hygiene in cooperation with the States, to employ nurses, act in conjunction with hospitals, and go out into remote areas and render the service, it seems to me that the best agency to function and to function well is the Public Health Service.

Mr. RANSDELL. Mr. President, I rise to corroborate the opinion expressed by the Senator from Montana [Mr. WALSH]. I have been supporting the pending bill as strongly as I knew how to support anything, but if I thought that we were to have a great bureau here in Washington telling the people of my State what they should do with the money provided, I should oppose the bill just as vigorously as I am now supporting it. I do not conceive the bill to be framed along that line at all. I think the bill contemplates that the Children's Bureau shall aid in carrying on this great work, which all of us believe so important, but that the money shall be expended by the various States without any very material interference from Washington; and that there will be preserved to the States all the rights which should properly be preserved to them. If I were not firmly convinced of that fact I should not be supporting the bill. With that idea in view I can not see why we should not permit the Children's Bureau to take charge of this matter instead of the Public Health Service.

The Children's Bureau, Mr. President, will cooperate in an educational way, in a helpful way, with the authorities of the various States. It certainly has displayed in the past, as the Senator from Nebraska has demonstrated, a great deal more interest in this particular question than the Public Health Service has displayed. I am not saying anything against that service, however. It is one whose activities have been marvelously beneficial to the Nation, and it has on its hands a great deal of necessary work to perform all the time. It is as

busy as it can be, and there is no reason why we should load it down with this additional duty.

I feel very strongly on the subject, Mr. President, that we should leave the bill as it was prepared by the committee, and I believe that if its provisions are carried out in the spirit of its conception it will do immense good and will not in any way interfere with any of the rights of the States.

Mr. HARRISON. May I ask the Senator a question before he takes his seat?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Mississippi?

Mr. RANSDELL. I yield.

Mr. HARRISON. It appears that I am the only Senator who has any doubt about this proposition. On page 7 there is an amendment which has been put in by the committee which reads:

That the cooperative work in promoting the care of maternity and infancy shall consist of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas; and this work shall be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act.

In other words, if a State receives any money, the Federal board must agree with them as to the manner in which it is to be used.

Mr. RANSDELL. In a general way, that is correct.

Mr. HARRISON. Yes.

Mr. RANSDELL. The Federal board will have studied the whole question not only with the light of its investigations in this country, but in all other countries. Other countries as well as our own have dealt with this subject, and with the information which the board will have as a result of its investigations throughout the world it will be able to prevent the States from making mistakes.

Mr. HARRISON. Does the Senator from Louisiana believe that the Children's Bureau is better versed on hygiene and sanitation and matters affecting maternity and the care of infants than is the Public Health Service?

Mr. RANSDELL. I am inclined to think that it is better versed on those subjects and will make a much more detailed investigation of the particular subject than the Public Health Service will make. I feel that to be so.

Mr. WALSH of Montana. Mr. President, I am quite sure that there is some justification for the position taken by the Senator from Mississippi [Mr. HARRISON] in the language of the amendment to which he has called our attention and to which I had been giving some study just before the Senator spoke.

I can not see why that amendment was ever put into the bill. It is, as Senators will observe, a substitute for the language of the bill as it was originally reported. I do not think that any confusion of thought can possibly arise concerning the matter under the bill as it was originally framed; but there is some ground, I am free to admit, for the contention made by the Senator from Mississippi that under the provisions of the amendment the State authorities might be blocked in what they wanted to do by a refusal of the Children's Bureau to agree with them upon the method of procedure. Of course, if the work is to "be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act," and there should be a disagreement between the State authorities and the Children's Bureau, the work could not be carried on in accordance with the provisions of this particular amendment. The bill as originally introduced provides that:

SEC. 8. That any State desiring to avail itself of the benefits of this act shall, by its board described in section 4, submit to the Federal board detailed plans for carrying out the provisions of this act. These plans shall include the provisions to be made in the State for the administration of the act.

Then follows language somewhat similar to that incorporated in the amendment:

The provision of instruction in the hygiene of maternity and infancy through public health nurses, consultation centers, and other suitable methods, and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas. If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

That is to say, the State must submit a general plan of what it is going to do in that direction. I think possibly the last sentence might be eliminated. That is also in accordance with the plan of the good roads act. Under that act the State applying for the aid submits to the Department of Agriculture exactly what kind of a road it is going to construct, how it is going to construct it, and so on, and if it meets the general rules of the Department of Agriculture the aid is extended. I do not think that the bill is in any manner improved by the amendment proposed by the committee, and I submit that to the consideration of the Senator having in charge the bill and of the author of the bill.

Mr. FRANCE. Mr. President, as I read the language of the original bill and of the amendment proposed by the committee, I do not feel the language proposed by the committee amendment materially alters the bill, although I do realize that there is much, of course, in what the Senator from Montana has said. So far as I am concerned, I would be very willing, if a majority of the Senate should feel so inclined, to have the original language stand instead of the committee amendment which we have proposed.

Mr. McKELLAR. Mr. President, I hope the Senator will agree to that and let the bill go through as it was originally planned. I think it would be much better if we can agree to let the bill go through as it stands all along the line, including the placing of its administration in the hands of the Children's Bureau. I trust, therefore, that the Senator from Mississippi will withdraw his objection to its being placed under the jurisdiction of the Children's Bureau.

Mr. HARRISON. Mr. President, my objection, perhaps, is not very consequential. The Senator from Utah made the motion, and it struck me as a very sensible amendment, and that, if adopted, greater service could probably be rendered under it than in any other way. If those who have made the fight for this proposed legislation, and those who are most interested in it—and they are all able—believe that the greatest service will be rendered if it is administered by the Children's Bureau, of course, that is all right; let them have their way; but it has struck me that the proper way to have this great service performed was through the Public Health Service, and for that reason, if the Senator from Utah insists on his amendment, unless I am convinced to the contrary, I shall vote for his amendment.

Mr. McKELLAR. Mr. President, I hope the Senator will vote down the amendment of the Senator from Utah. This bill has been carefully prepared by the committee and those interested in it. In my judgment, its administration by the amendment of the senior Senator from Utah [Mr. SMOOT] will be put into the hands of the very best organization to effectuate and carry out its purposes. That organization is made up of those who believe in the measure, who are heartily for it, who are making a fight for it. Of course we know, nationally speaking, that it is an experiment, but why not put it in the hands of those who have taken an interest in it and who we know will continue to have an interest in it rather than put it into the hands of a bureau that may not want it? The Children's Bureau will take great interest in it; it is just as capable of managing and controlling it as is the Public Health Service, and I imagine very much more so. The bill deals with matters peculiarly affecting women and children and the bearing of children; it is a woman's measure; it is for the benefit of the women and the children of the land, and by all means its administration should be put in the hands of the Children's Bureau.

Of course, if we contemplate carrying out the details of the plan, the work will be carried on whether we put it in the hands of the Public Health Service or place it in the hands of the Children's Bureau. I wish, however, to appeal to the Senator from Mississippi to withdraw his objection to the bill as drawn and amended or to be amended, and to the Senator from Utah [Mr. KING] who has offered the amendment to withdraw the amendment. If we are going to pass this bill, as I think we ought to pass it, let us put the machinery which it provides in the hands of those who will make something out of it, who are interested in it, and who believe in it, and do not let us put it in the hands of an organization without knowing whether that organization will take any interest in it or not. That organization has already many other matters to look after, and I think it would be a much wiser and better plan to leave the administration of this proposed act in the hands of the Children's Bureau.

Now, just a word or two about the amendment reported by the committee. Like the Senator from Montana [Mr. WALSH], I am rather sorry that the wording of the original bill was changed by the committee. It seems to me that the original provisions of section 8, which the committee have recommended be stricken out, are full and ample and would be more workable than the amendment which has been suggested in lieu of it by the committee.

The trouble with the amendment—and I appeal to the chairman of the committee in reference to that—is that if you adopt the amendment you are likely to have trouble arising between the national authorities and the State authorities. Whenever

a provision of this kind is put in a bill it means that the authority and powers of the States are interfered with, and without reason, for Congress always has the power to make the appropriations, and that in itself gives enough power to the National Government. It can make these appropriations; it can appropriate the moneys provided for in this bill from year to year. It has to do it. They can be withheld if the State authorities do not do the right thing, and the State authorities know that. Now, to put in a provision that it must be made acceptable to the Federal board, in conformity with the rulings of the Federal board, is putting in a clause that is going to bring about some trouble, and unnecessarily, as it seems to me, because nobody knows better than the State authorities that it depends upon their action as to whether these aids will be continued by the Congress.

I sincerely hope the bill may pass. We are spending millions of dollars every year on far less deserving projects. We gave one hundred millions to starving, or alleged starving, people in Europe last year. Surely we might give this small sum to aid a cause like this at home. We are asked to spend a billion or more for war this year. Surely we might devote a million or two of that vast sum to save our women and infant children at home.

Mr. BRANDEGEE. Mr. President, will the Senator from Tennessee let me ask him a question?

Mr. McKELLAR. I have completed what I wanted to say, but I shall be delighted to answer any questions I can.

Mr. BRANDEGEE. It was in relation to the point made by the Senator, and therefore I thought it proper to direct the question to him.

Mr. McKELLAR. I shall be very glad to have the Senator do so.

Mr. BRANDEGEE. The language stricken out at the top of page 7 provides that—

> If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

Does not that give the Federal board the same authority to refuse the plan proposed by the State that the language in italics, which is the amendment proposed by the Senate committee, does? In other words, it seems to me that under the three lines stricken out, to which I have referred, all that the Federal board would have to do to compel the State to agree to their plan would be to say that, in their opinion, the plan proposed by the State was not in accordance with the provisions and purposes of the act.

Mr. McKELLAR. I very frankly admit that there is force in what the Senator has stated. However, if I may point out what I believe to be a difference, it is this: In the first place, it looks as if the plans are to be made in conformity with this law by the State authorities.

Mr. BRANDEGEE. Yes; but if the plan made by the State board and submitted to the Federal board should not be in harmony with the plan adopted by the Federal board, they of course would say that, in their opinion, it did not meet the purposes of the act, because the provisions that they are going to make are going to be for the purpose of carrying out the purposes of the act, presumably, in the best manner that they think they can be carried out.

Mr. McKELLAR. Now, let me ask the Senator a question: Does he think that they would decline? I think it very doubtful, though the plans were not approved absolutely. I think that the Federal board would be very likely to make suggestions, and state what would be approved, and the State authorities would be very likely to agree—that is, under the first provision, under the one that was stricken out. Under the second provision, it is a good deal stronger the other way. It says that—

> This work shall be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act.

There is not so much difference between the two as I thought there was when the Senator first called my attention to it. I think it would be better, though, to leave it as it was originally.

Mr. BRANDEGEE. I am inclined to agree with the Senator that the original language is preferable; but I will say this in reply to the Senator's question about what I think the board would do: He asks whether I do not think the board would be inclined to defer to the States in the matter in the interest of good administration. No; I do not. I think the board would be like most Government boards, and like most human beings who are charged with the execution of any duty. If they were fit for their business and interested in it, they would have very positive ideas about a plan to be pursued in cooperation with the States, and they would not be very competent for their positions if they did not. They would have clear ideas about it, and in my opinion the idea of the people who are urging the passage of the legislation is to standardize the procedure under this machinery which is to be set up, so that Louisiana can not have one plan and one method of aiding the mothers and children of that State and Oregon have another.

I think the purpose in the minds of the members of the board and in the minds of the promoters of the bill is to have this thing function from Washington, and to have the ideas of the board in Washington—the board which the Senators who have urged this legislation praise and say would be specialists in the thing—prevail as to the administration of this joint Federal and State cooperative effort. The Washington board, the administrative board, would be the recipient of the ideas of the people and the local branches all over the country, and in the end the Federal determination of the matter would be supreme.

It is inevitable. They get their appropriations from Congress. Although the States might want to discontinue the service, they could not do it. Congress, if it appropriated or withheld the appropriations, would be the master of the thing, and the master of the whole scheme would sit here at Washington.

In saying that I am not attempting to detract from the merits of the bill, because this and other related subjects are in themselves most commendable. The only question that ever entered any Senator's mind, I assume, as to whether he should vote for this sort of legislation or not, is whether he thought it was more legitimately a part of the Federal Government's activities or more legitimately a part of the activities of the several States. But if this bill passes I do not believe there is any Senator who has so recently arrived here, or who has learned so little about the operations of governmental departments, that he can for a moment think that any State can have its way about the administration of this law, irrespective of the Government or the plans that the other States have agreed to, except by retiring from the plan.

As long as the State participates with the Federal Government it has got to fall into the plan of the Federal Government. The majority of the States will do so. They will not want any quarrel with the Federal board; and the object of this and all similar bills is to standardize the method, to standardize the public health, to standardize the sanitary appliances and rules.

Mr. McKELLAR. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Tennessee?

Mr. BRANDEGEE. Certainly.

Mr. McKELLAR. Does not the Senator think that it would be best for the interests of these mothers and children that the best methods of handling them should be obtained? Will we not get the best results in that way?

Mr. BRANDEGEE. Certainly; the only question is, Who is the best judge as to what is the best method?

Mr. HARRISON. Mr. President——

Mr. BRANDEGEE. The only question is whether the board in Louisiana, that knows the mothers and babies in Louisiana, is better adapted to prescribe the method and the kind of care that they need or whether the Federal board here is better qualified, and whether the standards and whether the methods should be the same in all the 48 States, irrespective of the different conditions which prevail.

Now, I do not expect to oppose this bill. I expect to vote for it, but I can not do so without saying this:

I know that it is—I will not say the forerunner, because there have been other bills that foreran this—but it is one of a series of proposals that are to be brought before Congress by which the National Government is to be put in charge of things heretofore managed by the people of the several States and the cities, and the National Government is to take the lead and to put up at least half of the money and to take the responsibility of the administration. The people of the States, if there be any such, who think they are getting something out of the National Government, something extra, something that will not come out of their own people, of course are mistaken. The State will tax its citizens for its share, and then the National Government, in order to get its share, will simply tax the States over again for the National Government's share.

The States are going to pay for this thing; the people of the several States are going to pay for it, whether it is done by the States or the National Government, or half and half, the National Government and the States.

But what I started to draw attention to is this, Mr. President: All these things involve, in my opinion, the fundamental consideration of what is the province of government. Now, it may be, and I think it is coming to be held, that it is the

province of the Government to give every person a living, to see that he is comfortable, to see that he has food and clothing and housing and medical attendance. If he has been unfortunate in the world, or is poor, or has been sick and has not the money, then there shall be a Federal board appointed, and the people of all the country shall be taxed to furnish him with coal and food and clothing and a house and attendance; because there can be no difference in principle in furnishing medical men and nurses and medicines and hospital appliances to mothers and children who are in need of them and in furnishing them with coal and clothing and proper housing conditions. Those who would bring children into the world and see that they are attended to when they are babies, that they have sanitary appliances in the processes of birth and their infancy, would be doing those infants a very small favor if, after they were properly born and put into swaddling clothes, they were abandoned to starvation and freezing, and liable to be put outdoors and endure the inclemency of the season.

So I say that if the principle of this bill is correct, and if the Government admits that it is its duty to go thus far in furnishing medical attendance and nurses and other proper assistance so that the babies may be born under good conditions, then it seems to me it is equally the Government's duty to see that they do not suffer when they get to be a little older, a month or a year older.

Of course, infancy, as alluded to in this bill, is undetermined in duration, unless it be the time which the law gives to the word "infant," which is until he is 21 years of age. If all the boys of the country are to be cared for by the Government until they get to be 21 years of age, the other people will have to abandon the 8-hour law, and work harder than they have ever worked before to support them.

That is an extreme case, and I do not suppose any Federal board would so rule. But you have a bill with such general terms in it as that. And of course this board, under the general terms of the bill, has to be pretty nearly absolutely a law unto itself. There is no appeal from its doings or its decisions, except where the board cuts a State off from its pro rata share of the appropriation, and then the bill says the State board may appeal to Congress. Of course, anybody can appeal to Congress, but if Congress is to stand here and reverse the decisions of a Federal board every time it disagrees with a State board, or to act as a court of appeals to sustain them, it would not be very efficient administration, Mr. President.

As I said, there is a whole line of questions in contemplation, and it may be that if the Government is to be a maternal government as well as a paternal government, there is no getting-off place for us. I recognize the force of the statement that if it is the duty of the Government to appropriate the people's money by the millions for the eradication of hog cholera, and the boll weevil, and the cattle tick, and the wheat rust, and everything that does damage to anybody, it is equally the duty of the Government to furnish proper treatment for sick people.

The Agricultural appropriation bill, Mr. President, would have been considered by most statesmen and public men and lawyers and writers upon governmental subjects 20 years ago as a chamber of horrors. Nobody knows whether the appropriations in that bill, which have been criticized upon the floor of the Senate year after year, but still go through, are constitutional or not. Everyone recalls the gamut of subjects for which we appropriate, field agents to go around and instruct the women on the farms and remote places of the country who are not supposed to know about home economics, how to take care of the kitchen, how to cook, how to make pies, apple sauce, cottage cheese, and so forth. Everybody is doing it and there is no end to it, and, as I said, I see no reason for anybody to criticize this bill or any bill which may succeed it, or any proposition which may come to us, if the appropriations in the Agricultural appropriation bills conform to the provisions of the Constitution.

This is a most commendable subject. Nothing could be more important than that the helpless infants, born into the world, should be properly taken care of. There is no comparison, of course, between taking care of the future citizens of the country, if they can be brought to maturity, and the taking care of our animal or vegetable life. So, holding to the kind of governmental ideas that I have absorbed during my life, I regret that the people do not want to do these things for themselves in their own localities, but prefer to shove them off on the Federal Government at Washington. While I think they were mistaken in starting upon that policy, while I think that not only are they abandoning their right to local self-government and home rule, which I believe is the strength of the citizens of this country, and of the country itself, still they appear to be willing to do it. Some of them, I think, are enticed by the prospect of getting something out of the Treasury which they think comes out of the United States Treasury without coming out of the pockets of their own citizens. They are dazzled by these large sums which are shown to them all at once, all collected from the Treasury of the United States, and are told, "Just match this, and you have twice the money you could raise from your own State, and half of it is money out of the Government." They have sold their birthright for a mess of pottage, so to speak.

I regret that these humanitarian efforts are not concentrated at home upon themselves, for I think that each State, if the effort were brought upon it, and each State legislature could be prevailed upon to appropriate the money necessary to care for the sick and the poor and the needy in that State, and if they do not want to do it they are not only heaping a load upon the Federal Government which endangers its existence but they are heaping a load upon Congress in the annual appropriations for these purposes, and in the levy of the taxes to provide the money, which is making all sorts of dissatisfaction in the country, and the country does not understand the cause of it. The country, bowed down with taxation, which everybody now is begging us to relieve it from, at the same time is demanding in stentorian tones that we lay more taxes for the purpose of putting the Federal Government into these channels, which, in my opinion, the framers of the Constitution never for a moment contemplated that the National Government should enter upon.

But, worse than all the financial obligations which are imposed by this policy, in my opinion, is the fact that it takes away the capacity of the people at home to govern themselves. They want everything done by Congress now, and then complain that it is not done properly. It diminishes the sense of responsibility by the voters at home to have the Federal Government enter into all these things which they used to manage for themselves.

It may be that the Federal Government will do it better—I do not know; but, as I said, these being very commendable things, and the Government having decided to do them, there being precedents for it, really I do not see how anyone can vote that it is the Government's duty to cooperate with the States in building highways, which is a commendable purpose, but it is not the duty of the Government to cooperate with the States in protecting the people from disease or in taking care of the children.

Mr. KING. Will the Senator permit a suggestion there?

Mr. BRANDEGEE. Certainly.

Mr. KING. Mr. President, the Senator of course recalls that under the Constitution the Federal Government has the right to build post roads and military roads, and it has been held by many strict constructionists of the Constitution that under that constitutional authority the Federal Government may make appropriations for the construction of highways, post roads, and military roads—that is, highways for post roads and for military purposes, and that in the execution of that constitutional authority it may collaborate with the States. It seems to me that the power of the Federal Government with respect to the construction of post roads and military roads may not be challenged. Yet, in conceding this authority to build roads and highways, this authority is to easily be distinguished from its authority to make appropriations for the health of the people. It occurs to me that if there is any duty resting upon the States it is the duty of educating the citizens within the States, and if the obligation rests upon the State of caring for the poor and the needy and giving succor to those who are in need of financial or other aid, that it can not be transferred to the Federal Government. There is authority for the construction of roads, but there is not authority, it seems to me, or at least it does not occur to me at present, for the Government to make appropriations to build hospitals and to furnish medical aid and assistance to the people within the States.

Mr. BRANDEGEE. Of course there is no question of the constitutionality of Congress having the power to establish post roads; but that is not what I am talking about, Mr. President. I am talking about the Bankhead good roads bill, which was not designed for post roads or to carry the mails, nor for military roads, but was designed for the high rollers who want to roll over the country on rubber tires, and every automobile club in America was back of it, and they started it and originated it. It was not confined to trunk-line roads between the States, which would promote interstate commerce, but there was a corollary to it, if I remember correctly, which applied to the building of intrastate roads, right in the States themselves, and little roads leading to the farms.

The argument was that the farmer who did not happen to have access to one of the big trunk lines to be built was just as much entitled, by reason of the taxes he paid, to have a good

road coming to his farm, so that he could market his vegetables and save horseflesh and wear and tear, as were other more fortunately situated men.

I regard the Bankhead good-roads bill, be its merits what they may, as the prototype of this legislation. It was a very ready refuge and shield of those who were met by decisions of the courts, that the Federal Government could not walk into the States and absorb the police powers of the State because it gave them an alternative by which, under the cooperation between the Federal Government and the several States, the Federal Government could be eventually made the director, the standardizer, and the promoter of all these things. Mr. President, I predict that in time every one of the States which rejoices in the receipt of the Government stipend in the beginning of the operation, under one of the bills founded upon this pattern, in the end will come here and say, "You have loaded us down with taxation which we, as poor States, can not any longer stand, and we demand that the Federal Government assume the entire expense of this work." A Senator remarked on the floor yesterday or the day before that some of the States were demanding that the Government's duty was to build the roads of the country and to pay for them exclusively. And why not, they ask? Are not these highways? Are not the citizens of one State, as well as of another, entitled to travel freely over all the highways in the United States? Is it possible to differentiate the amount of traffic in interstate commerce from one State to another, in these days of the automobile and the motor truck, from the intrastate traffic over the road confined entirely within the limits of the State itself?

So I predict that they will be here saying the entire expense of the good-roads movement, of this bill, meritorious as its object is, for the protection of mothers and their infants, and of other bills of a similar nature which we are advised are to follow, should be assumed by the Federal Government; and that then, when they have drawn in the majority of the States, tempted by the bait that in some way they are getting something for nothing out of the Federal Government, having standardized the operation of the business and having a majority of the States, then a constitutional amendment will be brought in here to make it constitutional to compel the other States to come in, whether they want to or not, and join the procession which started as a voluntary matter entirely. The States which offered themselves as volunteers in a good cause will then militantly demand that the States which are so backward or sodden, in the opinion of the volunteer States, as not to appreciate the blessings of this great national reform, will be drafted and conscripted under a constitutional amendment, willy-nilly, to join the noble procession.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Tennessee?

Mr. BRANDEGEE. Certainly.

Mr. McKELLAR. It is not obligatory upon any State to accept these things.

Mr. BRANDEGEE. Oh, I did not say that it was.

Mr. McKELLAR. Or anything in the bills to which the Senator refers.

Mr. BRANDEGEE. No. The Senator evidently has not followed my prediction. I say they are volunteers at first, willing volunteers, volunteers for the bounty they will get out of it. They think it is coming out of the Federal Treasury and not hitting their own citizens. Then, when they volunteer, they point the finger of scorn at the slacker State which declines to come into the uplift movement ratified by the Federal Government, and they will propose a constitutional amendment. Then we will have the same forces that are compelling the passage of this and similar bills let loose upon the legislatures of the several States, just as they were when they adopted the national prohibition amendment. There is not a legislature of a single State that can or will stand up against that pressure, although the people of the State may be utterly opposed to that action of their representatives in the legislature.

Mr. McKELLAR. The Senator speaks of the prohibition amendment. It is true that we have adopted that, but the Senator would not undo it to-day?

Mr. BRANDEGEE. No.

Mr. McKELLAR. Is it not a wise and beneficent amendment?

Mr. BRANDEGEE. I did what I could to prevent its adoption at the time, and I shall always be proud of it, because I think it was an outrage to amend the Constitution of the United States in a matter of that kind involving the personal habits of the people at home in their daily life, for the Nation to make a constitutional amendment of what ought to be a statute or an ordinance, a sumptuary ordinance, putting it basically in the Constitution and compelling great cities and States, who did not want to pattern their lives after the rule prescribed by two-thirds of the Congress or three-quarters of the legislatures, to act, not by their own votes but by the votes of one legislature which ratifies the amendment and then scatters to shelter.

A constitutional amendment in a matter of that kind never was dreamed of until recently—a constitutional amendment made by the votes simply of legislatures, including this one, no governor participating in it, no President participating in it, no executive of any kind having the veto power of the acts of the Congress or of the State legislatures, no submission to the people, either of the country or of any State or city, put across on the people without half their knowledge and without their consent. God save the mark, if we are to continue to make the Constitution of the United States the fundamental law of the land, the vehicle for governing one-quarter of the States against their will, although they may be the biggest and richest and most powerful in the Union, at the whim of three-quarters of the other States' representatives.

Mr. OVERMAN. Mr. President——

Mr. BRANDEGEE. I yield to the Senator from North Carolina.

Mr. OVERMAN. The Senator from Connecticut introduced a constitutional amendment, I think, providing that no amendment hereafter shall be adopted unless by a vote of the people. I think that would be a great amendment for us to adopt at this Congress. It would save a great deal of trouble in the future. It seems to me that the passage of that joint resolution would be good legislation.

Mr. BRANDEGEE. I did introduce a joint resolution proposing the amendment to provide, as to future attempts to amend the Constitution of the United States, that the Congress might submit the amendment to the electors of the several States as well as to the legislatures or the conventions held in them. I think it is a wise thing to do. The Judiciary Committee reported it favorably and it is on the calendar. I had it up for consideration several times at the last session of Congress, but inasmuch as we were just freshly emerged from two constitutional amendments which had not been submitted to the people, I did not want anyone to think that that amendment, which I designed to apply to the future solely, should be thought to apply to the past or in any way to be in derogation of what had already been done.

That proposed amendment to the Constitution is still on the calendar, and I hope, when the Senate can devote the proper time to its consideration, to call it again to the attention of the Senate, for it is an important matter and ought to have due consideration and not be put through when there is simply a handful of Senators on the floor.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. BRANDEGEE. Certainly.

Mr. THOMAS. I am largely in sympathy with the purpose sought to be subserved by the proposed constitutional amendment, but let me ask the Senator if the last two amendments were adopted in any other manner or by any other process than was utilized in the adoption of the first sixteen?

Mr. BRANDEGEE. Oh, no; they were adopted in a perfectly constitutional manner. I have no criticism to make upon that. They are just as much a part of the Constitution and just as valid as the original Constitution or as the Bill of Rights, or the first 10 amendments. The point I make is that I did not then believe—it is immaterial now, because it is in existence—and I do not now believe that the Constitution of the United States, being the great charter of our liberties, as describing what kind of a Government we have here, dividing and separating the powers of the Government into its coordinate branches, describing what shall be the power of each, guarding public rights, guaranteeing that private property shall not be taken for public use without just compensation, and fundamental things of that kind, almost logical conclusions from Magna Charta—I do not believe that great instrument should be made the repository for sumptuary laws.

I do not think we ought now to attempt to amend the Constitution by putting into it the Sabbatarian blue laws of the ancient Puritans. I do not think we ought to put into it a curfew law saying what time the people of the different States shall go to bed nor what they shall eat nor how many pieces of mince pie, without any hard cider in it, they shall be allowed for Christmas dinner.

Mr. THOMAS. Does not the Senator know that the contention is—and that contention is largely supported by previous and pending legislation—that the National Government through

Congress has the power to do all those things under the Constitution as it now exists?

Mr. BRANDEGEE. Yes, I agree; and I shall not be surprised to see the attempt made, but I say I do not believe that such a class of subjects affecting the people in their daily life, in trivial matters, should be put into the fundamental law of the land where, if the people in the practice of the things find they do not work or are offensive and outrageous, they can not be repealed.

Mr. THOMAS. I fully agree with the Senator.

Mr. BRANDEGEE. A sumptuary law, meaning a law providing what may be consumed in food or drink, should not be dignified and made a plank in the great national charter defining our liberties; but it has been done. Human beings are so constituted that if a certain schedule by which they are to regulate their daily conduct does not work or gives more trouble than it does good, they ought to be able to have it repealed; but when you get a constitutional amendment, which requires not only a two-thirds majority of both branches of Congress concurring but the affirmative vote and approval of the legislatures of three-quarters of all the States, and it is then embedded in the fundamental law of the country, if it does not work in certain sections of the country it is impossible to get three-quarters of the States to reverse their decisions and two-thirds of both branches of Congress to reverse their decision. Inasmuch as sumptuary laws and statutes regulating daily conduct are liable not to work as anticipated, inasmuch as they are largely experimental, they ought to be passed by bodies where, if the experiment does not work, the body can repeal them or modify them. They ought not to be put in the Constitution.

But I say that water is all over the dam. I do hope that in the future we can amend the Constitution by the amendment to which the Senator from North Carolina refers, so that in the future the Constitution of the United States shall not be amended except by vote of the electors of the several States, so that the people can have something to say about the making of their own Constitution and not have to rely entirely, as they do now, upon the votes of the legislatures.

Mr. President, it seems that we can not consider any bill without dragging in the poor old Constitution. Nevertheless, I did not drag it in; but now that it is in, I want to pursue just for a moment that subject.

The constitution of no State in the Union can be amended without submitting the proposed amendment to the electors of that State, but the Constitution of the United States, preeminent over them all, can be amended simply by the vote of Congress and the State legislatures, without submission to any elector in a single State in the Union; and when so amended the Federal Constitution ipso facto amends every State constitution which itself is incapable of amendment except by a vote of the electors of its own State. That presents, to my mind, a perfectly anomalous state of affairs and an undesirable state of affairs.

Mr. President, I have said all I want to upon that phase of the question. I rose simply to call attention of the Senator from Tennessee [Mr. MCKELLAR] that, in my opinion, there is no substantial difference between the amendment proposed by the committee on pages 6 and 7 and the provision of the original bill. It is perfectly immaterial to me which is adopted. I think the same results will flow.

Mr. KING. Before the Senator resumes his seat, I desire to say that I understood the Senator to state, in answer to an inquiry propounded to him by the Senator from Mississippi [Mr. HARRISON], that operations under this bill would be standardized in all of the States; and he expressed his approval of a policy that would lead to the standardization of the methods by which the bill would be enforced.

Mr. BRANDEGEE. No; the Senator from Utah misunderstood me.

Mr. KING. I am very glad to know that.

Mr. BRANDEGEE. I say that I think the object of the promoters of the bill is to standardize its administration, and that the inevitable determination of the Federal board in operation would be to standardize it, for I do not think a Federal board will want to see a scheme which they may adopt for New York State said to be improper for some other State. Their object will be to have a uniform set of rules as to health, hygiene, sanitary administration, and everything else; everything will be standardized from their office. The field inspectors and agents that will be sent out to visit the families of the country will have the same instructions in their pockets; every blank and every circular that is printed will be standardized and will be known as Form 1, Form 2, Form 3, and so forth. The whole thing will work in national scope, as is the case with everything that the Government has anything to do with. The advertising and the circularizing and information bureau and printing press and propaganda system—if that is a proper word to apply—will be standardized, just as in the case of the Forestry Bureau and in the other bureaus which went to such excess—no limitation having been put upon them as to their expenditures for the circulation of the ideas of the central authority—that, if I recollect correctly, the Senator from Utah [Mr. SMOOT] last year either had passed through the Senate, or tried to have passed, a provision cutting out this endless, irresponsible duplication of propaganda that went on amongst different overlapping bureaus and departments of the Government here in Washington. No one of the Federal bureaus that is established, of course, is going to fail to spend less than the whole appropriation.

One of the chief functions of this bill, as I take it, is by a process of dissemination of Government circulars and information to educate the beneficiaries of the bill in the way they should go and to distribute for the benefit and guidance of the people pamphlets on sanitary and hygienic science. Anyone who examines this bill and similar bills can not help being struck by the fact that they are drawn in the broadest terms. Congress is to do the appropriating; the machinery set up in Washington is to make the expenditure, and is in the possession of absolute discretion. For the purposes of this measure Congress will not only appropriate this year $2,000,000, or whatever the sum may be, but the bill authorizes the appropriation annually through six or seven other sessions of Congress of an increased appropriation. I do not know whether it is in the mind of the draftsman of this bill or not, that he can bind those Congresses to appropriate the money; I do not know, but I predict, as has happened in every similar scheme upon which Congress has embarked, that the sums mentioned here are simply for illustration.

If this bill is to fulfill a long-felt demand, and if the demand is universal on the part of 110,000,000 of people, scattered all over this country of empire extent, the sums mentioned here to fill the necessities of the case are simply ridiculous; they are microscopic. All the poor children and all the poor mothers in this country can not be taken care of and furnished food and doctors and the necessary conditions of comfort at the time of childbirth and for an unlimited time thereafter with $2,000,000 a year or with $22,000,000 a year or with $200,000,000 a year, if the Government is going to do it.

Mr. KING. Mr. President, will the Senator from Connecticut permit an inquiry?

Mr. BRANDEGEE. Certainly.

Mr. KING. Is there anything in the bill to indicate the persons who will be the beneficiaries of the measure? Is it to be limited to the poor and the needy? If so, may it not be charged that such legislation is discriminatory? If the parent Government is to furnish doctors and medicine and hospitals in all maternity cases and to teach hygiene, is there any warrant for any limitation upon the number or character of the individuals who shall be the beneficiaries of the appropriation?

Mr. BRANDEGEE. I have read the bill, Mr. President, but that was several days ago, and I am not particularly familiar with it in all its terms. I do not, however, remember any limitation, as I recall the language of the bill. As I have said, it is couched in the most general terms. It does not even refer to women and children or to women and their babies. It is in aid of maternity and infancy. Of course, I know what maternity is; but whether it is to apply to the rich or poor or high or low I do not know. That, however, is for the Federal board to determine. They are bound by no limitations.

Mr. THOMAS. Mr. President, the word "infancy" has a legal definition, as the Senator from Connecticut knows. It includes all those under 21 years of ago. Does the Senator think that it is possible under the terms of this bill that its provisions may be extended to all those under legal age?

Mr. BRANDEGEE. I think legally that would be possible, but I referred to that while the Senator from Colorado was temporarily absent from the floor.

Mr. THOMAS. I am sorry I was absent.

Mr. BRANDEGEE. Of course, I do not apprehend that any member either of the State or Federal boards would extend aid to an infant of 20 years of age unless it were an idiot or somebody who could not take care of himself.

Mr. THOMAS. Of course, there are degrees between the extremes of birth and 20 years of age. Does not the Senator think that it would be perfectly easy, in accordance with the terms of this bill, to apply its provisions to young children of 4, 5, 6, or 7 years of age?

Mr. BRANDEGEE. Yes; and I said that on principle, if the object of the bill is to guarantee that the future citizens of this

country shall be able-bodied and sound in mind and body, it is not enough merely to provide that they shall be safely and sanitarily brought into the world.

Mr. THOMAS. I think that is true, Mr. President. Of course, the Senator from Connecticut recalls in other times and in other countries caring for the spiritual welfare of the infant was a governmental function, and if we are to place within the jurisdiction of the Federal Government the physical well-being of the young, why not also extend it to include their spiritual and religious well-being?

In other words, a good citizen should be mentally as well as physically sound and well disposed, and, of course, religious sentiment being a common and elevating sentiment amongst humanity, as a consequence, if that is the function of the Government, does the Senator perceive any reason why we should stop merely at the physical side of his nature?

Mr. BRANDEGEE. I see no reason for it except that under our Constitution, as I recall, religious beliefs are to be tolerated but not interfered with.

Mr. THOMAS. That is true; but "what is the Constitution amongst friends"?

Mr. BRANDEGEE. They might not all be friends on that question.

Mr. THOMAS. That is possible; I hope not.

Mr. BRANDEGEE. If the Senator should attempt to standardize religion in this country, he would have his hands full.

Mr. THOMAS. That is true, Mr. President, and those who are attempting to standardize physical conditions will have their hands full.

Mr. BRANDEGEE. They will.

Mr. THOMAS. It is an absolute impossibility. I certainly would be the last even so much as indirectly to support or defend, much less champion, anything that would even have the appearance of the standardization of the religious sentiment, thought, and belief of the country, because I am opposed to that absolutely; but I think that, notwithstanding the constitutional inhibition, the tendency of what the Senator has very aptly called "sumptuary legislation" will reach a point where the distinction between the intellectual or mental or emotional side of humanity and the physical side of humanity will not cut much figure in our appropriation bills.

Mr. BRANDEGEE. Yes. The Senator may be quite right in saying that if it is the business of the Government to see that physically the children are standardized according to the ideas of those who are sure they are right about what the standard ought to be, in principle, perhaps, it is just as important that they should be standardized mentally—and that attempt is already being made and is pending before Congress—and morally; and when the Government attempts to enter into the realm of morals and legislate about them it will have its hands full.

Mr. THOMAS. Its hands will be full and its Treasury will be empty.

Mr. BRANDEGEE. Yes; the Treasury will be empty without any morals. But, Mr. President, I have no doubt this money will result in good when it is appropriated; it will help a lot of people who are in need of help. However, when any Senator asks me whether I think there is any limit to the beneficiaries who may apply for aid under it, or whether people who are able to help themselves may not apply, pretending to be poor when they are not, I can not tell him; all I can say is the bill leaves it entirely to the Federal board here and the State boards in cooperation with it.

I do say, however, that the appropriation is bound to grow. Anybody who will advertise that he has a fund with which to pay doctor's bills and hire nurses and furnish hospital attendance and take care of people in need will have his doorbell rung all night and all day. This will be a popular board, so long as it furnishes the appropriation. There is a proposition now to apply the same principle to the schools.

Mr. THOMAS. Yes, Mr. President; and the identical propaganda behind this bill is behind the other. They are coupled in all of the letters and telegrams which I received.

Mr. BRANDEGEE. I myself think the names of the two bills have become confused in the public prints.

Mr. THOMAS. They are, but not in the petitions that reach me. They are mentioned not only by name, but by number. I have no doubt that the other bill will be pressed after the pending measure has been disposed of, and as a consequence, if it passes the two Houses and is approved by the President, the educational interests of the country will pass under the domination of a Federal bureau.

Mr. BRANDEGEE. I hope the several States will maintain control of their own schools, Mr. President; but I shall not attempt to cross that bridge until I come to it.

Mr. THOMAS. Mr. President, if the Senator will permit me, I think many of the State officers are supporting the educational bill. They seem to see in it another opportunity to rid themselves of a very great responsibility, and an expensive one. I do not say that is true of all the States, but if my correspondence is any indication, I know it is true of several of them.

Mr. BRANDEGEE. I have no doubt that is so; but, Mr. President, because I vote for this bill I should not want it to be inferred that I shall vote for the Smith-Towner bill, if that is the name of the educational bill. As at present advised, I could not support that bill; but, as I say, there will be others coming along based upon the same principle as this, and it may be that I could support the whole line of bills of this kind. But, Mr. President, I want to say this:

When the ardent friends of measures make lists of measures in which they are interested; when the great organizations of the country formulate legislative programs, or agenda, I believe the word is in the League of Nations lingo; when they take pen in hand and formulate congressional or legislative agenda consisting of mere general topics of improvement, things that the Government ought to do, and send them on to you and ask you to mark with a cross "yes" or "no," which you are in favor of and which you are opposed to, before the bills have been drawn or introduced, or before the committees have heard the evidence about them, or before the Senators who do not happen to be members of the committees to which they are referred have had any opportunity of hearing from the committee, or reading the committee's report, or listening to the debate, I feel compelled to notify the interested parties that I have to see the specific bill, not only drawn up in coherent and intelligible English language, but I have to consider the relation of one section to the others, and I have also to reserve nailing myself to the cross as to whether I shall vote "yes" or "no" on it until I see how it is amended and in what particular form it comes before the Senate; and sometimes I am not willing to hang myself on the hook of the central office of the propaganda back of the bill until the roll is about to be called.

Mr. THOMAS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Connecticut yield to the Senator from Colorado?

Mr. BRANDEGEE. I yield to the Senator.

Mr. THOMAS. I want to say to the Senator that I received such a list the other day, and I marked most of the measures with a double cross.

Mr. BRANDEGEE. Some of them ought to be marked with a double cross—I will not say all of them. I have not double-crossed this one.

That is all I care to say, Mr. President.

The PRESIDING OFFICER. The present occupant of the chair understands that the Senator in charge of the bill, without objection, withdrew the committee amendment found on page 7, which restored section 8 as originally introduced.

Mr. HARRISON. Mr. President, I desire to offer an amendment to that section.

Mr. SHEPPARD. There is another amendment pending at the present time.

The PRESIDING OFFICER. The amendment of the senior Senator from Utah [Mr. SMOOT] is pending.

Mr. KING. Mr. President, there is an amendment which I have offered to the amendment tendered by my colleague which has not been disposed of.

Mr. SHEPPARD. The amendment of the junior Senator from Utah [Mr. KING] is pending.

Mr. McKELLAR. May the amendment of the junior Senator from Utah be stated?

The PRESIDING OFFICER. The Chair is informed that the first amendment of the senior Senator from Utah has not been agreed to. The amendment has been offered, and, without objection, it will be agreed to.

Mr. KING. One moment, Mr. President. If the first amendment offered by my colleague is the one found on lines 10, 11, 12, and 13, then I desire to state that it has not been agreed to.

The PRESIDING OFFICER. The Chair will state that it is not that amendment. The amendment will be stated.

The READING CLERK. The first amendment offered by the senior Senator from Utah is on page 1, to strike out all of line 10, and on page 2 to strike out lines 1, 2, and 3, and insert:

> For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

The PRESIDING OFFICER. That is the first amendment offered by the senior Senator from Utah. The question is on agreeing to that amendment.

Mr. KING. Mr. President, my amendment, I think, probably should also extend to the first amendment offered by my colleague, and I therefore move to amend the amendment which has just been read by striking out the words "Children's Bureau" and inserting in lieu thereof "United States Public Health Service."

I will ask to have that amendment stated.

The PRESIDING OFFICER. The Secretary will state the amendment offered by the junior Senator from Utah to the amendment offered by the senior Senator from Utah.

Mr. KING. After it is stated I desire to submit one or two remarks.

The READING CLERK. On line 3 of the amendment strike out the words "Children's Bureau" and insert the words "United States Public Health Service," so that, if amended, it will read:

For the use of the United States Public Health Service, for the promotion of maternal and infant hygiene—

And so forth.

Mr. KING. Mr. President, the Senator from Tennessee [Mr. MCKELLAR] a moment ago combated the amendment which I offered to the second amendment tendered by my colleague. He contended that the activities of the Children's Bureau had been so extensive and so beneficial that this bureau ought to have committed to its care the administration of this important bill.

I have had occasion to make some little investigation into the workings of the Children's Bureau, and a number of persons have complained to me of the inefficiency and the extravagance of that organization. I am not able to determine whether the complaints made are well founded or not. Certainly if we are to believe the statements made by the distinguished Senator from Wyoming [Mr. WARREN], the chairman of the Committee on Appropriations, the charge that this bureau has been extravagant would seem to be justified. Starting out with a demand for a small appropriation, $25,000, and insisting that that is all that would be required, it now makes a demand for six or seven hundred thousand dollars. The Senator from Colorado [Mr. THOMAS] corrects me and states that it is between seven and eight hundred thousand dollars, and, as I recall the figures submitted by the Senator from Wyoming, the salaries of the employees of that bureau for one period of its existence consumed 50 per cent or more of the appropriations which were made for the bureau. The appropriations asked for now, or the estimates for the coming year for that bureau, amount to substantially $200,000 for the expenses and salaries alone of its numerous employees.

Mr. President, this bureau is merely an illustration of the rapacity of other bureaus of the Government. If we create an organization or a bureau or any Federal instrumentality, and attempt to circumscribe its activities by the most drastic statutes, we find that we are absolutely unable to curb its activities and to restrain its voracious appetite for enlarged appropriations, and when we attempt to limit within a legitimate field its operations, it projects itself into other fields and invades other avenues of human endeavor, and comes here and demands an extension of its functions, and a greatly enlarged appropriation for the purpose of compensating the army of employees that attach themselves to it.

Mr. President, there seems to be no way of limiting these bureaus and Federal agencies. They seem to thrive upon statutes which seek to limit their activities; and if we do not make an adequate appropriation to cover their operations deficiencies are created. Congress, instead of refusing to meet these deficiencies, makes appropriations, no matter how large, to cover them. The criminal statute prohibiting the creation of deficiencies is flouted by officials, and the action of Congress treated with contempt.

I do not see any reason why the administration of this bill should be committed to the Children's Bureau; and if it is to be committed to one of the bureaus in the Labor Department, it seems to me that it would be better to commit its administration to the Woman's Bureau. That is an organization recently created.

I am not quite clear as to the functions of that organization. Perhaps the officials of that organization are not clear themselves; but I make the prophecy to Senators that it will be here soon, knocking at the doors of either the House or of the Senate for increased appropriations mounting up into the hundreds of thousands if not into the millions of dollars and demanding that its field of operations be extended until it will invade the operations of the States, the activities of the schools, and other organizations clearly local and domestic in their character.

I ask again, why commit the administration of this bill to the Children's Bureau? It has been conceded that one of the principal functions of this organization is to care for maternity cases, to take care of children, to arrange for hospital service, and for nursing service, and for medicines, and for instruction along the line of hygiene and medicine and medical development.

Mr. President, the science of medicine is a progressive one. Perhaps the medical men of the United States and of the world are more progressive than those in almost any other profession. The physician of 10 years ago, unless he has been a student and attended postgraduate courses, is incompetent to enter the homes of the people and minister to their needs because of the great discoveries and advances which have been made. In the Public Health Service we have men who are charged with the health of the people. They are studying the great questions of the conservation of the health of the people. They are in contact with medical men from all corners of the world. They are attending the great medical organizations, not only in the States but organizations international in character. They are paid for the purpose of obtaining knowledge in regard to the health of the people, and they are distributing information in all of the States of the Union.

We made large appropritions for the printing of information which they are obtaining, not only upon tuberculosis but upon hygiene, upon sanitation, and upon all those questions which affect the health and welfare of the public. Manifestly those who administer this bill ought to be conversant with medical matters. Is there anybody in the Children's Bureau who is particularly qualified for the administration of the bill? I make no charge of incompetency, but it seems to me that the work of the Children's Bureau is along an entirely different line from the work which this bill requires to be performed.

I am not sure as to the number of men in the medical department, but my recollection is now that there are three or four thousand competent physicians and surgeons. We find them in every State and almost all of the large cities of the United States. There are hospitals of the Government in a large number of the States. More hospitals will be erected, and large appropriations will be made for the erection of additional hospitals.

I repeat, Mr. President, that if it is competency that is desired, and the efficient administration of this law is sought, then we should place the administration of it in the hands of men who are familiar with the subject. I have heard no argument, and I have listened hoping that I might, which would justify the Senate in concluding that the Children's Bureau was the proper governmental instrumentality for the administration of this act.

I sincerely hope, Mr. President, that the amendment which I have offered will be agreed to.

Mr. SMITH of Georgia. Mr. President, will the Senator read his amendment?

Mr. HARRISON. Mr. President——

Mr. KING. If the Senator will pardon me, the bill as it has been offered creates a Federal board of maternal and infant hygiene, and the amendment of the senior Senator from Utah [Mr. SMOOT] strikes out that section and provides that the Children's Bureau shall administer this act. Section 3 of the amendment offered by the senior Senator from Utah provides that the Chief of the Children's Bureau of the Department of Labor shall be charged with the carrying out of the provisions of this act. The amendment which I have offered provides that the United States Public Health Service shall be charged with the responsibility of executing it, and if the Senator will pardon me, further on in the bill there is a provision that the United States Public Health Service shall be called upon in a sort of consultative way to aid in the administration of the act, thus recognizing that the Children's Bureau is incompetent to administer the act without the advice of the Public Health Service.

If the Public Health Service is called upon to give advice and is consulted in an advisory way, why should it not have the entire administration of the act? It certainly would make for economy and efficiency.

Mr. SMITH of Georgia. Then, as I understand it, the idea of the Senator from Utah is that any work of this kind should be by a bureau under the Public Health Service?

Mr. KING. I would not create a bureau, but devolve the work upon the Public Health Service.

Mr. SMITH of Georgia. If it needs a bureau, there ought to be one created there?

Mr. KING. Yes.

Mr. SMITH of Georgia. And it should be managed and directed by the Public Health organization.

Mr. KING. Yes.

Mr. SMITH of Georgia. With its corps of officers all over the United States?

Mr. KING. Exactly.

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Mr. SMITH of Georgia. With its hospitals already distributed in many places in the United States?

Mr. KING. Exactly.

Mr. SMITH of Georgia. And with men who really know something about it?

Mr. HARRISON. Mr. President——

Mr. KING. Yes. My idea is if this measure is for the benefit of the people, for mothers and for children, then the administration of it ought to be placed with those who are most competent to deal with hospitals, maternity cases, hygiene, sanitation, and the questions of public health.

Mr. HARRISON. I merely rose to suggest to the Senator that perhaps he, as I am informed, has fallen into an inaccuracy, as I did in my remarks, and I want to say that I thoroughly agree with the conclusion the Senator has expressed. I stated, and so did the Senator state, that there were no doctors in the Children's Bureau, no branch in that bureau which could function under this bill. I am advised that they have a branch in the Children's Bureau with five doctors in it who have been giving out instruction in hygiene. I merely make that statement out of fairness to the bureau, as I have just been advised of that fact.

Mr. KING. May I ask the Senator where the authority was for the creation of a medical bureau or subbureau or attachment to the Children's Bureau.

Mr. HARRISON. Where the information comes from?

Mr. KING. No; where is the authority for the creation of such an organization?

Mr. HARRISON. I do not know.

Mr. SMITH of Georgia. On the part of those people in the bureau?

Mr. HARRISON. I do not know.

Mr. KING. Where is the legal authority?

Mr. HARRISON. I do not know. I merely made the statement because I had made the statement that there were no doctors in the Children's Bureau, and the Senator has, too.

Mr. KING. I want to say to the Senator that there is warrant for the belief that if the bureau thought that by organizing a subbureau it could extend its authority and perpetuate its power and increase appropriations by Congress, it would create, without authority, such an organization; it would merely be following the example set by other bureaus and organizations of the Federal Government.

Mr. SMITH of Georgia. I wish to ask the Senator from Utah a question, and I would be glad if he would yield.

Mr. KING. I yield.

Mr. SMITH of Georgia. I want to know, even if there are five doctors connected with the Children's Bureau, whether it would not perhaps be wise to transfer those five to the Public Health Service and develop what we do where we already have a magnificent corps of trained men at work? Is it not true that our Public Health Service has been one of the most effective in the Government, and that much splendid work has been done by it; that we have hospitals and physicians now connected with that bureau in all the States; and that to a large extent wherever they go they enjoy the confidence of the communities in which they work, and we are frequently having urgent requests that they be not moved from one place to another? Having this splendid organization to start with, is it not clear that we have the background of this work and ought to develop it, if we are going to do anything further along this line; and also ought we not to transfer those five doctors from the Children's Bureau, if they are there, to the Public Health Service?

Mr. KING. I thank the Senator from Georgia for the information which he has furnished the Senate and for the suggestion which he has made. Obviously, Mr. President, that course should be pursued. But it is clear that this bureau is entering upon the same pernicious course that has been followed by so many other Federal agencies. Here was the Children's Bureau, created presumably for certain purposes, certainly not for the purpose of establishing a subordinate branch of the Public Health Service, and yet, before it has functioned very long, a medical organization or attachment to the bureau has been created, and, as the Senator from Mississippi [Mr. HARRISON] has stated, from information just conveyed to him, it has five doctors in that department.

So, Mr. President, that bureau now has a medical attachment, and other bureaus of the Government have medical and public-health attachments and subbureaus and Federal agencies and instrumentalities. Instead of combining into one proper organization all agencies and instrumentalities connected with the public health we have a large number of them.

Mr. HARRISON. Mr. President——

Mr. KING. It was stated by my colleague at the last session of Congress that there were some 15 or 20, as I recall, health bureaus or services under the control of the Federal Government, many of them paralleling the work of other like organizations. I am glad to know that the joint resolution which was agreed to by this body has been agreed to by the House, and that a committee will soon be appointed for the purpose of revising existing statutes and coordinating the Federal agencies of the Government, and bringing into proper relation the various bureaus and Federal activities of the Government. The duplication of governmental agencies is indefensible and costs millions of dollars annually. I noticed that a distinguished Congressman from Nebraska and others have predicted that it will save a million dollars a day if that idea shall be carried out. I wish such predictions could be realized. Doubtless there could be great saving, because the duplication in the departments of the Government is appalling. No business organization could save itself from the bankruptcy court one year if it followed the business methods of the United States Government, and Senators have voted for years to perpetuate these organizations which duplicate and parallel the work of each other. It is about time that we should use—I was about to employ the expression "common sense." It is not presumed that will be done in legislative bodies. But, at any rate, we should try to conserve the interests of the Treasury, and cut appropriations wherever it is possible, bring the activities of the Government under proper regulation and coordinate them wherever it is possible to be done.

Mr. HARRISON. Mr. President, touching the doctors in the Children's Bureau, I have no doubt that the persons the bureau has employed are employed to discharge duties affecting child welfare and hygiene, along that line. I do not know how wonderful the doctors are or anything about them, but I am sure they are thoroughly qualified to do their work.

Mr. KING. I hope the Senator does not think from anything I have said that I was disparaging their ability. I will assume that they are very able doctors, perhaps the ablest doctors who could be found in the United States. But, conceding that, it only supports the argument suggested by the Senator from Georgia that they should be transferred to the Public Health Service, where their invaluable services and their superior ability would afford them a larger field for operations.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the junior Senator from Utah [Mr. KING] to the amendment offered by the senior Senator from Utah [Mr. SMOOT].

Mr. FRANCE. Mr. President, I hope the amendment to the amendment will not prevail.

Mr. KING. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. DILLINGHAM (when his name was called). I have a general pair with the Senator from Maryland [Mr. SMITH], who is absent. I do not know how he would vote on this question. Therefore I withhold my vote.

The PRESIDING OFFICER (when Mr. HENDERSON's name was called). I have a general pair with the junior Senator from Illinois [Mr. MCCORMICK], which I transfer to the junior Senator from New Mexico [Mr. JONES] and vote "nay."

Mr. KENDRICK (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. FALL]. I am informed that he is in favor of this legislation. So I feel at liberty to vote. On the pending amendment I vote "nay."

Mr. MOSES (when his name was called). I have a general pair with the junior Senator from Louisiana [Mr. GAY]. In his absence I withhold my vote.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. If he were present he would vote "yea" and I would vote "nay." In his absence I withhold my vote.

Mr. POMERENE (when his name was called). I have a general pair with the senior Senator from Iowa [Mr. CUMMINS]. Not knowing how he would vote, I withhold my vote.

Mr. SIMMONS (when his name was called). I have a general pair with the junior Senator from Minnesota [Mr. KELLOGG]. I transfer that pair to the Senator from California [Mr. PHELAN] and vote "nay."

Mr. SMITH of Georgia (when his name was called). I have a pair with the senior Senator from Massachusetts [Mr. LODGE]. I transfer that pair to the junior Senator from South Carolina [Mr. DIAL] and vote "yea."

Mr. HEFLIN (when Mr. UNDERWOOD's name was called). My colleague [Mr. UNDERWOOD] is detained on account of serious illness in his family. He has a general pair with the junior Senator from Ohio [Mr. HARDING].

The roll call was concluded.

Mr. CURTIS. On this vote the Senator from New Jersey [Mr. EDGE] is paired with the Senator from Oklahoma [Mr. OWEN], and the Senator from Illinois [Mr. SHERMAN] is paired with the Senator from Virginia [Mr. GLASS].

Mr. HARRISON. The senior Senator from Mississippi [Mr. WILLIAMS] is unavoidably absent. He has a general pair with the senior Senator from Pennsylvania [Mr. PENROSE], who is also absent.

Mr. HARRIS. I have a general pair with the junior Senator from New York [Mr. CALDER]. I do not know how he would vote on the question and I therefore withhold my vote.

Mr. GERRY. I desire to announce the absence of the Senator from Arizona [Mr. ASHURST], who is unavoidably detained, and of the Senator from South Dakota [Mr. JOHNSON], who is absent on account of illness.

Mr. CHAMBERLAIN. I have a pair with the junior Senator from Pennsylvania [Mr. KNOX]. In his absence I transfer my pair to the junior Senator from Arizona [Mr. ASHURST] and vote "nay."

Mr. FERNALD. I have a general pair with the junior Senator from South Dakota [Mr. JOHNSON]. I transfer that pair to the junior Senator from West Virginia [Mr. ELKINS] and vote "nay."

Mr. MYERS (after having voted in the affirmative). The Senator from Connecticut [Mr. MCLEAN] with whom I have a general pair is absent. I transfer my pair to the Senator from Arizona [Mr. SMITH] and let my vote stand.

The result was announced—yeas 6, nays 47, as follows:

YEAS—6.

Harrison	McCumber	Smith, Ga.	Thomas
King	Myers		

NAYS—47.

Ball	Gerry	La Follette	Simmons
Beckham	Gore	McKellar	Smith, S. C.
Borah	Gronna	McNary	Spencer
Brandegee	Hale	New	Stanley
Capper	Heflin	Norris	Sterling
Chamberlain	Henderson	Nugent	Sutherland
Colt	Hitchcock	Phipps	Trammell
Curtis	Johnson, Calif.	Pittman	Walsh, Mass.
Fernald	Kendrick	Poindexter	Walsh, Mont.
Fletcher	Kenyon	Ransdell	Watson
France	Keyes	Robinson	Wolcott
Frelinghuysen	Kirby	Sheppard	

NOT VOTING—43.

Ashurst	Harding	Moses	Shields
Calder	Harris	Nelson	Smith, Ariz.
Culberson	Johnson, S. Dak.	Newberry	Smith, Md.
Cummins	Jones, N. Mex.	Overman	Smoot
Dial	Jones, Wash.	Owen	Swanson
Dillingham	Kellogg	Page	Townsend
Edge	Knox	Penrose	Underwood
Elkins	Lenroot	Phelan	Wadsworth
Fall	Lodge	Pomerene	Warren
Gay	McCormick	Reed	Williams
Glass	McLean	Sherman	

So Mr. KING's amendment to Mr. SMOOT's amendment was rejected.

The PRESIDING OFFICER. The question now before the Senate is upon the amendment offered by the senior Senator from Utah [Mr. SMOOT].

Mr. KING. I would like to ask the Senator from Maryland [Mr. FRANCE] just the effect of the amendment offered by the senior Senator from Utah. Assuming that that prevails, to what extent does it change the bill as it came from the committee in its administrative features? The Senator from Georgia [Mr. SMITH] and myself are not in agreement upon that point.

Mr. FRANCE. Mr. President, under the bill as it came from the committee a new board was created for the administration of the provisions of the bill. That board was to be composed of the Secretary of Labor, the Surgeon General of the Public Health Service, and the Commissioner of Education.

Under the bill, as it will be amended, the Children's Bureau will have charge of the administration of the provisions of the bill. The Chief of the Children's Bureau, however, is authorized to appoint an advisory committee, composed of the Surgeon General of the Public Health Service, the Secretary of Agriculture, and the Commissioner of Education, on the theory that that would promote cooperation between these various agencies in the carrying out the provisions of the bill.

Mr. SMITH of Georgia. Is the Senator from Maryland in favor of that amendment?

Mr. FRANCE. Yes.

Mr. SMITH of Georgia. Does the Senator propose to turn this over to the head of that bureau and let that bureau create the board instead of the Congress creating it? I vastly prefer the bill as it came from the committee.

Mr. FRANCE. No; the administration will be carried on by the Children's Bureau, and the Chief of the Children's Bureau will appoint the advisory committee, but the committee is named, of course, in the bill.

Mr. KING. May I inquire of the Senator from Maryland if the original bill in this respect shall be passed, which of these three agencies would have the administration of the provisions of the bill?

Mr. FRANCE. The Children's Bureau.

Mr. KING. Would that create a new bureau or utilize the machinery of existing governmental agencies?

Mr. FRANCE. Under the original bill the Chief of the Children's Bureau was to be the executive officer to carry out the provisions of the bill.

Mr. KING. And the man or the woman, whoever was at the head of the Children's Bureau, would be under the direction of the board?

Mr. FRANCE. Yes; under the direction of the board.

Mr. KING. Why would it not be better to have a board of the character described in the original bill and have the chief of the bureau under the board instead of having the board under the chief of the bureau?

Mr. FRANCE. Because that creates a new agency, whereas if the administration is charged to the Children's Bureau no new agency whatever is created. It seemed to us that it is better organization to use agencies already in existence rather than to create a new agency.

Mr. KING. I confess that I do not understand that the original bill created a new agency. There are three officials of the Government specifically named. The bill selects those three and empowers or directs that they shall employ a given agency of the Government through which to administer the bill. That does not create a new agency.

Mr. FRANCE. Of course, that is a matter of terminology. We were of the opinion that it was better organization, after considering the matter carefully, to have the Children's Bureau in charge of the work rather than to have an interdepartmental agency carrying on the work, cooperation with the other departments being secured by the appointment of this advisory committee. The change is not material, but I think it is beneficial.

Mr. SMITH of Georgia. Will this advisory committee have no authority to control the head of the Children's Bureau? Does the Senator propose to let the party at the head of the Children's Bureau do what that party may please regardless of the advice of the Surgeon General and the two members of the Cabinet who are allowed to advise but in no way to control? The Senator just turns it loose, then, with the privilege of the head of the Children's Bureau taking advice but with the privilege of running it as the head of that bureau sees fit. Would it not be vastly better and could we not feel more confidence in it and would not the country have more confidence in it if we would retain the bill as it originally provided, with two members of the Cabinet and the head of the department of health in control, with power to act and direct?

Mr. FRANCE. As a practical matter, I do not know that it makes any material difference. Under the original provisions of the bill the Chief of the Children's Bureau was to be the executive officer. I assume that under the amendment of the Senator from Utah the Chief of the Children's Bureau will still be the executive officer; but I do not anticipate that the Chief of the Children's Bureau would disregard the views of the advisory committee.

Mr. SMITH of Georgia. Would it not be advisable and better not to allow them to disregard it? Will not the situation be stronger if the authority is put into the hands of these three men? Then we shall have the benefit of the Surgeon General of the Public Health Service to direct and control rather than somebody who knows nothing about medicine and knows nothing about the subject, perhaps.

Mr. THOMAS. Will the Senator permit me to interrupt him?

The PRESIDING OFFICER. Does the Senator from Georgia yield to the Senator from Colorado?

Mr. SMITH of Georgia. I yield.

Mr. THOMAS. Mr. President, the senior Senator from Utah [Mr. SMOOT] is not present. He explained the purpose that prompted him to offer the amendment; that purpose was acceptable to the Senator having charge of the bill; and I think he very properly consented to the amendment, so far as he could do so.

Fundamentally, the purpose of the amendment is to prevent the creation of another bureau, and in that particular I think it is commendable. The Children's Bureau was selected by the Senator from Utah because of the harmony between the work they are now doing and the purposes of the bill. A Federal board, composed of men who have their hands full, necessarily will have to perform their duties vicariously. We are loading the members of the Cabinet and many of the heads of divisions

and bureaus with all kinds of duties which it is impossible for them to perform for the very good reason that they have not time to perform them. As a consequence, they are obliged to delegate the authority.

The Children's Bureau, if I am correctly informed, is not so circumstanced. Hence, without increasing the expense, as we hope, which will attend the administration of this bureau, we shall get just as good if not better service. The appointment of an advisory committee in this instance, by means of which the members of the Children's Bureau may receive counsel and advice and information and help, will be like the appointment of other advisory committees.

The Federal reserve act creates an advisory board, drawing no salary and meeting at such times as the Federal Reserve Board may desire their services. Nobody suggested at the time of the passage of the act that we thereby created a bureau and placed it under the charge of some other bureau. I think under the circumstances, therefore, that the proposed amendment is far preferable to the purposes of the original bill, and I hope the amendment will be adopted.

Mr. KING. May I ask the Senator from Colorado a question?

Mr. THOMAS. Yes; though I do not know that I can answer it. The senior Senator from Utah, however, is now present. I will say to him that I have endeavored to explain the purposes for which he introduced his amendment.

Mr. SMOOT. I will say to the Senator from Colorado that I have had a meeting with Representative GOOD, chairman of the Appropriations Committee of the other House. I just came in from that meeting and did not hear what the Senator said.

Mr. KING. I should like to say——

Mr. THOMAS. If the junior Senator from Utah will permit me, I desire to say that objection is made by the Senator from Georgia [Mr. SMITH] and I think by the junior Senator from Utah [Mr. KING] to the plan of administration of the bill under the amendment of the senior Senator from Utah, the Senator having charge of the bill having given the reasons why he accepted it. Those Senators are able to and they can explain their positions much better than can I.

Mr. KING. I asked the Senator from Maryland [Mr. FRANCE] what reason there was for accepting the amendment offered by the senior Senator from Utah [Mr. SMOOT] and modifying the bill as it originally came from the committee. The Senator from Colorado [Mr. THOMAS], who was defending the amendment of the Senator from Utah, stated that a reason for the amendment was that it avoided the creation of another bureau. I was about to ask the Senator from Colorado, when the senior Senator from Utah entered the Chamber, if he was not in error in assuming that the original bill created a new bureau.

Mr. SMOOT. No; I think, Mr. President, that it does, and I wanted to avoid that contingency.

Mr. SMITH of Georgia. Has the Senator from Utah considered the advisability of having a board administer these duties under the Children's Bureau, a board composed of the Surgeon General, the head of the Children's Bureau, and some one else?

Mr. SMOOT. I could not think for a moment that at this time we ought to go into the question of the reorganization of the Children's Bureau. The amendment provides that the Children's Bureau shall be aided by an advisory board or committee consisting of the Secretary of Agriculture, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. They are a committee with which the Chief of the Children's Bureau shall consult in the direction of the activities of the bureau.

Mr. SMITH of Georgia. What seems so unsatisfactory to me is that it is proposed to trust this large sum of money and the administration of this great task to the head of the Children's Bureau. I merely feel that it is a very unwise thing to do and that we ought to have some kind of supervising organization, not simply an organization to advise but one with some authority.

Mr. SMOOT. The way the bill was drawn——

Mr. SMITH of Georgia. I do not mean to approve the bill as it was drawn. I was asking the Senator to consider some way by which we might have the benefit, at least, of the Surgeon General as one of a board to direct the Children's Bureau in the performance of its new responsibilities.

Mr. KING. As a directory board instead of a mere advisory board.

Mr. SMITH of Georgia. I do not think that the mere advisory part of it amounts to anything.

Mr. SMOOT. It certainly would not do, Mr. President, to have three heads of departments or bureaus in the Government act in a directory capacity, because of the fact that nobody would be responsible.

They would meet about once a month, or something like that. So I thought it would be very much better to have somebody responsible, and then have the three officers of the Government to whom I have referred act in an advisory capacity. It looks to me as if we would get better results in that way than by following the other method. Not only that, but we would not build up here a new bureau or agency that would begin with the employment of as many clerks as those in some other bureau, no matter whether they were needed or not, and make a demand for additional space in the Government buildings, or else go out and rent buildings in the District of Columbia. What I had in view was to save expense as much as possible. That is why I desired the change made.

Mr. SMITH of Georgia. Mr. President, I appreciate the object the Senator had in view, but I suggest to him that this large sum of money that we are about to appropriate should be expended under the supervision of the most skilled board. During his absence I voted for an amendment to put the whole matter under the charge of the Public Health Service of the Government. I would not be afraid for it to go there without any other supervision, perhaps; but to put it under the Children's Bureau, which I had not thought had proceeded very far, is a different matter.

Mr. HITCHCOCK. Mr. President, if the Senator will permit me, I should like to suggest that the language be made to read: "The Children's Bureau shall have charge of all matters concerning the administration of this act, and shall have the power, under regulations of the Federal board," to do so and so; so that the Federal board may have the power to make regulations; but in the absence of them the Children's Bureau would go forward.

Mr. SMOOT. I doubt very much whether we would have responsibility then resting either with the Childrens' Bureau or with the Federal board.

Mr. HITCHCOCK. The Children's Bureau could undoubtedly go forward unless the board made regulations which restricted it, but when they made regulations of that sort, they would have effect.

I am moved to make that suggestion because I have just discovered in the report of the Secretary of the Treasury the fact that the Public Health Service is carrying on a work at the present time which somewhat overlaps the work which it is now proposed to place under the Children's Bureau.

Mr. SMOOT. Mr. President, we have known that fact. The Public Health Service now has, I think, according to testimony that was given before the Appropriations Committee, 42 agencies doing about the same work. If we add to the matters under their charge the work which is contemplated under the pending bill, then there will be a duplication of work the extent of which it will be difficult to tell.

Mr. SMITH of Georgia. Ought it not all be put under the Public Health Service? Is not that the place for it, and are they not already doing work along the same lines?

Mr. HITCHCOCK. I think not. I think the Public Health Service is already a jack-of-all-trades and has got too much work. It seems to me it would be wise to have the head of the Public Health Service on some committee which might coordinate the work.

Mr. SMOOT. The Surgeon General of the Public Health Service under the amendment I offer would have a place on the advisory committee, together with the United States Commissioner of Education and the Secretary of Agriculture.

Mr. HITCHCOCK. I think an advisory committee has not necessarily much power. It seems to me that the committee, composed of a Cabinet officer, the head of the Public Health Service, and the Commissioner of Education, should have really the authority to make regulations under which the Children's Bureau could carry on the work. I only suggest that as a modification of the Senator's amendment, which I am disposed to support.

Mr. SMOOT. The Public Health Service would have to be in close touch with the work as it progressed; in fact, it ought to have knowledge of what was required and what was being done or it could not make rules and regulations. If we are going to favor such a proposition, the best thing to do would be to put the new work under the Public Health Service direct, for some one will have to know what the work is daily, some one will have to know what the requirements are, some one will have to be responsible for that work, and I think that some one ought to be the Children's Bureau rather than the Public Health Service.

I said the other day that I thought the Public Health Service one of the most extravagant agencies of the Government. I am still of the same opinion, which is based on the appropriations that are made for and the estimates that are presented by that service, the demands that are made by it upon Congress, by the way in which it has grown, and by the duplication of work carried on by it. I hesitate to put more millions of

dollars under their control, but I am perfectly willing, if we are going to establish this new line of work, to have it carried on under the Children's Bureau, acting with an advisory committee consisting of the Secretary of Agriculture, the Surgeon General of the Public Health Service, and the United States Commissioner of Education.

Mr. KING. If I may, I desire to make a suggestion to my colleague. I know he is very much interested in consolidating the departments and bureaus and eliminating the frightful waste, extravagance, and duplication which characterize the executive departments. I am afraid the amendment of the Senator will create another medical department. We are advised by the Senator from Mississippi [Mr. HARRISON] that there are already five doctors, and I do not know how many subdoctors and nurses and medical advisers, attached to the Children's Bureau. Now, it is manifestly wrong to create another medical department of the Government.

Mr. ROBINSON. Mr. President, a parliamentary inquiry. Which Senator from Utah has the floor?

The PRESIDING OFFICER. The senior Senator from Utah.

Mr. KING. The senior Senator from Utah has the floor. I was inquiring of him as to the character of his amendment. I again suggest to my colleague that his amendment will carry into effect a policy which I know he is earnestly seeking to modify.

Mr. SMOOT. Mr. President, I want to be perfectly frank with the Senate, and say that I thought it would be very much better to have this legislation postponed until after the reorganization of the departments of our Government—I am speaking now personally—and I have said so to ladies who are deeply interested in this legislation; but they seemed to think that if it was not passed at this session it would hold it off for two years before the legislatures of the different States could act, and therefore they wanted it to pass even though after the reorganization of the Government takes place, if it does take place, the whole program will be changed.

Mr. McCUMBER. Mr. President, will the Senator allow me to suggest to him, and also to the Senator from Maryland [Mr. FRANCE], who is in charge of the bill, that we have been in constant session now for nearly six hours, and in all probability we shall not get a vote to-night unless we remain here an hour or two longer, and that it might be well to recess over until to-morrow and take up the matter at that time. Then this amendment can be thrashed out between the Senator having the bill in charge and other Senators.

Mr. FRANCE. Mr. President, I offer two amendments to be printed.

The amendments were ordered to lie on the table and to be printed, as follows:

On page 1, in line 3, strike out the word "annually," and after the word "appropriated," in the same line, insert the word "annually."

Page 2, line 14, strike out "1921" and insert "1922"; line 15, strike out "1922" and insert "1923"; line 17, strike out "1923" and insert "1924"; line 18, strike out "1924" and insert "1925"; line 19, strike out "1925" and insert "1926"; line 20, strike out "1926" and insert "1927."

Mr. FRANCE. I did hope we might have a vote on this bill this evening, so that we could adjourn over until Monday; but there seems to be very little probability of that.

Mr. KING. There are a number of amendments which I have to offer, and they will take considerable time.

RECESS.

Mr. FRANCE. I move that the Senate take a recess until to-morrow at 12 o'clock.

The motion was agreed to; and (at 5 o'clock and 35 minutes p. m.) the Senate took a recess until to-morrow, Saturday, December 18, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 17, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou who art supremely great, humbly and reverently we bow in Thy holy presence, we pray that we may be guided by Thy counsels through the changing scenes of this new congressional day that as individuals and collectively we may accomplish the highest good for ourselves and for the Nation we represent; that we may lie down at its close with a clear conscience and rest securely under the shadow of Thy protecting wings sanctified by the supreme thoughts of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

TREATMENT OF TUBERCULAR EX-SERVICE MEN.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent to proceed for two minutes on the question of tubercular ex-service men being held, to their detriment, at Houston, Tex.

The SPEAKER. The gentleman from Texas asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, there is now in one of the Government hospitals at Houston, Tex., quite a number of tubercular patients. They are ex-service men. The greater number of them are from States outside of Texas. They are strangers to me; they have never been in my district, so far as I know; but they have been appealing—a number of them—to me to get them away from there. Houston is my birthplace. I know the conditions there. If you were to search the whole United States over, you could not find a climate or altitude more unfavorable for the treatment of tubercular patients than Houston. Upon the insistence of several of these ex-service men I have been able, during the last four months, to get only six of them transferred to Arizona and New Mexico. About a score or more of them are yet at Houston who have been clamoring for transfer. The Surgeon General of the Public Health Service asserts that he can not transfer them, because he has no more room at Fort Bayard, N. Mex. He seems to think that that is the only hospital to which he could transfer them. There is a hospital at Roswell, N. Mex., that has been especially fitted up as a tubercular hospital at an enormous expense. It does not happen to be a Government hospital, but these ex-service men could be transferred there immediately if the officials of the Public Health Bureau would see fit to do so. I think it is a shame and an infamous outrage for these men to be kept in that hospital at Houston to die when they could be transferred to another hospital. There is a hospital at San Angelo, Tex., and there are other hospitals on the Rio Grande border, in Arizona and New Mexico, and at other places to which they could be transferred.

The following is a copy of a letter I wrote December 1, 1920, and I wrote again on December 8 and December 10, insisting on the numerous ex-service men afflicted with tuberculosis held at Houston being removed from there:

WASHINGTON, D. C., *December 1, 1920.*

Gen. HUGH S. CUMMING,
Surgeon General, Bureau of the Public Health Service,
Washington, D. C.

MY DEAR GEN. CUMMING: I am herewith inclosing you a letter just received from Surg. John M. Holt, of the United States Public Health Service, Dallas, Tex., claiming he is unable to transfer Jas. D. Elliott (C-451325) from the hospital at Houston, Tex., to some of the hospitals in the Southwest, because they are filled to capacity. This young man, Elliott, is suffering from tuberculosis. During the past six months I have had a great deal of trouble in getting ex-service men suffering with tuberculosis transferred from the hospital at Houston, Tex. On numerous occasions I have called the attention of your department, and also that of Col. R. G. Cholmeley-Jones, to the fact that it is almost criminal on behalf of our Government to continue to keep ex-service men suffering with tuberculosis at Houston, Tex. I again assert that if you were to search the whole United States over you could not find a climate or location more unfavorable and disastrous to tubercular patients than at Houston, Tex. I was born there, and I know what I am talking about.

In this connection I desire to call your attention to the fact that during August or September of this year I had a voluminous correspondence with Col. Cholmeley-Jones, wherein I advised him that the Southwest Sanatorium, located at San Angelo, Tex., and the sanatorium conducted by Mrs. Morgan, of Roswell, N. Mex., had each gone to considerable expense in making preparations to care for such tubercular patients. On September 22, 1920, Col. Cholmeley-Jones wrote me a letter embracing the following:

"At the present time there are a great many available beds at Fort Bayard. This institution is considered by some of the best tuberculosis experts of this country to be a model institution for the care of patients suffering from this disease. The hospital itself is modern in every detail and fully equipped, and the climate is considered to be especially beneficial."

If this letter is true, why is it that our tubercular patients can not be moved from Houston, Tex.? I think that your department should take immediate steps to see that all ex-service men now suffering with tuberculosis are transferred at once from the hospital at Houston, Tex., to hospitals in the Southwest.

Very sincerely, yours,

THOMAS L. BLANTON.

I submit the last letter received, to wit:

TREASURY DEPARTMENT,
BUREAU OF THE PUBLIC HEALTH SERVICE,
Washington, December 14, 1920.

Hon. THOMAS L. BLANTON,
House of Representatives, Washington.

MY DEAR MR. BLANTON: I beg to acknowledge receipt of your letters dated December 8, 1920, and December 10, 1920, together with your letter dated December 6, 1920, addressed to the Director, Bureau of War Risk Insurance, and to advise that the medical officers charged with the responsibility of hospitalizing tuberculous beneficiaries in Houston and other points in Texas have been instructed to utilize to the fullest extent all contract hospitals affording proper facilities for the care of tuberculous patients, and that both the Southwest Sanatorium located at San Angelo, as well as the Morgan Sanatorium located at Roswell, N. Mex., are being utilized.

The service officers at Houston and Dallas are in close touch with all the institutions where beds can from time to time be secured, and

are zealous in their endeavors to find places where patients can be suitably cared for.

It is believed that until additional facilities are placed at the disposal of the Public Health Service, everything humanly possible has been done.

Yours, very truly, H. S. CUMMING,
Surgeon General.

Notwithstanding what is stated in this letter from the Surgeon General, these men are still held in Houston. If they die there, the Public Health Service ought to be held responsible.

CODIFICATION OF THE LAWS.

Mr. LITTLE. Mr. Speaker, as the chairman of the Committee on the Codification of the Laws, I ask unanimous consent that the gentleman from Virginia [Mr. MOORE] and the gentleman from Kansas [Mr. LITTLE] be allowed to address the House for five minutes this morning, with leave also to extend their remarks in the RECORD.

The SPEAKER. The gentleman from Kansas asks unanimous consent that he and the gentleman from Virginia [Mr. MOORE] may address the House for five minutes this morning and be allowed to extend their remarks in the RECORD. Is there objection?

Mr. GARNER. Reserving the right to object, is the gentleman from Virginia [Mr. MOORE] here?

Mr. LITTLE. He was in his room, closeted with several constituents, a few minutes ago, and if he has not already come we can notify him.

The SPEAKER. Is there objection?

There was no objection.

Mr. LITTLE. Mr. Speaker, the Committee on Revision of the Laws directed that the chairman ask your attention to the bill to establish a Code of The Laws of the United States, a copy of which has been sent to every Member of the House through the mail and is now on the Members' desks, whether they have found it or not. This bill is similar to the Revised Statutes passed in 1874. It is therefore the second bill of the kind ever introduced in Congress.

You will want to know something about how it was done, and in the extension of remarks which we shall make we shall endeavor to further meet that desire. The chairman will call your attention to some of the details immediately, in the short time he has, and if the gentleman from Virginia [Mr. MOORE] gets away from his constituents he will do the same thing.

This committee is given an annual fund of $4,000 to revise the statutes. Last spring you gave the committee $9,000 more. The chairman, authorized thereto by the committee, with those funds and its clerk hire, employed revisers to assist him in this work. The chairman had given nearly all of his time to it for a year and a half.

When we first began the work we began to go through the statutes and pick out and compile the various statutes, beginning with the old Revised Statutes, pursuing the same method of compilation which the original revisers used. They compiled them for themselves and undertook to revise them under the law. When the committee came to the revisers' report in 1873 they decided not to revise, because that gave opportunity for too much changing. Nevertheless, the work of 1873–74 still retains the name of Revised Statutes, although they were in fact practically making a code, which we have done. We began by compiling our copy from the Revised Statutes and having it typewritten for the printer. As we did so we made comparison with the several compilations which had been made by private parties in recent years—West, Thompson, Barnes, Flood, and Pierce.

As we went on for weeks observing the work done by those people, we finally reached the conclusion that they were all reasonably correct and useful, except that they included considerable legislation no longer in force. Because West's compact statutes was most like the Revised Statutes we accepted them as our basis of operation, and we clipped its sections and sent them to our revisers. For example, we sent to a reviser all West's sections on education, and others, as his copy for examination. His instructions were to take them and look up the original laws to see that they were right and correct. Then he would compare them with Thompson and Barnes, and then, when he had finished the comparison with the original Revised Statutes, and the Statutes at Large since, he would have his own judgment and, for example, that of West and Thompson and Barnes, who are three of the greatest compiling concerns the country ever had. It would be sent in to the chairman with four examiners back of it—our reviser, and West, and Thompson, and Barnes. Then it went to another reviser for the same process. Then the chairman went all over it section by section, availing himself, as did the revisers, of the annotations in West and Thompson. After the chairman's investigation he sent the sections, now numbered and with headlines, to the Public Printer. Whenever possible the chairman had the aid of the committee. When sent to the printer it had in effect the approval of Thompson, West, Barnes, two of our revisers, and the chairman—six separate investigators. It came out in galley form, and the galley was sent then to a third reviser, who proceeded to go over it just as did his predecessors—making seven independent examinations. Meanwhile another galley was sent to the bureau or department that has the closest relations to that work, whenever we could get them to take an interest in it, which several did. In 1874 Mr. Poland complained that none of the bureaus or departments gave the committee their assistance. The result was, when the proofs came back from the given bureau or department, and came back from the other revisers, eight had gone over it. The Secretary of the Treasury, the Secretary of War, the Secretary of the Navy, and both Secretaries of the Interior—Mr. Lane and Mr. Payne—and others, all gave full, complete, and detailed replies, having their legal departments go over the work carefully. The result was that we now have eight O. K's on that.

There is in the Library a legislative reference department. Years ago they assembled an index to the laws of the United States. The way in which that was done was this: They would begin with a section of the Revised Statutes, then they would put on a card every amendment to that particular section.

Then they would take any law passed since coming under that head, and index underneath it every amendment to it, so you can see at a glance all the amendments to any given legislation, and if you ask for them they can list them for you. This galley proof also went to them and they went over it and compared it, and if they thought they discovered any erroneous statement or any failure to include everything that should be included, they made a note of it and brought it to our attention. Now, nine legal people have gone over the copy. Then the chairman of the committee, after securing the help of such members of the committee as could give it their personal attention, went over it carefully for a last examination, and it was sent to the printer with the approval of nine careful investigators.

It is proof-read by copy carefully, of course, at the Printing Office. It is proof-read by copy in the chairman's office very carefully. The result is that 9 lawyers and 2 proof readers have gone over it, the chairman twice. For the last month the chairman has had 6 excellent proof readers, one detailed from the Printing Office and one expert employed by the chairman, besides the revisers, and they have read it over again. As a result, there is much less probability of mistakes than there was the other time. That time they did not even have the compiler's help. They did not even have the system that we adopted. I think it is safe to say that with 9 lawyers going over each section before it is finally put into this shape, it is as nearly right as human skill can make it.

Three great compiling concerns—Thompson, West, and that of Barnes, three studious and scholarly revisers—the Legislative Reference Bureau of the Congressional Library, the department most interested—if its aid can be had—and the chairman of the Revision of Laws Committee, 9 examiners, each acting alone, assure the House after nearly 18 months of unsparing effort, that this bill is drawn from your official publications and expresses them in full without any change of laws made by Congress. In 1874 they lacked many of the resources used in this work. Yet for 46 years the Revised Statutes has been the greatest code the world ever saw and had the respect of courts, Congresses, and people unchallenged. There is every reason to believe this code even more accurate.

Mr. BEE. Will the gentleman allow me?

Mr. LITTLE. Certainly.

Mr. BEE. I have glanced over this, and while the gentleman's statement is very interesting it is unnecessary, because the work itself is the best evidence of the careful attention that has been given to it. I wish to ask if you have brought the revision down to the last Congress?

Mr. LITTLE. Yes; down to this Congress.

Mr. BEE. To this present Congress?

Mr. LITTLE. Just as they did in 1874.

Mr. BEE. There is no attempt to annotate?

Mr. LITTLE. Oh, no. At the end of each section is a citation, which you might call an annotation, as to its origin. You can take the references at the end of any section and learn for yourself whether the section is correct. That is the best report that could be made on it. In 1874 they made no report, because they said the report would be so much bigger than the statutes that it was impracticable.

At the end of each section is the citation of its origin, and any Member or any person can take it and analyze it for himself and make up his mind whether it is a correct statement of the law. As the gentleman from Texas says, the bill is its

own best argument. "Good wine needs no bush," and there is the bill, gentlemen. [Applause.]

After becoming chairman of this committee I gave some six weeks to the study of the history of our laws, finally reaching the decision that a bill should be prepared similar to that of 1874, and that it could be completed for the third session of the Sixty-sixth Congress. I began work July 1, 1919, and on December 14, 1920, the first volume of this proffered legislation finally received its last stitch. It has occurred to me the House may care to read some of the CONGRESSIONAL RECORD of December 10, 1873, and June 22, 1874, when the Revised Statutes became a law and the law. So the following extracts from those proceedings are presented:

[CONGRESSIONAL RECORD, Dec. 10, 1873, p. 129.]

REVISION OF LAWS (IN THE HOUSE).

The SPEAKER. The morning hour has almost expired and the gentleman from Massachusetts [Mr. Butler] desires to make a report for reference to the Committee on the Revision of the Laws.

Mr. BUTLER of Massachusetts. I desire to report certain bills, prepared by a committee under a joint resolution of the two Houses, for the revision of the general laws and those on certain specific subjects, and, with the leave of the House, I will explain what this mass of paper is that I have before me.

Between five and six years ago the two Houses of Congress, by law, provided for the revision of the statute laws of the United States, and a commission was appointed, who sat three years engaged in that revision. They had not accomplished the work, and an extension was given and another commission appointed, substantially, and they attempted a revision. Then that commission not being ready to report during the last Congress, the two Houses by a resolution appointed a joint committee, whose duty it should be to prepare a bill or bills to carry out the objects of that resolution.

As you are all aware, the statute laws of the United States are in 16 or 17 volumes, averaging between 1,000 and 1,200 pages each, including the several treaties. Taking the revision partly accomplished by the two sets of commissioners, the committee of the two Houses have during the recess subjected that revision to a thorough revision by one of the best lawyers in the country, who has devoted his time and ability to it with the most indefatigable industry and greatest success, so that now we have all the laws of the United States, with a single exception, which I shall mention, in this book, containing about 1,400 pages, printed in large print in the form of an act, with an index, in a shape in which every Member can examine it. If the revision is carried through Congress and becomes a law, all the general laws of the United States will be found within the limits of one volume instead of its being necessary to wade through 16 volumes in referring to them.

I desire to premise here that your committee felt it their bounden duty not to allow, so far as they could ascertain, any change of the law. This embodies the law as it is. The temptation, of course, was very great, where a law seemed to be imperfect, to perfect it by the alteration of words or phrases or to make some change. But that temptation has, so far as I know and believe, been resisted. We have not attempted to change the law in a single word or letter so as to make a different reading or different sense. All that has been done is to strike out the obsolete parts and to condense and consolidate and bring together statutes in pari materia, so that you have here, except in so far as it is human to err, the laws of the United States under which we now live. And it will be necessary, if the bill passes Congress, that it shall pass without anyone undertaking to amend the law as it stands in this revision, because, once beginning to amend the revision by altering the law from what it is, will lead into an interminable sea in which we shall never find soundings and which will never find a shore. But if there be any omission of any provision of law, the theory of this revision is that that shall be supplied, and to that the committee desire to call the attention of the House.

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I have taken the liberty, Mr. Speaker, to present this bill thus early in order that it may be referred to the Committee on Revision of the Laws, the chairman of which, the gentleman from Vermont [Mr. Poland], was associated with me on the last committee, together with the gentleman from North Carolina [Mr. Leach], in order that there may be an early report to the House, that the bill may be passed in its integrity early in the session and printed, for which arrangements have been made, at an early day and sent to the country, so that if any errors have crept in those errors may be corrected during this long session and a perfect body of the laws, or a body of the laws as nearly perfect as we can make it, shall be sent out for the guidance of the people of the United States. Before I press the motion to refer I yield to the gentleman from Vermont [Mr. Poland.]

Mr. POLAND. Mr. Speaker, I desire to say a word in reference to this subject and to call the attention of Members of the House to it. It is now nearly eight years since a bill was passed for this revision. Three years each have been allowed to two several sets of commissioners to make the revision. A long time and a good deal of money have been spent to get the work in the state of forwardness in which it now is. As my friend from Massachusetts has said, the committee have endeavored to have this revision a perfect reflex of the existing national statutes.

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Mr. POLAND. The expenditures have already all been incurred and the whole expense has been somewhere in the neighborhood of $100,000.

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I will say further, Mr. Speaker, that this work is already printed, and in a very few days at least every Member will be supplied with a copy of the entire work for his examination. It is already in print, but not stitched.

Mr. WOOD. I would ask the gentleman if he is not in error in estimating the expenses which have been involved in this codification, which has been going on for six years, and if it will not exceed twice the sum he names?

Mr. POLAND. Oh, no, sir; we have had two sets of commissioners for three years, at $5,000 each, and one of them was not paid for the full time. That would be $90,000, and then there is something for clerk hire.

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The documents were then referred to the Committee on Revision of the Laws.

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REVISION OF THE LAWS.

[Jan. 14, 1874, p. 646.]

Mr. POLAND. Mr. Speaker, I am directed by the Committee on Revision of the Laws to report a bill (H. R. 1215) revising and consolidating the statutes of the United States in force on the 1st day of December, 1873. I suppose, Mr. Speaker, it is understood by all gentlemen in the House that for a considerable number of years we have had commissioners at work making a revision of the United States statutes; that this work has been completed, laid before the House, and referred to the Committee on Revision of the Laws for examination. The committee now report this work for the consideration of the House.

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This work, as gentlemen know, was done by three commissioners appointed under a law of Congress. Their labors were completed last May. Under a law passed on the very last day of the last session of Congress a subcommittee of the Committee on Revision of the Laws employed Mr. Durant, a lawyer of eminence in this city, to go over this revision and put it in the form of a bill to be brought before the House. The volume I hold in my hand is the work as completed by Mr. Durant, going over the work of the commission. * * * Therefore the committee, when they employed Mr. Durant to go over this work, directed him, in every case where he found that new legislation had been inserted by the commissioners, to strike out such changes. Mr. Durant has, in the main, done this.

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[Page 647.]

Mr. MAYNARD. I suppose the committee, of course, have a written report accompanying this bill, which will set forth all the facts more fully; and if that report be printed it can be examined by Members of the House, which will, perhaps, be entirely satisfactory.

Mr. POLAND. Does the gentleman ask whether the committee has submitted a written report?

Mr. MAYNARD. Yes, sir.

Mr. POLAND. We have not made any written report and do not expect to make any. It would be impossible.

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Mr. POLAND. But the committee have not yet gone through with the entire work. We have examined a considerable portion in reference to which the report is ready to be presented; but there are various chapters we have not yet examined.

We have not gone through with the entire work and expect to devote a great deal more time to its examination. We have, however, enough examined to lay before the House.

[Page 648.]

Mr. G. F. HOAR. I desire to inquire what is the parliamentary attitude of the bill? Has it been reported from the Clerk's desk?

The SPEAKER. The gentleman from Vermont [Mr. Poland], chairman of the Committee on Revision of the Laws, reports this consolidated revision of the laws for some agreement of the House as to how it shall be disposed of.

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Mr. E. R. HOAR. Mr. Durant, of this city, was employed under authority given to the committee at the close of the last Congress.

[Page 649.]

Mr. E. R. HOAR. * * * When we meet for this purpose and we come to a particular chapter, and it is stated that chapter contains no alteration of the law, and the committee has no amendment to suggest from the committee, and no Member present has any amendment to suggest, I do not suppose we need then do more than read it by its title and pass on to the next chapter.

Mr. NIBLACK. I agree with the gentleman, that if we debate it at all we will go on debating it indefinitely, and it will be an endless task. We have to trust the committee in great part. I propose to trust them in every respect, and to vote on this bill as the committee reported it, which is, in my judgment, the most practicable thing we can do. I think we ought to have a reasonable length of time given to Members to examine the subject and to dispose of it in some summary way.

Mr. POLAND. If my friend from Indiana had spent any time on this subject, he would see the utter impossibility of our adopting his suggestion. Now, no one man, no one member of the committee, can go through the whole of this. The work has been parceled out to different members of the committee for their special examination, and each one has some suggestion to make, or some amendment or alteration to move. I have discovered in that portion I have examined some things which I think are not perfect as they stand. We want to amend the work of the commissioners. It is utterly impossible that our suggestions and amendments should be laid before the Members. The work has been printed. It is utterly impossible that Members of this House should know everything about it. While I expect about as much faith will be given to us as my friend from Indiana suggests, I suppose the evening sessions which I propose will be more a session of the committee than of the House; but they will enable the members of the committee who are here, and as many Members of the House as may please to be here, to know about it; and when we go through a chapter, and any amendment is proposed and agreed to, we can then go on to the next chapter. It is utterly impossible that this can all be acted on any other way. We are willing to be out of everybody's way, and therefore I propose a series of evening sessions, which, I suppose, will practically be sessions of the committee.

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Mr. NIBLACK. I desire to say one word in this connection. I do not wish to get rid of any responsibility which attaches to me as a Member of this House in regard to this revision or compilation, for I regard it as more of a compilation of existing laws than a revision of them.

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Any consideration that may be given in this House will be of necessity merely a formal consideration, and will be likely to do more mischief than good.

[Page 650.]

Mr. LAWRENCE. * * * I know, sir, that it is not possible for any one Member to examine the whole volume. It embodies the labors of commissioners for six years, and also the labors of Thomas J. Durant for nine months. Now, the labors of six years and nine months can not well be understood by any one Member of the House. It is utterly impossible that any one Member should go over this volume to ascertain if the work has been rightly done or not. I do not suppose that with all that has been done absolute accuracy has been arrived at. My friend from Indiana [Mr. Niblack] said that he regarded this as rather a compilation of the laws than a revision of the laws. I am not sure that he is quite correct. This is not a compilation of the laws. This

volume does not undertake to present the text of the statutes on any one subject as enacted by Congress. That would be utterly impossible. You have half a dozen statutes on a different subject, one modifying another, and a subsequent statute modifying both, and it is impossible to collect these together and preserve the original text of the laws passed by Congress. As a consequence of that, this revision undertakes to give not the language of Congress but a transcript of the laws; the reviser translates the ideas of Congress in his own words, giving his understanding of the law in his own words, and that I regard as rather a revision than a compilation.

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Mr. POLAND. Well, sir, we will not trouble ourselves about the RECORD at present. The gentleman from Maine [Mr. HALE], who has charge of the naval appropriation bill, is a little impatient, and I am desirous to get this matter disposed of this morning, so as to leave the morning hour of to-morrow to some other committee. I ask unanimous consent that Wednesday and Thursday evenings of each week, beginning with next week, be devoted to the consideration of this measure until disposed of, the House meeting at half past 7, and I am willing that it shall be considered as in Committee of the Whole.

Mr. STORM. The House will meet, I presume, for that business only?

The SPEAKER. For that business alone; nothing else will be considered in order. If there be no objection, the order will be made.

No objection was made.

Mr. Poland moved to reconsider the vote by which the order was made, and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

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[Page 651.]

Mr. POLAND. It is suggested to me that unless some order be made by the House on the subject, the Congressional Printer will be bound to print this revision of the laws in the CONGRESSIONAL RECORD. I had not anticipated any such consequence.

The SPEAKER. The Chair thinks he will not be so bound; he will have to insert merely the title.

[Jan. 21, 1874, p. 819.]

The SPEAKER. Last week the House ordered that on Wednesday and Thursday evenings of each week at half past 7 o'clock there should be sessions to consider the consolidated statutes of the United States, as reported by the Committee on Revision of the Laws. During the consideration of that subject the gentleman from Massachusetts [Mr. G. F. Hoar] will occupy the chair as Speaker pro tempore.

The motion of Mr. Hale of New York was agreed to, there being—ayes 90, noes 55; and accordingly (at 4 o'clock and 15 minutes p. m.) the House took a recess till half past 7 p. m.

EVENING SESSION.

The House reassembled at half past 7 o'clock p. m., Mr. G. F. Hoar in the chair as Speaker pro tempore.

REVISION OF THE STATUTES.

The SPEAKER pro tempore. The House meets this evening for the consideration of the bill reported from the Committee on Revision of the Laws of the United States. It is entitled "A bill (H. R. No. 1215) to revise and consolidate the statutes of the United States in force on the 1st day of December, A. D. 1873."

Mr. POLAND. Mr. Speaker, the general purpose of the committee is very well shown by the title they have agreed upon for this revision. I will take no time to go into the history of this matter. It is known to every gentleman on this floor that for three years we had three commissioners at work revising the statutes of the United States.

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Our statutes had fallen into such a state of almost inextricable confusion that for many years it would have been almost impossible for anyone to ascertain from the statutes what the law was upon any particular subject. These commissioners had three years in which to complete their work. The time expired early in May last. Under the act by which these commissioners were appointed they were authorized to make changes in the law to a certain extent for the purpose of harmonizing the provisions of the statutes, of which liberty they availed themselves to some extent but probably not to any greater extent than by the law they were warranted in doing.

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Mr. BECK. Is this the book as revised by Mr. Durant, or is there a separate report?

Mr. POLAND. That is the volume as revised by Mr. Durant.

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Mr. POLAND. I ask the Clerk to read——

The SPEAKER pro tempore. The question is on the engrossment of the bill. Unless other order is made by the House, the Chair will direct the several chapters of the bill to be read by their titles.

Mr. POLAND. I apprehend, Mr. Speaker, the first question will be on the adoption of this title which the committee has submitted.

The Clerk read as follows:

"House bill No. 1215, to revise and consolidate the statutes of the United States in force on the 1st day of December, A. D. 1873."

Mr. ELDREDGE. If the gentleman will allow me, this volume, which he says contains the whole thing, has no title whatever.

Mr. POLAND. The committee move this title.

Mr. ELDREDGE. That is not in this volume.

Mr. POLAND. It is our first amendment.

Mr. ELDREDGE. Does it come under another erratum? I think the title had better be deferred until we get through with this bill. The title is the last thing in order in legislation.

Mr. POLAND. We desire to establish, in the first place, that this was not a work where there was to be new legislation.

Mr. ELDREDGE. We ought to have the babe before we christen it. [Laughter.]

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The SPEAKER pro tempore. The understanding of the Chair is that the bill has had several readings by its title without objection. The title which has been just reported by the committee is the title read to the House on the second reading of the bill.

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The SPEAKER pro tempore. The Chair will complete his statement, with the leave of the gentleman from Wisconsin. This stands as the title of the bill unless a motion be made to amend it. It will be in order after the adoption of the bill, with or without amendment, as the case may be, to amend the title. This now stands as the title of the bill.

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The SPEAKER pro tempore. The House is not in session as a Committee of the Whole, but is in session as the House in execution of a special order.

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The Clerk proceeded to read the bill.

The following section was read:

"SEC. 3. The word 'vessel' includes every description of water craft or other artificial contrivance used, or capable of being used, as a means of transportation on water. It also includes every utensil for holding liquid or other substances."

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Mr. LAWRENCE. Mr. Speaker, the act of Congress of June 27, 1866, authorized the appointment of three persons, learned in the law, for the term of three years, as commissioners—

"To revise, simplify, arrange, and consolidate all statutes of the United States, general and permanent in their nature." (14 Stats., 74.)

The commissioners were duly appointed, and executed a part of the work assigned them, when the term expired. Congress by act of May 4, 1870, revived the original statute and authorized the appointment of three commissioners to complete the work within three years. (16 Stat., 96.) The commissioners were duly appointed. They were authorized not merely to copy and arrange in proper order and classify in heads the actual text of the statutes in force, but to "supply the omissions and amend the imperfections of the original text."

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[Page 828.]

The amendment was agreed to.

The Clerk read as follows:

"SEC. 82. After the 4th day of March, 1875, no money shall be paid from the Treasury for the publication of the laws in newspapers."

Mr. CONGER. We have made a good start in this good work to-night, and I move that the House do now adjourn.

Mr. POLAND. I would suggest that at the rate we have gone to-night it will take a hundred evenings to complete the work.

Mr. CONGER. I think we had better not discourage Members by keeping them too late the first night.

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Mr. E. R. HOAR. I will say to the Members of the House present, if they think we can safely go on, without the reading, to the end of this title (title 2, the Congress), that I have carefully compared every section in that title, and that there is no amendment to be offered by the committee or by the revisers; and I believe that every section will be found to correspond exactly with the law as it now stands—the laws being recent which apply to the subject—with one single exception. This is in section 89, where the committee propose to strike out three or four words which are wholly unnecessary. That is the whole amendment, to the end of this title, which they propose to make. If it would be in accordance with the wishes of gentlemen present that these chapters under these circumstances should be read by their title, and that we should consider the work completed as far as title 3, commencing on page 28, this would make about the proportion of work we had hoped to get through with to-night. If any gentleman objects, or has any reason to think that there is anything here to which he wishes to call attention, I will not press the suggestion I have made.

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The SPEAKER pro tempore. Does the gentleman from Michigan [Mr. Conger] insist on his motion?

Mr. CONGER. I am under the necessity of objecting to-night to passing over any of these chapters without reading. I may assent hereafter to such a thing being done.

Mr. E. R. HOAR. Then I assent to the motion of adjournment.

The question being taken on the motion to adjourn, it was agreed to; and accordingly (at 9 o'clock and 55 minutes p. m.) the House adjourned.

[Jan. 22, 1874, CONGRESSIONAL RECORD, p. 849.]

EVENING SESSION.

The House reassembled at half past 7 o'clock p. m., Mr. G. F. Hoar in the chair as Speaker pro tempore.

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Mr. SPEER. Has the reading of the bill been dispensed with?

The SPEAKER pro tempore. The bill has had two readings.

Mr. SPEER. In full?

The SPEAKER pro tempore. By title. The Clerk will proceed with the reading of the bill.

Mr. DURHAM. I understood one of the committee who had this branch of the subject under consideration said he could vouch for the correctness of the balance of this title; and if there is no objection, I move that the balance of this title be read only by the titles of the chapters.

Mr. POLAND. The committee, I believe, proposes a slight amendment in section 89.

The SPEAKER pro tempore. If no objection be made, the reading of the sections, with the exception of section 89, will be omitted.

[Page 850.]

Mr. POLAND. Therefore all the legislation subsequent to the 1st day of December is to be an alteration of the law as we will leave it.

Mr. DURHAM. I inquire whether the reading of this, too, can not be dispensed with?

Mr. E. R. HOAR. There is an amendment to be made in the next section.

Mr. DURHAM. Of course, except as you propose to amend it.

Mr. MCCRARY. There is no possibility, and, indeed, there is no necessity, for reading this entire volume through; and when we reach the beginning of each chapter I see no objection to making a general order to read the title only and such sections as may be designated, in reference to which there may be some amendment to be offered, either by the committee or by any gentleman upon the floor. And to carry out that suggestion, I propose to make the following order.

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Mr. POLAND. So far as the committee are concerned, they prefer no order should be made, but that we proceed by unanimous consent. We have no reason to suppose that every Member of the House is not anxious to get on with this work as speedily and as well as it can be done. I think we had better trust ourselves to the House than to have any order made.

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The SPEAKER pro tempore. Unless some order is adopted, under the rules of the House any Member may require the reading of any chapter of the bill, so that nothing will be gained by the course suggested by

the gentleman from Vermont. If the House wishes to adopt the course suggested, an order had better be adopted to that effect.

Mr. CONGER. I believe it is understood by common consent that we shall proceed in the course proposed.

Mr. LITTLE. Mr. Speaker, after several nights of the evening sessions, on April 1, 1874, the Committee on Revision completed its work and the bill was passed, as appears on page 2714 of the CONGRESSIONAL RECORD of that date.

During the evening Mr. Poland presented a written copy of the last chapter of the Revised Statutes on "Repealed provisions," which is the last title of this bill, to be known here as "establishing the code." You will see by the RECORD there that up till that moment those important provisions had not been presented to the House and had never been printed when they were passed and adopted. One Member suggested that they should be sent to the printer and that the House should wait until the next meeting to take them up, but it was decided it would take too much time. So when this code bill was presented 47 years ago the final title did not appear until the last night, and appeared then unprinted, important as it was. After seven years of effort the bill passed the House, the committee having offered its last amendment, and here is the record of that event:

The amendment was agreed to.

Mr. POLAND. I now move the previous question on the bill.

The previous question was seconded and the main question ordered; and under the operation thereof the bill as amended was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time and passed.

Mr. Poland moved to reconsider the vote by which the bill was passed, and also moved that the motion to reconsider be laid on the table. The latter motion was agreed to.

Mr. RANDALL. I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 9 o'clock p. m.) the House adjourned.

This was at the evening session, and the bill then went to the Senate, and the House may be interested in some of the things that happened there, which follow:

REVISION IN THE SENATE.

In the CONGRESSIONAL RECORD of May 25, 1874, Senator Conkling, chairman of the Committee on Revision of the Laws, reported to the Senate H. R. 1215, to revise and consolidate the statutes in force December 1, 1873. He said:

They are now as nearly right as we can hope to get them by any additional process to which they could be subjected.

Senator Martin said:

I inquire whether these commissioners or the joint committee have condensed the statutes, changing their phraseology and clothing them to any considerable extent in new language.

Mr. Conkling said:

The commission find, if you please, a page of sections relating to a particular subject have condensed the true intent and meaning of that page of sections into words as few as they could employ for that purpose. Such has been the aim and object of the work. * * * And although phraseology, of course, has been changed, the aim throughout has been to preserve absolute identity of meaning, not to change the law in any particular, however minute, but to present in miniature or in condensation the law in all its parts, as it was actually found to exist dispersed through 17 volumes of statutes.

On page 4264 of the CONGRESSIONAL RECORD, May 26, 1874, Mr. Conkling moved to proceed to the consideration of the bill:

The PRESIDENT PRO TEMPORE. The bill is before the Senate.

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Mr. CONKLING. Then I ask by unanimous consent the reading of the bill be waived except so far as the reading of specific parts of it may be called for by Senators.

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The PRESIDENT pro tempore. Is there objection? The Chair hears none, and it is so understood.

The Senate adjourned then, leaving this as unfinished business.

In the CONGRESSIONAL RECORD of May 27, 1874, page 4284, the bill was taken up.

The Chief Clerk read title 74, repealed provisions.

The bill was reported to the Senate without debate.

Senator Edmonds inquired as to how sure the committee was that it "does embrace existing law and nothing new," "as we necessarily take this revision entirely on trust?"

Mr. CONKLING. That is not a very easy question to answer. "How sure is the committee?" I scarcely know how to answer that.

Perhaps I should be more candid in my answer if I were to say to the Senator from Vermont that I have no expectation that this work is free from error. I have never known any revision of laws that was.

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I presume errors will be found here, and as they are developed they must be corrected by future legislation.

Mr. EDMONDS. * * * But it is impracticable, as a fact, to do that at this session of Congress; and the question therefore recurs whether we are to let it go or whether we are to take it, as the committee ask us to do, in bulk, without reading or knowing its contents otherwise. I am disposed, for one, to take it, because, as the Senator from New York says, it undoubtedly does contain a very carefully prepared saving of all created and existing rights of everybody; and if there are errors, of course, they can be corrected hereafter, although that is not a good way to legislate as a rule.

Mr. CARPENTER (Mr. Anthony in the chair). The Senator from Indiana says this is a dangerous thing. That is undoubtedly so. It is dangerous to pass any law, because there may be a mistake in it that will harm somebody. That danger is inherent. We can not avoid that difficulty. Every exercise of sovereign power is dangerous in that sense, that if there is an error lurking in it and if it is not discovered it may do harm.

The Senator says this work has been done by three commissioners, and from that he derives an objection to it. I think it would have been an improvement if it could have been done by one competent man. Where you have got one thing to do, whether it be to carve a statue or paint a picture or revise the laws of Congress, if it can be done by one mind, you are more likely to have it correct than you are if it is participated in by more than one.

Now, what does the Senator suppose would become of that revision if it were to come in here and take the fate of ordinary bills in the Senate Chamber? The youngest boy born in this country to-day never would live to see it disposed of. Suppose it were put into installments, part of it taken up one session and part another, by the time you had gone through two or three sessions your accumulated legislation would make a new revision absolutely necessary; you never would end anything and never would come to any conclusion.

Undoubtedly there will be found errors in this revision. There never was a revision made, as the Senator from New York has said, that did not have errors. It is not in the nature of things that the revision of so many statutes should be absolutely perfect. All that we can do is to give it every guaranty that such a work can have that it is correct. The great benefit of it is that it gives us a starting point for the law, and if errors are discovered, as undoubtedly there will be more or less, they are to be corrected by subsequent legislation, and every man, every citizen, every lawyer, every judge knows what he has got to start with to find what the law is. He is to start with that volume, and then subsequent legislation is all he has got to discover. Tell any common man in the complicated relations of official life who is an internal-revenue collector, if you please, or has something to do with the distilling business, that he is supposed to know all the law on that subject and it is to be found in 17 volumes, and he is to be indicted if omits a single particular or mistakes a single provision, and he would as soon go to the insane asylum at once as attempt to wade through it. Now, then, he has got a start. He has got the statute of revision; and then he has got to look to subsequent legislation and nothing else, and is certain he has all the enactments on the subject before him.

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The bill was ordered to a third reading, read the third time, and passed.

Mr. LITTLE. Mr. Speaker, from a glimpse of these old records one gets a good view of just how the House passed the only code the United States ever published. You will readily observe that the care and preparation given that bill does not compare with that given the present bill. The first part of this bill was presented to the House nearly a year and three months ago, so that the Members could read it. Almost a third of it was published so that every Member had an opportunity to read it and every critic a chance to examine it more than eight months ago, and it has been appearing since in galley form continuously. The old bill was not nearly completed when the House began to act upon it and the last great chapter was never printed until after it was passed. This bill must be at least fully as accurate as the other one, which has withstood the storms of almost half a century. At that time except that the committee had read to the House the particular sections comparatively insignificant in number which the committee desired to amend, the bill was read each time by title only. It was conceded that no advantage would be gained by further reading and that if further reading were attempted it would be impossible for the United States to ever have a code, without which their laws would remain scattered as they were then through 17 great volumes. There was no general debate in the House and the moment the committee's last amendment was adopted, the previous question was moved and carried, and the bill was passed, being read by title, and the House adjourned. In the Senate not a line of the bill was read, and less than an hour's discussion occurred. Conkling, Edmonds, Carpenter, Morton, among the greatest lawyers and Senators who ever served our country, took part in those proceedings. In the House, Garfield, Hoar, Beck, Alexander H. Stephens, Butler, Poland, men of equal distinction at the bar and in the councils of the Republic, participated in a discussion of and the adoption of that great measure, all by these almost summary proceedings. That bill possessed no citation at the heel of each section, as does this bill, by which its accuracy can be tested. That bill had no report, and the report in this bill on each section is with the section. We hope that the Members will make examination for themselves. The committee feels that every possible care has been taken and that the bill is as free from the probability of mistake as it can be made, so we present it for the approval of the House, in the hope that the bench, the bar, and the litigants of our country, for the first time in a long generation, may be able to find the law of the land with accuracy and promptness whenever they shall appeal to it.

The committee reports unanimously in favor of the adoption of this Code of the Laws of the United States, and hopes that it may receive the approval of the House at the earliest possible date, so that it may have time for consideration in the Senate.

Mr. MOORE of Virginia. Mr. Speaker, I did not know until this morning that anything would be expected of me in the

way of a statement about this matter, but having been informed that something would be expected, I have made a brief summary of the reasons that influenced the undertaking which our committee has now completed.

The statute law of the United States, which has in the course of time become very extensive, is now to be found in the Revised Statutes—a single large volume—published in 1878 and the many volumes of Statutes at Large published since then.

The passage of this bill, which embodies a complete codification, will gather into one volume of 1,251 pages, exclusive of the index, and containing 10,747 sections, the entire statute law as it was in effect on the 4th day of March, 1919. This volume as now actually printed and submitted for consideration and approval will be furnished with a careful and exhaustive index made in the same manner in which the Statutes at Large are indexed.

The committee—and the credit is due very largely to the able and energetic chairman [Mr. LITTLE]—was led to undertake this compilation work by several facts of a very controlling character, some of which I may indicate.

The mass of statutes, which are scattered through many volumes, for that very reason are not available for quick and easy reference. This makes difficult the ascertainment of the law on any given subject and the use of the law as evidence in the trial of cases.

The publication of 1878 is now out of date, and there has been but a limited distribution of the annual publications. The compilations issued by various publishing companies and individuals are unofficial, and they are expensive, their present cost, as I found this morning by inquiry at a local bookstore, ranging from a maximum of over $100 for an annotated compilation to a minimum of about $10 for the very cheapest compilation now purchasable.

Mr. BEE. Will it interrupt the gentleman if I ask him a question?

Mr. MOORE of Virginia. Not at all.

Mr. BEE. Complimenting the committee on its work, why is not the index included in the volume that has been published as a part of it?

Mr. MOORE of Virginia. The indexing of the Statutes at Large has, I believe, always been done under the direction of the Joint Committee on Printing. This bill, if approved by the President, will, I assume, go into the hands of that committee and the index will be prepared under its supervision.

Mr. BEE. Is it proposed to take these volumes in the pamphlet form that are now supplied and bind them and furnish them to the public at cost price, or what is purposed to be done in the way of general distribution?

Mr. MOORE of Virginia. The thought of some of the members of the committee, I being one of that number, is that when this volume is printed, assuming that the bill is enacted into law, it will be freely distributed among the agencies and officials of the Government, and perhaps also among the courts of record of the various States, and that beyond that it will be available to the public at a cost of not more than $5. The bill is printed in such form—not in the ordinary bill form—that the type or plates used in printing the bill can be used to print as many copies of the volume as are desired or may be directed by Congress.

Mr. BEE. After the bill has been passed and approved.

Mr. MOORE of Virginia. Yes; after the bill has passed and been approved. I was going on to say that the demand for this official compilation, which will be within reach of the public on very easy terms, has been very urgently made by, I think I may say, the general public and by the bench and bar as well as by officials of the Government in the executive branch. Every effort has been made by the committee, as I am in position to testify, to do the work accurately, and I believe it has been done as accurately as is possible. The committee does not, of course, claim to be infallible, but does believe it has produced a codification which is just as dependable as any that has ever been made.

Mr. KINCHELOE. Will the gentleman yield?

Mr. MOORE of Virginia. I will.

Mr. KINCHELOE. In the distribution of these copies will it be possible for the individual lawyer to secure a copy of the Government?

Mr. MOORE of Virginia. There is no thought, I believe, that the distribution or sale shall be made otherwise than by the Government itself. I hope very much that it will be possible for the Government to sell the volume at a price not to exceed $5 and to anyone who wishes to buy it.

Mr. RAKER. Will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. RAKER. I understand the revision brings up to date the law in force up to the adjournment of the last session and excludes all that has been repealed and abrogated otherwise, and that there has been no attempt at amendments or additions.

Mr. MOORE of Virginia. That is correct. We are submitting a compilation or codification and not a revision. It would have been an almost endless and a dangerous task to attempt to do more than compile. The aim has been to reveal in a single volume all of the living law, as it was enacted, without any change that can be regarded as an amendment or addition.

Mr. RAKER. One further question: The material that the committee have accumulated, as suggested by the gentleman from Virginia and also by the gentleman from Kansas when the act was originally enacted with its amendments and additions—when the volume is finally printed, can all of that be inserted at the end of each section so that we can have an entire history of the section?

Mr. MOORE of Virginia. There is such a history afforded by the references given in the individual sections to the statutory sources from which they are derived.

Mr. RAKER. So that if one picks up a section as now printed he will find the history of that statute from the beginning down to the compilation of the act?

Mr. MOORE of Virginia. He will find the history furnished by citation in each section of the enactments that have been consulted in determining that the law is as written in that section. I hope very much that gentlemen may find it practicable to examine the bill before it is brought forward for consideration so that the advantage of their criticism may be had.

WAR TROPHIES.

Mr. KAHN. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill S. 643, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from California asks unanimous consent to take from the Speaker's table the bill S. 643, disagree to all the Senate amendments, and agree to the conference asked for. The Clerk will report the title to the bill.

The Clerk read as follows:

S. 643. An act to provide for the equitable distribution of captured war devices and trophies to the States and Territories of the United States and to the District of Columbia.

Mr. GARD. Reserving the right to object, has the gentleman taken this up with the ranking member of the Committee on Military Affairs?

Mr. KAHN. I have not taken it up with Mr. FIELDS, for I have not seen him here; but I am quite sure that it will be satisfactory to him. I propose to put him on the conference.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER appointed as conferees on the part of the House Mr. KAHN, Mr. MCKENZIE, and Mr. FIELDS.

BALTIMORE DRY DOCKS & SHIPBUILDING CO.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that the Committee on Claims be discharged from the further consideration of the bill (H. R. 1865) for the relief of the Baltimore Dry Docks & Shipbuilding Co. The bill was passed by the Senate March 23 and referred back to the Committee on Claims on March 25.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to discharge the Committee on Claims from the further consideration of the bill H. R. 1865.

Mr. WINGO. What is the necessity for this action?

Mr. EDMONDS. I wish to get the bill through. The Senate took out the clause which the House disagreed to——

Mr. WINGO. The gentleman wants to get the bill before the House?

Mr. EDMONDS. Yes. If my request is agreed to, I propose to make a request to agree to the Senate amendment and let the bill go through.

The SPEAKER. Is there objection?

Mr. GARD. Reserving the right to object, what is the bill?

Mr. EDMONDS. This bill is to send the case to the United States court for adjudication. It grows out of a collision that occurred between two boats. The Senate amendment strikes out the appropriation of money, and if we agree to the Senate amendment there is no appropriation, but it refers the matter to the court for settlement.

Mr. GARD. Is it a bill that the House passed?

Mr. EDMONDS. The House passed a bill with a clause in it appropriating the money. The Senate struck out that clause, and I simply want to agree to that amendment, as it seems to

be the sentiment of the House that we should not appropriate money for these claims.

Mr. MONTAGUE. Mr. Speaker, will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. MONTAGUE. This bill follows one or two precedents, does it not?

Mr. EDMONDS. It follows what the House has agreed to in bills that have passed since this bill passed the House.

Mr. MONTAGUE. There have been several acts on the same subject.

Mr. EDMONDS. Yes.

Mr. BEE. As I understand it, it merely proposes to conform to the Senate views and strikes out the appropriation of money that the House has passed, and let it go to the court, so that the court may adjudicate it, whatever amount may be due.

Mr. EDMONDS. That is correct.

Mr. GARD. What was the original appropriation?

Mr. EDMONDS. It was not an appropriation. It allowed the court to pay the damages, whatever they were.

Mr. GARD. What was the appropriation carried in this bill as it passed the House?

Mr. EDMONDS. None at all. It allowed the courts to pay the damages, whatever were found.

Mr. GARD. I understood the gentleman to say that there was an appropriation and that the Senate struck it out.

Mr. EDMONDS. There was an authority for an appropriation. The bill provided that any decree of the court should be paid out of the money in the Treasury of the United States. That authority was in the bill.

Mr. GARD. And what is the Senate amendment?

Mr. EDMONDS. It struck out that and it allows the court only to adjudicate the claim and report back how much the damage is.

The SPEAKER. Is there objection?

There was no objection.

Mr. EDMONDS. Mr. Speaker, I now move that the Senate amendment be agreed to.

The SPEAKER. The gentleman from Pennsylvania moves that the Senate amendment be agreed to. The Clerk will report the Senate amendment.

The Clerk read as follows:

Page 2, line 7, strike out all after "further" down to and including "further" in line 11.

Mr. WALSH. Mr. Speaker, will the Clerk report the language stricken out?

The SPEAKER. The Clerk will report the language stricken out.

The Clerk read as follows:

That should damage be found to be due from the United States to the owner of said dry dock, the amount of the final decree or decrees therefor shall be paid out of any money in the United States Treasury not otherwise appropriated for: *And provided further.*

The SPEAKER. The question is on agreeing to the Senate amendment.

The Senate amendment was agreed to.

DISTRICT OF COLUMBIA APPROPRIATIONS.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the District of Columbia appropriation bill, with Mr. HICKS in the chair.

The Clerk reported the title of the bill.

The Clerk read as follows:

Office of corporation counsel: Corporation counsel, $4,500; assistants—first $3,000, second $2,500, third $2,000, fourth $1,800, fifth $1,500, sixth $1,500, seventh $1,500; clerk, $1,400; stenographer and typewriter, $1,200; two stenographers, at $900 each; clerk, $720; in all, $23,420.

Mr. BEE. Mr. Chairman, I move to strike out the last word. I notice that the compensation of the corporation counsel is fixed at $4,500. Do the duties of the corporation counsel require all of his time in the discharge of his office? City attorneys all over the United States, in much smaller cities, draw larger pay than that.

Mr. DAVIS of Minnesota. He spends all of his time in connection with the duties of that office and in connection with his duties as counsel for the Public Utilities Commission.

Mr. BEE. Does he receive additional compensation for that?

Mr. DAVIS of Minnesota. He receives $1,000 for that.

Mr. BEE. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

In all, Public Utilities Commission, $43,340.

Mr. GARD. Mr. Chairman, I move to strike out the last word for the purpose of getting some information. Is there any increase in this salary of the executive secretary of the Public Utilities Commission?

Mr. DAVIS of Minnesota. There is not.

Mr. GARD. The Public Utilities Commission, as I remember it, is composed of the personnel of the Commissioners of the District of Columbia.

Mr. DAVIS of Minnesota. That is correct.

Mr. GARD. Has there been any bill from any legislative committee which seeks to make a different Public Utilities Commission than one composed of the Commissioners of the District?

Mr. DAVIS of Minnesota. I do not know of any. It has been suggested; I have heard it rumored that there would be, but I know of none.

Mr. GARD. It would seem to me that the Public Utilities Commission in the District of Columbia, being composed, as it is, of the Commissioners of the District, does not constitute the kind of body which would have the opportunity of devoting the very necessary services which a public utility commission should demand. We are sadly in need in the District of Columbia of better public utilities. We have the very strange situation here in the District of having two street car lines, one line making money, in a thriving condition, and the other with an increased fare unable to make money. The additional fare is thrust upon one street car company and a growing increase in fare is continually asked by the other. The service of the street car companies is not similar. In the past there seems to have been no way by which these different street car companies could be under such supervision by the Public Utilities Commission that would require uniformity of service. Of course, it is true that one street car company has a greater area of traffic in what may be called suburban districts, and possibly that to some extent would control the fact that it seems to be unable to get along in a financial way; but whether that be a thing of immediate interest or not, I take it that the people of the District are entitled to a street car service and a public utilities service which are consistent with the amount of money they are required to spend. We get on one of these cars, if we are successful in getting on at all, and for seven and a half cents, I believe, if we buy four tokens, we are accorded the privilege of carrying these lavallière-like sections around in our pockets, and now one of the street car companies wants us to part with this great privilege and to pay the street car company a straight fare of 8 cents. This is something that affects everybody in the District, and I make this statement to bring it to the additional knowledge of the chairman of the committee to see what information he has. Does he not think that better results could be obtained if we had a well-organized and efficient public utilities commmission composed of others than the Commissioners of the District?

Mr. DAVIS of Minnesota. I hope the gentleman does not want me to denounce the present commission, who act as a utilities commission, for their actions?

Mr. GARD. No; I do not want to denounce anybody.

Mr. DAVIS of Minnesota. Every word the gentleman has said is familiar to me and the committee of which I am a member, every word of it. Now, I know of no objection to these companies uniting, consolidating, and arranging the matter satisfactorily. I know of another way to compel them, and that would be by legislation. I question very much whether the utilities commission under the present law could do it. There has been very much discussion along that line. I agree very much with what the gentleman has said, but I do not believe that the utilities commission as at present organized has neglected their duty as far as the law authorized them to proceed.

Mr. GARD. I do not want the gentleman to understand I have even suggested that they have neglected their duty. My suggestion is that the public utilities law be so amended as to give increased authority for doing those things I think should be done in the interest of the people of the District of Columbia.

Mr. DAVIS of Minnesota. I know the gentleman is right along that line, but it is a matter of legislation rather than anything that should appear upon an appropriation bill, and that is one reason why this committee has not taken this matter up.

Mr. BEE. Mr. Chairman, I move to strike out the last two words. I want to ask the gentleman from Minnesota, if I may have the attention of the chairman of the committee—a moment ago the gentleman said that the salary of the corporation

counsel was taken care of with a thousand dollars additional from the funds of the Public Utilities Commission. I want to ask the gentleman under which heading or item the thousand dollars additional salary for the corporation counsel would be found?

Mr. DAVIS of Minnesota. In lines 9, 10, and 11, page 9, the gentleman will find the following:

For incidental and all other general necessary expenses authorized by law, including the employment of expert services where necessary, $12,500.

Mr. BEE. Who will authorize the $1,000 to go to the corporation counsel?

Mr. DAVIS of Minnesota. The law does.

Mr. BEE. In furtherance of what the gentleman from Ohio [Mr. GARD] has just said, I want to ask the chairman of the committee what are the duties of the Public Utilities Commission in the city of Washington? The street car companies belong to private individuals. What public utilities in the city of Washington are controlled by the Public Utilities Commission, if any?

Mr. DAVIS of Minnesota. Gas, telephone, electric light, street railroads, and a number of others.

Mr. BEE. They all belong to private institutions?

Mr. DAVIS of Minnesota. Yes.

Mr. BEE. This Public Utilities Commission is composed of the present Board of Commissioners——

Mr. DAVIS of Minnesota. By positive law now upon the statute books.

Mr. BEE. I am not much of an advocate of public ownership, but I have often wondered whether it would not be well to experiment on the District of Columbia by owning the street car and telephone systems and take them out of the hands of the people who create the conditions the gentleman from Ohio has so well expressed.

Mr. DAVIS of Minnesota. There is a diversity of opinion along that same line.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For postage for strictly official mail matter, $12,500.

Mr. BLANTON. Mr. Chairman, I make the pro forma amendment to strike out the paragraph.

Mr. DAVIS of Minnesota. Which paragraph?

Mr. BLANTON. The one just read.

Mr. DAVIS of Minnesota. Telephones?

Mr. BLANTON. The whole paragraph that has just been read, for the purpose of calling attention to a matter which I think is pertinent.

Mr. Chairman, Washington newspapers reported in August last that Mr. Joseph H. Hurley, president of the organization of city employees in Washington, demanded of the Commissioners of the District of Columbia that unless a certain specified wage increase was granted within two days to the several thousand employees in his organization they would strike and tie up every public utility in the District. Even water for the whole District of Columbia, with its 455,428 people, was at stake. The commissioners hesitated and asked for more time. Government Conciliators Mahany and Colpoys, from the Department of Labor, being union sympathizers, tried to force compliance and prevent more time being granted. I immediately sent the following telegram:

ALBANY, TEX., *August 6, 1920.*

Hon. LOUIS BROWNLOW and Col. CHARLES W. KUTZ,
Commissioners District of Columbia, Washington, D. C.:

The law and Constitution loving citizens of the United States heartily indorse your action in refusing to be held up and subject Government business to demands of highwaymen. If Government employees strike, then kick them out permanently, as Coolidge did police in Boston, and fill their places with loyal service men. As one Member of Congress I denounce the action of Conciliators Mahany and Colpoys as a disgrace to our Government and grounds for their immediate removal from public office. The first duty Congress owes to the people is to separate all Government employees from striking organizations. The United States must remain the one supreme Union, enforcing law and order and protecting all of its people against selfish class demands.

THOMAS L. BLANTON,
Congressman.

I received the following reply from the commissioners:

ENGINEER COMMISSIONER DISTRICT OF COLUMBIA,
Washington, August 7, 1920.

Congressman THOMAS L. BLANTON,
Albany, Tex.

MY DEAR MR. BLANTON: Beg to acknowledge receipt of your telegram of August 6, in which you indorse the action of the commissioners in refusing to accede to the demands of the City Employees' Union, even when supported by the conciliators of the Department of Labor.

We believe that we are entirely right in the matter, and appreciate your words of commendation.

Very truly, yours,

C. W. KUTZ,
Colonel, Corps of Engineers, U. S. Army,
Engineer Commissioner District of Columbia.

In the last session of Congress we fortunately succeeded in separating the police and the firemen in the District of Columbia from the American Federation of Labor and strike organizations. It is equally as important that we should separate all other employees of this Government from strike organizations, and prohibit them from striking against their Government. Otherwise, sooner or later, we are going to have the disgraceful spectacle of Government employees striking against their own Government.

Let me read you the following from the leading daily newspaper in Wichita, Kans., issue of December 10, 1920:

WILL THE ARMY BE UNIONIZED?

Local No. 215, Fort Benjamin Harrison, Ind., has been formed recently. Its membership is drawn from the quartermaster's department of the detachment of the United States Army stationed at that place.

This local is a part of the National Federation of Federal Employees.

Federal employees throughout the Nation have become pretty well organized into unions, and the main office is at 1423 New York Avenue NW., Washington, D. C. Among the members of this organization are postal employees, railway mail clerks, and various law-enforcement officers of the Government service.

The organization of the labor branch of Federal service is one thing. The organization of public safety officers is another. The unionization of law-enforcement officers recalls the issue brought up on the Boston police strike, and the move to unionize the Army itself is a new and startling one.

What would happen if the United States Army should be entirely unionized and some radical leader should issue an order that was in conflict with the orders of the Government or superior officers? Would the soldier obey his union officer or his Army officer? Could a soldier strike for higher wages? Could he refuse to serve except upon condition that certain demands were granted?

We do not believe this new move is generally known. So far as we have noticed there has been no public statement of the project. It may be well to inquire into the nature and purpose of the enterprise.

I heartily congratulate the United States Senate for passing yesterday the Poindexter bill to prevent strikes on railroads, where the United States mail and our commerce, as well as human beings, are to be protected in the future. We ought to promptly pass that measure as soon as it reaches the House.

The industrial problem with no agreed solution is still the most dangerous menace to our Republic. Every posted statesman knows that here as in Europe organized labor is controlled by foreign radicals in deep sympathy with the Russian Soviet. England, France, and Italy have all been cowed by it ever since the armistice, and can not fight or repel bolshevism because sympathizing unions forbid. Col. House warned in vain. In Italy unions have forcibly taken mines and factories away from the owners, are holding same by armed forces, and threaten to confiscate all industries. Italy's Government seems impotent to protect life and private property. This same doctrine is openly preached and advocated by unions in England, France, and the United States. Labor journals here are still advocating and demanding the Plumb plan, which is to take the $20,000,000,000 of privately owned railroad properties away from the owners and turn it over to the employees. Members of the machinist's union still threaten to take over and confiscate the steel mills. Miners still threaten to take over and confiscate the coal mines. Employees still threaten to take over and confiscate all the factories. All industries are thus menaced by bolshevik threats.

And while the public still sleeps and officials are cowed, unions are successfully carrying out their program. They will support only such candidates who will bind themselves unequivocally in pledged questionnaires answered to their satisfaction.

The soviet procedure of taking over and confiscating all industries is their ultimate goal. They are strengthening their forces through propagation of the closed shop. And this is why Samuel Gompers has recently denounced the Chamber of Commerce of the United States, because in its program to save the Republic from bolshevism it has insisted on the open shop.

On front pages numerous labor journals claim a great closed-shop victory, asserting that by over 75,000 votes Texas conclusively repudiated the open shop. This is not true. Fully 100,000 ardent advocates of the open shop voted for Mr. Neff. Many ignored this question. Many held it in abeyance, deeming other matters of controlling importance. Many did not understand the question or its scope or the full meaning of its descriptive idioms. Many personally disliked its champion. With the closed-shop issue fully understood and fairly before the people of Texas for decision, there would be a majority of more than 200,000 in favor of the open shop, for without it democracy and our Republic are doomed.

During the campaign for governor in Texas it is simply remarkable how many divergent views were expressed over the meaning of the terms open and closed shop, collective bargaining, and sympathetic strikes. Even Senator Bailey, able and usually well posted, displayed unfamiliarity and a want of understanding, for when answering my question 3, which I

publicly propounded to the four candidates for governor, viz, "If elected, will you favor a law prohibiting all sympathetic strikes?" he answered, "No," because he said he believed that a man had the right to quit work whenever he pleased, with or without reason. Such inapropos answer was wholly irrelevant to my question, for in every sympathetic strike there are employees who are perfectly satisfied with their jobs, who have no grievance whatever against their employer, and who don't want to quit work, but who are forced to strike because their union has been influenced to so vote by some other union the members of which have a grievance. And in every sympathetic strike unions ruthlessly break sacred contracts. Unions hold their contracts binding upon and enforceable against employers, but so far as their own obligation is concerned treat contracts as mere scraps of paper. And thus unions make collective bargaining a farce.

What do these labor terms really mean? When employees organized into a union, acting through it or affiliation with other unions, select a common representative to act for them in negotiating the terms of a contract of employment with some employer, such constitutes collective bargaining. No sane public would deny to labor such a right. But a sane public must demand of labor that it respects its contract and performs it, and not treat it as a mere scrap of paper. In recent years labor has broken its contracts at will. There is no recourse. In all of the 6,000 strikes by organized labor during the war, they repudiated a sacred contract, and in all instances made extortionate demands. In the construction of many private buildings the same employees have repudiated their contract repeatedly, forcing a more onerous agreement almost each week, until both owner and builder frequently have been bankrupted before completion. Union representatives have become continual agitators, constantly demanding more and offering less, and assuming the authority of requiring new contracts, even when the employees are perfectly satisfied and are ignorant of such new demands.

Labor has well said that the open shop is the antithesis of the closed shop. The two can not exist together. No employer ever voluntarily consented to maintain a closed shop. There never has been an agreement mutually entered into between the employees and the employer for him to maintain a closed shop. In every case through coercion and intimidation the employer has been forced to thus agree, and thereby lose his right to run his own business, but he invariably passes all of the extra expense on to the public.

The open shop is where the owner at will employs either men or women, and whether union or nonunion, or both, just as he prefers, and exercises his own initiative in the conduct of his business, and has the right at will to specially reward service that is more than ordinarily efficient, and to discharge any employee who renders inefficient service. His employees may contract that he shall open and close at certain hours, that he shall furnish them with certain facilities and conveniences, and that they are to do only certain kind of work. It is a place where every American citizen has equal rights and an equal show without having to join a union.

The closed shop is one where the owner is permitted to employ only union members and where he must conduct his business strictly in accord with specifications dictated in a contract by union representatives; where he is not permitted to discharge any of his employees except his foreman; where he is prohibited from rewarding special efficiency or industry; where he can not change his business system without permission; where all complaints must be decided by union representatives; and where employees strike, walk out at will, refuse to work themselves, and refuse to permit anyone else to work in their places, who picket the establishment and assault and designate as "scabs" every honest American who is willing to earn a living by taking the job, and who will kill and murder and destroy by dynamite before they will let the employer resume business without granting all their demands.

In every controversy between labor and capital the public has paid the bill. All expenses and increases are regularly passed on to the public. Every concession granted is but another burden to be borne by the public. The time has come when the public must be safeguarded. The rights of the public must be held paramount to the rights of both capital and labor. We must force capital and labor to justly settle their differences in a way that will not further disturb the peace of the public. We must require capital to pay a living wage, and we must require labor to earn it by giving service worth it.

But what must be done and what is the solution for this industrial problem? Congress and State legislatures must bravely do their duty. They must quit truckling. The following action must be taken:

Unions must be forced to incorporate and made responsible for their contracts and all lawless acts.

Unions must be forced to purge themselves of all lawlessness, radicalism, and anarchy.

Sympathetic strikes must be prohibited by law.

Picketing of business establishments must be made a serious offense and stopped.

All police and firemen must be forced to separate from striking organizations and strikes by them prohibited.

It must be made a serious offense for any person to threaten, intimidate, or in any way interfere with any other person in their right to work.

Our boycott laws must be made to apply to labor as well as to capital.

The decision of the railway board must be made binding upon employees as well as the railroads. And railroads must be permitted to demote and discharge all inefficient or unsatisfactory employees to insure good service.

Intimidations forcing closed shops must be stopped.

Much of the above must be done by State legislatures as on account of State rights Congress will be prohibited from acting. Our governors and legislatures must follow the splendid example set by Kansas and protect the public from broils between labor and capital.

The late census gives the United States a population of 105,000,000 people. There are 5,000,000 members of unions and 100,000,000 people who do not belong to any union. Surely the rights of the 100,000,000 are superior to the rights of the 5,000,000. Nevertheless unions are now maintaining a strict boycott against the rest of mankind. Their labor journals now are weekly exhorting members of unions not to wear a garment that has not the union label in it, not to patronize a barber shop that is not union, not to buy a newspaper than is not made by a union plant maintaining a closed shop; to trade only at stores friendly to unions and which carry out union requirements. In building construction they will stop work if a single item of material is purchased from a nonunion store. They are instructed to employ union doctors, union dentists, and patronize union teachers where they are accessible. While members of unions feed and fatten off of the other 100,000,000 people whom they designate as "scabs," they boycott them all the time.

The open shop must be maintained throughout the United States. Chambers of commerce in every city must awake to the danger that menaces our Republic, and fight fire with fire. If organized labor can not successfully compete with unorganized labor, and offer to the public an equal amount of efficient service for each dollar paid, then organized labor must suffer, just as every lawyer, doctor, preacher, teacher, editor, and farmer suffers when he is not able to compete with his neighbor.

And Mr. Chairman, we owe it to the people of the United States to establish the American principle of the open shop here in the Nation's Capital. Requiring employees to join a union in order to hold their jobs here is a disgrace. To show you that after all a Congressman who will stand up and fight for all the people, and against class rule, is respected by labor organizations, I want to read to you a letter of commendation I received from Mr. Joseph H. Hurley, president of the City Employees' Association here in Washington, just 10 days after I telegraphed the commissioners here not to give in to their demands.

[City Employees' Association, Locals 127–128, affiliated with the National Federation of State, City, Town, and County Employees. Organized 1907. Office, 1311 G Street NW., rooms 306–307; phone, Franklin 3711. (Union seal 51.).]

WASHINGTON, D. C., *August 17, 1920.*

Hon. THOMAS LINDSAY BLANTON,
Member of Congress, Seventeenth District, Abilene, Tex.

DEAR MR. CONGRESSMAN: This organization, which is made up of the employees of the District government, at its last meeting took up your record since coming to the Congress of the United States as a Member. It gives me great pleasure to announce to you that nothing was uncovered which could be considered as at all discreditable to you. We went into consideration of your record as it pertained to labor very thoroughly, and whilst we differed with you in some respects as concerned minor matters, in the main we find that as regards the larger aspects of labor your votes and speeches were consistently used for the interest of those who toil with their hands.

We, of course, are aware that certain organizations and interests have been captiously critical of you, but our investigation has not justified them in the continuance of this attitude. We believe that men like yourself who are filling high positions should not be subject to harassment at the hands of those who have selfish interests to be served.

In the opinion of the men and women who work for the city government in this the Capital City of this great Nation, the interests of the seventeenth congressional district of Texas, nor any other district represented in Congress, has ever been more worthily and faithfully served than by the present incumbent from the seventeenth, yourself, and it is our hope that the intelligence displayed in sending you here in 1916 will continue to manifest itself for many years to come, and will eventuate in sending you to the Senate when Senator CULBERSON retires in the near future.

Very sincerely, yours, JOSEPH H. HURLEY,
President.

That shows you that if a man will stand up and act for all the people of the United States, although this union may fight you for a while, after calm reflection it will stand by you and with you, as many of the good union men did in my district in reelecting me by a good majority. I want to ask you if we are not going at this session to take action which will protect this Government from strikes against it by the public utility employees of this country, the employees of the Government and the Army and Navy. Do not you remember in that book on anarchy which William Z. Foster wrote, and which was printed and sent broadcast throughout this land, that his confederate, Jacob Margolas, the anarchist attorney who was disbarred from practice in Pittsburgh, advocated boring from within by unionizing every police officer, every Government employee, and the Army and the Navy? We ought to take steps right now to stop it. We have got to maintain an open shop in the United States. We ought to begin here in Washington with the United States Government. It is American to maintain an open shop, where every American citizen, man and woman alike, has an equal opportunity and advantage without joining a union and be subjected to the rules and regulations of that union, and where the whole business and commerce of this Government is dictated to by a little handful of class individuals. I appeal to my colleagues to stand here like men when that Senate bill comes here that was passed yesterday, and pass it by unanimous consent. And at the same time, as soon as opportunity offers, pass a law here that will separate every Government employee from striking organizations.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

For carrying out the provisions of the act entitled "An act to authorize the Commissioners of the District of Columbia to remove dangerous or unsafe buildings and parts thereof, and for other purposes," approved March 1, 1899, to pay members of the board of survey provided for therein, other than the inspector of buildings, at a compensation of not to exceed $10 for each survey, and to pay the cost of making safe or removing such buildings upon the refusal or neglect of the owners so to do, the unexpended balance of the appropriation made for this purpose for the fiscal year 1913 is reappropriated for the fiscal year 1922.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. How much is this unexpended balance at the present time, this 1913 appropriation mentioned at the top of page 17, for removing dangerous and unsafe buildings?

Mr. DAVIS of Minnesota. It is quite small. It is not very large. They have the $10,000. I could not tell you until I look at the hearings. I will look it up and let you know in a little while.

Mr. WALSH. Is it considered necessary that we continue this money available for this purpose?

Mr. DAVIS of Minnesota. I think so. They wanted more. I think it is within the limit of $10,000. They thought they ought to have more than that in case of emergency. In fact, they wanted it double and treble that, but we cut them down to the bone.

Mr. WALSH. Have they expended some money each year since 1913?

Mr. DAVIS of Minnesota. Very little. But there might be an emergency arise in which they would want to spend $5,000 or $10,000. It does not do any harm to let it lie there.

Mr. WALSH. It seems to me if this is to be a continuing fund for an emergency the best way to do is to make an appropriation each year rather than carry over an appropriation from 1913.

Mr. DAVIS of Minnesota. I have no objection, and I did not have any at the time, to striking out the entire matter, so far as that is concerned; but it is just as easy to reappropriate as to make another appropriation. There is no special difference.

Mr. WALSH. That is so with a lot of these appropriations. They might be handled that way. It seems to me if this is to be a permanent part of the functions of the commissioners they ought to come in and get an appropriation each year and not ask to have an appropriation made seven or eight years ago continued available. They ought to be able to close their books up each year on all these matters.

Mr. DAVIS of Minnesota. If the gentleman wants to make a point of order, I will not object.

Mr. WALSH. I will not insist on the point of order. I will withdraw the reservation of the point of order, which I did not make.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Court of Appeals Building: For fitting up the top story and basement of the Court of Appeals Building to provide accommodations for the office of the recorder of deeds, including material and labor and each and every item incident to such work, $22,000, to be available immediately. This work and the expenditure of this sum shall be under the supervision and direction of the Superintendent of the Capitol Building and Grounds.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the paragraph. How did the Appropriations Committee bring in an item like this?

Mr. DAVIS of Minnesota. I will state to the gentleman that when this new building of the Court of Appeals was erected it was the intention not only to house the Court of Appeals but the recorder also. The Appropriations Committee has been surprised that that was not done. The building was constructed at considerable expense. Now, in the arrangement and the partition of the building among the judges, clerks, and so forth, of the Court of Appeals, they have taken up all the room except the basement, and since then we have been paying $6,000 a year as rent for the Recorder of Deeds. Now, we have made this appropriation to rearrange the basement and supply the deficiency and have stricken out the $6,000 for rent each year. In other words, we will save the entire amount of this rent in a little over three years. That is what we have done it for.

Mr. WALSH. That is all right, but your committee has not any jurisdiction.

Mr. DAVIS of Minnesota. All right. Strike it out, and we will continue to pay the $6,000.

Mr. WALSH. That is all right. These people should come to recognize now that the appropriation should be made by one committee, and legislation must be asked for by the other committees of the House.

Mr. CRAMTON. Mr. Chairman, I understand there is an authorization for this item.

Mr. WALSH. For fitting up the top story and basement?

Mr. CRAMTON. Yes, sir; in the overhauling of that and the building. The Court of Appeals Building has just been extensively remodeled.

It is my understanding that that authorization would include this as well. The Court of Appeals Building, as the gentleman understands, is a large building, which at the present time is occupied only by the Court of Appeals, a court of three members.

Mr. WALSH. Well, the Court of Appeals Building was transformed or refitted under authority carried some few years ago, and that work has been completed, and they have moved in there, and have expended money within the amount set aside for the purpose This is asking for an additional appropriation which does not come within the authority originally conferred. It is asking for an additional appropriation beyond the amount authorized to be expended for refitting and reconstructing and rearranging this building.

Mr. CRAMTON. The gentleman understands that very frequently an authorization is passed and the appropriations under it are made from time to time. In this particular case the building was remodeled, and a part of it, the third floor, has not been completed, and that being now available for the use of the register, if put into condition, the committee thought it wise to complete the improvements of the building in that way.

Mr. DAVIS of Minnesota. I will state to the gentleman that I have sent for the clerk to the committee to bring the authorities, so that if you will pass this over for a few moments I think we can clear it up.

Mr. WALSH. Mr. Chairman, I ask unanimous consent that this item be passed over temporarily without prejudice, with a point of order pending.

Mr. TILSON. There are probably plenty of idle committees sitting around here that probably have jurisdiction of this matter, and it should be shown that this item is authorized by law. Otherwise it should go out on a point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

District Building: For fuel, light, power, repairs (including $8,000 for special repairs to the roof), laundry, mechanics, and labor not to exceed $5,000, and miscellaneous supplies, $42,500.

Mr. WALSH. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Massachusetts reserves a point of order on the paragraph.

Mr. WALSH. What is this special item of $8,000, repairs for the roof of the District Building, on page 19?

Mr. DAVIS of Minnesota. My understanding is that the roof is leaking badly. They have to keep 40 or 50 pails there now to prevent the leaking roof from injuring the building.

Mr. WALSH. They had $35,000 last year for repairs of this building.

Mr. DAVIS of Minnesota. Since then the roof has been leaking very badly.

Mr. WALSH. Since they spent that money?

Mr. DAVIS of Minnesota. Yes. I think about $8,000 is needed for repairs on the roof.

Mr. WALSH. But what is the need of carrying the language, "including $8,000 for special repairs to the roof," when they have language already in there that will permit them to make repairs to any part of the building?

Mr. DAVIS of Minnesota. The point is to specifically state it, so that next year, when we make an appropriation, we can strike out the $8,000 and not add it to the $42,500. This was put in for that reason.

Mr. WALSH. Mr. Chairman, I will withdraw it.

The CHAIRMAN. The point of order is withdrawn. The Clerk will read.

The Clerk read as follows:

Bridges: For construction and repair, including the allowance to the overseer of bridges for the maintenance of an automobile for use in performance of his official duties of not to exceed $30 per month, $25,000. This appropriation shall be available for repairing, when necessary, any bridge carrying a public street over the right of way or property of any railway company, or for constructing, reconstructing, or repairing in such manner as shall in the judgment of the commissioners be necessary reasonably to accommodate public traffic, any bridge required to carry or carrying such traffic in a public street over the right of way or property of any canal company operating as such in the District of Columbia, on the neglect or refusal of such railway or canal company to do such work when notified and required by the commissioners, and the amounts thus expended shall be a valid and subsisting lien against the property of such railway company or of such canal company, and shall be collected from such railway company or from such canal company in the manner provided in section 5 of an act providing a permanent form of government for the District of Columbia, approved June 11, 1878, and shall be deposited in the Treasury to the credit of the United States and the District of Columbia in equal parts.

Mr. GREEN of Iowa. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GREEN of Iowa. Mr. Chairman, I do so simply for the purpose of inquiring of the chairman with reference to who is responsible for the atrocious condition of the so-called parks between the Union Station and the Senate Building, and whether that is looked after under the appropriation in this bill. This may not be the proper place, but I do not know where else inquiry should be made.

Mr. DAVIS of Minnesota. It is not. There is nothing in this bill, at least, about it. The matter has not been called to our attention at all.

Mr. GREEN of Iowa. Is that under the jurisdiction of your committee?

Mr. DAVIS of Minnesota. I can not say, but I hardly think it is. I think Congress appointed a special commission to look after that and clear off that particular plaza between the Union Station and the Capitol; and, as I told the gentleman the other day, I could not remember, but I rather think that our friend, the gentleman from Illinois [Mr. CANNON], is a member of that commission and could tell you something about it. But nothing of that kind has been called to the attention of the Subcommittee on the District of Columbia since I have been a member of that committee.

Mr. GREEN of Iowa. Who pays the expense, and how are the expenses of this commission paid? Is there no appropriation?

Mr. DAVIS of Minnesota. There is no appropriation that I know of, unless it would be carried under the sundry civil bill. I think perhaps the chairman of the committee [Mr. GOOD] could tell the gentleman. But there is nothing in the District of Columbia bill, or in the legislative, executive, and judicial appropriation bill, concerning it. Those are the only two subcommittees I am on.

Mr. GREEN of Iowa. Does the gentleman think this would be a matter for the attention of the Committee on the District of Columbia, or what committee?

Mr. DAVIS of Minnesota. Perhaps that, or the gentleman might make inquiry of the chairman of the sundry civil subcommittee. Matters of that kind are usually carried in that bill, amounting to several hundred million dollars. I think if the gentleman will inquire of the chairman of the committee, Mr. GOOD, he could tell the gentleman. I am informed that if there is any particular item of street cleaning needed, the commissioners see that the streets are kept clear. The removal of a building would have nothing to do with it.

Mr. GREEN of Iowa. After these buildings are removed I should think it would be a park matter. Does the gentleman's bill cover park matters?

Mr. DAVIS of Minnesota. It does, but there is nothing connected with that in this bill.

Mr. GREEN of Iowa. Has the gentleman no appropriation in his bill for that?

Mr. DAVIS of Minnesota. We have no appropriation for that at all.

Mr. GREEN of Iowa. Part of this region was cleaned up at one time, but under what appropriation it was carried I do not know.

Mr. DAVIS of Minnesota. I think perhaps it was carried in the sundry civil bill.

Mr. GREEN of Iowa. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Hereafter the jurisdiction and control of the Highway Bridge across the Potomac River, including appropriations and employees, shall be under the Commissioners of the District of Columbia.

Mr. WALSH. Mr. Chairman, I reserve a point of order on that paragraph.

The CHAIRMAN. The gentleman from Massachusetts reserves a point of order on the paragraph.

Mr. WALSH. I would like to ask the committee the reason which prompted them in reporting this piece of permanent legislation on an appropriation bill.

Mr. DAVIS of Minnesota. I will say to the gentleman that we reported this same provision last year, and it went out on a point of order. It is subject to a point of order.

Mr. WALSH. That is what will happen to it now.

Mr. DAVIS of Minnesota. I will ask the gentleman to make the point of order if he desires to; but I will say this, that the War Department has come before us for two different years now and requested that it be taken out of their hands. We make all the appropriations for it, but we have no control over it. They do not want it. They desire to get away from it.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. WALSH. Yes.

Mr. TILSON. Why does not the gentleman from Minnesota instruct the War Department that under the rules of this House jurisdiction of legislation along that line is conferred upon some other committee, and in addition to that the subcommittee over which the gentleman so ably presides has plenty of other work to do, to consider the amounts appropriated, and that it ought not to be compelled to go into the matter of considering legislation.

Mr. DAVIS of Minnesota. I wish the gentleman would make the point of order. It will relieve me from the responsibility.

Mr. TILSON. If it will relieve the gentleman, I will. There is an able Committee on the District of Columbia that is not overworked.

Mr. DAVIS of Minnesota. I know that.

Mr. TILSON. The gentleman's committee is overworked, and I do not think it ought to begin putting legislation on these bills under the new régime.

Mr. DAVIS of Minnesota. The gentleman is causing the committee more trouble by not making the point of order immediately than he would if he made it at once.

Mr. TILSON. If it will facilitate matters, I will do so.

Mr. CRAMTON. If the gentleman will withhold it for one moment, I think it ought to appear in the RECORD that the reason for the committee placing this provision in the bill is that the District Commissioners have a bridge engineer and other employees available, and they can save two or three thousand dollars a year by making this transfer.

Mr. TILSON. I am not going into the merits of the proposition. I assume that the disposition of this matter which has been made by the committee is a proper one. I have no doubt of that, but I do have serious doubt as to the propriety of this committee going into the matter at all. The committee has plenty of other work to do, and there are other committees in this House under whose jurisdiction this work should be done. The Committee on Appropriations ought not to take all the legislative duties away from other committees.

Mr. CRAMTON. If the gentleman will allow me, the chairman of the Committee on the District of Columbia [Mr. MAPES] is present, and I think he will join with us in stating that his committee is not deprived of all its work. That committee has sufficient work to do, and he will not interfere with any step in the direction of economy in Government expenditure, even though the initiative does not come from his committee.

Mr. TILSON. The gentleman's colleague [Mr. MAPES] is a very modest man and will not attempt to claim any additional jurisdiction for his committee; but I have no doubt that if the jurisdiction is left with him and his able committee, he will doubtless cause all proper matters to be considered.

Mr. SISSON. Will the gentleman yield?

The CHAIRMAN. The gentleman from Massachusetts [Mr. WALSH] has the floor. Does the gentleman from Massachusetts yield?

Mr. WALSH. I yield to the gentleman.

Mr. SISSON. I want to ask the gentleman from Connecticut [Mr. TILSON] if he does not think that when the time of the House and the time of the Senate is so much engrossed in other matters a little item like this, which has been carried heretofore, ought to be attended to in the appropriation bill and not in a separate bill introduced by a legislative committee? To illustrate, as has been stated on the floor, all the other bridges of this character are now under the control of the Commissioners of the District of Columbia. The money is already appropriated in this bill to care for it. The War Department does not want it.

In the early history of the Republic the War Department controlled the building of these bridges. This is nothing but a hold over from the old régime, and it ought to have been taken over a good many years ago; but, like the clock winder that we had and like the man who carried the snuffbox up to the Vice President's chair up to the time that Jim Sherman became Vice President, these little things hang on. The result is that they come to the attention of the Committee on Appropriations. The suggestion is made by the War Department, and the commissioners realize that they ought to have it, and we put it in the bill solely because it ought to have been in the bill many years ago.

There is another little item where money is now due to the District of Columbia for the use of a bridge. There is a law for the charge, but there is no law for the collection of the half cent per passenger for the use of the bridge. It is another small item that is not important in itself; but when you begin to multiply these bills and these little items it takes up time. We have been most careful to keep out of this bill all sorts of legislation. In fact, there are a good many things that I think ought to have gone into it which are not in it because the committee left them out.

Mr. TILSON. The gentleman understands that there has been a change in the rules?

Mr. SISSON. We understand that.

Mr. TILSON. There are Members who doubt the wisdom of that change and whether it will work well or not. There is one thing certain: If it develops that all legislative power is gradually gravitating to the Appropriations Committee it certainly will not be permitted to work by the membership of this House.

Mr. SISSON. The gentleman from Connecticut is a good legislator, and I know that he does not want to make any captious objections.

Mr. TILSON. I do not; but this is a question of the rules with me.

Mr. SISSON. I understand; but that means legislation of a substantive character. Now, there are so many of these little items that may come up that will never be remedied in the world if we wait for legislation. We are cutting out the legislation from all of the bills that I have anything to do with, so that they contain less legislation than they ever have before. I believe that the infinitesimal amount of legislation on this bill is negligible.

Mr. DAVIS of Minnesota. We are cutting legislation out.

Mr. SISSON. Yes; we are cutting it out, but when there has been any legislation of any magnitude the committee has conferred in the past with Mr. JOHNSON of Kentucky, the chairman of the committee, and now with the gentleman from Michigan, the present chairman, as well, and if there was the least objection to it we have left it out of the bill. Little items like this mean that these little evils will go on——

Mr. TILSON. Does not the gentleman think that it means that the other committees, like the one that the gentleman from Michigan [Mr. MAPES] presides over so ably, will take up these matters and work them out? We should educate the people so that when they want anything in the way of legislation they will go to the proper committee and not to the Committee on Appropriations.

Mr. SISSON. You do not have to teach us anything, because we are already doing that, but when these little matters come up, if the House desires that they shall continue to remain as they are, it can so determine. But these little items mean a great deal in the expense of the Government, where by a slight amendment of that kind you can correct the situation and have an orderly administration.

Mr. DAVIS of Minnesota. If you do not do it, this law will remain on the statute books until the gentleman and I are dead.

Mr. WALSH. Mr. Chairman, I make the point of order.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

Section 12 of the act entitled "An act to provide for eliminating certain grade crossings on the line of the Baltimore & Potomac Railroad Co. in the city of Washington, D. C., and requiring said company to depress and elevate its tracks, and to enable it to relocate parts of its railroad therein, and for other purposes," approved February 12, 1901, is amended by adding thereto the following:

"And such tax shall be a lien, until paid, upon all the property of such street railway company and may be enforced in the name of the District of Columbia by a bill in equity brought by the Commissioners of said District in the supreme court of said District against such street railway company; and in addition thereto the District of Columbia shall have all common-law remedies for the collection of such tax and shall be entitled to those provided in paragraph 12, section 6, of the act entitled 'An act making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1903, and for other purposes,' approved July 1, 1902."

Mr. WALSH. Mr. Chairman, I make a point of order on the paragraph.

Mr. DAVIS of Minnesota. Mr. Chairman, I wish to make a short statement. The present law authorizes the tax of one-half a cent for each passenger hauled across the bridge on the railway. For the last two years that tax has not been paid, and I do not know of any accounting that has been made to the Commissioners of the District. I am informed that there is a balance of about $60,000 due the District of Columbia now for this unpaid tax, and there is no way under the present law, as I understand, of enforcing collection. So this was put on simply for the purpose of expediting the collection of this tax through the court. If the gentleman insists on his point of order, this will go on for three or four years before the District can get at it. We put this in simply to aid the District in enforcing the lien upon the $60,000. I assume that it is subject to a point of order.

Mr. BUCHANAN. If the gentleman will yield, I want to say that recently they not only have refused to pay the tax of one-half a cent for each passenger carried across the Government bridge on the street railway, but they have refused to make an accounting of the number of passengers for which they are liable. It is important that this law be passed by some committee as soon as possible, so that the Government can collect this tax.

The CHAIRMAN. The point of order is sustained, and the Clerk will read.

The Clerk read as follows:

For the purchase or condemnation of a piece of ground to take the place of the present site of Park View playground, $32,000.

Mr. WALSH. Mr. Chairman, I reserve a point of order. Where is this proposed site and what has become of the present Park View site?

Mr. DAVIS of Minnesota. I will read the hearings on that matter as it is very short.

Mr. DAVIS. The next item is:

"For the purchase or condemnation of a piece of ground to take the place of the present site of Park View playground, $32,000."

Miss BOARDMAN. The Park View playground is a piece of ground in lot 1. The area is 64,000 square feet. It is directly across from the Otis School, and north of the Park View School. It is the only vacant piece of ground near the school, and the school itself has no playground. The board of education and the superintendent of public schools have gone on record as favoring the purchase of this ground for a playground.

Mr. BUCHANAN. For the school, or for the playgrounds?

Miss BOARDMAN. It is used for the schools, the Park View School particularly.

Mr. SISSON. It is several squares from the school, is it not?

Col. KUTZ. Immediately across the street, and just north of the school. It is now used as a playground, and is covered with playground apparatus.

Miss BOARDMAN. It is directly across Otis Street and north of the Park View School.

Mr. SISSON. Is there a street in front of the Park View playground, or is it a vacant lot?

Miss BOARDMAN. There is a street.

Mr. WALSH. That gives no intimation as to what has become of the Park View playgrounds.

Mr. DAVIS of Minnesota. There never was a Park View playground that amounted to anything. They need this as additional playground to take its place. The trouble with many of the school buildings is that they were built without any playground, but now they are short of playgrounds and we have tried the best we could to help them.

Mr. WALSH. I can not understand from the hearings and the language in the bill what they are trying to do.

Mr. CRAMTON. They are now using vacant land under a temporary lease, and they may lose the use of that land at any time. It happens that the site they have in mind to buy is the land that they are now using and some additional land adjacent to it; but it would not be desirable to put it in the bill requiring them to buy that one particular piece of land, and so we simply authorize them to buy a piece of land to use for a playground in place of what they are now using. They anticipate that they will acquire the land that they are now using.

Mr. WALSH. Does the gentleman think they could secure the land they are now using under the language of this bill?

Mr. CRAMTON. There is no question about it.

Mr. WALSH. I do not think they could; however, if they take other land, they may be able to do so.

Mr. CRAMTON. The gentleman would not want to limit them to that one particular piece of property and place them at the mercy of the owner?

Mr. WALSH. They are going to condemn it, are they not?

Mr. DAVIS of Minnesota. If it is necessary, they will condemn it.

Mr. WALSH. Then, if they condemn it, they would not be at the mercy of the owner.

Mr. CRAMTON. They do not always proceed through condemnation, and, of course, prefer not to.

Mr. WALSH. Mr. Chairman, I withdraw the reservation.

The Clerk read as follows:

For the purchase or condemnation of a piece of ground to take the place of Logan playground, $17,000.

Mr. WALSH. Mr. Chairman, I make the reservation of the point of order for the purpose of asking if this is a similar case?

Mr. DAVIS of Minnesota. It is.

Mr. WALSH. As I understand from the hearings, they are using the site and they wish to make a purchase.

Mr. DAVIS of Minnesota. Yes; the same thing.

Mr. WALSH. I withdraw the reservation.

Mr. DAVIS of Minnesota. I will state to the gentleman that the object of putting the condemnation proposition in is in order to assist in making a better purchase price. If the parties know they can and will condemn, if they can not make a favorable bargain with them, it serves to influence the purchase price. That is one reason we put it in.

The Clerk read as follows:

For placing wires of fire alarm, telegraph, police patrol, and telephone service underground in existing conduits, including costs of cables, terminal boxes, and posts, connections to and between existing conduits, manholes handholes, posts for fire-alarm and police boxes, extra labor, and other necessary items, $5,000.

The CHAIRMAN. Without objection, a comma will be inserted after the word "manholes," page 32, line 11.

There was no objection.

The Clerk read as follows:

Americanization work: For Americanization work and instruction of foreigners of all ages in both day and night classes, including a principal, who, for 10 months, shall give his full time to this work, at $1,800 per annum, and teachers and janitors of Americanization schools may also be teachers and janitors of the day school, $12,000.

Mr. WALSH. Mr. Chairman, I reserve the point of order. What is the authorization for this particular class of work, and what is the committee's definition of "Americanization"?

Mr. DAVIS of Minnesota. It is a course of instruction prescribed by the school board. They have it absolutely under their control, and they have prescribed the entire course. They educate foreigners to try to make them Americans. For instance, one thing is to teach them how to answer questions put to them when they become naturalized. The point I make is that they have been given $12,000 when they should have been given $30,000.

Mr. WALSH. What is the authority for it? Is it community work?

Mr. DAVIS of Minnesota. This is not the community-center work.

Mr. WALSH. I suppose it is a part of the night school system?

Mr. DAVIS of Minnesota. This is the same authority that the school board have for everything that they do.

Mr. WALSH. I withdraw the point of order.

The Clerk read as follows:

For payment of necessary expenses connected with the organization and conducting of community forums and civic centers in school buildings, including equipment, fixtures, and supplies for lighting and equipping the buildings, payment of janitor service, secretaries, teachers, organizers, and clerks, and employees of the day schools may also be employees of the community forums and civic centers, including maintenance of automobile, $35,000: *Provided*, That not more than 60 per cent of this sum shall be expended for payment of secretaries, teachers, organizers, and clerks.

Mr. WALSH. Mr. Chairman, I reserve the point of order on the paragraph. What authorization is there for the expenditure of money for community forums and civic centers in school buildings?

Mr. DAVIS of Minnesota. Of course, the gentleman understands that this matter is all controlled by the board of education.

Mr. WALSH. I do.

Mr. DAVIS of Minnesota. I will read the law. Chapter 165 is an act to regulate the use of public-school buildings and grounds in the District of Columbia. It provides:

Be it enacted, etc., That the control of the public schools of the District of Columbia by the board of education shall extend to include and comprise the use of public-school buildings and grounds for the pupils of public schools, other children and adults, for supplementary educational purposes, civic meetings, for the free discussion of public questions, social centers, centers of recreation, and playgrounds. The privilege of using said buildings and grounds for any of said purposes may be granted by the board upon such terms and conditions and under such rules and regulations as the board may prescribe. The board of education is authorized to accept on written recommendation of the superintendent of the schools free and voluntary service of teachers of the public schools and other educators, lecturers, and social workers, officers of the United States and the District of Columbia: *Provided*, That teachers of the public schools shall not be required or compelled to perform any such service or solicited to make any contribution for such purpose: *Provided further*, The public-school buildings and grounds of the District of Columbia shall not be used for any purpose whatsoever other than those directly connected with the public school system.

Mr. WALSH. Mr. Chairman, I do not hear anything in there about community forums or civic centers.

Mr. DAVIS of Minnesota. Those phrases perhaps may not be used, but it seems to me that this act covers them. It comprises the use of the public-school buildings and grounds by the pupils of the public schools and other children and adults for supplementary educational purposes, civic meetings for the free discussion of public questions, social centers, purposes of recreation, and playgrounds. That is a good definition of the community-service work. I am willing to stand on that as being the work they do. I think it is duly authorized by law.

Mr. WALSH. Mr. Chairman, I think the language of the act clearly indicates that there is no authorization whatever for it. The act specifically provides that the board of education is authorized to accept free and voluntary service of school-teachers. The item in the bill carries an appropriation for necessary expenses, including the payment for janitor service, secretaries, teachers, and so forth. This act the gentleman from Minnesota has cited is for the occasional use of school buildings for purposes outside of the ordinary school instruction, such as discussion of a public question and using the playgrounds for recreation centers. That is all very well, but it is quite different from the proposition of making appropriations out of the Federal Treasury to pay teachers for work in connection with "conducting community forums and civic centers in school buildings." There is no authorization there to pay teachers for work done in this fashion. These community forums and civic centers are in a sense a fad with certain would-be reformers. We have them in every city in the United States, and if we were to adopt all their recommendations the Federal Treasury and the State treasuries would soon be depleted. It seems to me clear under the act to which the gentleman has referred, which was approved the 4th of March, 1915, that there is no warrant for carrying in the District bill an item such as this, which would apparently initiate and put upon a permanent basis a system of community forums and civic centers in school buildings, paying teachers for work there and calling for an appropriation of $35,000.

The CHAIRMAN. Will the gentleman from Minnesota please refer to the page of the statute that he quoted?

Mr. WALSH. Page 1190, volume 38, part 1, chapter 165, third session of the Sixty-third Congress.

Mr. SISSON. I suggest to the chairman that he send that to the Chairman of the Committee of the Whole.

Mr. DAVIS of Minnesota. I would simply read this language, "Civic meetings for the free discussion of public questions," which they do. "Social centers," which they do.

Mr. WALSH. What do they do?

Mr. DAVIS of Minnesota. Social centers? Why, what is usually a social center? They entertain those who are there in these large assembly rooms, both the young and the old. That is a social center. "Schools of recreation and playgrounds." I believe this community-service work is universal, as the gentleman says, all over the United States. I will admit it has increased in this instance, and I understand they have entertained, educated, and discussed matters to over 50,000 people in this city of that nature in the last year. That is my information. I send this statute to the Chair.

The CHAIRMAN. The Chair has it now.

Mr. DAVIS of Minnesota. I believe I am correct in saying that over 50,000 people, young and old, have been entertained and educated as best they can in this way.

Mr. WALSH. How do they use an automobile in connection with the work?

Mr. DAVIS of Minnesota. Well, this is simply one automobile used in going from one to the other of these meetings. There are 10, 15, or 20 of these civic centers at school houses on different evenings and different afternoons. They have at least a dozen of these meetings going, some in the afternoon and some in the evening, and the automobile is to convey, for instance, the official secretary around to see that the meeting is properly conducted in a proper, orderly manner for the best interests of those entertained. It is only one small automobile—a Ford at

that. It is a flivver; I do not know whether you call it an automobile or not.

Mr. WALSH. I do not know what a flivver is.

Mr. DAVIS of Minnesota. It is something made in Michigan——

Mr. SISSON. Mr. Chairman——

The CHAIRMAN. Does the gentleman from Massachusetts yield?

Mr. SISSON. I am asking for recognition.

The CHAIRMAN. The gentleman from Massachusetts still has the floor.

Mr. WALSH. I have no objection to the gentleman discussing the point of order; I reserved it.

Mr. SISSON. Mr. Chairman, the act which the chairman of the committee sends to the desk is the act under which in 1915 this item first went into the bill, and it has been carried in the bill under that authorization from the passage of that act down to this time. The Chair will note that this whole work is under the control of the board of education, and the act provides for the use of public-school buildings for this purpose, and under that authority from that date to this, as has been stated by the chairman of the committee, this activity has been conducted.

The CHAIRMAN. Will the gentleman allow the Chair to ask a question?

Mr. SISSON. Certainly.

The CHAIRMAN. From a casual reading of this law passed in 1915 it would appear that the authorization to use these buildings was granted, but the Chair does not find anything in the law which relates to the expense to be borne by the Federal Government.

Mr. SISSON. Does not the Chair think it would be an et sequitur that if there is a certain activity it must necessarily follow that the authority to carry the activity into force has been carried with the act? Now, if the Chair will go and look at the Army activities he will find it carried any number in the same language. I happened to have occasion to look into that during the consideration of the Army bill which is now in progress, and the authority for an activity of the Government is et sequitur in that you must have an appropriation to carry the activity into effect. Then the other question suggested is this: This is under the control of the board of education, and they select these officials, and it is essential in order that the school property should be used for the purposes indicated by the board of education that some one must be there for the purpose of conducting the activity in accordance with the direction of the board of education and in accordance with that law for the preservation of the school property and the use of it for that purpose. While the activity is conducted by the community itself, and, as suggested by the gentleman from Massachusetts, the various cities throughout the United States carry these activities on their tax roll, it is nothing more or less than an activity under the direction of the schools, and in order that the school property might be used for that purpose the school board appointed these people for the purpose of directing and controlling the activities under their direction for which the school buildings are authorized to be used.

The CHAIRMAN. Does the gentleman from Mississippi desire further to discuss the point of order?

Mr. SISSON. I have discussed it all I care to, and I think there is sufficient authorization under this statute for doing just exactly what they do in these community centers.

The CHAIRMAN. Do I understand the gentleman from Massachusetts reserved the point of order or made it?

Mr. WALSH. I make the point of order.

The CHAIRMAN. Does the gentleman from Massachusetts desire to discuss the point of order any further?

Mr. WALSH. No; Mr. Chairman, except to show, if the Chair will permit me, what they have done and to what limits they have gone in this work as shown by the hearings. In some activities they have had candy pulls, masquerades, parties, picnics, birthday parties, minstrel shows, card parties, motion pictures, recitals, lecture on "Children I have known." Those organizations, many of them of course——

Mr. DAVIS of Minnesota. Has the gentleman read all, or only picked out a few?

Mr. WALSH. I will put them all in the RECORD if the gentleman desires, or I will read it all if it is desired.

Mr. DAVIS of Minnesota. They had much more than the gentleman has recited there.

Mr. WALSH. Well, now we will take one. The community's secretary reports, "Connecticut Avenue and McKinley Street—Lecture on current events, wild flower lectures, stereopticon lectures, community buying, distribution and sale of war food, assisting teachers on opening of schools, community sings, Red Cross card parties, entertainments, reception on opening of new school building, Woodland recital, Red Cross meeting, lectures on Russia, Washington, Children I have known; Arts Club plays, Chautauqua course, motion pictures, Boy Scout band. Those are the activities——

Mr. DAVIS of Minnesota. They are pretty good, are they not?

Mr. WALSH (continuing). That are conducted under the Girl Scouts and Boy Scouts, and boys' and girls' dancing class, and the Civic Center Association, and Parent's Teachers Association. Yes; it is pretty good. But it is being paid for out of the Federal Treasury. It is about time we began curtailing some of these activities. There is no more reason why we should pay for a lecture to those people who attend that community center than there is why we should pay for it in the gentleman's district or why we should pay for it in any other State of the Union. There is no more reason why the people of this particular center should have a lecture on the children that the lecturer has known than they should have a lecture up in the gentleman's district at the Government expense, upon the children they have known up there.

Mr. DAVIS of Minnesota. I will say that my home State is paying a part of this.

Mr. WALSH. Oh, yes; but it is a very small part that the great State of Minnesota pays for this.

Mr. DAVIS of Minnesota. It pays as much as Massachusetts does.

Mr. WALSH. I doubt it. I think, however, the statute clearly does not authorize any such programs as have been outlined in this report. While it authorizes the use of the buildings for this purpose, it clearly does not authorize the expenditure of the setting up of an organization to carry out the work.

Mr. MANN of Illinois. Mr. Chairman, I suppose there are frequently lectures in the public schools in the District of Columbia and elsewhere. If there are not, there ought to be. Certainly no one would contend that a teacher who presided over a room where a lecture was had was violating the law by drawing her salary for the day that she attended. Why is not this a part of the school work and treated as such? The authority of law was given for the use of these school buildings for community centers. The work that is being carried on is as much school work as any other work that is being carried on by the schools. It may not be the learning of A, or B, or C in the primary grade, but it is much more educational in many respects than the study of algebra or geometry is. No one will contend that they are not a necessary part of instruction in many cases. It seems to me this is a part of the school work for which an appropriation should be made as is made for other school work.

Mr. WALSH. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. WALSH. Does the gentleman think that instruction in dancing is a part of school work?

Mr. MANN of Illinois. Just as much as instruction in playing baseball or football, and the gentleman will not contend that the students who play football for the different high schools here in the District and elsewhere in the country are violating the law because they use the schoolrooms?

Mr. WALSH. Does the gentleman think that instruction in card playing or card parties is a part of school work?

Mr. MANN of Illinois. Just as much as they are a part of the duty of a Member of Congress.

Mr. WALSH. The gentleman evades the question.

Mr. MANN of Illinois. Oh, no; I do not.

Mr. WALSH. Oh, yes.

Mr. MANN of Illinois. Not at all. It is a very direct answer.

Mr. WALSH. It is an evasive answer.

Mr. MANN of Illinois. I do not need such instruction. I never had any education in that way, and I do not play cards. Probably I would be better off if I did, or probably worse off than some Members that I know.

Mr. MILLER. Will the gentleman yield?

Mr. MANN of Illinois. I will.

Mr. MILLER. Several of the brethren here are inquiring where that school is which furnishes instruction in cards.

The CHAIRMAN. The Chair will rule. The Chair has no desire to be captious in his ruling or too narrow in his interpretation of the law. He realizes the importance of activities of this kind, as suggested by the gentleman from Illinois [Mr. MANN]. It is probably a proper and very desirable part of our educational system to have the activities as provided for in this paragraph. The Chair is troubled, however, from the parliamentary standpoint, in endeavoring to find the authorization in existing law for the expenditure of money for this purpose. In

this paragraph it states that the payment for expenses shall include "equipment, fixtures, supplies for lighting and equipping" the buildings. In looking at the law the Chair fails to find any authorization for the expenditure of money for those purposes. The Chair can find no authority other than for the use of the buildings, not for the expenditure of money in their upkeep and maintenance. It has been suggested that the matter of maintenance should be implied in the law. The Chair does not feel justified in going that far, and while the Chair feels that these activities are very essential and very proper, he feels compelled to sustain the point of order. The Clerk will read.

The Clerk read as follows:

Major and superintendent, $4,500; 2 assistant superintendents, at $3,000 each; 3 inspectors, at $2,400 each; 12 captains, at $2,400 each; chief clerk, who shall also be property clerk, $2,400; clerk (who shall be a stenographer), $1,800; 2 clerks (who shall be stenographers), at $1,500 each; clerks—1 (who shall be assistant property clerk) $1,200, 1 $1,200, 3 at $1,000 each, 1 $700; 4 surgeons of the police and fire departments, at $1,600 each; additional compensation for 35 privates detailed for special service in the detection and prevention of crime, $16,800, or so much thereof as may be necessary; additional compensation for 14 privates detailed for special service in the various precincts for the prevention and detection of crime, at the rate of $120 per annum, $1,680, or so much thereof as may be necessary; additional compensation for 1 inspector or captain and 1 lieutenant detailed for special service in the detection and prevention of crime, at $400 each; 21 lieutenants, one of whom shall be harbor master, at $2,000 each; 56 sergeants, one of whom may be detailed for duty in the harbor patrol, at $1,800 each; privates—501 of class 3 at $1,660 each, 214 of class 2 at $1,560 each; 89 of class 1 at $1,460 each; amount required to pay salaries of privates of class 2 who will be promoted to class 3 and privates of class 1 who will be promoted to class 2 during the fiscal year 1922, $16,031.99; 9 telephone clerks, at $900 each; 18 janitors, at $600 each; laborer, $720; messenger, $600; inspector, mounted on horse, $540; 38 captains, lieutenants, sergeants, and privates, mounted on horses, at $540 each; motor vehicle allowance to 20 sergeants and privates, at $480 each; 64 lieutenants, sergeants, and privates, mounted on bicycles, at $70 each; driver-privates—31 of class 2 at $1,560 each, 5 of class 1 at $1,460 each; amount required to pay salaries of driver-privates who will be promoted to class 2 during the fiscal year 1922, $1,200; 6 police matrons, at $720 each; in all, $1,656,291.99.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

I do so, Mr. Chairman, for the purpose of asking a question. The policemen and the firemen of the District of Columbia are the only Government employees who do not have one day off each week. Of course, it would be impossible to lay all of them off on Sunday, but with regard to all other employees, where it is necessary for one to work on Sunday, they are given at least one week day off in seven. I understand the policemen and firemen are not granted the usual vacation leave of 30 days like most of the other employes of the Government are granted. In other words, they have no vacation, no leave. And I wanted to ask the chairman if some such provision could not have been made in this bill? I know the answer is that it is legislation, but the chairman can not answer me that way when he has had three pieces of proposed legislation knocked out of the bill on points of order. If the committee can put in three pieces of legislation which are objectionable here, could not the committee have put in one piece of legislation which, I take it, would not be objectionable to any Member of the Congress? Certainly the Members of Congress would be willing for the policemen and the firemen, who perform arduous duties and service, to have one day off each week.

Would the committee object to an amendment carrying that provision into this bill or would a point of order be made against it? If not, I would like to offer an amendment that would cover it.

Mr. DAVIS of Minnesota. I will state to the gentleman that if that amendment that he suggested were put in the bill it would require an additional force to the fire department and the police department, an increase of one-seventh in number and expense. Furthermore the matter of the police and firemen was thoroughly canvassed at the last session of Congress, and legislation was had upon it, and their salaries were very materially raised, more so than those of any of the other employees of the District of Columbia other than those in the schools. That was all done, and then this matter that you speak of now was thrashed out, as I understand, before the legislative committee and denied. We could not put that in unless we raised the number of policemen and firemen one-seventh, so that I think that is a matter of legislation of so much importance that this committee would not be justified in attempting to put it in.

The other matters that were put on were matters of saving to the District of Columbia. For instance, this matter of collecting $60,000 from the street railway company in connection with the bridge down here was to obtain from $60,000 to $100,000. That was the object of putting it in. Here you would add an expense of two or three hundred thousand dollars, and the committee did not think it advisable to attempt that thing.

Mr. BLANTON. When it comes to doing the right thing by an individual, the fact that it costs money is not, in my judgment, a valid excuse for not doing it. These men are entitled to one day off a week; I think they are clearly entitled to it. There is not a day or night when some members of the police force and of the fire department of the District do not risk their lives in the interest of the service. They should have a day off. Yet simply because it requires an additional force it is denied. I am in favor of economy, but I say let us pay the extra one-seventh.

Mr. DAVIS of Minnesota. At the last session of Congress we gave them two platoons in the fire department, cutting down the hours, and so forth. That has all been taken care of.

Mr. BLANTON. Yet every fireman and policeman on those forces works eight hours a day, seven days in the week, every month in the year, and I do not think that is any answer or excuse. I hope that the legislative committee will see to it that before this short session of Congress ends justice and right shall be done to the police and the firemen's force in this District. I am for economy, as I said, but I am in favor of this proposition to do justice to the policemen and firemen of the District of Columbia.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For one aerial hook and ladder truck, motor driven, $14,500.

Mr. WALSH. Mr. Chairman, I reserve a point of order on lines 22 and 23.

The CHAIRMAN. Will the gentleman wait until we have finished reading one more item?

Mr. WALSH. No. I reserved a point of order on line 22 of page 58.

The CHAIRMAN. The gentleman from Massachusetts reserves a point of order.

Mr. WALSH. I would like to ask a question in reference to that item and the next two, whether these are new pieces of apparatus that are desired or are they to replace something else? Is that a new departure?

Mr. DAVIS of Minnesota. I would state that in line 22, "for one aerial hook and ladder truck, motor driven," that is for the purpose of replacing a horse-drawn truck, and such is the case with the item on line 24. That is for the same purpose, to replace a horse-drawn vehicle by a motor-driven vehicle. It is held that it will give better service and be more economical.

Mr. WALSH. Is that the gentleman's position and the position of the committee?

Mr. DAVIS of Minnesota. Yes. The authority to do so has not been questioned before.

Mr. WALSH. The gentleman thinks if Congress gives them the authority to buy a horse-drawn vehicle they can go out and buy a motor-driven vehicle?

Mr. DAVIS of Minnesota. Yes. I have not heard it questioned before. We have done it, and have done it in all branches of the Government. About 60 per cent of all the vehicle activities of the Government are now motor-drawn, about 40 per cent are horse-drawn. We are trying to do away with horse-drawn motive power as fast as possible.

Mr. WALSH. In what government?

Mr. DAVIS of Minnesota. The government of the District, the fire department. About 60 per cent of the vehicles are now motor drawn.

Mr. WALSH. Mr. Chairman, I withdraw the reservation.

The CHAIRMAN. The reservation of the point of order is withdrawn. The Clerk will read.

The Clerk read as follows:

To be expended only in case of emergency, such as riot, pestilence, public insanitary conditions, calamity by flood or fire or storm, and of like character, and in all cases of emergency not otherwise sufficiently provided for, in the discretion of the commissioners, $8,000: *Provided*, That in the purchase of all articles provided for in this act no more than the market price shall be paid for any such articles, and all bids for any such articles above the market price shall be rejected and new bids received or purchases made in open market, as may be most economical and advantageous to the District of Columbia.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MANN of Illinois. Mr. Chairman, may I ask how much of this emergency fund has been spent either for the last fiscal year or for the current fiscal year?

Mr. DAVIS of Minnesota. I believe they spent $3,000 last year.

Mr. MANN of Illinois. Is that for a real emergency, or are they building up some service under this which requires a permanent expenditure of the money every year?

Mr. DAVIS of Minnesota. Here was the cost of roping Pennsylvania Avenue for the Czecho-Slovac parade, July 18, 1919, $125; Washington Asylum and Jail, plumbing at hospital, $1,000; health department, repairs to pound motor wagon, $300; salaries for temporary laborers in pound, $320; purchase of formaldehyde, $700; removal of brick wall at sand wharf and cleaning and filling of site, $650; total, $3,095.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

Pay of bailiffs: For not exceeding one crier in each court, of office deputy marshals who act as bailiffs or criers, and for expenses of meals and lodging for jurors in United States cases and of bailiffs in attendance upon same when ordered by the court, and per diems of jury commissioners, $28,000: *Provided*, That the compensation of each jury commissioner for the fiscal year 1922 shall not exceed $250.

Mr. WALSH. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Massachusetts moves to strike out the last word.

Mr. WALSH. What have the jury commissioners been receiving heretofore?

Mr. DAVIS of Minnesota. Each one of them receives $600. This is a limitation that they shall not receive more than $250.

Mr. WALSH. I notice that the appropriation has been increased by some $800, and you put a limitation upon the pay of the jury commissioners. What is the necessity for the increase?

Mr. DAVIS of Minnesota. The jury commissioners were not paid at all prior to April, 1920. Then they were raised to $1,800. Now we have cut them down to not exceed $250.

Mr. WALSH. Three jury commissioners?

Mr. DAVIS of Minnesota. Yes. They used to sit five days, at $10 a week. We thought it was excessive. We thought it should not exceed $250 apiece.

Mr. WALSH. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. HUSTED having taken the chair as Speaker pro tempore, a message from the Senate, by Mr. Craven, Chief Clerk of the Senate, announced that the Senate had passed bills and joint resolution of the following titles, in which the concurrence of the House of Representatives was requested:

S. 1302. An act for the relief of John H. Rheinlander;

S. 3031. An act to appropriate $1,189.35 for the relief of the Southern Iron & Metal Co., Jacksonville, Fla., for salvage material consisting of submarine cable purchased from the War Department;

S. 4526. An act to amend section 501 of the transportation act, 1920;

S. 4572. An act granting to the city and county of Honolulu, Territory of Hawaii, a right of way over and across the Fort De Russy Military Reservation, for the purpose of extending its sewer system; and

S. J. Res. 172. A joint resolution authorizing and directing the Secretary of War to sell a certain parcel of land known as Fort Jackson, at New Deptford, on the Savannah River, Ga.

The message also announced that the Senate had passed without amendment bills of the following titles:

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia; and

H. R. 7900. An act for the relief of Rudolph L. Desdunes.

The message also announced that the Senate had passed with amendments bill of the following title, in which the concurrence of the House of Representatives was requested:

H. R. 7930. An act to provide for the treatment in hospital of diseased alien seamen.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

The committee resumed its session.

The Clerk read as follows:

National Training School for Girls: Superintendent, $1,200; matron, and 4 teachers, at $600 each; overseer, $720; 2 parole officers, at $600 each; 7 teachers of industries, at $480 each; engineer, $720; assistant engineer, $600; night watchman, $480; 2 laborers, at $300 each; in all, $11,880.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word. I wish to ask the chairman of the committee a question in connection with this school. Are the girls who are inmates of it, all of them, residents of the District of Columbia?

Mr. DAVIS of Minnesota. Not all of them. Some of them are committed by Federal courts.

Mr. NEWTON of Minnesota. That is, some of them are juveniles committed by Federal courts outside of the District?

Mr. DAVIS of Minnesota. Yes.

Mr. NEWTON of Minnesota. Can the gentleman inform me just what proportion are from outside?

Mr. DAVIS of Minnesota. I can not. Most of them are from the District—a very few from outside.

Mr. NEWTON of Minnesota. About how many inmates are there in the institution at present?

Mr. DAVIS of Minnesota. The clerk of the Committee on Appropriations informs me that the average daily attendance is about 160.

Mr. NEWTON of Minnesota. I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Gallinger Municipal Hospital: For continuing construction of the Gallinger Municipal Hospital, $500,000.

Mr. WALSH. Mr. Chairman, I move to strike out the last word. Has the contract been entered into for the construction of this hospital?

Mr. DAVIS of Minnesota. It has. They are now constructing the psychopathic ward and have contracts for building the power house and everything connected with it. We have increased the limit of cost. Originally it was $500,000, and then we increased it to $1,000,000, and we have since made it $1,500,000. This appropriation leaves $400,000 yet to be appropriated.

Mr. WALSH. There will be $400,000 still to be appropriated?

Mr. DAVIS of Minnesota. After this; and we have given them in this appropriation all they can actually use this year.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Hospital for the Insane: For support of indigent insane of the District of Columbia in St. Elizabeths Hospital, as provided by law, $800,000.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word. I should like to ask about this item for the maintenance of St. Elizabeths Hospital for the Insane. There was a good deal of talk some time ago in the newspapers about their not having adequate guards out there. Does this appropriation carry enough to enable them to maintain an adequate number of guards to keep the inmates of the asylum within the grounds?

Mr. DAVIS of Minnesota. This appropriation is for the care, custody, and maintenance of District of Columbia patients. The other items for the hospital are carried in the sundry civil appropriation bill.

Mr. NEWTON of Minnesota. This does not have any relation at all to the employment of the guards?

Mr. DAVIS of Minnesota. This appropriation is governed by the law, so much per capita for so many patients. The other matters, in relation to guards, and so forth, are all taken care of in the sundry civil bill.

Mr. BRIGGS. And they have no relation to this item?

Mr. DAVIS of Minnesota. No.

The Clerk read as follows:

For maintenance, including superintendence, custody, clothing, guarding, care, and support of prisoners; rewards for fugitives; provisions, subsistence, medicine, and hospital instruments, furniture, and quarters for guards and other employees and inmates; purchase of tools and equipment; purchase and maintenance of farm implements, live stock, tools, equipment, and miscellaneous items; transportation; maintenance and operation of means of transportation, and means of transportation; supplies and labor; and all other necessary items, $95,000.

Mr. BLANTON. I move to strike out the last word, for the purpose of making an inquiry about this appropriation of $95,000. Does not the chairman of the committee think that the amount to be expended for each purpose enumerated in this paragraph ought to be specified? Ought we not to specify how much shall be spent in one way and how much in another? Here are a number of items, and at the bottom of the paragraph there is a blanket appropriation of $95,000.

Mr. DAVIS of Minnesota. It is pretty hard to designate the items, because of the uncertainty as to the number of prisoners. The amount is gauged by the number of prisoners. The amounts are itemized in the estimates.

Mr. BLANTON. That is not the point.

Mr. DAVIS of Minnesota. I will give the gentleman the items.

Mr. BLANTON. My point is this: I understand that probably there are enough items in here upon which this sum could be expended, but would it not be better to specify that so much shall be spent upon such an item and so much upon another, because under this blanket appropriation they could, if they saw fit, expend the whole $95,000 upon any one of the various items enumerated?

Mr. DAVIS of Minnesota. No; the items are specified in the estimates, and they have got to conform to those.

Mr. BLANTON. Have they got to conform to the estimates, or to the authorization?

Mr. DAVIS of Minnesota. To the authorization, which is based upon the estimates. They must comply with it. That is all there is to it. Let me read these items:

Food, $40,000.
Clothing, $12,500.
Furniture, $800.
Medical supplies, $1,000.
Laundry supplies, $800.
Stables, farm, and garden, $24,000.
Transportation, $2,900.
Miscellaneous, $12,000.

The one item in there that is not particularly designated is the miscellaneous item of $12,000, and the expenditure under that item, as I say, will depend largely upon the number of inmates and patients they have.

Mr. BLANTON. I do not intend to be captious about the matter or to waste time unnecessarily, but I am seriously asking the chairman if he does not believe that it would have been preferable to have incorporated the various items contained in the estimates in this paragraph of appropriations.

Mr. DAVIS of Minnesota. If we did that, this bill instead of containing 100 pages would contain 500 pages.

Mr. BLANTON. As to the question of pages, the chairman admits that this bill appropriates $19,878,012.99; that the last appropriation bill appropriated $18,373,004.87, which is $1,505,008.12 less than the present bill, and for the fiscal year 1917, which was the war year, the total appropriation was $12,842,216.10. In other words, the present bill is the largest District appropriation bill ever appropriated in the history of Congress, because it is $7,035,796.89 more than the bill during the war Congress of 1917. In such a big bill as this why quibble about having a few more pages in it in order to be explicit and show these fellows how they should and can expend the money and to what extent.

This is quite a little item, and we ought to cut out appropriations in blanket form and specify exactly how we want the money spent. Then we are going to stop waste, then we are going to stop extravagance, then we are going to stop officials crowding over and running over the express will of Congress.

Mr. DAVIS of Minnesota. I want to say that the increase in the amount of this bill is due largely to the increase in the amount for school building of a million and a half and a half million for the Garfield Hospital. That accounts for $2,000,000 of the increase. Then we have added to the amount for streets. I showed in my remarks on the bill where three or four millions of the increase went, and it was not in little specific items of detail. It would be impossible to detail all the items as the gentleman mentioned.

Mr. BLANTON. The chairman fails to catch the point. My point is that we ought to stop blanket appropriations. If it is necessary to appropriate, do so, but be sure that we are going to have the money spent just as Congress expects it to be expended.

Mr. DAVIS of Minnesota. I feel pretty sure that it will be.

Mr. ANDREWS of Nebraska. Mr. Chairman, I move to strike out the last two words. I do that to call attention to the ordinary method of accounting in items of this sort. The Book of Estimates in the hands of the accounting clerk will rest side by side with the total appropriations, and it is the duty of the auditing officer to hold such items within the amount specified in the estimates. The Book of Estimates becomes an itemized statement under the appropriation and will be just as effective in the line of proper auditing as if you put the whole matter in the body of the bill.

Mr. BLANTON. Suppose you have one item of $95,000 and another item of $100,000 in the estimates, and we will suppose that the committee cuts the estimates by putting a paragraph in the appropriation bill giving $95,000 under that head. I want to ask the gentleman if under the authority given by Congress that bureau if it saw fit could not use the $95,000 that was appropriated for one specific item in the estimates and let the other $100,000 item go?

Mr. ANDREWS of Nebraska. The Book of Estimates will designate the items or things contained in the $95,000, and those contained in the $100,000 total when properly made up. I take it for granted that it is in proper form in this instance. Whenever there is any modification in that particular there should be a specific elimination of one item and the addition of others. If this should not appear, however, then the average can be struck in the process of auditing and the distribution can be made on that basis.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 7. That on and after July 1, 1921, all fees, fines, and other miscellaneous items of revenue theretofore required by law to be paid into the Treasury of the United States to the credit of the United States and the District of Columbia in equal parts shall be paid for each fiscal year into the Treasury of the United States to the credit of the United States and the District of Columbia in the same proportions as appropriations for the expenses of the government of the District of Columbia for such fiscal year are paid from the Treasury of the United States and the revenues of the District of Columbia; and all collections on account of special assessments for public improvements for which assessments are levied according to the law shall be paid into the Treasury of the United States to the credit of the United States and the District of Columbia in the same proportions as that used in paying for the work for which the assessment was levied.

Mr. DAVIS of Minnesota. Mr. Chairman, I desire to offer the following amendment to the section.

The Clerk read as follows:

Committee amendment: On page 95, strike out the remainder of the section after the word "as," in line 1, and insert in lieu thereof the following: "The appropriations used in paying for such assessment are charged, respectively, against the revenues of the District of Columbia and the Treasury of the United States."

Mr. DAVIS of Minnesota. Mr. Chairman, the auditor of the District of Columbia suggested the amendment in order to make the language more definite, plain, and clear. I can not imagine that there will be any objection to it. The language stricken out left it a little indefinite. This simply clarifies the language. I do not think it is subject to a point of order, and I think it is very essential that it should be put in.

Mr. WINGO. Will the gentleman explain what the change is?

Mr. DAVIS of Minnesota. The change is in order to make it conform to the change of law on the 60-40 proposition. The language in the bill hardly applies, and this makes it plain that it is only a 60-40 proposition.

Mr. WINGO. In other words, this is to make it definite and certain that the expenditures shall be on the 60-40 basis?

Mr. DAVIS of Minnesota. Yes; and the amount to go into the Treasury shall be in the same proportion.

Mr. WINGO. Oh, the receipts back into the Treasury shall be in the same proportion?

Mr. DAVIS of Minnesota. Yes. It is more definite, and the auditor suggested it himself.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. MANN of Illinois. How is this money being paid back now?

Mr. DAVIS of Minnesota. On matters that were appropriated for on the 50-50 basis they go back on the 50-50 basis, and under the 60-40 basis they go back under the 60-40 basis.

Mr. MANN of Illinois. This says on and after July 1, 1921.

Mr. DAVIS of Minnesota. Yes; in the appropriation law we are now acting under.

Mr. MANN of Illinois. I understand that, but it does not take in current appropriations.

Mr. DAVIS of Minnesota. No.

Mr. MANN of Illinois. I asked how they go back in.

Mr. CRAMTON. Mr. Chairman, if the gentleman will permit, in the current appropriation law in some places provision was made that these receipts should go back in on the 60-40 basis. In some cases that provision was not made, and in that case they go back under the 50-50 basis, although the District may have provided 60.

Mr. MANN of Illinois. A few years ago I called the attention of the House to a very anomalous situation which then existed, and which has since been corrected, where we made appropriations to carry on certain functions of the District government, half of which were paid out of the National Treasury. They received various reimbursements, all of which went into the District treasury. That has been corrected. But now as to the current business of which 60 per cent comes out of the District treasury and 40 out of the Federal Treasury, it will go back in, I suppose, on the 50-50 basis, because this provision is not applicable to the current law. I am not caring which is done, but I could not see why they should not take effect after the passage of this bill.

Mr. CRAMTON. Some of those were taken care of in the current law. I can not state just which ones they are now, but they were not all provided for.

Mr. MANN of Illinois. I think not any of them were taken care of in the current appropriation law, because I have no notation to that effect, and I have compared the current law with the present bill.

Mr. CRAMTON. I shall take pleasure in calling the attention of the gentleman to one or two cases that were provided for in the current law.

Mr. MANN of Illinois. I shall take pleasure if the gentleman will show me anything in the current law on that subject that is not repeated word for word in the present bill.

Mr. WINGO. Was it finally decided that under the present current law payments into the Treasury would be on a 60-40 basis? That is the question that the gentleman from Illinois raised—that the pending proposition covers the next fiscal year. The proposition raised by the gentleman from Illinois is, What is the present practice with reference to the same thing during the current year?

Mr. MANN of Illinois. Where the 60-40 basis is in force?

Mr. WINGO. Yes.

Mr. CRAMTON. In the current appropriation law for the current year occurs this language:

> Hereafter the commissioners are authorized, under such regulations as they may prescribe, to sell the surplus products of the workhouse and reformatory. All moneys derived from such sales shall be paid into the Treasury of the United States to the credit of the United States and to the credit of the District of Columbia in the same proportions as the appropriations for such institutions are paid from the Treasury of the United States and the revenues of the District of Columbia.

Mr. MANN of Illinois. What section of the law is that?

Mr. CRAMTON. That is under the reformatory appropriation.

Mr. MANN of Illinois. Is not the same language used in this bill?

Mr. CRAMTON. It is not, both because it was made permanent law and because of the general provision which is now before us.

Mr. MANN of Illinois. Oh, yes; I see.

Mr. CRAMTON. Similar language was used, I think, in at least one other case.

Mr. DAVIS of Minnesota. This is to put them all on the same basis, to clarify it.

Mr. MANN of Illinois. No one is objecting to this provision; but what we were making inquiries about is the existing condition, as to whether it ought to be made applicable only after the 1st of July next or whether it ought to be made applicable as soon as it can be made applicable.

Mr. DAVIS of Minnesota. It ought to be made applicable at once.

Mr. WINGO. It will be more important during the next three months than it has been in the past.

Mr. CRAMTON. I agree with the gentleman from Illinois. That provision was not made in all cases during the current year and there will be some injustice in some respects.

Mr. MANN of Illinois. I do not want to lay unction to my soul, but I have always been in favor of the 60–40, although I think it is a good thing to follow whatever practice has been established.

Mr. CRAMTON. There is another provision in the current law for the Industrial Home School for Colored Children, where it is provided that all moneys shall be paid into the Treasury to the credit of the United States and the District in the same proportions as the appropriation.

Mr. MANN of Illinois. I thank the gentleman.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. DAVIS of Minnesota. Yes.

Mr. SUMNERS of Texas. Under the plan of bookkeeping of the District of Columbia, are overflows from the items of expenditures covered into a general fund and then in turn covered from that into the Treasury, or do they go directly from each separate fund into the Treasury?

Mr. DAVIS of Minnesota. Each separate item goes into the Treasury as a distinct item.

Mr. SUMNERS of Texas. Now, in reference to the items you purpose to cover back into the Treasury, are there any funds in those items which were collected before the relative basis of taxation and contribution was different from that which it is now in the bill and that which you propose?

Mr. DAVIS of Minnesota. I could not tell the gentleman absolutely except by reference to the auditor. I could not tell the gentleman. This only applies to collections after July 1 of next year. This is a new item put in here to make it definite, but as to whether there was any surplus on items previous I could not tell the gentleman.

Mr. JONES of Texas. Will the gentleman yield?

Mr. DAVIS of Minnesota. I will.

Mr. JONES of Texas. Would there be any funds paid out of improvements or something that were acquired during the period of the 50–50 basis which would be disposed of and collections made after the 60–40 basis goes into effect?

Mr. DAVIS of Minnesota. All receipts on the 50–50 basis will go into the Treasury under the 50–50 basis.

Mr. JONES of Texas. Even though collected after——

Mr. DAVIS of Minnesota. Yes. I undertsand that is a provision of the bill.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and the amendment was agreed to.

Mr. WINGO. Mr. Chairman, I move to strike out the last word. I was detained and was not here when the committee had up the school item, and I will appreciate it if the gentleman will give me a little information. What provision is there now for meeting the necessary replacements of desks in schools?

Mr. DAVIS of Minnesota. Well, I think, generally speaking, that I am correct that all necessary provisions have been provided in this bill for taking care of all matters of that kind in all the schools, every single one of them, even the two new schools we are going to furnish now, the junior high, both colored and white, and I believe that every single one of them have been taken care of and will have sufficient furniture to replace the old worn-out furniture. Every estimate they made we granted.

Mr. WINGO. Take the Adams School. Is there any item for replacing the ancient furniture in that school?

Mr. DAVIS of Minnesota. There is a general supply fund that will take care of that.

Mr. WINGO. Now I will state to the gentleman the reason I ask. For a couple of years I have been questioned about the matter by patrons of that school. One of the complaints, for instance, is in the item of seats. There is not any particular anxiety in reference to the anatomy of the boys, but the mothers are very much exasperated by the necessity of repairing the seats of the trousers of those boys occasioned by splintered seats that have been there from time immemorial, and they have wanted to know if they can not be replaced, and the inference each time is that we Congressmen are derelict in our duty and we are to blame because the seats of their trousers naturally wear out from these splintered seats.

Mr. DAVIS of Minnesota. We have given an item here of $45,000 to cover just such cases.

Mr. WINGO. Does the gentleman know whether they have made an estimate to include such repairs for that school?

Mr. DAVIS of Minnesota. They have made an estimate for all, and they can allow repairs up to the $45,000 which we have given to them.

Mr. WINGO. We have the promise of Col. Kutz that a new furnace will be put in there. It has been needed for four years, and a good many pupils are going to have to leave that school if they can not get that during the holidays.

Mr. DAVIS of Minnesota. I think we have given sufficient funds for the commissioners to afford just such service.

Mr. WINGO. So if these necessary repairs are not made it is not the fault of the Congress?

Mr. DAVIS of Minnesota. No; it is not the fault of the Congress.

Mr. WINGO. We have not denied what they said was necessary for necessary repairs?

Mr. DAVIS of Minnesota. We have not.

Mr. WINGO. And if there is any blame attaching it is either to the school management or——

Mr. DAVIS of Minnesota. Unless they come back and say the price of material has gone up and they could not build, which is just the excuse——

Mr. WINGO. I appreciate that fact, but so far as the gentleman can anticipate the gentleman's committee has taken care of that situation?

Mr. DAVIS of Minnesota. We have endeavored to do that to the best of our ability and we understand we have.

Mr. WINGO. I want the record to show that if they do not get relief in such matters we are not to blame.

Mr. MANN of Illinois. Perhaps the gentleman from Minnesota should also tell us at the same time that the appropriation this year for furniture, etc., is $65,000, and this bill carries an item of only $45,000 and provides for furnishing furniture for four or five new 8-room additions to school buildings.

Mr. WINGO. Well, now, that might raise a fear in my mind that there is not anything at all for meeting such repairs——

Mr. DAVIS of Minnesota. Let me state to the gentleman there is one item of $45,000 and there is another item of $45,000. One is for the old buildings and there is another item of $45,000 for the new buildings, making in all $90,000.

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Mr. WINGO. So there is $90,000——

Mr. DAVIS of Minnesota. For new and old buildings.

Mr. WINGO. The point is, the gentleman feels sure he has met every reasonable demand and there is no complaint that his committee has not appropriated sufficient funds to make the necessary repairs to the furnace and seats in this school?

Mr. DAVIS of Minnesota. I think your committee has done that to the limit. It is our intention, and I think we have done it.

Mr. WINGO. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

SEC. 8. That officers and members of the Metropolitan police and fire department of the District of Columbia and the United States park police shall be allowed increased compensation for the fiscal year 1922 in accordance with the provisions of the legislative, executive, and judicial appropriation act for the fiscal year 1922 at one-half the rate allowed the other employees of the District of Columbia in said act.

Mr. WALSH. Mr. Chairman, I make a point of order against the section.

Mr. DAVIS of Minnesota. Will the gentleman state the ground of his point of order?

Mr. WALSH. It is legislation.

Mr. DAVIS of Minnesota. If the gentleman insists on his point of order, I will simply say that we will take care of this in the legislative bill, where it is proper for it to come in. I admit possibly it may be subject to a point of order, but your committee wanted to deal fairly and squarely with these officers, and we put it in there.

The CHAIRMAN. Does the gentleman from Massachusetts insist on his point of order?

Mr. WALSH. I do.

The CHAIRMAN. The Chair sustains the point of order.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BLANTON. Mr. Chairman, with regard to the last paragraph that was just stricken out of this bill, I desire to say that I believe we ought to do justice to these policemen and these firemen, and not in the way that was attempted to be done in this bill, by giving them half a loaf, but to treat them like we have all other employees; in other words, by giving them only half as much bonus as we give all the other employees of this District would be an injustice, as we ought to give them just as much in the way of a bonus or extra compensation as others receive. We pay almost every other employee in the District, except our policemen and our firemen, a bonus, and we attempted to pay them in this bill half of a bonus. Rather than to take them out of the bill, as was just done on a point of order—and I am put down as one of the economists of the House—rather than to take them out and not pay them any I would rather give them the whole bonus, and I hope the legislative committee that has authority to bring in such legislation will come in and make good this point of order by giving the policemen and firemen the same full measure of compensation in the way of a bonus that we give the others.

Mr. WALSH. Mr. Chairman, I reserve a point of order upon the paragraph on page 17. I would like to ask the chairman of the committee if he has satisfied himself in regard to it.

Mr. DAVIS of Minnesota. I think the gentleman from Michigan [Mr. CRAMTON] has looked that matter up, and he will explain it.

Mr. CRAMTON. Mr. Chairman, the rule provides the exception that an expenditure in continuation of appropriations for such public works and objects as are already in progress shall be in order.

The CHAIRMAN. If the gentleman will permit a moment, does the gentleman from Massachusetts [Mr. WALSH] make a point of order?

Mr. WALSH. No; I am reserving it, trying to find out something about this item.

The CHAIRMAN. The gentleman from Michigan [Mr. CRAMTON] is now discussing the parliamentary procedure.

Mr. WALSH. He is anticipating that a point of order will be made as the result of his explanation, I suppose.

Mr. CRAMTON. I dislike to have the gentleman put it in that form.

The Court of Appeals Building was authorized several years ago, and an appropriation was made. The building has been largely completed, but there is a large space on the third floor and some room in the basement that has not been finished up and completed. We have heretofore made an appropriation of $6,000 a year for rental for offices for the register of deeds, and it seemed wise to the committee, since we had this space available in the Court of Appeals Building, to make use of that space rather than to pay $6,000 a year for space in a private building; and hence we recommended an appropriation of $22,000, which we were advised would be sufficient to complete the building, and if it is made immediately available we are advised the building can be completed and made suitable for the purposes desired by the 1st of July, and the appropriation of $6,000 for office rental would be unnecessary. I hope, in view of the very pronounced economy which the gentleman favors generally, that he will not make the point of order.

Mr. WALSH. Well, is it not a fact that the repairs to and the rebuilding of the Court of Appeals Building had been completed, the building occupied, and the money expended within the limit of cost?

Mr. CRAMTON. I am not sure as to whether the former appropriation was entirely exhausted or not. I am positive, however, that the interior of the building was not completed. Our own hearings developed the fact that much space on the third floor, as well as a portion of the basement, had not been completed.

Mr. WALSH. Has the gentleman inspected that building in order to satisfy himself that they can fit up rooms in the top there that will be suitable for the recorder of deeds?

Mr. CRAMTON. I will say to the gentleman that I have not done so personally. We questioned, I think it was, the clerk of the court of appeals when he was before the committee as to what space was available in the building, and then I have here a letter from Mr. Woods, Superintendent of the United States Capitol Building and Grounds, and it is my recollection that the building was constructed under his direction. In the letter he states, addressing the chairman of the subcommittee:

In response to inquiry from the Appropriation Committee I beg to inform you that it is feasible to construct quarters in the Court of Appeals Building for the accommodation of the recorder of deeds. That would mean the construction of offices in the attic story of the building and afford approximately 6,000 square feet of office space. In addition to this there is considerable accommodation for the storage of records in the cellar story of this building, as the latter space was originally constructed for that purpose. I think that the recorder could be fully accommodated by this method.

Perhaps the gentleman would like the full statement of Mr. Woods, and I will read the balance of the letter, although the part I have read immediately refers to his inquiry. He says:

In this connection I desire to tell you that this matter has been before the committee two or three times prior to this date. The last estimate for the purpose was made on January 20, 1919, in a letter addressed to the late Hon. Thomas S. Martin, chairman of the Senate Committee on Appropriations. The cost then stated was $18,000. A copy of this letter I hereto attach. I have revised this estimate necessarily on account of the advanced price of labor and material, and must tell you that the present figure would reach $22,000, and that would mean the most economical construction possible.

I would like to call your attention to the fact that the lease of the building now occupied by the recorder of deeds expires on June 30 next, if my understanding is correct. Therefore, if it is the intention of your committee to make this appropriation and provide for the recorder of deeds in the Court of Appeals Building by that date, I would suggest that it be so made as early as possible and that a provision be placed thereon making it immediately available.

Mr. WALSH. I can not understand just how they can economically and efficiently carry on the duties of the recorder of deeds by having part of the office in the top story of a building and the other part of it down in the basement.

Mr. CRAMTON. The basement part would be simply storage rooms. Of course the gentleman understands that there is elevator service now in the building in operation from the basement to the third floor.

Mr. WALSH. I did not know that they stored the records there.

Mr. CRAMTON. This Court of Appeals is a court that takes a four-months' vacation every year, so that there would be four months in which they would not disturb the recorder of deeds at all by their activities. Their docket is nearly two years in arrears.

Mr. WALSH. What has that got to do with it?

Mr. CRAMTON. Simply if you are considering the fitness and desirability of surroundings for the recorder of deeds.

Mr. WALSH. I do not see it.

Mr. MONDELL. Mr. Chairman, will the gentleman yield for a moment?

Mr. WALSH. Certainly, I yield.

Mr. MONDELL. Several years ago, when I was a member of the Committee on Appropriations, this matter came before the committee. There seemed to be a good deal of difference of opinion in regard to the matter, and while I do not claim to be an expert on building construction, the difference of opinion was so very great that I felt it my duty as a member of the subcommittee before whom the matter came to take the trouble to make a personal investigation. I found that on the top floor of the building in question there was a space of very consider-

able size, irregular in shape, sloping toward the outer wall and rising to the rear. I have forgotten just what the space is. It is not a very large space; not large enough to accommodate a very considerable office. But I recall that at the time the sum asked to make the improvements that were said to be necessary seemed to me excessive for the space that would be made available, and the sum has been increased.

I would not want to put my judgment against that of the Superintendent of the Capitol as to the possibility of rendering available a considerable amount of satisfactory space by the expenditure of this money, but as a layman not claiming to be overfamiliar with these matters I was very doubtful, indeed, whether the space would be satisfactory for office purposes. The outer wall is comparatively low. The space is quite deep. The rear of it would always be dark. I question whether it could ever be well ventilated. I doubt if the space, after it was provided, would be satisfactory for office use, with long, narrow rooms, lighted only from one end, and with low windows at that.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. CHINDBLOM. Is it not in fact an attic?

Mr. MONDELL. It is in fact an attic. It is a rather large attic, a sort of glorified attic. I do not quite understand how the architect came to leave so much space. I asked the members of the court what use the court would have for the space. I saw quite a quantity of papers filed there. They said they were using it in a limited way to store their papers; that in course of time the court would utilize all of the space for storage purposes; and that if it were used for office purposes, eventually the court would have to have some additional storage space for its documents.

Mr. WALSH. Well, Mr. Chairman, I make a point of order on the paragraph, on the ground that it is not authorized by law, and particularly that it can not be made available immediately. That is subject to a point of order; and that being subject to a point of order, I contend that the paragraph is subject to a point of order.

The CHAIRMAN. The gentleman from Massachusetts makes a point of order on the paragraph.

Mr. CRAMTON. Mr. Chairman, if the gentleman makes his point of order on the phrase, "to be immediately available," I will withdraw that portion of it.

Mr. WALSH. I make the point of order on the entire paragraph.

Mr. CRAMTON. Does the gentleman make the point of order on the words "to be immediately available"?

Mr. WALSH. No. I say I make it on the entire paragraph.

Mr. CRAMTON. Then I want to call the attention of the Chair to the language of the original appropriation:

For the erection of a fireproof addition to the courthouse of the District of Columbia, for the use of the Court of Appeals of said District, including such fireproof vaults that may be necessary to protect from destruction the papers and records of said court, and proper heating and ventilating apparatus, to be constructed under the supervision of and on plans to be furnished by the Superintendent of the Capitol Building and Grounds, and approved by the Attorney General, $200,000 is authorized.

I urge that the appropriation here is simply for continuing the project.

The CHAIRMAN. Will the gentleman allow the Chair to ask him a question?

Mr. CRAMTON. Certainly.

The CHAIRMAN. He is reading from the statute, I presume?

Mr. CRAMTON. Yes; of 1908; section 29 of the public building act approved May 30, 1908. That was in the Sixty-third Congress.

The CHAIRMAN. Is there any mention in that act of the office of recorder of deeds?

Mr. CRAMTON. There is not.

The CHAIRMAN. It simply refers to the Court of Appeals?

Mr. CRAMTON. Yes; but we are incidentally proposing to save the Government money by housing another official there.

The CHAIRMAN. Has the gentleman completed his argument?

Mr. CRAMTON. I have completed it.

The CHAIRMAN. The Chair realizes that there is a good deal of latitude used in the matter of the continuation of work on public buildings, but in view of the fact that the law mentions that this building shall be erected for the Court of Appeals, and no mention is made of the office of the recorder of deeds, the Chair feels that the point of order is well taken, and so rules.

Mr. CRAMTON. Mr. Chairman, I offer this amendment, to insert the paragraph that I send to the desk.

The CHAIRMAN. The gentleman from Michigan offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CRAMTON, page 17, line 14, after the figures "$1,000," insert a new paragraph, as follows:

"Court of Appeals Building: For fitting up the top story and basement of the Court of Appeals Building, including material and labor and each and every item incident to such work, $22,000, to be available immediately. This work and the expenditure of this sum shall be under the supervision and direction of the Superintendent of the Capitol Building and Grounds."

Mr. WALSH. Mr. Chairman, I make a point of order against the paragraph.

The CHAIRMAN. The gentleman from Massachusetts makes a point of order against the paragraph.

Mr. WALSH. The amendment does not indicate that it is for the continuation of a public work already begun, or that it is within the amount authorized heretofore for the completion of any public work of construction or building. It is entirely a new project. It is not authorized.

The CHAIRMAN. Will the gentleman allow the Chair to ask the gentleman from Michigan a question? As the Chair followed the reading of the amendment, it was the same as the original paragraph, with the exception of the words—

To provide accommodations for the office of the recorder of deeds.

Mr. CRAMTON. Substantially so; yes. As the paragraph stands which I have offered it is to complete a Government building. In other words, it is strictly within Rule XXI, paragraph 2, in that it is a continuation of a public work in progress. I will state that I recognize that the words "to be immediately available" are subject to a point of order, and if the gentleman from Massachusetts [Mr. WALSH] insisted on that I would offer the paragraph without those words; but I take it that if the paragraph is sustained on other grounds the gentleman would not object to those words under the circumstances.

Mr. WALSH. No. But, Mr. Chairman, the language of the rule is—

Unless in continuation of appropriations for such public works and objects as are already in progress.

Now, the language of this amendment does not show that it is in continuation of a work already in progress. The language of the amendment is for fitting up something that has already been completed.

Under the construction of the gentleman from Michigan you could build on an annex to any one of these buildings. It is for fitting up the top story and basement of the building. That is not in continuation of a public work already in progress.

Mr. CRAMTON. Two or three years ago we completed the House Office Building by fitting up further offices in the attic. In the hearings before the committee on this item in the bill, in response to a question, Mr. Hodges, the clerk of the court, used this language:

On the north is a large lobby or foyer. The other portion or attic of the building has not been completed.

And the amendment before us simply provides for completing the building.

Mr. WALSH. Oh, well, I know; but the language of the rule means for completing work within a limit of cost previously authorized. Now, this calls for an additional expenditure.

Mr. MANN of Illinois. Mr. Chairman, the question raised is so old that the Chair will pardon me if I express an opinion on the subject. As I understand, there is no limit of cost on this building?

Mr. DAVIS of Minnesota. I do not know of any.

Mr. MANN of Illinois. I think the authorization was in an appropriation bill, a mere appropriation, and no separate limit of cost.

Mr. CRAMTON. That is correct.

Mr. MANN of Illinois. Now, the holdings have always been that where the Government owned a piece of ground it could buy a piece adjoining it, on the ground that that was a continuation of a work in progress. If we own a school building in the District of Columbia, we can make an appropriation for an addition to the school building. You could make an appropriation for an addition to the courthouse. That is what this was when it was made. It is in order under the rulings, because it is in continuation of a work in progress.

When we purchased additional land at St. Elizabeths Asylum it was held to be in order because it adjoined the land that formed the grounds of the asylum. If we own a building, we can provide the furniture for it. We can complete it. We can build an addition to it.

I remember one case where a building had been destroyed by fire and an item to provide a new building was held out of order, but an item to improve the old building was held in order, although it involved the construction of a new building.

I do not think there is any doubt whatever that we have the authority to make an appropriation here. The gentleman from

Michigan [Mr. CRAMTON] admitted that the language, "to be immediately available," was subject to a point of order, but I think the gentleman is in error.

Mr. CRAMTON. I hope so.

Mr. MANN of Illinois. The Committee on Appropriations has authority to bring in appropriation bills and to make an item in an appropriation bill immediately available which is an appropriation for a deficiency. The Naval Committee can not do it, because it has no jurisdiction over deficiencies. The other appropriating committees can not provide an appropriation to be immediately available, because that is a deficiency and they have no jurisdiction over deficiencies. The Committee on Appropriations has jurisdiction over deficiencies. It has jurisdiction to report a bill which makes an item immediately available. But it seems to me that the last sentence in this amendment is subject to a point of order. This legislation provides under whose jurisdiction and direction the money shall be expended. That is clearly legislation. That is not an appropriation.

The CHAIRMAN. The Chair is ready to rule. In sustaining the point of order a few moments ago made against the paragraph by the gentleman from Massachusetts, the Chair based his decision on the fact that the law authorizing the construction of the building did not contemplate or include the office of recorder of deeds. While this objection was sufficient in the opinion of the Chair to sustain the objection, the last part of the paragraph, which is evidently legislation, would have been sufficient grounds to render a similar decision had the objection been made. In the amendment offered by the gentleman from Michigan [Mr. CRAMTON] the objection on which the Chair's previous ruling was based has been removed. It seems clear to the Chair that if the completion of the building by fitting up certain portions of it, or even if an addition was contemplated, no objection could lie against the amendment, and to fortify this opinion the Chair cites paragraph 3774, Volume IV, of Hines, where "the purchase of additional ground and the erection of an addition to an existing building was held to be in continuation of a public work." Clearly, if an addition is in order, the fitting up of offices is in order, and the Chair could cite other rulings, for, as the gentleman from Illinois has said, it has been held a number of times that an addition to an authorized building is in order on an appropriation bill. The Chair feels that the objection raised because of the words "to be immediately available" is not well founded, for it would appear that the immediate rendering available of funds is within the province of the Appropriations Committee.

The last clause, however, which states "it shall be under the direction of the Superintendent of Capitol Buildings and Grounds," in the opinion of the Chair taints the entire amendment, for it is legislation on an appropriation bill, and on this count the Chair sustains the point of order.

Mr. CRAMTON. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Insert as a new paragraph, on page 17, line 15, the following:
"Court of Appeals Building: For fitting up the top story and basement of the Court of Appeals Building, including material and labor and each and every item incident to such work, $22,000, to be available immediately."

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word for the purpose of asking a question of the chairman. Are there any other offices than the Court of Appeals in the Court of Appeals Building?

Mr. CRAMTON. There are not.

Mr. CHINDBLOM. Do the hearings show that the Court of Appeals requires more space?

Mr. CRAMTON. They do not.

Mr. CHINDBLOM. Then, Mr. Chairman, this seems to be a way of accomplishing the same result intended by the paragraph that was held out of order. It is to provide space for the recorder of deeds. Those who are familiar with the activities of the recorder of deeds know that it is very unwise to place the office of the register of deeds or the recorder in an attic or in any place that is not easily accessible for the people who have to do business with the office.

In the large cities and in the courthouses generally I think you will find it the uniform practice to put the recorder or register of deeds' office on the first floor and as near the entrance to the building as possible. The citizens of the community who have business with the recorder should not be put to the inconvenience of traveling to the attic of this building through the corridors of the Court of Appeals. In addition, the business of the recorder or the register is something entirely separate from that of the Court of Appeals. I submit that this amendment should be defeated.

Mr. CRAMTON. It is my best information at present that the recorder of deeds is paying a rent of $6,000 a year on the fourth floor of a building, and we are bringing him down to the third floor. The Government of the United States has furnished an elevator with elevator service that will enable anyone having business with the recorder to go to that office with ease and without inconvenience.

The issue is: Shall we save $6,000 to the people of the United States. This year we want to practice the economy that we have preached and we must deny appropriations for purposes, deny the carrying on of activities that are of great benefit, simply because we have to cut down appropriations. Here is a case where we can save $6,000 without interfering with any branch of the Government. It is an opportunity for economy without any injury to the service.

Mr. CHINDBLOM. Mr. Chairman, in view of the statement of the gentleman from Wyoming a moment ago that a member of the Court of Appeals told him that they might need this space for the use of the Court of Appeals, may we not run the risk in a short time of preventing the court from getting this space when they come in and ask for it?

Mr. CRAMTON. Yes; they might come in and ask for an additional member to the bench in order to keep up with their docket, which is one or two years behind, but as a matter of fact they take a vacation of four months annually, and I do not think in the near future Congress will listen to that appeal.

Mr. CHINDBLOM. I am glad that the gentleman has called attention to the activities of the members of the Court of Appeals, but that does not affect the availability of this space for the recorder of deeds, does it?

Mr. WALSH. Mr. Chairman, will the gentleman yield?

Mr. CRAMTON. Yes.

Mr. WALSH. The gentleman is going to spend $22,000 to save $6,000 this next year?

Mr. CRAMTON. Annually.

Mr. WALSH. But the gentleman knows that if you get a recorder of deeds in there, in a poorly lighted and ill-ventilated place, it will not be long before they are clamoring for a separate building, and the saving in the end will disappear.

Mr. CRAMTON. The Superintendent of the Capitol Building and Grounds says that it is feasible and the $6,000 a year will soon pay up the $22,000.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Michigan.

The amendment was agreed to.

Mr. DAVIS of Minnesota. Mr. Chairman, I move that the committee do now rise and report the bill with the amendments to the House, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15130, the District of Columbia appropriation bill, and had directed him to report the same back with sundry amendments, with the recommendation that the amendments be agreed to and that the bill as amended do pass.

SENATE BILL AND JOINT RESOLUTION REFERRED.

Under clause 2, Rule XXIV, Senate bill and joint resolution of the following titles were taken from the Speaker's table and referred to their appropriate committee, as indicated below:

S. 4572. An act granting to the city and county of Honolulu, of Hawaii, a right of way over and across the Fort De Russy Military Reservation for the purpose of extending its sewer system; to the Committee on Military Affairs.

S. J. Res. 172. Joint resolution authorizing and directing the Secretary of War to sell a certain parcel of land known as Fort Jackson, at New Deptford, on the Savannah River, Ga.; to the Committee on Military Affairs.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota. Mr. Speaker, I move the previous question on the bill and amendments to final passage.

The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment?

Mr. WALSH. Mr. Speaker, I demand a separate vote on the court of appeals amendment on page 17.

The SPEAKER. Is a separate vote demanded on any other of the amendments? If not, the Chair will put them en grosse. The question is on agreeing to the other amendments.

The other amendments were agreed to.

The SPEAKER. The question is on the amendment on which a separate vote is demanded, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CRAMTON: Page 17, after line 14, after the figures "$1,000," insert a new paragraph, as follows:

"Court of Appeals Building: For fitting up the top story and the basement of the Court of Appeals Building, including material and labor and each and every item incident to such work, $22,000, to be available immediately."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. DAVIS of Minnesota) there were—ayes 26, noes 13.

Mr. WALSH. Mr. Speaker, I make the point of order that there is no quorum present.

ADJOURNMENT.

Mr. DAVIS of Minnesota. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 4 o'clock and 45 minutes p. m.) the House adjourned until to-morrow, Saturday, December 18, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

236. A letter from the Acting Secretary of State, transmitting a copy of a circular issued by the Nobel committee of the Norwegian Parliament respecting the proposal of candidates for the Nobel peace prize; to the Committee on Foreign Affairs.

237. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Calcasieu River from the Gulf of Mexico to the city of Lake Charles, La.; to the Committee on Rivers and Harbors.

238. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Wabash River at Hutsonville, Ill.; to the Committee on Rivers and Harbors.

239. A letter from the Secretary of the Interior, transmitting statement showing documents received and distributed during the fiscal year 1920; to the Committee on Printing.

240. A letter from the Secretary of the Treasury, transmitting from the Surgeon General, Public Health Service, report of the expenditures under the appropriation "Preventing the spread of epidemic diseases," fiscal year 1920; to the Committee on Appropriations and ordered to be printed.

241. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Labor to cover salaries and expenses of the Division of Negro Economics for the period from March 4 to June 30, 1921 (H. Doc. No. 930); to the Committee on Appropriations and ordered to be printed.

242. A letter from the Secretary of the Treasury, transmitting from the Secretary of the Interior supplemental estimate of appropriation required by the Reclamation Service for the Deschutes project, Oregon (H. Doc. No. 931); to the Committee on Appropriations and ordered to be printed.

243. A letter from the Secretary of the Treasury, transmitting estimates of appropriation required for Ellis Island (N. Y.) Immigrant Station, and for operating supplies for public buildings, 1920; to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. CARTER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 15011) authorizing the Secretary of the Interior to offer for sale the remainder of the coal and asphalt deposits in segregated mineral land in the Choctaw and Chickasaw Nations, State of Oklahoma, reported the same with an amendment, accompanied by a report (No. 1126), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. RHODES, from the Committee on Mines and Mining, to which was referred the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921, reported the same without amendment, accompanied by a report (No. 1127), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 15163) to determine the heirs of deceased Indian allottees having any right, title, or interest in any trust or restricted property, etc., reported the same with amendments, accompanied by a report (No. 1129), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. CARTER, from the Committee on Indian Affairs, to which was referred the bill (H. R. 12157) to amend an act of Congress approved June 30, 1913, reported the same with amendments, accompanied by a report (No. 1130), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. STRONG of Kansas, from the Committee on Banking and Currency, to which was referred the joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, reported the same with an amendment, accompanied by a report (No. 1131), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. FULLER of Illinois, from the Committee on Invalid Pensions, to which was referred sundry bills of the House, reported in lieu thereof the bill (H. R. 15196) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war, accompanied by a report (No. 1128), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 15187) to provide for the health and safety of the employees of carriers by railroad subject to the interstate commerce act; to the Committee on Interstate and Foreign Commerce.

By Mr. TREADWAY: A bill (H. R. 15188) to provide for a tax of one-fourth of 1 per cent upon all moneys deposited in certain institutions; to the Committee on Ways and Means.

By Mr. HULINGS: A bill (H. R. 15189) to encourage and promote the American merchant marine, and for other purposes; to the Committee on the Merchant Marine and Fisheries.

By Mr. SNYDER: A bill (H. R. 15190) authorizing the Secretary of the Interior to issue patent to school district No. 9, Glacier County, Mont., for block 35, Browning town site, Blackfeet Indian Reservation, for school purposes; to the Committee on Indian Affairs.

By Mr. BRAND: A bill (H. R. 15191) to amend section 13 of the Federal reserve act approved December 23, 1913, providing for the discount of notes, drafts, and bills of exchange of factors; to the Committee on Banking and Currency.

By Mr. ASWELL: A bill (H. R. 15192) to authorize the appropriation of additional sums for Federal aid in the construction of post roads, and for other purposes; to the Committee on Roads.

By Mr. BLAND of Virginia: A bill (H. R. 15193) for examination and survey of Mud Creek, Lancaster County, Va.; to the Committee on Rivers and Harbors.

Also, a bill (H. R. 15194) for examination and survey of Assateague Anchorage or Harbor, Accomac County, Va.; to the Committee on Rivers and Harbors.

By Mr. CALDWELL: A bill (H. R. 15195) to amend section 24b of an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920; to the Committee on Military Affairs.

By Mr. FULLER of Illinois: A bill (H. R. 15196) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war; committed to the Committee of the Whole House and ordered printed.

By Mr. RAKER: Joint resolution (H. J. Res. 419) instructing the Attorney General to institute certain suits, etc., and for other purposes; to the Committee on the Public Lands.

By Mr. ZIHLMAN: Joint resolution (H. J. Res. 420) to amend the Code of the District of Columbia relating to the compensation to be received by the deputy United States marshals in and for the District of Columbia; to the Committee on the Judiciary.

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By Mr. BEGG: Joint resolution (H. J. Res. 421) repealing the tariff act of October 3, 1913, commonly known as the Underwood tariff measure, and reenacting the act of August 5, 1909, commonly known as the Payne tariff measure; to the Committee on Ways and Means.

By Mr. MASON: Resolution (H. Res. 619) regarding conditions in Ireland; to the Committee on Foreign Affairs.

By Mr. McFADDEN: Resolution (H. Res. 620) providing for the consideration of Senate joint resolution 212; to the Committee on Rules.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, favoring the immediate passage of House bill 13500, a bill to amend an act entitled "An act to provide a government for the Territory of Hawaii," approved April 30, 1900, as amended, to establish an Hawaiian Homes Commission; to the Committee on the Territories.

Also, memorial of the Legislature of the Territory of Hawaii, transmitting certified copies of house concurrent resolutions 5, 18, and 19, which were adopted by the Legislature of the Territory of Hawaii at a special session thereof that commenced November 24, 1920; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BENHAM: A bill (H. R. 15197) granting a pension to Vernon Stevens; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15198) granting a pension to Rachel B. Ruddick; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15199) granting a pension to Ralph England; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15200) granting a pension to Nancy Ault; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15201) granting a pension to Fannie E. Tinker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15202) granting a pension to Mary A. Leighton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15203) granting an increase of pension to Belle Morrison; to the Committee on Invalid Pensions.

By Mr. BLAND of Indiana: A bill (H. R. 15204) granting an increase of pension to Charles S. Porter; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15205) granting an increase of pension to Cora A. Trueblood; to the Committee on Invalid Pensions.

By Mr. DALE: A bill (H. R. 15206) granting a pension to Catherine Celley; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 15207) granting a pension to Louise H. Thornton; to the Committee on Invalid Pensions.

By Mr. DRANE: A bill (H. R. 15208) to extend the provisions of the retirement law for the Lighthouse Service to include Hiram L. Curry, a former employee of the Lighthouse Service; to the Committee on Interstate and Foreign Commerce.

By Mr. FIELDS: A bill (H. R. 15209) granting an increase of pension to Mary F. McGill; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 15210) granting a pension to Elizabeth Dulhagen; to the Committee on Invalid Pensions.

By Mr. McKENZIE: A bill (H. R. 15211) granting a pension to Angie Page; to the Committee on Invalid Pensions.

By Mr. NOLAN: A bill (H. R. 15212) granting a pension to Pauline McEuen; to the Committee on Invalid Pensions.

By Mr. RUCKER: A bill (H. R. 15213) granting an increase of pension to James W. Fisher; to the Committee on Pensions.

Also, a bill (H. R. 15214) granting an increase of pension to Hallie Turner; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 15215) granting a pension to James G. Shockley; to the Committee on Pensions.

By Mr. TINKHAM: A bill (H. R. 15216) for the relief of Andrew Browning Atwell, alias Andrew Browning; to the Committee on Military Affairs.

By Mr. IRELAND: Resolution (H. Res. 618) to pay six months' salary and funeral expenses of Bryan H. Morse; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4575. By the SPEAKER (by request): Petition of St. Brendan Society of Greater Boston, protesting against the British atrocities in Ireland, and Guardians of Liberty of the City of Philadelphia, Pa., protesting against the passage of the Burke resolution regarding the recognition of Ireland; to the Committee on Foreign Affairs.

4576. By Mr. BURROUGHS: Petition of N. B. Dearborn, Charles H. Chambers, Freeman F. Elkins, Charles F. Pickering, C. T. Tayler, and John Ames, of Meredith, N. H., for the monthly payment of pensions; to the Committee on Invalid Pensions.

4577. By Mr. DYER: Petition of Century Electric Co., St. Louis, Mo., favoring House bill 11984, Patent Office force and salaries; to the Committee on Patents.

4578. Also, petition of W. T. Ravenscroft, St. Louis, Mo., favoring bill postponing assessment work on mining claims; to the Committee on Mines and Mining.

4579. Also, petition of F. J. Cunningham, Edwin Bonnott, and Frederick R. Cornwall, St. Louis, Mo., favoring Sheppard-Towner bill; to the Committee on Education.

4580. Also, petition of St. Louis Screw Co. and Columbia Transfer Co., St. Louis, Mo., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4581. Also, petition of Simmons Hardware Co., urging passage of budget law; to the Select Committee on Budget.

4582. By Mr. EVANS of Nebraska: Petition of sundry citizens of Wausa, Knox County, Nebr., favoring the passage of House bill 10925 and Senate bill 3259; to the Committee on Interstate and Foreign Commerce.

4583. By Mr. FOSTER: Petition of Local Union No. 1077, United Mine Workers of America, of Bellaire, Ohio, favoring amnesty for political prisoners and favoring repeal of the espionage law; to the Committee on the Judiciary.

4584. By Mr. GALLIVAN: Petition of St. Brendan Society of Greater Boston, protesting against the British atrocities in Ireland; to the Committee on Foreign Affairs.

4585. Also, petition of Frank A. Hanlan, of Dorchester, Mass., favoring credit for all time served as special messenger and time served in the Army and Navy during the late war; to the Committee on Foreign Affairs.

4586. By Mr. HERNANDEZ: Petition of New Mexico Wool Growers' Association, favoring an embargo or emergency tariff on wool for one year; to the Committee on Ways and Means.

4587. By Mr. IRELAND: Petition of various citizens of Peoria, Ill., opposing the establishment of a Federal department of health; to the Committee on Interstate and Foreign Commerce.

4588. By Mr. KIESS: Petition of sundry women of Wellsboro, Pa., favoring the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4589. By Mr. MURPHY: Memorial of Local Union No. 1962, of Rayland, Ohio, praying for amnesty for political prisoners and the repeal of the espionage law; to the Committee on the Judiciary.

4590. Also, memorial of Bridgeport (Ohio) Service Star Legion, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4591. By Mr. O'CONNELL: Petition of Ajax Rubber Co., of New York, favoring increased salaries in the Patent Office; to the Committee on Patents.

4592. Also, petition of Atlantic Deeper Waterways Association, Philadelphia, regarding a trunk-line waterway system along the Atlantic seaboard from Maine to Florida; to the Committee on Rivers and Harbors.

4593. Also, petition of the T. H. Symington Co., of New York, favoring the passage of the Patent Office increased salaries bill; to the Committee on Patents.

4594. Also, petition of Cushman & Denison Manufacturing Co., of New York, favoring the passage of a daylight-saving law; to the Committee on Interstate and Foreign Commerce.

4595. By Mr. SNYDER: Petition of Women's Catholic Club of Utica, N. Y., indorsing the Sheppard-Towner bill and urging speedy enactment of the same; to the Committee on Interstate and Foreign Commerce.

4596. By Mr. TAGUE: Petition of the Current Topics Club, of Dorchester, Mass., protesting against the inclusion of national parks and monuments in the provisions of the Federal water-power bill; to the Select Committee on Water Power.

4597. Also, petition of Quimby & Cheneey (Inc.), Boston, Mass., favoring amendment of the income-tax laws; to the Committee on Ways and Means.

4598. Also, petition of E. B. Badger & Sons Co., Boston, Mass., and C. Stohn, of Hyde Park, Boston, Mass., favoring the Patent Office life-saving bill; to the Committee on Patents.

4599. By Mr. TINKHAM: Petition of the National Order of the Daughters of Isabella, of Roxbury district, Massachusetts, opposing the passage of the Smith-Towner bill; to the Committee on Education.

SENATE.

SATURDAY, *December 18, 1920.*

(Legislative day of Thursday, December 16, 1920.)

The Senate reassembled at 12 o'clock meridian, on the expiration of the recess.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ball	Hale	McNary	Smith, Ga.
Brandegee	Harris	Moses	Smith, S. C.
Capper	Harrison	Nelson	Smoot
Colt	Heflin	Norris	Spencer
Culberson	Henderson	Nugent	Townsend
Curtis	Kenyon	Overman	Trammell
Dillingham	Keyes	Page	Wadsworth
Edge	King	Phipps	Walsh, Mass.
Elkins	Kirby	Pittman	Walsh, Mont.
Fernald	Knox	Poindexter	Warren
Fletcher	La Follette	Pomerene	Watson
France	Lenroot	Ransdell	Wolcott
Frelinghuysen	McCumber	Robinson	
Gerry	McKellar	Sheppard	
Gronna	McLean	Simmons	

Mr. HEFLIN. My colleague [Mr. UNDERWOOD] is unavoidably absent because of serious illness in his family. He has a general pair with the junior Senator from Ohio [Mr. HARDING].

Mr. SMITH of South Carolina. I wish to announce the unavoidable absence of my colleague [Mr. DIAL].

Mr. NELSON. I desire to state that my colleague [Mr. KELLOGG] is detained by important business.

The VICE PRESIDENT. Fifty-seven Senators have answered to the roll call. There is a quorum present.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Navy, transmitting, pursuant to law, a schedule of useless papers devoid of historic value, accumulated in the files of the department, and asking for action toward their disposition, which was referred to a Committee on Disposition of Useless Papers in the Executive Departments, to be appointed by the Chair.

The VICE PRESIDENT appointed Mr. WALSH of Montana and Mr. FRANCE members of the committee on the part of the Senate, and ordered that the Secretary notify the House of Representatives thereof.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the bill (S. 4526) to amend section 501 of the transportation act, 1920.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Shipbuilding Co., owner of a dry dock at Baltimore, Md.;

H. R. 7900. An act for the relief of Rudolph L. Desdunes;

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia; and

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. PHIPPS:

A bill (S. 4670) authorizing the President to appoint Thomas F. Long a lieutenant (senior grade) in the United States Navy (with accompanying papers); to the Committee on Naval Affairs.

By Mr. OVERMAN:

A bill (S. 4671) to prohibit immigration for a period of five years; to the Committee on Immigration.

A bill (S. 4672) to provide that the United States shall continue its aid to the States in the construction of rural post roads, and for other purposes; to the Committee on Post Offices and Post Roads.

By Mr. WALSH of Massachusetts:

A bill (S. 4673) to reclassify laborers in the Post Office Department as post-office service clerks; to the Committee on Post Offices and Post Roads.

A bill (S. 4674) for the relief of the owner of the schooner *Mary Bradford Peirce;* to the Committee on Claims.

By Mr. FRELINGHUYSEN (by request):

A bill (S. 4675) to fix the metric system of weights and measures as the single standard for weights and measures; to the Committee on Standards, Weights, and Measures.

By Mr. PHIPPS:

A bill (S. 4676) to maintain the forest experiment station in the State of Colorado; to the Committee on Appropriations.

By Mr. SMOOT:

A bill (S. 4677) granting an increase of pension to Adolph Lochwitz (with accompanying papers); to the Committee on Pensions.

MILITARY STATUS OF DESERTERS.

Mr. MOSES submitted an amendment intended to be proposed by him to the joint resolution (H. J. Res. 382) declaring that certain acts of Congress, joint resolutions, and proclamations shall be construed as if the war had ended and the present or existing emergency expired, which was referred to the Committee on the Judiciary and ordered to be printed, as follows:

Provided, however, That nothing herein contained shall be construed as effective to terminate the military status of any person now in desertion from the military or naval service of the United States, nor to terminate the liability to prosecution and punishment under the selective-service law (act of Mar. 18, 1917) of any person who failed to comply with the provisions of said act.

CONVENTION OF AMERICAN INSTRUCTORS OF THE DEAF.

Mr. POMERENE submitted the following resolution (S. Res. 407), which was referred to the Committee on Printing:

Resolved, That the manuscript entitled "Proceedings of the twenty-second meeting of the convention of American Instructors of the Deaf, held at Mount Airy, Philadelphia, Pa., June 28 to July 3, 1920," transmitted to the Senate as provided for in an act approved January 26, 1897, be printed as a Senate document, with illustrations, and that 600 additional copies be printed and bound for the use of said convention.

DISCHARGE OF DISABLED EMERGENCY OFFICERS.

Mr. FLETCHER. I ask unanimous consent to have printed in the RECORD a very important letter from the War Department bearing on a subject in which a great many people are interested, the discharge of the emergency officers who are undergoing physical reconstruction in the Army hospitals. It is not a very long letter. I think it is a matter of very great importance, and I should like to have it printed in the RECORD.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

WAR DEPARTMENT,
OFFICE OF THE SURGEON GENERAL,
Washington, December 14, 1920.

Hon. DUNCAN U. FLETCHER,
United States Senate, Washington, D. C.

MY DEAR SENATOR: The Surgeon General has requested me to acknowledge your letter of December 13, with inclosure from Capt. William H. Maxwell with reference to the discharge of emergency officers who are undergoing physical reconstruction in the Army hospitals. This question has constantly been one of the deepest concern to the medical officers of the Army, and the policy of this office has been to interpret most liberally any legislation or instructions regarding this matter.

The legislation under which the discharge of these officers from the military service is effected at present provides as follows:

"The President is authorized and directed to retain in service disabled emergency officers until their treatment for physical reconstruction has reached a point where they will not be further benefited by retention in a military hospital or in the military service."

It is the opinion of this office, which opinion is concurred in by the Secretary of War, that the proper interpretation of this clause, and the one which was contemplated by the Congress, is that disabled officers should be retained in military hospital so long as they are showing any improvement in their physical condition and also so long as their past medical record warrants the belief that improvement may be expected. When it becomes clear that the condition of any officer patient is growing worse month by month, or when it is apparent for a period of several months that no improvement is being made, and when in either instance the patient's condition fails to furnish any grounds for expecting improvement in the future, then it is believed that his treatment for physical reconstruction has reached a point where further benefit can not be expected by his retention in a military hospital or in the military service. Consequently, his discharge is indicated under the provisions of the law.

It is believed that the question of whether the patient needs further hospital treatment after discharge from the service has no bearing on the situation, since it may readily happen that hospital care for the remainder of the patient's life will be necessary, and yet his "treatment for physical reconstruction" has reached the point as indicated by the law. The decision as to whether this point has been reached is a matter of professional judgment, in which reliance must be placed mainly upon the views of the local medical officers who are in charge of the patients and have made a thorough study of their cases.

In rare instances when the condition has long been stationary, improvement may suddenly appear, but to retain all patients indefinitely, with only a vague hope of such a consummation in an occasional case, appears to be contrary to the intent of the existing law. The Congress has provided abundant facilities for the care and compensation of discharged officers and soldiers through the agency of the Bureau of War Risk Insurance, and it is the belief of this office that when the Medical Department of the Army has accomplished all that can be expected in the way of the physical reconstruction of our disabled military personnel, as indicated in the preceding paragraph, the indi-

viduals should be discharged from the military service and should pass into the care of that bureau.

Many officer patients have already been discharged from the military service under the conditions noted above and are now receiving compensation and hospital treatment from the Bureau of War Risk Insurance. To make any change at this time in the policy of discharging disabled officers when they have reached the condition noted, and to retain in military service for further treatment certain of those who are now patients in Army hospitals, would seem to discriminate in their favor as compared with officers already discharged whose cases presented equal claims for retention in the service, and this question has been gone into at this length, as importance is fully appreciated by this office.

It is believed that the interpretation of this act, as explained above, is the only one which can be reached, giving due weight to the interests of all concerned.

Very truly, yours, S. J. MORRIS,
Lieutenant Colonel, Medical Corps.

PROTECTION OF MATERNITY AND INFANCY.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3259) for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States.

Mr. FRANCE. Mr. President, I desire to offer an amendment to the pending bill.

The VICE PRESIDENT. There is a pending amendment.

Mr. FRANCE. I was under the impression that the amendment of the Senator from Utah [Mr. SMOOT] had been agreed to.

The VICE PRESIDENT. It has not yet been agreed to. The pending amendment will be stated.

The ASSISTANT SECRETARY. On page 1 strike out line 10, and on page 2 strike out lines 1, 2, and 3, in the following words:

For the use of the Federal board of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

And insert:

For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

So as to make section 1 of the bill read:

That there is hereby annually authorized to be appropriated, out of any money in the Treasury not otherwise appropriated, the sums authorized in section 2 of this act, to be paid to the several States for the purpose of cooperating with the States in promoting the care of maternity and infancy in the several States; to provide instruction in the hygiene of maternity and infancy, and the sum authorized in section 5 for the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

Mr. SMITH of Georgia. Mr. President, I would like to know just what the amendment is. I was engaged at the moment and would like to have it stated again.

The VICE PRESIDENT. The Secretary will read again the pending amendment.

The Assistant Secretary again read Mr. SMOOT's amendment.

Mr. SMITH of Georgia. Mr. President, we have all received many letters about the bill and probably a number of us have written answers to them stating we would support it. I have done so. But the letters I have received describe the measure as one only intended to carry information to the country, and advice and instruction about maternity and the care of infants.

The bill goes much further and I can not vote for it unless it is amended. There is one-half of the bill that is pure socialism and can be made the basis justly of extension of governmental care to every individual case of sickness. If this bill passes in its present shape, we may, with equal propriety, extend Government care to every case of individual sickness that arises in the United States. If the Government is to take care of the individual in each case of sickness, then if the individual needs something to eat, the individual ought to be provided by the Government with what he needs to eat, and if the individual should be provided with what he needs to eat, then he should be provided with what he needs to wear.

Now, let us see if my criticism is just. I am cordially in favor of that part of the bill which would carry information and education on subjects embraced in the bill to the people of the States, in order that they may, as individuals, be better informed as to how to carry their individual responsibilities, but this bill goes far beyond that. It carries that provision, but it also has an additional provision which I did not suppose it contained at the time I wrote stating I would support the bill, the letters I had received asking me to support it having dwelt simply upon the feature of the bill providing for the dissemination of information on these subjects throughout the land, to better enable the individual to perform an individual responsibility. Section 8 contains this provision:

And the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary, especially in remote areas.

Mr. SHEPPARD. Mr. President, will the Senator yield to me?

Mr. SMITH of Georgia. I yield.

Mr. SHEPPARD. The chairman of the committee, the Senator from Maryland [Mr. FRANCE], has indicated his willingness to accept an amendment eliminating that provision.

Mr. SMOOT. Do I understand the Senator from Texas to say that the chairman of the committee has accepted the proposition eliminating that whole section?

Mr. SHEPPARD. No; but eliminating the provision to which the Senator from Georgia makes objection.

Mr. SMOOT. Do I understand that the chairman of the committee has virtually accepted an amendment eliminating that provision wherever it may occur in amendments or otherwise?

Mr. SHEPPARD. Wherever that language appears in the bill as it is finally accepted by the Senate the Senator from Maryland will accept an amendment eliminating that clause.

Mr. SMITH of Georgia. I call attention to the clause in the amendment covering this subject, which also should be eliminated.

Mr. SHEPPARD. Exactly. We desire, however, to leave in the words "especially in remote areas," so that the instruction furnished will be available especially for remote areas.

Mr. SMITH of Georgia. To that I should not object.

Mr. SHEPPARD. I think if the Senator from Georgia would ask unanimous consent that that amendment be made the Senator from Maryland would accept it. If I remember correctly, he so advised me a few moments ago.

Mr. SMITH of Georgia. I am very much gratified to hear that.

Mr. WALSH of Montana. If the Senator from Georgia will pardon me, I rise to say that I understood the amendment tendered by the committee had been withdrawn, or at least that the chairman of the committee had signified his purpose to withdraw the amendment, allowing the matter to stand as the bill was originally drawn.

Mr. SHEPPARD. But the expression to which the Senator from Georgia is now referring is contained in the original section of the bill and also in the amendment.

Mr. WALSH of Montana. I appreciate that. The Senator should direct his attention, then, to the language as it is found in the original bill.

Mr. SMITH of Georgia. I was doing so. It was that language which I read.

Mr. SMOOT. In order that I may know what the agreement is, I desire to make an inquiry. As I understand, then, the Senator from Maryland, having the bill in charge, has consented to eliminate the words found on page 7, beginning in line 7, down to and including the word "areas," on line 10.

Mr. SMITH of Georgia. I understand the Senator from Maryland proposes to withdraw his amendment and go back to the original language of the bill and from the original language to strike out the words "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary."

Mr. SMOOT. And also to strike out the words "especially in remote areas."

Mr. SMITH of Georgia. No; leaving in the language "especially in remote areas."

Mr. SHEPPARD. Yes; we wish to leave in the language "especially in remote areas."

Mr. SMITH of Georgia. Thereby providing for the scattering of information and furnishing knowledge in remote areas, but eliminating entirely the responsibility of caring for the individual case and limiting the bill to diffusing knowledge and education.

Mr. SMOOT. Mr. President, if that is to be done, then the bill should not carry the amount of appropriation which is provided for.

Mr. SMITH of Georgia. Let us get the language to which I have referred stricken out and take up the other matter afterwards.

The VICE PRESIDENT. Let the Chair get a little information about what the rules of the Senate are. Is it the rule of the Senate that the chairman of a committee and a Senator may agree as to the form a bill shall take?

Mr. SMITH of Georgia. Not at all; but if the chairman agrees, and the Senate is willing, I shall ask unanimous consent to amend the bill in the manner suggested. I was coming to that, and, if in order, I will make a request to that effect.

Mr. FRANCE entered the Chamber.

Mr. SHEPPARD. The Senator from Maryland is now here, and he can verify what I said a few moments ago.

Mr. SMITH of Georgia. I desire to say to the Senator from Maryland that it has been stated in his absence it was the purpose of those in charge of the pending bill to ask to withdraw the proposed substitute for the original language of section 8 and to amend the original language by striking out, in line 23, page 6, the words "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary."

Mr. FRANCE. Mr. President, I do not consider that that amendment would materially injure the bill or defeat its purpose, and I myself do not feel like opposing it.

Mr. SMITH of Georgia. Mr. President, I ask unanimous consent to amend section 8 as originally introduced by striking out the language "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary," the language being found in lines 23, 24, and 25.

The VICE PRESIDENT. Does the Senate desire to get rid of the pending amendment or not?

Mr. FRANCE. I hope that we may dispose of the pending amendment, and then, if that will be agreeable to the Senate, I should very much like to offer a few amendments to perfect the bill before we leave the committee amendments.

Mr. SMITH of Georgia. If unanimous consent is given to consider the amendment proposed by me, it will help us to act on the other amendments.

The VICE PRESIDENT. Is there any objection to passing over the pending amendment and proceeding to the consideration of the amendment offered by the Senator from Georgia? The Chair hears none. The question is on agreeing to the amendment offered by the Senator from Georgia to section 8 of the bill, which will be stated.

The ASSISTANT SECRETARY. On page 6, in the original text of the bill, beginning in line 23, after the word "methods," it is proposed to strike out "and the provision of medical and nursing care for mothers and infants at home or at a hospital when necessary."

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Georgia.

The amendment was agreed to.

Mr. SHEPPARD. Mr. President, a parliamentary inquiry. Has the Senate voted formally on restoring the original language of section 8 of the bill?

The VICE PRESIDENT. Unanimous consent was given to withdraw the committee amendment to that section. The pending amendment now is the amendment offered by the Senator from Utah [Mr. SMOOT]. The question is on agreeing to that amendment.

Mr. HARRISON. I inquire what is that amendment? I have an amendment to propose, and I do not wish to be foreclosed on that proposition.

The VICE PRESIDENT. Does the Senator from Mississippi ask that the amendment be restated?

Mr. HARRISON. Yes.

The VICE PRESIDENT. The amendment will be restated.

The ASSISTANT SECRETARY. The pending amendment is the first amendment offered by the senior Senator from Utah [Mr. SMOOT], which has been printed, namely, on page 1, to strike out all of line 10, and, on page 2, to strike out lines 1, 2, and 3 and substitute therefor the following:

For the use of the Children's Bureau, for the promotion of maternal and infant hygiene, for the administration of this act, and for the purpose of making such studies, investigations, and reports as will further the efficient administration of this act.

Mr. SMITH of Georgia. Mr. President, before that amendment is voted upon I wish to call attention to some other provisions of the bill. Section 2 carries an appropriation of $480,000, $10,000 of which shall be paid annually to each State. Then the section proceeds:

Provided, That there is also authorized to be appropriated for the use of the States, subject to the provisions of this act, for the fiscal year ending June 30, 1921, an additional sum of $2,000,000; for the fiscal year ending June 30, 1922, the sum of $2,400,000; for the fiscal year ending June 30, 1923, the sum of $2,800,000; for the fiscal year ending June 30, 1924, the sum of $3,200,000; for the fiscal year ending June 30, 1925, the sum of $3,600,000; for the fiscal year ending June 30, 1926, the sum of $4,000,000.

Mr. President, we have agreed that this work shall simply be educational work; that it shall be for the purpose of disseminating knowledge. When these large sums were put into this bill it was with the idea of treating individual cases.

Mr. SHEPPARD. Mr. President, that was not the idea. The treatment of individual cases was never intended to amount to more than a very secondary and exceptional consideration. The additional amounts are dependent on the appropriation of an equal amount by the States. The question was carefully gone into as to what might be needed to provide sufficient information to the various consultation and health centers in the various States.

Mr. SMITH of Georgia. Does the Senator think it would take $8,000,000 annually simply to carry information and instruction on the subject?

Mr. SHEPPARD. That was the conclusion of those who looked into the matter very carefully.

Mr. SMITH of Georgia. It had occurred to me that, limiting the scope of the bill to the furnishing of information, we could afford to make the first appropriation $500,000 instead of $2,000,000, which would really make $480,000 from the National Treasury, $10,000 to go to each State without regard to an appropriation by the State, and $500,000 conditioned upon appropriations from the State, giving a total of $1,480,000. I should think instruction upon this subject could be given pretty generally with such an appropriation. I was above all things interested in removing that part of the provision of section 8 which has been eliminated. I am cordially in favor of carrying the educational work on this subject to the people. We can not do too much, with the States duplicating our contribution, to carry information and to carry instruction, leaving finally the individual responsibility of the citizen remaining on him, according to the plan of our Government from the time our Constitution was adopted.

Mr. FRANCE. Mr. President——

The VICE PRESIDENT. Does the Senator from Georgia yield to the Senator from Maryland?

Mr. SMITH of Georgia. I yield to the Senator.

Mr. FRANCE. Does not the Senator think that that is a very drastic reduction?

Mr. SMITH of Georgia. I am not pressing it. I just threw out the suggestion. I will not offer an amendment myself. I was just asking, for information, whether $1,480,000 spent each year would not carry the information; but, if it would not, I do not want the amount reduced so much. I regard it as most valuable that the information should be given.

Mr. FRANCE. I feel, personally, that that reduction would be altogether too drastic. If the Senate should feel that there ought to be some reduction, we might consider the advisability of making some reduction in the appropriation; but I do feel that to make a reduction of 75 per cent would be really going too far, because the cost of printing and the cost of stationery and clerical salaries runs into money very rapidly when the whole country is to be covered. I hope the Senator will consider that phase of the matter.

Possibly a 25 per cent reduction would be wise at this time; I mean to say, the Senate might feel that it would be. Personally, I should prefer to see the figures as they are. We have considered the amounts very carefully, and we feel that these amounts are the proper ones.

Mr. BRANDEGEE. Mr. President, will the Senator let me ask him a question there? Inasmuch as the Senate rules provide with regard to the consideration of regular appropriation bills that no appropriation shall be made except what has been estimated for by some responsible department, may I ask who made the estimates from which these figures of $2,000,000 and $4,000,000 resulted? The Senator from Texas says he understands the matter has been very carefully considered and looked into. By whom?

Mr. SHEPPARD. By the Children's Bureau.

Mr. BRANDEGEE. And is it the opinion of the Senator that the Children's Bureau thought these amounts to be appropriated annually—such amounts as $2,000,000 and $4,000,000—were required simply for sending out circulars and literature on these questions?

Mr. SHEPPARD. That was the idea, because the work is to be in cooperation with all the States of the Union.

Mr. BRANDEGEE. They allowed nothing, then, for doctors' bills for women and children, which was contained in the language which has been stricken from the bill?

Mr. SHEPPARD. That was considered to be a very small part of the matter, and was not principally in contemplation at all.

Mr. BRANDEGEE. Whether it would be small or very large would depend upon the extent to which it was applied, of course, would it not—the number of doctors employed?

Mr. SHEPPARD. It was not intended to apply that phase of the bill extensively at all, but only to apply it in exceptional cases, in remote districts.

Mr. BRANDEGEE. The bill says "especially in remote areas," but it is not limited to that. But the Senator is perfectly satisfied, as I understand, to have that go out?

Mr. SHEPPARD. Exactly; and we will not object to a reduction in the appropriation, only we do not want too great a reduction made.

Mr. SMOOT. Mr. President, the amendment that has been adopted, in my opinion, takes out at least three-fourths of the expense that would be incurred under this bill.

Mr. SHEPPARD. Not at all, I will say to the Senator. Only a small part of the moneys available was intended to be used for medical and nursing care.

Mr. SMOOT. Does the Senator really think, then, that $8,000,000 can be spent annually for the dissemination of information and education?

Mr. SHEPPARD. That is my idea; but, as I say, if the Senator will submit a reasonable amendment, I think there will be no objection.

Mr. SMOOT. Of course, the amendment that was offered and agreed to here seems to me about the only thing we are going to get out of the bill. The Surgeon General of the Public Health Service was in my office not two hours ago, and he said that the Public Health Service was giving information along this line in connection with the Public Health Department of the Government, but I said that the bill went further than that, and, of course, it did originally; but now it is confined to the educational features of the health of the people and the maternity activities. Now, it does seem to me that it would be impossible to spend $8,000,000 a year for that purpose. I can not see how it is possible to do it. Why, we think we turn out a great deal of stuff down here at the Government Printing Office, but the entire appropriations for the Printing Office are not $8,000,000, for everything; so I think the Senator, now that that amendment has been made, has placed the bill in such a position that the appropriation needed will be very small, indeed.

Mr. SHEPPARD. I will say to the Senator that only the smallest part of this fund was to be expended for actual medical and nursing care. It was the object of those who prepared the bill to make the measure principally a matter of information and instruction, and it was their opinion that it would require something like this sum to cooperate effectively with the various States in distributing this information. If the Public Health Service has been engaged in this work, it has been duplicating work unnecessarily.

Mr. FRANCE. Mr. President, this bill seems to be entirely misunderstood by the Senate. It would be very gratifying, indeed, if Senators would consider carefully the language of the bill, and then its purpose, I think, would be quite apparent, and the necessity for the appropriation would be as evident.

This is not a bill to provide printing and stationery, nor is it a bill to provide hospitals. It must be apparent to all of the Senators that this appropriation would be necessary to provide for hospitals if we were planning to take care of these patients in hospitals. On the other hand, it is apparent that the appropriations are too large for the mere carrying of printed information. It is not, however, a bill to provide hospitals. It never was a bill for that purpose. It was thought wise by those who know of the situation which exists in remote areas to grant permission under the bill for giving to the exceptional case hospital care. I anticipated that perhaps there might be four or five cases in a State where it would be necessary to take a poor woman from a remote region and bring her in to some center where she could have treatment which otherwise she would not be permitted to have. I did not anticipate that there would be more than four or five cases in a State where hospital care would be actually given; but attention to the language of section 8 will show that the chief purpose of the bill, which is stated first, is the provision of instruction in the hygiene of maternity and infancy through public-health nurses.

Mr. SMITH of Georgia. Mr. President, I yield to the Senator from Maryland.

Mr. FRANCE. I ask the Senator's pardon. I thought the Senator had finished.

I might go into the methods which are employed in carrying on instruction through public-health nurses, but I hardly feel that it is necessary to do so. I think most of the Senators are familiar with the methods employed by the community nurse who goes from house to house giving instruction, giving a little care to one patient and a little care to another patient, and giving instruction both to patients and to their friends. It is the ideal method of instructing, but it is a very expensive method. It is, however, the only method which will meet the situation. Many of the patients who are in need of the information are unable to read and write, to the disgrace of our country. There ought not to be any adult person in the United States unable to read and write, and it is chargeable to a false economy that we have thousands and hundreds of thousands of white men and white women in this country unable to read the very pamphlets which are printed here, and the knowledge of which would often save lives. Many of these patients are unable to read and write because of the negligence of the legislative bodies of the United States, and it is only through the human agency of nurses that we can convey this information, and that is a very expensive method of conveying information. I could very quickly figure up the number of nurses that would be required to carry on this work, and you would see how really inadequate the fund is for carrying on instruction in this way.

Of course, we anticipate that there will be the use of the other method, the sending out of information through circulars and other suitable methods, perhaps by the moving picture, which is a wonderful agency, an agency which we have hardly come to appreciate as an influence for education. All of these methods will be used, but the chief expense will be for the dissemination of information through the community nurses.

I hope that explanation will make it clear to the Senators why this appropriation is not, after all, so large a one as it would at first seem. Certainly it would be far too much if we were planning to use only the printed page. We are planning to use the nurse, the most satisfactory agency through which knowledge of hygienic questions can be disseminated.

I beg the pardon of the Senator from Georgia. I was under the impression that he had yielded the floor, and that the Senator from Utah had taken the floor from him. I shall be very glad, indeed, to hear the Senator continue, if he wishes to do so.

Mr. SIMMONS. I would like very much to have the attention of the Senator from Maryland for a moment. I wish to ask the Senator from Maryland why it is necessary to provide appropriations in this bill for more than the first year. I doubt very much whether there has been any very accurate estimate made in this particular case. I do not see how any accurate estimate could be made in advance of putting the act into operation. I think the purposes the Senator and the other advocates of the bill have in view would be subserved by an initial appropriation. Then opportunity would be given, after the system is put into operation, for an accurate estimate as to what would probably be the reasonable cost of the continuance and proper expansion of the system.

I think we ought to be very liberal in the first appropriation. It is possible it might be disclosed that the appropriation is more than is necessary. It might be disclosed that it was very much less than was necessary. Future Congresses having correct information before them would undoubtedly deal liberally and generously in appropriating for this very laudable purpose.

Mr. FRANCE. I appreciate the feeling of the Senator from North Carolina, and, personally, I would not have opposed an amendment confining the appropriations to the first year or two. But when I talked over such an amendment with Senators, some of them expressed the view that if the appropriations were not named for the future years the expense for carrying on the work would be greater than even the amounts named in the bill.

Mr. SIMMONS. Possibly.

Mr. FRANCE. Some of the Senators said they would be unwilling to accept such an amendment, because they feared that in a few years the work would grow so large that even $4,000,000 would be inadequate.

Mr. SIMMONS. Does not the Senator know that if it should develop that the cost would be very much greater than the amount prescribed in the bill applications would be made to Congress to increase the appropriations? We will have it in our power to regulate the amount we finally appropriate so as to fit the situation as it develops.

Mr. FRANCE. Mr. President, in reply to the question of the Senator from North Carolina I would say that, personally, I always hesitate to attempt to bind a future Congress. It seems to me, generally speaking, that it is unwise for one Congress to attempt to bind a future Congress.

Mr. SIMMONS. That is what you are doing in this bill.

Mr. FRANCE. I myself would be inclined to favor the suggestion of the Senator, but it is true that when the friends of the bill considered accepting such an amendment, some Senators stated that they were unwilling to agree to such an amendment, fearing that the appropriations would grow even beyond the amounts mentioned in the bill for the future years.

Mr. SIMMONS. I want to say to the Senator from Maryland that if the need for increased appropriations develops, I want to have them increased; they ought to be increased, and they will undoubtedly be increased.

Mr. SMOOT. Mr. President, I will say to the Senator from Maryland that I suppose I was the one he had reference to as not approving the plan of cutting these appropriations down in future years. If we were going to provide for medical and nursing care for mothers and infants at home and at hospitals when necessary, I knew that the $3,000,000 would not be enough, and I wanted it specifically stated in the law. But now that that is cut out I think the proposition as originally submitted by the chairman of the committee, to make the appropriation not to exceed $1,000,000 for the beginning of the work, would be perfectly satisfactory, and then each year it would be appro-

priated for on estimates the same as any other estimate which comes to Congress for an appropriation.

Mr. SHEPPARD. Mr. President, permit me to suggest that there is an amendment pending, and if the Senate will proceed with that amendment perhaps we may reach some arrangement in the meantime with regard to this section.

Mr. FRANCE. May we not have a vote now upon the pending amendment?

Mr. SMITH of Georgia. Mr. President, will the Senator from Utah [Mr. SMOOT] tell us how much we appropriate for the entire Public Health Service?

Mr. SMOOT. Does the Senator mean for the whole Public Health Service?

Mr. SMITH of Georgia. For the Public Health Service.

Mr. KING. Administrative work.

Mr. SMOOT. As I remember, less than $20,000,000.

Mr. SMITH of Georgia. For the Public Health Service?

Mr. SMOOT. Yes.

Mr. THOMAS. I think the chairman of the committee yesterday stated that last year it was $13,000,000, and they now ask for $18,000,000.

Mr. SMOOT. Of course, that is outside of the War Risk Bureau.

Mr. SMITH of Georgia. I would like to ask the Senator from Utah if this modification of his amendment might not appeal to him. In the bill as it was drawn we provided for a board, composed of the Secretary of Labor, the Chief of the Children's Bureau, who should be the executive officer, the Surgeon General of the United States Public Health Service, and the United States Commissioner of Education. The work as we finally are planning it is to be educational work. To some extent it is entirely possible that the Commissioner of Education touches it. Undoubtedly to a great extent the Surgeon General of the United States Public Health Service handles it. You make the Chief of the Children's Bureau the executive officer. The object of the Senator from Utah was to prevent the creation of a new bureau. Would it not be well to leave this board and add at the end of the clause of section 3 "the work of said Federal board shall be conducted through and by the Children's Bureau"? That would prevent the establishment of another bureau, and yet it leaves in the board the men who are touching the same line of work elsewhere; and would it not help avoid duplication?

Mr. SMOOT. Mr. President, I do not see that it would, and not only that, whoever administers this law we want to hold responsible for it. When the appropriations are asked for we want to call somebody before the Appropriations Committee who knows the detail of the expenditure of the money and what they are going to do with the appropriations asked for. I know that the Secretary of Labor can not give attention to this matter. I know that the Commissioner of Education can not do so. It does seem to me that if we are going to have it administered it ought to be administered by some authority which has the direction of all the activities under the bill, and I am fearful that if that plan is adopted there will be created another bureau within a bureau, directed by the board spoken of by the Senator.

Mr. SMITH of Georgia. What I am really seeking is to provide that the Surgeon General shall have something to do with it.

Mr. SMOOT. I know that, and I want to say to the Senator that since this amendment has been agreed to there is more real reason why the Surgeon General should have direct control of it than there was before. But even now I think the best thing to do, Mr. President, under the reorganization is that it should go to the Children's Bureau.

Mr. SMITH of Georgia. Mr. President, I do think, with the Public Health Service organized with great physicians, great doctors, at its head, with an expenditure of approximately $20,000,000 a year on the Public Health Service, with no information to us that they are not already engaged in the study and distribution of information on this subject, clearly what we do ought to be supplementing what they are now doing if we wish to derive the greatest possible benefits from the appropriations we make. To take this scientific question, this problem that is a part of all medical research, and turn it over to the Children's Bureau instead of the Public Health Service is hardly defensible. I can not help thinking it would be better to retain the Surgeon General connected with this work, and to have the benefit in this work of the great organization we have all over the country of able physicians, now a part of the Public Health Service. I think it is a mistake to put it simply under the Children's Bureau; that we at least ought to leave the Secretary of Labor out, and have a board with the Surgeon General on it, even though it is administered finally under the Children's Bureau.

Mr. KING. Mr. President, I would like to ask my colleague, in view of this suggestion, what objection there could be to giving the work of this organization to the Surgeon General, and authorize him to utilize the Children's Bureau as the chief executive authority? That would then fix the responsibility. I may say to my colleague that I do not quite agree with his position and with the suggestion made by the Senator from Georgia, that a new bureau would be created. It seems to me that the responsibility would rest upon those three. It would not be a new bureau, and they could enforce the provisions of the bill through the Children's Bureau.

Mr. SMOOT. Of course, Mr. President, I look at the bill entirely differently. I think there is not a question but that there would be a new bureau established.

In answer to the first question of my colleague, I will frankly say, as I did yesterday, that I think the administration of the bill under the Public Health Service would be more costly than under any service that might be asked to administer it. The Public Health Service, I think, is very liberal in the expenditure of public funds. I think there is more duplication of work in the Public Health Service than there is in any other bureau of the Government. When an investigation is made into all the details and activities of the Public Health Service I think it will be demonstrated beyond a doubt that there is a greater duplication of work there than in any other of the activities of the Government, and I do not feel that it is proper to place the administration of this law under the Public Health Service for that reason. I want to be frank and say that if we have a reorganization of the departments of our Government, this, with all the other great questions, must be considered. There has to be a skeleton of our form of government made, and then to that will have to be added the activities where they properly belong, and all duplication of work now so prevalent in all the departments of our Government must be eliminated.

Mr. OVERMAN. Rather than a duplication on the part of the Public Health Service of what other departments are doing, is it not true that other departments are duplicating work that the Public Health Service is doing?

Mr. SMOOT. There is no doubt about it. The Senator from North Carolina is a member of the Committee on Appropriations and we have had before that committee representatives from different departments, who have admitted and stated without a moment of hesitation that the duplication is beyond all reason. If there is any one thing that is needed now in the Government business, it is to begin a complete reorganization of all the departments of our Government and, if possible, to eliminate this duplication of work.

Mr. KING. Mr. President——

Mr. SMOOT. I thought if this were placed in the Public Health Service it would be an excuse for extending the activities of that service from one end of the land to the other, and perhaps salaries paid greater than are paid in any other of the departments or bureaus of our Government, and it would cost so much that I thought this was the most economical way of meeting the situation.

Mr. KING. If my colleague will allow me, I do not quite understand his logic. He has been contending here, as have other Senators, for a consolidation of activities of the Government and the bringing under one head of all the work of a given character. It has been shown in the Senate that there are large numbers of agencies in various departments of the Government that have more or less to do with the question of hygiene and sanitation and public health. If this consolidation shall be effected to which the Senator refers, then obviously all of these agencies ought to be consolidated under one head. You may call it public health or give it any other name, but I doubt not if this consolidation shall be effectuated that the work under this bill will be placed with the bureau or department or agency that has to do with public health in all parts of the United States.

Now, by the bill we are creating an agency which we will be bound, under the consolidation, to destroy and transfer from it to this consolidation the activities which are provided for under the bill. Why create another agency which we will have to destroy?

Mr. SMOOT. We have an agency now that is studying these very things, in fact two of them, outside of the Public Health Service. There is the Woman's Bureau that is studying these questions in detail. The Children's Bureau is also studying these questions in detail and is issuing pamphlets in education along the lines here contemplated. It does seem to me that rather than place this work now with a direct instruction to the Public Health Service to do the same thing, we had better utilize at least the agencies that we have in the Government to-day as far as education is concerned.

Mr. SMITH of Georgia. How would it do to put it in charge of a board or committee consisting of the heads of the Woman's Bureau and Children's Bureau and the Surgeon General and execute it through the Children's Bureau?

Mr. SMOOT. The only thing is that if we do that and have the board created they will want a building in the District of Columbia. I am positive of that, I will say to the Senator. I feel sure that that would happen and other——

Mr. SMITH of Georgia. I withdraw the shaking of my head. I think they will take anything we give them.

Mr. SMOOT. By way of rent, does the Senator mean?

Mr. SMITH of Georgia. I do not mean that. I mean the bureau will take any lodgment we give them and any space we give them and any building we may give them.

Mr. SMOOT. We have not any space to give it at the present time, unless we rent it. I know they would have to have space to begin with, and then there would be a complete organization, of course, and chief clerks and heads of divisions, and divisions created in that board, and there is no telling what the expense would be.

Mr. SMITH of Georgia. Has the Senator any doubt that the Children's Bureau will enlarge and spend every dollar which we give it, just as completely as any other agency?

Mr. SMOOT. I have not any doubt they will spend every dollar we may give them; but, at least, we will not have to have a chief of the Children's Bureau again, and we will not have to have her secretary, and we will not have to have a great many of the chief clerks that are already there. I am trying to cut out some of the expense, because every dollar we appropriate ought to go for the very purposes of the bill and not for the employment of extra help, whether it be in the Children's Bureau or whether it be a new board created or otherwise. If we are going to appropriate money, it ought to go for the purpose for which it is appropriated and not for the purpose of hiring extra help.

Mr. WADSWORTH. Mr. President, I have been much interested in listening to the discussion with respect to the duplication of effort in the various departments of the Government and in examining the amendment offered by the Senator from Utah [Mr. SMOOT]. As the discussion has been along this line, I wish to make a similar suggestion, and offer an amendment later on, as to what the effect of the bill will be in certain State governments.

Section 4 of the bill provides—

> That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State board of maternal and infant hygiene, consisting of not less than three members.

As I understand it, no State could have the benefit of the provisions of the bill unless it did that very thing. Now, the government of the State of New York has been tending toward the single-headed department in an endeavor to get rid of the inefficiency of commissions. As a result of that tendency some years ago the State department of health was established, headed by a State commissioner. I think I am well within the truth to say that there is not a finer State department of health in the United States. I wish to read to the Senate a very brief extract from the New York Legislative Manual, which describes the duties of the commissioner of health.

In the first place he receives an annual salary of $8,000 and his expenses. He shall take cognizance of the interests of health and life of the people of the State and of all matters pertaining thereto. He shall exercise general supervision over the work of all local health authorities except in the city of New York. He is charged with the enforcement of the public-health law and the sanitary code. He shall make inquiries in respect to the cause of disease, especially epidemics, and investigate the source of mortality and the effect of localities, employments, and other conditions upon the public health. He shall obtain, collect, and preserve such information relating to mortality, disease, and health as may be useful in the discharge of his duties or may contribute to the promotion of health or the security of life in the State. He shall have general supervision of the State system of registration of births, marriages, and deaths, and prevalent diseases, and other functions which are not of interest on this occasion.

There is an agency up in the State of New York, and other States may have similar agencies, which is entirely competent to do any work contemplated in the pending bill. The budget of the State of New York has risen to a figure in excess of $200,000,000.

The State government is in a very desperate situation with respect to its financial condition. The governor elect will endeavor, as soon as he takes office, to cut down that budget by seventy or eighty or one hundred million dollars, in an effort to save money to the taxpayers and relieve the people of the burden of taxation.

Now, the pending bill, if the State of New York is to take advantage of it, would impose a new commission upon the State, which is utterly unnecessary. There is no need of it. The public-health commissioner of the State and his highly organized office could administer the provisions of the bill within the State of New York with the utmost ease, without incurring any additional expense worthy of consideration.

At the proper time, therefore, I am going to move an amendment to strike out the provision of section 4, which compels a State "to establish a board of maternal and infant hygiene, to consist of not less than three members," and merely state that the State shall designate or authorize a State agency, and let the State select one of its existing agencies, if it is competent to do the work or create a new one, if it has not one in existence.

Mr. SHEPPARD. Has the Senator observed the proviso in section 4, that "in any State having a child-welfare or child-hygiene division in its State board of health," and so forth? Would not that meet the condition in the Senator's State?

Mr. WADSWORTH. But it says "in its State board of health," and the State of New York has no board of health. There may be other States that have not; I am not sure.

I merely brought the matter up at this time because it was in line with the discussion indulged in by the two Senators from Utah.

Mr. WALSH of Montana. Mr. President, I inquire whether the whole thought could not be served by inserting the words "commissioner of health," so that it would read "in any State having a child-welfare or child-hygiene division in its State board of health or a commissioner of health."

Mr. WADSWORTH. The language will have to be changed in line 11, because that is mandatory. There it says they "shall designate or authorize the creation of a State board of maternal and infant hygiene." There it says the State shall "designate or authorize the creation of a State board of maternal and infant hygiene."

Mr. WALSH of Montana. But that is subject to the provision to which I have called the Senator's attention, namely, "*Provided*"—which is a qualification of what goes before—"That in any State having a child-welfare or child-hygiene division in its State board of health." If there is no State board of health in the State of New York, but the ordinary duties and functions of a State board of health are performed by the commission of health, why not just merely change it as I have suggested?

Mr. WADSWORTH. I was going to offer an amendment to that proviso also making it read as follows:

> *Provided*, That any State having an agency in charge of child welfare or child hygiene, said State agency may be directed to administer the provisions of this act.

Mr. WALSH of Montana. I should think there would be no objection to that.

Mr. WADSWORTH. The Senator and I arrive at the same goal.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Utah.

Mr. SMOOT. If the Senator from Georgia [Mr. SMITH] were here, I was going to ask unanimous consent to offer another amendment at this time and have it voted upon before the pending amendment is voted upon. I think I shall do it, anyhow.

I ask unanimous consent to offer the following amendment. I will state that I do it at the request of those who are interested in the bill. I ask that it be read and agreed to.

The VICE PRESIDENT. The proposed amendment will be read.

The ASSISTANT SECRETARY. On page 2, it is proposed to strike out the proviso in line 12 to line 21, inclusive, and to insert the following:

> *Provided*, That there is hereby appropriated for the use of the States, subject to the provisions of this act, for the fiscal year ending June 30, 1922, an additional sum of $1,000,000, and annually thereafter a sum not to exceed $1,480,000.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Utah.

The amendment was agreed to.

The VICE PRESIDENT. The question now is on the amendment of the Senator from Utah previously offered.

The amendment was agreed to.

Mr. HARRISON. Mr. President, section 8, as I understand, has not yet been adopted, has it?

Mr. SHEPPARD. I think it has.

Mr. HARRISON. The committee reported to strike out section 8 and to insert a substitute for it, which, as I understand, is still pending.

Mr. SMOOT. It is open to amendment.

Mr. HARRISON. It was amended in one particular, but is still open to amendment?

The VICE PRESIDENT. Yes; the original text of section 8 remains in the bill.

Mr. HARRISON. I desire to ask the Senator from Maryland, who is in charge of the bill, a question. Beginning on line 21, page 6, the bill now provides—

> the provision of instruction in the hygiene of maternity and infancy through public-health nurses, consultation centers, and other suitable methods, especially in remote areas.

That is the way it reads after the amendment has been adopted; in other words, that "the provision of instruction in the hygiene of maternity and infancy through public-health nurses, consultation centers, and other suitable methods," is intended to be in remote areas or that the course of instruction shall be given in the rural sections of the country. That is what the bill purports to provide, is it not? I am asking the question because I think the language is a little ambiguous, especially the words "in remote areas." I do not understand what that means; whether it is a direction that that class of work is to be carried on out in the remote or rural sections of the country. As the Senator will understand, when we say "especially in remote areas," it might mean a direction and it might not.

Mr. BRANDEGEE. Mr. President, evidently, I think, that was intended to be coupled with the medical provision. If the provision regarding medical care has been stricken out, the words which the Senator from Mississippi is speaking of should also go out, because the education will be furnished to the remote sections as well as to the near sections.

Mr. HARRISON. I thought, perhaps, that it was desired to take care of cases out in the rural sections, and I was going to offer an amendment to strike out the words "especially in remote areas" and insert in lieu the words "in rural sections." Chicago might be remote from New York and New York might be remote from San Francisco; but if we desire to carry on this work in the rural sections, we ought to leave out the language "especially in remote areas"; we ought to leave no doubt about the intention and should merely say "in rural sections."

Mr. BRANDEGEE. But if the activities of the bill are confined to education, to the sending out of literature, there would be no further necessity for the inclusion of the words "in remote areas"; they should be stricken out.

Mr. SMOOT. They should be stricken out, as I suggested a while ago.

Mr. HARRISON. It is the intention, then, to strike out the words "especially in remote areas"?

Mr. FRANCE. If the Senator will make that motion——

Mr. HARRISON. I am opposed to striking out that language, because I think this work can be very serviceable in the rural sections, and I had thought that was what the committee had in mind.

Mr. FRANCE. It applies to all sections.

Mr. SMOOT. To the cities as well as to the rural sections.

Mr. HARRISON. It was not the intention, then, merely to leave it apply to rural sections or remote areas?

Mr. SMOOT. If the Senator will read all of the provision, beginning where the amendment was added, he will see that the punctuation shows that the words to which he refers specifically had reference to caring "for mothers and infants at home or at a hospital when necessary, especially in remote areas." In other words, in the cities there are generally hospitals, but in rural communities there are none. If, however, this work were to be extended, it was to be extended especially in remote areas. I have suggested to the Senator from Maryland that the language go out.

Mr. HARRISON. Then the Senator is going to make a motion to strike out the language "especially in remote areas"?

Mr. SMOOT. Yes.

Mr. HARRISON. I wish to make a motion to strike out, on lines 1, 2, and 3, page 7, that part of section 8 which reads:

> If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

That will remove the idea which was generally expressed yesterday in the debate, that the Federal Government would hold such a hand on the administration of this proposed legislation that it might dictate the manner of providing instruction or of disseminating information in the various States.

Mr. SHEPPARD. There must be some method of approval by the Federal agency before it can be determined whether or not the appropriation is available in accordance with the purposes of the act.

Mr. HARRISON. Then, does the Senator from Texas agree with the speech of the Senator from Connecticut [Mr. BRANDEGEE] yesterday, that we are going to lodge the power here, that we are going to standardize this work and make it a federalization scheme instead of being really a State work?

Mr. SHEPPARD. Not at all. This measure follows the plan that was adopted in the good-roads legislation and in the vocational-education legislation.

Mr. SMOOT. And wherever the Government has appropriated money to be expended in connection with money appropriated by the States. This is the exact provision found in other such cases.

Mr. HARRISON. If this provision is left in the bill now, there could be no doubt that the Federal board would have the right to say just how the money would be used in the various States.

Mr. SHEPPARD. Not at all.

Mr. HARRISON. And the manner of instruction.

Mr. SHEPPARD. Not at all.

Mr. HARRISON. And where the instructors shall go; what character of instructors shall be employed; what may be the color of instructors, and the class of institutions that may be included.

Mr. SHEPPARD. Not at all.

Mr. HARRISON. It seems to me that it is going pretty far to lodge such power here in Washington. It is provided in the beginning of section 8——

Mr. SHEPPARD. The function must be lodged in some Federal agency; there must be provided in the bill some method of determining whether a State is entitled to the Federal appropriation under the provisions of the proposed act.

Mr. HARRISON. Yes.

Mr. SHEPPARD. If the States submit a plan which comes within the provisions of the act, the Federal board has no discretion in the matter but must certify that it has complied with the terms of the act. The bill does not say that the Federal board must necessarily approve the plan. It is for them merely to find whether the plan devised by the local agency comes within the provisions of the proposed law. Some Federal agency must perform that function.

Mr. FLETCHER. May I suggest to the Senator from Mississippi that the language he is reading is not in the amendment which has been agreed to?

Mr. HARRISON. Yes; it was left in the bill; that part of it still remains.

Mr. FLETCHER. That part is still in the amendment?

Mr. HARRISON. Oh, yes.

Mr. FLETCHER. Is not that qualified by the last clause, beginning in line 10, which has been agreed to, as I understand, that "this work shall be carried on in such manner as may be mutually agreed upon by the Federal board and any State receiving the benefits of this act?

Mr. SMOOT. That has been stricken out.

Mr. SHEPPARD. The original section 8 has been substituted for the amendment, I will say to the Senator from Florida.

Mr. HARRISON. The idea which we had yesterday, as I understood, in rejecting the substitute offered by the committee and going back to the original provision of section 8 was to get away from that thought, that the Federal Government should have too much of a hand in this proposition and might veto the work of the States. So, carrying out that idea, it seems to me that it would not affect the bill to strike out the three lines which read:

> If the Federal board finds these plans to be in conformity with the provisions and purposes of this act, due notice of approval shall be sent to the State board.

Mr. FRANCE and Mr. WALSH of Montana addressed the Chair.

The PRESIDING OFFICER (Mr. NUGENT in the chair). Does the Senator from Mississippi yield; and if so, to whom?

Mr. HARRISON. I yield first to the Senator from Maryland.

Mr. FRANCE. Mr. President, the junior Senator from Utah spoke to me a moment ago with reference to this particular portion of the bill and called my attention to an amendment which he thought of offering, and which I think will improve the language and will meet the objection of the Senator from Mississippi.

Mr. HARRISON. What is the amendment?

Mr. KING. Mr. President, I confess to not being attentive to the suggestions of the Senator from Mississippi, but I was about to suggest, if I may be permitted to do so, the following amendment: In lines 1, 2, and 3, page 7, strike out the words "if the Federal board finds these plans to be" and substitute the words "If these plans are in conformity with the provisions

and purposes of the act, due notice of approval shall be sent to the State board."

Mr. SMOOT. But who will send them?

Mr. SHEPPARD. The words "by the Children's Bureau" should be added.

Mr. SMOOT. That will cover the point.

Mr. KING. I have no objection to those words being added.

Mr. HARRISON. Mr. President, the amendment of the Senator from Utah makes no essential change, so far as I can see. It means about the same thing. What I should like to get away from is the proposition that the Federal board here in Washington can determine the manner of carrying out the provisions of this bill by the State organizations.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. HARRISON. Yes.

Mr. LENROOT. Is the Senator in favor of the Federal Government appropriating millions of dollars without having any assurance that the real object of the bill is to be accomplished?

Mr. HARRISON. The bill at the beginning of section 8 provides:

That any State desiring to avail itself of the benefits of this act shall, by its board described in section 4, submit to the Federal board detailed plans for carrying out the provisions of this act.

Mr. LENROOT. Suppose the plans do not carry out the purposes of this act, must there not be somebody to determine that question?

Mr. HARRISON. Suppose my State, for instance, availing itself of the provisions of this bill and putting up its pro rata share of the money, should make certain plans which it thought carried out the provisions of the bill, indicating what character of instructors they would send out to inform the people, and the plan should come here, the State board in my State, thinking that they had complied with the provisions of this bill, the board here in Washington might think that the character of instructors in many instances was not just what the board thought it ought to be. There might be a difference in various ways. The Federal board might think that the instructors ought to be men, while the State board might think they ought to be women; the State board might think the instructors should be white, while the board here might think that it made no difference and that the instructors might be of different race. Under those circumstances the board here could say, "You have got to comply with our idea about this matter," and it could refuse to O. K. the plans until they had been changed accordingly. Does not the Senator think that is true?

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from Washington?

Mr. HARRISON. Yes.

Mr. POINDEXTER. I wish to ask the Senator from Mississippi a question. While I appreciate fully the force of the criticism he has made, is not the matter he is criticizing the inevitable result of vesting the Federal Government with jurisdiction over such subjects as that covered by the pending bill?

Mr. HARRISON. Yes.

Mr. POINDEXTER. If the Federal Government assumes jurisdiction over such matters it seems to me that the argument which the Senator from Mississippi is making is more of an argument against the policy than one which should be made against the measure after the policy has been adopted.

Mr. HARRISON. I agree with the Senator from Washington that the criticism very largely grows out of the policy now being pursued, but we wish to frame the bill so that there will be no dangers lurking in it, and I think I can see some dangers in the proposition to which I have called attention. The purposes of the bill are written in the bill itself and if we are going to so say that the States shall appropriate sums of money equal to those appropriated by the Federal Government to carry out these purposes we ought to leave it to the States to carry them out.

Mr. LENROOT. Why?

Mr. HARRISON. For the simple reason that I think the State knows how to do the work in the best manner and in a manner more agreeable to its particular people than would a board here in Washington.

Mr. LENROOT. Does the Senator think that the Federal Government should pay out the millions of dollars which are to be appropriated under this bill without any assurance or guaranty to the Federal Government that the object of the bill is to be accomplished, and that that question should be left to the States themselves?

Mr. HARRISON. The Congress is going to appropriate this money. I will not express any opinion as to whether they should do so, but they are going to do it. We ought to carry on the work, in my opinion, through the States. The Senator thinks that it should be carried on through the board here. There is a difference of opinion as to that.

Mr. LENROOT. I should have to oppose the bill unless the Federal Government were given some control, for instance, by the approval of the plans, over the matter of the expenditure of the money. Otherwise, it would simply be a gift of so much money to the States.

Mr. WALSH of Montana. Mr. President, I want to say, before the Senator from Wisconsin quits the discussion of this subject, that I see no reason for the position that the adoption of the amendment proposed by the Senator from Utah would destroy the supervision of the General Government over this matter. That is not the purpose of the amendment suggested by the Senator from Utah at all.

Mr. KING. Mr. President, if the Senator will pardon me, I do not think the Senator from Wisconsin was combating the amendment which I had offered.

Mr. LENROOT. Not by anything I have said. In that connection, however, it seems to me that with the Senator's amendment the fact must exist, but if the Senator's amendment is adopted there is no one to ascertain the fact.

Mr. WALSH of Montana. That is not sound, it seems to me, and that is what I wanted to say in answer to the suggestion made by the Senator from Wisconsin. The plans must conform to the requirements of the act. Now, it is simply a question as to who shall determine whether they do conform or do not conform. Whether they do conform or do not conform is certainly a judicial question, and would be determined not by the Federal official who looks at it from the Federal aspect but by the court that looks at it from the standpoint of the meaning of the act. If the notice was not sent under plans which did as a matter of fact conform to the act, I apprehend that the Federal officer would be subject to mandamus compelling him to send the notice, and thereupon the court would determine whether the plans proposed were in conformity with the requirements of the act or not. So that it would not, as it seems to me, as implied by the remarks made by the Senator from Wisconsin, give carte blanche to the State to spend this money in any way it saw fit.

Mr. LENROOT. Oh, I make no such contention with reference to the amendment of the Senator from Utah. I was merely replying to the suggestion of the Senator from Mississippi; but as to the amendment of the Senator from Utah, it seems to me that does clearly make it a judicial question, while under the bill as it now stands it is not a judicial question.

Mr. WALSH of Montana. That is correct. That is, it is made an administrative matter instead of a judicial matter.

Mr. LENROOT. Yes, sir.

Mr. HARRISON. Mr. President, may we have the amendment suggested by the Senator from Utah stated from the desk?

Mr. KING. Mr. President, it is so hastily written that it is almost undecipherable, so I will read it:

If these plans are in conformity with the provisions and purposes of this act, due notice of approval shall be sent to the State board by the Chief of the Children's Bureau.

Mr. HARRISON. I think that is somewhat better than the other one.

The PRESIDING OFFICER. The amendment will be stated.

The ASSISTANT SECRETARY. Beginning with the word "especially," on line 25, page 6, it is proposed to strike out the comma before the word "especially" and the following words:

Especially in remote areas. If the Federal board finds these plans to be in conformity with provisions and purposes of this act, due notice of approval shall be sent to the State board.

And to insert:

If these plans are in conformity with the provisions and purposes of this act, due notice of approval shall be sent to the State board by the Chief of the Children's Bureau.

Mr. LENROOT. Mr. President, before that is voted upon I should like to ask the Senator from Maryland whether the policy of this bill was not to invest in the Federal board a wide discretion as to the approval of the details, and whether it was ever intended that the law itself should cover all of the things, or rather merely an outline?

Mr. FRANCE. The facts are as intimated in the question of the Senator from Wisconsin. It was the purpose to have the bill in a general way outline the work which was to be carried on, and discretion was to be left in the Children's Bureau as to the character of this work and as to the methods.

Mr. LENROOT. If this amendment is adopted, a plan might comply with the act itself in its general outlines and yet fall very far short of accomplishing any real good; might it not?

Mr. FRANCE. That is very true, as the Senator has said. On the other hand, it seems to me that the amendment of the Senator from Utah still leaves discretion in the Children's Bu-

reau, and yet it does not confer upon that bureau the arbitrary power, without any redress, to make a decision. I think the discretion still rests with the bureau, and I think the amendment of the Senator opens the way for an appeal to a court in the case of a controversy. In other words, it removes from the Children's Bureau any power to make a legal judicial decision; and I personally am opposed to lodging judicial power in any official or bureau if it can be avoided.

Mr. LENROOT. Mr. President, let me ask the Senator a question. The language of the original bill is—

finds these plans to be in conformity with provisions and purposes of this act.

The amendment would read:

If these plans are in conformity with the provisions and purposes of this act.

Now, the plans that might be submitted might be perfectly valueless, and yet in their general outline they might be in conformity with the provisions and purposes of this act, certainly not in conflict with them, and yet incapable of carrying out the purposes of the act.

Mr. FRANCE. Mr. President, I think the point made by the Senator from Wisconsin is a very good one, and it illustrates how the procedure would go on. Under those circumstances the Chief of the Children's Bureau would say: "These plans may conform to the provisions of the act, but I do not think so; I think they are not adequate. They are not effective. Your method of procedure would not secure the results"; and the State officials, if they felt otherwise, would have an opportunity to appeal to a court. In the last analysis we would have a judicial decision as to whether or not the plans were suitable and as to whether they were adequate, as well as in conformity with the purposes of the bill.

Mr. LENROOT. I think that might be true; and if this language were amended so as to read "in conformity with the provisions and adequate to carry out the purposes of this act," then you might have it; but as it now stands I think it would not go as far as it ought to go.

Mr. KING. Mr. President, I think the Senator from Wisconsin is indulging in hairsplitting, and yet I have no desire to offer any amendment that would permit any evasion. I think that if this bill is to be enacted into law its provisions and the purposes for which it is to be enacted should be observed. I would not tolerate any evasion by State officials in executing the provisions of this act in perfect good faith. I should be the last one to justify any improper construction of the act. If it is a good act it ought to be carried out, and the State officials ought, in a whole-hearted way, to cooperate with the Federal Government in the execution of the terms of the act; but the point I have in mind is this, and the Senator from Wisconsin doubtless has cognizance of that matter:

In many of these bills which have been passed where authority has been given to Federal boards sometimes incompetent and hypercritical and hypertechnical employees have refused to approve of the course of the States. I have in mind now two illustrations where the Federal officials have refused to approve of activities carried on by one State, which, in the judgment of competent men, measured up to the requirements of the statute, both in letter and in spirit. There is no appeal. The belief is that the Federal officials have acted in a capricious and in an arbitrary manner; and certainly the States ought to be protected against capricious conduct upon the part of Federal officials, because the Senator knows that the administration of these bills too often is placed in the hands of subordinates. Many of the subordinates are incompetent. If the chief had charge of the matter, there would be no controversy; but the responsible officer has not the power, it is not humanly possible, to give attention to all of the details of the plans and the organization. Therefore, subordinate officers are intrusted with the execution of the act; and, as I have stated, too often they are incompetent, and do act capriciously.

The amendment which I have offered is merely for the purpose of protecting the States against capricious action upon the part of the Federal Government. I can see no objection to my amendment, and yet I should not object to the amendment which has just been indicated by the Senator from Wisconsin.

The PRESIDING OFFICER. The question is on the amendment offered by the junior Senator from Utah [Mr. KING].

Mr. SIMMONS. Mr. President——

Mr. LENROOT. Mr. President, if I may ask the Senator from Utah a question before the Senator from North Carolina proceeds——

Mr. SIMMONS. Certainly.

Mr. LENROOT. Would the Senator be willing to accept this as a substitute:

If these plans shall be in conformity with the provisions of this act, and adequate to carry out its purposes, due notice of approval shall be sent by the State board.

Mr. SIMMONS. Mr. President, let me suggest to the Senator that that was my only purpose in rising, to suggest qualifying the word "adequate" there with the word "reasonably," so as to read "reasonably adequate" or "reasonably appropriate and adequate," which, I think, would be better.

I think the amendment quite important. I can see that under the amendment of the Senator from Utah a mere technical compliance on the part of the State in the appointment of this board, and the ordinary agencies which would accompany the execution of the functions of the board, might be held to be conformity on the part of the State, when as a matter of fact it would not provide any efficient scheme for carrying out the purposes of the bill. I think the Federal Government, when it appropriates these large sums of money in cooperation with the State, has the same right as the State to participate in determining the question of whether the State has adequately provided for the accomplishment, through its agencies, of the purposes of the legislation.

If the amendment offered by the Senator from Utah should be further amended by the language of the Senator from Wisconsin, I think it would perfectly safeguard the interests of the Federal Government; but I think if the language is not modified it would leave rather too broad a discretion in the board here in the matter of rejecting or approving the plan adopted by the State. Therefore, instead of the broad language, "plans adequate for the accomplishment of the purposes," I think it ought to be further modified by the use of the term "reasonably" or "appropriately adequate for the accomplishment of the purposes." That would to some extent limit and circumscribe the powers of the board at Washington and would indicate that it was our purpose and intent that they should approve the plan if it was reasonably adequate—not wholly adequate, but reasonably adequate—to accomplish the purposes of the act.

Mr. LENROOT. Mr. President, I offer as a substitute for the amendment of the Senator from Utah [Mr. KING] the amendment which I send to the desk.

The PRESIDING OFFICER. The Secretary will state the amendment.

The READING CLERK. As a substitute for the amendment proposed by the junior Senator from Utah [Mr. KING] insert:

If these plans shall be in conformity with the provisions of this act and reasonably appropriate and adequate to carry out its purposes, due notice of approval shall be sent to the State board.

Mr. SHEPPARD. By whom?

Mr. LENROOT. By the Children's Bureau.

Mr. KING. By the Chief of the Children's Bureau.

The PRESIDING OFFICER. The question is on the substitute offered by the Senator from Wisconsin to the amendment proposed by the junior Senator from Utah.

Mr. KING. Let me ask the Senator from Wisconsin if he thinks, under the language of his substitute, there can be any doubt as to the power of the court to review the decision of the Chief of the Children's Bureau?

Mr. LENROOT. None whatever—by mandamus, if they refuse to approve.

Mr. KING. I so construe it, but if there is any doubt, it should be made clear.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

Mr. FRANCE. I send to the desk an amendment, which will take only a moment, as it is only a change of language.

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 1, line 3, after the word "hereby," strike out the word "annually," and after the word "appropriated," in the same line, insert the word "annually."

Mr. KING. How will it read then, Mr. President?

Mr. FRANCE. That amendment is merely to correct a grammatical error.

The READING CLERK. So that it will read:

That there is hereby authorized to be appropriated annually out of any money in the Treasury not otherwise appropriated—

And so forth.

Mr. KING. Mr. President, I understood that the amendment offered by the senior Senator from Utah [Mr. SMOOT], and which I understood had been formulated in cooperation with the Senator from Maryland [Mr. FRANCE], limited the appropriation to one year.

Mr. FRANCE. No; the Senator is in error about that. It did not do so. If the Senator would like to have it read, I should be very glad to have it read.

Mr. KING. No; if the Senator will just state what the substance of it was.

Mr. FRANCE. It provides $1,480,000 for the first year, and $1,480,000 for every year annually thereafter.

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Mr. SIMMONS. Has not the Senator rather misstated that? I think it was $1,000,000 for the first year and $1,480,000 for each succeeding year.

Mr. FRANCE. Yes; it was an additional appropriation of $1,000,000 for the first year.

Mr. KING. It is $1,480,000 for the first year.

Mr. SIMMONS. No; $1,000,000 and $1,480,000 for every succeeding year.

Mr. FRANCE. I will call attention to the fact that $1,000,000 is appropriated for the organization in the first year, and then, in addition to that, there was an appropriation of $480,000.

Mr. SIMMONS. The Senator is correct. I was not including in my statement the $480,000 appropriated in $10,000 sums for each State for the first year.

Mr. KING. Then it is $1,480,000 for a period of years.

Mr. FRANCE. Yes. We found, after consultation, that it would be better to continue the appropriation, for the reason that the States could not otherwise look forward to the organization of their cooperative work, and it seemed almost necessary to make the annual appropriations in order that the States might look forward to cooperate. I would have been perfectly willing to allow the future appropriations to rest in the hands of future Congresses, but it was impossible to formulate language which would enable the States to look forward in such a way that they could carry on their future cooperative work.

Mr. KING. Did the amendment which was adopted provide that the first appropriation would be available for the fiscal year 1922?

Mr. FRANCE. Yes.

Mr. SIMMONS. I wish to say that, while the amendment agreed upon with reference to the amount to be appropriated does not exactly conform to the suggestions which I made some time ago, I propose to accept the modification without controversy. Nevertheless, I think the Senators in charge of this measure have made a mistake in not leaving the appropriation for subsequent years open to the free action of subsequent Congresses. My own opinion about this measure is that it is one of great importance, it is work that is going to very rapidly expand, and it is going to develop that the amounts specified in the bill as amended will be wholly inadequate for the accomplishment of the great purpose in view. My hope was that no limitation would be placed upon the appropriations hereafter to be made in the interest of an expansion of this great work, believing, as I do, that in this case, as in other cases, when the system has been put into operation, the necessity of a greater amount of money will be disclosed, and estimates will be made by the department with an absolute assurance that if they are within reason they will be responded to liberally by the representatives of the people.

Mr. KING. Mr. President, will the Senator permit an inquiry there?

Mr. SIMMONS. Certainly.

Mr. KING. Does not the Senator think that Congress ought to convey the idea that this activity by the Government is going to expire within a reasonably short time, and that the importance of this work must be so apparent to the States that the States themselves will assume the obligation, realizing that under our form of government the duty rests upon the States not only to furnish education to the people, but to carry on work of this character whenever it is necessary? It seems to me the suggestions of the Senator would seem to indicate that the Federal Government is to commit itself for all time to this work, whereas I have been under the impression that it was to stimulate the States to activities, and that in the end they would assume the entire responsibility themselves, because under our form of government that responsibility ought to be assumed by the States.

Mr. SIMMONS. Mr. President, our experience heretofore has been that when the Federal Government engages in work of this kind it never gets out of it. I doubt very much if we start this method of dealing with this immense subject that the Federal Government will ever free itself from the obligations that it is now taking upon itself of contributing to the expenditures for this purpose.

But, Mr. President, if after we have tried it out it shall be the judgment of Congress at any future time that the Government has carried the scheme to a stage where the States should take it in hand, or if we should conclude that the States can manage it better than the Government, there would be no difficulty in Congress, by legislation, making that fully known by discontinuing the appropriation altogether.

The point I am trying to make is that the fact that we do not make an appropriation for subsequent years ought not to embarrass it at all in formulating the plans and entering upon the work, because I think that nobody will deny that Congress, by making the initial appropriation, assumes the obligation of carrying on the work, if it is found desirable for Congress to carry it on, and to appropriate such sums of money as Congress, when advised by the bureau administering it, may find necessary to carry on the work. I would rather have it unlimited than to have it limited, especially when the limitation provides for as small a sum as this proposed amendment provides for. I do not know of any greater work that the Government could enter upon than this. We have entered upon similar work with reference to animal life, and we have seen the expense of that grow by leaps and bounds. We have found when we have gotten into the work that it requires much more money to carry it on efficiently than we had anticipated. But we have never hesitated to vote the amounts found to be necessary, and will not hesitate to do so in this case. If there is any case one can conceive of in which the Congress should not take a parsimonious attitude it is this case, dealing with child life, and dealing with the dangers of maternity. The only thing that is necessary is to develop in the execution of the work the benefits that are actually accruing as a result of the work. If that is done, Congress will respond liberally, and $1,480,000 per year for this great work, to my mind, is parsimonious. I have not attacked the appropriation at any time upon the ground that it was too great. I want a small initial appropriation, but I want the doors left wide open to Congress, without any restrictions, without any limitations in the law, to meet the situation in the future by as liberal a provision as the exigencies of the case may require.

The PRESIDING OFFICER (Mr. KIRBY in the chair). The question before the Senate now is on the adoption of the amendment proposed by the Senator from Maryland [Mr. FRANCE].

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, I intend to offer some amendments, but before doing so may I say that I have listened with a great deal of interest to the discussion which has gone on, especially as indulged in by some of the Senators who seem to think that later on, perhaps, Congress will decide that the States can do this work for themselves and will cease making appropriations. One of the most remarkable things in that discussion, Mr. President, is that those suggestions were made with perfectly straight faces. Once the appropriation is made, it will never stop, and we might just as well face that fact. Once the Federal Government adopts the policy of extending Federal aid to States, it will never stop the policy, nor will the States ever ask it to stop the policy. I think I can assure the Senator from Utah [Mr. KING] that that will be the fact. The only questions we have to determine are what are the proper functions for the Federal Government to undertake in this matter of Federal aid, and to determine how far the Federal Government shall go in each of these functions.

As I recollect it, the Federal Government to-day is extending financial aid to the States through the Interdepartmental Social Hygiene Board, which is endeavoring to eradicate diseases of vice in the States. It is cooperating with the State in a financial way in the matter of rehabilitation of those injured in industry. It is cooperating with the State, of course, in the matter of building highways.

Undoubtedly this legislation will go through, which brings the Federal Government into the extension of Federal aid in maternity and child-welfare cases. I would not be at all surprised if the passage of the bill were followed by a very rapid development or extension of Federal functions along these or similar lines; that in all probability this measure, when it is enacted into law, will be followed by some such measure as one calling for the extension of financial aid to the States in the matter of mothers' pensions and of widows' pensions, and that may very well lead to the extension of Federal aid toward helping in stamping out certain diseases, such as tuberculosis—there is already a movement on foot to bring that about—the elimination of cancer, and other misfortunes that afflict the human race.

I think we can well make up our minds, therefore, that the Federal Government is well embarked upon this policy and that the passage of the pending measure will not terminate the policy by any means.

The efforts that I am directing here toward amending the bill are in the interest of simplicity and saving money to the taxpayers, without in the slightest degree, in my humble judgment, hurting the bill itself. I think something should be left to the judgment of the States as to the character of the administrative machinery they are to set up. My amendments are meant to leave to the States that discretion, for I fear that the bill, if enacted in the form in which it is printed, would lead to the creation of a very large number of new political offices which I think are unnecessary.

In lines 11 and 12, on page 4, I move to strike out the words "board of maternal and infant hygiene, consisting of not less than three members," and insert in lieu thereof the word "agency," so that it will read:

That in order to secure the benefits of the appropriations authorized in section 2 of this act, any State shall, through the legislative authority thereof, accept the provisions of this act and designate or authorize the creation of a State agency with which the Children's Bureau shall have all necessary powers to cooperate as herein provided in the administration of the provisions of this act.

It is my purpose to move to strike out the next proviso, which becomes unnecessary and merely complicates the measure.

Mr. FRANCE. I will accept that amendment. I think it in no way interferes with the efficiency of the bill.

The PRESIDING OFFICER. The question is on agreeing to the amendment proposed by the Senator from New York [Mr. WADSWORTH].

The amendment was agreed to.

Mr. WADSWORTH. I move to strike out the proviso which commences in line 15, page 4, of the bill, and which reads as follows:

Provided, That in any State having a child welfare or child hygiene division in its State board of health, the said State board of health may be directed to administer the provisions of this act through such divisions.

The amendment which has just been agreed to authorizes the State to designate any agency or to create any agency to do the work, and therefore the proviso is quite unnecessary.

Mr. FRANCE. I think if the Senator will consider that language very carefully he will see that it looks rather to economy than to extravagance. It looks to the utilization of the agencies which may be already in existence.

Mr. WADSWORTH. So does the language of the section as just amended.

Mr. FRANCE. I think the proviso might be stricken out in view of the language which has been presented by the Senator from New York and agreed to. At the same time, I think the language of the proviso does direct the attention of the States to the fact that they may utilize agencies already in existence. I will state in this connection that the amendment offered by the Senator from Utah [Mr. SMOOT] provides that the members of the advisory committee shall serve without pay.

Mr. WADSWORTH. I do not think the Federal Government has any right to say what the States shall do with their own employees in the matter of pay. If the Senator from Maryland will point out any power vested in Congress to forbid a State from paying its employees I should like to know what it is.

Mr. LENROOT. It may be one of the conditions of receiving this aid.

Mr. WADSWORTH. Is it intended that the conditions of receiving this aid go to the extent of regulating the salaries? I hope we have not reached that point.

Mr. LENROOT. It would be one of the conditions that these advisory committees shall serve without pay. It is not attempting to impose upon the States any regulation other than that they must do it if they secure Federal aid.

Mr. WADSWORTH. Then I am against the amendment of the Senator from Utah. We may have a right, by this enticement which we hold out to the States in the matter of financial assistance, to make certain rules and regulations, but are we going to clothe this Federal agency with the right to include a maximum and minimum of salaries which shall be paid by the State governments as a part of the regulations? I think we are going pretty far. Why not abolish the State governments?

Mr. THOMAS. Does not the Senator think that the Federal Government, in appropriating this money for the use of the States, may impose limitations upon the manner of its expenditure?

Mr. WADSWORTH. Yes; in the manner of the expenditure of the Federal Government's money.

Mr. THOMAS. I was going to follow up my suggestion by asking whether the addition of the words "from this fund" or "from this appropriation" would not cover the point. I quite agree with the Senator that we have no right to impose any limitations upon the salaries or compensation of State officials, but we can provide that they shall receive no pay from this appropriation.

Mr. WADSWORTH. I am heartily in favor of such an amendment. I had no idea that it rested in the mind of the Senator from Maryland [Mr. FRANCE] or the Senator from Wisconsin [Mr. LENROOT] that it was a part of the Federal regulations to fix the salaries of State employees. That had not occurred to me until it was just mentioned by them.

Mr. THOMAS. Most of the States are so anxious to get money out of the Federal Treasury that they are willing to concede almost anything.

Mr. WADSWORTH. That is perfectly true.

Mr. THOMAS. But I think the difference between us can be adjusted by inserting the words "from this appropriation" or "from Federal money."

Mr. FRANCE. I directed the attention of the Senator from New York to the fact that members of the advisory committees are to serve without pay because of the fear he has expressed that many new lucrative offices would be created as a result of the appropriation.

Mr. WADSWORTH. May I ask the Senator from Maryland who is to decide that they shall serve without pay?

Mr. FRANCE. The language of the bill, as amended by the amendment of the Senator from Utah, provides that the members shall give their services voluntarily and shall not be paid out of the proceeds of this fund.

Mr. WADSWORTH. In other words, the Legislature of the State of New York could pass a law creating these advisory committees, but it could not pay them if the Federal board said no. Have we reached that point? Why not make it a part of the provision here that this measure shall not be applicable unless there shall be no governor of the State of New York? Where are we going in this matter? Is there no discretion left to the States?

Mr. LENROOT. Will the Senator from New York yield?

Mr. WADSWORTH. Certainly.

Mr. LENROOT. The Senator objected a moment ago to this provision because it would increase the expenses of the State and create new offices. These advisory committees will not exist except under the provisions of the Federal law. It is not a State law, except to carry out the provisions of the Federal law.

Mr. WADSWORTH. If the Senator will allow me to finish, I will describe what I had in mind. I was going to move to strike out lines 19, 20, 21, 22, and 23, and the first two words in line 24, and leave it to the States themselves to decide whether they want State advisory commissions or local advisory commissions, or both, or to pay them or not, as they may choose.

I do not want it placed in the hands of the Federal Government to compel the appointment of local commissions by an order issued from Washington. I think it is going pretty far. Can we not leave that to the people of the States?

Mr. LENROOT. If the Senator's amendment is adopted it will open the door for the States very largely to increase their officials and their expenses through the provisions of this bill.

Mr. WADSWORTH. That is their business.

Mr. LENROOT. As it stands, it would prohibit that.

Mr. WADSWORTH. That is their business, not the business of the Federal Government. It is their money; they raise it by their taxation, and if they want to pay the members of their advisory committees, they may do so. I hope that they will not. The bill as it is printed opens the door to that thing because it confides to the Federal Government the power, first, to compel the States to have advisory commissions, and then, having provided that they must have them, the Federal Government turns around and says you must not pay them. I think that is pretty drastic treatment of a sovereign State. I do not think they should be compelled, in the first place, to have the commissions, but if they are compelled to have them, in the second place they ought not to be prevented from paying what they want to pay them. I do not see how it could affect the efficiency of the act.

Mr. FRANCE. If the Senator will yield——

Mr. WADSWORTH. Certainly.

Mr. FRANCE. I will say they are not compelled to adopt any of this proceeding, but they are compelled to do so if they accept the appropriations which are here made available to them under these conditions.

Has the Senator from New York considered this phase of the question? And I take the liberty of calling his attention to it if he has not, and that is the desirability of having some moderate degree of uniformity in the machinery which a State shall set up as compared with the machinery which shall be set up by another State, in order that there may be somewhat of a standardization of methods, of method of communication, of method of cooperation, of method of association, in case there should be at any time the need of calling the various States together to consult upon a common problem.

It was the thought, I think, in the minds of those who wrote this provision that it would be highly desirable to have some degree of uniformity throughout the States in the machinery, leaving, however, to each State a large amount of discretion as to the details in carrying out the work.

Mr. WADSWORTH. The bill would leave no such discretion as to details in the administration of the provisions of the measure inside of the State boundaries, but I think what the Senator refers to as uniformity in the operation of the pro-

posed law will be brought about by evolution and experience very shortly. However, I do not think we ought to put the whole thing in a strait-jacket in the beginning. I do not believe it is a necessary regulation, to wit, that the States must, if the board says so, appoint advisory committees, both State and local. There are some pretty big States in the Union.

I do not know exactly what the term "local advisory committee means," but it could mean anything that this Federal board wanted it to mean, and three or four persons sitting here in Washington could send word to all the States that in every township in each State there shall be an advisory committee.

Mr. SMITH of Georgia. Has the Senator moved to strike that language from the latter part of line 18 and down to line 24?

Mr. WADSWORTH. I am going to do that.

Mr. SMITH of Georgia. I shall support that motion.

Mr. FRANCE. I do not think that the amendment proposed vitally changes the bill, in view of the more general language which the Senator from New York has moved to have incorporated. I mean the word "agency" instead of "board." The word "agency," of course, will cover any sort of a board or committee, or even individual local health officer.

Mr. WADSWORTH. Anything the State may want.

Mr. FRANCE. So I do not think the rest of it is material, except that it does provide for a certain degree of uniformity. As has been suggested by the Senator from Wisconsin, it also closes the door to the use of this money for the creation of a large number of lucrative offices. I thought that was what the Senator from New York had in mind when he first rose—the prevention of the creation of a large number of lucrative offices.

Mr. WADSWORTH. That is why I offered the amendment using the word "agency," so that the State departments could remain single headed instead of being composed of three members. If the States themselves, on their own volition, elaborate the administration of the law within their own borders, I think they are entitled to take such action, so long as it is not done by the Federal money, as the Senator from Colorado suggests.

Mr. LENROOT. If the Senator from New York will yield at that point, it would be included in the part the State contributed. I think, under the Senator's theory, every dollar of the various State contributions might be used in furnishing political jobs throughout the State.

Mr. WADSWORTH. Here stands the commission clothed with the power to draw the regulations and approve the plans under which the work is to be done.

Mr. LENROOT. Yes; but the Senator objects to this Federal board having anything to say about the State committees or officials.

Mr. WADSWORTH. Mr. President, I objected to the mandatory provisions of the bill to which I have referred so often under which the Federal board may require the State boards or the State agencies to appoint advisory committees, both State and local, to assist in carrying out the purposes of the act. I think that might be left out for the time being. I imagine that a good many States will not want any advisory commissions. I think the State of New York will not want one; it now has too many commissions of all kinds and descriptions; and yet under this act it will be compelled to have another one if the board at Washington says they shall. I do not want the Federal Government clothed with the absolute power to create positions in the States.

Mr. SIMMONS. Does not the adoption of the Senator's amendment, a little while ago, make it absolutely necessary to strike out that part of the bill?

Mr. WADSWORTH. No; I do not think it does.

Mr. SIMMONS. The Senator's amendment, a little while ago, as I understood it, simply provided for the carrying out of this scheme by the States through any agency they might appoint. Now, the language in the proviso is retained which provides that the State board which the Senator's amendment has just destroyed shall appoint an advisory committee, making the proposed act inconsistent with itself.

Mr. WADSWORTH. I think it is inconsistent as a policy.

Mr. SIMMONS. The Senator first proposes to provide for the elimination of the State board and vest the powers which the bill confers upon it in any agency the State may provide. Then immediately follows the provision that the State board shall appoint an advisory committee. The Senator is, therefore, proposing to strike down the State board in one section and retain it in the next section.

Mr. WADSWORTH. Yes; the advisory board.

Mr. SIMMONS. There must be State boards if we are going to have committees appointed by State boards; but the Senator suggested an amendment to provide for eliminating the State boards and vesting these powers in any agency that the State might see fit to establish.

Mr. WADSWORTH. Mr. President, do I understand that the amendment which I first offered, on lines 11 and 12, has been adopted?

The PRESIDING OFFICER (Mr. STANLEY in the chair). The amendment has been adopted.

Mr. WADSWORTH. May I say to the Senator from Maryland, as to the proviso which follows the amendment, that I have no objection to the proviso in lines 15 to 18, inclusive, remaining in the bill, although I think it is surplusage?

Mr. FRANCE. I appreciate that.

Mr. LENROOT. Before the amendment is voted on, I desire to say that I think that is true if the proviso remains as at present framed, but if the word "may" can be changed to "shall," I think it would be very desirable to leave the proviso in, because any State which has a child welfare or child hygiene division in the State board of health will be a proper agency to administer this proposed act. Therefore, before the motion to strike out is voted on, I move, in line 17, page 4, to strike out the word "may" and to insert the word "shall."

Mr. WADSWORTH. I think that is an excellent amendment.

Mr. FRANCE. Mr. President, if the Senator from New York will yield, I desire to say that I understood he would be willing to withdraw his amendment striking out the proviso.

Mr. WADSWORTH. Yes; the first proviso itself, in lines 15 to 18, inclusive, if the amendment of the Senator from Wisconsin is adopted.

Mr. FRANCE. May the amendment be stated, Mr. President?

The PRESIDING OFFICER. The first amendment is that offered by the Senator from Wisconsin [Mr. LENROOT] to strike out the word "may" in line 17 and to insert the word "shall." It is necessary first to vote on that amendment before voting on the amendment proposed by the Senator from New York.

Mr. SMITH of Georgia. Who is to give the direction referred to?

Mr. LENROOT. The law itself.

Mr. SMITH of Georgia. The language proposed is:

Provided, That in any State having a child welfare or child hygiene division in its State board of health, the said State board of health shall be directed to administer the provisions of this act through such divisions.

Directed by whom? Is the Federal board to direct them or is the head of the Children's Bureau to direct them?

Mr. LENROOT. I think the criticism made by the Senator is well taken. I move to strike out the words "may be directed to" and to insert the word "shall." That will accomplish the object.

The PRESIDING OFFICER. The amendment as modified will be stated.

The READING CLERK. On page 4, line 17, it is proposed to strike out the words "may be directed to" and to insert the word "shall."

The PRESIDING OFFICER. The question is on the amendment as modified.

The amendment as modified was agreed to.

Mr. WADSWORTH. Mr. President, on page 4, I move to strike out lines 19, 20, 21, 22, 23, and the first two words on line 24, for the reasons which I have already given.

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 4, beginning in line 18, it is proposed to strike out the following:

The Federal board may require the State boards cooperating under this act to appoint advisory committees, both State and local, to assist in carrying out the purposes of this act; the members of such advisory committees shall be selected by the State boards, and at least half of such members shall be women.

Mr. SMITH of Georgia. Mr. President, I wish to express my very cordial approval of that amendment. If this bill is to be effective, the State boards of health must be given authority to direct it. I do not believe it will work in any other way. The effort to allow the Federal board to require the State boards to appoint advisory committees is hardly wise, in my opinion, for the reason that such committees may or may not be desirable in the various States. The same rule can not work in every State; we must recognize the machinery of the State, and we must in a measure concede to them the authority to perfect plans for administering health work within their borders; and to undertake to control the State boards of health by advisory committees will handicap the work. Nearly every State has a State board of health, selected from their physicians, and they can best do this work.

Mr. FRANCE. Mr. President, while I do not feel that the pending amendment is one which vitally interferes with the provisions of the bill, I do consider that some degree of uniformity is necessary, or at least advisable, in the machinery

which we set up in the States. It was my thought that if unpaid advisory committees were created they would give us a uniformity which would be very desirable; so that in case it was desired to call a conference members of the voluntary advisory committees could be summoned to the conference. I do not feel that the appointment of advisory committees will in any way hamper the work being carried on by the boards of health or by the other agencies which will be created under the bill, in conformity with the language suggested by the Senator from New York. I hope that the Senate will not adopt the amendment and that the section may be allowed to stand as it has now been amended, in a way which makes it very satisfactory.

Mr. SPENCER. Mr. President, may I ask the Senator from Maryland in charge of the bill whether it would be satisfactory to the committee if the requirement as to the Federal board being given the power to appoint advisory committees or to require State boards to appoint advisory committees, whether or not the State boards might care to do so, were modified to provide as follows:

The Federal board may require the State boards cooperating under this act, and with their consent, to appoint advisory committees, both State and local.

I am inclined to think that in Missouri we would like to have such an advisory board; it would interest a large number of people who might otherwise not be interested; and yet I can conceive it may be true, as the Senator from New York has said, that in some States such an advisory board might not be desired. There ought, however, to be the power to give it some official sanction.

Mr. LENROOT. What would be meant by requiring certain action to be taken with the consent of the other parties?

Mr. SPENCER. Under the provisions of the bill it is not provided that they shall be "required," but the word "may" is used so that they may or may not do so.

Mr. LENROOT. The two things are absolutely antagonistic.

Mr. SPENCER. I agree with the Senator as to the word "require," and think we had better change it; but the point is to give to the Federal board the right, with the consent of the State, to have an advisory board in the State so that it would have some official connection with the administration of the law.

Mr. FRANCE. If the Senator will suggest that amendment, it will be agreeable to me personally.

Mr. SPENCER. May I ask the Senator from New York if it will be agreeable to him?

Mr. WADSWORTH. I do not understand just what part the Senator wants to change.

Mr. SPENCER. After the word "act," in line 20, there would be added the words "and with their consent," so that it would read:

The Federal board may require the State boards cooperating under this act, and with their consent, to appoint advisory committees.

In other words, it would not be compulsory upon any State unless the State desired it.

Mr. WADSWORTH. That is all I am aiming at, and we will get that result by striking out the entire language.

Mr. SPENCER. Yes, Mr. President; we may get the same result; but if we strike out the entire language we give the advisory boards no official standing whatever. There will be no provision for them in the law, whereas the amendment I have suggested accomplishes, I think, what the Senator from New York has in mind, and yet does give to the advisory boards a certain official standing. I should like to see the advisory boards created; I think we would like them in Missouri.

Mr. WADSWORTH. Let me call attention again to how the language would read if the suggestion of the Senator from Missouri were adopted. It would read:

The Federal board may require the State boards—

Require the State boards—

cooperating under this act to appoint, with their consent, advisory committees.

Mr. SMITH of Georgia. The word "require" should be changed to "authorize."

Mr. SPENCER. That is the very suggestion I was about to make.

Mr. SMITH of Georgia. It should read "authorize the State boards, with their approval."

Mr. SPENCER. It would read better if the word "require," in line 19, were changed to "authorize," and after the word "act," in line 20, there were added the words "with their consent."

Mr. WADSWORTH. That is a vast improvement.

Mr. FRANCE. Mr. President, that would meet the situation, if it is possible for the Federal Government to authorize such State boards to do a certain thing. I would suggest, however, the word "request" instead of the word "require."

Mr. WADSWORTH. Oh, no; that is a very different matter.

Mr. WATSON. "Authorize" is better.

Mr. FRANCE. The word proposed is satisfactory to me, and I think it meets the suggestion of the Senator from New York.

Mr. SPENCER. Then, if I may be permitted, I move that the word "require," in line 19, be changed to "authorize."

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 4, line 19, it is proposed to strike out the word "require" and insert the word "authorize," so as to read:

The Federal board may authorize the State boards cooperating under this act.

And after the word "act" to insert the words "and with their consent."

Mr. SPENCER. "And with the consent of said State board," in order that there may be no doubt to whom it refers.

Mr. SIMMONS. Mr. President, I want to ask the Senator from New York if under his amendment which we have just adopted that authority is not implied? Why is it necessary for the Federal board to authorize the State to do it when you have just provided that the State shall frame its own plan for the administration of this act?

I dislike very much to see such a flagrant inconsistency. You have provided now that the State shall have authority under this law to provide its own agencies for its administration. That has been done upon the insistence of several Senators here that the Federal Government should not control the State machinery for the enforcement of this law. Now it is proposed to authorize the establishment of a committee to be authorized by the Federal Government and not by the State government. If the State government wants a committee under the authority which the Senator's amendment gives the State government to prescribe the method of enforcement of this law, it can appoint a committee.

Mr. WADSWORTH. It can.

Mr. SIMMONS. It does not at all prevent the carrying out of the idea of the Senator from Missouri. If in his State it is thought better to have a plan by which there is to be a State board or an advisory committee, that State, under the authority given by the Senator's amendment, can establish it. There is no necessity for giving a State authority for doing a thing which a provision of the law in broad language authorizes it to do if it wants to do it.

Mr. WADSWORTH. I think the Senator is absolutely right. That is all I have been endeavoring to accomplish, and when I first moved to strike out lines 19 to 24 it was to do away with the mandatory feature which would compel a State to adopt a certain machinery.

Mr. SIMMONS. Of course, we are going to strike this language out, because it is inconsistent.

Mr. WADSWORTH. I am perfectly willing to strike it out. The Senator from Missouri now suggests that the teeth be taken out of that language and that it be really left to the discretion of the States, after all. I think they have that discretion anyway. I think that is quite meaningless.

Mr. SIMMONS. It is absolutely meaningless.

Mr. WALSH of Montana. Mr. President——

The PRESIDING OFFICER. Does the Senator from Missouri yield to the Senator from Montana?

Mr. SPENCER. Yes.

Mr. WALSH of Montana. I desire to register an objection to the language proposed by the Senator from Missouri, the validity of which, I think, will be apparent.

I do not think we ought to frame a Federal statute which would grant any kind of authority to State officials. They derive their authority from some other source. We ought not to authorize them. The same fault is found in the succeeding sentence, which I should like to remodel. It reads:

In any State, the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, may accept the provisions of this act and create a State board of maternal and infant hygiene.

The Federal statute is reposing powers in the governor of the State. That is an eminently inadvisable way to legislate. It seems to me the purpose that everyone has in this matter could be easily accomplished by just using the word "recommend" instead of "require," so that it shall read:

The board shall recommend to the State boards cooperating under this act the appointment of advisory committees, both State and local, to assist in carrying out the purposes of this act.

Then the Federal board will send out a recommendation that these advisory committees be constituted, and set forth their

reasons why they should be constituted; and then, if the State was so situated as that its machinery could not accept the recommendations, or there were local reasons why it could not do so, that would dispose of the matter; and thus, so far as uniformity could be accomplished, it would be accomplished.

I should revolt at the idea of our attempting to repose power in State officials. They derive their power from their own State constitutions.

I accordingly suggest, in that same connection, the remodeling of the succeeding sentence, so that it shall read in this way:

If, in any State the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, shall accept the provisions of this act and create a State board of maternal and infant hygiene of not less than three members, or designate a division of child welfare or child hygiene in the State board of health, to act in cooperation with the Children's Bureau, the said Children's Bureau shall then recognize such State board for the purposes of this act.

That is to say, just insert the word "if" before the sentence commences, change "may" to "shall," and cut out the period after the words "Federal board" in line 5, so that if the governor is authorized to do so, and he shall create such an agency, then the Children's Bureau shall recognize it. Thus you escape the anomaly of Congress assuming to grant powers to State officials.

They derive their powers logically, of course, from the constitution and laws of their own States. So that here, if you should direct the Children's Bureau to recommend to the various State boards the appointment of advisory committees, State and local, it seems to me that you would thus meet the views of all the Members who have expressed themselves.

Mr. SPENCER. Mr. President, so far as I am concerned, I think the suggestion of the Senator from Montana is excellent. I think it is a better word than my own or the other one that was suggested—to change the word "require," in line 19, to "recommend," and let the language read:

The Federal board may recommend.

Mr. WALSH of Montana. Strike out the words "may require," and insert in lieu thereof "shall recommend to."

Mr. SPENCER. Instead of saying "shall recommend to," I should suggest "may recommend to."

Mr. WALSH of Montana. I should put it "shall." Apparently, that is the sense. The sense is that these advisory boards, wherever they can be organized, ought to be organized; and so we direct the Children's Bureau to make that recommendation.

Mr. FRANCE. Mr. President, will the Senator from Montana make that as a motion?

Mr. WALSH of Montana. I offer that as an amendment. The Senator has indicated his willingness to accept it.

Mr. SPENCER. I withdraw my recommendation.

Mr. SHEPPARD. Should not the words "Federal board" be changed to "Children's Bureau"?

Mr. WALSH of Montana. I understand that that has already been done, so that it will read:

The Children's Bureau shall recommend to the State boards cooperating under this act the appointment of advisory committees, both State and local, to assist in carrying out the purposes of this act.

Mr. SMITH of Georgia. "Shall" or "may"?

Mr. WALSH of Montana. "Shall."

Mr. WADSWORTH. Mr. President, does the Senator from Maryland think it is wise to make that mandatory upon the Federal agency?

Mr. FRANCE. Yes; I feel that it is wise, as the Senator from Montana has suggested.

Mr. WADSWORTH. You are setting up here a Federal agency of three or four persons, and it is assumed that they are going to know more about what is needed in the way of administration in the States than anybody else in and about Washington. You put in the act creating the board a provision that they must recommend the creation of advisory committees. Now, I do not believe that is necessary.

Mr. FRANCE. It is not material.

Mr. WADSWORTH. If they determine that it is wise, they can do so. If they determine that it is not wise to recommend the formation of advisory committees, they ought not to be compelled to make the recommendation.

Mr. WALSH of Montana. If it is agreeable to the chairman, I am quite willing to substitute the word "may" for "shall."

Mr. WADSWORTH. With that change, I have no objection to the language between lines 19 and 24, if it shall read "the Children's Bureau may recommend."

Mr. LENROOT. Mr. President, will the Senator yield? I should like to ask if the technical language in the bill is not "Chief of the Children's Bureau"?

Mr. FRANCE. "The Children's Bureau." The words "Children's Bureau," however, are defined in the amendment of the Senator from Utah so that the Chief of the Children's Bureau is included; so that point is covered.

Mr. LENROOT. Very well.

Mr. BRANDEGEE. Mr. President, I should like to ask the Senator from Montana if he will now repeat the language of the bill as he would like to have it read, with the changes included which he has suggested, commencing on line 24?

Mr. WADSWORTH. Mr. President, has the amendment on line 19 been adopted? I should like to know about that before we proceed to another.

Mr. WALSH of Montana. I understand that the proposed amendment of the senior Senator from Utah [Mr. SMOOT] included every case in which the words "Federal board" appeared, and that there was substituted in lieu of those words "the Children's Bureau."

The PRESIDING OFFICER. The attention of the Chair is called to the fact that the amendment changing the words "Federal board" to "Children's Bureau" wherever they appear in the bill has not yet been made.

Mr. SHEPPARD. I suggest to the Senator from Utah that he make that request.

Mr. SMOOT. I was just going to ask that it be agreed to now.

Mr. BRANDEGEE. Can it not be agreed to now that the words "Children's Bureau" shall be inserted wherever the words "Federal board" appear throughout the bill?

The PRESIDING OFFICER. There is another amendment before the Senate. That can only be agreed to by unanimous consent.

Mr. SHEPPARD. I understand that the senior Senator from Utah asked unanimous consent that that change be made.

Mr. SMOOT. If there is an amendment pending now, let it be agreed to and disposed of, and then I shall ask unanimous consent that wherever the words "Federal board" occur in the bill they shall be stricken out and the words "Children's Bureau" inserted.

Mr. WALSH of Montana. Then the sentence would read:

The Federal board may recommend to the State boards——

Mr. BRANDEGEE. "The Children's Bureau."

Mr. WALSH of Montana. But that has not yet been done. It will read:

The Federal board may recommend to the State boards cooperating under this act the appointment of advisory committees, both State and local, to assist in carrying out the purposes of this act; the members of such advisory committees shall be selected by the State boards, and at least half of such members shall be women.

Mr. FRANCE. Mr. President, will the Senator from Montana incorporate in his amendment the other changes which he suggested?

Mr. WADSWORTH. Mr. President, may I interpose a suggestion there? The Senator from Montana has made some additional suggestions applicable to the next sentence, and I also have some amendments to the next sentence, and the two can be combined.

Mr. WALSH of Montana. I think perhaps we had better dispose of this sentence first.

Mr. FRANCE. I have no objection to the amendment, as perfected by the Senator from Montana, to the language between lines 19 and 24.

Mr. WATSON. Mr. President, why can not the amendment be stated, and let us act on it, and make some headway?

The PRESIDING OFFICER. The amendment will be stated.

The READING CLERK. On page 4, line 19, strike out the word "require," and insert in lieu thereof the words "recommend to"; on line 20, page 4, strike out the words "to appoint," and insert in lieu thereof the words "the appointment of."

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, just to straighten out the inconsistency which occurs in the next sentence, perhaps it would be wise for me to offer an amendment before the Senator from Montana [Mr. WALSH] offers his. I have two to offer. On line 2, of page 5, after the word "and," I move to insert the words "designate or," so that it will read "may accept the provisions of this act and designate or create a State board," and so forth.

Mr. FRANCE. Mr. President, I think that is a very helpful amendment.

Mr. WADSWORTH. Is there any objection to that, Mr. President? The reason for it is perfectly obvious.

The amendment was agreed to.

Mr. WADSWORTH. Now I move to insert, in line 2, page 5, after the word "State," the word "agency," and to strike out the rest of the line, and all of lines 3 and 4, down to and including the word "health," so that it will read, "designate or create a State agency to act in cooperation with the Federal

board." That makes it conform with the amendment already adopted to the first part of section 4.

The amendment was agreed to.

Mr. WADSWORTH. Mr. President, that principle having been established, I make a request similar to one which the Senator from Utah made, that hereafter, throughout the bill, where the words "State board" occur, the language be changed to read "State agency." I move that amendment.

The amendment was agreed to.

Mr. WALSH of Montana. Mr. President, I move to insert, after the word "women" and the period, in line 24, page 4, the word "If"; on page 5, line 1, to strike out the word "may" and insert the word "shall"; and after the word "board," in line 5, page 5, to strike out the period, so that the sentence shall read:

If in any State, the legislature of which does not meet in 1920, the governor of that State, so far as he is authorized to do so, shall accept the provisions of this act and designate or create a State agency to act in cooperation with the Children's Bureau, the said Children's Bureau shall then recognize such State board for the purposes of this act until the legislature of such State meets.

Mr. LENROOT. I would like to have the Senator's construction of that language. Is it intended to mean that, although there may be no authority whatever in the governor of the State to accept the provision of the act, he may accept them and have the State receive all the benefits of the act?

Mr. WALSH of Montana. It is expressly provided that he can not do anything unless he is authorized to do so, and he must be authorized to do so by the State law. The point I am making is that we can not confer on the governor of the State the power to create or designate a board. If he has that power, he must of course get it from the State constitution or the State law; but if he does that, then the Children's Bureau, being authorized, will recognize that agency as meeting the requirements of the act.

Mr. LENROOT. One other question. That is the construction I give it in its original language, but does not the Senator's amendment change that construction? In other words, if the Senator's amendment is adopted, could not the governor of the State file a certificate merely stating that, "in so far as I have authority I accept the provisions of the act and designate this agency," and will not the State then be entitled to the money, although there will be no authority whatever in the governor to accept it?

Mr. WALSH of Montana. The amendment proposed by me does not alter that situation at all.

Mr. LENROOT. I think it does.

Mr. WATSON. May we not have the amendment reported, so that we can tell what it is?

Mr. SHEPPARD. Mr. President, before the Secretary reads the suggested amendment I ask the Senator from Montana if he will not also substitute the year "1921" for "1920."

Mr. WALSH of Montana. That should be done. That is what I had in mind. But, before the amendment is reported, if the Senator from Indiana will pardon me, I call attention to one fact, for the purpose of showing that there is no change made, so far as the authorization is concerned. The original draft reads:

In any State the legislature of which does not meet in 1920 the governor of that State, so far as he is authorized to do so—

Authorized how?

So far as he is authorized to do so, of course, by the constitution and the laws of his State. It continues—

may accept the provisions of this act and create a State board of maternal and infant hygiene.

That is to say, we say to the governor of the State of Montana or the governor of the State of New York, "You may create a bureau or board of maternal and infant hygiene."

The point I object to is telling the governor of a State that he may do so and so. I want to provide that if he does so, then the Children's Bureau will recognize that agency as the agency of the State.

Mr. LENROOT. If instead of putting the word "if" where the Senator proposes, in line 25, he should strike out the words "so far as" and insert "if," would he not accomplish his purpose and make the construction very clear?

Mr. WALSH of Montana. I did not get that.

Mr. LENROOT. Instead of the amendment the Senator proposes, if line 25 be amended by striking out the words "so far as" and inserting the word "if" in that place, will the Senator not accomplish what he desires and make the construction very clear, so that it will read, "if he is authorized to do so, may accept," and so forth?

Mr. WALSH of Montana. But the Senator does not reach the point I am endeavoring to arrive at. What I object to is authorizing the governor to create a board, which we do by saying "if he is authorized to do so he may create a board." We can not authorize him to create a board. We can not delegate any authority to him of that character. But if he is authorized to do so and he does so, then the Children's Bureau will accept that work.

Mr. SPENCER. Would the Senator from Montana have any objection to inserting after the word "shall," as he changes it, in line 1, page 5, the words "under the provisions of law"? That would meet the objection of the Senator from Wisconsin [Mr. LENROOT], which seems to me to have merit in it. It would then read:

If in any State, the legislature of which does not meet in 1921, the governor of that State, so far as he is authorized to do so, shall, under the provisions of law, accept the provisions of this act and create a State agency.

And so forth.

Mr. WALSH of Montana. That would be entirely satisfactory.

Mr. SPENCER. Then there will be no doubt about the governor's action, if he did have the authority.

Mr. WALSH of Montana. I should have no objection to that. The only point I make is that if under the Constitution and laws of his own State he does it, the Children's Bureau will accept it.

Mr. SPENCER. Exactly. May we hear the proposed amendment, Mr. President?

The PRESIDING OFFICER. The Secretary will report the amendment.

The READING CLERK. On page 4, line 24, before the word "In" insert the word "If"; on line 25, strike out the numerals "1920" and insert the numerals "1921"; in line 1, page 5, strike out the word "may" and insert "shall, under the provisions of law," so that the paragraph will read:

If in any State, the legislature of which does not meet in 1921, the governor of that State, so far as he is authorized to do so, shall, under the provisions of law, accept the provisions of this act and designate or create a State agency to act in cooperation with the Federal board—

And so forth.

Mr. McCUMBER. Mr. President, let me suggest to the Senator from Missouri if it would not be better to insert, in place of what he desires to insert, the words "by law," so that it will read "so far as he is authorized by law," merely inserting "by law."

Mr. SPENCER. That would not at all meet what I had in mind.

Mr. McCUMBER. Probably I did not understand what the Senator really desired.

Mr. SPENCER. Without the amendment suggested by me, it might well be that a governor would certify that, so far as law authorized him to do so, he accepts the provision, and automatically that would make available the Federal appropriation, when, as a matter of fact, the authorization of the State law was not anywhere near sufficient to give him the authority to accept unqualifiedly. The governor ought not to be allowed to accept unless under the law he has the authority to make the acceptance which he seeks to make. That is what the amendment protects, and that is what the amendment of the Senator from North Dakota does not protect.

Mr. McCUMBER. I think the effect would be the same.

The VICE PRESIDENT. The question is on the amendment proposed by the Senator from Montana [Mr. WALSH].

The amendment was agreed to.

Mr. SMOOT. On page 4, line 24, I move to insert after the word "women" a comma and the words "all of the members of which advisory committees shall serve without compensation."

The amendment was agreed to.

Mr. WALSH of Montana. I move that the word "of," in line 21, page 6, be stricken out, and that the word "for" be inserted in lieu thereof.

The VICE PRESIDENT. The Secretary will report the amendment.

The READING CLERK. On page 6, line 21, after the word "provision," strike out the word "of" and insert the word "for," so that it will read, "the provision for instruction."

The amendment was agreed to.

Mr. SMOOT. On page 9, line 16, I move to strike out the words "as chairman of the Federal board," so that it will read:

That the Secretary of Labor shall include in his annual report to Congress a full account of the administration of this act and of the expenditures of the moneys herein authorized.

The amendment was agreed to.

The VICE PRESIDENT. The Chair calls the attention of the Senator from Utah to the fact that there is an amendment which has not yet been agreed to. The Secretary will state it.

The READING CLERK. On page 4, line 14, and wherever thereafter they appear, strike out the words "Federal board" and insert in lieu thereof the words "Children's Bureau."

Mr. SMOOT. I thought that had been agreed to.

The VICE PRESIDENT. It has not yet been agreed to.

Mr. SMOOT. I ask that the amendment be agreed to.

The amendment was agreed to.

Mr. HENDERSON. I was just about to ask the Senator from Utah with reference to that amendment. I would also like to ask if the amendment proposed by the Senator from New York [Mr. WADSWORTH] that wherever the words "State board" appear in the bill it now shall read "agency," has been agreed to?

The VICE PRESIDENT. That amendment has been agreed to. The bill is still as in Committee of the Whole and open to further amendment.

Mr. HITCHCOCK. On page 6, in line 2, after the word "elsewhere," I move to strike out the words "to rent buildings outside of the city of Washington." I ask whether the Senator in charge of the bill will be willing to accept that amendment.

Mr. FRANCE. I will not object to that amendment.

The VICE PRESIDENT. The amendment will be stated.

The READING CLERK. On page 6, lines 2 and 3, strike out the words "to rent buildings outside of the city of Washington."

The amendment was agreed to.

Mr. HITCHCOCK. In the same section, section 6, unlimited power is given to employ assistants, clerks, and other persons, without any limitation of salary. As we have always found that to be a bad practice heretofore, I move the insertion of the following amendment—

at salaries or compensation to be fixed by the Secretary of Labor and corresponding to those fixed by law for similar services elsewhere in Government employ.

I suggest to the Senator from Maryland the acceptation of the amendment.

Mr. FRANCE. I think that is a very suitable provision.

Mr. HITCHCOCK. It should be inserted after the word "elsewhere," in line 2, page 6.

Mr. BRANDEGEE. Will the Senator State once more the provision about the approval of the Secretary of Labor?

Mr. HITCHCOCK. I will ask that the Senator read the amendment.

The reading clerk again read the amendment.

Mr. BRANDEGEE. Why is it necessary, if the Children's Bureau is to have jurisdiction of this question, to have the salaries determined by the Secretary of Labor? It seems to me the Senator's provision that the salaries shall be similar to those of other Government employees in similar work is sufficient. I would not think it necessary that the Secretary of Labor should have the arbitrary right to fix these salaries.

Mr. HITCHCOCK. I will say, in answer to the question, that it seems to me the fixing of a salary is of sufficient importance, where it is not fixed by law, to go to the head and have the approval of the executive head of the department in which the bureau operates. I do that because of the additional responsibility vested in a Cabinet officer. The Secretary of Labor would merely approve a salary suggested, I suppose, by the head of the Children's Bureau, but it should have his sanction.

Mr. LENROOT. Will not the Senator make it read "approved" rather than "fixed"?

Mr. HITCHCOCK. I have not any objection to that. I will accept that modification.

Mr. BRANDEGEE. Fixed by the Children's Bureau, subject to the approval of the Secretary of Labor.

Mr. HITCHCOCK. At salaries approved by the Secretary of Labor, but not more than those fixed by law for similar services.

Mr. BRANDEGEE. I have no objection to that, but I assume it to mean that the Children's Bureau is to fix them, subject to the approval of the Secretary of Labor. I did not know whether it would be considered that the Secretary was to fix them in the first place.

Mr. HITCHCOCK. No. A good deal of initiative would be in the bureau.

Mr. KING. I would like to ask the Senator from Nebraska whether the amendment to which he refers deals with the 5 per cent which would be subtracted from any sum appropriated for salaries or whether it deals with salaries which are already paid to employees of the bureau, or both?

Mr. HITCHCOCK. I understand it only deals with those which are created by the bill.

Mr. KING. Are there any salaries to be paid under the bill other than those which will come from the 5 per cent fund, to which reference is made in section 5?

Mr. HITCHCOCK. I am not competent to answer that question. I have had no management of the bill. This applies evidently to the salaries of those persons whose employment is authorized by the bill.

Mr. KING. I would like to ask the Senator from Maryland [Mr. FRANCE] or the Senator from Texas [Mr. SHEPPARD] whether any money will be paid for compensation or expenses or salaries in the administration of the bill, except from the fund of 5 per cent provided for in section 5?

Mr. FRANCE. I believe not.

Mr. SHEPPARD. That is my understanding also.

Mr. LENROOT. Of course, the Chief of the Children's Bureau, it being a statutory provision, would not be included in the 5 per cent.

Mr. KING. I assume a great deal of the work which is called for by the bill is already being performed by the bureau.

Mr. FRANCE. That is true.

Mr. KING. Is it contemplated that the persons who are now performing work which the bill will perhaps increase, shall, in addition to the salaries and compensation which they are now receiving, get 5 per cent additional?

Mr. FRANCE. I think not, if the question is addressed to me.

Mr. KING. I addressed the Senator from Maryland.

Mr. FRANCE. I think that would be very bad practice.

Mr. KING. I think so, too. It would seem to be a duplication and an increase in salaries where it would not be warranted.

The VICE PRESIDENT. The question is on agreeing to the amendment offered by the Senator from Nebraska [Mr. HITCHCOCK].

The amendment was agreed to.

The bill was reported to the Senate as amended and the amendments were concurred in.

Mr. HARRIS. Mr. President, on yesterday when an amendment to this bill was being voted upon I stated that I had a pair with the junior Senator from New York [Mr. CALDER], and not knowing how he would vote on the amendment, I therefore withheld my vote. However, the junior Senator from New York having informed me that he is in favor of the bill, and as I have favored it both as a member of the committee and on the floor, I shall be glad to cast my vote for the measure.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ORDER OF BUSINESS IN HOLIDAY SEASON.

Mr. SMOOT. Mr. President, I offer the following unanimous-consent agreement.

The VICE PRESIDENT. The Secretary will read the proposed agreement.

The reading clerk read as follows:

It is agreed, by unanimous consent, that on Monday, December 20, 1920, the Senate, at the close of the routine morning business, will adjourn until Thursday, December 23, 1920, and that at the close of routine morning business on Thursday, December 23, 1920, the Senate will adjourn until Monday, December 27, 1920, and during the period from December 20, 1920, to December 27, 1920, no business other than routine morning business will be transacted, and that no bills or resolutions shall be passed.

The VICE PRESIDENT. Is there any objection?

Mr. SMITH of South Carolina. May I ask to what date that contemplates going?

Mr. SMOOT. December 27. I will say to the Senator that the reason it was not extended beyond that time was because the War Finance Corporation bill, for the relief of farmers, will come from the House on Friday next, as I am informed, and I thought it would be very proper to take that up on Monday and act upon it in the Senate, if possible.

Mr. SMITH of South Carolina. Of course, I would not put anything in the way of giving relief to that situation, but that would necessitate a return to Washington by a great many of us leaving for the Christmas holiday, or else we will have to remain here, because those who are away a night-and-day run would necessarily have to leave their homes on the Christmas holiday in order to be here on the 27th. It seems to me nothing will be gained by that procedure, so far as any holidays are concerned. There is a good deal of matter that might be disposed of. If we are only going to take that kind of a recess, it might be best to go on with the ordinary business of the Senate.

Mr. SMOOT. That is perfectly satisfactory to me. I thought the Senator from South Carolina was in favor of this proposed agreement.

Mr. SMITH of South Carolina. What I was in favor of was——

Mr. SMOOT. I am perfectly willing to withdraw it.

Mr. SMITH of South Carolina. Just let me state that I was hoping that when we took a recess for the Christmas holidays we might be able to include the two—Christmas and New Year's

Day—as both of them come on a Saturday. If we could get the measure to which the Senator refers over here during the coming week, we might dispose of it, so that when we do take a recess for the holidays it may include the two and not break into the continuity of our holiday.

Mr. SMOOT. I thought of that myself, but I am told by the chairman of the Ways and Means Committee of the House that it is absolutely impossible to secure the passage of that measure before Thursday evening. Therefore it could not be over here before Friday, and we could not get a report out of the committee and get it passed during that day. Then the very next day is Christmas. So it seemed to me that this was the only way, if we wanted a week, and that after Monday, if we have not anything special——

Mr. ROBINSON. Mr. President——

Mr. SMOOT. Just a minute. If we have not anything special on the 27th, the Senate could adjourn until the following Thursday.

Mr. ROBINSON. The proceeding which the unanimous-consent agreement contemplates would require Senators who are interested in the measure referred to to remain here until the 27th.

Mr. SMOOT. No; not necessarily.

Mr. ROBINSON. Why not?

Mr. SMOOT. Because that measure will not be here until the 27th.

Mr. ROBINSON. But Senators who live in remote parts of the country can not get home and return by the 27th. Take the case of myself. I can not leave here Monday or Tuesday and get back for the session on the 27th.

Mr. SMOOT. The Senator could leave to-night if he wanted to do so, and get back on the 27th.

Mr. ROBINSON. I could not spend Christmas day at home and get back by the 27th, because there is no schedule time that would put me back here. This arrangement is the very worst that could be suggested in so far as the holiday season is concerned. It would be much better to have the Senate stay in continuous session rather than make the arrangement the Senator from Utah has suggested. The Senator discussed this matter with me some hours ago, as he will recall, and he had another arrangement which was satisfactory to me, and I think it would be satisfactory to other Senators.

Mr. SMOOT. I have prepared that unanimous-consent agreement in accordance with the discussion which first led to it, and I have another, which I will read.

Mr. SMITH of South Carolina. Before the Senator reads it, let me make this suggestion to him.

If we were to return on Monday, the 27th instant, and that bill were returned from the other House, it would be referred to the proper committee on this side of the Capitol, and it would be some four or five days or perhaps longer before the committee would report it. It evidently would be discussed at considerable length here. There would be only about five days between that and New Year's Day. If we were to come back here on the following Monday, which is the 3d of January, I do not think any time would be lost, and business certainly would be better attended to than to have the lack of a quorum here during the period of the Christmas holidays.

Mr. SMOOT. Mr. President, I will read the proposed unanimous-consent agreement which I first prepared, and I should like Senators to follow it. Then I care not which one we adopt. It is as follows:

It is agreed, by unanimous consent, that beginning with Monday December 20, 1920, and until Monday, January 3, 1921, the Senate will meet each Monday and Thursday, and at the close of the routine morning business on Monday, December 20, 1920, Thursday, December 23, 1920, Monday, December 27, 1920, and Thursday, December 30, 1920, the Senate will adjourn; and during the period from December 20, 1920, to December 30, 1920, no business other than routine morning business will be transacted, and that no bills or resolutions shall be passed.

Mr. SMITH of South Carolina. Mr. President, I desire to suggest an amendment in the wording of the proposed agreement. Instead of reading "at the close of the routine morning business on Monday," I suggest that it read, "at the close of the regular business on Monday," so as to give us a full day on Monday in which to transact whatever business we may desire.

Mr. SMOOT. That is really what the agreement provides, for it only extends to Thursday, December 30, 1920; so that when we adjourn on that day to Monday, of course, we shall meet in regular session.

Mr. SMITH of South Carolina. I am speaking about Monday, December 20, next Monday. The Senator's proposal read "at the close of the routine morning business." Why not say "at the close of the business of that calendar day," in order to give us a full day to go on with the business of the Senate?

Mr. SMOOT. The proposed agreement might be so amended.

Mr. SMITH of South Carolina. I think that would be better.

Mr. SMOOT. The only reason I did not so frame the agreement, I will say to the Senator, was because many Senators told me they desired to leave the city to-night and to-morrow; and I thought, that being the case, we would not try to do very much business on Monday. However, I myself think the Senator's suggestion is a very good one.

Mr. HITCHCOCK. Let me ask the Senator a question. Suppose the War Finance Corporation bill should come back to the Senate on Monday?

Mr. SMOOT. It will.

Mr. HITCHCOCK. Under this proposed agreement could it be considered and passed?

Mr. SMOOT. No; it could not, and I think perhaps the Senator's suggestion is a wise one.

Mr. HITCHCOCK. Then the agreement should be modified so as to make such action possible.

Mr. SMITH of South Carolina. I suggest that the Senator modify the agreement so as to make it read "the calendar day of Monday."

Mr. McKELLAR. Is the Senator from Utah certain that the War Finance Corporation bill will come to the Senate by Monday next?

Mr. SMOOT. I am so informed.

Mr. McKELLAR. I understood it would be passed this afternoon.

Mr. SMOOT. It is now before the other House, and I am told that it will pass before adjournment to-day.

Mr. McKELLAR. If it should not pass the House to-day but should pass on next Monday, we would like an opportunity in the Senate to pass it on Tuesday.

Mr. SMOOT. I think the order is that it shall pass to-day.

Mr. SMITH of South Carolina. My understanding is that the House have adopted a rule that there shall be a three hours' debate on the bill, and that it shall then be voted on.

Mr. SMOOT. Yes.

Mr. HARRISON. May I ask the Senator from Utah if he will not incorporate in the request for unanimous consent a provision that we shall vote on the nitrate bill at a certain time on next Monday?

Mr. SMOOT. We can not do that.

Mr. THOMAS. Mr. President, I should like to inquire of the Senator from Utah, if I may, why we should adjourn at all?

Mr. SMOOT. If there were any appropriation bills in the Senate ready for consideration, I should be opposed to adjourning at all.

Mr. ROBINSON. I can tell the Senator from Colorado why we should adjourn. Some of us want to go home for the holidays.

Mr. THOMAS. Mr. President, that is a very good and laudable reason, of course. We have only until the 4th of next March to pass 13 great appropriation bills; we have a great deal of business besides that. We were elected to perform the duties that appertain to the Senate and to the House of Representatives. At this time, when we have so much business to transact, I shall object to any adjournment at all. Let us stay here and attend to our affairs. The idea of taking two weeks' vacation at a time like this, in my judgment, is not to be considered favorably for a moment.

Mr. ROBINSON. Do not spoil the whole thing.

Mr. THOMAS. I am not spoiling anything. I have not been consulted. This is the first I have heard of it.

Let me say, while I am on my feet, that I was not aware when I came in that the Sheppard-Towner bill had been passed; and I desire to take this opportunity of stating for the RECORD that if I had been here, although it would have been unavailing, I should have voted in the negative. However, I object to the custom of adjourning for two weeks for the Christmas holidays in order to permit Senators to go home. Let us stay here and attend to business.

The VICE PRESIDENT. That ends the request for unanimous consent.

Mr. SMOOT. Yes; that settles that.

Mr. ROBINSON. With the consent of the Senator from Utah [Mr. SMOOT], I take the manuscript which he has recently submitted to the Senate and move that the program outlined therein be the order of procedure in the Senate.

Mr. THOMAS. Oh, Mr. President, I know that can be done.

Mr. ROBINSON. That is the reason I make the motion.

Mr. THOMAS. That is what I want done. It may be that everybody will vote for the motion except myself——

Mr. ROBINSON. Very well.

Mr. THOMAS. But I want a roll call on it, in order that the country may know what is the action the Senate of the

United States with all its business before it. The Senate has no right to waste the time of the country and of itself by now taking an adjournment when there is so much business before it. Of course, the Senate can adjourn if it wishes to; I can not help it; but I have made my protest.

Mr. ROBINSON. I move the adoption of the following order to govern the procedure of the Senate——

Mr. TOWNSEND. Mr. President, I have a great deal of sympathy with the position of the Senator from Colorado [Mr. THOMAS]. We have been away from the Senate now for about six months, a much longer vacation than we have had for many years. I have never known the fact that Congress was in session to be an insuperable objection to a Senator going home. Pairs can undoubtedly be arranged for those Senators who desire to go away, and the Senate can continue in session except for the actual holidays or a day or two preceding them.

I feel that it is the duty of the Senate, instead of adjourning at this time, so soon after we have assembled following a long vacation, to take care of some of the work that is before us. We have got into the habit during the last few weeks of doing work, and I am very much afraid that if we interrupt that habit by remaining away from the Senate it will materially interfere with our work here.

I repeat that I see no insuperable objection to a Senator going home if he wants to go, as he has been going heretofore. He can undoubtedly arrange for a pair with some Senator who feels at least that it is his duty to remain here in Washington at this time.

Mr. ROBINSON. Mr. President, will the Senator yield?

Mr. TOWNSEND. Certainly.

Mr. ROBINSON. The Senator recognizes the fact that never under such circumstances will there be a quorum of the Senate present, and that all business that would be done would necessarily be done by unanimous consent? The business that can be done by unanimous consent and that ought to be taken care of in that way can be attended to very quickly after we come back here.

Mr. TOWNSEND. That may be true, Mr. President, but that is scarcely a valid objection to the suggestion that we perform our duty here in the Senate or at least attempt to do so during that time.

I should like to have this matter voted on by a roll call, in order that we may determine exactly how many Senators actually feel that it is their duty to go home at this time.

Mr. KING. Mr. President, will the Senator yield?

Mr. TOWNSEND. I yield.

Mr. KING. Mr. President, it was understood that this session would be devoted almost exclusively to the consideration of appropriation bills; indeed, a proper consideration of the appropriation bills will consume the entire time of the session. The House has been working upon appropriation bills. They will not be here until after the beginning of the year, so that if we should remain in session there will be but very little if anything for the Senate to do; and, as the Senator from Arkansas has said, what little is done would be of a unanimous-consent character, and we could take up matters coming under that category after the holidays as well as before. If the appropriation bills were here, then there would be very much merit in the position of the Senator from Michigan.

Mr. ROBINSON. Mr. President, will my friend the Senator from Michigan yield to me further?

Mr. TOWNSEND. I will.

Mr. ROBINSON. I wish to say that I have not the slightest sympathy with the suggestion that the good, old-fashioned custom which the Senate has heretofore pursued of observing appropriately the Christmas holiday season should be abandoned now in the extremity in which we find ourselves. There is not a reason in the world why a Senator who wants to act in pursuance of the old custom should put himself in the attitude of having consented that other Senators should bear the responsibility and discharge the duties of the Senate and that he should abdicate the same and take advantage of a vacation. I think the Senate ought to take an appropriate holiday, and that is the reason I have offered the order which I have presented.

Mr. TOWNSEND. Mr. President, an appropriate holiday, if we want to observe the holiday season, would be to adjourn on Friday night next until a week from the following Monday. That would cover the proper holiday season. While I sympathize with the Senators who would like to go home, even though they have just come from home, yet I realize the congested condition of the legislation before the Congress to-day.

Mr. ROBINSON. Mr. President, I ask if there is anything personal in that allusion?

Mr. TOWNSEND. Certainly not. The Senator knows what my answer would be before he asks the question. But in reference to legislation, and to the statement that there is nothing before the Senate, and that we are going to do nothing but pass appropriation bills, that may have been a tentative understanding on the part of some, but we have already shown that we do not intend to follow that course. There are matters which have been urged upon us by the Executive which every Member of the Senate knows ought to be acted upon, and yet at the beginning of the session we propose to say that we shall take two weeks vacation.

Mr. ROBINSON. Will the Senator yield further?

Mr. TOWNSEND. I yield.

Mr. ROBINSON. Will the Senator be kind enough to indicate what matters he desires to act upon within the period of the holiday season?

Mr. TOWNSEND. One of them is the bill that is now before the other House. I do not wish to make any suggestions in the face of the positive statements which have been made by some Senators, but I have just been over to the other House, and it is very doubtful whether the bill to which reference has been made and which it has been stated is coming over here to-night is going to be voted on to-night. That is a question which will have to be given consideration. There are other matters; for instance, the nitrate bill, which Senators are so anxious to get a vote upon.

Mr. THOMAS. And which is now the unfinished business.

Mr. TOWNSEND. Yes; which is now the unfinished business of the Senate. Senators have been urging that it is a matter of extreme importance and ought to receive immediate consideration. If it is true that that bill is so important—and I think it is important—I do not believe that we are going to excuse ourselves to our constituents for our failure to act upon it at the earliest possible moment, because of the fact that we want to go home and spend the holidays and lose two weeks of the time of the session. Therefore if we are going to vote on the motion of the Senator from Arkansas, at the proper time I desire to ask for a roll call, in order to place on record the action of the Senate upon it.

Mr. SMOOT. Mr. President, so far as I am personally concerned, I want to say that whether the Senate adjourns or whether it does not adjourn, I shall be here in Washington and shall have all that it is possible for me to do.

I think that with an adjournment there are a great many pieces of legislation that can be hastened. The Finance Committee will meet whether we are in session or whether we are not. The hearings on the measures pending before it will continue; and, so far as the Appropriations Committee is concerned, the District appropriation bill will come over, and the subcommittee having that bill in charge of course will be here and will consider that bill, and we hope that they will be ready to report when we come back.

If there were any legislation which could be hastened in any way by not taking an adjournment, even for a week, I would not want to adjourn, for I do not care now whether we adjourn or not; but there seems to me almost a universal feeling that we ought to adjourn for the holidays.

I discussed the question with a dozen or more of the Senators on both sides of the Chamber, and the legislative situation was such that all of them thought that those who really wanted to go could go, outside of the members of the Committees on Appropriations and Finance.

Mr. THOMAS. Mr. President, I am quite willing to agree to an adjournment for the holidays. We expected, I supposed, to do that. Some days ago I asked the leader of the majority, the Senator from Massachusetts [Mr. LODGE], whether the usual adjournment for the holidays would take place this year. He said that it would not; that we would probably take an adjournment on Thursday prior to the 25th and reconvene on the succeeding Monday. I expressed my satisfaction with that arrangement, and I presumed that that was what the majority intended to do. I think it is what they should do. This, however, contemplates virtually an adjournment of the Senate, certainly a suspension of all the business of the Senate, for something over two weeks, or about two weeks.

I have assumed, and I think correctly, that the nitrate bill, which is now the unfinished business, was made the unfinished business because it was of great importance, at least in the opinion of those having charge of it and pressing it for consideration. If that be so, certainly the Senate can dispose of that measure, or ought to dispose of it, at least, between now and next Thursday afternoon. Hence, it will not do to say that the Senate has no business before it that can be done; and so far as the meetings of committees are concerned, the Senator knows very well that if the adjournment now proposed for the purpose of enabling Senators to go home takes place there can be no committee meetings.

Mr. SMOOT. I do not think it is going to be universal that Senators will want to go home.

Mr. THOMAS. I do not know why Senators, especially those living in adjoining States and at distances not too remote, should stay here if they are not going to do anything. I am inclined to think the Senator will have some difficulty, perhaps, even with his own committees. I know that the Senator from Utah will be here. He is here practically all the time. That goes without saying. But without reflecting at all upon anyone, it seems to me that those of us who stay here more constantly need less vacation than those who are not here quite so much.

Mr. SMOOT. Mr. President, I think the Senator from Massachusetts [Mr. LODGE], the leader of the Senate on this side, did intend that the Senate should adjourn on Thursday until Monday, as the Senator has said; but there were so many Senators who expressed themselves as desiring this adjournment that yesterday I called up Senator LODGE, who is ill at home, and asked him what he thought about the matter, and he asked me to consult some of the Senators upon this side and also upon the other side, and stated that if it was the consensus of opinion that an adjournment should be taken he had no objection to the adjournment. Of course, in offering the request, I offered it because I thought it was perfectly agreeable to Senators, and that there would be no objection to it; but I want to say that if there is any objection I do not want to have the Senate adjourn at all.

Mr. McKELLAR. Mr. President, if the Senator will yield, I simply want to ask a question. In view of the very great importance of the War Finance Corporation legislation, and there being some doubt about whether it is going to pass tonight or Monday, ought we not to postpone any action about a program until after we know when that bill is coming back? I think it would be very, very unfortunate——

Mr. ROBINSON. Mr. President, will the Senator yield to me?

Mr. SMOOT. Yes.

Mr. ROBINSON. In view of the suggestion which the Senator from Tennessee [Mr. McKELLAR] has made, and in view of the further fact that I am heartily in sympathy with the final disposition of the measure to which he has referred before a recess is taken, I withdraw my motion.

Mr. SMOOT. I thank the Senator. I asked the Senator to do that before, and I think it is the wise thing to do. Then, by Monday, we can decide just what to do.

Mr. President, if nothing else is coming up to-day, and if no other Senator has any business to present, I think the Senate ought to adjourn at this time.

Mr. SMITH of South Carolina. Mr. President, the unfinished business is a matter in which the senior Senator from Alabama [Mr. UNDERWOOD] is very vitally interested. I had intended to call up the bill this afternoon and let us begin its consideration; but in view of the fact that it is uncertain whether or not the Senator from Alabama will be back the first of the coming week, and in view of the further fact that we could hardly do much more this afternoon than have a preliminary discussion, I shall content myself with asking that it now be laid before the Senate, with a view to our taking such course as the Senate sees fit about further action on it.

Mr. ROBINSON. Mr. President, may I inquire of the Senator from South Carolina whether it is his purpose, in the event the Senator from Alabama [Mr. UNDERWOOD] is not here, to proceed with the consideration of the bill to which he just referred to its final conclusion before the holidays?

Mr. SMITH of South Carolina. I do not so intend, Mr. President.

Mr. ROBINSON. It is the unfinished business now. Nothing can be accomplished by bringing the matter forward now and pressing it; and that illustrates the force of the suggestion I made a moment ago.

I do not want to be absent from the Senate when that measure is considered and disposed of. I shall abandon my intention to return to my home in the South and remain here and assist in the completion of the bill, but I have felt, and I still feel, that we ought to reach a conclusion in the matter at the very earliest possible moment. In view, however, of the fact that the body at the other end of the Capitol will not dispose of the War Finance Corporation joint resolution this evening, I am willing to wait until Monday to determine this matter finally. Then I think we ought to decide whether or not we are going to proceed with the business of the Senate; and if Senators have determined that they are going to remain here during the holidays and exhaust the rhetoric of expression in the discussion of measures and not act on them, I shall still avail myself of the privilege of taking a brief holiday season, but if important measures are to be disposed of I shall forego that pleasure and remain here.

Mr. SMITH of South Carolina. Mr. President, after consultation with several Senators who are very much interested in this legislation, I think that in view of the fact that the holidays are here and it remains the unfinished business, it should not interfere with whatever action we see fit to take about our recess, because I understand the Senator from Alabama [Mr. UNDERWOOD] would like to be present while the bill is under discussion. Therefore, until we finally decide what we are going to do about a recess, I shall not press the bill.

ADJOURNMENT.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 3 o'clock and 40 minutes p. m.) the Senate adjourned until Monday, December 20, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

SATURDAY, *December 18, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, our Father in heaven, for the profound truths handed down through the ages in Holy Writ; for the brave men and women who have assimilated and essayed to live them in their daily life; for our fathers who conceived, resolved, and maintained a government of the people with their life and substance, and who gave us a Constitution which has challenged the admiration of thinking men throughout the civilized world; for the brave and patriotic men who have upheld and maintained that Constitution under our national ensign through all of its vicisitudes, maintained and upheld Old Glory from its inception to the present moment; for every true American who lives for our Government and stands for its protection. In the name of liberty, truth, and justice. Amen.

The Journal of the proceedings of yesterday was read and approved.

REPORT OF INVESTIGATION BY COMMITTEE ON INDIAN AFFAIRS.

Mr. SNYDER. Mr. Speaker, I desire to present the final report (H. Rept. 1133) of the investigating committee of the Committee on Indian Affairs, with certain recommendations, and ask that the same be printed.

The SPEAKER. Is it a privileged report?

Mr. SNYDER. It is a report of an investigating committee presented for printing under the rule, that is all.

Mr. GARD. If the gentleman will yield, is the report a privileged report and has to be introduced in this way?

Mr. SNYDER. This is simply for printing. I do not ask for any exceptions. The committee makes this report with certain recommendations based on the investigations we have been making for the past year.

Mr. GARRETT. The resolution directed a report, as I remember.

Mr. HASTINGS. Of course, it could be made through the basket.

Mr. SNYDER. Well, it is immaterial how it is made. I simply wanted to get it before the House and get it printed.

The SPEAKER. Did the resolution authorize the committee to report at any time?

Mr. SNYDER. It directed it to report before the end of this session.

The SPEAKER. Without objection, the report will be printed.

Mr. MANN of Illinois. Mr. Speaker, should not the report be referred to the Committee on Indian Affairs?

Mr. SNYDER. This is a report of the Committee on Indian Affairs from that committee. After the matter had been fully considered and ready to present to the House, and by instructions of the committee, I am presenting this here now.

Mr. GARD. Will the gentleman yield?

The SPEAKER. It seems to the Chair this could be reported from the basket.

Mr. CAMPBELL of Kansas. Could not the report be made by the Committee on Indian Affairs, ordered printed, and referred to the Committee on Indian Affairs? That is where the report belongs.

Mr. GARD. Will the gentleman permit a question?

Mr. SNYDER. Yes.

Mr. GARD. Is the report made by a special committee?

Mr. SNYDER. The report is made by the whole committee. The subcommittee made the investigation, reported to the whole committee, and the chairman is now authorized to present this report from the whole committee.

Mr. GARD. This is a report of the full committee to the House?

The SPEAKER. The Chair thinks it could be properly entered through the basket.

LEAVE OF ABSENCE.

Mr. KINCHELOE. Mr. Speaker, I ask unanimous consent that indefinite leave of absence be granted to my colleague, Mr. ROUSE, on account of the serious illness of his mother.

The SPEAKER. Without objection, the leave is granted. There was no objection.

ENROLLED BILLS SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bills of the following titles, when the Speaker signed the same:

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America;

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia;

H. R. 1865. An act for the relief of the Baltimore Dry Docks & Ship Building Co., owner of a dry dock at Baltimore, Md.; and

H. R. 7900. An act for the relief of Rudolph L. Desdunes.

DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. DAVIS of Minnesota. Mr. Speaker, the unfinished business——

The SPEAKER. The previous question has been ordered on the District of Columbia appropriation bill, and the question pending is on agreeing to the amendment which the Clerk will report.

Mr. DAVIS of Minnesota. The vote was taken but was not announced.

The SPEAKER. A point of order was made that no quorum was present.

The Clerk read as follows:

Page 17, after line 14, insert a new paragraph as follows:
"Court of Appeals Building: For fitting up the top story and the basement of the Court of Appeals Building, including material and labor and each and every item incident to such work, $22,000, to be available immediately."

The SPEAKER. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. DAVIS of Minnesota, a motion to reconsider the vote by which the bill was passed was laid on the table.

AMENDING SECTION 501 OF THE TRANSPORTATION ACT, 1920.

Mr. ESCH. Mr. Speaker, I am directed by the Committee on Interstate and Foreign Commerce to call up the bill (H. R. 14674) to amend section 501 of the transportation act of 1920, an identical Senate bill being on the Speaker's table. It is House Calendar No. 241. The Senate bill is S. 4526.

The SPEAKER. The gentleman from Wisconsin calls up Senate bill 4526, which the Clerk will report.

The Clerk read as follows:

A bill (S. 4526) to amend section 501 of the transportation act, 1920.

Be it enacted, etc., That section 501 of the transportation act, 1920, be amended to read as follows:

"SEC. 501. The effective date on and after which the provisions of section 10 of the act entitled 'An act to supplement existing laws against unlawful restraints and monopolies, and for other purposes,' approved October 15, 1914, shall become and be effective is hereby deferred and extended to January 1, 1922: *Provided*, That such extension shall not apply in the case of any corporation organized after January 12, 1918."

Mr. ESCH. Mr. Speaker, section 501 of the transportation act amended section 10 of the Clayton Antitrust Act by extending the effective date to January 1, 1921. Shortly after the transportation act was passed Senator KELLOGG, of Minnesota, introduced a bill in the Senate amending section 10 of the Clayton Act and had it referred to the Interstate Commerce Commission for report. The communication was received by the commission and was referred to counsel and report made by counsel to the commission, but through inadvertence it was overlooked, possibly on account of the tremendous amount of work which was imposed upon the commission as a result of the enactment of the transportation act. The Senate committee, therefore, had no opportunity of considering the amendment to section 10 in the session which ended June 5.

It has been impossible for either the House or Senate committee to amend section 10 in the two weeks of this session which have thus far elapsed. Hence we come to Congress seeking a further extension of the effective date of section 10 of the Clayton Act to the 1st of January, 1922. I think all of those who have examined section 10 of the Clayton Act realize the necessity of amending it because of some provisions of the transportation act. There is clearly a conflict now between section 10 of the Clayton Act and the transportation act. Section 10 of the Clayton Act has to do with dealings in securities, supplies, and other products, while now the transportation act takes care of securities by giving the Interstate Commerce Commission control thereof. That is only one point which necessitates an amendment of section 10. To carry out section 10 as originally drafted would mean a large and an unnecessary expense in many particulars, imposed upon carriers, and would also work an unnecessary hardship, and besides, in the light of the transportation act being in certain respects unworkable. The committee therefore has unanimously reported the House bill, which is identical with the Senate bill, extending the effective date of section 10 of the Clayton Act to the 1st of January, 1922.

Mr. CARAWAY. Is this the clause of the bill that has to do with the purchasing agents and others?

Mr. ESCH. Where the director, stockholder, and purchasing agent are common between the carriers and the selling company or corporation.

Mr. CARAWAY. Is it the same that has been before the Judiciary Committee eight or ten times, wanting an extension?

Mr. ESCH. Yes; there have been two or more extensions.

Mr. CARAWAY. All of which means that the companies have not been able to adjust themselves to the changes?

Mr. ESCH. That was true before the transportation act was passed. Section 10 will have to be amended anyhow. The reason why the Committee on Interstate and Foreign Commerce gets jurisdiction of this bill is because it amends a section of the transportation act.

Mr. CARAWAY. They were not able to get down to the Committee on the Judiciary, and they swapped jurisdiction with them?

Mr. ESCH. The Committee on the Judiciary has twice had it.

Mr. CARAWAY. And has twice refused.

Mr. ESCH. Our committee has jurisdiction of this. I referred it to Chairman VOLSTEAD and he had no objection to our committee taking jurisdiction of it.

Mr. WINGO. Is this the usual annual request for suspending the provision of the law with reference to the joint purchases of railroads? I do not remember the particular promise made to us a year ago, but some kind of promise was made a little different from the regular annual promise about legislation that would cure this permanently. What is going to be done about this in the way of permanent legislation? Ever since I have been a Member of Congress this has been an annual performance, and the RECORD will show that I have exacted some kind of promise that some Member of the House would bring in legislation that would cover it, once a year.

Mr. ESCH. Our committee does not want to encroach on the Committee on the Judiciary, and in offering this amendment we do not, because we amend the section of the transportation act; that is clearly within our jurisdiction. And I will say that a bill has already been introduced seeking to amend section 10, and possibly an opportunity may be given before this Congress ends to give a hearing with a view to amending the provisions of section 10.

Mr. WINGO. The only difference between the gentleman's promise now and the chairman of the Judiciary Committee heretofore is that heretofore the chairman of the Judiciary Committee has said that they have taken up the question of amending the antitrust law. This section has not been covered in the regulations of the transportation act. The gentleman in charge of that particular class of legislation in this House says that they will take it up and consider it. Why did they not cover it by permanent legislation satisfactorily when they had up the transportation act? Why continue to act under suspension? We all know that that is what is being done.

Mr. ESCH. I do not think that the Committee on Interstate and Foreign Commerce should be chargeable with any laches in the amendment of section 10 of the Clayton Act. It was not presented in the transportation act in the Senate or House. We did not feel as conferees that we had an opportunity to go into amending section 10 of the Clayton Act.

Mr. WINGO. Do you mean to say that they made no suggestion that would cover this, which, as every man knows, is a serious proposition on the bill?

Mr. ESCH. They did after the conferees had been appointed, and they filed briefs, but we had so many other problems in connection with transportation that we felt we could not go into section 10 and do it justice.

Mr. GARD. Will the gentleman yield?

Mr. ESCH. I yield.

Mr. GARD. Does the gentleman say he has taken this matter up with the chairman of the Committee on the Judiciary?

Mr. ESCH. I saw the chairman in reference to this bill, and he was willing to relinquish jurisdiction, and he told me to go ahead.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. ESCH, a motion to reconsider the vote by which the bill was passed was laid on the table.

On motion of Mr. ESCH, the bill H. R. 14674, identical with the Senate bill, was ordered to lie on the table.

CODIFICATION OF THE LAWS.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to address the House for three minutes.

The SPEAKER. The gentleman from Kansas asks unanimous consent to address the House for three minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. Mr. Speaker, in September, 1919, the Committee on Revision of the Laws presented to the House the record of the hearings on the bill to establish a Code of the Laws of the United States, including letters from many United States attorneys and United States judges, urging the necessity for such a code, some of which were repeated in the report made by the committee to the House last March. There were letters from 56 Federal attorneys, district judges, and judges of the circuit court of appeals establishing the fact that such code is absolutely essential. Since then many other friendly letters have reached the committee, and I present this morning two from justices of the Supreme Court of the United States which will interest the House:

MAY 14, 1920.

Hon. EDWARD C. LITTLE, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: I have received the calendar print of the Laws of the United States and thank you very much for the same. The amount of research and industry which you exhibit in your bill is wonderful.

Respectfully, yours,

JOSEPH MCKENNA.

—

MAY 10, 1920.

Hon. EDWARD C. LITTLE,
House of Representatives, Washington, D. C.

DEAR SIR: I have your favor of the 29th ultimo, and have just received a copy of your bill for the revision of the statutes of the United States. So far as opportunity has offered I have examined it, and it seems to me that the work is well and thoroughly done. Thanking you for the favor, I am,

Very truly, yours,

WILLIAM R. DAY.

Mr. Speaker, I ask unanimous consent to insert in the RECORD the letters referred to.

The SPEAKER. Is there objection?

There was no objection.

Mr. LITTLE. Your attention is requested to the following letters:

REPLIES FROM UNITED STATES DISTRICT ATTORNEYS.

MOBILE, ALA.

I unhesitatingly say that there is no book, or set of books, more needed in the Federal practice than a publication of the Federal statutes, compiled and revised.

ALEXANDER D. PITTS.

—

BURLINGTON, VT.

There is no question but what such a revision of the statutes of the United States is absolutely necessary.

VERNON A. BULLARD.

—

SAN ANTONIO, TEX.

I am glad to have the opportunity of saying with all the emphasis possible that I do not know of anything that would be more useful and helpful to the Federal judges, district attorneys, practitioners in the Federal courts, and citizens generally than a careful and authoritative compilation and revision of the acts of Congress.

HUGH R. ROBERTSON.

—

KNOXVILLE, TENN.

It affords me much pleasure to reply and to assure you that this is practically an absolute necessity, both for the use of Government officials and practitioners generally. As you know, the last compilation of the Revised Statutes was about 1878, and since that time more general legislation has been enacted by Congress than during the preceding 100 years. Therefore the Revised Statutes are practically useless to Government officials.

WESLEY T. KENNERLY.

—

PORTLAND, OREG.

I feel that a compiled and revised publication of the Federal statutes is a necessity. It certainly would be very useful to any practitioner of law who has occasion to practice in the Federal courts, particularly with reference to criminal matters.

BERT E. HANEY.

PETERSBURG, VA.

I can not now recall any law book of which there would be a more extensive use than the statutes of the United States officially brought down to date. In my experience as United States attorney for nearly five years I have been at times greatly embarrassed through the inability to find promptly the Federal statutes bearing upon particular subjects; and notwithstanding the fact that there are now certain publications claiming to cover the field of the Federal statute laws, I do not think that any of them will take the place of the official revision to which you refer.

RICHARD H. MANN.

—

FORT WORTH, TEX.

In my opinion there is a very great necessity for the careful, compact revision of the Federal statutes. I feel certain that such revision would be of great service to the bar, bench, and litigants.

W. M. ODELL.

—

MEMPHIS, TENN.

I think it of great importance that the Federal statutes be codified. It is almost impossible now to find the statutes, and a lawyer feels uncertain about the existence or nonexistence of Federal statutes because the indexes are so voluminous, and unless you get the right key to the indexes there is great likelihood of overlooking important statutes.

WILLIAM D. KYSER.

—

SEATTLE, WASH.

I am particularly convinced of the necessity and importance of an authorized and authentic compilation and revision which proves itself. I have found in the compiled statutes—a convenient but unauthorized compilation—manifest errors whereby certain penalties appeared to be attached to certain acts, when in fact entirely different penalties were by the original act of Congress attached to the commission of those acts.

ROBERT C. SAUNDERS.

—

FARGO, N. DAK.

We certainly do need a revision of the Federal statutes. I am glad that this work is going to be done. It is woefully needed.

MELVIN A. HILLDRETH.

—

MARTINSBURG, W. VA.

I have thought for a long time that there should be a revised publication of the Federal statutes. * * * This need has been apparent for many years. * * * The fact is, as the laws are now compiled it is often very difficult to find a statute, and then sometimes it is hard to determine whether it is in existence, whether it has been repealed or amended, and such information requires great research through the different volumes of compiled statutes and Statutes at Large.

STUART W. WALKER.

—

MONTGOMERY, ALA.

I certainly do think a revised publication of the Federal statutes compiled and revised in two books, so that a man could find easily and rely upon the information, is almost an absolute necessity at this time.

THOMAS D. SANFORD.

—

CLARKSDALE, MISS.

I consider it highly necessary and extremely useful that there be a revised publication of the Federal statutes. * * * The trouble now is finding the law, and the chances are that when one finds the statutes it will take quite a little time to determine whether or not the statutes have been amended or repealed.

W. S. HILL.

—

JUNEAU, ALASKA.

The statutes since 1878 are so scattered through various volumes that it makes it almost impossible to know what is the law on any given subject, and certainly there should be a revision.

JAMES A. SMISER.

—

MILWAUKEE, WIS.

A revision and codification of Federal statutes is seriously needed by both bench and bar. Under present conditions it is many times difficult to find the particular statute wanted and oftentimes very difficult to satisfy oneself that he has found all the statutes applicable to or bearing on the matter or subject involved.

H. A. SAWYER.

—

KANSAS CITY, KANS.

My idea about the matter is that there should be another complete revision, carefully prepared and annotated, in either one or two volumes. The indexing would be a very important part of a work of this character.

FRED ROBERTSON.

—

MUSKOGEE, OKLA.

In my opinion the Revised Statutes of the United States ought to be revised and codified. The present Revised Statutes stand as they did in 1878. It occurs to me that possibly 50 per cent of the sections of law in that revision have either been repealed, held unconstitutional, or amended in some form. It certainly can no longer be relied upon as stating the law now in force on a given subject.

W. P. MCGINNIS.

—

VALDEZ, ALASKA.

Such publication is surely desirable and almost a necessity at this time. A new publication embracing all the statutes up to date is particularly desirable at the present time, in view of the large number of statutes on very important subjects enacted during the last several years.

WILLIAM A. MUNLY.

—

NASHVILLE, TENN.

I am in favor of a revised publication of the Federal statutes in one book if possible, or two books if the compilation can not be made in one book.

LEE DOUGLAS.

FLORIDA.

From my experience in examining the statutes, it seems to me that such a compilation and revision, with especial attention given to the indexing of the same, would be of great value to the bench and the bar. Very often Congress embodies a criminal provision in an appropriation act, thereby making the same difficult to find. In my opinion such a compilation and revision would be of special value with reference to the laws defining and punishing crime.

H. S. PHILLIPS.

—

WILMINGTON, DEL.

In my opinion a revised publication of Federal statutes would be most useful and helpful to bar and bench and litigants, and I think it would be most expedient from the standpoint of the Government.

CHARLES F. CURLEY.

—

DETROIT, MICH.

If they could all be revised and compiled into two or three volumes, which would authentically bring down in those volumes all of the general laws of the United States in force, it would be a very great aid to this office and to the legal profession generally.

JOHN E. KINNANE.

—

SAN JUAN, P. R.

In my experience as United States attorney I have been impressed with the importance of a revision and republication of Federal statutes up to date in a form that could be easily handled. Such a publication as you refer to I believe would be most helpful to the bar and bench and to the litigant.

MILES M. MARTIN.

—

LOUISVILLE, KY.

A bill to codify and revise all the general and permanent laws of the United States in force on March 4, 1919, is one of great importance as well as magnitude.

WALTER EVANS.

—

FROM UNITED STATES DISTRICT JUDGES.

FLORIDA.

I know of no matter requiring more immediate attention than providing the bench and bar with an official revision of the Federal statutes. It is almost impossible to arrive with certainty at just what the statutory law of the United States now is. I sincerely hope that your committee will see that this revision is made by the present Congress.

R. M. CALL.

—

NEW YORK STATE.

In my opinion an official revision and publication of the Federal statutes is an urgent and pressing necessity. The bench and the bar would be greatly aided by such a publication and such a revision. If this is properly done hundreds of thousands of dollars will be saved to litigants and the judges will be relieved of much worry and anxiety incident to the decision of cases. Such a revision, consolidation, and compilation will be of great assistance to the lawyers.

GEORGE W. RAY.

—

PORTLAND, OREG.

It has long been obvious that there is a great and urgent necessity for an official publication of the compiled and revised Federal statutes. A new revision would serve to clear up much confusion that the statutes have fallen into by reason of many amendments and subsequent conflicting legislation.

CHARLES E. WOLVERTON.

—

NEW YORK CITY.

At present it is impossible to get an adequate understanding from official publications of the questions that are pending upon Federal statutory law without an enormous amount of examination of independent statutes.

LEARNED HAND.

—

BLOOMINGTON, ILL.

There can be no question as to both the advisability and the desirability of a revision and compilation of the statutes of the United States.

LEWIS FITZ HENRY.

—

BALTIMORE, MD.

I am greatly of the opinion that a new collection of Revised Statutes is sadly needed.

JOHN M. ROSE.

—

SAN FRANCISCO, CALIF.

You ask my opinion of the value and necessity of a compilation and revision of the Federal statutes. I am unhesitatingly and strongly in favor of such work. The revision of 1878 is, of course, now very old and incomplete, and by reason of the amendments from time to time of many sections as therein revised, does not present a safe reliance for those called upon to make use of it. A new revision, therefore, of the statutes down to the present date would undoubtedly be of the greatest value to bench and bar alike, and indeed I may say that so far as the judges are concerned we find a growing need for it. I think you will find no division of sentiment on the subject with the bench and bar, and I would be greatly pleased to learn that there is a disposition on the part of your committee to have such a revision made.

WILLIAM C. VAN FLEET.

—

CRESCO, IOWA.

I have no hesitancy in saying that in my judgment a new or revised edition of the statutes of the United States to and including the acts of the present Congress is not only advisable but almost a necessity to enable the courts and bar to readily ascertain the existing public laws of the United States. The difficulty and burden of ascertaining the present status of the laws of Congress is very apparent. The important thing I wish to urge is the necessity of a new revision of the statute law of the United States at the earliest possible date.

HENRY T. REED.

MADISON, WIS.

A one-volume edition of the Federal statutes which would have general application would be exceedingly useful, and I hope such a volume may be brought out under the direction of the revision committee.

A. L. SANBORN.

—

CHARLESTON, S. C.

An officially compiled publication of the Federal statutes, revised so as to include all changes and additions to date, would be exceedingly valuable.

HENRY A. M. SMITH.

—

MOBILE, ALA.

In my opinion there has been for a long time a necessity for a revised copy of the Federal statutes. It is quite a burden to look up what is needed from such statutes. I am certainly glad to see a prospect of an early revision.

ROBERT T. ERVIN.

—

HARTFORD, CONN.

It would seem to me that there is great necessity for an official publication of a revised and compiled copy of the Federal statutes.

EDWIN S. THOMAS.

—

PROVIDENCE, R. I.

It would seem necessary that there should be some verification by public authority of the accuracy of private print.

ARTHUR BROWNE.

—

GUTHRIE, OKLA.

I am decidedly of the view that the Federal laws should be compiled and published in compact form. A compilation in one volume would be of undoubted value and convenience in referring readily to existing statutes.

JOHN H. COTTERAL.

—

COLUMBUS, OHIO.

It would be of great advantage to both the bench and the bar if there could be brought together in a single volume a compact, systematic, well-indexed issue of the Revised Statutes of the United States. There is a real need of such consolidation. I often have considerable difficulty in tracing the law through the Statutes at Large * * * and I find that attorneys of large experience and extensive practice in the Federal courts have difficulty in locating specific acts of Congress. A set of statutes, well indexed, will greatly facilitate the work of anyone interested in any wise in the Federal laws.

JOHN E. SATER.

—

CHICAGO, ILL.

A publication of revised and compiled Federal statutes—with references to judicial holdings—would be of very great use to the bench and bar and—considering that the citizen is conclusively presumed to know the law—the publication should be official rather than a thing gotten up by private enterprise.

KENESAW LANDIS.

—

SIOUX FALLS, S. DAK.

It has been so long since the compilation and revision of the United States Statutes that they are practically valueless. Such a publication as you suggest is, in my judgment, very desirable.

JAMES D. ELLIOT.

—

PITTSBURGH, PA.

I believe that such a consolidation would be exceedingly valuable to the bench and bar.

CHARLES P. ORR.

—

NEW ORLEANS, LA.

I think such a work is highly desirable. Notwithstanding very excellent compilations by private parties, whenever I want to know what the law is I go to the original sources. The committee that did the work on the judicial code produced a splendid law book.

RUFUS G. FOSTER.

—

MEMPHIS, TENN.

Undoubtedly such work would be of great assistance to the bench and bar and I think would be most useful.

JOHN E. MCCALL.

—

DENVER, COLO.

I think it is quite necessary from time to time that the Federal statutes be compiled embodying, of course, only the acts of general importance.

ROBERT E. LEWIS.

—

IOWA CITY, IOWA.

I feel that it would be a good thing to have the Revised Statutes compiled as suggested.

MARTIN G. WADE.

—

SHREVEPORT, LA.

I think a work such as you contemplate would be of much value, but it appears to me what is more needed is that the original Revised Statutes be brought down to date; in other words, that the Statutes at Large since the Revised Statutes be revised and be made easy for reference.

GEORGE WHITFIELD JACK.

—

CIRCUIT COURT OF APPEALS.

NORTH CAROLINA CIRCUIT COURT OF APPEALS.

In view of the confusion existing owing to the present condition of the statutes it is absolutely essential that this work be done at an early date. I think it should be done by all means.

J. C. PRITCHARD.

CHICAGO UNITED STATES CIRCUIT COURT OF APPEALS.

I think such a publication both desirable and necessary.

EVAN A. EVANS.

NORTH CAROLINA CIRCUIT COURT OF APPEALS.

I earnestly support the proposition for the revision of the Federal statutes.

C. A. WOODS.

ALABAMA CIRCUIT COURT OF APPEALS.

It does not seem to me to be open to question that such a revision is to be desired. * * * Not infrequently the task of ascertaining what is the existing Federal statute law is a difficult one.

R. E. WALKER.

UNITED STATES CIRCUIT COURT OF APPEALS, FOURTH JUDICIAL DISTRICT.

Such publication would be of great value to the judges and lawyers of the United States. I trust that the proposed revision will be undertaken by your committee.

MARTIN A. KNAPP.

NEW YORK CITY UNITED STATES CIRCUIT COURT OF APPEALS.

There could and should be published now a work containing in appropriate chapter headings the general laws in force arranged by sections as in the Revised Statutes with references to the Statutes at Large for origin. An official general statute book containing the existing law is much needed.

C. M. HOUGH.

NEW YORK CITY UNITED STATES CIRCUIT COURT OF APPEALS.

I think a revised edition of the Federal statutes would be very useful to the bench and bar.

H. G. WARD.

UNITED STATES CIRCUIT COURT OF APPEALS OF MICHIGAN.

A complete revision after the style of the old Revised Statutes and after the model for the Revised Judicial Code would be a fine thing.

A. C. DENISON.

CHICAGO UNITED STATES CIRCUIT COURT OF APPEALS.

If the proposed official revision extend beyond compilation and rearrangement and would proceed at least to the extent of harmonizing apparent contradictions, omitting repetitions, the redrafting of some laws to comply with judicial construction thereof—in fact, the revision of things substantive as well as those which concern only arrangement and form—I believe it is a task, though huge, it would be well to undertake. Sooner or later this must be done.

SAMUEL ALSCHULER.

When the Revised Statutes were prepared the Federal laws were scattered through only 17 volumes of the Statutes at Large. Now they are to be found in 36 such volumes, public and private, of which the Revised Statutes is one—the first. If such an accomplishment was necessary then, and difficult then, how necessary and how difficult it must be now, when we have more than twice the amount of enacted law in existence.

Mr. CLARK of Missouri. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. CLARK of Missouri. I would like to know, if you are going to try that process, whether there are any changes in the law or not?

Mr. LITTLE. Our purpose has been to make simply a codification without any changes in the law. The gentleman from Virginia [Mr. MOORE] and I addressed the House yesterday——

Mr. CLARK of Missouri. I know that——

Mr. LITTLE. And we assured the House that we felt satisfied that there are not any changes. We have given it the very greatest attention. The RECORD of this morning contains the remarks of the gentleman from Virginia and myself, giving the history of the work, and I think that will answer the gentleman's question. We have good reason to say that more care was taken than then, even.

Mr. GARRETT. Mr. Speaker, will the gentleman yield?

Mr. LITTLE. Yes.

Mr. GARRETT. I would like to ask the gentleman if he can give the House any information as to the probability of getting consideration of the measure which his committee has prepared?

Mr. LITTLE. I hope at an early date, perhaps on Monday, suspension day, to move a suspension of the rules and ask the House to take up the bill and pass it.

Mr. GARRETT. Without reading?

Mr. LITTLE. Without reading except by title, as was practically done at the other time, in 1874, the only time such a bill has been before the House. In this morning's RECORD I inserted extracts from the RECORD of 1874, showing just what they did.

Mr. HASTINGS. The gentleman means next Wednesday?

Mr. LITTLE. No; next Monday.

Mr. HASTINGS. This coming Monday?

Mr. LITTLE. Yes; the committee is unanimous in the favorable report. It would take two months of the time of the House to read this bill—all of its time—even if there were no interruption.

I have in my hand here a copy of the first laws of the United States, published in New York in 1789, at the end of the first session of the First Congress. If the reading clerk will hold up a copy of this bill while I hold up in my hand this copy of the first laws, the Members can see the difference in size. The House will see by that means the growth and development of our laws.

There is on the flyleaf of this book the name of "G. Washington," written with his own hand. This I take to be one of the choicest relics in the Library. So far as I can judge, this is the first copy issued from the press of the publication of the first laws of the United States, and naturally it went to the Father of the Republic, who was so much interested in it. I thought the House would be glad to see this little relic when they are invited again to look into the features of the bill to enact the code.

They had a book containing all the laws. We have no such publication by our Government.

On September 26, 1919, the learned Judge Charles M. Hough, of the United States Circuit Court of Appeals in New York City, addressed the committee. He said:

"Mr. Chairman, I may be pardoned for closing with the fable that I learned as preparatory to the same institution of learning at which your fellow Member, Mr. BURROUGHS, and myself gained our degrees. You will remember the tale of the cruel tyrant who affixed the terrible penalties to his laws and then put the written laws on top of high columns so that nobody could read them and punished infractions of them as severely as if each citizen had read them. I submit, gentlemen of the committee, that for 40 years the United States, in a modern sense, has been pursuing the same course. While the laws of the United States are not put on top of high columns they might just as well be, for the purpose of practitioners—the largest number of practitioners, too—who conduct their offices and get their clients and do their business at some distance from a city containing any extensive law library. For them the laws of The Laws of the United States might just as well be buried. Is it not time to resurrect them?"

Mr. CAMPBELL of Kansas. Mr. Speaker, I submit a report from the Committee on Rules.

QUESTION OF PRIVILEGE.

Mr. LUCE rose.

The SPEAKER. For what purpose does the gentleman from Massachusetts rise?

Mr. LUCE. I rise to a question of constitutional privilege. I request that the Clerk read the first section of Senate joint resolution 212.

The SPEAKER. Is the question of privilege based on that?

Mr. LUCE. The question of privilege is based on this section.

The SPEAKER. The Clerk will read the Senate joint resolution.

The Clerk read as follows:

Joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

Mr. McFADDEN. Mr. Speaker, in view of the importance of this measure, I will suggest the absence of a quorum. I make the point of no quorum.

The SPEAKER. The gentleman, of course, has that right. It is a matter that should be, I suppose, directed to the attention of the Chair. The gentleman from Pennsylvania makes the point that there is no quorum present. [After counting.] Evidently there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absentees, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Crowther	Gallivan	Holland
Anthony	Cullen	Gandy	Hull, Iowa
Babka	Currie, Mich.	Ganly	Hutchinson
Baer	Darrow	Godwin, N. C.	Igoe
Benson	Davey	Goldfogle	Ireland
Blackmon	Dent	Good	James, Mich.
Booher	Dominick	Goodall	Johnson, Ky.
Britten	Donovan	Gould	Johnston, N. Y.
Browne	Dooling	Graham, Ill.	Jones, Pa.
Burke	Edmonds	Graham, Pa.	Kelley, Mich.
Caldwell	Ellsworth	Griest	Kendall
Candler	Emerson	Griffin	Kennedy, Iowa
Carew	Ferris	Hamill	Kennedy, R. I.
Casey	Fields	Hamilton	Kiess
Christopherson	Fish	Hawley	King
Copley	Flood	Hays	Kitchin
Costello	Freeman	Hersman	Kraus
Crago	Fuller, Mass.	Hill	Kreider

Lesher	Mott	Rayburn	Sinclair
Lonergan	Neely	Reed, N. Y.	Smith, N. Y.
McCulloch	Nelson, Wis.	Riordan	Steele
McGlennon	Nolan	Robinson, N. C.	Stiness
McKinley	O'Connell	Romjue	Sullivan
McKinley	Paige	Rouse	Voigt
McLane	Patterson	Rowan	Volk
Madden	Peel	Rubey	White, Me.
Maher	Perlman	Sanders, Ind.	Williams
Mason	Pou	Sanders, La.	Wise
Mead	Radcliffe	Sanford	Zihlman
Mooney	Rainey, Ala.	Scully	
Morin	Ransley	Shreve	

The SPEAKER. On this roll call 306 Members have answered to their names. A quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The SPEAKER. The gentleman from Wyoming moves to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Doorkeeper will open the doors.

Mr. DOWELL. Mr. Speaker, I raise the point of order that there is no question of privilege properly raised at this time.

The SPEAKER. The gentleman from Massachusetts has not stated his question yet. The Chair thinks the gentleman has a right to state it.

Mr. DOWELL. I merely desire to raise the question of order that the resolution just read is not the basis for the privilege suggested by the gentleman from Massachusetts, and can not be made so under the rules of the House; and, therefore——

The SPEAKER. The Chair has not heard the gentleman from Massachusetts state his question yet. The Chair can hardly rule that it is not in order when the Chair does not know what it is.

Mr. DOWELL. I want to raise the question at the proper time.

The SPEAKER. The gentleman shall have his opportunity. The gentleman from Massachusetts will proceed.

Mr. LUCE. Mr. Speaker, inasmuch as there are gentlemen present who did not hear the reading of the section in question by the Clerk, I trust I may be permitted to repeat it in order that the point that I shall raise may be understood.

This section says:

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

Mr. BLANTON. Mr. Speaker, I raise the point of order that there is no constitutional privilege giving the right of filibuster in the House of Representatives.

The SPEAKER. The Chair does not know that this is a filibuster.

Mr. BLANTON. This has been read once to the House.

The SPEAKER. The Chair overrules the point of order.

Mr. DOWELL. I desire to raise another question of order, that the resolution is not properly before the House, and that this question can not be raised at this time, if there is a constitutional question here at all, until it is properly before the House. I raise that point of order.

The SPEAKER. The Chair has no idea yet what the point is that the gentleman from Massachusetts [Mr. LUCE] is raising. The Chair thinks he ought to hear it before he passes upon it.

Mr. WINGO. Mr. Speaker, I make the point of order that the gentleman from Massachusetts can not possibly raise the question of privilege that he has attempted to state. The gentleman stated that he rose to a question of "constitutional" privilege. There is no such proposition. There are just two questions of privilege, one a question of the "privilege of the whole House" and the other a question of "personal privilege." Either one of them might be founded upon a constitutional provision or restriction, but the gentleman ought to raise a question either of the "privilege of the whole House" or of "personal privilege."

The SPEAKER. The Chair understood the gentleman from Massachusetts to say that it was a question of "privilege of the whole House."

Mr. BLANTON. No; he said "constitutional privilege."

Mr. LUCE. It was my intention to raise a question of the privilege of the whole House. If I may be permitted to state the question of privilege, I will say that it is based upon the first clause of the seventh section of the first article of the Constitution, which says that—

All bills for raising revenue shall originate in the House of Representatives.

And at the proper time I propose to give effect to the privileges of the House by the same procedure as that formerly followed, namely, the presentation of a resolution modeled in the language of one presented by Mr. Sereno E. Payne when chairman of the Committee on Ways and Means, as follows:

Resolved, That the first section of Senate joint resolution 212 in the opinion of this House contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution.

Mr. WINGO. Mr. Speaker, I rise to a point of order. I will not undertake to base it upon the question that this is not the proper time to raise the gentleman's point of order, even if it were sound. The point of order is that section 1 of this joint resolution does not propose to raise revenues. It does not say so. It will be contended by its opponents that it is a joint resolution to drain revenues from the Treasury instead of raising revenues. It is a bill to rehabilitate an agency of the Government that now exists under law by requiring the executive officers to make it function as provided by law. That has nothing to do with raising revenue.

Mr. DOWELL. Mr. Speaker, a point of order. It is apparent now, from the statement of the gentleman from Massachusetts [Mr. LUCE], that the question is not in order at this time. This resolution is not before the House. It has not been properly brought before the House, and therefore the gentleman is entirely out of order in attempting to raise this question in this way.

Mr. LUCE. Mr. Speaker, may I be heard on the point of order?

The SPEAKER. The Chair will say to the gentleman from Iowa that the resolution has been passed by the Senate.

Mr. DOWELL. The fact that the resolution has been passed by the Senate does not permit a Member to raise at any time a question of privilege. If the House takes it up, it is before the House, but it has not been brought before the House at this time. I raise that question.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that the gentleman from Massachusetts has not presented a question of privilege, constitutional or otherwise, so that that may be before the Chair.

Mr. WINGO. That is the point of order I made.

Mr. MANN of Illinois. The gentleman made the point of order that it did not raise revenue.

Mr. WINGO. I also made the point of order that the gentleman had not stated a question of privilege, and then I gave as a reason that it did not propose to raise revenue.

The SPEAKER. The Chair will take one point at a time.

Mr. CLARK of Florida. Mr. Speaker, I am opposed to the position of the gentleman from Massachusetts, but he has not had an opportunity to state what he is trying to get at. If these gentlemen will let him alone, he will state his point.

Mr. LUCE. If I am to address myself to the point of order I may remind the Speaker of that with which he is already familiar, namely, that similar questions of privilege have been repeatedly raised in this House. I have before me the volume of Hinds' Precedents containing several pages describing similar questions of privilege and detailing discussion thereon. I have before me the debates of the Twenty-fifth Congress, first session, containing the record of an episode in the year 1837, where precisely the same matter was brought to the attention of the House. It has always been open to discussion as a matter of high privilege. I can not understand how, in view of the unbroken record of precedents, this can be doubted. A Member has a right to lay before the House at the proper time the reasons why proposed legislation may not be properly considered by this body. If the Chair desires, I will give him the references to repeated instances in which precisely this thing has been done, and as far as I know at the same time in the course of procedure at which I am trying to do it, and under absolutely similar circumstances.

The SPEAKER. The Chair thinks the gentleman should present the question in the resolution that he read. The Chair thinks the resolution should be pending.

Mr. LUCE. Then, Mr. Speaker, I offer the resolution.

The SPEAKER. Let the resolution be reported.

The Clerk read as follows:

Resolved, That the first section of Senate joint resolution 212, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with the message communicating this resolution.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that the resolution is not in order, and I ask for the regular order to reinforce that point of order.

Mr. LUCE. On the point of order I will call your attention, Mr. Speaker, to the second volume of Hinds' Precedents, paragraph 1491, where the matter arose on a point raised by William H. Calkins, of Indiana, to the effect that a resolution of like nature to this was not in order, either to be offered or con-

sidered, until the bill to which it referred was brought before the House for consideration. After debate the Speaker said:

The resolution offered by the gentleman from Georgia is offered by him for the purpose of raising the question of constitutional privilege, a question involving the constitutional prerogatives of the House in the formation of revenue bills. And in practice this has always been held to be a matter of high privilege. The only question raised now by the point of order of the gentleman from Indiana is as to the matter of time of raising the question, and it is suggested that the bill is not before the House for consideration, and hence that it is too soon to make the point of order raised by the gentleman from Georgia. In argument it is said that the House does not know officially what the bill contains for the purpose of determining the question.

The Chair does not take that view of the matter at all. The bill has been returned to the House by the official direction of the Senate. It goes, under the rules of the House, it is true, to the Speaker's table, but the House has taken notice of it there, has ordered it to be printed, and it is before the House for its action. It is sufficient to say that if the matter was under consideration once in the House, under the rules, in the opinion of the Chair, it would then be too late to raise this question of constitutional privilege against it, so that the House must look to the bill to determine that question before it proceeds to consider it at all.

The House must look to the bill. This is the first reasonable opportunity that the House has had to look to the bill.

Mr. LONGWORTH. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. LONGWORTH. Was not that a case where the bill had passed the House and gone to the Senate, and then was afterwards returned to the House?

Mr. LUCE. Yes.

Mr. LONGWORTH. This resolution has never been before the House for consideration.

Mr. LUCE. It has never been before the House and therefore the time to raise the point is now.

Mr. DOWELL. How is the resolution before the House at this time?

Mr. LUCE. Because it has been reported to the House by the Committee on Banking and Currency.

Mr. DOWELL. But it is not before the House for consideration.

Mr. LUCE. Speaker Keifer ruled that the point must be raised before the bill is up for consideration by the House.

Mr. LONGWORTH. If the gentleman will pardon me, I tried to hear the reading of the resolution. Was not the ruling based on the point that it had consideration by the House?

Mr. LUCE. On the contrary, the point was raised that it had not been considered by the House, and that when it was up for consideration the point could not be raised.

Mr. LONGWORTH. But in that case the bill had been considered by the House. It had passed the House.

Mr. LUCE. Yes; but the objectionable clause was inserted by the Senate and had never been considered in the House. The Speaker ruled that after it had once been taken up by the House it would be too late to raise the question of privilege.

Mr. MANN of Illinois. If the gentleman will pardon me, I made the point of order against the resolution that it is not in order on the special ground that it does not present any constitutional question or question of privilege. Personally I have no doubt whatever that if it does present such a question, this is the proper time to press the resolution. It certainly could not be presented after a rule was adopted to consider it.

Mr. LUCE. Mr. Speaker, I shall, then, address myself to the question involved in the point of order, as to whether this does involve the constitutional privilege of the House. Gentlemen will recall the phraseology of the Constitution in this particular which I have just read, that revenue bills must originate in the House. The point immediately arises, whether this is or is not within the scope of the term "revenue bills." The matter is old. Many men far abler than myself have presented arguments for and against the proposal during nearly a century of controversy. I can not hope to add anything new to what they have said, but perhaps there are gentlemen here who are not familiar with the main argument involved, and, therefore, for their help in considering the resolution, permit me briefly to rehearse the origin and purpose of this constitutional phrase.

In the earliest days the Lords and the Commons, after listening to the demand of the King for money, answered his appeal separately, without consultation between each other. In the course of time, nobody knows just when, the Commons began asserting theirs to be the right of way, claiming that they should have the preference in making answer to the King. In the seventeenth century the general subject became of the most extreme constitutional importance, because controversy over it played a large part in leading to those troubles in England which cost Charles I his head. After the Commonwealth the matter came again in issue. Controversies between the House of Commons and the House of Lords were frequent through many years, finally resulting in the establishment of the belief now unquestioned that the representatives of the people have the right to determine money matters first.

Our forefathers brought here an intimate knowledge of these controversies at Westminster. Very early, within two or three years after its establishment, the House of Burgesses in Virginia forbade the governor to levy taxes without its consent, and in 1666 it insisted on its prerogative in framing money bills, resenting any share therein by members of the council. In the Province out of which my own State of Massachusetts came, the prerogative of the house was a question of bitter controversy between the general court and the governor's council for half a century. The house asserted its right to originate not only revenue bills, taxation bills, but also appropriation bills, and even to audit the expenditure of money by the executive. In the first constitution framed by an American State, that of New Hampshire, there was asserted the specific declaration that the house should originate bills for raising money. This doctrine was followed by four of the other States, and then in turn was put into the Federal Constitution. In the convention for the framing of the Constitution it again became the center of most important controversy, and the compromise on this point was one of the great concessions that made our Constitution possible.

After the Union had been formed the matter came in issue in Congress. By 1837 the situation had reached such a point that John Quincy Adams, in discussing a contention precisely similar to the one I now raise, said that in his opinion the matter admitted of no question at all, and I may anticipate the normal course of my argument by pointing out that the question was then a matter of the issue of Treasury notes—not a matter of appropriation, not a matter of taxation, but a matter of the issue of Treasury notes. This eminent statesman who had been President of the United States and was perhaps as well qualified as any man who has lived under this Constitution to pass judgment, said that in his opinion the matter admitted of no question at all. If ever there was a money bill, this was one. Then he made this significant statement:

This House had too long suffered the other branch of the legislature to dictate to it every measure relating to revenue. For the last five years not one of all the measures of that character had originated in that House.

For five years prior to 1837, on the authority of Mr. Adams, not one measure imposing revenue or concerning revenue had originated in the House, and he said there could be no question that a bill relating to Treasury notes is a matter of revenue. This will be the nub of the present controversy, but before reaching it permit me to call attention to the numerous times in which the House afterwards saw fit to consider this interference with its constitutional prerogatives on the part of the other branch.

Mr. BLANTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. By reason of the fact that the gentleman had been forced to briefly state his case, I am unable to catch his line of argument, and I would suggest that he should be permitted to argue the question in his own way and to such an extent that we can understand the relevancy of his position.

The SPEAKER. The point of order is overruled, and the gentleman from Massachusetts will continue.

Mr. LUCE. Mr. Speaker, I regret that there are gentlemen in the House whose monopoly of its time during many sittings has led them to think that they alone control its interests. [Laughter and applause.] As I said, the nub of this controversy is the question of whether there is or is not involved here a matter of raising the revenue. In support of my contention that it does come within the scope of the revenue, I must call the attention of the Speaker to the laws involved, which are those of the Sixty-fifth Congress relating to financing the war. First, Mr. Speaker, the less important point. By the amendment approved March 3, 1919, it was provided as to the War Finance Corporation—

that any balance remaining after the payment of all its debts shall be paid into the Treasury of the United States as miscellaneous receipts, and thereupon the corporation shall be dissolved.

In other words, the profit of this corporation was to accrue to the benefit of the United States and was, therefore, to be revenue. That this is not an immaterial point may be substantiated by observing in the annual report of the corporation that its earnings in two years amounted to $36,982,739.80, certainly not an insubstantial amount of revenue. Thirty-six millions may now seem a bagatelle, but $36,000,000 prior to the war was esteemed as not unimportant.

Last week there was a gathering in Chicago for the purpose of organizing a private corporation with a capital of

$100,000,000, with the possibility of extending its loans to $1,000,000,000, exactly the same limit that would be provided by this resolution. This meeting was called by the president of the American Bankers' Association for the purpose of engaging in precisely the same business that is here contemplated.

These men are going into the business, of course, partly for profit—doubtless partly from motives of patriotism, but partly for profit. In this Chamber to-day gentlemen are anxious to hurry the United States into exactly the same business with exactly the same limitation of loans, in complete and absolute competition with private capital.

Mr. TINCHER. Mr. Speaker, I make the point of order the gentleman is not discussing the point of order but arguing the merits or demerits of the resolution.

Mr. LUCE. If the gentleman will permit, I will draw the conclusion bearing precisely on the contention I am trying to establish, which is that this resolution contemplates the making of profits and therefore a revenue to the United States.

Mr. TINCHER. Well, the argument that the resolution ought not to be adopted because some people out in Chicago are organizing a corporation I do not think has much to do with this.

The SPEAKER. It seems to the Chair the gentleman is directly directing his argument as to whether this is a revenue measure or not. The gentleman will proceed.

Mr. LUCE. Mr. Speaker, the United States can not engage in the banking business in competition with a coequal and cotemporary private institution without either making as much or more profit by keeping its rates for loans at the same level with those of the private corporation or else making less profit by cutting under the rates of a private corporation. Is it to be conceived that the Government of the United States, engaging in competition with a private corporation having precisely the same limits, will cut its rates below that of a private corporation, so as to prevent the private corporation from functioning?

Mr. DOWELL. Will the gentleman yield for a question?

Mr. LUCE. Certainly.

Mr. DOWELL. The gentleman now is discussing the question of policy and not the question of order before the House. The gentleman is now discussing the bill as to its effect.

Mr. LUCE. Mr. Speaker——

Mr. DOWELL. That is a question that could be answered, I think, but it seems to me that the whole argument here is one of the policy of adopting the bill.

The SPEAKER. The Chair understands the gentleman is claiming that this is a revenue bill, and therefore subject to a point of order, and is now arguing to show it is a revenue bill.

Mr. DOWELL. The point I was raising is this question: I was asking the gentleman if it was not now a question of policy as to whether the Government should enter into this business. That is the question he is discussing, which, in my opinion, is not germane.

Mr. LUCE. If the House should finally consider this resolution it would be proper to express myself on the point the gentleman has made. What I am now pointing out is that it is inconceivable that this corporation, the War Finance Corporation, will not function for the purpose of making money.

Mr. JONES of Texas and Mr. CAMPBELL of Kansas rose.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. LUCE. Certainly.

Mr. CAMPBELL of Kansas. If this were an original proposition in the House, and if the question had originally come from the Senate, which it did not, as I understand the War Finance Corporation originated in the House and the law that proposes to direct the Secretary of the Treasury to continue its action is now the law, having originated in the House it might present a different question. It is true that the Senate passed the resolution calling upon the Secretary of the Treasury to revive the activities that he suspended last May under this law, but does not the gentleman from Massachusetts recognize the distinction between a revival of action under a law and the enactment of a law?

Mr. LUCE. Mr. Speaker, the gentleman anticipates a matter that might be discussed later, but inasmuch as he has forced upon me a discussion of this situation which I myself would have thought more properly might be taken up at another stage, I presume I am warranted in answering him. The gentleman raises a question of the deepest interest as to whether the proposed resolution is or is not a direction to the Secretary of the Treasury and War Finance Corporation Board. I may say that a distinguished gentleman, speaking in another Chamber in this city, which the rules of parliamentary law forbid me to discuss or to designate under a more specific term, said that this was nothing more than an expression of opinion. On the other hand, the members of my committee who in the majority have voted to report this bill believe that it is a law; that it is an order; that it is a direction; that it is not an expression. Now, if the distinguished gentleman in another Chamber, to whom I have referred, is right in saying that this resolution is nothing but an expression of opinion, then discussion of it would be nothing but a waste of time; but I must here assume that the resolution is meant to have the force of law to be an order, a direction. However great may be the impropriety of the procedure, however it may intrench upon constitutional prerogatives, what infringement it may be upon constitutional privileges, I must assume, nevertheless, that in the face of precedent, in the face of tradition, in the face of a reasonable construction of the Constitution, the Congress does by this resolution intend to order the War Finance Corporation to function.

Mr. JONES of Texas. Will the gentleman now yield?

Mr. LUCE. Certainly.

Mr. JONES of Texas. Is it not true any revenue that may be derived from the operation of this resolution is merely an incident to the resolution? There may be a loss or a gain, but the purpose of the resolution is not to raise revenue, and the fact that it might be an incident is not of such consequence as to state that the purpose of the resolution was the raising of revenue.

Mr. LUCE. I really dislike to weary the House with a repetition of the thousand arguments that have been made upon that particular point. It is for the House to decide whether this is merely incidental, whether a profit of $36,000,000 accruing to the taxpayers of the country is incidental or not. This bill contemplates the loaning of $1,000,000,000 at a profit. If the gentleman asserts that profit here is incidental, may I not point out to him that nevertheless it must be more than an incidental purpose of the gentlemen who have been meeting in Chicago in order to proceed along similar lines, assuming they are not driven out of business by the Congress of the United States. Certainly their profit will not be incidental. Therefore, I may assume, perchance, that the profit of the Government will not be merely incidental.

Mr. JONES of Texas. I appreciate the points of the gentleman's statement. However, the gentleman will recognize that the purpose for which the law was framed was not for the making of this profit, but for the carrying on of a certain line of business. Now, there may be a profit, there may be a loss, but the purpose is to carry on and finance a certain business, and it has not for its primary purpose the raising of revenue.

Mr. LONGWORTH. While I greatly doubt whether this particular resolution is for the purpose of raising revenue, the question of the gentleman from Texas does not apply. Frequently the House passes a bill for preventing any revenue, notably the passage of the prohibitory tax on white phosphorous matches, the object of which was to prevent revenue. That is a revenue bill. It makes no difference whether it raises revenue or discourages it.

Mr. TINCHER. There is a special provision that all revenue laws must originate in the House of Representatives. Does the gentleman contend there is any inhibition in the statute upon the other lawmaking body or anyone else, by a joint resolution or otherwise, that the law, having originated in the House of Representatives and passed upon by both Houses of Congress and signed by the President and become a law, should not be enforced? Is there anything in the Constitution to prevent any other lawmaking body passing a resolution asking for the enforcement of any law, provided it is clearly on the statute books?

Mr. LUCE. The resolution can be of avail only if it actually amends the law to which the gentleman has referred. In the language used by the Secretary of the Treasury in the hearings of the committee, and accepted, apparently, by the committee, this resolution contemplates substituting the will of Congress for the will of an executive official.

The law in question permits a certain exercise of discretion. This was definitely brought out in the gentleman's presence. It was definitely brought out as contemplating an amendment of existing law by substituting the will of Congress for the will of the Executive, and by putting an end to the exercise of discretion, and it therefore comes clearly within the province of this House in the matter of the assertion of its constitutional rights, if my contention as a whole is sound at all.

Mr. TINCHER. Do I understand the gentleman contends that this resolution amends the War Finance Corporation act? Is it an amendment to that act?

Mr. WINGO. Mr. Speaker, I insist on the point of order that this discussion, with all deference to my friend, is not on the point of order, but on the merits of the bill. The Speaker can see and decide whether or not this is a revenue bill without

the discussion that has been raised here. If the resolution comes up for consideration, then the gentleman can offer these arguments against its adoption. The question is whether or not it is a revenue law, and I think the Speaker can pass on that without any further discussion.

The SPEAKER. The Chair thinks the gentleman has confined himself to that distinction, as to whether it is a revenue measure or not.

Mr. LUCE. If I have been diverted in any degree from the proper line of discussion, it has been simply with the desire to be courteous to a fellow member of the committee who rose to interrogate me. Now, to be equally solicitous for my friend from Arkansas [Mr. WINGO], I will attempt with his permission to point out another particular in which this matter distinctly becomes a revenue bill. I observe by the last annual report of this corporation that there have been coming into the Treasury of the United States certificates of indebtedness, bonds, and so forth, to the extent of $374,313,493.89. The return of this money to the Treasury of the United States has been thus described by the Secretary of the Treasury himself:

> If the corporation continues to make loans in aid of exports, it can do so only by calling upon the Treasury of the United States to repeal securities of the United States in which the capital furnished by the United States is invested, or by selling bonds of the War Finance Corporation to the public. These bonds, although not guaranteed by the United States Government, would nevertheless be marketable only on account of the ownership of the entire capital by the Government.

The Secretary of the Treasury informed the committee—as he has said on other occasions, if I mistake not—that there is a credit to the account of this great corporation on the books of the Treasury, and that if this corporation should function it would have the right to demand from the Treasury $386,000,000. If the Treasury is to take securities in its possession and sell them, it can thus raise the money. Otherwise it must go and borrow it. The bill contemplates the possibility that this corporation shall compel the Secretary of the Treasury to borrow $386,000,000 more and add it to the inflation now existing.

Mr. WINGO. Will the gentleman yield for a question?

Mr. LUCE. Yes.

Mr. WINGO. I know the gentleman always desires to give the facts.

Mr. LUCE. Mr. Speaker, I yielded for a question only.

Mr. WINGO. I appreciate the gentleman's desire to facilitate the orderly business of the House, and I shall endeavor to assist the learned gentleman. What is wrong in, and what would prevent the Secretary of the Treasury from, restoring to the capital stock of the War Finance Corporation the Treasury certificates that he canceled at the time it suspended, without ever having to go out and borrow a dollar in the market? If Treasury certificates in May were legitimate investment—and they are under the provisions of the act a legitimate investment of the capital stock of the corporation—what is wrong with the Secretary of the Treasury restoring this capital by issuing to that corporation Treasury certificates in an amount equal to those he canceled? That would not be a floating of bonds as a sale of certificates in the open market.

Mr. MANN of Illinois. Mr. Speaker, I make the point of order that this has nothing to do with the constitutional question.

Mr. WINGO. I agree with the gentleman, but——

Mr. MANN of Illinois. Then why interject it? The gentleman from Massachusetts should be permitted to confine himself to the question at issue.

Mr. WINGO. I did not; the gentleman from Massachusetts was contending that the Secretary would have to borrow money, and I corrected him.

The SPEAKER. The Chair thinks that the gentleman from Massachusetts should be succinct, and speedily bring the matter at issue to the attention of the Chair.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield to me for a question in point?

Mr. LUCE. Certainly.

Mr. LONGWORTH. Does the gentleman make a distinction between such a resolution as this, which merely orders the Secretary to enforce a certain provision of the act of March 3, 1919, and a direction by this Congress to enforce another provision?

Mr. LUCE. It depends upon whether the provision in question was originally a matter of discretion; whether it was discretionary or ministerial. The courts invariably draw that distinction.

Now, Mr. Speaker, if I can hasten, for I have no desire to prolong the deliberations of the House, it has been pointed out that this $386,000,000 has been used to redeem debts of the United States, and a certain political party has not hesitated to claim credit to itself for this reduction of the debt. This can be undone only by increasing the debt of the United States, by issuing new Treasury certificates, by bringing in new sources of revenue.

And now, sir, having, I trust, adequately covered the main features of the situation, will you permit me to dwell for one moment upon a phase of it that was brought into the issue in question by the Lever bill in connection with the cotton futures act of 1915? Judge Hough declared that this bill was not and had not become a law, because it originated in the Senate.

The SPEAKER. What bill does the gentleman refer to?

Mr. LUCE. The cotton futures act. I am pointing out the fact that Judge Hough said it was not law because it originated in the Senate. The question went up on appeal but was dismissed by the Supreme Court upon the motion of the plaintiff in error.

Mr. BLANTON. Mr. Speaker, I rise to a point of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. My point of order is that under the rules of the House on a question of privilege each Member raising it is entitled to one hour and only one hour. I make the point of order that the gentleman from Massachusetts has used his hour.

Mr. MANN of Illinois. Mr. Speaker, the question of privilege is not yet before the House.

The SPEAKER. The Chair overrules the point of order. The gentleman from Massachusetts will proceed.

Mr. LUCE. To summarize my argument, I contend that this measure originated in the Senate; that it contains a section which, in accordance with the precedents of the House, comes under the constitutional inhibition in the matter of raising revenue; that it so does because it involves the possibility and even the probability of large profits accruing to the Public Treasury and to that extent diminishing the burden upon the taxpayers; and because it involves an increase of the debt of the United States by $386,000,000, which can be met only by raising additional revenue.

If I were permitted to divert, I should be glad also to point out the interference of this proposal with the general fiscal policy of the Treasury Department. But I am quite aware that that will not be permitted. Therefore I rest my point chiefly upon these two contentions—that the matter involves the raising of revenue within the precedents of the House.

Mr. MANN of Illinois. Mr. Speaker, I wish to discuss this question very briefly. All laws which incidentally raise revenues are not laws for the purpose of raising revenue. Would the gentleman from Massachusetts contend, for instance, that the Senate could not pass a bill providing for the sale of a former public-building site and that it would not become a law if then passed by the House and signed by the President? The effect of the law would be to raise revenue. That is the only effect it would have. And yet no one has ever contended that the Senate could not originate a bill of that kind, the incidental effect of which is to raise revenue.

The provision of the Constitution the gentleman referred to in the light of history, and in the light of history it was adopted. It provides that bills for the purpose of raising of revenue shall originate in the House of Representatives. It does not provide that laws which take the effect and which will have the effect either of raising revenue or producing a deficit shall originate in the House, and no one can tell whether the passage of the original act in this case was to produce revenue or to produce a deficit. No one can tell whether the passage of this resolution, if it shall be carried out in the spirit of the resolution, will produce revenue or produce a deficit. But everyone knows that the purpose of the law is not to produce revenue. The purpose of the law was to aid in the transaction of business, to aid in exports, to aid in the war, and not for the purpose of raising revenue. I doubt whether the gentleman from Massachusetts or anyone else will contend that Congress has the power to create corporations to engage in business for the purpose of raising the revenue of the Government.

While we have broad latitude in the raising of the revenue, I do not know of any provision of the Constitution which would authorize Congress to engage in business for the purpose of providing the revenues of the Government. The revenue is merely incidental. Besides, this resolution is only a direction to enforce existing law.

Mr. LUCE. Mr. Speaker, may I ask the gentleman a further elaboration of that statement? May I ask if in his judgment you do not by this resolution amend existing law?

Mr. MANN of Illinois. It does not amend existing law, but it enforces existing law, and to that extent might be considered as amendatory. It is not an amendment. It is a direction to enforce a law which now is not required to be enforced.

Mr. LUCE. If this is not technically an amendment, does the gentleman think it within the constitutional province of Congress to direct the Executive to exercise judgment?

Mr. MANN of Illinois. Why, certainly it is within the province of Congress to direct the Executive to exercise judgment where we have conferred the judgment upon it. We could take away entirely the judgment of the Executive in a matter of this kind. When we pass a law prescribing that the Executive may have discretion, we may change that and compel the Executive to exercise power.

Mr. LUCE. Mr. Speaker, the gentleman brings out precisely the point I desire to emphasize, that this is a change in the law. If it is not a change in the law, I desire to direct his attention to the fact that it would be absolutely contrary to the doctrine of the separation of the powers.

Mr. MANN of Illinois. I stated in the first place, before the gentleman interrupted me—though I do not regret the interruption—that this required the Executive to do something which now is not required; but that does not change the situation at all. I believe that the original law might have originated in the Senate, not as a bill raising revenue, but this is merely a direction to the Executive to execute a law which is upon the statute books, which law originated in this House. [Applause.]

The SPEAKER. The gentleman from Massachusetts presents a resolution, and claims that a section of the joint resolution (S. J. Res. 212) infringes the privileges of the House, because it is a revenue bill which the Senate has no right to originate.

Against that the point of order is made that that is not a question of privilege.

Speaker Carlisle, in a similar case, made this ruling:

The Chair thinks whenever it is asserted on the floor of the House that the rights or privileges of the House have been invaded or violated by any other body, or by any individual, a question of privilege is presented, at least to the extent that the Chair is obliged to submit it to the House for its decision. Of course, the Chair itself will decide all questions of order arising during legislative proceedings of the House; but when the allegation is made that the rights or privileges of the House collectively have been invaded, that is a question which does not come within the province of the Chair to decide. The House is the custodian and guardian of its own rights and privileges as a body, and must always possess the power and have the opportunity to determine what those rights and privileges are and whether or not they have been improperly interfered with.

Following that decision the Chair will submit the question to the House whether the point of order lies against this resolution. The Chair submits this question to the House: Is this resolution presented by the gentleman from Massachusetts in order as a matter of privilege?

Mr. GARRETT. Did the gentleman from Massachusetts present a resolution?

The SPEAKER. He did.

Mr. GARRETT. I understood him to announce his intention so to do.

The SPEAKER. The resolution was reported at the desk. The question is, Is the resolution of the gentleman from Massachusetts in order?

Mr. CAMPBELL of Kansas. Mr. Speaker, I ask that the resolution be reported.

The SPEAKER. The Clerk will again report the resolution.

The Clerk read as follows:

Resolved, That the first section of Senate joint resolution 212, in the opinion of this House, contravenes the first clause of the seventh section of the first article of the Constitution of the United States and is an infringement of the privileges of this House, and that the said resolution be respectfully returned to the Senate with a message communicating this resolution.

The SPEAKER. The question is, Is this resolution in order?

Mr. GARRETT. Mr. Speaker, I am not sure that by this resolution this matter is presented precisely as I, at least, will be glad to see it presented. Upon one phase of the matter I should say that the resolution of the gentleman is in order. I think it would be in order for the House to express an opinion as to whether or not its constitutional privilege and duty had been invaded. The matter upon which I would like to pass is the question of order originally raised by the gentleman from Massachusetts.

Mr. MANN of Illinois. The resolution, of course, is not in order unless it raises a question of privilege.

Mr. GARRETT. Does it not raise a question of privilege by asserting that a constitutional right has been invaded?

Mr. MANN of Illinois. I do not think it does, unless it shows where a constitutional right is invaded. Every Member of the House can not rise to a question of privilege, present a resolution, and get two or three hours' time upon it simply by asserting something. There must be something upon which to base the assertion, and I made the point of order that the resolution was not privileged and did not present a question of privilege, constitutional or otherwise, and demanded the regular order.

Mr. GARRETT. Mr. Speaker, I shall vote to sustain the point of order made by the gentleman from Illinois; but I wish it distinctly understood that in so doing I am voting to reach the major proposition of the original point of order made by the gentleman from Massachusetts.

The SPEAKER. The question before the House is, Is this resolution in order as a matter of privilege?

Mr. DOWELL. Mr. Speaker, is not the question before the House now the question of sustaining the point of order?

The SPEAKER. That is what the Chair stated.

Mr. DOWELL. Those sustaining the point of order will vote "aye" and those opposed to the point of order will vote "no"?

The SPEAKER. No; the Chair stated it the other way. The Chair thinks the question before the House is, Is the resolution of the gentleman from Massachusetts in order as a matter of privilege? As many as think that it is in order as a matter of privilege will vote "aye"; those opposed "no."

The question being taken, on a division (demanded by Mr. MANN of Illinois) there were—ayes 28, noes 142.

The SPEAKER. On this question the ayes are 28 and the noes are 142, and the House decides that it is not a question of privilege.

Mr. LUCE. Mr. Speaker, I ask for a further verification of the vote by the yeas and nays.

The SPEAKER. The gentleman from Massachusetts demands the yeas and nays.

The question was taken; and 9 Members only having risen in favor thereof, the yeas and nays were refused.

Mr. CAMPBELL of Kansas. Mr. Speaker, I present the following privileged resolution from the Committee on Rules.

The Clerk read as follows:

House resolution 620.

Resolved, That immediately upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. J. Res. 212, the same being a joint resolution "directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes." That there shall be not to exceed two hours of general debate, one-half to be controlled by some member of the Committee on Banking and Currency who is in favor of the joint resolution, and one-half by some member of the Committee on Banking and Currency who is opposed to the joint resolution. That at the conclusion of the general debate the joint resolution shall be read for amendment under the five-minute rule. That at the conclusion of such reading the committee shall rise and report the joint resolution to the House, together with amendments, if any, whereupon the previous question shall be considered as ordered upon the joint resolution and all amendments thereto to final passage without intervening motion except one motion to recommit.

Committee amendment: Page 1, line 8, strike out the word "two" and insert the word "three."

Mr. CAMPBELL of Kansas. Mr. Speaker, I would like to make some arrangement, if I can, for the discussion of the rule. If any member of the Committee on Rules is opposed to the rule, I think it only fair that the division should be between those favoring and those opposed to the rule rather than between the majority and minority members of the committee.

Mr. POU. So far as I am advised, there is no member of the minority of the Committee on Rules opposed to this resolution. I can speak for only those members of the minority.

Mr. CAMPBELL of Kansas. There is no one on this side who desires time in opposition to the rule. Suppose we agree to let the rule come up for a vote.

Mr. POU. I am willing to do that without debate.

Mr. CAMPBELL of Kansas. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The committee amendment was agreed to.

The resolution as amended was agreed to.

Mr. STRONG of Kansas. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 212.

Mr. PHELAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PHELAN. As to how the time is to be divided——

The SPEAKER. It is to be divided between those in favor and those against the resolution.

Mr. CAMPBELL of Kansas. May I suggest that it might expedite the business if the members of the Committee on Banking and Currency were to agree on the Member who is to control the time? The rule divides the time between those opposed and those in favor.

The SPEAKER. The time is to be controlled by some Member who is in favor and some Member who is opposed.

Mr. STRONG of Kansas. Mr. Speaker, I think it is understood that the time shall be divided equally between myself and some one opposed to the resolution.

Mr. McFADDEN. I am opposed to the resolution, and I suggest that the time be divided between the gentleman from Kansas [Mr. STRONG] and myself.

Mr. PHELAN. I have no objection. I am opposed to the resolution, and so is the chairman of the committee. All I want is to have the time fairly and equitably divided.

Mr. McFADDEN. So far as I am concerned, I am willing that the gentleman from Massachusetts [Mr. PHELAN] should control the time in opposition.

Mr. RAKER. Mr. Speaker, the House determined last week that after the rule was adopted you could not change it, and so I think we ought to have the question of who should control the time come up under the regular order.

The SPEAKER. The Chair thinks it would be well to determine now who shall control the time.

Mr. PHELAN. Will the gentleman from Kansas make some arrangement so that he will give half of his time to Members in favor of the resolution on this side?

Mr. STRONG of Kansas. I shall undertake to carry out that arrangement.

Mr. PHELAN. Then I do not care who has charge of the time in opposition to the bill if that arrangement is made.

Mr. STRONG of Kansas. Mr. Speaker, I ask unanimous consent that the time be equally divided, I to control one half of the time and the gentleman from Massachusetts [Mr. PHELAN] the other half.

The SPEAKER. The gentleman from Kansas asks unanimous consent that he control one half of the time and the gentleman from Massachusetts the other half. Is there objection? The Chair hears none. The question now is on the motion of the gentleman from Kansas, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 212.

The question was taken, and the motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. SNELL in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the consideration of Senate joint resolution 212, which the Clerk will report.

The Clerk read as follows:

Senate joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Whereas there exists in the agricultural sections of the country unprecedented and unparalleled distress on account of the inability of the farmers to dispose of the corn, wheat, cotton, wool, live stock, and other commodities now in marketable condition at prices that will pay the cost of production; and

Whereas the people of Europe are in dire need of the agricultural products now in possession of the farmers of this country, but are unable to purchase on account of existing financial conditions; and

Whereas, under an act of Congress, there was established the War Finance Corporation for the purpose of financing the exportation of American products to foreign markets; and

Whereas the activities of the War Finance Corporation were suspended in May, 1920, by an order of the Secretary of the Treasury; and

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market: Therefore be it

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

SEC. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal reserve system to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

The following committee amendment was read:

Page 2, line 9, strike out section 2.

The CHAIRMAN. According to the provisions of the rule the gentleman from Kansas [Mr. STRONG] is recognized for one hour and a half and the gentleman from Massachusetts [Mr. PHELAN] for an hour and a half.

Mr. STRONG of Kansas. Mr. Chairman and gentlemen of the committee, this resolution directs the Secretary of the Treasury and the members of the War Finance Corporation to revive the activities of the War Finance Corporation and that it be rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets, and I hope it may have your favorable consideration and your votes and that it may pass this House by a large majority.

The committee recommends that section 2 of the resolution be stricken out, as the mere expression of opinion therein is not calculated to accomplish any favorable result, and the committee deems it unwise to encumber the passage of the resolution by including an ineffective clause which will be fruitful of controversy and barren of results.

The committee has held hearings and has had before it for consideration the hearings held by the Committees on Agriculture of the Senate and House in joint session.

The War Finance Corporation, by the act approved March 3, 1919, was empowered to encourage exports, and for the accomplishment of this purpose was empowered to sell bonds to the extent of six times its capital stock of $500,000,000; but by the amendment of March 3, 1919, it was provided that the aggregate of the advances made for the purpose above set forth remaining unpaid should never at any time exceed the sum of $1,000,000. There was an inevitable delay in the organization of the corporation for the purpose of carrying out the duties imposed by this act, but during the short period it operated it advanced for the purpose of financing the exportation of domestic products the following amounts:

Commodities.	Countries.	Amounts.
Agricultural implements	Great Britain, France, and Belgium	$4,000,000.00
Condensed milk	England and France	5,000,000.00
Cotton	Czechoslovakia	9,322,117.27
Electrical equipment and supplies.	Great Britain, South Africa, Australia, France, Belgium, and Italy.	10,796,537.00
Grain, flour, and foodstuffs	Belgium	12,229,000.00
Locomotives	Poland	5,000,000.00
Total		46,347,654.27

While it would seem from the amount advanced that no great demand has been made upon the corporation for advances, the fact is when on May 1, 1920, the corporation suspended, upon the request of the Secretary of the Treasury, proposals receiving the approval of the directors of the corporation amounted to $100,000,000, 75 per cent of which were for agricultural purposes. The proposals thus approved by the board were as follows: $17,500,000 of copper, $2,200,000 fabricated steel to Italy; $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky; $4,000,000 cotton to Czechoslovakia for a large southern exporter; $25,000,000 cotton to Czechoslovakia for a group of southern bankers; $3,000,000 for cotton to Italy by a group of bankers; $9,000,000 by a group of bankers for export of cotton to Italy; $24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States; $2,400,000 by a group of bankers for coal to Italy; $4,000,000 by a group of bankers for cotton to Italy; $4,000,000 for ships to be bought or constructed in this country for Italy; in all, $100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

When the Secretary of the Treasury requested the directors of the War Finance Corporation to suspend operations, it resulted in the adoption by the directors of the corporation on May 10 of the following resolution:

Resolved, That at the request of the Secretary of the Treasury and pending further action by this board the making by the corporation of further advances for export purposes, except pursuant to existing commitments, be suspended.

The Secretary of the Treasury has given to the committee the reasons actuating him in requesting the directors to suspend the operations of the corporation. Whether or not his action was wise or unwise is not in issue at this time. The question at issue is whether or not, in view of the conditions now existing, the operations which were suspended in May should be resumed. Necessity for the resumption of operations has been urged upon the committee by representatives of the agricultural interests of the entire country and by representatives of those who are engaged in the exportation of our products and those engaged in financing such exports.

It appears from the testimony before the committee that of the total capital stock of $500,000,000 there is on deposit in the Treasury to the credit of the corporation $370,000,000. It is agreed, however, by those who advocate the resumption of the activities of the corporation that the funds necessary to accomplish the purpose of the law can best be secured by the sale of bonds of the corporation.

Mr. McFADDEN. Will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. McFADDEN. The gentleman does not contend that the $374,000,000 is going to be put into the corporation?

Mr. BYRNES of South Carolina. Does the gentleman from Pennsylvania deny that the $374,000,000 is in the Treasury to the credit of the corporation?

Mr. McFADDEN. I do not know. Will the gentleman explain how the corporation can resume without any capital?

Mr. BYRNES of South Carolina. The gentleman does not deny that the money is in the Treasury to the credit of the corporation.

Mr. McFADDEN. My information is it has been used to reduce the public debt, and according to the Secretary of the Treasury, who was before our committee, if the corporation is revived it will require the issue of temporary certificates.

Mr. BYRNES of South Carolina. According to the testimony of the Secretary of the Treasury the money is now on deposit in the Treasury to the credit of this corporation, and the Treasury can not take away from the credit of the corporation.

Mr. STRONG of Kansas. Mr. Chairman, I can not yield further.

During the period of the operation of the War Finance Corporation it sold only $200,000,000 of bonds. This issue of $200,000,000 of bonds, bearing interest at 5 per cent, was disposed of within five days notwithstanding that a great press agency erroneously announced on the second day that the entire amount had been subscribed on the preceding day. This would indicate that there is a ready market for the bonds of this corporation, and the former managing director of the corporation, who is familiar with the conditions of the market to-day, is emphatically of the opinion that an issue of $200,000,000 of its bonds at this time would readily be accepted by the investing public.

The statement of the former managing director is that during the period of operation in the great majority of cases where the corporation approved a request for a loan its approval resulted in the purchase by the investing public of the securities of the exporter, and, therefore, that the benefit which resulted from its activities was far greater than is indicated by the comparatively small amount of its advances.

While it may be argued with some force that when the corporation suspended its business on May 1, 1920, there was an increase in the volume and the dollar value of our exports, it is true that shortly after the suspension of the operations of this corporation our exports began to decrease until the month of November, 1920, when there was a marked decrease in the exportation of commodities and especially of agricultural products. The agricultural interests of the country seek a market for their goods and not merely credit to enable them to hold their products.

The European purchaser is unable to purchase unless long-term credits are made. The exporters of the Nation can not grant these long-term credits unless they in turn can finance them. The banks of the country appear unable to do this further than they have. It therefore becomes necessary to induce the investing public to put its resources at the service of the exporters, and the only agency through which it appears feasible now to do that is through the War Finance Corporation, which can sell its bonds to the investing public and use its money to finance exports. It is argued that this function can be best performed by private enterprises. The War Finance Corporation has perfected its organization and without delay could afford the relief desired and which is necessary. The private corporations proposed to be organized under the Edge law have not perfected their organization and we could not hope to have them operated for many months to come. In addition to this the testimony shows that the promoters of the two corporations proposed to be organized under the Edge law are of the opinion that the operation of the War Finance Corporation is essential to their successful operation at this time.

The testimony is conclusive that gilt-edged collateral can be secured by our exporters, and inasmuch as by the terms of the act the War Finance Corporation can advance only to persons and corporations engaged in business in this country, and it is certain that it will function as it did during the period of its operation, making advances only where the loans were underwritten by groups of American bankers, whose indorsement guaranteed the repayment of the loan. The effect of the activities contemplated by this corporation under this resolution will be to enable the products of this country to find a market, and the money that is invested in financing the bills will go directly to the banks and other institutions which are creditors now of the producers, and who need relief, and will start a period of debt cancellation, which is the only orderly method of deflation which can be evolved.

The hearings before our committee and before the Joint Committee on Agriculture of the House and the Senate developed the fact that the agricultural interests of the great West had suffered by far the greatest slump in the prices of its products, that corn in the West was selling at 30 cents a bushel, that wheat and cattle and sheep were not bringing anywhere near the cost of production, that credits were restricted, and that farmers with large crops, large supplies of corn and alfalfa and hay for stock were unable to get cattle to place in their feed lots, and it is true that in my district there is not one feed lot in twenty that contains any cattle. The farmers with cribs full of corn and an abundance of alfalfa and hay can not get the credit with which to secure the cattle.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. JOHNSON of Mississippi. If this War Finance Board should be revived, and I am in favor of it, how long would it take the board to begin operation to give relief to these people in agricultural districts?

Mr. STRONG of Kansas. It should not take to exceed 30 days; but relief will come at once, for the reason that the psychological value of it will come with the passage of this resolution and will help those interests in the West who need credit. For instance, the sheep raisers and the stock raisers in the West and the cattle feeders, who are now unable to obtain credits, are being carried by their local banks, and they are told that they can not get any further advances. The city banker who is carrying the country banker is considering now crowding the country banker for the payment of rediscount loans, and they have refused any further extensions. If the Congress of the United States should pass this resolution and it is signed by the President, immediately the city banker would understand that with the revival of the War Finance Corporation there would be opened up an opportunity for the exportation of these products that would create a market for them and make it possible to liquidate in time and with fair returns, and he would not press the country banker, and the country banker, in turn, would not press the man to whom he had loaned the money, and the stockmen of the country would not be compelled to place their herds upon the market. If you continue a restriction of credits whereby the cattlemen and the sheep raisers can not be given further extensions but must sell the cows and ewes with their entire herds, you are going to destroy the manufacturing plants which supply the beef and hides and the mutton and the wool of the Nation.

Mr. PHELAN. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. PHELAN. Did not every representative of the sheep and wool interests state that neither this bill nor any other financial relief would be of any avail whatsoever unless an embargo were placed and subsequently a protective tariff act were passed?

Mr. STRONG of Kansas. I agree with my friend that they urged an embargo and a protective tariff on wool and mutton, but they said that this resolution would give immediate temporary relief, and that is what we want to do to save the cattle and sheep herds until we can pass a tariff act that will protect those interests.

Mr. KINCHELOE. Mr. Chairman, will the gentleman yield?

Mr. STRONG of Kansas. Yes.

Mr. KINCHELOE. I am interested in this matter because I have had some experience, as far as tobacco growers are concerned, with the War Finance Corporation. Under the original War Finance Corporation act, which we are seeking by this resolution to revive, the officers of the War Finance Corporation have no power to loan money to a foreign Government for export purposes, but it is within the power of the corporation to loan on sufficient security to American bankers or exporters for the purpose of making possible exportation of such commodities. I am very much for this, but how will it benefit the man who raises corn? I am from a great corn belt. For instance, I got a letter the other day from a constituent of mine who raised 10,000 bushels of corn that cost him $7,000 to raise. He stands to lose $2,500 because of the slump in corn. How will this extend the market to that man?

Mr. STRONG of Kansas. Any exportation of farm products of any kind is going to help the corn raiser. Even the revival of the cotton market will cause the cotton man of the South to sell his cotton and having obtained the proceeds he will use more of our corn. You can not mention an industry which the revival of this corporation will help that will not help the wheat and the corn grower and the stockman and every other agricultural interest in my district and the gentleman's district.

I would like to add further that there is a country whose credits are good, whose people are starving by the millions, to which we can export our cotton and our corn and wheat and meats if we had this corporation that could make possible the extension of credits for a term of years, and that is China. They both need and want the surplus which we have in abundance.

Mr. KINCHELOE. There is a bit of information which I did not know until I read the gentleman's report. I introduced an amendment to the War Finance Corporation act at the last session of Congress, in order to enlarge its powers so that it could loan money directly to foreign Governments that had a Government monopoly on tobacco for the purpose of buying our tobacco. I see in the gentleman's report on page 2 that there was a tentative agreement, at least, to loan $5,000,000 for this purpose. I am wondering where the gentleman got that information. Did he get it from the War Finance Corporation officials?

Mr. STRONG of Kansas. We got it from Mr. Meyers, who was a member of the War Finance Corporation, who gave testimony before our Banking and Currency Committee.

Mr. KINCHELOE. And at that time it was the intention to loan this money, except for the order of the Secretary of the Treasury.

Mr. STRONG of Kansas. Such was their intention; yes. In closing I want to say this: It will be urged by men opposing this resolution that it will inflate the currency; that it will raise prices; that it will do that thing that we have been working against, increase the cost of living. I am not an inflationist. I do not want to inflate the currency, but during the war we did inflate all prices in this country; we went up in a balloon of price inflation, and the question now is how to get down. Some gentlemen want to tear open the balloon and let us fall hard. That is what has been done to the farmers of the West; that is what has happened to the cotton men of the South and the woolgrowers and the cattlemen of the country.

What we want to do in the reorganization of this War Finance Corporation or the resumption of its functions is to permit us to reach the ground gradually and safely, to get back gradually to prewar prices, as the other great industries of the country are doing.

Mr. BROOKS of Pennsylvania. Will the gentleman yield?

Mr. STRONG of Kansas. I would be glad to do so.

Mr. BROOKS of Pennsylvania. The gentleman representing the live-stock industries of the West who appeared before our committee stated that advancing the money would be a postponing of the evil day, and that it would have the effect of throwing the money into rat holes unless it were followed by a protective tariff or embargoes, and if that is the case it seems to me that we have got the cart before the horse and had better pass other legislation before passing this kind of legislation.

Mr. STRONG of Kansas. The gentleman said, however, most positively that the revival of the War Finance Corporation would give immediate temporary relief until the time when we could have a protective tariff. [Applause.]

Mr. Chairman, I reserve the remainder of my time.

The CHAIRMAN. The gentleman has used 20 minutes.

Mr. PHELAN. Does the gentleman from Kansas want to use some more of his time now? If not, I yield 30 minutes to the gentleman from Pennsylvania [Mr. McFADDEN].

Mr. McFADDEN. Mr. Chairman and gentlemen of the committee, this resolution presents an unusual situation. It is an attempt to compel a high official of this Government to put in force a law; or, in other words, it is the claim of the interests back of this measure that the Secretary of the Treasury, dominating the War Finance Corporation, has sought to close the business of this corporation when special business interests of the country demand its continuation in full operation. It is an unusual proceeding for a member of another party as chairman of a committee of this House to come to the defense of an officer of another party in the administration, but to-day we find that it is necessary to defend the action of the Secretary of the Treasury in carrying out what he believes to be conservative ideas in regard to affairs pertaining to the War Finance Corporation and the Public Treasury. We find in opposition to the rehabilitation of the War Finance Corporation that the Secretary of the Treasury and the members of the Federal Reserve Board—yea, even the directors of the War Finance Corporation itself—saying that it should not be done; that it is unwise to rehabilitate this corporation——

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. With the exception, I might say, of the activities of the former chairman of that board, Mr. Eugene Meyer, who has seen fit to differ with the Secretary of the Treasury in regard to business operations of this corporation, who has gone up and down this country preaching that it should be revived, and I have no doubt now that the reason that this proposition is brought in here is largely due to the fact that this former chairman of this board has become so interested in the rehabilitation of this corporation that he has gone out and presented his case to these various farmer and other organizations as a palliative and——

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. I can not be interrupted now. The gentlemen who appeared before the committee advocating the rehabilitation of this corporation—and I speak particularly of Mr. Haggenbarth, who represented the sheep growers and cattle growers of the West—stated frankly to the committee that if the activities of this corporation are revived, in the absence of an embargo, that it would be only a palliative; that it could not stop the critical situation which now confronts these interested people throughout the country in the settlement of affairs pertaining to stocks on hand representing overproduction. He stated to us frankly that one of the most important things in connection with this was the fact that the woolgrowers of the country could not sell their wool. He stated frankly that there was a two years' supply of wool in this country, and unless there was an embargo placed that the revival of this corporation would not help out the situation. When questioned further along in the testimony he reiterated that statement and really apologized that he must make that statement, and in all fairness to the members of the committee, he said it was absolutely necessary we have an embargo, which must be followed by a protective tariff, before any relief could come to those people. He said the situation was so desperate in the West that this revival would not bring relief to the situation, but that indirectly, perhaps, there might be some help somehow, some time or other, for those people from the rehabilitation of this corporation.

Mr. McKEOWN. Will the gentleman yield?

Mr. McFADDEN. I will yield.

Mr. McKEOWN. Is it not a fact that the Argentine Government is contemplating the financing of its woolgrowers for two years in order to give time for the wool market to right itself?

Mr. McFADDEN. I am not informed as to that; probably the gentleman has the facts in the matter. It matters little to us here what plans they adopt, their situation is so different than ours.

Mr. McKEOWN. Does not the gentleman think that would help this country if the woolgrowers were given a chance to hold their wool until the market righted itself?

Mr. McFADDEN. It would help to raise prices to the consuming public.

Mr. WINGO. Will the gentleman yield for a question?

Mr. McFADDEN. The rehabilitation of this corporation in my judgment will interfere with the early resumption of that old law of supply and demand. We are suffering because of the interruption of that law, and we are feeling the effects of it now.

Mr. WINGO. Will the gentleman yield?

Mr. McFADDEN. I have only a few minutes. The gentleman can get time.

Mr. WINGO. No; I have no time. It is so handled the gentleman controls most of the time. Of course, if the gentleman does not care to yield, he does not have to do so.

Mr. McFADDEN. I do not control the time, but I will yield. If the gentleman does not care for this time, of course I will proceed.

Mr. WINGO. If the gentleman will yield. He declined to yield a while ago and then yielded to another gentleman. I will ask the gentleman this question: The gentleman says that the Federal Reserve Board is against this. I challenge it. What authority has the gentleman got for it?

Mr. McFADDEN. The statement of the members of the Federal Reserve Board.

Mr. WINGO. When?

Mr. McFADDEN. In a speech by Gov. Harding at Indianapolis recently and in personal conversations with me.

Mr. WINGO. The gentleman makes the statement. Show the statement where the Federal Reserve Board considered this question——

Mr. McFADDEN. I did not say they considered it, but I said they were opposed to it. Does the gentleman deny that they are?

Mr. WINGO. I deny the majority of them are against section 1; a majority of them are really at heart in favor of it. I presume they all oppose section 2, but the best argument in favor of reviving the War Finance Corporation is the statement of Mr. Harding before the Senate committee. Nowhere in his Indianapolis speech does he say the War Finance Corporation should not be revived.

The gentleman says that the War Finance Corporation favored it. It has but three members. One of them is Mr. Houston, and the others are two assistants of his in the Treasury.

Mr. McFADDEN. Is the gentleman willing to revive that corporation with such official organization?

Mr. WINGO. Yes; I am. I think most of the damage has already been done. But I did not want the gentleman to leave it in the RECORD that certain gentlemen and organizations were opposed to this, when I know just the contrary, judged by their silence.

Mr. McFADDEN. I wanted to call the attention of the House particularly to what is required when this War Finance Corporation is rehabilitated. When this act was passed it provided an appropriation of $500,000,000 to be provided out of the Public Treasury for the purposes of this corporation. A year ago at the suggestion largely of Mr. Meyer the then managing head, Congress passed an amendment to this law which permitted this corporation to function in the aid of export trade. It provided among other things that they could use the credit of

this corporation up to the extent of $1,000,000,000. Notwithstanding the fact that this full authority was given them, only $46,000,000 has ever been used by this corporation for the purpose of aiding export trade, and it became very apparent to those who were engaged in the duties devolving upon them as directors of this corporation last May that the usefulness of the corporation had ended, because 5 per cent of the loans made were made to concerns whose credit would permit them to obtain money through independent banking channels, and therefore they began to liquidate the corporation, and they liquidated it to the extent of paying back into the Public Treasury $374,000,000 of that capital stock.

Mr. ANDREWS of Nebraska. Will the gentleman yield for a question?

Mr. McFADDEN. I will.

Mr. ANDREWS of Nebraska. Was that money covered into the Treasury to the credit of the corporation?

Mr. McFADDEN. It stands as a credit to the corporation.

Mr. ANDREWS of Nebraska. Then it is not covered into the Treasury to miscellaneous receipts?

Mr. McFADDEN. My understanding is that it was used in the reduction of the debts of the Treasury Department, and while this balance stands as a credit to the War Finance Corporation, if this corporation is rehabilitated it will require the sale of temporary certificates, or at least will require the issuance of certificates, to be placed back into the treasury of the War Finance Corporation in order to put it in full operation.

Mr. ANDREWS of Nebraska. I want to call attention to this fact, that whenever any money is covered into the Treasury as miscellaneous receipts an additional appropriation must be passed to take it out. No money that is carried on the books of the Treasury is covered into the Treasury.

Mr. McFADDEN. This was the statement of the Secretary of the Treasury in connection with that transaction.

Mr. BYRNES of South Carolina. We have the statement of the Secretary of the Treasury, and he says that it is on deposit in the Treasury to the credit of the War Finance Corporation.

Mr. McFADDEN. The gentleman does not contend that the actual funds or cash is there to the credit of the War Finance Corporation?

Mr. BYRNES of South Carolina. What the gentleman means is, if the corporation calls for this money, inasmuch as it is on deposit there and he has used it, the Treasury certificates, the Treasury would then have to go out and take care of itself.

Mr. McFADDEN. If the War Finance Corporation requires cash to go ahead and do business under this organization, the Secretary of the Treasury has to furnish cash or certificates of indebtedness, or bonds, to this War Finance Corporation. That is exactly the situation. In order to get cash the Secretary of the Treasury will have to sell something he has to sell, and what the Treasury Department does nowadays when it wants any money is to offer temporary certificates, and there is now outstanding some two billions and a half dollars' worth of these.

Mr. BRAND. Does not the gentleman recall that the Secretary of the Treasury testified before our committee in answer to a question from me as to when, if it was revived, it would begin to function and operate, that it would operate immediately?

Mr. McFADDEN. I think he did say that if this law was passed he would revive the activities of the corporation.

Mr. BRAND. And that it would begin to operate immediately, and therefore it follows that the corporation could not do this unless the funds in the Treasury to its credit were available immediately.

Mr. McFADDEN. The Secretary of the Treasury did state that if this was rehabilitated he would either have to replace in the treasury of the War Finance Corporation cash or certificates of indebtedness.

Mr. HAUGEN. It would only be that the money was called for. The money is there on deposit.

Mr. McFADDEN. That is not true. The funds with which to meet the requirements of this corporation would come from the Treasury, as I have just stated, or from a sale of its own securities. And in order to sell its own securities it has to have assets, and the original law provides $500,000,000 as the amount of capital which the Treasury Department subscribed. And I want to say, too, that I believe before this corporation can sell its securities it must function in an orderly way and must have the capital the law provides, or else the purchasers of those securities will begin to make inquiries as to what assets the corporation has back of its bonds or note issues.

Mr. HUDSPETH. I understood the gentleman to state a while ago that a certain gentleman from the Northwest that came before the committee said a revival of this would not help the woolgrowers. I represent more growers and sheep in my district than are in Utah, and I am receiving letters every day asking for the passage of this resolution.

Mr. McFADDEN. I am simply repeating what the gentleman said——

Mr. TINCHER. As I understand the gentleman, he is defending the Secretary of the Treasury. Does not the gentleman think that the Secretary of the Treasury, who was compelling this War Finance Corporation without any authority of law, to convert $374,000,000 into the Treasury, might possibly have avoided this difficulty by buying short-time certificates instead of paying off the war debt with that fund, without any authority of law for it?

Mr. McFADDEN. I do not want to attempt to suggest what the Secretary of the Treasury should do or not do in that direction.

Mr. TINCHER. I understood the gentleman in opening to say that he was going to defend the Secretary of the Treasury in his attitude toward the War Finance Corporation.

Mr. ANDREWS of Nebraska. That includes John Skelton Williams, I suppose?

Mr. SNYDER. In connection with the question propounded a moment ago by the gentleman in reference to wool, if this Finance Corporation is reorganized and started over, what effect does the gentleman think it would have on the people in his district that now own wool, since they are asking for an embargo on wool into the country? How does he expect that this Finance Corporation, having been started, will assist those woolgrowers in his district? I would like to have the gentleman explain that to us.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. HUDSPETH. By making direct loans to them, as they did during the war, thousands of them.

Mr. SNYDER. That is exactly what I wanted to bring out, but I wanted to bring it out from the chairman of the committee, whether he understands that this Finance Corporation is to start lending to the woolgrowers and wheat growers money out of this corporation's funds? I had supposed that this was for the purpose of financing exports and not for the loan of individual amounts of money to individual farmers. Can it be possible that we have come to that? There are banks in this country that are abundantly able to take care of every woolgrower who has wool to put up as security.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Pennsylvania yield to the gentleman from Kansas?

Mr. McFADDEN. I do not care to yield. I refuse to yield further. The purpose of the revival of the War Finance Corporation was to aid the export business of this country. It was not revived for the purpose of making loans to farmers or to people who are engaged in holding the products of the farms. I do not understand that the rehabilitation of this corporation provides for any such thing now. There can be, under my understanding of this law, no loans made direct to farmers for the purpose of holding commodities. In fact, we have of late been engaged in this country in an attempt to lower prices, and now when we are getting to the point where prices are beginning to go down and the consuming public is beginning to get some benefit from it, we are going to enact a law which will interfere with the working of the law of supply and demand, the very thing that we have been suffering from for some years past.

What I wanted to do when I began was particularly to point out the position we would be in in a national way when we rehabilitate corporations of this kind and continue the Government in business. During the last few weeks and months we have been in a hot political discussion all over this country, in which I think the people have voiced their sentiment in regard to the Government meddling in business; and it seems now that in answer to that sentiment we should not proceed to the rehabilitation of one of those instrumentalities. It seems to me this is a time to begin to separate the Government from business. If this corporation starts in business again and the Treasury of the United States is called upon to furnish these hundreds of millions of capital, it means that the Treasury must go into the market and sell additional securities.

Mr. SNYDER. Mr. Chairman, will the gentleman yield again?

Mr. McFADDEN. If they do not sell their own securities, they will sell the securities issued by the War Finance Corporation; and this legislation provides that those securities or bonds shall be tax exempt; and I would like to inquire of the Members of this House how a privately owned corporation, such as is being organized now, with $100,000,000 capital, is going

to compete with an institution that has behind it a Government subsidy under the law, such as tax-exempt securities?

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. SNYDER. Since the chairman of the committee and the gentleman from Texas [Mr. HUDSPETH] absolutely disagree upon this proposition, I take it that the gentleman from Texas is for this measure because he expects that his woolgrowers are to receive loans from the War Finance Corporation for their own purposes. Now, the chairman of the committee says that the resolution does not contemplate any such thing as that. I think that the chairman is correct, and I think that the gentleman from Texas is wrong; but I would like to have this thing cleared up if we can, so that those of us who are called upon to vote eventually upon this measure will know whether we are called upon to vote yes or no upon that proposition.

Mr. McFADDEN. I believe that the farmers and stock raisers of this country who are in distress at this time are deceived as to that. I think that a revival of this corporation will not do what they think it will do, as promised, under the leadership of one who was formerly running that corporation and who believes it should now be revived.

Mr. SNYDER. I would like to ask the gentleman another question.

Mr. McFADDEN. Very well.

Mr. SNYDER. Does the gentleman know of any loan that was made to an individual farmer during the period of the operation of the War Finance Corporation?

Mr. McFADDEN. There were a lot of loans made to dealers in stock in the early days of the financing by the War Finance Corporation; but of late, since we passed that amendment a year ago, loans have been made to such concerns as the International Harvester Co., the Baldwin Locomotive Works, and the Bethlehem Steel Co., institutions that can go into the market and borrow all the money they need upon their own security. In other words, they do not need to lean on the Government at all.

Mr. SNYDER. They are large farmers.

Mr. McFADDEN. The gentleman from Kansas says or intimates that I represent those large institutions. It is not so, and the gentleman has no reason for saying so.

Mr. SNYDER. The gentleman ought to be aware of that fact.

Mr. BRAND. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BRAND. You do not mean to answer this question by saying that if this corporation is revived the money is going to be loaned to any individual farmers?

Mr. McFADDEN. No.

Mr. BRAND. The purpose is to loan it to exporters. No farmer will get it in the West or South.

Mr. McFADDEN. That is what I stated.

Mr. SNYDER. What I tried to correct was the impression that was left in the minds of some Members, at least in my mind, that this measure did contemplate loaning to the woolgrowers in the gentleman's district.

Mr. BRAND. The woolgrower will not get any of it by direct loan.

Mr. McFADDEN. Mr. Chairman, I decline to yield further.

The CHAIRMAN. The gentleman declines to yield further.

Mr. McFADDEN. During this war this country has loaned to Governments of Europe $10,000,000,000, and the exporters have exported in excess of that amount, so that there is an unsettled trade balance now existing of between $3,000,000,000 and $4,000,000,000. If I understand the temper of the people of this country, it is to the effect that they are willing to send their products and accommodate these people in Europe so long as they can be secured, and not beyond that point. The great trouble to-day, if there is any congestion or holding back of exports, is to the fact that those devastated countries of Europe can not furnish proper security. I am not aware of the fact that the resources of this country have been denied to the exporters by the banks that have been financing these exports, but it is more properly a question of proper credit being offered to this country if there is any holding up in exports at this time. And if this corporation is revived it is simply notice to those engaged in export business at a profit that the United States Government proposes to finance exports and will lend its credit for that purpose, at least to the extent of $1,000,000,000, and this in addition to the ten billions of Government loans upon which no interest is being paid, and, further, before the unfunded trade balance of three to four billions has been financed.

It therefore seems to me that if we are to rehabilitate this corporation and lend to it the protecting arm of our Government, we are discouraging private enterprise in handling this business, and we are continuing the Government in business and putting a hindrance on private capital handling the business affairs of this Nation.

In addition to that, I seriously question the advisability of extending the credit of the Government in this manner, in view of the deplorable condition in which the Treasury is at this time.

Some of these gentlemen say that the banking facilities of this country have been denied to the farmers. The fact remains that Gov. Harding, in a recent address in Indianapolis, pointed out that the Federal reserve banks in distinctly agricultural districts have rediscounted bills for member banks amounting to $1,500,000,000, and he estimated the proportion of the system's total loans directly in support of agricultural and live-stock interests September 3, 1920, as follows: Federal Reserve Bank of Richmond, 27.3 per cent; Atlanta, 23.7 per cent; Chicago, 48.3 per cent; St. Louis, 22 per cent; Minneapolis, 65.6 per cent; Kansas City, 59.8 per cent; Dallas, 50 per cent; and San Francisco, 58.7 per cent. In some of these banks, he says, the proportion of agricultural paper held is much greater now than on September 3. He says there has been no curtailment of agricultural credits by the Federal reserve banks, but on the contrary, there has been a very large volume of credit extended by member and nonmember banks in support of the agricultural interests, and while this has been going on the deposits in the New York City banks have decreased from November 12, 1919, to November 10, 1920, from $6,313,998,000 to $4,916,375,000.

From the evidence presented to the committee it would seem that the Federal Reserve System has been very generous, and in fact, the commercial banks also, in extending credit to the interests which are claiming special relief at this time, who, unfortunately, are holding this great stock of overproduction.

It seems to me, in view of this fact, that the Secretary of the Treasury, the Federal Reserve Board, and the best financial minds of this country should be given some consideration before the passage of a resolution of this character, which provides for the inflation and possible disturbance of our whole financial system that this resolution does.

As a matter of fact, during the past two years the Federal Reserve System has been extending credit, and it has been issuing an increased amount of Federal reserve notes, and it has about reached the limit of safety in that respect. So that it seems to me that when the Federal Reserve System is criticized on the ground that it has not furnished credit to the farmers of the country, the men who make that assertion are not familiar with the facts when they so state.

This legislation, it seems to me, is purely class legislation. There is not any question about it. We might as well look it squarely in the face. It is stepping in and putting your hand into the Public Treasury for the purpose of financing a special interest in the United States, or a special class of industry. You can call it what you like, but it is nothing else than that.

Mr. BARKLEY. What language is there in this resolution that refers to any particular class?

Mr. McFADDEN. The class of exporters.

Mr. BARKLEY. Does not that include men who are engaged in all sorts of enterprises, without regard to their character or nature?

Mr. McFADDEN. That may be indirectly, but as a class it is to aid exporters, and this special legislation is urged now for the purpose of aiding the farmer. I think the farmer is being deluded if he believes that——

Mr. PHELAN. And it does not include the sheep grower and the woolgrower, because they do not export.

Mr. BARKLEY. If they do not export and they are not crippled by foreign conditions, it is not necessary that they be aided in that respect.

Mr. McFADDEN. The gentleman who was before the committee pointed out to the committee the fact that there was a great influx of beef and lamb and wool and all of these products coming into this country. He pointed out that the thing that was necessary to do was to stop imports; that it was not a financial proposition in the first instance, but that they must have an embargo to stop the influx of these products that were coming in competition with the production of our own farms, and that is why I say, when I oppose this legislation, that I do not believe it is going to help the farmer in the way he thinks it is going to, and I believe he is laboring under a delusion when he and his representatives come here and ask for special class legislation. And in that respect I want to point out to you that if you do this thing now, there is the possibility of the revival of the grain corporation—there is danger of a revival of legislation to extend our aid to practically every line of

industry in the United States. I want to say to you men here that this is no farmers' proposition at this time. We are in the midst of a general business depression. Those men who are in close touch with the business affairs of this country know that there is a general business depression throughout the length and breadth of this country of practically 70 per cent; and while these special people are suffering it is only a part of the suffering which they must bear in unison with the other business interests that are suffering in like manner, because of this great world-wide adjustment which is taking place, and it is necessary to get things back to a proper level in this country and as soon as possible, and we must all work out our own problems without running to the Public Treasury every time we have a pain.

Mr. SNYDER. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. SNYDER. With reference to the special class, the last whereas to this resolution reads:

> Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market.

Mr. McFADDEN. There is the problem right there. Everybody has been trying to get prices back to normal. This is a proposition to stop the normal process of development in that particular. We propose to check the falling of prices, so that they can not get down where the consuming public will get the benefit of this readjustment. The manufacturer and the producer have each suffered in turn but the poor public is deprived of the full benefits, and it is time that he did——

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. McFADDEN. I will.

Mr. SUMNERS of Texas. Is it the information of the chairman that it would not be a good thing to check the decline in prices now if it could be done by safe legislation?

Mr. McFADDEN. I do not understand that the consuming public is getting the full benefit of the reduction in prices. It is my information that until the consuming public gets the full benefit of the reduction in prices the matter should proceed. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield 10 minutes to the gentleman from South Carolina [Mr. STEVENSON].

Mr. STEVENSON. Mr. Chairman, let us take up the discussion at the point where the gentleman from Pennsylvania [Mr. McFADDEN] left off. He says that this is class legislation, that this is legislation to provide money for the benefit of one certain class, to wit, exporters. In the first place, the thing this country needs is for commerce to move, and if you provide the machinery whereby the exporter can finance his bills, commerce moves, and to the benefit of the woolgrower, the sheep grower, the wheat grower, the cattle grower, and everybody else.

But I do not think the Congress can afford now, even if that was true that it was in favor of the farmer, to raise the cry of class legislation. The Secretary of the Treasury is every day paying out millions of dollars to the railroads under the direction of Congress. The Secretary of the Treasury is forbearing to collect millions of dollars that the railroads owe the Government, under the direction from this same Congress. The Secretary of the Treasury has been paying out on a guaranty millions of dollars that were directly provided for by legislation by this Congress for the benefit of one class of business people.

Let us see what those figures are. We provide in the Esch-Cummins bill for a fund of $300,000,000 to loan railroads. We provide for guaranties upon which the Treasury has paid out $650,000,000. We provide for the payment of our debts to the railroads, largely without set-off, and to take long-time obligations of the railroads with a small amount of security that they can give on the debt of $938,000,000.

I do not think we will be in a good position to reply to the farmer, "We could not do anything for you because it is class legislation," when the farmer asks us what we did about the railroads—$2,000,000,000 that we have provided for them during this same Congress.

Mr. KINCHELOE. Will the gentleman yield?

Mr. STEVENSON. I have only 10 minutes.

Mr. KINCHELOE. I simply want to ask the gentleman if he has information as to how much was paid to the war contractors and the shipbuilders?

Mr. STEVENSON. I have not the information. Now, so much for that. If this is class legislation we are all tarred with the same stick and have no decent answer to make to people whose products they can not sell because their exports can not be financed.

The gentleman said that there was in Gov. Harding's speech, and it is true, that the agricultural interests had had paper discounted to a large extent in the Federal reserve banks of this country, and that is true. I can show that they could go considerably further, but they put the brakes on. How are you going to loose the brakes. There are agricultural notes in the banks to-day because the export trade of the country has been tied up and there is no foreign market for the sale of agricultural products. You provide for the exporter at Wilmington to export 100,000 bales of cotton, you finance his bill, give him the cash, and the millions of dollars that come from that sale goes to the farmers and from them into the banks that have discounted his paper, and goes into the regional banks, and you will have the cancellation of all the debts by the cash that will be put in circulation. That is the trouble. The money of the country is largely tied up in unmarketable products because there is no financing of these goods that are to go abroad.

The gentleman says that $4,000,000,000 have gone abroad and been financed. That is an exaggerated statement. I am not charging my friend with exaggeration because it has been said by the Secretary of the Treasury; but granting that that is true, what does that show?

It shows that the banks of this country have at this time gone their limit in financing these corporations, and they can not go further. We have got to give to the investing public in this country the bonds of the Finance Corporation, bonds that are issued on capital stock, get the investing public to take these bonds, put the money into the commerce at the present time, and put that at the service of the exporters, and thereby finance the property that has been made by the farmers of this country and let the money pay up the debt of the farmers and relieve the banks.

Now, we hear all this about there being no further power to carry paper. In November the Federal reserve notes were contracted $30,000,000. Last week they were contracted still more.

Mr. DUNBAR. Will the gentleman yield?

Mr. STEVENSON. Yes.

Mr. DUNBAR. Is it not a fact that while there may have been a temporary contraction of Federal reserve notes last week, is it not a fact that since June 30 of last year the Federal reserve notes have increased $280,000,000, and for the year previous increased $750,000,000?

Mr. STEVENSON. I can give the gentleman better stuff than that. In 12 months from November 1, 1919, to November 1, 1920, they increased $576,000,000, but they were always covered by a gold reserve that was ample, and the gold reserve increased in the last 30 days from 44 to 48 per cent, when you set aside 35 per cent as a reserve against the deposits.

To-day it is around 49 per cent, when you set aside 35 per cent for your deposits. You have 49 per cent of gold reserve for every dollar of the Federal reserve notes, and, therefore, we have not come to any impassable position with regard to the money of this country.

Mr. DUNBAR. Mr. Chairman, will the gentleman yield further?

Mr. STEVENSON. Yes.

Mr. DUNBAR. Is it not a fact that for $3,600,000,000 worth of Federal reserve notes we have but $1,200,000,000 worth of gold, and that is less than one-third? That is according to the daily statement issued by the Treasury Department.

Mr. STEVENSON. The daily statement issued by the Treasury Department does not give accurately the condition of the Federal reserve notes and the Federal reserve banks. If the gentleman will look at Sunday's paper he will see the statement made that the net gold reserve last week increased considerably.

Mr. Chairman, I want to address myself just for a minute to the conditions. They are not peculiar. People out West and the people in the South want money for their agricultural products, and the people of the Northeast want money for their manufactured products. You will never get a market until you start business.

The CHAIRMAN. The time of the gentleman from South Carolina has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield seven minutes to the gentleman from Alabama [Mr. STEAGALL].

Mr. STEAGALL. Mr. Chairman, it seldom happens in the history of legislation that this House has an opportunity to vote upon a proposition the wisdom of which has been tested out and demonstrated in the light of practical experience. Such is the case with reference to the rehabilitation of the activities of the War Finance Corporation. Gentlemen must not confuse the resolution before the House with the passage of the original bill establishing this corporation. If we were called upon at this particular time to have the Government set up an agency

to engage in the sort of business for which this corporation was originated, there would be ground for diversity of opinion as to the wisdom of such action. But that is not the question before the House. The question is whether we shall have the board of directors of the corporation go forward with the business for which it was established or indorse the action of an administrative officer of the Government in peremptorily terminating the activities of the corporation at a time far in advance of the period intended by Congress. The original War Finance Corporation act was passed to assist in financing such business undertakings as might be essential to the successful conduct of the war.

Four months after hostilities had ceased Congress extended the provisions of the law by an amendment providing that the corporation should engage in loaning money to the extent of a billion dollars to aid in the exportation of American products and the loans to run to the maximum limit of five years. The corporation had at that time and still has a capital of five hundred millions, subscribed and paid by the Government. The corporation has to its credit in the Treasury now $370,000,000, in addition to its other assets. It is authorized to issue bonds for a sufficient amount to make the maximum of loans allowed under the law. The former director of the corporation, who is perhaps better informed than anyone else regarding the affairs of the corporation, stated in the hearings before the Committee on Banking and Currency that the corporation could easily dispose of its bonds at 6 per cent. At the time of the passage of the amendment authorizing the corporation to make loans to aid in exports the Government was still engaged in making vast loans to Europe. The Government had loaned the sum of $1,400,000,000 between the time of the cessation of hostilities and the passage of this amendment. It was recognized on all hands that in the disturbed condition of finances and affairs throughout the world extraordinary steps would be required to maintain our export trade and preserve the prosperity which our people were enjoying. The stricken people of Europe had need for all they could purchase from us, but no funds with which to pay cash for our goods. The only method by which our trade could be maintained was through the extension of credit, and it was greatly desired to have the Government put an end to the policy of making direct loans to the nations of Europe.

In the very nature of things a new situation confronted the business world with which they were not prepared to deal. The banks of the country acting individually could not undertake the enormous and hazardous risks required. Congress undertook to provide the necessary legislation by which our export business could be handled on a permanent basis without aid from the Government. We passed what is known as the Edge law, authorizing the establishment of corporations to engage in financing export trade and permitting banks to subscribe to the stock of such corporations. The proposition was to allow the banks to cooperate and by assuming a limited liability organize corporations to assist in carrying on foreign trade. Any man with reasonable forethought was bound to recognize that our prosperity could not last if we did not make some provision for selling our products to the outside world. When the Edge bill was before the House I called attention to the danger of the disturbed conditions confronting the country. In a speech on that measure delivered on November 3, 1919, I said:

> The situation respecting our foreign trade is such that something should be done to make sure that the farmers and manufacturers of the Nation shall not suffer from a severe slump in our exports and sudden and sweeping decline in prices. We are told that for the fiscal year ending June 30 last our exports exceeded imports between four and five billions of dollars. Our trade during that period, including both imports and exports, reached the stupendous sum of more than $10,000,000,000. This vast volume of business can not be handled to the best advantage of the American people without some new method of international banking. The American dollar has advanced until it is worth $1.12, as it relates to the British pound sterling. In France and Italy it is even much higher, and in Germany higher still. This is bound to result in the impairment of our foreign trade to the great detriment of the cotton growers, the wheat growers, the cattle raisers, the manufactuxers, the laborers, and every interest of the American people. We must maintain and increase our production and continue to ship our goods to the markets of the world if we hope to preserve our marvelous prosperity.

The War Finance Corporation was designed to bridge over the period following the war until steps could be taken by which private capital could take over and handle the business of financing our export trade. The Edge law sought to establish a method by which private capital could be organized to conduct this business, but before the business world could avail itself of the opportunities offered by the Edge law the Secretary of the Treasury succeeded in closing down the operation of the War Finance Corporation. He did this in face of the fact that the corporation was intended to cover the period of readjustment I have just outlined and in face of the specific provision of the law that it should terminate upon the President's proclamation of peace. It was not intended that the time of the cessation of actual fighting should have any bearing on the matter. The Congress foresaw that there would be more or less chaos and confusion in our international relations for fully a year after formal declaration of peace. Again, at the time of the passage of the amendment to the act—March 3, 1919—providing for assistance in financing exports, no one had any thought that there would be a formal declaration of peace earlier than the latter part of that year. The President at the time of the passage of the amendment was in the United States. It was necessary that he return to Paris for completion of the peace treaty, and then it would have to go to the Senate of the United States and be ratified before there would be any proclamation of peace. It will be seen that the Secretary of the Treasury not only terminated the operation of the corporation before a proclamation of peace by the President, but he did so many months before the Congress at the time of passage of the amendment could have thought it possible for such proclamation to be issued. It is so clear that the action of the Secretary of the Treasury was contrary to the intention of Congress that there can be no serious controversy about the matter.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. I have not the time, otherwise I should be glad to do so. The resolution before us only proposes that we reaffirm our confidence in what we did last year. It is not proposed to require anything to be done, except that the law already passed be carried out. It is simply a direction to an administrative officer of the Government to go forward with the business of the corporation, which he, himself, says was terminated by his instruction. Some of the members of the board to whom his directions were given are holding and still hold subordinate positions under him. But the Secretary of the Treasury states that if the resolution before us is passed he will go forward with the business of the corporation, and that it will function along the lines originally intended. It is not my purpose to make harsh criticism of the Secretary of the Treasury for his action. Conditions then were vastly different from those with which it is our duty to deal at this time. The important thing is to deal wisely with the situation as it exists to-day.

Has any harm ever come from the operation of the corporation? Did its officers prove reckless and incompetent? Did they undertake to float securities to the embarrassment of the Government? Did they accept business indiscriminately and unwisely and extend credit to any unworthy enterprise? The record shows the reverse to be the case. The fact that the corporation was managed so conservatively and limited its business to such a small volume is even urged as argument against the revival of its operations. The fact is the gentlemen opposing the resolution answer one another. At one time they tell us that the corporation did not function or do business enough to accomplish the relief its proponents desire at this time. The next moment they seek to arouse apprehension that if the corporation resumes its activities the directors will go out and float bonds to the limit of their authority and involve the Government in schemes that will be embarrassing to the Treasury. The fact is neither contention is true. The record shows that the corporation was most conservatively managed; that none of the evils that have been pointed to in this discussion ever happened. During the period of operation the corporation sold only $200,000,000 of bonds. This issue of bonds, bearing interest at 5 per cent, was disposed of in five days, notwithstanding the fact that the press announced on the second day that the entire amount had been raised.

This fully justifies the opinion of Mr. Meyer, former managing director of the corporation, that the investing public would now gladly accept $200,000,000 of the corporation's bonds. The Secretary of the Treasury who had such potent voice in the conservative management of the corporation as it was formerly run entertains the same conservative views with respect to the wisdom of reviving it. He will still be in virtual control of the system when it resumes business. The corporation was doing a conservative, helpful business.

It has been contended that the revival of the corporation will interfere with the organization of corporations under the Edge Act. The fact is, as shown by the testimony in the hearings before the Banking and Currency Committee, the financiers now interested in the organization of the $100,000,000 corporation under the Edge law launched at Chicago recently and those interested in organizing the $6,000,000 corporation which is being formed at New Orleans, all favor the revival of the War Finance Corporation. They look to it for aid in inaugurating the new companies and in financing their undertakings.

Let me say just here that it is not contemplated that loans by the corporation shall be made to foreign Governments or citizens of foreign Governments, but loans are restricted to exporters in our own country.

All loans that have been made were made upon the indorsement of American exporters and banking institutions. The corporation suspended business on May 1, 1920. But shortly after the stopping of loans by the corporation our exports declined until the month of November, 1920, when there was an enormous decline of exports, especially agricultural products. It is true that there was an increase in the volume of our exports as expressed in dollars at the time of the action of the Secretary. Many people have been misled by figures showing our yearly exports, as expressed in dollars. The thing that really counts with the producer is the amount of products exported. The farmers produced cotton, corn, and wheat and other products. Attempt is made to show that the volume of exports is 25 per cent in excess of what it was before the war. But this is misleading. Exportation of cotton from September 24 to November 27, 1920, was 1,481,450 bales. It was about the same for the same period last year. Our cotton exports for the same period in 1913 were 3,837,139 bales, the year before that 3,808,429 bales, the year before that 3,710,514 bales, and the year before that—10 years ago—2,915,511 bales. This is a true statement and shows what our actual exports in cotton have been. It furnishes a good illustration of the entire situation.

The farmers of the country are not so much interested in securing credit to enable them to hold their products as they are in finding a market in which to sell their goods at a fair price. Farmers, merchants, bankers, and all classes in the wheat and cotton growing sections are suffering because of a lack of markets for their products and a general shutting down of business in consequence. Everyone in this body knows what conditions are throughout the country to-day. When the Secretary of the Treasury had the corporation cease functioning he said that the country was prosperous and unemployment negligible. This was set forth as the controlling reason of his action. Can anybody say that the statement of the Secretary of the Treasury is applicable to conditions at this time? Certainly, if there ever existed any necessity for an agency like this to bridge over the period between the termination of the war and the time when exports can be undertaken successfully without Government aid—if there ever was a time that such a policy was wise—who can deny that such is the case in the conditions that confront us now?

There is nothing in the contention that the resolution involves class legislation. We seek simply to revive the operation of a law which by its terms extended its benefits to all classes and all kinds of American products. Such was the kind of business the corporation engaged in while it operated, and such will be true of its future transactions. It is true the Senate resolution as originally drawn limits its application to products of the farmer. At the time the Senate Committee on Agriculture framed its resolution I offered a concurrent resolution in the House making the aid to be extended apply to all American goods, products from mines, farms, and factories, and the resolution before us has been amended so as to have the same broad application. It applies to all American goods, as well as to farm products.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. Yes; if the gentleman will give me enough of his time in which to answer him.

Mr. McFADDEN. The gentleman agrees that the corporation has been functioning for the last year.

Mr. STEAGALL. Oh, no.

Mr. McFADDEN. For how long?

Mr. STEAGALL. It was functioning up to May 10, 1920.

Mr. McFADDEN. And during all that time it had capacity to lend to the extent of a billion dollars?

Mr. STEAGALL. Yes.

Mr. McFADDEN. How much aid, all told, was expended?

Mr. STEAGALL. The gentleman has the figures—$46,000,000 in actual loans were made, but the gentleman knows that the testimony before the committee shows that the greatest service rendered was in arranging for financing exportation by other institutions. That proof shows that in many cases the directors of the corporation helped applicants for loans to secure the desired accommodations from other sources. Such will be the case hereafter. The direct loans made is by no means a fair criterion by which to judge the benefits of the corporation. The gentleman in one breath seeks to alarm the House lest the Treasury become involved in business backed by its credit to the extent of $1,000,000,000, and yet in the next breath he makes objection to the resolution because he says it will do no business at all. First, the appeal is to those who think only of the money side of the proposition, then they turn to those who are seeking relief for the farmers of the country and tell them that the corporation will not do business enough to be of benefit.

Mr. McFADDEN. Will the gentleman yield?

Mr. STEAGALL. I will.

Mr. McFADDEN. Does the gentleman believe that the class of credits which are being offered now presents a dangerous situation? Is not that one response by the Secretary of the Treasury to gentlemen when he stated it to the committee in words to that effect?

Mr. STEAGALL. The record shows that a big part of the business of the directors was in rejecting applications for unsound credit. There was never more conservative management of any business than was that of the board of directors of this institution. Not a dollar was lost during the time of its operation. The corporation had pending and approved when it suspended operations applications for loans amounting to $100,000,000, 75 per cent of which were for agricultural purposes.

The proposals thus approved by the board were as follows: $17,500,000 of copper, $2,200,000 fabricated steel to Italy; $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky, $4,000,000 cotton to Czechoslovakia for a large southern exporter; $25,000,000 cotton to Czechoslovakia for a group of southern bankers; $3,000,000 for cotton to Italy by a group of bankers; $9,000,000 by a group of bankers for export of cotton to Italy; $24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States; $2,400,000 by a group of bankers for coal to Italy; $4,000,000 by a group of bankers for cotton to Italy; $4,000,000 for ships to be bought or constructed in this country for Italy; in all, $100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

No wonder that the sudden shutting down of the corporation under the circumstances when it was doing so much for American business should have had a depressing and demoralizing effect. It was helping every legitimate interest, as it will do when it starts its activities again.

All thoughtful men recognize that the farmers of the country prosper through the prosperity of the manufacturers; the manufacturers prosper through the prosperity of the farmers. The farmers are in a way dependent upon the bankers and the bankers are dependent upon the farmers. Every worthy class is interested in the success of every other legitimate line of endeavor. The resolution seeks to benefit every section and every interest in the country, and everybody knows that in every section there is crying need for relief, and all depend to some extent on our export trade. The prosperity of the entire Nation is involved in our export trade.

The talk we hear that nothing can be sold because nobody needs anything is absolutely fallacious. Why, we are told in the press reports to-day that 30,000,000 people are starving in one nation alone. They are a peaceful people, possessing vast resources, yet we are told nothing can be done to extend credit to them; that we can do nothing toward finding a market among them for our food supplies. Neither is true. Gentlemen, one of the most foolish things ever heard is this idle talk about overproduction. There is no overproduction of necessaries in this country to-day. [Applause.] God Almighty does not do things in a foolhardy way. There is not one more drop of water in the ocean than there ought to be, and there has never been a pound more cotton or corn or wheat yielded from the soil of this land than was best for mankind. [Applause.] It is mockery to treat the bounties and blessings of nature as a misfortune, and it is ridiculous to say that large crops are a curse. If such argument were true, we might ask if it would not be well to import a few more anarchists to burn and destroy some of them. There is nothing to it. [Applause.]

Much has been said in this discussion about cotton. I declare to you that I have never seen the time when the people in the cotton section, many of them women and children, both white and black, who toil with their hands to make this great crop, have had sufficient clothing to shield them from the winter winds even in that mild climate. What the world needs is proper facilities for the transportation and distribution of the products of the toil of man, and there has never been greater need for this throughout the world than there is to-day.

Mr. BROOKS of Pennsylvania. Will the gentleman yield?

Mr. STEAGALL. I will.

Mr. BROOKS of Pennsylvania. Does the gentleman think that because we have two years' supply of wool in this country that anarchists ought to be imported here to burn it up?

Mr. STEAGALL. I will let the gentlemen of the House answer that in their own minds. If the gentleman had understood me fully, he would not have asked such a question. None of us wants that, and certainly there is no gentleman here who would make that statement.

Now, let us see. The gentleman from Pennsylvania [Mr. McFADDEN] says the people voted to separate the Government from business of this kind. I want to ask the gentleman, if that is so, why it was that when we passed the bill this week repealing the laws enacted to aid in the prosecution of the war, the legislation providing for the establishment of the War Finance Corporation was specifically exempted from that measure? Only this week, gentlemen, has this House reaffirmed its attitude and opinion on this question. [Applause.]

I do not contend that the passage of the resolution will result in immediate and complete relief. It is always more difficult to cure than to prevent. It can not be doubted, however, that the discontinuance of the operation of the corporation had its part in the disturbance and destruction that have overtaken the values of agricultural commodities and which has affected seriously the bankers, merchants, and every legitimate interest. The corporation was created to deal with the very sort of situation that now confronts us. It is not class legislation. Every thoughtful man who knows the alphabet of economic affairs understands that our prosperity and progress depend upon the success of the farmers. But we seek to aid every legitimate interest in the Nation. What farmers of the Nation need, what bankers need, what the whole country needs is to start business to going in order that debts may be paid, confidence restored, and money released. This is the kind of credit deflation the country needs. To get it we must pay proper regard to our export trade. We are blessed with the most marvelous resources on earth. We are surrounded by plenty in all the things that should bless mankind. Mountains and mines have given up their treasures, our cattle feed upon a thousand hills. Our soil has yielded a prodigious harvest.

We have in abundance the food, fuel, and raiment for which the world stands in need. All that is required is a better system of marketing and distribution. This is the task that confronts us. Not to undertake it now involves a confession of bankruptcy of American statesmanship.

The Government should exhaust every effort to aid in working out the problems that have come with the emergencies attending the war. It has been demonstrated by experience during the time it was in operation that no evil effect may be feared from the resumption of the War Finance Corporation. The best brains of the Nation believe that the revival of its activities will be helpful in solving the difficulties which all recognize, and for which so many of us desire to find a remedy. The corporation is authorized to make loans to the extent of $1,000,000,000. The authorized use of such a fund for facilitating exports is bound to increase and stimulate business on every hand and will revive confidence and hope throughout the land. [Applause.]

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. TINCHER].

Mr. TINCHER. Mr. Chairman and gentlemen, I am not surprised after reading the recommendation of the Secretary of the Treasury to this Congress as to our new tax law when he suspended the operation of this law and took $374,000,000 that was supposed to be used to carry on the export business of this country and retired a portion of our war debt within three weeks of the time that this Congress expressed itself in favor of saving the War Finance Corporation as a reconstruction law. It is, however, the only law that the Secretary of the Treasury suspended, the only war law that was to be carried out at the time we attempted to repeal the war laws, and we excepted it. I am surprised that any man, especially on this side of the House, would rise in his place and defend the attitude of the Secretary of the Treasury. In my district we passed on this proposition, because I told them out there that the destruction of this law, the suspension of that law, passed in March, after the signing of the armistice the fall before, by the Secretary of the Treasury was in keeping with the Democratic administration, and was autocracy, unwarranted and unauthorized, and was working a hardship upon the people of my district, and it did. It has suspended everything, and there is no other agency, either private or public, to take its place. This Congress has been good to the Secretary of the Treasury, and passed a law that he recommended authorizing the creation of a private corporation to function during the reconstruction period, but because of his anxiety to deflate, not the currency, but the prices to the producer, in his anxiety to push his pet theory of paying some of the war debts right now, he took that money and, instead of retiring certificates which would be due in 60 or 90 days, he retired war bonds. He took that money out of the Treasury, without any authority of law to do it and used the credit on the books of the Treasury of this country, showing that the War Finance Corporation has that credit. Notwithstanding the fears of some of my colleagues as to the effect of the resumption of the War Finance Corporation, I do not think it can do any harm, and certainly the people of this country are entitled to have any good that might come from it. It is no class legislation. If it is class legislation, then what kind of class suspension did the Secretary of the Treasury, whom you so ably defend to-day, indulge in last May when he suspended this corporation?

I do not believe it and I challenge it. And while I can not be accused of being overfriendly to the attitude of the Secretary of the Treasury, I will not charge or indict him for suspending the only law that was in effect that affected the farmer, but if the resumption of that activity by this corporation is class legislation, then he was guilty of the vilest kind of class suspension.

He did not deflate the currency. He deflated the prices of farm products; he destroyed the prices and demoralized agriculture in every particular. I have not much confidence in the way this law will be administered in the future, judging the future by the past. Realizing the attitude the Secretary of the Treasury takes in the matter, I can not be as sanguine——

The CHAIRMAN. The time of the gentleman has expired.

Mr. TINCHER. May I have one minute more?

Mr. STRONG of Kansas. I yield one minute more to the gentleman.

Mr. TINCHER. Some one has said that the farmer wanted this law for temporary relief; that he wanted a tariff law for permanent relief. Well, give us this temporary relief, and I promise you that the prospects are fair that after the 4th day of March it will not take as many Congressmen to pass a tariff law as it does now. And we have the best prospect for a tariff law, that all my good friends are practically unanimous in wanting to-day, that we ever had. [Applause.]

The CHAIRMAN. The time of the gentleman from Kansas has expired.

Mr. PHELAN. Mr. Chairman, I yield 25 minutes to the gentleman from Massachusetts [Mr. LUCE].

Mr. LUCE. Mr. Chairman, last week there gathered in the city of Chicago a conference assembled at the invitation of the president of the American Bankers' Association. The purpose of that conference was to develop a corporation with a maximum financial capacity, under the Edge law, of $1,000,000,000. As a result of that meeting, I find in the Chicago Tribune of December 12, Arthur M. Evans writing the article:

> The billion baby in the world's markets was born yesterday. The project to form a corporation of $100,000,000 capital and $1,000,000,000 capacity was adopted by the conference of finance, agriculture, industry, and business interests. A committee of 30 was appointed, and $100,000 to meet the expense of launching the project was raised in 10 minutes.

Upon the following day the Chicago News, in an editorial, said:

> Herbert S. Hoover described the Chicago conference of bankers, manufacturers, and farmers, which authorized the formation of a $100,000,000 corporation to help finance American foreign trade, as the most momentous since the armistice.

The most momentous since the armistice! At the very time when this corporation is in process of formation the Congress of the United States is asked to do precisely the same thing, with precisely the same limitation on investment—$1,000,000,000.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. LUCE. Certainly.

Mr. CHINDBLOM. How far has this organization or corporation under the Edge law progressed in its formation?

Mr. LUCE. Last week, the report says, it raised $100,000 in 10 minutes for the preliminary expenditures.

Mr. CHINDBLOM. How far have they gotten along in doing business? When will they be ready to make loans and extend credits?

Mr. LUCE. I do not know. I know the initial steps have been taken.

I desire to call to the attention of the committee the contrast between these situations, and ask them to consider if they ever had a more definite or clear chance to choose between progress by the Government and progress by individual initiative. Mind you, these corporations, one a Government corporation the other a corporation started by private citizens, have the same limitation upon their possibilities—$1,000,000,000. What is the contrast in the raising of their capital? Here you contemplate putting your hand into the Public Treasury and taking from the taxpayers of the country, or adding to the country's debt, to raise a capital of $500,000,000. That is the way the Government proceeds, or the way you direct your Sec-

retary of the Treasury to proceed, namely, to take the money of the taxpayers for your capital. That involves no exertion whatever, it requires no initiative, no personal activities on the part of those soliciting subscriptions. Did any gentleman ever engage in starting a corporation find himself confronted by a more attractive method of raising capital than by passing a law in the House of Representatives and in the Senate and have it signed by the President? All you have to do is to draw from the Treasury your capital. On the other hand, the private citizens organizing for such a purpose have to go out and get the capital subscribed.

What happens next? You say to the public corporation, "Your shares and your bonds shall have tax exemptions," and you say to your private corporation, "If you succeed in inducing people to invest money in your enterprise, they shall pay taxes." In other words, you give a bonus at the very outset to your public corporation, you put a handicap on your private corporation.

It is known by those on the inside that the bonds of your public corporation are not to be guaranteed by the United States. The $500,000,000 of capital is a guaranty, but there may be $500,000,000 without guaranty by the Government. Almost every small buyer of bonds will think them guaranteed. Indeed, your Secretary of the Treasury has pointed out that the bonds can not be sold unless they have behind them the guaranty of the United States Government. Your private corporation has no such guaranty. Your private corporation has the guaranty of the money paid in as capital stock, but beyond that none, as I understand it.

Under these circumstances, gentlemen, let us next confront the element of risk. Let us next ask ourselves whether we may prudently hazard the money of the people in this emergency.

Let me call your attention to the facts of the condition in Europe, to which most of this exportation is to be made. Let me ask you solemnly to reflect as to whether you believe you are warranted in your official capacity in extending the public credit further to the consumers of Europe—for that is what this means in the last analysis.

Of course, it goes through the form of being loaned to the exporter and accrues to the benefit of the producer, but in the last analysis the money is loaned to the consumer in Europe; and what has Europe been doing in these two years since the armistice to show that we ought to intrust to her another billion dollars of credit? The statisticians inform us that the additions to the debt of the world—and that is for much the greater part European—were $44,000,000,000 in the first year after the armistice, and that they were $42,000,000,000 in the second year after the armistice, so that they have increased in these two years from $212,000,000,000 to the stupendous figure of $300,000,000,000. At the same time these countries to which it is proposed to extend this credit have been working the printing presses to their utmost capacity in grinding out paper currency. At the conclusion of the armistice the paper money of the world, nearly all European, amounted to $43,000,000,000. A year later it was $55,000,000,000, and two years later it was $82,000,000,000. At the present moment the paper money of the world has behind it only 9 cents in gold for every dollar in paper.

May not that give pause to gentlemen who think that we might, offhand, hastily, without great reflection, hazard a billion dollars more of our credit in these investments? But it may be—it may well be—that private individuals, private exporters, may desire to take the risk and be willing to take the risk which as holders of a public trust it would be unwise and improper for us to take. Why not leave this to the men who are willing to take the risk and stake their own money rather than make it perhaps impossible for them to function by putting in competition with them an organization based upon the taxpayers' money in part, with the taxpayers' guaranty in part, with the advantage of tax exemption and functioning as a Government institution?

Mr. BLANTON. Mr. Chairman, will the distinguished gentleman yield?

Mr. LUCE. Always with the greatest pleasure.

Mr. BLANTON. Take a cattleman, for instance, who as the result of a lifetime of work owns 50,000 acres of land, who has borrowed from the bank $80 a head to buy 10,000 head of aged steers at $90 a head to pasture on his land and to mature for the market. He has the grass and water to fatten and mature them. That paper is class A paper with the Federal reserve bank. It is as good as gold anywhere. If he can mature those steers and put them on the market fat he has made a good profit, as they would likely sell for $100 to $110 each. The member bank feels perfectly safe in lending $80 a head on such steers, costing $90 a head, when there is plenty of grass and water to mature them. Then the Federal bank right now, at a time when the cattle are not fat—when, if the cowman could hold them a couple of months, the cattle would get fat, and he could then put them on the market at a profit—the Federal reserve bank requires that money to be paid in now, and the member bank from which he borrows the money forces him to ship those immature steers and put them on the market unfattened, when they will not bring more than, say, $60, and not anything like the money he has borrowed from the bank, and at one fell swoop he is caused to lose every dollar of his earnings of a whole lifetime. Does not the distinguished gentleman think the Government ought to help do something in that emergency at the present time? That is the situation that prevails with the stockmen, and a worse situation prevails with respect to the farmer.

Mr. LUCE. The gentleman presents a very interesting hypothetical question which has no relation to the question I am discussing.

Mr. BLANTON. Oh, the distinguished gentleman from Massachusetts may become exhausted some day physically, but he never will mentally. [Laughter.]

Mr. DEWALT. Mr. Chairman, will the gentleman yield?

Mr. LUCE. Yes.

Mr. DEWALT. Taking it for granted that the risks attendant are as great as the gentleman has said, does the gentleman believe that private enterprise would go into this business if the risks are such as he has pictured? Do I make myself clear?

Mr. LUCE. Mr. Chairman, the gentleman makes himself very clear, and presents the most embarrassing question that can be asked of me. My personal views in this matter and my personal apprehensions are of such a nature that I am wondering whether I should be rendering a public service if I spread them on the record. I have been told so many times of the psychological damage done at a time like this by statements that may not prove to be warranted by facts, but are statements of opinion on the part of persons in such positions as the gentleman and myself occupy, that I do not think that I ought to put my personal judgment into the record, but that I ought to confine myself to the one thing: If there be risk, it shall be better borne by private citizens than by representatives of the taxpayers. You have the private citizens at hand ready and willing to take this risk, organizing to take this risk. Why plunge the Treasury of the United States into that which the private citizen is ready to do?

Mr. DEWALT. As I understand the gentleman's answer to my question it is this: That while he has an opinion on this subject, he does not believe that it is expedient for him to give it?

Mr. LUCE. Yes.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. LUCE. I do.

Mr. JONES of Texas. I understood a while ago that it was the gentleman's contention that this bill would raise revenue. If it would raise revenue there would not be any risk in extending the credit of the Government.

Mr. LUCE. The gentleman misunderstands me. I meant to say that it could raise revenue.

Mr. JONES of Texas. Another question. As to the hypothetical question propounded by my colleague [Mr. BLANTON], as to throwing these cattle on the market that are not mature, does the gentleman think the public interest would be promoted by allowing those cattle to be matured and developed into better beef, and that ultimately the public interest would be promoted by doing so?

Mr. LUCE. I have not the slightest doubt of that. I wish it could be done; but the representatives of that industry came before our committee and said this bill would not directly help one iota toward that end. They said it would help general business, and that if it helped general business it would benefit the cattle raiser, as it would benefit everybody else, but that this bill was not the remedy.

Mr. JONES of Texas. Does the gentleman mean that the representatives of the cattle interests said they did not want this bill?

Mr. LUCE. No; they said if this bill helped the general business situation they were for it.

Mr. JONES of Texas. If it will help the general business situation, is not the gentleman for it?

Mr. LUCE. I am not for helping the general business situation temporarily, with the certainty of ultimate damage, any more than I advocate the taking of alcohol for the temporary stimulation of the human body.

Mr. JONES of Texas. Does not the gentleman think the work of this corporation heretofore has resulted in advantage both to the Government and to the general public as it was operated when it was heretofore in full force and effect?

Mr. LUCE. If the gentleman would read the statement of the Secretary of the Treasury he would find, if my memory does not deceive me, that this corporation was of service during that period of uncertainty immediately after the conclusion of the war, when it was feared that exports would fall off because they could not be financed, but presently it was found that private initiative was equal to the exigency and that it was no longer necessary to hazard the public funds. It did function usefully until the needlessness of its further continuance was shown by experience.

Mr. JONES of Texas. I will state in that connection that I am not willing to accept the Secretary of the Treasury as the final authority on that subject.

Mr. BRAND. Will the gentleman yield for a question?

Mr. LUCE. Yes.

Mr. BRAND. The gentleman does not want to go on record as stating, does he, that the witnesses who testified before the House Committee on Banking and Currency stated that the revival of this corporation would not help the situation generally?

Mr. LUCE. Oh, no. Their judgment was that it might help the situation generally.

Mr. BRAND. I will ask the gentleman if all of them, except Secretary Houston, did not testify that it would help the situation all over the country?

Mr. LUCE. Without examining the record I could not affirm that my friend speaks with complete precision in that particular. They had different degrees of optimism in the matter.

Mr. BRAND. My recollection is that Secretary Houston was the only one who testified before our committee that it would not help the general situation all over the country.

Mr. HUSTED. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. HUSTED. Was it made very clear before the committee that private funds were not available for the financing of any export trade that did not involve undue risk?

Mr. LUCE. It was not.

Mr. DEWALT. Will the gentleman from Massachusetts yield for a question?

Mr. LUCE. Yes.

Mr. DEWALT. Will it embarrass the gentleman at all in his address to the House to touch upon the consequence of inflation of credit and the inevitable future consequence of the rise of prices all along the line?

Mr. LUCE. It will not embarrass me at all. That is a part of my address to which I was approaching through the tortuous channels of interrogation. [Laughter.] I am informed on the best of authority that the utmost limit of inflation possible under this bill is $2,500,000,000. Understand, I do not predict that this limit will be reached, but in facing legislation it is necessary to take into account the extreme possibility.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. LUCE. Yes.

Mr. CHINDBLOM. Is that ascertainable by some kind of calculation?

Mr. LUCE. It is.

Mr. CHINDBLOM. Will the gentleman state briefly how that is ascertainable?

Mr. LUCE. I am always doubtful of myself when I attempt to follow the intricacies of the Federal Reserve System, but as I understand it—and I hope gentlemen will forgive me if I find out I am wrong and change this in the RECORD—as I understand it, this corporation can loan up to $1,000,000,000; that this $1,000,000,000 issued in the shape of bonds or certificates, or whatever form it takes, and lent to exporters, can by them be taken to the banks and pledged as collateral for credit in the banks; that the banks can then take this $1,000,000,000 of securities to the Federal reserve bank and rediscount them, in consequence of which rediscounting process Federal reserve notes are issued to the bank rediscounting the paper, and that then, built upon these Federal reserve notes, reissued, can be pyramided other credit of the same sort until a maximum expansion or inflation of $2,500,000,000 is reached.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WINGO. I want to suggest to the gentleman that in revising his remarks he had better look up the law. My impression is that that paper could not be rediscounted.

Mr. LUCE. I think it is in the law.

Mr. WINGO. I differ with the gentleman, but he may be correct.

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from South Carolina [Mr. BYRNES].

Mr. BYRNES of South Carolina. Mr. Chairman, I take it for granted there is no question about the conditions existing in the agricultural sections of the country at this time necessitating some remedy. The gentleman from Massachusetts [Mr. LUCE], though opposed to the resolution, says that the condition is such that last week bankers met in Chicago in what he calls a most momentous meeting, to organize a bank under the Edge law to render assistance in the exportation of products. Europeans want our goods, but because of the exchange conditions are unable to pay cash and can purchase only if our exporters can grant long-term credits. This the exporters can not do unless they in turn can finance their bills, and they can not finance them except through the War Finance Corporation or such banks as are proposed at the Chicago meeting referred to.

If such banks were in existence to-day, or if it was possible to perfect such organizations in such short time as to cause them to immediately function, they could perform the service necessary to relieve the situation. But the two corporations now in process of organization under the Edge law can not hope to begin business for several months, while the War Finance Corporation is in existence and can function immediately. The gentleman from Massachusetts [Mr. LUCE] is enthusiastic in advocating the functioning of the Edge banks, but the business which he urges the business men of America to engage in he believes extremely hazardous for the War Finance Corporation to engage in. He intimates there is question as to the character of the security that is offered to American exporters. The testimony before the House and Senate committees is that ample security was secured during the period of its operation and can now be secured if the corporation resumes business. And then there is this material difference, that while the Edge law bank accepts the collateral of the foreign purchaser, backed usually by a syndicate of foreign banks and at times by the foreign governments, under the law the War Finance Corporation can lend only to persons or corporations doing business in this country, and it accepts only such loans as have been previously accepted by American exporters, and in addition requires in nearly every case that the paper of the exporter be underwritten by American bankers, and relies for its repayment upon the guaranty of American bankers.

In the minority report the opponents of the resolution state in one paragraph:

> The seriousness of the risk has been shown by the hesitation of American financiers to take advantage of the Edge law and organize for the purpose of doing the very thing this resolution contemplates. Because private capital will not do the thing in any important degree we are asked to hazard the public capital.

And then they answer their own objection in another paragraph in this language:

> Since the armistice it is estimated that private credit has been able to finance foreign lending through commercial channels to the huge extent of between three and four billion dollars. There is no proof that its resources are exhausted.

Now, as to the source from which the corporation will get its funds. It has to its credit on the books of the Treasury $376,000,000. This is part of the capital of the corporation. The fact that the Secretary of the Treasury invested the capital in Treasury certificates does not change the fact that this is the capital of the corporation and is to its credit to-day. If the corporation resumes business it could demand this capital or issue its bonds. It is agreed by all that it should function as it did before, by issuing bonds. The corporation issued $200,000,000 bonds at 5 per cent, and the entire issue was sold within five days notwithstanding the fact that on the second day a great press agency announced that the issue had been entirely subscribed on the previous day. The former managing director, Mr. Meyer, asserts that a similar issue of $200,000,000 can be floated without difficulty. But opponents say if this is done it will interfere with the Treasury issues. Well, this morning's financial news advises us that the issue of Treasury certificates floated this week was on the first day oversubscribed to the extent of $3,000,000, which would indicate that there is an investment market for such securities at this time.

But the gentleman from Massachusetts states that it would cause a great expansion of credits. Well, let me read the statement of Gov. Harding, of the Federal Reserve Board. He was asked by Mr. Meyer:

> If the War Finance Corporation could assist in the exportation of $250,000,000 or $300,000,000 or $500,000,000, say, of additional exports, whatever the exports may be, if that much more could be added, on a sound basis, and we had $100,000,000 of obligations from sound concerns, some of them through new corporations to be formed, your idea is, taking the same ratio, four or five times that amount, that would liquidate $2,500,000,000 of credit now frozen in this country.

Wouldn't that add the biggest thing you could do to relieve the whole situation in this country in the matter of credit strain? That is what I want to know.

Mr. HARDING. I think undoubtedly it would relieve the banks a good deal.

This is not a proposal to advance credit to enable persons to hold products. It is a proposal to advance credit in order to assist in selling our products. It will aid in providing a market for products for which there is now no market. It will enable the farmer to pay his bank and his bank to pay the regional reserve bank and thus reduce instead of expand credits. It will aid in the cancellation of debts and start the machinery of business. I hope the resolution will be adopted.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SUMMERS of Washington. Mr. Chairman, let no one be alarmed by the contention that this is class legislation. Let us consider not only the preamble but the exact language of the resolution. It reads as follows:

Joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Whereas there exists in the agricultural sections of the country unprecedented and unparalleled distress on account of the inability of the farmers to dispose of the corn, wheat, cotton, wool, live stock, and other commodities now in marketable condition at prices that will pay the cost of production; and

Whereas the people of Europe are in dire need of the agricultural products now in possession of the farmers of this country, but are unable to purchase on account of existing financial conditions; and

Whereas, under an act of Congress, there was established the War Finance Corporation for the purpose of financing the exportation of American products to foreign markets; and

Whereas the activities of the War Finance Corporation were suspended in May, 1920, by an order of the Secretary of the Treasury; and

Whereas the banks of the country are unable to extend credit to the farmer in order that the farm products may be held until they can be sold in a fair and reasonable market: Therefore be it

Resolved, etc., That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

The activities of the War Finance Corporation during the few months that it was in operation show very clearly that it was not operated in behalf of any particular class of citizens. For instance, there was advanced to assist in the exportation of agricultural implements $4,000,000; to assist in the exportation of condensed milk, $5,000,000; in the exportation of cotton, $9,322,117.27; of electrical equipment and supplies, $10,796,537; grain, flour, and foodstuffs, $12,229,000; and of locomotives, $5,000,000. This makes a total of $46,347,654.27, and out of that total approximately $19,800,000 was advanced to assist in the export of manufactured products and $26,500,000 was advanced for financing the exportation of agricultural products. That is practically the relation that manufactured products and agricultural products in this country bear to one another.

This is the revival of legislation in behalf of all of the industries of the country. Of the $26,000,000 advanced in behalf of agricultural products, fully one-half is sooner or later going to find its way into the till of the manufacturer. Our farmers are suffering great financial losses, even bankruptcy, at this time, and justice demands that we do everything within the power of Congress to facilitate the marketing of their crops at reasonable prices and thus preserve their financial solvency.

I shall support this measure trusting it will bring some relief to the farmers of the State of Washington and the entire country.

Mr. GOULD. Mr. Chairman, I suggest the absence of a quorum.

The CHAIRMAN. The gentleman from New York makes the point of order that there is no quorum present. Evidently there is no quorum present. The Sergeant at Arms will notify absentees, the Doorkeeper will close the doors, and the Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Anderson	Carew	Emerson	Green, Iowa
Andrews, Md.	Casey	Fairfield	Griest
Anthony	Christopherson	Ferris	Griffin
Babka	Clark, Fla.	Fields	Hadley
Bacharach	Copley	Fish	Hamill
Baer	Costello	Flood	Hamilton
Bell	Crago	Fordney	Hawley
Benson	Cullen	Freeman	Hays
Blackmon	Currie, Mich.	Fuller, Mass.	Hill
Booher	Darrow	Gallagher	Holland
Bowers	Davey	Gallivan	Howard
Britten	Davis, Minn.	Gandy	Hull, Tenn.
Brocks, Pa.	Dent	Ganly	Hutchinson
Browne	Dickinson, Mo.	Godwin, N. C.	Igoe
Brumbaugh	Donovan	Goldfogle	Ireland
Burke	Dooling	Goodall	James, Mich.
Butler	Drewry	Goodwin, Ark.	James, Va.
Caldwell	Edmonds	Graham, Ill.	Johnson, Ky.
Candler	Ellsworth	Graham, Pa.	Johnston, N. Y.
Jones, Pa.	Mason	Radcliffe	Sears
Kahn	Mead	Rainey, Ala.	Sisson
Kendall	Moon	Rainey, H. T.	Slemp
Kennedy, R. I.	Money	Ransley	Small
Kiess	Morin	Reed, N. Y.	Smith, N. Y.
King	Mott	Reed, W. Va.	Steele
Kitchin	Neely	Riddick	Stiness
Kreider	Nelson, Wis.	Riordan	Sullivan
Lesher	Newton, Minn.	Robinson, N. C.	Timberlake
Lonergan	Nicholls	Rodenberg	Treadway
Longworth	Nolan	Romjue	Volk
McArthur	O'Connell	Rouse	Wason
McCulloch	Oldfield	Rowan	Watson
McGlennon	Oliver	Rowe	Whaley
McKinley	Olney	Rubey	White, Me.
McKinley	Paige	Sabath	Wilson, Ill.
McLane	Patterson	Sanders, Ind.	Wise
McLaughlin, Mich.	Pell	Sanders, La.	Wood, Ind.
Major	Perlman	Sanford	
Martin	Pou	Scully	

The committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of Union, reported that that committee, having under consideration Senate joint resolution 212, finding itself without a quorum, he had directed the roll to be called, that 277 Members responded to their names, a quorum, and he handed in the names of the absentees to be recorded in the Journal.

The committee resumed its session.

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MANN].

Mr. MANN of Illinois. Mr. Chairman, this matter presents itself to me somewhat like this: We have the goods, the people in Europe have the want. They desire our goods, but they can only purchase them by payment in cash, by credit, or by exchange. They can not pay the cash. They can not give us in exchange sufficient in the way of goods to enable them to purchase the produce which we desire to sell to them. They can obtain from us the goods which we wish to sell and which they wish to buy only on credit, but the individuals in our country or the corporations seeking to make the sales to Europe can not themselves carry credit lines sufficient to enable them to proceed with sales without taking all of their ready cash. The only way in which they can furnish sufficient credit to the people in Europe to make the purchase from us is by having the investing public in America take up these lines of credit and carry them. If the War Finance Board can loan money to the people making the exports to Europe and then in turn issue their bonds and the American investing public will purchase those bonds, that credit is furnished.

I know of no other way to furnish the credit unless it be by large corporations organized by the investing public in America. If such corporations are organized and succeed they would relieve to the extent they were successful any demand or drain upon the Finance Corporation. I am one of those who believe as far as practicable the Government ought to stop standing in the way of the operation of the law of supply and demand, but I appreciate that in the present conditions in the world it is impossible to furnish the credit that is necessary in order for us to sell goods to those who need and want them without some aid from the Government. While I do not know how effective it will be, because it depends in the end upon the willingness of the investing public in America to loan its money or credit in Europe, I hope it may be successful. I do not see how it can do harm and I see how it can be of great benefit. [Applause.]

Mr. PHELAN. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. GOULD].

Mr. GOULD. Mr. Chairman and gentlemen of the committee, I have not in the few years I have been here taken up very much time on the floor of this House, but to-day in listening to the debate it occurs to me that many Members of the House do not seem to comprehend, and certainly I have not heard it very clearly explained, the manner in which the average export business and credit is handled. The export bills which may be issued by the banks for any food products that are sold by the producer or the produce buyer go, of course, to the bank, and as I understand by our present banking system eventually lodge in the Federal Reserve System. If we are going to sell our products to Europe, as the gentleman from Illinois said a few minutes ago, there are just three methods by which the produce which we have to sell can be paid for—by cash, credit, or exchange of goods. Business men and bankers with whom I have talked within the last few months seem to feel that the future of the country and of business—and that affects everyone from the producer of crops down to the ultimate consumer—can best be served by getting back to the policy of having our regular channels restored, and of going back, to use an expression that we heard in the recent campaign, to "normal." But so far as the War Finance Corporation is concerned I would like to ask the committee as to the nature of the securities which have been

given to the War Finance Corporation in connection with the loans which they have made during the war and as to whether or not this committee of the House and the Treasury Department are satisfied that the loans made and the securities given are as good as a Government corporation should expect. I notice here in the report of the committee that we have sold fabricated steel to Italy; we have sold cotton to Czechoslovakia, cotton to Italy, coal to Italy, and so forth; and I do not know whether the committee cares to go on record as answering the question. My motive for it is this: Why not have the future export business handled by and along regular channels through the relation of bankers—our bankers have bank connections in Europe—and let the security be examined, and let our whole program of foreign finance be handled by those who are in contact with conditions. What is the sense in continuing a policy which, and I raise the question, may or may not be satisfactory? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. PHELAN. Mr. Chairman, there is only one speech on this side. I will use my time or the gentleman can use his time as he pleases. How much time have I remaining?

The CHAIRMAN. The gentleman is recognized for 25 minutes.

Mr. PHELAN. Mr. Chairman, this is not a question on which there are not two sides. There is a very reasonable, or at least plausible, argument, I think, for the resolution, and I think a very sound argument against the resolution. The gentleman from Illinois [Mr. MANN] very briefly stated the argument in favor of some kind of method of financing our exports. The bill in its essence is this: It provides a means whereby money or credit can be raised—we will call it money—money can be raised from the American people and, directly or indirectly, however you may care to term it, loaned to people in foreign countries, so that those people in foreign countries may buy American products. That is the whole essence of the resolution.

The advocates of the resolution feel—and there is reason for them to feel—that this process will result something like this: That the money will come from the American investor to the War Finance Corporation, be loaned by the War Finance Corporation to banks or to exporters, and by the exporters, through some process, loaned to the foreigner; that the foreigner, through the credit obtained in that way, will buy the goods of the American—cotton, wheat, and other exported commodities—and in that way trade will be resumed in this country; that the cotton owner will dispose of at least part of his present crop, and so with the wheat man and others having commodities to sell; that, once a movement in these commodities starts, business will be resumed and the whole country will be benefited.

I think that is a fair statement of the argument for the resolution, and, so far as that goes, I think I would not take issue with the statement that the thing can possibly be done and done properly.

If I were to take any other position I should take a position in direct contradiction to the position I took upon this floor when I argued for the passage of what we termed the Edge bill. There is law on the books to-day and there has been law on the books for a full year whereby this very thing could be done. Practically nothing has been done, however. I am opposed to this resolution for several reasons. I am opposed to it, first of all, because I think it is time the Government got out of the banking business. I think it is time that we stopped these artificial props of which we had so many during the war, of which we have had some since the war, and which have inevitably led to the signs of trouble and possible disaster that we see confronting us to-day. If we had followed economic laws in larger degree during and subsequent to the war, the country would not be in the bad condition it is to-day. Whenever anybody got into trouble or saw any trouble facing him immediately he ran to the Government and asked for some legislation or help whereby he could tide over his difficulties. And as a result, through all these artificial processes, through this failure to live up to economic principles, we are in trouble.

Now, my belief is that the sooner we face things as they are and the sooner we resort to sound economic principles the sooner we will return to normal ways of doing things and the sooner the country will get back on its feet and start from a sound foundation.

To illustrate how various interests appeal to the Government, the sheep growers came before our committee the other day. They did not advocate this particular resolution, but they said it would help them indirectly. This is the condition of the woolgrower: The price of his product has dropped amazingly. The bottom has dropped out of the market. We have had importations of sheep and the products of sheep and of wool from foreign countries, so that to-day there is no market in this country for those products. How is the woolgrower going to be helped by this or any other financial legislation until the price of his product goes up? It is no secret. Everybody here knows that in many of our commodities some of the banks, at least—I will be moderate and not be an alarmist—some of the banks have loaned on commodities more than those commodities will bring on the market to-day. What are we going to do? Are we going to loan more and more on commodities already pledged on loans exceeding their market value? Anybody can see the fallacy of that. And when I put the question to every single one of the men representing the sheep industry who testified before us they replied, "Legislation of this kind, financial legislation of any kind, is of no use to us unless we can raise the price of our product; and that we can do only by embargo and subsequently a protective tariff." Are we going to help them by this resolution? It is evident that we will not help them by this kind of a resolution. We may help the cotton men; we may help the wheat men. We may do that if people will start Edge corporations and buy the bonds. That is the natural way.

Let me point out why people want this kind of legislation and do not want to wait for Edge corporations. In the first place, the Government is behind this proposition. No matter what anybody says, the Government is guaranteeing these bonds, in effect, to the extent of 50 per cent of their possible issue. Under the law, if this is passed, the War Finance Corporation can issue a billion dollars of bonds. The Government is obligated to the amount of $500,000,000 of stock. If, therefore, the bonds for any reason do not prove worth their face value, the owners of those bonds can come back on the Government to the extent of $500,000,000. Somebody will say to-day there is no danger of that, because this corporation will take good security. I want to ask some of you men from the cotton districts and some of you men from the wheat districts what some of your banks have done as to the extent of loans upon commodities during the past year or two years; what some of your eminent bankers have done; how far they are overextended on commodity loans? You are not telling us that the men who are running those institutions and who have been looked upon as men of good judgment are now carrying heavier loads than they should carry. I do not say that in criticism of those men. Quite the contrary.

Mr. YOUNG of Texas. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Massachusetts yield to the gentleman from Texas?

Mr. PHELAN. No; I can not yield.

Mr. YOUNG of Texas. I thought you asked a question. Will you not let me answer it?

Mr. PHELAN. I wanted to point out that men who heretofore have been considered men of good judgment, and men of good judgment to-day, have mistaken this whole general situation and have become involved to a greater extent than they ever should have become involved. The same situation arises with respect to this War Finance Corporation act. Who can say what securities Europe shall have to offer us? There is nobody that I know of who is authorized to speak for those countries. Who will tell us of the sound securities they have? They had at Brussels a conference recently, and one of the great troubles and difficulties and perplexities they had was to find the kind of securities upon which they could get credit from anybody in the world. Take any country you wish in central Europe—I will not mention the names of any—that are at present involved. Do you gentlemen here want to take securities from those countries, or the people of those countries, when the very stability of their Governments is uncertain, when you do not know what is going to happen to those countries politically?

Yet, what does this proposition involve? We go to the American people and we say to the American people, "We want your money to loan to people in Poland; we want your money to loan to people in Czechoslovakia; and we want it to loan to France and Italy, and all of those countries, so that they can buy American products.

Everybody knows that that will not be said with reference to the War Finance Corporation bonds. Everybody knows that this will be the process: Let us take two cases. I am a bond salesman, and I go up to you and I say, "Here, I represent an Edge corporation. I have some bonds to sell. We have a capital of so much. We invest in foreign securities, as we are doing an export trade or helping the export trade. We issue bonds. Back of those bonds is our capital and surplus, and back of those bonds are securities of foreign countries, perhaps of traction companies, manufactories, mills, or what not; but those are the securities behind the bonds we want to sell you. Will you buy those bonds? It is very important that you and

other investors shall buy those bonds, so that they can buy our products."

Think what the average American is likely to say. He may say to me, "Let us see. There is a great deal of trouble over there. What do I know about those countries? I guess I had better hold back a while and see what is going to develop."

Now, suppose, in the other case, I am a salesman trying to sell War Finance Corporation bonds, and I bring in those War Finance Corporation bonds to you. What do I say to you? Do I tell you that story? It is the same story in effect; the purpose is the same. But, no; I say, "Here is the War Finance Corporation bond. In the first place, this War Finance Corporation can not issue more than $1,000,000,000. The United States Government is behind it to the extent of $500,000,000. There is 50 per cent."

A Member of Congress, reflecting, as I think, the view of other Members before our committee, stated that the Government would have a moral obligation to the full extent of that bond issue, because the Government would never let the holder of a War Finance Corporation bond lose anything on his investment. The Secretary of the Treasury, standing before our committee, said the same thing, so that I might add, as an argument, the Government has a moral obligation. I can say, "You will never lose anything by it." I will say to you, "Here is a good bond, practically a United States bond. Will you buy it?"

You as an investor might well say, "Yes; I will buy that; I will be glad to buy that." The argument suggested can be used two ways. It might be urged that we can raise money, perhaps, this way when we can not do it the other way. On the other hand, when I am helping to pass legislation, I would like to have the people of the country know what they are doing if they act as a result of our legislation. If they are entering into a big policy of great consequence they should know it, and I say to you that when you sell the War Finance Corporation bonds the people will not know what the policy behind it is.

When you sell them Edge corporation bonds they will know what the purpose is. If they want to encourage that kind of policy they can buy the Edge corporation bonds, but they are not engaging in any policy knowingly and consciously relative to foreign financing when they buy the War Finance Corporation bonds.

I am opposed to the resolution for that reason. I think when we enter into that kind of policy, the people of the country ought to know the policy in which we are engaging when they invest money. Some of the Members from the farming districts were opposing the Edge corporation bill because they did not want to see American money, when needed at home, used in building up foreign manufactures and foreign industries.

Frankly I am not in entire sympathy with their point of view; but that was their point of view, and the people of the country have a right to know what this policy back of the War Finance Corporation is, and they will not know it if we have this War Finance Corporation, because they will think that these are Government bonds.

Mr. McFADDEN. Are these Edge corporation bonds to be tax exempt?

Mr. PHELAN. No. I was coming to that. Now, the Government is behind these bonds. In addition, they are to be on practically the same basis, so far as tax exemptions are concerned, as Victory notes. I am opposed again to repeated tax exemptions. Somebody may say to me, "Why did you vote for the farm loan act?" I voted for it because I could not have everything I wanted in that act; but I always was opposed to the tax-exemption feature, so far as the national income-tax law was concerned, of farm loan bonds.

Where are we going to stop? Last night I picked up the Washington Times and I saw on one page, boxed in a prominent place, the statement that a movement was on foot to bring about legislation whereby the bonds of the so-called Edge corporation should be tax exempt from the Federal income tax, the argument being used that we ought to encourage our people to put the money in these channels to help the foreigner to buy American goods.

We all know that there has been considerable agitation in this country for the Government to issue tax-exempt securities to enable people to build homes. Your Committee on Ways and Means is trying every possible way it can to raise money, and here the Congress of the United States is making provision for the output of a possible $1,000,000,000 of tax-exempt, or at least in some degree tax-exempt, war finance bonds.

Where is the thing going to stop? If we keep on, everybody has a good argument to float tax-exempt securities for one or another purpose. Now, the gentleman from Illinois [Mr. MANN] very aptly said—and I do not disagree with him—that there are people in Europe who want to buy but who have not the means. This furnishes the means.

I come from a city of practically 100,000 people. There are people walking the streets of that city who want to buy things. So it is in all our large cities. They want to buy coal and food and clothing, but they can not buy any of those things because they are loafing, out of employment. Now, why not have the Government lend them money? They are good, honest people. They are hard-working people. Why not have the Government loan them money so that they can get through this winter? Is that a wild proposition?

What security have they to offer? They have the security that honest people have, that they will pay back, that they have sound bodies, that they have honest purposes. Oh, no; you can not lend on those things, it is urged. How do you know that you have any better security over in Europe?

I am opposed to this resolution for another reason, which that suggests to my mind, that before we empower the Government to embark on this kind of a proposition there ought to be some satisfactory evidence presented by experts, by somebody who knows, before a committee of this House, as to what the conditions are in Europe, and as to what is their power and ability to pay, now or at any other time.

This resolution provides for the issuance of bonds, from one year to five years. Suppose we issue one-year bonds. Mr. Meyer suggested that they would probably issue a great many one-year bonds. He suggested that as an answer to my objection about the tax exemption, saying that they would not last very long, because a great many of these bonds would be one-year bonds. Does anybody think the people of Europe who get credit are going to pay a large sum of this money in one year? Anybody who knows the situation knows that they can not do it. The Government has loaned already between nine and ten million dollars, money raised from the people of this country. Now, this proposition, to be sure, does not provide for the loaning of money to foreign Governments, directly by the Government, but it does provide for what is similar, for loaning the money of our people to European people at some place, somewhere, on the security of the bonds that in many respects are similar to, if not indeed essentially, Government bonds.

That may be all right; but I say that before we embark on the proposition we ought to know what the class of securities are and what they can give us and whether they can ever pay back the loan under this bill. No evidence has been presented in regard to it, and when we asked for time the advocates of the resolution said we were trying to block the resolution. The first meeting of the committee after Congress convened was last Tuesday morning. They asked that the resolution be taken up, and there was no objection to it, but when we asked that we might hear the bankers and some of the importers they said that we were trying to block the legislation.

Now, I do not want to block legislation; I want to see all good legislation pass. But I say the House ought not to pass this legislation. The point I am making is that you ought not to be misled by the simple statement of what is desired by this law. It is all right to use American money to buy American products for use in a proper way, but I do not think it is right for us to keep the Government in the banking business.

I will agree that many of the things the proponents say are true, but I do want to see us return to the old economic conditions where the economic rule worked well.

Mr. SUMNERS of Texas. Will the gentleman yield?

Mr. PHELAN. Yes.

Mr. SUMNERS of Texas. When we passed the act there were not the same activities. Does not that suggest to the gentleman that we ought to try his plan?

Mr. PHELAN. It suggests to the gentleman that if there was need of it, and the enterprise of the American people and the funds of the American people were ready to go into the business, we would have the Edge corporation before this. We have had the law on the statute books a year. Where were the growers of cotton, the growers of wheat? Why did not somebody initiate and start the proposition? The thing they are afraid of is that the American people will not embark on the enterprise, and so they want the Government to hold the bag. Advocates of this resolution state that the Edge corporations have not been formed because the War Finance Corporation was not functioning; they would have been started if it had been functioning. Why do they take that position? Because they are afraid the people will not buy the Edge corporation bonds, but they will buy what they think are Government bonds. Once the War Finance Corporation gets the money, the incorporators of the Edge corporation think they can get it from the War Finance Corporation.

I have no objection to the exporters of wheat or the exporters of cotton or anything else getting all reasonable help, but I do

object to having everybody, when he gets into trouble, come to the Government and say, "Here, you carry the load." No matter what anybody says, when the Government gets behind a proposition like this, when it gives up its credit to the extent of $500,000,000, it is so much more of a strain on the credit of the Nation.

Mr. SUMNERS of Texas. The Edge law was not designed for the exporters, but for the service of the public. If that does not function, does not the gentleman think we ought to try something else?

Mr. PHELAN. I think we ought to stop coming to the Government every time we get into trouble. If you can not follow the economic channels, if you can not promote foreign trade, if you can not build up a corporation to do the things that ought to be done under the natural economic forces, it is the best evidence that if you try to apply artificial pressure you are flying in the face of the economic laws and bound to fail.

I am opposed to the resolution because I think the Government should get out of the business of conducting foreign trade or export financing, because we should stop now further extension of tax-exempt securities, because we should cease the use of expedients and artificial supports to meet an essentially unsound condition, because we should get back to normal and natural methods and proceed in accordance with sound economic principles, because the Government is already charged with sufficient burden of indebtedness, and this burden, whether actual or contingent, should not be added, because if at any time the War Finance Corporation bonds should be carried by the banks or forced upon the banks we should have further inflation and further subsequent disaster, because, as other branches of commerce and trade are likewise in distress, they have an equal right to receive Government aid and this legislation is discriminatory, because it is hopeless for the Government to put its credit behind all who need credit, and because once the Government embarks again upon this business no one can predict to what extent the Government may become involved nor for what period of time, and the War Finance Corporation may become a fixture for years to come.

The country has paid enormously for its defiance of economic laws. Let us once more act in accord with these laws and avoid further inevitable troubles. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield three minutes to the gentleman from Iowa [Mr. TOWNER].

Mr. TOWNER. Mr. Chairman, there are a few objections to this resolution which merit consideration. One is that it will not accomplish what is expected of it. The other is that we will be in danger of giving credits to European peoples that will not be secured, and therefore the Government will meet with loss. I do not think that either argument is justified. Gentlemen seem to think that this is only a measure for the benefit of a certain class of people. I hardly think that it is proper or consistent to take that proposition as true. It is not for the purpose of assisting any particular class of people; it is really for the purpose of relieving the stagnation of business in this country. If the primary products of the country, upon which all of the industry of the country rests, upon which all of the commercial interests of the country rest, can be marketed or exported, it means that the whole business of the country will be stimulated and will get into activity. It is not primarily, or principally, even, for the benefit of those who are the producers of the primary products. It is because, unless we can have a market for the primary products of the country, all of the industry of the country will remain stagnated.

I believe also that there is no, or, at least, very little, foundation for the argument that these credits will be extended to peoples or to institutions in foreign countries that are not solvent. It should be remembered that the War Finance Corporation does not loan to the manufacturers in foreign countries; it does not loan even to foreign countries themselves. The banks and the exporters are the people to whom we, the Government of the United States, extend credit. Certainly we know and will know, the Government will know, the War Finance Corporation will know, to whom to make these loans. They will know whether they are solvent or not, and no credits will be extended except to solvent banks and to solvent exporting corporations or individuals. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STRONG of Kansas. Mr. Chairman, I yield five minutes to the gentleman from Iowa [Mr. HAUGEN].

The CHAIRMAN. The gentleman from Iowa is recognized for five minutes.

Mr. HAUGEN. Mr. Chairman, the gentleman from Massachusetts [Mr. PHELAN] has suggested delay. He says we should have more information before taking action. The gentleman has enlightened the House. He has told us of the thousands of people unemployed and walking the streets in his own city. What is true of his city is true, I believe, pretty much all over the country, and I believe it fair to say that millions of people are out of employment. Another sad situation so far as the farmer is concerned is that the price paid to the producers of farm products has been cut in two, and the price charged to the consumer has enhanced 19 per cent in the last year. For instance, coal is selling in my district at $20 a ton, and corn is selling at less than $8 a ton. The price on the lower quality of live stock is so low that it is selling in Chicago for scarcely enough to pay yardage, feed bill, commission, and transportation charges. Money is scarce and hard to get at any price, with the prevailing condition known to all. It seems unnecessary to discuss that, nor does there seem to be any question but that something should be done to meet the emergency. Clearly, what is required, what is desired at this time, is some legislation that will give relief, for immediate relief should be granted.

If the proposed resolution will give the deserved and desired relief, which I believe it will, it should pass immediately. The resolution, if amended as is proposed by the committee, can do no harm. Nor is it, as contended, class legislation; nor does it interfere with the Federal Reserve Bank System. It simply provides:

That the Secretary of the Treasury and the members of the War Finance Corporation are hereby directed to revive the activities of the War Finance Corporation, and that said corporation be at once rehabilitated with the view of assisting in the financing of the exportation of agricultural and other products to foreign markets.

It includes every commodity. Even if limited to agriculture, as has been suggested, with our interests in common, its benefits would extend to every activity. We go up and down together; with business lagging on the farm we have dull times in the cities. So if the proposed legislation will help agriculture, it will also help commerce and labor.

I believe the resolution here proposed will to some extent grant relief, and inasmuch as immediate relief is desired, why not vote and dispose of the matter with a view to giving the relief at the earliest possible moment? [Applause.]

Mr. STRONG of Kansas. Mr. Chairman, has the gentleman from Massachusetts [Mr. PHELAN] used all of his time?

The CHAIRMAN. He has used all of his time.

Mr. STRONG of Kansas. I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Kansas yields eight minutes to the gentleman from Wyoming.

Mr. MONDELL. Mr. Chairman, I think that we all regret that we have not reached a condition following the war in which business either at home or abroad has been restored to anything like normal. I think that all of us regretted during the war, and regret even more now, the necessity of invoking unusual governmental agencies in connection with trade and business. No one will be happier than I when the time comes when the Government may properly keep out of the banking business, so far as undertakings like this of the War Finance Corporation, now under consideration, are concerned, and out of the management and control of business in every manner and form.

"It is a condition and not a theory that confronts us." A large part of the world is well-nigh bankrupt. Following the war, and in the last few months particularly, the decrease in the price of great basic products which should be gradual, in order to be healthy, has become disastrous; the bottom seemed suddenly to go out of the market, and very largely because the channels of trade were clogged, because private enterprise and private financial institutions were not able to furnish the credit necessary to keep trade moving. That is the situation.

What can we do about it? I am not altogether certain that the passage of the resolution before us and the revival of the activities of this corporation will greatly help the situation, but it will have a helpful effect; it will not, in my opinion, under any circumstances have a harmful effect. So far as it may be possible to operate under the War Finance Corporation, the business of the world will be quickened, exports of America will be enlarged, and the credit situation will be relieved. While we may not accomplish all that some hope for by the passage of this resolution, we can at least help the situation and improve conditions, and without danger of harm. It is our duty, therefore, under the circumstances to suggest, recommend, and advise that this agency of the Government, intended to aid in the export of American products, and thus aid in the restoration of better trade conditions, shall be again put into operation for the benefit of the country generally. [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired. All time has expired. The Clerk will report the bill for amendment.

The Clerk read as follows:

SEC. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

With a committee amendment as follows:

Strike out all of section 2.

Mr. McKEOWN rose.

Mr. MADDEN. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. MADDEN. Mr. Chairman and gentlemen of the committee, the Government of the United States owes $25,000,000,000. The annual interest charge on that sum, including the sinking fund, amounts to $1,250,000,000 a year.

We have loaned the Governments of Europe $10,000,000,000, and they have not paid a dollar of interest. Nobody knows when they will.

The business people of the United States have shipped goods abroad for which they have taken the paper of European purchasers to the amount of $12,000,000,000, that is already discounted in American banks, and that is not being paid when it becomes due. And now we propose, in effect, through the Government of the United States—for that is what it means—to advance another billion dollars, to lay another charge upon the backs of the American people for that amount. I understand that next week a proposition is to be presented to the House to loan Germany a billion dollars to buy goods in America.

What you do by the passage of this resolution is to take the money out of the Treasury of the United States in effect and pay Europeans for goods purchased in America, and then come back to the American people who have shipped the goods, and others of the American people, and ask them to buy the paper, so that when they ship their goods and receive the pay they will be compelled, in order to sustain this institution, to buy the paper that has been issued as a result of the sale of the goods.

The time has come when we must stop this artificial stabilization and let nature take its course. If you are going to do this for the farmer and the cotton grower, what are you going to do with the men whose wages all over the country have been reduced about 22½ per cent? I do not see any reduction coming in the prices they are compelled to pay for what they have to buy. Are you trying to reduce the cost of living to-day while they are idle? Oh, no. You are trying to stabilize prices, and that will compel them to pay the high prices that now obtain. But you are not guaranteeing them any employment, not at all. Factories are closing right and left. Why are they closing? The values of the commodities of the factories of the country have fallen. Nobody knows what their value is. The people who own these factories are seeking no legislation, are they? They are willing to permit the economic conditions to control. You are undertaking artificially to stabilize and keep prices up when everybody in the United States wants prices to come down. They are coming down, whatever you do. This legislation is not going to help the situation at all except to the extent that it adds new obligations on the Treasury of the United States, and thereby adds to the necessity of increasing the taxation on the backs of the American people. [Applause.]

Mr. ALMON. Mr. Chairman, the purpose of the first section of this resolution is to direct the Secretary of the Treasury and the members of the War Finance Corporation to revive the activities of the War Finance Corporation with the view of assisting in the financing of the exportation of agricultural products to foreign markets.

The second section is to have the Federal Reserve Board encourage the member banks of the Federal Reserve System to grant liberal extension of credit to the farmers upon the security of agricultural products at the lowest possible rate of interest.

It passed the Senate with both of these sections incorporated. I introduced a similar resolution early in the session which was referred to the Banking and Currency Committee. That committee failed to take action until after the Senate had passed this resolution. They then reported with the recommendation that section 2 be eliminated. I am heartily in favor of the resolution as it passed the Senate.

I realize that the Federal Reserve Board has no authority to grant loans, or dictate to member banks as to what they shall accept as credit, but a mere expression of approval by the Federal Reserve Board that a liberal extension of credit to farmers upon the security of agricultural products at the lowest possible rate of interest would have a good moral effect.

The discussion to-day has been confined almost exclusively to the importance of arranging for foreign credit. I agree that this is all important, but at the same time we should undertake to improve our home market, and one way of doing this is by voting down the amendment proposed by the committee to strike out section 2 of the resolution.

The condition of the country is critical. The fall in the price of farm products in the last two months means a loss to the farmers of more than $6,000,000,000. Agriculture is the foundation of our wealth and prosperity and hence our largest business. It cost the farmers more by far to make this crop than ever before on account of the high price paid for labor and the very unusual high cost of supplies. In many sections of the country the crops were not good. The cotton crop was far below the average in many parts of the South. However, if the cotton growers could have gotten something like 35 cents a pound for this crop, as they expected, they could have paid their debts and been in a position to make a crop next year. Now the price of cotton is 10 or 12 cents a pound, less than one-third the cost of production.

This is not due to overproduction, but for the want of a market. Sixty-five per cent of our cotton is exported in normal times. We have about 13,000,000 bales, with a home market for 6,000,000, and must depend upon a foreign market for the balance of 7,000,000. There is the usual demand for our cotton and other agricultural products in the foreign markets, but they can purchase it only by payment in cash, by credit, or by exchange. On account of the conditions as the result of the war they can not pay cash. They have not the goods to sell us to enable them to buy what we have to sell, so that we can not secure it by exchange in trade. So if they buy, they must buy on credit.

The purpose of this measure is to provide methods for taking up their credit and encouraging it.

The War Finance Corporation was created during the war, and could at first only help finance enterprises or individuals engaged in purchasing war supplies for the Government or banks that were aiding such institutions, and served a most useful purpose during the war.

Congress amended the act creating the War Finance Corporation in March, 1919, so as to enable it to aid in extending our exports, and provided for the continuation of this work for one year after the declaration of peace. It rendered a most useful service in reestablishing trade relations and foreign markets which were destroyed by the war.

The condition of our country is such that it was never more important for a full and active operation of the War Finance Corporation than now. While it may not accomplish as much as some of us hope for, nor as much as it would had it been reestablished earlier, still I believe that it will do much good. We are facing a very grave situation, caused by the very sudden fall in the price of farm products, and I am in favor of doing all that can be done to immediately relieve the situation.

I believe the resumption of the activities of the War Finance Corporation would encourage the immediate formation of export corporations and very materially aid and encourage the banking corporations organized to aid in financing foreign securities.

The psychological effect would be marvelous in addition to the actual financial assistance rendered.

I trust that this measure will pass the House to-day and that it will become a law at the earliest date possible, with the confident hope that it will furnish much relief to the farmers who are in such great distress by reason of the sudden fall in the price of their products. [Applause.]

Mr. McKEOWN. Mr. Chairman, the question as to the financial situation of this Nation at this time is one the business men of the Nation are not agreed upon. It is one on which the business world is at sea. They do not understand what is taking place now on the eve of the new year. The retailer of this country to-day is striving to hold on to save himself from the wreck that may come upon him in the reduction of prices of the products on his shelves.

The prices of products of the farmer have gone down so low in the last two months that he can not tell what to do. He is abandoning his crops. In my country they are leaving cotton unpicked in the fields because of the low price and of the cost of labor.

So the situation is a critical one, but I dare say you will not get much benefit from this legislation unless it is carried out in the spirit that Congress passes it. If the men in charge of this War Finance Corporation sit down and exact compliance with such rules as to absolutely make negligible the purpose of Congress, then we will reap no benefit from it. The situation is not so much different from what it was in 1907, except that there is now plenty of money in the country, but the same situation faces the business men as in 1907.

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Here is the thing that is the tragedy of the whole situation: Over in the countries of Europe, where they need the products of this country, the men who manufacture these products into goods to put on the market find themselves in this situation—that they must buy from hand to mouth the raw products that are placed in the warehouses at high prices, and they can not manufacture goods out of them in competition with countries that are able to buy the raw products that are now going on the markets at such greatly reduced prices. So the low price of raw products in this country is ruining the market for raw products in the old countries, because it is putting out of business the manufacturers who buy the raw products.

Now, my friends, I want to call attention to this fact: That it is true that the United States Government ought not to go into the paternalism business, but at the same time we have given to the railroads by the millions in order to help them carry on transportation. When they came to Congress we readily granted them every request, and we turned over to the Interstate Commerce Commission full authority to lend them whatever money they needed. And yet when the farmers, the men who produce the things that we must live on, come to the Congress we hesitate in extending them financial relief. The whole industry of this country is slacking. Men are daily walking about the streets hunting for employment. I want to see things get back to normal, where crops will be moving and factories humming with the music of contented labor. [Applause.] I have some doubts if that state of industrial rehabilitation so much desired will be "normalcy."

It is as difficult a task to impress upon the Congress as it is to impress the financial interests of the country not directly connected with farming with the conditions in which the farmers of the country find themselves. Financial interests far removed from the farming districts do not comprehend and are slow to be convinced of the dire effect of the price breakdown to the farmers. If the farmers of the Nation should break down at planting time, like the railroad transportation broke down during the war, then there would be no difficulty in convincing the teeming thousands who live in the cities as to the importance of the farming industry, and they could then realize that it is a truthful statement that farming is our most important industry.

When the railroads broke down we immediately went to their relief to the tune of over a billion dollars, and, although the war is over, we are advancing them all the money they need and have raised their rates to the sky without in any way taking care of the rates on cattle and farm products. You have turned the people over to the railroads, and the farmer is paying his part of the freights. You have the same old story of peaches rotting in the orchards of Michigan while just across the lake they were selling from $4 to $6 per bushel, and wheat rotting while the world goes hungry. These conditions hurt the farmer worse than other industries, because he could not get one crop out of the way before the harvest time of the next, and his business has been one of continued congestion.

This Congress guaranteed the rates to insure reasonable returns on the money invested in railroads; but now the same Congress is not hurrying to help the farmers, while many able men in the Congress even oppose the passage of this resolution.

Finances have broken down in the sudden contraction of the currency. It is destroying the cotton farmer and threatening to wipe out the entire cattle industry. The interest rates are so high that it kills all legitimate business and breeds speculation. We financed the war, but since the armistice speculation has run wild, and the American people, from the highest to the lowest, plunged into a riot of extravagance the like of which has never been witnessed before in this country.

Men of moderate means are not satisfied with one automobile for the family, but insist on having one for each adult in the family. Liberty bonds and war-savings stamps that were bought during the war were hastily thrown on the market to be spent for some passing pleasure. Workers on small salaries bought the most costly clothing on the instalment plan, and goods that were offered at a reasonable price found no purchasers. The profiteerer reigned from Maine to California, and on farming machinery he was at his best.

One of the troubles with our financial situation is the fact that we have so much of our capital in the hands of speculators. This reign of extravagance created an abnormal desire for unaccustomed luxuries, short hours of work, and as little work as possible to get by, with no care as to what happened to the Nation.

When the public began to get back to common sense and get their feet on the ground, instead of turning to hard work, thrift, and saving, the hue was immediately raised against the farmer as being the profiteerer when, as a matter of fact, he could not profiteer if he wanted to, for the simple reason that he does not and can not fix the prices on his commodities. Whatever profiteering there has been on food has been done since it left the farmer's hands. It would appear that the people of the cities thought that if they could break the prices of farm products, then all their troubles would be over, but I warn you now that such a course leads to more difficulties in the future.

It is my judgment that the revival of the War Finance Corporation will not bring the relief that many of its champions expect. The solution of the marketing difficulty can only be solved when it is solved permanently, and for that purpose I have introduced H. R. 14906, which is as follows:

A bill (H. R. 14906) to establish cattle and farm products banks, in connection with the Federal farm loan banks, and for other purposes.

Be it enacted, etc., That corporations known as joint stock cattle and products banks for carrying on the business of lending on cattle and agricultural products securities and issuing loan certificates of indebtedness may be formed by any number of natural persons not less than five. They shall be authorized to act under license issued by the Federal Farm Loan Board and shall not be authorized to do business until the capital stock to the amount of at least $50,000 has been subscribed and one-half thereof paid in cash, and shall not be permitted to issue certificates of indebtedness until its capital is fully paid.

SEC. 2. That each cattle and products bank organized under this act shall have authority to issue its certificates of indebtedness secured by warehouse receipts or first mortgages on agricultural products or cattle, as the case may be, taken by said bank in conformity with this act.

SEC. 3. That the applications for permission to issue certificates of indebtedness shall be made in writing to the said farm loan board through such agency as the said board shall prescribe, and said banks shall furnish full detailed information relative to the securities offered and such other information as shall be requested by the said board. The approval or rejection of the application for permission to issue certificates of indebtedness shall be in writing, and in all cases of rejection the reason for such action shall be set out and an appeal will lie from the decision of the board to the Secretary of the Treasury upon an adverse ruling.

SEC. 4. That said cattle and products banks shall make no loans upon agricultural products which are not stored in a warehouse licensed under the United States warehouse act and secured by warehouse receipts or first mortgage upon such agricultural products.

SEC. 5. That no loan shall be made upon agricultural products for a longer period than 12 months, and no loan shall be made upon cattle unless the same shall be secured by first morgage upon the cattle offered for security, and for a period of not more than two years.

SEC. 6. That no loans shall exceed 60 per cent of the value of any agricultural products or cattle offered as security for such loan at the time said loan is consummated.

SEC. 7. That said cattle and products banks organized under this act shall in no case demand or receive under any form or pretense, interest, commission, or charges in excess of 2 per cent more than the interest rate provided for the last series of the cattle and products certificates issued by the said banks.

SEC. 8. That the Secretary of the Treasury is directed to deposit with the cattle and products banks situated in the wheat-producing States all the profits that may remain on hand that are paid into the Treasury of the United States by the Grain Corporation, and said deposits shall be made in the same ratio as the amount of the wheat production of said States in 1918 shall bear to the aggregated production of wheat in the United States for said year.

SEC. 9. That the Secretary of the Treasury is hereby directed to deposit with the cattle and products banks, organized under this act for the temporary use of said banks, the sum of $100,000,000 out of any money in the Treasury not otherwise appropriated. All of the sums thus temporarially advanced shall be returned to the Treasury of the United States with interest at the rate being paid by the United States upon its certificates of indebtedness at the time the temporary deposits are made.

SEC. 10. That the provisions of the Federal farm loan act, approved July 17, 1916, relating to joint-stock land banks, except in so far as they are in conflict with this act, shall, so far as applicable, be in effect in the administration of this act.

This system will take care of short-time loans for the farmer after he has harvested his crop and placed it in a licensed warehouse, enabling him to pay his loans contracted in the production of his crop, and the loans can only be made on products placed in the licensed warehouses. Under this bill relief can be granted to the cattle industry, and unless money is made available to enable cattlemen of the great Southwest to hold their stock cattle the beef supply of the United States will soon vanish. The farmer has great faith in mankind, because in the spring of the year he plants his crop without any knowledge as to what prices he will receive at harvest time, and as a result he has been made the victim of the speculators and demagogues, and at last he stands at bay and demands that political platforms be "to stand upon as well as to get in upon."

It is to be hoped that the continuance of the War Finance Corporation will at least give temporary relief to the present situation, and for one, I am willing to vote for any reasonable legislation that will help the farmer in his present distress.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WALSH. Mr. Chairman, I move to strike out the last three words. I am not a financial expert and, of course, am not competent to discuss the technicalities of this proposed legislation; but certain statements have been made by eminent gentlemen on this side of the aisle the effect of which I understood was that while perhaps this legislation would not accomplish very much of good, it certainly could do no harm. I think

that one harmful effect which will follow the passage of this legislation would be that the Congress will hold out to the country the precedent that if a sufficient clamor can be stirred up we will not hesitate to continue in effect measures which were enacted as a part of our war program, and I have not yet heard any reason stated or any argument made which satisfies me as to the duty of the Federal Government to come forward when the exigencies of war have passed and embark upon a legislative program such as this. It is in my opinion very close to that sort of legislation which is condemned with great strength and vigor, namely, class legislation.

We appreciate, of course, that conditions in the country are unsettled, but I fail to see how we can pass a resolution such as this when its most ardent advocates say that it probably may not accomplish the good desired, but that it certainly would do no harm. I believe the time has come for the Government to take its hand out of business of this sort and to let the economic rules once more prevail. I believe that to do this will create an artificial stimulation of prices and stop the ordinary course which is now tending toward a reduction in the cost of commodities to the consumer. During the last campaign the party in majority in this Congress promised to do everything it could to lower the cost of living. We are met with industrial depression in the industrial sections of the country. That depression will not be set aside by legislation such as this, because the goods that are made over yonder across the seas are coming into the market, and we can not start our factories manufacturing goods with the raw materials here for export, because we can not compete with them. Neither can we compete with them in our own markets, and I fear that if we establish this precedent that as time goes on and the new administration comes into power we will be met with demands that will make this sort of legislation seem mild in comparison to the requests for legislation to put the Government either into business or behind business of all sorts in order that conditions may be artificially stimulated.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. STRONG of Kansas. Mr. Chairman, I move that all debate upon this section and all amendments thereto be now closed.

The motion was agreed to.

The CHAIRMAN. The question now is on agreeing to the committee amendment.

Mr. WALSH. Does not the committee amendment first have to be reported?

The CHAIRMAN. It has been reported.

Mr. WALSH. But as I understand it, we are reading the bill by sections.

The CHAIRMAN. The Clerk will again report the committee amendment.

The Clerk read as follows:

Strike out all of section 2.

Mr. BLANTON. Mr. Chairman, I ask to be recognized against the committee amendment.

The CHAIRMAN. The resolution has been read in full and the motion has been made that all debate be closed, and it was agreed to, and the question now is on the committee amendment.

Mr. MADDEN. Why should there be objection to more debate?

The CHAIRMAN. The committee amendment has been read.

Mr. WALSH. Will the Chair advise the committee how, when the resolution is taken up for reading under the five-minute rule, two sections can be read and debated at the same time?

The CHAIRMAN. No one stopped the Clerk and asked for recognition at the conclusion of the reading of the first section, and, therefore, the Clerk proceeded and read the second section with the amendment thereto.

Mr. CAMPBELL of Kansas. That is just exactly what was done.

The CHAIRMAN. The question is on agreeing to the committee amendment.

The question was taken; and on a division (demanded by Mr. HARDY of Texas) there were—ayes 132, noes 20.

So the committee amendment was agreed to.

Mr. GARRETT. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GARRETT. When is the proper time to move to strike out the preamble? After the resolution has gone into the House?

The CHAIRMAN. After the resolution has gone into the House, the Chair believes.

Mr. STRONG of Kansas. Mr. Chairman, I move that the committee do now rise and report the joint resolution with an amendment to the House, with the recommendation that the amendment be agreed to and the joint resolution as amended do pass.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. SNELL, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration Senate joint resolution 212, had directed him to report the same back to the House with an amendment, with the recommendation that the amendment be agreed to and that the joint resolution as amended do pass.

Mr. STRONG of Kansas. Mr. Speaker, I move the previous question on the resolution and amendment.

Mr. GARRETT. I believe that is ordered by the rule. The previous question is ordered by the rule on the resolution, but it is not on the preamble.

The SPEAKER. According to the rule the previous question is ordered on the joint resolution and amendments to final passage.

Mr. GARRETT. But not upon the preamble?

The SPEAKER. No; not upon the preamble.

Mr. MANN of Illinois. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. MANN of Illinois. The previous question having been ordered under the rule, if the House adjourns now would this matter come up on Monday?

The SPEAKER. The Chair thinks so. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

Mr. McFADDEN. Mr. Speaker, I move that the House do now adjourn. I withdraw that.

The SPEAKER. The question is on the third reading of the joint resolution.

The joint resolution was ordered read the third time.

The SPEAKER. The question is on agreeing to the preamble.

The question was taken, and the preamble was not agreed to.

The joint resolution was read the third time.

The SPEAKER. The question is on the passage of the resolution.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The question was taken, and the motion was rejected.

The SPEAKER. The question is on the passage of the resolution.

The question was taken, and the Speaker announced the ayes seemed to have it.

Mr. WINGO. Division, Mr. Speaker.

Mr. MADDEN. Mr. Speaker, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 212, nays 61, answered "present" 1, not voting 157, as follows:

YEAS—212.

Almon	Dominick	Kearns	Oldfield
Anderson	Doremus	Keller	Oliver
Andrews, Nebr.	Doughton	Kelley, Mich.	Overstreet
Ashbrook	Dowell	Kettner	Padgett
Aswell	Drane	Kincheloe	Park
Ayres	Dupré	Kinkaid	Parrish
Bankhead	Eagle	Kleczka	Pou
Barbour	Elliott	Knutson	Purnell
Barkley	Elston	Lampert	Quin
Bee	Esch	Lanham	Rainey, H. T.
Begg	Evans, Nebr.	Lankford	Rainey, J. W.
Black	Evans, Nev.	Larsen	Raker
Bland, Ind.	Fisher	Lazaro	Ramsey
Bland, Mo.	Fordney	Lea, Calif.	Ramseyer
Bland, Va.	Foster	Lee, Ga.	Randall, Calif.
Blanton	French	Linthicum	Randall, Wis.
Boies	Gard	Little	Rayburn
Box	Garner	Luhring	Reavis
Brand	Garrett	McArthur	Reed, W. Va.
Briggs	Goodwin, Ark.	McClintic	Ricketts
Brinson	Green, Iowa	McDuffie	Riddick
Brooks, Ill.	Hardy, Colo.	McKenzie	Robsion, Ky.
Buchanan	Hardy, Tex.	McKeown	Rodenberg
Byrnes, S. C.	Harreld	McLaughlin, Mich.	Rucker
Byrns, Tenn.	Harrison	McLaughlin, Nebr.	Schall
Campbell, Kans.	Hastings	Magee	Scott
Campbell, Pa.	Haugen	Major	Sears
Cantrill	Hayden	Mann, Ill.	Sells
Caraway	Hays	Mann, S. C.	Sherwood
Carss	Hernandez	Mansfield	Sims
Carter	Hickey	Mays	Sinclair
Clark, Mo.	Hoch	Michener	Sinnott
Classon	Hoey	Miller	Sisson
Cleary	Holland	Milligan	Smith, Idaho
Cole	Huddleston	Monahan, Wis.	Smith, Ill.
Collier	Hudspeth	Mondell	Smith, Mich.
Connally	Hulings	Montague	Smithwick
Cramton	Hull, Iowa	Moore, Ohio	Steagall
Crisp	Humphreys	Moore, Va.	Stedman
Davis, Minn.	Jacoway	Mudd	Steenerson
Davis, Tenn.	Johnson, Miss.	Murphy	Stephens, Miss.
Denison	Johnson, Wash.	Nelson, Mo.	Stephens, Ohio
Dickinson, Iowa	Jones, Tex.	O'Connor	Stevenson

Stoll	Thomas	Vinson	Williams
Strong, Kans.	Thompson	Voigt	Wilson, La.
Summers, Wash.	Tillman	Volstead	Wilson, Pa.
Sumners, Tex.	Timberlake	Watkins	Wingo
Sweet	Tincher	Weaver	Woods, Va.
Swindall	Towner	Webster	Woodyard
Swope	Upshaw	Welling	Wright
Taylor, Ark.	Vaile	Whaley	Young, N. Dak.
Taylor, Colo.	Venable	Wheeler	Young, Tex.
Taylor, Tenn.	Vestal	White, Kans.	Zihlman

NAYS—61.

Ackerman	Goodykoontz	Mapes	Strong, Pa.
Burroughs	Gould	Merritt	Tague
Cannon	Greene, Mass.	Minahan, N. J.	Temple
Chindblom	Greene, Vt.	Newton, Minn.	Tilson
Coady	Hicks	Newton, Mo.	Tinkham
Crowther	Houghton	Ogden	Treadway
Dale	Husted	Parker	Walsh
Dallinger	Juul	Peters	Walters
Dempsey	Kraus	Phelan	Ward
Dewalt	Lehlbach	Porter	Wason
Dunn	Luce	Reber	Watson
Eagan	Lufkin	Rogers	Wilson, Ill.
Echols	McFadden	Rose	Winslow
Fess	MacCrate	Sanders, N. Y.	
Glynn	MacGregor	Snell	
Good	Madden	Snyder	

ANSWERED "PRESENT"—1.

Dunbar

NOT VOTING—157.

Andrews, Md.	Ellsworth	Johnson, S. Dak.	Osborne
Anthony	Emerson	Johnston, N. Y.	Paige
Babka	Evans, Mont.	Jones, Pa.	Patterson
Bacharach	Fairfield	Kahn	Pell
Baer	Ferris	Kelly, Pa.	Perlman
Bell	Fields	Kendall	Radcliffe
Benham	Fish	Kennedy, Iowa	Rainey, Ala.
Benson	Flood	Kennedy, R. I.	Ransley
Blackmon	Focht	Kiess	Reed, N. Y.
Booher	Frear	King	Rhodes
Bowers	Freeman	Kitchin	Riordan
Britten	Fuller, Ill.	Kreider	Robinson, N. C.
Brooks, Pa.	Fuller, Mass.	Langley	Romjue
Browne	Gallagher	Layton	Rouse
Brumbaugh	Gallivan	Lesher	Rowan
Burdick	Gandy	Lonergan	Rowe
Burke	Ganly	Longworth	Rubey
Butler	Godwin, N. C.	McAndrews	Sabath
Caldwell	Goldfogle	McCulloch	Sanders, Ind.
Candler	Goodall	McGlennon	Sanders, La.
Carew	Graham, Ill.	McKinley	Sanford
Casey	Graham, Pa.	McKinley	Scully
Christopherson	Griest	McLane	Shreve
Clark, Fla.	Griffin	McLeod	Siegel
Cooper	Hadley	McPherson	Slemp
Copley	Hamill	Maher	Small
Costello	Hamilton	Martin	Smith, N. Y.
Crago	Hawley	Mason	Steele
Cullen	Hersey	Mead	Stiness
Currie, Mich.	Hersman	Moon	Sullivan
Curry, Calif.	Hill	Mooney	Vare
Darrow	Howard	Moores, Ind.	Volk
Davey	Hull, Tenn.	Morin	Welty
Dent	Hutchinson	Mott	White, Me.
Dickinson, Mo.	Igoe	Neely	Wise
Donovan	Ireland	Nelson, Wis.	Wood, Ind.
Dooling	James, Mich.	Nicholls	Yates
Drewry	James, Va.	Nolan	
Dyer	Jefferis	O'Connell	
Edmonds	Johnson, Ky.	Olney	

So the joint resolution was passed.

The Clerk announced the following pairs:

On the vote:

Mr. BELL (for) with Mr. DUNBAR (against).

Mr. FLOOD (for) with Mr. ROWE (against).

Mr. LAYTON (for) with Mr. BACHARACH (against).

Until further notice:

Mr. BOWERS with Mr. NEELY.

Mr. KAHN with Mr. DENT.

Mr. BUTLER with Mr. STEELE.

Mr. RHODES with Mr. DICKINSON of Missouri.

Mr. FAIRFIELD with Mr. BOOHER.

Mr. ANTHONY with Mr. FERRIS.

Mr. JAMES of Michigan with Mr. CAREW.

Mr. LONGWORTH with Mr. KITCHIN.

Mr. DARROW with Mr. O'CONNELL.

Mr. BROWNE with Mr. HOWARD.

Mr. GRAHAM of Pennsylvania with Mr. IGOE.

Mr. DYER with Mr. SMALL.

Mr. SIEGEL with Mr. DONOVAN.

Mr. FISH with Mr. PELL.

Mr. LANGLEY with Mr. CLARK of Florida.

Mr. HILL with Mr. RIORDAN.

Mr. FREAR with Mr. BABKA.

Mr. BROOKS of Pennsylvania with Mr. CASEY.

Mr. JOHNSON of South Dakota with Mr. JOHNSTON of New York.

Mr. HUTCHINSON with Mr. CANDLER.

Mr. BURDICK with Mr. MAHER.

Mr. STINESS with Mr. CULLEN.

Mr. KREIDER with Mr. DOOLING.

Mr. MASON with Mr. OLNEY.

Mr. RANSLEY with Mr. GALLAGHER.

Mr. EDMONDS with Mr. RUBEY.

Mr. MCLEOD with Mr. GRIFFIN.

Mr. OSBORNE with Mr. MOON.

Mr. SLEMP with Mr. HULL of Tennessee.

Mr. BURKE with Mr. GODWIN of North Carolina.

Mr. KING with Mr. MCGLENNON.

Mr. MOTT with Mr. FIELDS.

Mr. CHRISTOPHERSON with Mr. LESHER.

Mr. FOCHT with Mr. MARTIN.

Mr. PERLMAN with Mr. ROWAN.

Mr. MORIN with Mr. BENHAM.

Mr. CURRIE of Michigan with Mr. JAMES of Virginia.

Mr. ELLSWORTH with Mr. SCULLY.

Mr. KIESS with Mr. MCLANE.

Mr. GRIEST with Mr. BENSON.

Mr. HADLEY with Mr. GANDY.

Mr. YATES with Mr. DREWRY.

Mr. HERSEY with Mr. MEAD.

Mr. WOOD of Indiana with Mr. HAMILL.

Mr. VARE with Mr. DAVEY.

Mr. IRELAND with Mr. MOONEY.

Mr. SHREVE with Mr. HERSMAN.

Mr. NOLAN with Mr. SANDERS of Louisiana.

Mr. REED of New York with Mr. GOLDFOGLE.

Mr. KENDALL with Mr. BLACKMON.

Mr. JEFFERIS with Mr. CALDWELL.

Mr. MOORES of Indiana with Mr. EVANS of Montana.

Mr. GRAHAM of Illinois with Mr. GALLIVAN.

Mr. KENNEDY of Rhode Island with Mr. GANLY.

Mr. FULLER of Illinois with Mr. NICHOLLS.

Mr. SANFORD with Mr. RAINEY of Alabama.

Mr. VOLK with Mr. SMITH of New York.

Mr. SANDERS of Indiana with Mr. WISE.

Mr. PAIGE with Mr. MCKINLEY.

Mr. JONES of Pennsylvania with Mr. SULLIVAN.

Mr. WHITE of Maine with Mr. SABATH.

Mr. MCPHERSON with Mr. MCANDREWS.

Mr. PATTERSON with Mr. ROMJUE.

Mr. NELSON of Wisconsin with Mr. ROBINSON of North Carolina.

Mr. RADCLIFFE with Mr. LONERGAN.

Mr. KELLY of Pennsylvania with Mr. JOHNSON of Kentucky.

Mr. HAWLEY. Mr. Speaker, I was standing just within the cloakroom door listening to the Clerk, but somebody distracted my attention, and I did not hear my name called when it was reached. Do I bring myself within the rule?

The SPEAKER. Was the gentleman present when his name was called?

Mr. HAWLEY. I was not exactly in the Hall. I was in the cloakroom listening. Some one distracted my attention and I did not hear my name called. I do not suppose I bring myself within the rule. I would like to have voted "yea."

Mr. CURRY of California. Mr. Speaker, I was the one that distracted the attention of the gentleman from Oregon [Mr. HAWLEY]. We both wanted to vote, but I do not suppose we will be permitted to do so. I would vote "yea" if I could.

The result of the vote was announced as above recorded.

On motion of Mr. STRONG of Kansas, a motion to reconsider the vote by which the joint resolution was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. BRIGGS, Mr. ALMON, Mr. PHELAN, Mr. BYRNES of South Carolina, Mr. SCHALL, Mr. KNUTSON, Mr. SMITH of Idaho, and Mr. PARRISH, by unanimous consent, were granted leave to extend their remarks in the RECORD on Senate joint resolution No. 212.

LEAVE OF ABSENCE.

By unanimous consent leaves of absence were granted as follows:

To Mr. VARE, indefinitely, on account of illness in family.

To Mr. HICKS, for Monday, on account of important business.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 1302. An act for the relief of John H. Rheinlander; to the Committee on Claims.

S. 3031. An act to appropriate $1,189.35 for the relief of Southern Iron & Metal Co., Jacksonville, Fla., for salvage material consisting of submarine cable purchased from the War Department; to the Committee on War Claims.

ADJOURNMENT.

Mr. McFADDEN. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 15 minutes p. m.) the House adjourned until Monday, December 20, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

244. A letter from the chairman of the Federal Trade Commission, transmitting report of average number of employees receiving increased compensation; to the Committee on Appropriations.

245. A letter from the Secretary of the Navy, transmitting requested item of appropriation to reimburse Maj. Gen. Littleton W. T. Waller; to the Committee on Claims.

246. A letter from the Secretary of the Navy, transmitting recommendation for the repeal of section 1481 of the Revised Statutes in connection with the retirement of certain Navy officers; to the Committee on Naval Affairs.

247. A letter from the Secretary of the Navy, transmitting requested legislation in connection with retainer pay of members of the Naval Reserve Force; to the Committee on Naval Affairs.

248. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation to cover coal required by the National Museum, fiscal year 1921 (H. Doc. No. 932); to the Committee on Appropriations and ordered to be printed.

249. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation to cover expenses of the Interstate Commerce Commission, fiscal year 1921 (H. Doc. No. 933); to the Committee on Appropriations and ordered to be printed.

250. A letter from the Secretary of the Treasury, transmitting, from the Secretary of War, supplemental estimate of appropriation for the operation and maintenance of an electric pump for the memorial fountain recently installed in Dupont Circle, fiscal year 1922 (H. Doc. No. 934); to the Committee on Appropriations and ordered to be printed.

251. A letter from the Secretary of the Treasury, transmitting report of the director of savings division, Treasury Department, showing the number of publications issued by that division during the fiscal year 1920; to the Committee on Printing.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. FORDNEY, from the Committee on Ways and Means, to which was referred the joint resolution (H. J. Res. 415) extending the time for the payment of taxes under the act of February 24, 1919, reported the same with amendments, accompanied by a report (No. 1132), which said joint resolution and report were referred to the Committee of the Whole House on the state of the Union.

Mr. SNYDER, from the Committee on Indian Affairs, submitted a report (No. 1133) on Indians of the United States, field investigation, which said report was ordered printed and to lie on the table.

He also, from the same committee, to which was referred the bill (H. R. 15190) authorizing the Secretary of the Interior to issue patent to school district No. 9, Glacier County, Mont., for block 35, Browning town site, Blackfeet Indian Reservation, for school purposes, reported the same without amendment, accompanied by a report (No. 1135), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. ELLIOTT, from the Committee on Public Buildings and Grounds, to which was referred the bill (H. R. 14660) for the public sale of post-office site on the west side of South Main Street, in the city of Bethlehem, Pa., reported the same with an amendment, accompanied by a report (No. 1136), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. LANGLEY, from the Committee on Public Buildings and Grounds, to which was referred the joint resolution (H. J. Res. 411) authorizing the Secretary of the Treasury to enter into an agreement to lease or to execute lease for hospitals acquired or to be constructed by the State of New York or other States of the United States of America, for the care and treatment of beneficiaries of the Bureau of War Risk Insurance, reported the same with an amendment, accompanied by a report (No. 1137), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14778) granting a pension to Andrew J. Shepherd; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 15076) granting a pension to Elizabeth Kuhns; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. BLACK: A bill (H. R. 15217) for the apportionment of Representatives in Congress among the several States, under the fourteenth census; to the Committee on the Census.

By Mr. TAYLOR of Colorado: A bill (H. R. 15218) to add certain lands to the Durango National Forest, in the State of Colorado; to the Committee on the Public Lands.

By Mr. SINNOTT: A bill (H. R. 15219) to authorize the Commissioner of the General Land Office to dispose of certain trust funds in his possession; to the Committee on the Public Lands.

By Mr. VOIGT: A bill (H. R. 15220) providing for the extension and enlargement of the post-office building at Sheboygan, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. CLASSON: A bill (H. R. 15221) providing for the extension and enlargement of the post-office building at Appleton, Wis.; to the Committee on Public Buildings and Grounds.

By Mr. SMITH of Idaho: A bill (H. R. 15222) to amend the act of May 22, 1920, providing for the retirement of employees in the classified service, and for other purposes; to the Committee on Reform in the Civil Service.

By Mr. JOHNSON of Washington: A bill (H. R. 15223) providing for the investigation and sale of timber on the Fort Columbia Military Reservation, in the State of Washington; to the Committee on Military Affairs.

By Mr. ROSE: A bill (H. R. 15224) authorizing the Secretary of War to donate to the city of Tyrone, Pa., two German cannon, fieldpieces, or other war trophies; to the Committee on Military Affairs.

By Mr. LEHLBACH: A bill (H. R. 15225) to provide for the classification of civilian positions within the District of Columbia and in the field services; to the Committee on Reform in the Civil Service.

By Mr. ZIHLMAN: A bill (H. R. 15226) providing for the election of delegates to the House of Representatives from the District of Columbia, Commissioners of the District of Columbia, a Public Utilities Commission, a Board of Education, and for other purposes; to the Committee on the District of Columbia.

By Mr. UPSHAW: A bill (H. R. 15227) to protect American citizens by preventing aliens from voting in the management of labor unions, industrial organizations, and for other purposes; to the Committee on the Judiciary.

By Mr. TINKHAM: A bill (H. R. 15228) providing for the placing of Government employees engaged in the enforcement of national prohibition under the civil service; to the Committee on Reform in the Civil Service.

By Mr. SHERWOOD: A bill (H. R. 15229) authorizing the Secretary of War to donate to the town of Oak Harbor, Ohio, one German cannon or fieldpiece; to the Committee on Military Affairs.

Also, a bill (H. R. 15230) authorizing the Secretary of War to donate to the town of Elmore, Ohio, one German cannon or fieldpiece; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15231) granting an increase of pension to Matilda Smith; to the Committee on Invalid Pensions.

By Mr. BROOKS of Illinois: A bill (H. R. 15232) granting a pension to Callie Wofford; to the Committee on Invalid Pensions.

By Mr. DAVEY: A bill (H. R. 15233) granting a pension to Albert A. Marshall; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15234) granting a pension to Leonora E. Wright; to the Committee on Pensions.

Also, a bill (H. R. 15235) for the relief of Noah Huckins; to the Committee on Military Affairs.

By Mr. DRANE: A bill (H. R. 15236) granting an increase of pension to Ellen C. Giddens; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 15237) granting a pension to Nancy J. Mays; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15238) granting a pension to Lida Kibbe; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15239) granting an increase of pension to Louisa Helton; to the Committee on Invalid Pensions.

By Mr. FOSTER: A bill (H. R. 15240) granting a pension to Goldie D. Moore; to the Committee on Pensions.

Also, a bill (H. R. 15241) granting a pension to Mary Jane Howell; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 15242) granting an increase of pension to Mary Butler; to the Committee on Invalid Pensions.

By Mr. HAYS: A bill (H. R. 15243) granting an increase of pension to Peter N. Troutman; to the Committee on Pensions.

Also, a bill (H. R. 15244) granting a pension to Jesse A. Smith; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15245) granting an increase of pension to Mary E. Emery; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 15246) to change the retired status of Chief Pay Clerk R. E. Ames, United States Navy, retired; to the Committee on Naval Affairs.

By Mr. KELLEY of Michigan: A bill (H. R. 15247) granting an increase of pension to Emma C. Rogers; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 15248) granting an increase of pension to Mary McEvoy; to the Committee on Pensions.

By Mr. MAJOR: A bill (H. R. 15249) granting a pension to W. H. Hoback; to the Committee on Pensions.

By Mr. MANN of Illinois: A bill (H. R. 15250) granting an increase of pension to Henry N. Couden; to the Committee on Invalid Pensions.

By Mr. MEAD: A bill (H. R. 15251) granting a pension to Katherine Timlin; to the Committee on Pensions.

Also, a bill (H. R. 15252) granting a pension to Bridget Snody; to the Committee on Pensions.

Also, a bill (H. R. 15253) granting a pension to William J. Hines; to the Committee on Pensions.

Also, a bill (H. R. 15254) granting a pension to Mary L. Rupert; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15255) granting a pension to Jane N. Ashley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15256) granting a pension to Marion F. Forse; to the Committee on Pensions.

Also, a bill (H. R. 15257) granting a pension to Menora Sweetland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15258) granting an increase of pension to George Plewacki; to the Committee on Pensions.

By Mr. PURNELL: A bill (H. R. 15259) granting an increase of pension to Lucinda Welch; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15260) granting a pension to Mary A. Rodman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15261) for the relief of Frederick Sparks; to the Committee on Military Affairs.

By Mr. REAVIS: A bill (H. R. 15262) granting a pension to Alice Haskins; to the Committee on Invalid Pensions.

By Mr. RIDDICK: A bill (H. R. 15263) for the relief of George Emerson; to the Committee on Claims.

By Mr. SELLS: A bill (H. R. 15264) granting a pension to Mary Crawford; to the Committee on Pensions.

By Mr. SLEMP: A bill (H. R. 15265) authorizing the President to appoint James G. C. Salyers to the position and rank of captain of Coast Artillery Corps in the United States Army; to the Committee on Military Affairs.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15266) granting a pension to William Loy; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15267) granting a pension to Stella Johnson; to the Committee on Pensions.

Also, a bill (H. R. 15268) granting an increase of pension to William Allen; to the Committee on Invalid Pensions.

By Mr. TREADWAY: A bill (H. R. 15269) authorizing the President to reinstate William Lloyd Wright as a lieutenant commander in the United States Navy; to the Committee on Naval Affairs.

By Mr. WILSON of Pennsylvania: A bill (H. R. 15270) for the relief of John R. Campbell; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4600. By Mr. DYER: Petition of the John F. Scobee Lumber Co., favoring revision of the income-tax laws; to the Committee on Ways and Means.

4601. Also, petition of the Cole County (Mo.) League of Women Voters, favoring the Sheppard-Towner bill to aid maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4602. Also, petition of the Travelers' Protective Association of America, of St. Louis, Mo., favoring legislation making the immigration laws more stringent; to the Committee on Immigration and Naturalization.

4603. Also, petition of the Travelers' Protective Association of America, urging amendment of the income-tax laws; to the Committee on Ways and Means.

4604. Also, petition of the Travelers' Protective Association of America, urging improvement of harbors and inland waterways; to the Committee on Interstate and Foreign Commerce.

4605. Also, petition of the St. Louis Assembly, Knights of Columbus, favoring Sherwood resolution for investigation of conditions in Ireland; to the Committee on Foreign Affairs.

4606. Also, petition of the Traffic Motor Truck Corporation favoring Patent Office relief legislation; to the Committee on Patents.

4607. Also, petition of H. Gatzerl, favoring the Smith-Towner bill; to the Committee on Education.

4608. Also, petition of the Velie Automobile Co., of St. Louis, Mo., favoring increased appropriation for the Bureau of Foreign and Domestic Commerce; to the Committee on Appropriations.

4609. Also, petition of Emil E. Brill, jr., of St. Louis, Mo., favoring enactment of the Smith-Towner bill; to the Committee on Education.

4610. Also, petition of the Engineers Club of St. Louis, Texas section, opposing the passage of the Smith bill (H. R. 12466); to the Committee on the Public Lands.

4611. By Mr. ESCH: Petition of the First Baptist Church of Madison, Wis., favoring the continuation of the Volstead Act and opposing the plan recommended by the Federal grand jury of the eastern Wisconsin district; to the Committee on the Judiciary.

4612. By Mr. FULLER of Illinois: Petition of the Haddorff Piano Co., of Rockford, Ill., favoring the Nolan Patent Office bill (H. R. 11984); to the Committee on Patents.

4613. Also, petition of the Mendelssohn Club, of Rockford, Ill., and the Rockford Chapter, Daughters of the American Revolution, favoring the Sheppard-Towner maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4614. Also, petition of Capt. William H. Maxwell, Fitzsimons Chapter, Fitzsimons Hospital, Denver, Colo., favoring bill for the retirement of disabled emergency officers of the Army; to the Committee on Military Affairs.

4615. By Mr. MOON: Papers to accompany bill (H. R. 14928) for the relief of the heirs of Robert E. L. Rogers; to the Committee on War Claims.

4616. By Mr. O'CONNELL: Petition of the Chamber of Commerce of the State of New York and The Bronx Board of Trade, of New York, favoring daylight-saving law in the eastern-time zone; to the Committee on Interstate and Foreign Commerce.

4617. By Mr. RANDALL of Wisconsin: Resolution of the Chamber of Commerce of Beloit, Wis., requesting the repeal of the excess-profits tax law and the passage of an internal-revenue law providing for a sales tax; to the Committee on Ways and Means.

4618. By Mr. ROWAN: Petition of The Bronx Board of Trade and Cushman & Denison Manufacturing Co., favoring daylight-saving law in the eastern-time zone; to the Committee on Interstate and Foreign Commerce.

4619. By Mr. SINCLAIR: Petition of the Tuesday Improvement Club, of Garrison, N. Dak., urging the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4620. Also, petition of the Tuesday Improvement Club, of Garrison, N. Dak., opposing legislation permitting private interests to use the waters of our national parks; to the Select Committee on Water Power.

4621. By Mr. TAGUE: Petition of the Kistler Leather Co., of Boston, Mass., favoring the passage of House bill 7204, regarding the development of trade in China; to the Committee on Foreign Affairs.

4622. Also, petition of Mr. H. C. Doggett, civil engineer, of Boston, Mass., and Mr. Allan V. Garrett, of Boston, Mass., regarding the measuring of the flow of streams and the development of water power; to the Select Committee on Water Power.

4623. By Mr. TAYLOR of Colorado: Petition of citizens of Leadville, Colo., and vicinity, urging extension of time in which to perform mining assessment work for this year until July 1, 1921; to the Committee on Mines and Mining.

4624. By Mr. TAYLOR of Colorado: Petition of the board of county commissioners of Routt County, Colo., urging the passage of Senate bill 3982; to the Committee on Roads.

4625. Also, petition of the Society of the Sons of the Revolution, of Colorado, regarding immigration to the United States; to the Committee on Immigration and Naturalization.

4626. Also, petition of sheep and wool growers of Montezuma County, Colo., urging import tariff duty on mutton and wool; to the Committee on Ways and Means.

4627. Also, petition of the Uncompahgre Valley Cattle and Horse Growers' Association, of Montrose, Colo., protesting against the passage of the proposed increase in grazing fees in national forests; to the Committee on Agriculture.

4628. By Mr. YATES: Petition of J. D. Hollingshead Co., Chicago, Ill., urging the passage of 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4629. Also, petition of the Marshall Field & Co., of Chicago, Ill., by W. H. Mann, general manager, urging that the great need of Alaska is the development of a constructive policy by our Government to make possible the utilization of her rich natural resources in creating local industries and developing a permanent population of home builders; to the Committee on the Territories.

4630. Also, the following petitions protesting against the Smith bill (H. R. 12466) and amending the Federal water power act: George R. Roberts, Chicago; Anna Jaderholm, Chicago; Miss Jessie R. Knowles, Chicago; and the River Forest Women's Club, of River Forest, all of the State of Illinois; to the Select Committee on Water Power.

SENATE.

MONDAY, *December 20, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we come to Thee after the sacred and hallowed influences of the Sabbath day as we begin our new week of work. We thank Thee that Thou didst give to us in Thy divine providence a day that is hallowed by such sacred memories, and that brings us back, week by week, to the old associations and the blessed influences of child life. We thank Thee for the emphasis that Thou dost put upon the ministry of the Sabbath Day by continuing it as a holy institution through the years, giving to us an opportunity to worship God and to serve our fellow men. We pray that we may bring to the service of this day the influences of the Sabbath, and that we may remember if we are to be right toward our fellow man we must first be right toward God. Grant us the holy influence of Thy presence as we address ourselves to the tasks of a new day. For Christ's sake. Amen.

The reading clerk proceeded to read the Journal of the proceedings of the legislative day of Thursday, January 16, 1920, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

PUBLICATIONS OF THE DEPARTMENT OF AGRICULTURE.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of Agriculture, transmitting, pursuant to law, a statement showing the number of publications issued by the Department of Agriculture during the fiscal year ended June 30, 1920, which was referred to the Committee on Printing.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Idaho, certifying to the election of Frank R. Gooding as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

STATE OF IDAHO,
Department of State.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, FRANK R. GOODING was duly chosen by the qualified electors of the State of Idaho a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, D. W. Davis, and our seal hereto affixed at Boise City, the capital of Idaho, this 3d day of December, in the year of our Lord 1920.

[SEAL.] D. W. DAVIS, *Governor.*

By the governor:
Attest:

ROBERT O. JONES,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Iowa, certifying to the election of ALBERT B. CUMMINS as a Senator from that State for the term of six years beginning March 4, 1921, which was read and ordered to be filed as follows:

STATE OF IOWA.
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, ALBERT B. CUMMINS was duly chosen by the qualified electors of the State of Iowa a Senator from said State, to represent said State in the Senate of the United States for a term of six years, beginning on the 4th day of March, 1921.

In testimony whereof, I have hereunto set my hand and caused to be affixed the great seal of the State of Iowa.

Done at Des Moines, Iowa, this 16th day of December, 1920.

[SEAL.] W. T. HARDING, *Governor.*

By the governor:

W. C. RAMSAY,
Secretary of State.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Kansas, certifying to the election of CHARLES CURTIS as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

CERTIFICATE OF ELECTION.

STATE OF KANSAS,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, CHARLES CURTIS was duly chosen by the qualified electors of the State of Kansas a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness his excellency our governor, Henry J. Allen, and our seal hereto affixed at Topeka, Kans., this 13th day of December, in the year of our Lord 1920.

[SEAL.] HENRY J. ALLEN, *Governor.*

By the governor:

L. J. PETTIJOHN,
Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed, with amendments, the joint resolution (S. J. Res. 212), directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, in which it requested the concurrence of the Senate.

The message also announced that the House had passed a bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, in which it requested the concurrence of the Senate.

The message further announced that the House disagrees to the amendments of the Senate to the bill (H. R. 13931) to authorize association of producers of agricultural products, agrees to the conference asked for by the Senate on the disagreeing votes of the two Houses thereon, and had appointed Mr. VOLSTEAD, Mr. GRAHAM of Pennsylvania, and Mr. SUMNERS of Texas, managers at the conference on the part of the House.

The message also announced that the House had passed the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921.

ENROLLED BILL SIGNED.

The message further announced that the Speaker of the House had signed the enrolled bill (S. 4526) to amend section 501 of the transportation act, 1920, and it was thereupon signed by the Vice President.

PETITIONS AND MEMORIALS.

Mr. WARREN. Mr. President, the extreme condition, in fact, the crushing condition of the market, or almost no market for wool, sheep, beef, and mutton brings me a great many petitions in the form of telegrams and otherwise. I have in my hands 15 or 20 of the briefest, which I am going to ask to have noted in the RECORD, but not extended. I wish to quote a few words from one or two for the RECORD, as they will show the nature of the others. They not only come from Wyoming, but from other States as well. Here is one from one of the largest farmers' feeding associations in the country, located in Colorado, which says:

The Sheep Feeders' Association of Northern Colorado, representing the owners of nearly 2,000,000 head of sheep being fed for market in northern Colorado, urge that everything be done that possibly can be

done to place an immediate embargo upon meats, wool, and grain now flooding our markets and threatening ruin to the farmers and stock men of this section. The situation is most acute. Many of our most substantial citizens face immediate ruin unless some immediate action is taken in their behalf.

They ask an answer to the association, and the officers of this association have signed the telegram.

Some of these petitions come from bankers as well as growers and feeders. Here is one from an individual grower of wool. I read a few words from it. He says:

A year ago I owned what I considered an equity of $50,000 in a bunch of sheep. To-day with wool unsold, following the condition of last winter, and now the terrible depreciation, I have practically no equity at all in the same number of sheep; and if this is followed up by another year with conditions like the past, the business will be at an end and entirely closed out.

I ask that all these petitions be referred to the Committee on Finance.

The petitions were referred to the Committee on Finance, as follows:

A petition of Ira B. Casteel, vice president Stock Yards National Bank, of Denver, Colo., favoring an embargo against importation of meats, wool, and wool products;

A petition of W. A. Wolford, H. A. Anderson, and Charles L. Vyvey, of Encampment, Wyo., praying for the enactment of legislation to prevent the importation of farm and live-stock products;

A petition of Hunter, Casteel & Hunter Co., of Encampment, Wyo., praying for the enactment of legislation for the protection of the live-stock business;

A petition of James E. Stewart, secretary Tri-State Wool Growers' Association of Bellefourche, S. Dak., praying for the enactment of legislation placing an embargo on wool;

A petition of Charles Terwilliger, of Encampment, Wyo., praying for the enactment of legislation placing a temporary embargo on farm and live-stock products and later enactment of a protective tariff thereon;

A petition of Charles H. Sanger, of Encampment, Wyo., praying for the enactment of legislation placing an embargo on farm and live-stock products;

A petition of the Stockgrowers' State Bank, Saratoga, Wyo., praying for the enactment of legislation placing an embargo on wool and live-stock products;

A petition of W. M. Toothaker, of Encampment, Wyo., praying for the enactment of legislation for the protection of farming and live-stock industries;

A petition of W. T. Peryam & Sons, of Encampment, Wyo., praying for the enactment of legislation restoring a tariff on grain, meat (live or dead), hides, wool, and rags;

A petition of the Saratoga Valley Stockgrowers' Association, of Saratoga, Wyo., praying for the enactment of embargo legislation; and

A petition of C. A. Cook, of Encampment, Wyo., praying for the enactment of legislation placing an embargo on the importation of live stock.

Mr. WARREN presented a memorial adopted by the Chamber of Commerce, of Basin, Wyo., remonstrating against the enactment of legislation commercializing national parks for power plants and other purposes, which was referred to the Committee on Commerce.

Mr. CURTIS presented petitions of sundry citizens of the State of Kansas; the Chamber of Commerce of Topeka, Kans.; and the Chamber of Commerce of Manhattan, Kans., praying for the enactment of legislation increasing the salaries of postal clerks, which were referred to the Committee on Post Offices and Post Roads.

He also presented a memorial of the Friends of Ireland of Topeka, Kans., remonstrating against the application of force by the British Government directly against the Irish people, which was referred to the Committee on Foreign Relations.

He also presented a petition of the board of directors of the Topeka Board of Trade, favoring the Federal law prohibiting the sale of grain for future delivery unless the individual has in his possession the actual amount of grain to be sold, which was referred to the Committee on Agriculture and Forestry.

He also presented a petition of the Wichita Board of Commerce, of Wichita, Kans., favoring the budget system, which was referred to the Committee on Finance.

He also presented a petition of members of Parsons, Kans., Local No. 576, N. F. P. O. C., favoring a law that will exempt all postal clerks from examination after they have served a term of 20 years, which was referred to the Committee on Post Offices and Post Roads.

He also presented memorials of the Topeka Typothetæ, of Topeka, Kans., remonstrating against the enactment of legislation imposing a tax on all advertising in newspapers and periodicals, which were referred to the Committee on Finance.

He also presented a petition of sundry farmers of Cowley County, Kans., praying for the enactment of legislation extending credits at reasonable rates to farmers, which was referred to the Committee on Agriculture and Forestry.

He also presented petitions of disabled volunteer soldiers of the United States; a petition by members of the National Military Home for Disabled Soldiers (Volunteers), of Leavenworth, Kans.; and a petition of James W. Hamilton, Leavenworth County, Kans., praying for the enactment of legislation for "outdoor reliefs," which were referred to the Committee on Pensions.

Mr. KENDRICK presented a memorial of the Chamber of Commerce of Basin, Wyo., remonstrating against the enactment of legislation commercializing national parks for power plants and other purposes, which was referred to the Committee on Commerce.

Mr. CAPPER presented a petition of the Kansas City branch of Railway Mail Association, of Kansas City, Mo., praying for the enactment of legislation increasing the salaries of postal clerks, which was referred to the Committee on Post Offices and Post Roads.

Mr. NELSON. Mr. President, I received the following brief telegram in the form of a petition, which I will read:

For Heaven's sake wake up the Senate and place embargo on all farm products from all foreign countries before the country goes to smash. Ruin faces every farmer as well as business man in the United States.

It is signed by hundreds of farmers.

The VICE PRESIDENT. The petition will be referred to the Committee on Finance.

Mr. NELSON presented a petition of Chippewa Indians, Leech Lake Agency, of the State of Minnesota, praying for the enactment of legislation to amend the act of January 14, 1889, to permit those Indians to hunt and fish upon the lands ceded by that act, which was referred to the Committee on Indian Affairs.

Mr. JONES of Washington presented memorials of the City Council of Camas, Wash., and the John R. Thompson Camp, No. 1, United Spanish War Veterans, Department of Washington and Alaska, remonstrating against the immigration of undesirable aliens, which were referred to the Committee on Immigration.

Mr. FERNALD presented a petition of sundry citizens of the State of Maine, praying for the enactment of legislation increasing the salaries of postal clerks, which was referred to the Committee on Post Offices and Post Roads.

Mr. POINDEXTER presented a telegram from the Associated Banks of Walla Walla, Wash., favoring an embargo upon wool, which was referred to the Committee on Finance.

PUBLIC SCHOOLS IN THE DISTRICT OF COLUMBIA.

Mr. WALSH of Massachusetts. Mr. President, the special committee of the Senate which investigated the school system of the District of Columbia during the last session, in its report recommended an expert survey of the District schools. Having this recommendation in mind, a group of public-spirited women, about 250 in number, representing the mothers and parent-teachers' association, voluntarily and at a great sacrifice of time and energy undertook a personal survey of the physical condition of all the schools in the District.

These women having first prepared a plan of action and a questionnaire, which was submitted to the superintendent of schools, the board of education, and the supervising principals, and unanimously approved by them, personally visited the schools, made a very complete survey, and, without expense to the Government or the District of Columbia, prepared a report which very fully and exhaustively sets forth the average number of pupils in each schoolroom in the District, the physical condition of the classrooms, basement, lavatories, and the play stations, together with the conditions as to light, heat, and drinking-water facilities.

I accordingly offer this valuable report and ask to have it referred to the Committee on the District of Columbia, with the suggestion that it be printed as a public document. I ask that careful consideration be given to its recommendations by that committee.

The VICE PRESIDENT. The report will be referred to the Committee on the District of Columbia.

SULPHUR RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably with amendments the bill (S. 4588) granting the consent of Congress to the counties of Bowie and Cass, State of Texas, for construction of a bridge across Sulphur River at or near Pettis Bridge on State Highway No. 8, in said counties and State, and I submit a report (No. 671) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 1, line 8, to strike out the word "Douglasville" and in lieu thereof insert the word "Douglassville," and on page 1, at the end of line 9, to insert the word "of," so as to make the bill read:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Bowie and Cass, State of Texas, to construct, maintain, and operate a bridge and approaches thereto across the Sulphur River at a point suitable to the interests of navigation at or near the location of Pettis Bridge on Texas State Highway No. 8, as located between Douglassville, in Cass County, and the town of Maud, in Bowie County, State of Texas, in accordance with the provisions of the act entitled, "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WITHLACOOCHEE RIVER BRIDGE, GEORGIA.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4587) granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge over the Withlacoochee River, and submit a report (No. 670) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the consent of Congress is hereby granted to the counties of Brooks and Lowndes, in the State of Georgia, and their successors and assigns, to construct or rebuild, maintain, and operate a bridge and approaches thereto across the Withlacoochee River at a point suitable to the interests of navigation at or near Ousley, Ga., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

SUSQUEHANNA RIVER BRIDGE, PA.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably with an amendment the bill (S. 4541) to extend the time for the construction of a bridge across the Susquehanna River at Harrisburg, Pa., and I submit a report (No. 672) thereon. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendment was, on page 1, line 13, after the word "from," to strike out "October 19, 1919, the date of the expiration of the time limit for commencing the work," and to insert "the date of approval of this act," so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the reconstruction of a bridge authorized by act of Congress approved October 19, 1918, to be reconstructed by the Philadelphia, Harrisburg & Pittsburgh Railroad Co., its lessees, successors, and assigns, across the Susquehanna River at or about 4,250 feet west of Philadelphia, Harrisburg & Pittsburgh Junction, Harrisburg, Pa., to a point in the borough of Lemoyne, Cumberland County, State of Pennsylvania, in accordance with act of Congress approved March 23, 1906, are hereby extended one and three years, respectively, from the date of approval of this act.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendment was concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ALABAMA RIVER BRIDGE.

Mr. SHEPPARD. From the Committee on Commerce I report back favorably without amendment the bill (S. 4519) to authorize the Louisville & Nashville Railroad, its successors and assigns, to construct and maintain a bridge across the Alabama River at or near a point approximately 4 miles from the city of Montgomery, Ala., and I submit a report (No. 669) thereon. I ask for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the Louisville & Nashville Railroad, its successors and assigns, be, and they are hereby, authorized to construct, maintain, and operate a bridge and approaches thereto across the Alabama River at a point suitable to the interests of navigation, one end of said bridge to be in the county of Montgomery, Ala., and the other in the county of Elmore, Ala., at or near a point approximately 4 miles from the city of Montgomery, Ala., in accordance with the provisions of the act entitled "An act to regulate the construction of bridges over navigable waters," approved March 23, 1906.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. HENDERSON:

A bill (S. 4678) to amend section 2324 of the Revised Statutes; to the Committee on Mines and Mining.

By Mr. JONES of Washington:

A bill (S. 4679) for the relief of Albert C. West; to the Committee on Military Affairs.

By Mr. WALSH of Massachusetts:

A bill (S. 4680) granting a pension to Emily W. Marsh (with accompanying papers); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 4681) for the relief of J. M. Brown; to the Committee on Military Affairs.

By Mr. BRANDEGEE:

A bill (S. 4682) to amend section 74 of the Judicial Code, as amended; to the Committee on the Judiciary.

By Mr. JOHNSON of California:

A bill (S. 4684) for the relief of Annie M. Lepley; to the Committee on Claims.

By Mr. MYERS:

A bill (S. 4685) for the relief of George Emerson; and

A bill (S. 4686) to extend the provisions of section 2455, Revised Statutes, to the lands within the abandoned Fort Buford Military Reservation, in the States of North Dakota and Montana; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 4687) for the relief of Marion B. Patterson; to the Committee on Claims.

By Mr. McCUMBER:

A bill (S. 4688) for the relief of A. W. Duckett & Co.;

A bill (S. 4689) for the relief of Eli N. Sonnenstrahl; and

A bill (S. 4690) for the relief of the North American Dredging Co.; to the Committee on Claims.

By Mr. CAPPER:

A bill (S. 4691) granting a pension to Elizabeth Ogden (with accompanying papers); to the Committee on Pensions.

By Mr. ROBINSON:

A bill (S. 4692) for the relief of the heirs of Agnes Ingels, deceased (with accompanying papers); to the Committee on Claims.

By Mr. CALDER:

A bill (S. 4693) fixing the compensation of United States inspectors of customs; to the Committee on Commerce.

By Mr. ROBINSON (for Mr. WALSH of Montana):

A bill (S. 4695) providing for the establishment of State boards of war risk appeals; to the Committee on Finance.

By Mr. McNARY:

A bill (S. 4696) for the relief of William Mortensen; to the Committee on Claims.

FORCED SALE OF BONDS.

Mr. McLEAN. Mr. President, I introduce the following bill, which is very brief and which I ask may be read:

The bill (S. 4683) to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, was read the first time by its title and the second time at length, as follows:

Be it enacted, etc., That section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, be further amended by striking out the words "December 31, 1920," at the end thereof and inserting in lieu thereof the following: "December 31, 1921."

Mr. McLEAN. Mr. President, I am informed by the Federal Reserve Board that there are large totals of Government bonds and certificates of indebtedness still held by the banks which are not yet wholly paid for by the owners, and that unless the proviso in section 11 in the Federal reserve act is amended as proposed the owners of the bonds will be compelled to throw them on the market, which in the opinion of the Federal Reserve Board is very unwise and entirely unnecessary.

I call attention to the bill at this time and ask to have it referred to the Committee on Banking and Currency. I desire to give notice that I shall ask for action on the part of the Senate some time this week, provided, of course, the Committee on Banking and Currency approve.

The VICE PRESIDENT. The bill will be referred to the Committee on Banking and Currency.

SAMUEL H. DOLBEAR.

By Mr. POINDEXTER:

A bill (S. 4694) for the relief of Samuel H. Dolbear; to the Committee on Mines and Mining.

Mr. POINDEXTER. I ask to have printed, for information of the committee, a letter from the Secretary of the Interior, at whose request I introduce the bill, which letter explains its purpose.

The letter was referred to the Committee on Mines and Mining and ordered to be printed in the RECORD, as follows:

DEPARTMENT OF THE INTERIOR,
Washington, December 8, 1920.

Hon. MILES POINDEXTER,
Chairman Committee on Mines and Mining,
United States Senate.

MY DEAR SENATOR: Upon December 22, 1919, the War Minerals Relief Commission recommended that an award of $10,955.15, less the sum of $833.12 due the United States on account of the Bureau of Public Roads, Department of Agriculture, be made to Samuel Dolbear, of San Francisco, Calif., under section 5 of the act of March 2, 1919 (40 Stat., 1272–1274). An award in harmony with the commission's recommendation was made by Secretary Lane January 14, 1920, and duly paid by the Treasury Department. Thereafter it was discovered that an error of $2,845.37 had been made against Mr. Dolbear, inasmuch as profits of that amount made in the buying and selling of chrome ores and not in the mining thereof had been improperly deducted. Accordingly, upon April 30, 1920, the commission recommended an additional award of $2,845.37, which was made by me May 18, 1920. This additional award was certified to the Auditor for the Interior Department May 20, 1920. Upon June 5, 1920, however, the auditor refused to allow payment, and I, June 25, 1920, requested a review of his action by the Comptroller of the Treasury. The acting comptroller's decision of November 6, 1920, sustained the action of the auditor.

The situation presented, therefore, is that the United States is justly indebted to Mr. Dolbear in the sum of $2,845.37, which can not be paid him under the rulings of the officers of the Treasury Department. Legislation is needed authorizing and directing the Secretary of the Treasury to issue the proper warrant payable from the appropriation made by the war minerals relief act (sec. 5, act of Mar. 2, 1919, 40 Stat., 1272–1274) in payment of the additional award of $2,845.37 made by the Secretary of the Interior May 18, 1920. A draft of a bill for such purpose is inclosed, and I request that you introduce it, provided that it meets with your approval.

Cordially, yours,

JOHN BARTON PAYNE, *Secretary.*

WITHDRAWAL OF PAPERS.

On motion of Mr. ELKINS, it was

Ordered, That the papers in the case of the bill (S. 2468) granting an increase of pension to George W. Johnson be withdrawn from the files of the Senate, no adverse report having been made thereon.

HOUSE BILL REFERRED.

The bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

FINANCING OF AGRICULTURAL OPERATIONS.

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). If there is no further morning business, morning business is closed.

The Chair lays before the Senate the amendments of the House of Representatives to the joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes, which will be stated.

The ASSISTANT SECRETARY. On page 2 strike out lines 9 to 16, inclusive, being section 2, as follows:

SEC. 2. That it is the opinion of the Congress that the Federal Reserve Board should take such action as may be necessary to permit the member banks of the Federal Reserve System to grant liberal extensions of credit to the farmers of the country upon the security of the agricultural products now held by them, by permitting the rediscounting of such notes of extension at a fair and reasonable rate of interest.

And strike out the preamble.

Mr. GRONNA. Mr. President, before I proceed I desire to make a parliamentary inquiry. Is this a debatable question?

The VICE PRESIDENT. Ordinarily the question would be debatable, but, as the Chair remembers, to-day is Calendar Monday.

Mr. GRONNA. I know that quite a number of Senators are very much interested in the measure which the Chair has laid before the Senate and desire briefly to discuss it.

The VICE PRESIDENT. What does the Senator from North Dakota desire to discuss?

Mr. GRONNA. I desire to move that the joint resolution be taken up, in order that we may have a right to discuss it.

The VICE PRESIDENT. The Chair thinks there is nothing to do except either to move to agree to the amendments of the House to the joint resolution or to ask for the appointment of conferees on the House amendments.

Mr. GRONNA. I ask unanimous consent that the members of the Committee on Agriculture and Forestry be given an opportunity to discuss the matter.

The VICE PRESIDENT. The Chair would like to know what the Senator desires to have discussed. What motion is he going to make? Is he going to make a motion to concur in the House amendments to the joint resolution, or is he going to make a motion for the appointment of conferees on the amendments? There is no motion now pending which the Senate may properly discuss.

Mr. KING. Will the Senator from North Dakota yield to me?

Mr. GRONNA. Certainly.

Mr. KING. I suggest that he permit some other Senator to move to concur in the amendments of the House. If he will allow me, I move that the Senate concur in the amendments which have been made to the joint resolution by the other House.

Mr. HITCHCOCK. That motion is debatable.

The VICE PRESIDENT. The question is on the motion of the Senator from Utah. Is there objection to discussion on the question? The Chair hears none.

Mr. GRONNA. Mr. President, I had hoped that Congress would finally pass the joint resolution in the form in which it passed the Senate. I have been reading the CONGRESSIONAL RECORD, and while I shall not refer to the proceedings in the other body, I desire to say that I frequently find the statement made that this proposed legislation will be of no benefit to the farmers; that it is merely a deception. We have also been told by Members of this body of the liberality which has been shown to the agricultural sections of the country by the Federal Reserve Board; and I think some of the Members of the Senate have pointed out the large amount of credit which has been extended to the farmers through the Federal Reserve System.

I wish to say—and I call the attention of the junior Senator from Virginia [Mr. GLASS] especially to the statement—that it is my opinion that no one knows how much credit has been so extended and what amount of farm paper has been rediscounted in the Federal reserve banks. I repeat that I do not believe there is a Member of this body who knows, nor do I believe that anyone else knows, the amount or even approximately the amount of money which has been loaned to farmers through the 12 Federal reserve banks.

Mr. SMITH of South Carolina. Mr. President, will the Senator permit me to ask him a question?

Mr. GRONNA. I yield to the Senator from South Carolina.

Mr. SMITH of South Carolina. Is it not the Senator's impression that there have been statements made that the amount of paper discounted for agricultural purposes even this year has exceeded any amount heretofore discounted, and that it consists of enormous sums in the agricultural sections?

Mr. GRONNA. I have heard that statement made; I heard it made the other day by a certain Senator; but I do not believe that it is fair to the agricultural sections of the country to say that they have been treated with such liberality, when, as a matter of fact, no one knows what credit has been extended to that particular industry; how much money has been loaned upon farm paper.

Mr. President, I fully realize that the passage of this proposed resolution will not be a panacea for all our ills, nor will it fully relieve the terrible distress which is now facing the people not only in the agricultural sections of the country but throughout the land. However, I do believe that the passage of the measure—and I speak now of section 2 of the joint resolution as well as of section 1—would be helpful.

In the first place, we know that now more than at any time during the war we need a market for agricultural products. During the war there was so large a demand for farm products that we were unable to furnish to the people of Europe and to the people of other foreign lands the amount of such products for which there was a demand. For that reason the War Finance Corporation was not called upon to assist in financing the people who were engaged in producing grain, cotton, cattle, and wool.

Mr. President, I desire to be frank with the Senate. I have believed and still believe that the agricultural districts have been discriminated against. I do not believe that they have received at the hands of the administrative officers the consideration that the great farming industry is entitled to receive. To substantiate that statement, I am going to read a brief letter which I directed to Gov. Harding, of the Federal Reserve Board, and I am going also to read his reply. I wish to call the attention of the junior Senator from Virginia, as well as

the attention of other Members of the Senate, to these letters.

I first read my letter to Gov. Harding, as follows:

DECEMBER 14, 1920.

Hon. W. P. G. HARDING,
Governor of the Federal Reserve Board,
Treasury Department, Washington, D. C.

DEAR SIR: I am directed by the Committee on Agriculture and Forestry of the Senate to ask you for the following information:

What amount of securities rediscounted at the several reserve banks for 1920 to date is on actual agricultural paper, based on the agricultural productions and sales of 1920, not including the transfer of Government bonds to commercial accounts, nor the extension of credits carried over from 1919, also a like statement for 1919.

Yours, truly, A. J. GRONNA.

I have here Gov. Harding's reply. It bears directly upon the statement made by the Senator from North Carolina [Mr. SIMMONS] a few days ago. The letter is dated December 14, 1920, and is addressed to me, as follows:

I acknowledge receipt of your letter of this date, asking the board to advise your committee of the total amount of paper discounted by the 12 Federal reserve banks during the year 1920, based on production and sales of farm products during the year, exclusive of notes secured by Government obligations the proceeds of which may have been used for agricultural purposes, and also paper evidencing borrowings on account of production and sales during 1919, and requesting also similar information for the year 1919.

It has been necessary to wire the Federal reserve banks for this information, as it is not contained in the board's records here. As soon as replies to the board's telegram are received and the information compiled therefrom I will send you a memorandum on the subject.

Yours, truly,

W. P. G. HARDING, *Governor.*

Mr. President, that absolutely substantiates the statement made by the Senator from North Carolina and others in regard to the alleged liberality with which some Senators would have us believe the agricultural interests have been treated. It can not be proven that such liberality has been accorded those interests, because Gov. Harding states that no one knows how much money has been loaned upon that kind of paper.

Mr. GLASS. Mr. President, I will say to the Senator that I did not assume to know just how much credit had been extended to the agricultural interests of the country. I simply cited the fact that the banks located in the cotton, grain, and cattle growing sections of the country had given greater extensions of credit than any of the other banks. If, however, the Senator will permit me, I hold in my hand the latest estimate of agricultural loans obtained by the governor of the Federal Reserve Board from the respective Federal reserve banks.

Mr. GRONNA. Before the Senator proceeds, may I ask him what is the date of the estimate?

Mr. GLASS. It is contained in a speech delivered by Gov. Harding, of the Federal Reserve Board, before the American Farm Bureau Federation at Indianapolis on December 7. Gov. Harding says:

Early in the season the Federal reserve banks in the various districts were asked to estimate the proportion of their total loans directly in support of the agricultural and live stock interests. The estimates for September 3, 1920, were as follows:

Federal reserve bank at Richmond, 27.3 per cent; Atlanta, 23.7 per cent; Chicago, 48.3 per cent; St. Louis, 22 per cent; Minneapolis, 65.6 per cent; Kansas City, 39.8 per cent; Dallas, 50 per cent; San Francisco, 58.7 per cent.

In some of these banks the proportion of agricultural paper held is much greater now than on September 3.

It is certain that there has been no curtailment of agricultural credits by the Federal reserve banks, and while, as I have stated, exact figures of member bank transactions are not yet available, it seems reasonable to assume that there has been a very large volume of credit extended by member and nonmember banks in support of the agricultural interests.

Mr. GRONNA. Mr. President, I believe that the letter written by the governor of the Federal Reserve Board to me under date of December 14 answers the statement of the Senator from Virginia. I might hazard a guess as to what amount of business has been transacted by these various banks and I might not get within gunshot of accuracy. It is evident that this was a political speech which the Senator has read from, and it is evident from the reply of the governor of the Federal Reserve Board—whom I hold in very high esteem—that he tells the absolute truth in his letter to me.

I was directed by the Committee on Agriculture and Forestry, upon the motion of the Senator from South Carolina [Mr. SMITH]—and I took no offense at being directed—to write this letter. In other words, I welcomed it, because I realized that I was only a humble servant of the people, trying to represent, in part at least, the people of my State and the entire country.

The Senator from Virginia would have the people of this Nation believe that he knew the other day, when he read from certain records, that there was no ground for any complaint; that he knew that the agricultural districts had been treated with such liberality that it is unbecoming for any Senator here even to say that it might be good business for the banks to be a little more liberal in the future and loan money to farmers at reasonable rates.

Mr. GLASS. Mr. President, I submit that the Senator from Virginia simply quoted the official figures of the Federal Reserve Board. I did not assume to say what parts of the credits were agricultural credits and what parts were strictly industrial credits, and the address of the governor of the Federal Reserve Board, from which I have just quoted, supplements the official figures I gave.

Mr. GRONNA. Mr. President, I have such a high regard and esteem for the Senator from Virginia—I have had the pleasure of serving with him both in the other body and in this—that I certainly would not even intimate that he would attempt to mislead the Senate or the country by any figures which he might present. I am sure that he would not. If I have said anything which even intimates such a thing as that, I certainly want to retract it. I have too high a regard for the Senator from Virginia to convey the impression that he would willfully make any statement that would misrepresent the true condition of the Federal reserve banks of the country.

I maintain, Mr. President, that those of us who insisted upon section 2 were not only within our rights, but it was our duty to do so; and Gov. Harding's letter not only indicates but proves beyond a question of doubt that there has not even been enough interest manifested in this great question for them to keep a record of how much paper has been actually rediscounted, based upon farm paper. I want the Senate to know, and I hope the country will know, that up until the 14th day of December no one knew how much paper had been discounted in the 12 Federal reserve banks, based upon agricultural paper.

Mr. KING. Mr. President, will the Senator permit an inquiry for information?

Mr. GRONNA. Certainly.

Mr. KING. Does the Senator assert that the Federal Reserve Board placed any prohibition upon the member banks against loaning their funds to agriculturists? My information is that the Federal Reserve Board, though it might have restricted such loans to 25 per cent of the assets of the various banks, permitted loans up to 99 per cent, and that if adequate credit has not been extended to the farmers it has not been the fault of the Federal Reserve Board, the central organization here, but it has been the fault of the member banks; that the member banks throughout the United States have loaned quite liberally; indeed, that the member banks have loaned to farmers and to their customers all they should have loaned, and in many instances have loaned so much that instability threatens many of these banks throughout the United States.

May I inquire of the Senator, furthermore, if the banks themselves, and his bank, and other banks, would not experience some difficulty in determining the amount to be loaned to farmers upon a falling market? If I may illustrate what I mean, I know that a number of banks in the West were perfectly willing to loan to the woolgrowers, but the price of wool was constantly falling, and it was impossible to determine how much should be loaned per pound on a safe margin. For instance, if the price of wool to-day were 30 cents, there was no certainty that it would be that to-morrow, and indeed it has fallen until perhaps it will not sell for more than 9 or 10 or 12 or 15 cents per pound. Now, I suggest to the Senator, How are the banks that are willing to loan to determine, upon a constantly shrinking market, the margin of safety which they must allow in making loans to agriculturists?

Mr. GRONNA. Mr. President, I believe the able Senator from Utah has answered his own questions.

Mr. SMITH of South Carolina. Mr. President, if the Senator will allow me, does not the Senator's question suggest the very contention that the Senator from North Dakota is making? If these farm products, which are notoriously unprotected by any other form of resource on the part of the man that holds them, are falling and falling under the cry of deflation and contraction and freezing out uncertain and questionable loans, would it not be perfectly natural for the banks to withhold credit from such insecure paper as farm paper is usually looked upon as being and extend their credits to those who have more resources and could respond more easily to a demand for further collateral? Is it not proving just the Senator's contention that they did not get their share of the loans?

Mr. KING. If the Senator will pardon me, my question really was for the purpose of exonerating the Federal Reserve System from the criticism which I understood the Senator from North Dakota was leveling against them, and particularly against Gov. Harding, on the ground that they had been unwilling to extend credit. My understanding was that they had authorized the

member banks to loan as much as 90 per cent to agricultural interests, and that if loans were not made the responsibility did not rest at the door of the Federal Reserve System. I am asking the question for information.

Mr. GRONNA. Let me say to the able Senator from Utah that the governor of the Federal reserve bank and the board have no power according to law to say upon what class of paper the member banks shall loan their money; so I think the Senator from Utah has misunderstood my statement. I am only complaining of the treatment which the farmers as a class, whether they are stockmen, or sheepmen, or producers of grain, have received at the hands of those who are in control of the banking business. That includes State banks not members of the Federal Reserve System, I will say to the Senator, as well as the Federal reserve banks. I am simply making the statement, and I do it with all candor—if I am mistaken, I am honestly mistaken—that I do not believe enough attention has been paid to the conditions in the agricultural districts, because nobody has even seen fit to gather statistics and to know how liberally this class of paper has been treated. I say nobody knows. It is no answer to that statement to say that the St. Paul bank or the Kansas City bank has loaned so many millions of dollars. That may be money which has been loaned to people engaged in manufacture, or to other banks, or to people engaged in some other business, or to railroads. I am speaking of the agricultural conditions throughout the country, and I say that they have not received the attention that they should have received, because here is an acknowledgment by an official of the Federal Reserve System to the effect that nobody knows how much paper had been discounted up to that particular date, December 14, 1920; and it is of that that I complain.

Mr. President, I shall take but a few more moments of the time of the Senate.

Mr. SIMMONS. Mr. President——

Mr. GRONNA. I yield to the Senator from North Carolina.

Mr. SIMMONS. The Senator from Utah [Mr. KING], as I understood, said that the Federal reserve banks had placed no restriction upon loans to producers of agricultural products.

Mr. GRONNA. Yes.

Mr. SIMMONS. That is a statement that is fundamental to this controversy; but that statement is not correct.

The Federal reserve banks did place especial restrictions upon loans upon crops. The farmer ordinarily does not need credit during the period when he is marketing his crop. If there is a market—that is, a demand which can be called a market— for the products, he sells his crop and obtains money. He does not need the same degree of credit that he does while he is making the crop. But if there is no market for his crop which can be called a market—and that is the condition which it is contended exists in certain sections of this country, at least, if not all through the country, as pertains to agriculture—if the price that is offered in such a market as we have is one-half the cost of production, the farmer hesitates in those conditions to sell; he ought to hesitate to sell. It is not in the public interest that the products of the farms of this country should be sold for one-half the cost of their production. If that is done, not only the farmer will suffer, but every other industry in the country will suffer.

We had exactly that condition beginning with September, and it has continued up to the present time. With reference to many of the products of the farmer there could not be said to be a market. When cotton sells for from 8 to 12 cents in the local market, when it costs 30 cents to produce it, it can not be said that there is any market for cotton. When wool costs twice as much to produce as is offered in the market, it can not be said that there is any market in this country for wool. And it can not be said, as a sound public policy, that the producers ought to be forced, under those conditions, to throw their products upon the market and sell them at this sacrifice, when they have a reasonable hope that that condition will be relieved if they hold their products temporarily.

The condition just described confronted the farmers in my section this fall with reference to cotton, and I think it is the same elsewhere, and with tobacco the situation was even worse, tobacco not bringing one-fourth of what it cost to produce it in certain localities, in many sections not bringing enough to pay for the fertilizer put on the land, and in many sections of the South not bringing one-half of the cost of production; and naturally the farmer desired, under those circumstances, to withhold his crop temporarily, until there was a market for it. It was for that reason that the farmers asked credit.

What was the response of the Federal reserve banks? It was that what we are trying to do in this country is to reduce prices, and in the interest of that policy of reducing prices banks should not do anything which will tend or is calculated to enhance the price of the farmers' products, although that price in such market as he has is one-half the cost of the production of the crops——

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from North Carolina yield to the Senator from Washington?

Mr. SIMMONS. I yield to the Senator.

Mr. POINDEXTER. I noticed the other day that some bonds had been prepared by a farmers' association, being the form of obligation which it proposed to assume for the purpose of borrowing money upon wheat along the lines the Senator is now speaking of. That happens to be the product in this particular case. I noticed that those bonds had printed in them the rate of interest, which was 8 per cent. Suppose the relief the Senator from North Carolina is advocating were granted, and an extension of time were given to this association of farmers, or to cotton farmers in his section, at 8 per cent, we will say, or any other comparatively high rate of interest, what assurance has the Senator, or can any of us have, that that ultimately would be of any benefit to the farmers? The only way in the world that they can be benefited by it would be if in the outcome of the market, with all the uncertain contingencies which affect markets, they were able to get for their product at some future time a sufficiently higher price to pay this interest which is accumulating upon their obligation, and the other losses which they necessarily incur by this relief. I voted for this joint resolution because I was so anxious to get relief that I was ready to support any measure which does not seem to be seriously injurious, if it gives the hope, ever, of relief. But I see nothing in the measure which ultimately assures the farmers, or gives them a reasonable expectation, that they are going to be better off after they get this extension than they are now.

Mr. SIMMONS. Mr. President, one of the reasons why the farmer is not able to obtain a better price for his products is the export situation, the inability of Europe to buy our farm products as heretofore—cotton and wheat and tobacco—and the indisposition of bankers and financiers of this country, probably due to the unsettled conditions of exchange and other conditions in Europe, to finance these export transactions.

Some time ago we provided for the organization of what are known as Edge law corporations, for the purpose of providing for this situation with reference to our export trade. The object of those corporations is to bring together the farmers of the country and the bankers of the country into great export corporations for the purpose of lending money to foreign Governments and to foreign industries, to enable them to buy our products, especially our agricultural products. If those corporations are successfully organized and there is some place to which they can go and get credit in adequate amount in order to finance these exportations, it is reasonable to suppose that such relief as can come to agriculture through that source will be obtained.

While this scheme was in process of formation, to relieve just the situation which has tended largely to bring about this lack of markets in this country, the Federal Reserve Board promulgated these stringent rules of credit as applying to agriculture and made it impossible for the farmers of the country to hold their products until these corporations can be organized and this money can be raised for the purpose of affording them that relief.

Now, Mr. President, if it is necessary for the farmers of this country to hold their crops for a limited period of time, until this export situation can be relieved by being properly financed, it does not make much difference to the farmer if he has to pay 8 per cent interest upon his money or has to pay 10 per cent interest upon his money for this temporary period, because he would better pay that, or very much more than that, than to sell his crop for one-half the cost of production.

There can be no doubt, Mr. President, that when the farmer was confronted by a situation of having to sell his product, if he sold it at all, in a market which had been driven down and beaten down until it did not carry a price that would amount to one-half of the cost of production of the crop, that situation was further accentuated when the Federal Reserve Board indicated to the Federal reserve banks and to the member banks that it was undesirable that money should be lent for the purpose, as they phrased it, of withholding crops from the market.

Mr. GRONNA. They termed it speculation.

Mr. SIMMONS. Yes; they termed it speculation. There is not any question about that order being issued. There is not a Senator here from the South who did not hear of it repeatedly from the banks themselves while he was home.

Mr. SMITH of South Carolina. The flat statement was made by the officials that they would not favor any loan for the purpose of withholding commodities from the market.

Mr. SIMMONS. And the reason which they gave for that, Mr. President, was that we had just been going through an era of high prices, and that it was good policy that we should not do anything which would tend in any way to maintain prices, without any regard to the necessity, when you consider broadly the welfare of the people and the welfare of every industry in the country, of holding up the farmers' prices to a point where production hereafter would be remunerative.

I say, Mr. President, and I do not fear successful contradiction of the proposition, that if the reserve banks under this policy succeed in keeping the farmers from boosting the price of their product when it is down to the present low level and as a result the farmers are compelled to sacrifice the whole of their crops, as they have been already compelled to sacrifice a large part of them, at these unremunerative and ruinous prices, I say here that the effect of that upon agriculture will be greatly to the curtailment of the production of those crops next year. It will curtail production in this country to a point where we shall have, not a surplus to export abroad of these products, but we shall have to go into the markets of the world and buy food to feed the population of this country. That is a result, Mr. President, which I do not think we desire in this country.

Mr. McCUMBER. Mr. President, if I may be allowed to direct a question or a suggestion to the Senator from North Carolina——

Mr. GRONNA. I yield to my colleague for that purpose.

Mr. McCUMBER. The Senator realizes that the entire agricultural situation is in a state of collapse.

Mr. SIMMONS. I do.

Mr. McCUMBER. That affects the North and the South alike.

Mr. SIMMONS. Every section of the country.

Mr. McCUMBER. The crops affected, however, possibly are not the same. I vote for this proposition and support the Senator and my colleague in it because I think it does open up a hope of relief, and while my colleague says it is not expected to be a panacea for all the trouble, it is expected to be helpful. I think that is true. As the Senator has just said, his trouble lies in the fact that the farmers of the South can not export cotton, and I want to help them, under this bill, in every way to export their cotton. Our trouble is mainly that we are importing an enormous quantity of grain, and before we get through almost the entire surplus from Canada. I want to help the Senator in finding an export market for cotton, and I would really like to have him help us in keeping out this Canadian grain until we can begin to sell our own. I understand that a caucus was held on the other side of the Chamber this morning, which seems to indicate an opposition to the plan which, to me, is most feasible for the immediate relief of the grain growers. Why can not both sides of this Chamber unite, the one to help the exports, the other to stop the imports which are injuring us?

Mr. SIMMONS. Mr. President, I think the Senator is entirely wrong in saying that a caucus was held. There has been nothing like a caucus. There has been a conference of the minority members of the Committee on Finance with the members of the minority steering committee, but there has been no caucus of the Democratic membership of the Senate.

If the Senator has in his part of the country or if any other Senator has in his part of the country an agricultural situation brought about by war conditions or as an aftermath of the war, such as we have now in the South, that situation will appeal to me very strongly for relief. But if a tariff bill, covering a large number of staple agricultural products as well as a number of manufactured products, some of which are not and can not be materially affected by tariff duties and others of which do not disclose conditions which entitle them to preferential treatment in emergency conditions, I see no reason for emergency action upon these things, and I think they should await the general tariff revision which the party in power has promised in the near future.

Mr. McCUMBER. I hope the Senator will join with us to support some provision that will take care of the things that are suffering.

Mr. SIMMONS. It may be that on investigation and discussion the wheat and the wool situation may disclose a condition with respect to importations similar to that of cotton with respect to exportation and equally disastrous—and if so, as I said, emergency action looking to quick relief will appeal very strongly to me. But, as stated before, the bill, as I understand it, which has been framed by the House Committee on Ways and Means, not only covers those two products but runs the gamut of agricultural products and includes some agricultural products which are not imported now as in the past but to a limited extent and, in addition, includes certain manufactured products which it is believed can present no reasonable claim for emergency consideration and treatment. If the bill comes to us in this form and contents, we certainly shall insist that it be treated as any other tariff measure is treated, and that after preliminary committee action it shall receive due consideration and discussion in the Senate.

Mr. GRONNA. Mr. President, I hope that no partisan politics will be injected into the discussion from either this side or the other. I know that my colleagues on the committee will bear testimony that, so far as I am personally concerned, I have not tried to favor any one section of the country as against another. If there ever was a time when the people of the United States ought to act as one, as a unit, and cooperate, it is now. There ought to be no "that side of the Chamber" or "this side of the Chamber" when it comes to the question of the rehabilitation and reconstruction of the terrible condition in which we have been placed—necessarily so, of course. It is a question that can not be dispensed with and will not be solved until the patriotic people of the country realize that there is no South and no North, no East and no West, but that we shall as one people cooperate for the best for all the people of our country.

I agree with my colleague as to the embargo on wheat. It would help us temporarily; at least, I believe it would. Possibly I am mistaken, but I believe it would. I believe that in the future, since my colleague has mentioned it, a protective tariff on farm products would be helpful to us, but that would not be as helpful to the people of the South, affecting cotton, as it would help us, because we are right in the jaws of a foreign country where we are competing every day with the products of that country.

We all know that our money is at a premium at the present time as compared with the money of the people of that country. Their wheat has brought the farmers of Canada a premium of from 15 to 40 cents a bushel above the price that the American farmer has been paid. Let me say to you that the Canadian farmer pays his debts just as easily with a Canadian dollar as does the American farmer with an American dollar.

That reverts right back to the statement made a few days ago by the able Senator from South Carolina [Mr. SMITH] that the effort to deflate the currency too rapidly means the destruction of certain industries. We can not destroy any industry without affecting them all. I would be just as careful about passing legislation which would destroy the great steel industry as I would legislation to destroy any other industry, because I know ultimately it would affect us all. But there is this difference. The people engaged in those industries are in control. They, to a certain extent at least, can hold off the rapid decline which has been evidenced and which is an actual fact. Cotton, wheat, wool, sheep, cattle—everything the farmer produces—has been reduced to ruinous prices. We only have to study the history of Rome and its downfall to know what it means to destroy an industry like agriculture.

I believe that one of the greatest mistakes the Congress could make would be not to make every possible agency function at this time. The War Finance Corporation is an agency through which a great deal of good can be accomplished. We know that it has at its disposal at least a billion dollars at any one time to place agricultural and other products in foreign countries. We know that its capital stock of $500,000,000, all subscribed to by the Government of the United States, can be multiplied six times or, in other words, $3,000,000,000 for this country. No man who has studied the condition and knows anything about it will deny the fact that it is a powerful agency for good at home and abroad.

So, Mr. President, all this talk that this is only camouflage to fool the American farmer is not true. Such statements are not founded upon facts.

Mr. KING. Mr. President——

The PRESIDING OFFICER (Mr. ASHURST in the chair). Does the Senator from North Dakota yield to the Senator from Utah?

Mr. GRONNA. Yes; with pleasure.

Mr. KING. As I understand the position of the Senator, and it seems to be the position of the Senator from North Carolina [Mr. SIMMONS], the important thing is to find a market abroad for surplus products.

Mr. GRONNA. I believe that is true.

Mr. KING. The European nations require the surplus agricultural products of the United States.

Mr. GRONNA. I will say to the Senator that they are starving to death over there in many places, as the Senator knows better than I.

Mr. KING. The point is to extend to them credit or facilities for credit so that they may purchase the surplus products of our Government?

Mr. GRONNA. Certainly.

Mr. KING. I do not say this by way of stirring up any controversy, but does not the Senator think that if we had entered into the League of Nations with proper reservations and stabilized Europe and gotten these new countries to functioning, their boundaries limited, there would have been no difficulty now, because these nations would have had credit with which to purchase the surplus products of the American farmer?

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Ohio?

Mr. GRONNA. Certainly.

Mr. POMERENE. Does the Senator from Utah address that question to the Senator from North Dakota or to our distinguished friend the Senator from Idaho [Mr. BORAH]?

Mr. KING. I saw the Senator from Idaho here, and I thought perhaps it would be interesting to hear his ideas on the subject.

Mr. GRONNA. So far as I am personally concerned, I wish to say, with all due respect to both Senators, that I have been trying to forget the question of the League of Nations.

Mr. BORAH. Mr. President, I only desire to say that I understand it is planned to take a holiday recess, and I do not desire to enter upon a discussion of that question previous to the holidays.

Mr. GRONNA. Mr. President, I appreciate the observation made by the distinguished Senator from Utah, but I shall not enter into that question to-day. As the Senator knows, I was opposed to the League of Nations. I was one of the irreconcilables from the beginning. Perhaps I was wrong, but I have not yet changed my opinion. I believed I was right and still believe I am right on the question.

The Senator from North Carolina [Mr. SIMMONS] has expressed better than I could the true situation as to the money stringency affecting the farmer. The question of the able Senator from Washington [Mr. POINDEXTER] directed to the Senator from North Carolina I believe can be easily answered. The farmers, especially the grain farmers, and I think it is true of the stock farmers and of the cotton farmers, can not market all their products at one time. I know from personal experience that I hustled night and day trying to get cars to ship my grain to market, and it was only with greatest difficulty that I secured a limited number of cars. As a result we were unable to bring our grain to the elevator. Unless we commenced to sell futures, which to the farmer means that he must deliver at a specific time and that he will be penalized if he does not deliver it, we were absolutely helpless. The Senator from Washington, as I understood the question, asked how could this help the farmer.

Mr. POINDEXTER. My question was whether or not there was any reasonable prospect to get a better price after the interval than he could get now, and the query was whether he would be any better off or if he would not be worse off in case he did not get a better price.

Mr. GRONNA. I do not believe the farmer would be worse off, because I stated, upon my own information, of course, and I have strived to make a study of the question, that there is a shortage of wheat throughout the world to-day. If the people of the entire world were permitted to eat three square meals a day and eat bread to the amount that we generally consume in the United States, about 5 bushels per capita, there would be a great shortage of wheat throughout the world.

Here is a crop or here are crops, because I do not wish to speak only of wheat, produced at great cost; in fact, at a cost which will only pay the labor. Then the question is asked, Why do they not sell and pay their debts? Why, the only debt that could be paid would in the majority of cases be labor. I know that is true as to grain. There has not been a bushel of wheat produced in the United States in the year 1920 which, on the average, has not cost the farmers more than $3 a bushel, and he has to sell it to-day for from $1.25 to possibly $1.40.

The consumers of the cities are all the time being told, "It is the outrageously high prices of the natural products which compel you to pay such high prices for what you consume." Have Senators recently noticed any tremendous reduction in the prices of what they buy?

Mr. President, only the other night a person addressed that question to me. I saw in a store some puffed wheat on a shelf for sale. I asked the storekeeper, "What does that cost?" He told me. I bought a package and weighed it, and the price I paid for it amounted to $56 per bushel for the wheat of which it was made. I said to him, "I sold some wheat just before I left home for $1.44 per bushel. Now, if I should furnish the wheat for nothing and pay for transporting it to the manufacturer, how much would it reduce to the consumer the price of this food? It would still be more than $54 a bushel, would it not?" That is exactly the way these things work out.

Mr. KING. Will the Senator permit an interruption, though I apologize to him for it?

Mr. GRONNA. Certainly.

Mr. KING. May I inquire of the Senator whether or not it is his purpose and the purpose of other members of the committee to antagonize the motion which I have made to concur in the amendment of the other House to the joint resolution? The reason I ask the question is that a number of Senators desire to leave the Chamber, but they will remain here if there is going to be a record vote, for they are in favor of concurring in the amendment which has been made to the joint resolution by the other House. I do not want to disturb the Senator, but I merely wish to give information to other Senators.

Mr. GRONNA. I desire to say to the Senator from Utah that it has been a difficult matter for me to make up my mind what to do. I am going to do just whatever the spirit moves me to do. When I shall have finished my few remarks—and I should have done so long ago had not other Senators, to whom, of course, I was very glad to yield, interrupted me.

Mr. KING. Then I may inform other Senators that the conduct of the committee depends upon how the spirit moves the chairman of the committee?

Mr. GRONNA. I do not know how it will move the other members of the committee, for they have not as yet spoken.

Mr. President, further answering the question of the Senator from Washington [Mr. POINDEXTER], as directed to the Senator from North Carolina [Mr. SIMMONS], I believe that it is not only proper but that it is the duty and the function of Congress at this particular time to do everything it possibly can to help bridge over the situation, and to help all the people of the country, whether they are engaged in agricultural pursuits or in any other industry, to find a market for their products.

This joint resolution will do that to a limited extent—at least to the extent of a billion dollars at any one time. The Senator knows that the fund will be paid back, and that it will not be limited to a billion dollars. We may thereby do a tremendous amount of business with foreign nations. It is not only possible but it is probable that through the agency of the War Finance Corporation billions of dollars' worth of products may be exported, but it is, of course, required that the money shall be paid back at certain intervals or at stated times.

Mr. POINDEXTER. Mr. President, will the Senator permit me to interrupt him?

Mr. GRONNA. Certainly.

Mr. POINDEXTER. I am in hearty accord with the objects which the Senator has in view; I know his good faith and the good services that he is rendering the country; and I hope that the result will be as he suggests. The inquiry I made was only to elicit information.

Mr. GRONNA. I am sure of that. I know of no Senator who has been more willing to help the industry of agriculture and all other industries than has the Senator from Washington. We do not all see through the same glasses; we look at matters from a different angle at times; but I know that the Senate has not been recreant to its duties. During the present session the Senate has passed the Capper-Hersman bill, to permit farm associations to cooperate and organize for the purpose of bringing about better marketing conditions, a question which has been debated a great deal among the farmers of the country. I think the present Members of the United States Senate may say that we have done our duty. We have passed that measure, and I believe it is now in conference.

Let me say to the Senator from Washington that he wrote me a letter—I do not suppose he has as yet received my reply—in reference to the special matter referred to. The Senator from Washington, the Senator from North Carolina, and other Senators are ready to cooperate to help the farmers. We have felt that we were willing to amend the Sherman antitrust law. We are willing to say that it shall not be unlawful for the farmers throughout the United States to get together and organize and cooperate for the betterment of their conditions and ultimately for the betterment of the condition of the consumers.

Mr. POINDEXTER. For the benefit of the whole country.

Mr. GRONNA. For the benefit of the whole country.

Mr. POINDEXTER. I think that the Senator from North Dakota has rendered a great service, in his capacity as chairman of the Committee on Agriculture, by promoting the consideration and forwarding the passage of the measure to which he has just referred. I have not the slightest doubt that enormous

benefits will come to the agricultural classes of this country from the Capper bill. There has been some reference made to the charge that it gives especial exemption to the agricultural classes from the effects of the Sherman antitrust law. As I have examined the bill and listened to the debates on the subject, it seems to me that the only thing in that respect which the measure does is more specifically to define the limitations upon the formation of combinations in the case of farmers' cooperative societies than did the Sherman antitrust law. The Sherman antitrust law, as construed by the Supreme Court, applied the rule that there should be no undue or unreasonable restraint of commerce. The Capper bill, which was passed in the Senate the other day, applies a more definite and specific rule to farmers' cooperative associations in that it provides that they shall not be unlawful unless they enhance the price of the commodity.

Mr. KING. Or lessen competition.

Mr. POINDEXTER. My understanding was that it was confined to the enhancement of the prices; but even if the additional phrase is incorporated in some parts of the measure that still will be more specific than the general rule of reasonable or undue restraint of trade, which is a matter that varies with every tribunal which has to define it.

Passing from that matter, I wish to ask the Senator from North Dakota a question with regard to that feature of the pending legislation to which he has just now alluded, namely, reviving the War Finance Corporation. Can the Senator point out anything in the act creating the War Finance Corporation giving them any powers that they could utilize in the present emergency? My understanding of the act creating that corporation is that it was a war measure; that the powers conferred upon the corporation, certainly in so far as any individual was concerned, were limited to the aid of an industry which was essential to the carrying on of the war. If there is anything other than that in the law that would enable them in time of peace to come to the aid of the farmers I have not been able to discover it.

Mr. GRONNA. Mr. President, I will say to the Senator that is true so far as the original act is concerned, but the act of March 3, 1919, provides specifically that the War Finance Board may sell bonds not exceeding a billion dollars at any one time to be used to aid the sale of products in foreign countries; and, being a farmer, there is not any doubt in my mind that the War Finance Corporation will absolutely have such power up to the time that the war period shall have expired; and it is specifically stated in the law that it shall not expire until 12 months from the time that the President of the United States shall officially announce that we are at peace. So there can be no question about the power of the War Finance Corporation.

Mr. President, the War Finance Corporation act was passed as an emergency measure. It was passed for the purpose of aiding anyone engaged in the industries necessary to successfully prosecute the war. When Congress passed this law it had in mind the necessity of permitting it to function not only during the period of the war but 12 months after peace had actually been declared, and it is specifically stated in the law that this time should begin after the termination of the war, and that the date of such termination should be fixed by proclamation of the President of the United States.

Everyone knows that the services of the War Finance Corporation could be more helpful in the crisis which would necessarily follow the termination of a tremendous war, and at the beginning of the rehabilitation period it could do more and better service in helping all the industries in disposing of surplus stocks of products, thereby substantially stabilizing the markets. We know that during the period of actual war there was demand for all of our products, and it was not as important for this board to function then as it is now, when there are no funds for the purchase of any of our products, and I might say when there is no market except a very demoralized market.

To say that the setting aside of $500,000,000 by the Government of the United States will unduly burden the Treasury of the United States, when it is possible for this corporation to function and give relief in a small way at least to every industry, can not be substantiated by facts. Outside of this half a billion dollars, the law specifically provides in section 17 "that the United States shall not be liable for the payment of any bond or other obligation or the interest thereon issued or incurred by the corporation, nor shall it incur any liability in respect of any act or omission of the corporation."

So that the United States is not legally liable for the payment of any of these bonds. We only grant the privilege to this corporation to issue its bonds without being taxed, which makes the bonds attractive, and this was absolutely necessary in order to dispose of them to the people of our own country.

If there ever was an emergency existing, it exists to-day, and we can not accept the argument that the joint resolution should not pass because this is not a complete remedy. We all know that it will not give complete relief to those who are in financial distress, but it is a measure which will give some relief; it is an instrumentality through which relief can and will be given to those who need financial aid; it is one of the bricks to be used in the structure, and it is the foundation brick. Those who make objection to this measure because it will inflate the currency should remember that we are practically the only nation on this globe whose currency is at par, and we must not overlook the fact that it is as important to protect the people who are engaged in our industries as it is to jealously guard the parity of the American dollar.

This is only the beginning of a great reconstruction scheme, and if we are ever to do business with the people of middle Europe we are in a position to extend credit, and if the Allies of Europe want us to extend that credit it is for them to say so; but America, in order to extend that credit, must have a first lien or a first mortgage upon the assets and revenues of the people of those countries.

I realize that the passage of this joint resolution is no cure-all for all the financial ills confronting us at the present time. However, I believe that if this resolution is passed, so that the War Finance Corporation may begin to function, it will be helpful in many ways, and especially can it be helpful in disposing of our surplus products in the markets of foreign countries.

I trust that no Senator will consider that the reviving of the Finance Corporation will add any additional burdens upon the Treasury of the United States, because that is one of the things we are seeking to avoid in passing this joint resolution.

I assume that we are all familiar with the provisions of the War Finance Corporation act. Section 2 of that act provides that the capital stock of the corporation shall be $500,000,000, all of which shall be subscribed by the United States of America. It can issue certificates of indebtedness to six times its capital stock. The management of the corporation is vested in a board of directors consisting of the Secretary of the Treasury, who shall be chairman of the board, and four other persons to be appointed by the President of the United States, by and with the advice and consent of the Senate. The corporation is given a wide latitude in the transaction of its business.

I shall not take the time of the Senate to enumerate the powers of this corporation, because the Senator from Georgia [Mr. SMITH] gave a most complete analysis of its powers and its operations. I will simply say that it would be an agency or an instrumentality through which business transactions touching all kinds of business could and should be transacted. I think we all realize that an injury done to any industry, whether it is the manufacturing industry, agricultural industry, or any other industry, will seriously affect all industries. I think, therefore, it is our duty to do what we can to meet this financial crisis, which can be met, but which can only be overcome by the patriotic cooperation of all the American people. We are all jealous of maintaining the American dollar at par, but a too rapid deflation at a time when our Government, as well as individual citizens, are burdened with tremendous debts is destructive of all business. We should and must realize that we should make haste slowly, so that it will not too seriously affect the orderly marketing of our products.

We have listened to the statements of high-class representative men engaged in the leading industries of agriculture in our country. All these industries are in a deplorable financial condition, and the least thing we can do is to be helpful in any and every possible way to give to those engaged in any American industry all the relief at our command.

There are countries in Europe to-day where the people are starving for the want of food. There are people in foreign lands who are not properly fed and not properly clothed. We have plenty of all these products; not only have we plenty, but we have a large surplus; and it seems to me that there ought to be enough American genius to devise some method whereby these people who are suffering from hunger and cold may be supplied with the necessities which we possess in such great abundance, and thereby give relief to those unfortunate people, and at the same time remedy the financial distress which exists among our own people.

Mr. President, this is no time for any American citizen who wants to be known as a patriot to transact business simply to fill his own pockets. The day of quick returns and large profits has passed. The values of certain commodities have shrunk from an abnormally high value to almost nothing. Let me say, Mr. President, that it has been estimated—it is, of course,

only an estimate—that the values of agricultural products have shrunk since the beginning of this year more than $5,000,000,000. In the face of that, how can we expect anything else than that a deplorable condition should exist in the rural sections of the country? This is especially true with reference to products of the farm, and the products of those who are unorganized; and it is the duty of every true American to help to the utmost of his ability to rehabilitate and to stabilize market values in all lines of industries without attempting to force abnormal gains or profits. It is as important to-day as it was when our boys were on the fields of France to sacrifice our own interests and to work for the benefit of the people of our country. In that way only can we escape the dangers and the difficulties which we must face.

This is no time for any true American to work for himself alone. This is no time for any true American citizen to bear upon the prejudice of the American people, but we must frankly and fearlessly face the situation as it is. The ship of state can not escape passing through this financial Charybdis and Scylla, but we must have pilots who both know how and are willing to save the ship. If we remain true patriots we can weather the storm, and we can overcome the difficulties staring us in our faces to-day, but it can only be done through cooperation.

CONFIRMATION OF HON. JOHN F. NUGENT.

Mr. BORAH. Mr. President, I move, as in open executive session, that the nomination of my colleague, Hon. JOHN F. NUGENT, be laid before the Senate for confirmation.

The PRESIDING OFFICER. The Senator from Idaho moves, as in open executive session, that the Senate consider the following nomination from the President of the United States, which the Chair lays before the Senate. Is there objection to the procedure?

Mr. GRONNA. Let the nomination be read.

The reading clerk read as follows:

JOHN F. NUGENT, of Boise, Idaho, to be a member of the Federal Trade Commission for a term of seven years, vice William B. Colver, term expired.

The PRESIDING OFFICER. Is there objection to the present consideration of the nomination? There being none, Shall the nomination be confirmed? If there be no objection, the nomination will be confirmed. It is so ordered, in the absence of objection, and the President will be notified.

FINANCING OF AGRICULTURAL OPERATIONS.

The Senate resumed the consideration of the amendments of the House of Representatives to the joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

Mr. SMITH of South Carolina. Mr. President, I am somewhat disappointed that the action of the other part of our legislative machinery did not see fit to incorporate section 2 in the joint resolution. I did not look for any great change of policy of the Federal Reserve Board in its announced intention to contract and deflate the currency, but I did look for a reestablishment of confidence among the business people and the people at large if Congress should serve notice on those charged with the administration of the laws that we passed that they should be so administered as to conserve the best interests of this country, and that the great agricultural industry of this country, upon which everything else rests, should be the first consideration of this body.

We speak about our export trade being restricted. Why should it not be restricted? Why should not our domestic commerce be restricted? In fact, Mr. President, the collapse that has come is the natural, logical result of the action of our officials in charge of the Federal Reserve Board and of the Treasury.

Now, just let me put a common-sense statement to this body. If you were engaged in the export business, or if you were engaged in a domestic business, and those having charge of the machinery of exchange, those whom the Federal reserve act has made responsible for the banking conditions of this country, were to let it be known that rigid restriction and deflation was what they were going to insist upon and demand as far as the law allowed them to demand it—and let me say just here that a careful reading of that act will show that practically the banking interests of America are in the hands of the board of governors—what would this exporter do; what would your domestic merchant or your domestic business man do? Why, knowing that there was to be this curtailment and restriction, he would begin to get out of the market, in order that he might not be caught with a thing of inflated value as compared with the deflation that would immediately and subsequently follow.

Everybody knows that everything moves along the line of least resistance; and when this order went out to the banks that there must be a curtailment, there must be a restriction of credit, the local banks, both the members of the Federal Reserve System and the State banks, would naturally restrict on those things that were weakest; and what paper is the most notoriously weak from a banker's standpoint?

It is the paper held by the farmer, who has no other resources than the commodity he has hypothecated; and the result was that this great, unorganized, heterogeneous mass, the aggregate of whose efforts means the bread and meat that you and I eat and the clothes that we wear, were necessarily those who felt the radical and destructive precipitation of a drop in price. We sit here and discuss the farmers of this country, but only the smallest number of us have any realizing sense of the conditions under which they must labor and the conditions under which they sell their products.

I want to repeat that the condition existing now is practically altogether the result of the word that was sent forth that there must be deflation and there must be contraction. If you will take the exports that ran along, even in farm products, up until the time that it came to be assured that this deflation and contraction and withholding of credit was going to be a fact, you will find that there was scarcely any diminution whatever in the export of these articles; but when it was found to be a fact that there was a rigid attempt to restrict these credits, as a matter of course it began to affect the exports. Are we to assume that the business men of the Old World, warworn and demoralized as they are, would not take advantage of a falling market in America to withhold their purchases as an American would withhold them? Is it not reasonable to assume that those who have been importing our goods into the Old World, having understood that the policy of this Government was to reduce prices, would order no further imports until the bottom was touched, or at least would only put in their orders for such things as absolute necessity required them to order? So the dearth of orders for export naturally comes from the same thing that has destroyed the American market—that those who hold the lifeblood of commerce in their hands are crying "deflation, contraction," and as a result we have collapse.

The facilities for transportation and communication in modern business are so perfect that the European importer of American products is as thoroughly posted minute by minute, as to the conditions existing here, as we are ourselves, and the consequence of this unfortunate attitude has been to destroy the foreign market, as well as the domestic market, and my hope was that if the Congress of the United States, recognizing the conditions, as we must recognize them, would, by an act on its part, without amending the law, serve notice on these officials that these drastic measures were not in keeping with the sentiments of this body, it would tend to restore confidence. For that reason I hoped that the second section of the joint resolution would be agreed to.

Mr. President, it is useless for me to stand here and reiterate what I have said about the conditions under which the farmer produces and sells, as compared with the conditions under which the manufacturer produces and sells.

I took occasion the other day in a speech to analyze that difference, and it seems as if the press and—I see by an article appearing in one of my own State papers—my colleague misapprehended the position I took. I said, in effect, that the manufacturers of cotton goods, both North and South, have not reduced the price of their finished product, according to the information I had, commensurate with the drop in the price of the raw material out of which they made the finished product; and that if they had not, then they were making the same percentage of profit, or perhaps greater, than they did when they were paying the peak prices for the raw material; going upon this process of reasoning, that if I buy a given product at 40 cents a pound and make two to three hundred per cent, and the raw product drops to 20 cents a pound, or 50 per cent of its value, and the manufactured article drops 33⅓ per cent, I make a greater profit than I did when I was paying 40 cents.

But let us grant for the sake of the argument that the price of the finished product drops the same as the raw material did, and both of them were standing relatively the same, then the profit that was made was just as great as it was before. I was not adversely criticizing the manufacturer; I was simply showing that the conditions under which he produced and sold put him in a position where he could protect himself, while the farmer was in no such position.

I am just as proud of the development of the cotton-manufacturing industries in my State as any man may be; but I am not, because of that, going to lose sight of the fact that the manufacturer is an artificial body, producing its own artificial laws

and governing its own market to a large extent, while the farmer is a natural producer, the natural man using the natural soil, subject to the law of nature, over which he has no control and can have no control.

And just here I want to use an illustration. When the cotton manufacturer sells a bill of goods he figures out what his profits will be on those goods at that day's market. Under the system of what is known as "hedging" on the cotton exchange he is insured against loss. I sell a bill of goods, agree with the purchaser at a certain price based on the price of cotton then quoted on the board—let us say 15 cents. I figure a profit to myself, as the manufacturer, based on that current price to-day of 15 cents a pound. I immediately buy a contract that would call for as much cotton as would be used in the manufacture of the goods. Suppose cotton goes up a cent a pound before I get ready to buy the actual cotton to convert it into cloth, or $5 a bale. The raw material out of which I am to manufacture these goods likewise has gone up a cent a pound. I have made 1 cent on the board, because I bought at 15 and it is now 16, and the party selling me that contract is indebted to me $5 a bale more on every bale than he was when I bought.

I do not call him for the cotton but cancel my contract—buy the cotton in the open market at the price of 16 cents. I pay 15, and he owes me 1, the margin, so that the cotton costs me 15 cents. New York paid 1, I bought it for 16, discounted it, and therefore I got my cotton at 15 and get the profit I had on the original bargain.

Let us suppose it goes down a cent a pound, or is 14 cents. Then I have lost $5 in New York. But I get my cotton a cent cheaper, and in buying it a cent cheaper I have discounted the loss of the $5, and it has just cost me 15 cents. I pay New York a cent a pound; I pay the other man 14; 14 plus 1 is 15; so that if it goes up or goes down I am absolutely protected in the profits that I have in goods. I hope that those who are here understand what they call a hedge. It is an insurance against loss.

When I have bought this contract and sold these goods for some future day's delivery, I am then absolutely indifferent, in a manner, to what the market price of such cotton is, because I have hedged my spot purchases, and whatever day I see fit to go and buy the raw material I am protected by the hedge. Therefore a manufacturer of goods out of the raw material is in a position to protect and guarantee his profits or shut down his mill and quit, whereas where would the man who plants a crop hedge, and what would he hedge on? The ordinary farmer would not dare sell a bill for the delivery of cotton of any grade or any quantity, because, when he puts the seed in the ground and begins the cultivation of it, the quantity and the quality of it are beyond him. If seasons are bad and he makes a half crop, he can not fill the order. If the seasons are good, so far as production is concerned, it is subject to the weather, and he can not guarantee the quality. So that he is absolutely without any protection whatever.

Not only that; he has no reserve capital by which he can combine with his fellows and tide over a disaster such as now confronts us. Sixty per cent of the American cotton crop is made by the tenant who works on the share system, and whose bread and meat from day to day is gotten by his promise to deliver what cotton he produces, or a sufficient amount to meet his living expenses of that year. And to stand here and talk about the farmer taking his medicine along with other people, with a deflated and contracted currency, is the same as tying the fodder at the top of a tree and telling the mule to come and get it.

I had hoped that this body, recognizing the radical difference between the natural producer, the farmer producer, and the artificial producer, the manufacturer, would serve notice that we propose that the Federal Reserve Board, and every other agency that could, should aid and assist him in getting at least the cost of production.

Now, to refer once again to the misapprehension as to my position, I see by the article of my colleague, to which I referred, that he claims that no such percentage of profit was made, and explains that stock dividends are not in the form of profits, but a distribution of the liabilities of the concern. Some people very close to me have been the beneficiaries of stock dividends, and they now own about twice as much stock as they did before without paying a dollar for it, and that stock is at par, so that if you had $1 of stock before you have $2 now. If that is not profit, I would like for some one who is well versed in what stock dividends mean to explain. I will say that this individual is very close to me. Under the decision of the court stock dividends, being a liability on the part of the concern issuing them, do not come under certain forms of taxation.

If the courts of my land say that is all right and the manufacturer says it is all right, I say amen, let it be all right. But I say the farmer does not have any stock dividends. He is not an unnatural or an artificial corporate body. He is bone and sinew, the man with the hoe, out in the field, struggling to get to a point where he can live decently and have some hope and aspiration for the future. He does not need any law of incorporation; he does not have to come to his Government and ask for the privilege of going out and tilling the field. That is recognized as his birthright. It is also recognized as his birthright that he must bear the burden of the whole superstructure of organized society without enjoying the wealth he helps produce.

I drew no insidious distinction; I had no criticism to make of the mills of my country, either North or South. But I was showing how those who have been converting the raw material of cotton could protect themselves and did protect themselves against such a cataclysm as has now occurred, while the defenseless individual in the field was without any means of retrenchment. I do claim and do reiterate that declaring stock dividends is tantamount to passing on to the stockholders their profits in another form.

Mr. President, I hope that the cotton manufacturers of my State and of the East can make all the money they desire to make; but in making it I hope they will cooperate with the man upon whom they are dependent for the raw material, helping him to make his legitimate profit. I believe the mills of my State have largely sympathized with the conditions under which the farmers have had to produce, and I have almost come to the conclusion, Mr. President, that our exchanges, stock, grain, and textile, will have to be more rigidly governed, or taxed out of existence—dealing in what they never own and never produce, taking advantage of unfortunate conditions to make fortunes out of a depressed market, or in other unfortunate conditions to make fortunes out of a market that is too inflated.

Now, my attention was called to another misapprehension or another erroneous report which went out. I want it distinctly understood that I am not apologizing in any way, shape, or form for the speech I made. It was simply a comparison of conditions under which the natural producers produce and the artificial producers produce. But I wish to call attention to another statement that was involved in the report that went to the press, which was that I said that the manufacturers had not reduced the prices of their finished product nor wages.

I never mentioned wages. That is a question for them to decide. The question of lowering their prices was a question for them to decide. I referred to the prices as the reports were given me, but I did not refer to the wages which they were paying.

I have asked the departments of the Government to furnish me an official statement of the profits which the mills, North and South, made during the years 1917, 1918, 1919, and as far in 1920 as it is possible for them to obtain them, and they are now in process of being formulated so I may use them. Then there will be no guesswork about it. It will be an official statement as to what profits they did make.

In referring to the resolution that is now before us, I think, in view of the exigencies of the case and the necessity for some action, that perhaps it would be better for us to accept the matter as it comes over from the House. I am sorry that the direction could not have been given to the Federal Reserve Board that we, the Congress of the United States, desire to reinspire confidence in a demoralized business world; that we recognize that there are resources enough in this country and wealth enough for us to furnish a market to consume that which we produce at a proper and reasonable profit to those of us who produce it; and that there is no rhyme or reason in this condition of affairs existing with the bountiful crops that we have made and the demand that is evident in the Old World and the new.

I sincerely hope that if the passage of the joint resolution directing the rehabilitation of the War Finance Corporation does nothing else it will serve notice on the public that the American Congress is in sympathy with those who produce the wealth of the country and does not propose to sit idly by and see them sacrificed. We are still the lawmaking body, thank God, and it is our duty to enforce the laws we have made.

The Federal reserve act, if the joint resolution is passed, will have the effect of meeting conditions right now that exist. But we have made a Frankenstein which has destroyed us up to the present. Just to reverse the order of things, I say that the great, wonderful system that financed the world during the greatest war the world ever saw, that financed Europe, and caused our business to proceed without there being a single

bank failure in America in 1919, while in 1920 they have multiplied beyond what the public is aware of—I say to-day that the system which could withstand the shock of war and the drafts upon the resources of the country such as were never dreamed of, certainly can withstand the strain necessary to give a profitable price to those who have produced actual wealth and now offer it to a starving and naked world.

Is it not peculiar that in the spring when the farmer comes to make his crop he can get all the credit he wants to make the crop, a thing that is not in existence, a thing dependent upon season; but when he gets the crop, when he has an actual commercial asset in his hands, he is denied credit when he has something that is actually tangible and salable. Why should we then, when his crop is made, deny him credit, destroy his profit, and perhaps ruin him? Of course, this is done because he is unable to protect himself. They can make money more easily out of him than they can out of anybody else, and that is the situation.

So far as I am concerned, as a member of the Committee on Agriculture and Forestry, with great reluctance I shall vote to accept the action of the House upon the joint resolution.

During the speech of Mr. SMITH of South Carolina,

The PRESIDING OFFICER. The Senator will kindly suspend at this point while the Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production; and for other purposes.

Mr. SMITH of South Carolina. I ask that the bill be temporarily laid aside.

The PRESIDING OFFICER. The Senator from South Carolina asks unanimous consent that the unfinished business be temporarily laid aside. Is there objection? There being none, it is so ordered.

After the speech of Mr. SMITH of South Carolina,

Mr. SMITH of Georgia. Mr. President, I shall vote to accept the amendments of the House, not because I think the Federal Reserve Board has met in the proper way the responsibilities that have rested upon it during the past few months. On the contrary, I do not. I vote to accept it because it is so important that at once the War Finance Corporation should resume operations.

The value of the operations of that corporation will depend upon the character of men the President appoints to take charge of the work and the spirit in which they perform their duties. If the President gives us broad-minded men, with vision, with knowledge of foreign conditions, and with a desire to really serve their own country, that board can do much toward furnishing markets for our raw materials absolutely necessary to the rehabilitation of central Europe.

As I said when the resolution was considered before in this body, I regard the rehabilitation industrially of central Europe essential to a sound financial and economical condition the world over. There are people willing to work in central Europe who are without the raw material, and industries without the finances necessary to buy that raw material. The reparations commission is preparing to fix the indemnity for Germany, and I hope it will soon reach a conclusion. I hope also that, recognizing the necessity for the acquirement of raw material in middle Europe to produce something with which to meet the indemnity Germany must pay, a concession will be made, and a privilege given to make purchases of raw material, with an obligation to pay for raw material superior to the obligation carried by the indemnity. With this done, a broad field at once is opened for the sale of our raw material into middle Europe, but it must be on long time, time longer than exporters are prepared to give, time longer than banks normally give.

The War Finance Corporation was furnished, under section 23 of the act adopted March 3, 1919, with power to meet this situation in the interest of our own country, and some who supported it were moved by a desire to serve those in distress who had been but a short time ago our opponents in battle. The war being over, there were some even who were willing to aid a fallen foe.

So I have great hope for what the War Finance Corporation can accomplish. I do not mean that it can relieve the entire economic troubles in our country, but it can substantially help if men with vision and a proper spirit take charge of and handle the work. There can be a set of men put in charge who could nullify its powers and do nothing. Its usefulness will depend solely upon the character of men charged with the execution of its responsibilities, and if it fails to do substantial good it will fail on account of the lack of proper men in charge of its work.

I wish to come to the second section, which I agreed to abandon, it having been stricken out by the House. In voting to abandon it I do not mean to express an approval of the course which has been pursued by the Federal Reserve Board. I do not approve it. I do not think it has been wise. I think in a number of ways it has been unwise. Instead of moving aggressively last year to check soaring prices, in my opinion they have waited until the peak was reached and prices were going downhill, and then the action of the board was such that they might go more rapidly downhill. The kick should have been against soaring prices. The help should have been to check the downhill progress.

It has been said that they have done nothing to depress prices upon farm products. Everything that has come from the Treasury and from this board has been hostile in spirit to credits upon staple agricultural products. The spirit which should have gone from that board has not encouraged member banks to aid. I will name one particular thing that they did, injurious to the handling of farm and other products.

Since the organization of the Federal Reserve Board, until this fall, factors' papers have been subject to rediscount in the regional banks. But this year the Federal Reserve Board formally decided that factors' paper could not be rediscounted under the Federal reserve act and forbade the further discounting in the regional banks of factors' paper. I submit that the opinion rendered holding that under the act factors' paper could not be rediscounted in regional banks adds no credit to the legal acumen of whoever advised them. If I had had a law clerk in my office when I practiced law who rendered that opinion I would have advised him to go back to law school.

What is a factor? There are woolen factors; there are factors handling various classes of manufactured products; there are cotton factors. I am perhaps more familiar with the cotton factor than I am with any other class of factors, but to an extent they all largely engage in the same general line of work. I will describe the cotton factor very briefly. The cotton factor is a man, as a rule, who is located at some distributing point, to whom the farmers ship their cotton. This is usually done by the small farmers, the quantity shipped by each producer being usually quite small. The cotton factor frequently advances money to the farmer to pick his cotton and to gin it, and he usually pays the freight on the cotton to the warehouse, where it is accumulated. There he has it classified and put into better shape for the market.

The advances which he makes are a mere incident to his business, in order to help prepare the cotton for the market. He makes his profit from the sale of the product. His business is that of a salesman; his advances are not merely investments, but are principally an incident to his business.

The paper of cotton factors is for advances made to men who raise cotton, to help gather the crop, to gin the cotton, and usually to help ship the cotton into the distributing point, and there to classify it and put it in shape, where an order for 100 bales, say, of a particular kind of cotton may be taken from the various characters of cotton shipped into the warehouse. By this means the cotton can be furnished to spinners of the exact character they require, and a market is thus readily obtained. The Federal Reserve Board held that the note of such a factor, given for money advanced to his clients, the raisers of cotton for the production and preparation of the crop, and secured by warehouse receipts for cotton, was not eligible for rediscount in a regional bank. In order to render this decision they violated three provisions of the act; they twice interpolated words, and in the third instance struck out a word; otherwise they could not have given such a meaning to the act. They did it after for five years they had allowed the rediscount of such paper; but this fall they discontinued doing so.

Now, let us see what the act says. The language is:

> Any Federal reserve bank may discount notes, drafts, and bills of exchange arising out of actual commercial transactions—

That is the most restrictive language in the act, but lest the transaction should be entirely limited to commercial transactions there is further language of explanation. The act continues:

> That is, notes, drafts, and bills of exchanges, issued or drawn for agricultural, industrial, or commercial purposes, or the proceeds of which have been used, or are to be used, for such purposes—

Admitting that the proceeds of the notes of cotton factors were used for agricultural purposes, what has the board done? They say that the act means that only the farmer himself who uses the money can discount his note, but that the factor who advances the money for agricultural purposes, where the money is used for agricultural purposes, can not do it. They interpolate words that are not in the statute and limit it to the original

farmer when the language does not at all limit it to the man who cultivated the soil. Again the act goes on to say:

> Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise, from being eligible for such discount.

Lest the language could be misunderstood, the act goes further, as I have just read, and states that nothing in the act must be construed to prevent the rediscount of paper secured by staple agricultural products, and so forth. The factors' paper was secured by agricultural products, and the money went to help make the crop and to put the crop in shape for the market.

What did the Federal Reserve Board say? They said the word "such" related back to commercial and required the transaction to be a commercial one; that the language of amplification was nullified by the word "such," when the act said:

> Nothing in this act contained shall be construed to prohibit such notes, drafts, and bills of exchange, secured by staple agricultural products, or other goods, wares, or merchandise.

They held that it did not mean what it said, because the word "such" related back to "commercial," and although secured as required by staple agricultural products, the board did not consider it a commercial transaction and decided that the paper could not be rediscounted. Let me read the next clause, which they misconstrued:

> But such definition shall not include notes, drafts, or bills covering merely investments.

When they came to that they said it was an investment; they eliminated the word "merely"; they said it was investment paper; they struck out the word "merely" in their construction and said, as there was an element of investment, the paper could not be rediscounted.

I say, Mr. President, that the opinion rendered by the board was not creditable to it, especially in view of the fact that for five years they had been rediscounting factors' paper.

I do not know whether or not they have applied their ruling to woolen factors. I have recently heard evidence about the wool business which indicates that factors handle wool; factors certainly handle manufactured products, but, so far as I know, the board has only applied the ruling to cotton factors. They have simply utterly misinterpreted the act to carry out, I will not say a forced construction, but an impossible construction, to cut off the rediscount privilege of a particular class of men who handle at least one-third of the entire cotton crop, gathering it at New Orleans, Memphis, Savannah, Galveston, and other places, putting it in warehouses, and classifying it so that it becomes suited for market and so that an order for a hundred bales of a specific character of cotton can be filled, although no one individual farmer could fill it. The individual farmer's cotton is of different grades, yet by collecting a large amount of cotton in their warehouses any particular grade can be selected by the factors out of their clients' goods in their control and put upon the market.

I only rose to say that I shall agree to the House amendment, because I think it very important at once to put in operation the War Finance Corporation and give it a chance properly to operate. I was unwilling, however, to cast my vote accepting the House amendment without expressing myself briefly with regard to the Federal Reserve Board. I think that the Federal Reserve Board ought to reduce the rate of interest. The Senator from North Dakota referred to 8 per cent charged on farmers' notes. In many sections the rate of rediscount in the regional banks is 7 per cent, so that 8 per cent is as little as it was possible to charge in handling paper going out from the member banks. I believe if they would reduce the rate of interest to 4 or 5 per cent it would have a most wholesome effect. I think they ought to change their policy, let the member banks understand that the spirit of the Federal reserve act is not to-day being properly executed, and liberalize their credit to help the agricultural interests of this country at this time to enable farmers to sell in an orderly way, but not to aid them to hoard. I utterly repudiate the suggestion that a farmer who raises wheat that must be eaten during a 12 months' period, and who undertakes to hold his wheat and sell it by degrees is hoarding. What would the speculator do if the farmer were obliged to sell it all at once? He would keep it and sell it along through the 12 months' period. How much better it is for the man who produces it to be able to keep it and sell it month by month as the consumer needs it. It is better for the consumer as well as for the farmer. The suggestion that for a farmer to hold a crop maturing only once a year and sell it along during the year as the ultimate consumer needs it is hoarding or speculating is a suggestion which I utterly resent. It lacks intelligence; it lacks vision. May the time come, in part as a result of the bill we agreed to last week, when by farm organizations and farm cooperation the tiller of the soil shall be in a position to market his crop slowly, to market it to the consumer in order that the consumer as well as the producer may avoid the speculative treatment of farm products by middlemen. Such a condition will bring down the price to the consumer, while it will improve the price to the producer, and anyone with a proper knowledge of conditions should be glad to contribute to bring about so desirable a result.

Mr. HEFLIN. Mr. President, I shall consume only a very short time. I am very anxious to have this joint resolution voted upon.

I am heartily in favor of the legislation proposed. I regret the fact that the House has seen fit to strike out section 2, but I believe that so much good will come from the reinstatement of the War Finance Corporation that I am willing to go ahead with this legislation and wait until after the holidays, when, if necessary, we can introduce another joint resolution directing the Federal Reserve Board to do just what we desire done in regard to giving aid to agriculture.

Mr. President, the Federal Reserve Board is not the only board that deserves criticism with regard to its conduct toward agriculture. I desire to bring to the attention of the Senate a matter of great interest to the cotton-growing States and to the public generally.

Last week in this city the Board of Crop Estimates made public its estimate of the cotton crop of the United States for 1920. Knowing, as I do, that the present cotton crop is the fifth successive small crop produced in the United States, I was utterly astounded at the crop board's estimate of the cotton crop of 1920. The board estimated this year's cotton crop to be 12,987,000 bales. These figures do such violence to the facts, and are so at variance with the truth as to the amount of cotton produced this year, that I felt it my duty to challenge their correctness, and to give to the Senate and the country facts and figures that sustain my contention.

Mr. President, I contend that the Board of Crop Estimates has overestimated the present cotton crop by at least 1,250,000 bales. We had ginned to December 1 of this year 10,144,000 bales. In two other crop years within the last ten—to wit, 1910 and 1916—we ginned approximately the same amount as that ginned to December 1, 1920. In 1910 we had ginned to December 1 10,139,000 bales, and there remained of that crop to be ginned after that date 1,428,000 bales. The amount of cotton produced that year was 11,567,000 bales. In 1916 we had ginned to December 1 10,352,000 bales, and there remained to be ginned after that date 1,011,000 bales. The amount of cotton produced that year was 11,363,000 bales.

It will be seen from these figures that in the other two crop years in which the amount ginned to December 1 was around 10,000,000 bales, the amount remaining to be ginned in both of those years after December 1 was less than 1,500,000 bales.

If we should add to the amount of 10,144,000 bales ginned to December 1 of this year 1,500,000 bales—the amount, we will say, that remained to be ginned after December 1—we will have a crop of 11,644,000 bales. This amount falls short of the crop board's estimate of this year's cotton crop by 1,343,000 bales.

In 1914, when we produced 16,000,000 bales of cotton, the largest crop ever produced in the United States, we had ginned to December 1 of that year 3,024,000 bales more than we ginned to December 1 this year, and there remained to be ginned of that bumper crop after December 1, 1914, 2,832,000 bales. These figures constitute the largest number of bales ever gathered and ginned during that period in any one year; and yet, in order to reach the crop board's estimate of the cotton crop for this year, we would have to gin more cotton between December 1 and the end of the season than we did for the same period in 1914, when we produced the largest crop of cotton ever produced in the United States.

The average amount of cotton ginned for the last five years after December 1 was 1,745,000 bales. If we should add that amount to the 10,144,000 bales ginned to December 1 of this year, we have 11,889,000 bales. This amount is 1,098,000 bales less than the crop board's estimate of this year's cotton crop.

The warm and dry fall season of 1920 has been more favorable for the early opening and gathering of cotton than any year within the last 10, and the present crop was more nearly gathered and ginned by December 1 of this year than has been the case in any other crop year within my knowledge.

I am confident that the final ginners' report will show that the Board of Crop Estimates has overestimated the 1920 cotton crop by between 1,250,000 and 1,500,000 bales.

Mr. HARRIS. Mr. President, I am going to vote to concur in the House amendment for two reasons.

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In the first place the distressed condition of the farmers of the country is such that if we are going to give them help we ought to do it without delay.

In the second place, the second section suggests to the Federal Reserve Board that they help the farmers in a certain way. The record of the Federal Reserve Board, as made in the past few months, in regard to farmers shows that they are not going to help the farmers, but they are in the exercise of their powers going to do everything in their power to hurt the farmers.

The other day, when this joint resolution was before the Senate, I offered an amendment making the rate of rediscount 5 per cent on agricultural paper, but the Senate saw fit to vote that down. I had previously introduced in the Senate a bill to reduce the rediscount rate on agricultural paper to 5 per cent. Since that time it seems that the Federal Reserve Board has inspired two statements which have been given to the papers and have gone all over the country. One was that if Congress made any suggestions like this the members of the Federal Reserve Board would resign; and the other was that the rediscount rate had nothing to do with helping the farmers of the country at this time.

Now, Mr. President, so far as I am concerned, if some of the members of that board who have been giving statements to the press that depressed the price of cotton and wheat and doing everything they could to injure the farmers of this country would resign I would be very thankful.

I will go beyond that, and say that if the friends of the farmers in this body will join with me, we will not allow to be confirmed any member of that board who has been against helping the farming interests of this country in times of such distress, and we will not wait for their resignation.

The Federal reserve bank act is one of the greatest in our history; there is nothing that has accomplished greater good. The New York bankers, the international bankers, as the senior Senator from Idaho [Mr. BORAH] said the other day, seem to have the ear of some of the Federal reserve bank officials more than the farmers of this country, and I agree with him fully in that. The bankers who are opposed to this legislation can destroy it by getting the ear of men on that board who will listen to them instead of the appeals of the representatives of the farmers of this country. That is the best way for the international bankers of this country to have the Federal reserve act repealed or amended so as to destroy its usefulness to the people of this country and to the agricultural masses who are so much in need of assistance at this time.

Mr. THOMAS. Mr. President, I shall detain the Senate but a moment.

Although I have not been present all the time, I have not observed in the discussion of this measure any word of commendation of the action of the House. I desire, therefore, before the vote is taken to express my unqualified approval of its action, first, in eliminating a preamble which I do not think is warranted by the facts; and, second, in eliminating the second section of the bill.

I shall, therefore, vote for it most heartily.

Mr. KING. Mr. President, when this bill was before the Senate a few days ago I did not detain the Senate by any discussion of its provisions, nor is it my intention to discuss it at any length at this time. I am prompted to make a few remarks because of the statements just made by the junior Senator from Georgia [Mr. HARRIS]. I can not assent to the wholesale criticism which he has directed against the members of the Federal Reserve Board, nor do I think he has properly appraised the limitations placed upon them by the Federal reserve act. During the war, and since, there have been many eulogies pronounced upon the Federal reserve act. Senators as well as bankers and students of fiscal affairs have declared it to be a wise and sound banking measure. The financial legislation enacted during the Civil War was inadequate to meet the business requirements of the American people. The imperfections of the national banking act were so manifold that there was a unanimous opinion that Federal legislation was required which would provide a broad, scientific, and comprehensive banking system.

I think the American people are in practical accord that the Federal reserve act measured up to the requirements of our country and approximated a very high standard of perfection. That it will require modification as our country expands is quite likely; but in its operations it has proven of incalculable benefit, not only to the Nation, but to all forms of business and to the people generally, and I believe that it has been administered wisely and in such a manner as to call for commendation in behalf of those charged with this great responsibility. It is possible the Federal Reserve Board have made mistakes in their interpretation of the law and in its execution, but I do submit that all candid and fair-minded men, considering the conditions of our country since the law was enacted, and, indeed, the condition of the world, must reach the conclusion that those who have administered it have manifested ability of the very highest order and a patriotism which can not be challenged. Indeed, it must be a matter of surprise that this act, called upon to endure the stress and burdens of a world war, functioned so efficiently and achieved such beneficent results, vital alike to the American people and to the world.

During the consideration of this measure and before it went to the House, a number of distinguished Senators severely criticized the Federal board because of their effort to arrest the orgy of speculation through which the country was passing and to restrict the use of credits to legitimate and proper business enterprises and activities. Some Senators charged, and that is the criticism of the Senator from Georgia, that the Federal board sought deflation and proceeded in such a manner as to produce widespread disaster in our country. It has been the opinion of many thoughtful men and students of sound finance that the Federal board was subject to criticism because it had adopted too liberal a policy in extending credits, and had thereby contributed to the inflation from which, unquestionably, our financial and credit fabric has suffered.

Mr. HARRIS. Mr. President, does the Senator yield to the Senator from Georgia?

Mr. KING. I yield.

Mr. HARRIS. The Senator does not state that that inflation is caused by loaning money to the farmers of the country to market their products because their products have only been on the market for about 30 or 60 or 90 days.

Mr. KING. Mr. President, the board has rediscounted paper to the extent, I was about to say, of billions of dollars, although the Senator in his remarks stated, as I understood him to state, that the policy of the board had resulted in deflation and destructive contraction. I venture to assert, with all due regard to my distinguished friend, that his position is not quite tenable or accurate. As a matter of fact, there has been rediscounted by the Federal reserve banks several hundred million dollars in excess of the rediscounts for the year 1919.

Mr. POMERENE. Mr. President——

Mr. KING. I yield.

Mr. POMERENE. Apropos of what the Senator is just now saying, permit me to call attention to the fact that the junior Senator from Virginia [Mr. GLASS] the other day showed the very increases in rediscounts in those sections in the West and in the South where the agricultural interests predominate, and it was in the districts where industrial conditions prevail largely that they were loaning money to these various banks.

I agree entirely with the Senator from Utah that this criticism is, it seems to me, entirely unjust. I came into contact with this same question when some of the builders in our section of the State wanted further accommodations by way of rediscount, and it is enough almost to make one tremble when you think that the per capita circulation has increased as rapidly as it has during the last few years.

Mr. KING. The Senator from Georgia [Mr. HARRIS] intimates that there has been no money loaned to farmers for the purpose of marketing their products. I respectfully dissent from that view. My understanding is that there has been no refusal by the Federal banks to give credit for the purposes of moving and marketing crops. Complaints have been made that credits have not been sufficiently liberal to agriculturists to enable them to "hold their crops." I am sure the Senator will find that abundant credit has been and is available for those who desire to market their crops. I do not desire to convey the impression by the remarks just made that agriculturists should not obtain loans to enable them, in a proper and legitimate way, to conserve their agricultural products and to enable them to obtain fair and reasonable markets for the same. I appreciate the fact that if farmers are compelled to dispose of their products as soon as they are harvested, a great injustice is done to them, and no corresponding advantage results to the public. There is no question but that the farmers of our country have suffered because of the unsatisfactory methods under which they have been compelled to dispose of their crops.

All that has been said, not only in the discussion to-day but when this bill was under consideration a few days ago, concerning the farmers of our country and their vital importance to the well-being of the Nation must be conceded by all.

The prosperity of our country rests largely upon those engaged in agriculture. Prosperity comes from trade and commerce, and our foreign trade has been largely developed through the energies and toil and sacrifices of the farmers of the United

States. If prosperity smiles upon the farmers and the producers of live stock it will come to the homes of all the people of our land. The welfare and the happiness of the American people are indissolubly connected with the agricultural classes of our country. I should welcome business and economic conditions that would give increasing prosperity to our great agricultural interests. It is highly important that improved methods of marketing be adopted and that some plan shall be found by which those who produce shall not be deprived of the result of their toil and that speculators and middlemen shall not profit at the expense of the producer and of the consuming public.

It has been so often reiterated that a policy of deflation was suddenly forced upon the country that the accuracy of the statement seems to be accepted by most of the people. The fact is that, following the armistice, there was inflation rather than deflation. There was a period of inflation. Prudence and wisdom should have dictated a different policy to the American people.

With practical unanimity there should have been an agreement upon the part of all of our citizens to return to the paths of peace and of safety and of rational and sane economic and financial conditions. We should have recognized that war conditions ought not to be perpetuated and that the era of high prices produced by the war was a menace to our industrial and economic life, if not to our political institutions. We seem to learn nothing from the lessons of the past nor to heed the danger signs exhibited in Europe which inflation and high prices produced. There were many evidences of a concerted purpose upon the part of all the people not only to maintain high prices but to raise them to higher and therefore to more dangerous levels. For a very brief period after the armistice there was a slight recession in the price level. But this was followed by an upward tendency, which continued without interruption until far along into the present year. It has been charged that manufacturers and retailers conspired to maintain and increase prices. Certain it is that the results would seem to justify the charge. These conditions were not wholesome and could not be continued indefinitely. Manufacturers, retailers, and others seemed unwilling to dispose of their products and commodities except at prices which were constantly mounting. These conditions, as stated, could not persist, and it was inevitable that a decline in prices must result. It would have been wiser, and certainly in the interest of the people, if we had earnestly directed our attention to a gradual reduction of prices immediately following the armistice.

Instead of pursuing this course, speculation was rampant, and the high prices and the profits obtained only led to additional purchases and to still higher prices. The farmers, as well as all other classes, have too often unwisely employed their profits or the moneys obtained from the sale of their products.

Mr. L. A. Andrews, president of the Iowa Bankers' Association, recently stated that the bank statements of Iowa show loans to the farmers of not only "the local percentage of deposits but also their capital and surplus profits, and besides all this, they have borrowed and reloaned many millions of dollars, the Federal reserve bank of Chicago alone showing that Iowa banks have borrowed over twice what they are entitled to under the basic rule." He further states that "the report of the superintendent of the banks of Iowa shows that the loans of Iowa State and savings banks have increased $72,600,000 during the past year, that their bills payable have increased $20,000,000. It also shows that in the past 20 months their deposits have decreased $16,200,000."

Mr. Andrews referred to the fever of speculation and reckless buying prevalent in the country and attributed the present critical situation largely to this fact.

I believe the banks have attempted to meet the demands of the agriculturists, and in November the Federal reserve banks of Cleveland, Philadelphia, and Boston had loaned more than $200,000,000 to seven other Federal reserve banks, of which $38,000,000 was to the New York bank and the remainder to reserve banks in the West and South, where the demands were mainly from the agricultural districts, and I am told that the Federal reserve bank of Cleveland has loaned more credit to the reserve banks in agricultural districts than to the banks of its own district. The report of the Comptroller of the Currency shows that the national banks of New York City had lost $486,162,000 in deposits since July 30 last, the greater part of this amount having been drawn by banks in the agricultural sections of our country.

A full inquiry into the conduct of the banks may modify the views of some who are charging that the banks are attempting to depress prices or are withholding credits from agricultural interests. I have stated that the Federal Reserve Board, according to the view of some, is subject to criticism because it has been too liberal in its extension of credit.

The Financial and Commercial Chronicle in its issue of November 13 states:

> By availing of the apparently limitless resources of the Federal reserve banks, an after-the-war speculation was built up which has no parallel in history. Prices, wages, and everything else moved up in seemingly endless procession. The Federal reserve banking system, if it had been scientifically constructed and administered, should have operated to prevent the wild orgy of the two years that have elapsed since the conclusion of the armistice. Instead, it has fostered and encouraged the movement, the whole mercantile and financial community proceeding upon the theory that we possessed a financial mechanism that could be depended upon to provide credit to whoever might apply for it and in uncontrolled quantities out of a bounteous horn of plenty.
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> The reserve authorities saw the danger to which this delusion was leading about 16 or 17 months ago and sought to apply the brakes. But it was then too late. The movement had gained too much momentum. Besides, the reserve officials were themselves largely victims of the delusion. They hold the notion that the paper money issues they are putting out in the shape of Federal reserve notes are such beneficent creations that they can never be in excessive supply—that a sort of self-regulatory process exists within the reserve system itself which will guard against there ever being an excessive supply of these notes. So they have been emitting more and more of the notes, until now there are over three and one-third billions of them in circulation. They allowed the volume of notes to expand even while they were raising interest rates and insisting that credit demands must be sharply curtailed. Now the price structure, so enormously inflated, has collapsed. Yet the credit demands are more urgent than before, with the result that now there is deflation everywhere except within the reserve banks. Last Saturday they held no less than $3,126,594,000 of bills under discount, or the very largest amount on record. Their strength is impregnable, but what an amount of misery and trouble would have been avoided if with the signing of the armistice they had stopped emitting further issues of notes. The speculation supported by these notes could then never have occurred, and the corrective process now nearing its end would never have been necessary.

By calling attention to this article, I do not mean to be understood as indorsing all that is therein stated, but it is clear that in certain circles there is a strong feeling that the Federal Reserve Board has been too liberal in extending credits to the people.

Gov. Harding, in his address before the American Farm Bureau Federation, at Indianapolis, Ind., on the 7th of this month, states that on September 19 of last year the total earning assets of all Federal reserve banks were over $2,350,000,000, and on January 27 of this year the total was nearly $3,300,000,000. He calls attention to the fact that no banking system is strong enough to sustain itself for any length of time at so rapid a rate of expansion of credit. We know that there was no drastic deflation attempted, notwithstanding its precarious condition. The slight advance in discount rates resulted in a gradual liquidation, and this continued for only about 60 days, and the reduction in credits amounted to only approximately $100,000,000:

> In May the loans and investments of the Federal banks were again at the high level, and on July 23 of this year there had been a decline in the total loans and investments of only $150,000,000 from the high point. On December 3 of this year, the loans and investments had reached the limit of $3,333,792,000. On December 3, 1919, the loans and investments of the Federal reserve banks were only $2,933,082,000 The Federal reserve notes in circulation on December 3, 1920, amounted to $3,312,039,000 as against $2,881,359,000 on December 5, 1919.

Gov. Harding further states that "as far as the Federal reserve banks are concerned, no contraction of credit or currency has been had during the past 12 months, but, on the other hand, there has been an increase in Federal reserve bank credit of $400,000,000 and in currency of $430,000,000."

During the past year business has expanded in many lines and many incorporations have been formed, which have absorbed hundreds of millions of dollars of the earnings of the people. Of course, large sums have gone into existing corporations, but many new corporations have been formed which have called for extensive investments. Bradstreet's issue for November 20, 1920, states that during the first 10 months of this year there were, in the Eastern States alone, corporations organized with $12,242,577,700 capital, as against corporations with $10,359,249,100 in 1919. The same issue also states that the new "domestic capital" issues in the first 10 months of 1920 were $2,693,022,300, as against $2,544,349,100 for 1919. The New York Journal of Commerce shortly after the 1st of each month gives a tabulation of new enterprises. Statistics for each preceding month of incorporations under the laws of the principal States show that the authorized capital of the corporations referred to for the first 11 months of 1920 aggregate $13,138,140,800. The same authority states that the authorized capital for 1919 was $12,677,229,600; for 1918, $2,599,752,600; in 1917, $4,607,094,100. These figures, and many more which I have before me, show the great expansion of business since the armistice and the great volume of credit which has been employed in the United States.

No one, Mr. President, can be oblivious to the unsatisfactory condition of business not only in the United States but in the world to-day. The proponents of this legislation hope to secure European markets for surplus agricultural products. I stated upon a number of occasions during the debate upon the Versailles treaty that unless Europe were stabilized and means devised by which commodities, and particularly raw materials, could be obtained by the people of Europe we would suffer a great decline in prices and the stability of our financial system would be threatened. There were many who sought to isolate the United States and to deny her the opportunity of participating in the affairs of the world. We are a part of the world, and our fortunes are more or less linked with the fate of the world. With Europe unhappy and bankrupt, we can not expect the tide of prosperity to mount high in our land. If Europe purchases our products, we must take in return some of Europe's products. Moreover, while Europe is recovering from the chaos into which she was thrown by the war, we may be compelled, if we trade with her, to make capital investments in Europe. When we were a debtor Nation, Europe was making capital investments in the United States. She helped finance our railroads, construct our factories, and develop industries which brought profit to America and gave employment to American workingmen.

We are a creditor Nation and the nations of Europe are our debtors. We will be compelled to accept payment for many of our surplus products in capital investments in European nations, and through the medium of banks and corporations, organized and to be organized, the transactions must be effectuated, which will result in the export of our surplus commodities and the payment to our agriculturists and other producers whose products are marketed beyond the seas.

Recurring to the criticism of the Senator from Georgia, I desire to state that the members of the Federal Reserve Board are entitled to the thanks of the American people for their wisdom and for the ability and devotion with which they have discharged the great responsibilities resting upon them. The Federal reserve act has been vindicated under their wise administration. The credit of our country has not been impaired, and during this world's struggle, which has destroyed nations and brought financial ruin to the proudest, the financial strength of this Republic has resisted all assaults, and it has emerged from the storm wearing the crown of financial leadership amongst the nations of the earth.

The Senator from Georgia says he will not vote for the confirmation of the members of the present Federal Reserve Board. I shall be happy to support them, and am glad to bear testimony to the patriotic and faithful services of the present members of the board, as well as those whose terms have expired and who are no longer associated with that important body.

Mr. President, I fear that this measure will fail to give the relief which some who have enthusiastically supported it believed that it would. However, I shall support it, hoping that the farmers and live-stock interests particularly will be benefited by its passage.

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator from North Dakota yield to the Senator from Alabama?

Mr. GRONNA. I yield.

Mr. HEFLIN. Mr. President, a good deal has been said here recently about deflation in this country. We know that inflation was brought about, not in a day, in a week, in a month, or in a year. It took nearly three years' time, and now if we bring about deflation as rapidly as has been suggested and undertaken, it will not be deflation, but destruction. It will require two years' time to get the country back to its normal state in this matter. Unless we make haste slowly in the matter of deflation we are going to bring disaster to the agricultural interests of the country.

Mr. THOMAS. Mr. President, may I ask just what the Senator understands by deflation?

Mr. HEFLIN. Reducing the available money supply and credit.

Mr. THOMAS. Does not the Senator know that the supply of money has not been reduced at all?

Mr. HEFLIN. Sure; there is more money in the country to-day than ever before, and it is the duty of this Government to do what is necessary to bring that money out of its hiding place. It ought not permit anybody to get control of the money supply at a time like this and hold it to the detriment and ruin of the producing class of America. This Government owes it to the men whose sons it took out of their homes to go to war to see to it that those who control the money supply shall not let their dollars become slackers now, when the produce of these men is selling in the markets of the country at a price below the cost of production.

Mr. POMERENE. Mr. President, the Senator has spoken of these dollars being in hiding. Does he think they can be brought out of hiding by continuing rediscounting at the rates in effect in the past?

Mr. HEFLIN. Whether they come out of hiding or not, it is the duty of the Government to supply the money necessary to reach the emergency that is upon us, because this emergency came not by any act of the farmer, but it came as the result of the war, and the Government owes it to the farmers of this country to see that they are not made to suffer the tremendous losses that the present ruinous prices would entail.

If the big banks will not let their money come out of its hiding place, then let the War Finance Corporation issue six times its capital of $500,000,000, which will be $3,000,000,000. That is necessary to relieve a very distressing situation, and we must not let a few people, who want to corner the money supply, produce a feast out of the misfortune of the farmers of America.

A gentleman told me Saturday night that a banker said to him, "This is the harvest time of the bankers, and they must be permitted to make big stakes. There are periods when they do not make much money." I do not think a majority of the bankers have such a view as that, but if they have will the Government permit them to hold back the money which should now be given in exchange for that which represents the capital and labor of the farmer until his business is wrecked? Such a course would be a shortsighted and dangerous course and the Government should not permit it.

Mr. SMOOT. May I ask the Senator a question?

Mr. HEFLIN. I yield to the Senator.

Mr. SMOOT. Does the Senator know of a single bank which has opposed this measure?

Mr. HEFLIN. I do not. I think most of them are in favor of it.

Mr. SMOOT. Then why does the Senator talk about the money power and the banks? I do not know of a bank that has opposed it or even written a letter in relation to it.

Mr. HEFLIN. The Senator has misunderstood my remarks. I was replying to the junior Senator from Utah [Mr. KING] regarding the Federal Reserve Board and the banking system. I think their policy in recent months has been a mistake. I think that if rediscounts are not continued a serious mistake will be made. I think, too, that the Congress ought soon after Christmas direct the Federal Reserve Board, if necessary at that time, as to what it shall do in going to the rescue of the farmer.

Mr. SMOOT. What did the Senator mean when he said this was the day of the banker's harvest?

Mr. HEFLIN. I said that a gentleman told me that a banker had said, "The banks must be permitted to make a killing now. Times like this constitute their harvest time."

Let me say, further, that I have heard that other bankers have said that the time to make your money is when the people are hard up and money hard to get. The Senator knows that there is a good deal of truth in that.

Mr. SMOOT. I want to say to the Senator that if there ever was a time in the history of the United States, from the beginning of it down to the present time, when the bankers have had a hard time, even to pull through, it is to-day.

Mr. KING. Some of them are failing.

Mr. HEFLIN. A great many of them are doing all they can, and I blame the Federal Reserve Board and some of its member banks for not backing them to the limit. That is my criticism.

Mr. SMOOT. That is a different proposition; but I want to say to the Senator that never in our history have the banks loaned so closely—I mean as a whole, not here and there a bank, but when every bank in the United States has loaned so closely to the line of safety in loans as they are right at the present time.

Mr. HEFLIN. I do not dispute that. But the Federal Reserve System was instituted for the purpose of meeting any and every emergency, and it tided us over the greatest war of the world, and there was not a ripple upon the surface of the great sea of finance in this country during all that time, and now, when the war is over and millions of people have gone back to work, if the Federal Reserve Board does not function properly, so as to take care of the situation in the aftermath of that war, it seems to me it is time for Congress to pass a resolution instructing that board what to do.

Mr. THOMAS. Mr. President, I will detain the Senate but a moment. The Federal Reserve Board, or the system of banking which is under its control, was the result of experiences

gleaned from the banking systems of the past, and those prevailing in modern commercial countries, by a commission appointed for that purpose, under the leadership of the late Senator Aldrich, of Rhode Island. The report of that commission forms the basis of the act introduced by its chairman, as it also formed the basis for the Federal reserve act. It was said, and I think correctly, to be the best banking system that had ever been enacted into law in this country, and probably the best extant in any country.

Fundamentally it was designed, and must have been designed, first, to prevent the systems controlled by private interest; and, second, to provide for a nonpolitical administration of its board, and consequently of the policy of the banking system of the country.

We may differ as to the manner in which the law has been applied and construed, but we must recognize the fact that the Federal Reserve Board have had placed upon them great responsibilities, and have been compelled to act not only in times of the greatest crises which ever confronted mankind, but also during those periods of depression which are as unavoidable as are the recessions of the tides, once they have reached high water.

The Senator from Alabama [Mr. HEFLIN] very justly inveighs, if the fact be so, against those who are hoarding money at the present time, when it is needed in the channels of trade and industry. But I think it is everywhere the fact, not only with this, but with preceding generations, that times of depression, falling prices, and stagnation in business affairs are always attended by a diminution in the circulating medium. Men with money keep it out of the channels of trade and commerce. Banks begin to hold money because of the fact that the margin of safety requires it absolutely.

Those who are clamoring against what they call a conspiracy of the banks seem to me to forget that a bank's first duty is to its depositor. The money which the banks use for business, for the meeting of the obligations of the various communities, is only in very small part the money of the banks. It is in large part the money of the depositors, and the security and solidity of the bank is the one and only guaranty to the depositor of his money. The banks which are conservative and which do not fail very properly recognize it as their supreme and fundamental duty to safeguard the depositor and invest his money so as to bring a return both for him and for the bank. I think the banking interests of the country, as was said by the junior Senator from Utah [Mr. KING], are subject to criticism only because they have transgressed the period of safety in the interests of the producer, and they are in a situation quite as hazardous to-day, if their loans are to be expanded, as are the interests which are clamoring here for legislative relief.

The New York Times of yesterday or the day before stated that millions of dollars—I think a billion in all—of taxes due the Government had been defaulted because the taxpayer had been unable to borrow the money with which to meet the last payment upon his income and excess profits assessments. It is to be presumed that men and institutions with such enormous incomes, in consequence of which their income taxes are so great, could, if anyone, be able to secure the needed funds for the purpose of meeting the exactions of the Government. Failing to meet them, failing to obtain the needed funds, the penalties of the statute operate, and they are now in operation against a billion dollars' worth of taxes in that city alone—perhaps that is too broad a statement; in the country at least—because of this monetary stringency which the Senator would relieve, and he would relieve it by the compulsory issue by the Federal reserve banks of five or six billion dollars of bonds. All the criticism that seems to me to be necessary to direct to that statement is to speak for a moment of the financial condition of those countries which have themselves met or attempted to meet the conditions. Take France, Italy, Germany, and to some degree Great Britain. Upon that principle we would cure delirium tremens by repeating the doses of intoxicating material which the patient is required to take. I can conceive of no greater calamity to the people of the country than to meet present conditions by resorting to such a remedy. It is hopeless, not to be thought of, and in the end only plunges us far more deeply in the slough of despond which many people seem to feel is just ahead of us. People ultimately must realize that there is no royal road, legislative or otherwise, that will relieve us from the operation of the fundamental economic laws of trade and of industry.

We must go through this ordeal as those in other times have been compelled to do, realizing that the reaction is universal, that it can no more be stayed than a law of nature, and that the good old ways of suffering, of economizing, and being as thrifty as possible, buying only that which is necessary, and contributing all the savings that can possibly be realized to the general fund of capital—that, and that alone, will restore conditions and enable us to return to what may be called a fair and prosperous condition.

Our legislation, I predict, and with that statement I conclude, whatever it may be, will prove so utterly disappointing that the would-be beneficiaries, in their disappointment and resentment, will in the end turn against the men who have proposed and enacted it.

Mr. GRONNA. Mr. President, I do not wish to prolong the discussion. I simply wish to be permitted to say that I can not agree with the conclusions of the Senator from Colorado. I think he misunderstood the Senator from Alabama [Mr. HEFLIN] with reference to the amount of bonds issued. The joint resolution, when it becomes a law, will not burden the Treasury with any additional bonds whatever. As I said a moment ago, the law specifically provides that the Federal Government shall not be responsible for the bonds. They are debenture bonds which will be sold in the markets.

We find no trouble to get money for Liberty bonds. I do not wish to be personal, but I wish to say that within the last month I have sold nearly $20,000 of my own Liberty bonds, some of them at a discount of about 13 per cent, and all at an average of about 10½ per cent. If there is plenty of money in the country to buy these bonds at this enormous discount, why is it not fair to suppose that the debentures issued by the War Finance Corporation, exempt from taxation, will find a ready market? As I said, they would not be a burden upon the Treasury of the United States.

Mr. KING. Will the Senator permit an inquiry?

Mr. GRONNA. If I may just finish this statement, I will yield to the Senator.

It is not literally correct to say that there has been no deflation. In order to have the RECORD show the actual condition, I wish to be permitted to read from a statement of the Treasury, taken from the circulation statement of December 1, 1920. I find that on November 1, 1920, the circulation per capita was $59.48, and on December 1, or 30 days later, it was $59.41, a difference of 7 cents per capita only, but on the basis of 100,000,000 people it amounts, if my calculation is correct, to $7,000,000. So it is not accurate to say that there has been no deflation.

Mr. POMERENE. Is the Senator able to give the per capita circulation on the first day of each month, let us say, for six months preceding November 1?

Mr. GRONNA. I do not happen to have that statement before me, but I shall be very glad to have it put in the RECORD if the Senator desires it.

Mr. POMERENE. I think the Senator will find that there was a gradual increase.

Mr. GRONNA. I do not doubt that.

Mr. KING. May I now ask the Senator the question which I proposed to ask a moment ago?

Mr. GRONNA. Certainly.

Mr. KING. The Senator stated that he was compelled to dispose of some several thousand dollars of his Liberty bonds quite recently.

Mr. GRONNA. I did not say compelled. I said I did dispose of them.

Mr. KING. Yes; and sold them at a discount of some 15 or 17 per cent.

Mr. GRONNA. On an average, I think, of about 10½ per cent. They were of different issues.

Mr. KING. Let me ask the Senator this question: If the War Finance Corporation shall function under the bill and shall issue, as the Senator from Alabama [Mr. HEFLIN] indicated they might, and, as I understood him, he wished they would, some three or four or five billion dollars of bonds, is it not obvious that they must come in competition with Government bonds and still further force down the value in the market of the Government bonds?

Mr. GRONNA. I do not know. I take it that the more bonds there are in the country the greater the advantage will be to make a reasonable or a large discount.

This morning when the joint resolution was laid before the Senate I had been unable to confer with the friends of the measure. I was therefore unable to make the proper motion to concur. Many of them have now given their views on the floor and I have talked with others privately, and while they, like myself, reluctantly yield, yet we believe that half a loaf is better than no bread. Therefore I consent to the motion made by the Senator from Utah [Mr. KING] to concur in the amendments of the House and that the Senate agree to the same.

Mr. POMERENE. Mr. President, I have heard to-day, as I have upon other days when this matter was before the Senate, a vast deal said about the embarrassing position of the agri-

cultural sections of the country. My belief is that in most respects that condition has not been overstated. I am quite as anxious for the relief of the agricultural interests as anyone can be. The only exception I have taken to the debate is the attempt to point out that the agricultural interests have been discriminated against when compared with the other great industrial activities of the country. I am quite sure that Senators make those statements because they have not advised themselves as to conditions in the industrial centers.

It is true that one section has wheat or cotton which has declined in value. In an industrial center they have stocks, perhaps, or bonds that have declined in value. In the large manufacturing plants of the country the stock bins are filled with their products made out of the highest-priced materials and at the highest wages that were ever paid in the history of the country. In industrial centers manufacturing plants have been closed down because there is no demand for the products. I fear that in some of these places there is going to be distress, and it will not be a question of marketing products so much as it is going to be a question of bread and meat for those who are thrown out of employment.

I was very glad that the Senate saw fit to change the joint resolution so as to provide that the relief should be not only for the benefit of the agricultural interests but for the producers of other products as well. I think the Senate did right when it adopted that amendment. But again I wish to say to those who are in the industrial centers, as well as those who are in the agricultural centers, that when we talk about the inflation of our circulation we are playing with fire. Just think of it; in 1896 the per capita circulation was $23, and on December 1, 1920, $59.41. Oh, this can go on, perhaps. It can go on by unlimited rediscounting. Aye, it can go on in another way. We can have our State Department enter into negotiations with Lenin and Trotski for their printing presses. I was told the other day that some public man made the statement that Germany was not printing money now, she was publishing money.

Oh, we can do it. We are in a better financial condition today because we have not followed in the footsteps of Lenin and Trotski and Germany. I am jealous of our financial system. I want to help to the limit of safety, but I never will be willing consciously to go beyond it. We can postpone the pay day, perhaps, by operating the printing presses, but it will come just as sure as we continue to an unnecessary degree.

Mr. HEFLIN. Will the Senator from Ohio yield to me?

Mr. POMERENE. Yes.

Mr. HEFLIN. Does not the Senator think it would be wise to put the farmers and merchants and bankers of the country on notice that the deflation is going to begin at a certain time, in order that they may make their arrangements accordingly? The farmer had no notice at all this year that any such conditions would confront him. He went along and produced his present crop, which cost him more than any crop he has ever produced, and just as he reached the market place he was met with talk of deflation. Money was hard to get. Now, does not the Senator think he ought to have an opportunity to arrange his affairs so as to be ready for such an occasion as the one that is upon him now?

Mr. POMERENE. I fear my very good friend is not accurately informed on this subject. I do not think—and I say this with all due respect—that the Senator speaks accurately when he speaks of deflation. As a general proposition there has been no deflation. The Federal Reserve Board has simply arrested inflation in the great degree in which it was advancing during the past months.

Let me suggest this to my good friends from the South and the West, and the East as well: True, you can get additional money; true, you can extend these loans for a while. I think many of them could be extended if all the member banks would do their duty, for it is not a question so much as to the reserve banks.

Let me suggest to some of my friends in the South and in the West, where they allow their banks to charge 10 and 12 per cent interest, that if they will go before their legislatures and have the legal rate, the contractual rate, of interest cut down, they will enable the farmers to extend their loans for a good while.

Mr. HEFLIN. Mr. President, will the Senator yield further?

Mr. POMERENE. Yes; certainly.

Mr. HEFLIN. But the Federal Reserve Board sanctioned the raising of the rate of interest in the case of a bank at Kansas City to 15 per cent.

Mr. POMERENE. In one of the Federal reserve banks I think that rate was allowed at one time; I think that is true; and the Federal reserve banks in some of the other districts have been accommodating the banks of the West and the South.

Mr. McKELLAR. Will the Senator yield to me?

Mr. POMERENE. Yes.

Mr. McKELLAR. The rate in my State by law is 6 per cent, but in one instance, to which I referred some days ago, the Federal reserve bank charged a bank in my State 12½ per cent.

Mr. POMERENE. If Senators want to reduce the rate they can reduce it to 2 per cent, and they will enable their local banks to get the difference between the rediscount rate and the loaning rate.

Mr. GLASS. Will the Senator submit to an interruption?

Mr. POMERENE. Yes.

Mr. GLASS. The Senators do not tell the whole story when they point to these exceptional rediscount rates.

Mr. POMERENE. No.

Mr. GLASS. They are rates which have been extended to banks who have outraged all sound conceptions of banking, and have so far extended themselves as to jeopardize the interests of their stockholders and depositors.

Mr. POMERENE. The Senator from Virginia is right.

Mr. McKELLAR. Mr. President——

Mr. POMERENE. Pardon me for just a moment. Of course, the reserve banks could have continued their rediscounting to an unlimited extent, but conditions would be worse in the future.

Mr. McKELLAR. Will the Senator allow me to make a brief explanation in answer to the Senator from Virginia?

Mr. POMERENE. Yes.

Mr. McKELLAR. The Senator from Virginia is entirely correct in saying that the instance to which I have referred, where 12½ per cent was charged, was an exceptional case; but the Senator is mistaken in saying that such rates are imposed in cases where money ought not to be loaned to such banks. The bank which I have in mind, a bank in my own State, is one of the most solvent concerns in the whole country, and it has had to pay, according to the graduated scale that we permitted under the law last year, as high as 12½ per cent. I repeat, that bank is just as solid as any bank in the country.

Mr. GLASS. It paid the rate according to the graduated scale.

Mr. McKELLAR. Yes.

Mr. GLASS. Under the law adopted by Congress, based upon sound banking considerations, it is simply required that when a bank has extended its credit beyond a certain point the graduated scale shall apply.

Mr. POMERENE. In other words, it gives to the Federal reserve banks the same power over the member banks that the member bank has over its customer when he tries to borrow beyond the line of safety.

Mr. President, the difficulty is not here in the United States. Let me say to my friends from the South and West, as well as in other sections of the country, that the difficulty lies in the fact that the financial conditions over in Germany and central Europe are such that the people there can not buy that which they need. While we may arrange matters so that we can, perhaps, keep the surplus stock in this country a little while longer, the time will come when we must dispose of it. Then the South and the whole country will wake up to the fact that the problem is, Can we, who have a surplus, sell to Europe, which needs our surplus, and get good money from them, who have not any good money, in exchange for our products? That is the whole situation. Until we can improve credit conditions in Europe, all the United States is going to suffer, more or less.

Mr. HEFLIN. Mr. President——

Mr. POMERENE. Allow me to make a further suggestion. I believed that the revival of the activities of the War Finance Corporation might help in the present situation. It was for that reason that I voted for the joint resolution. I only hesitated when it came to Congress attempting to give direction to the Federal reserve banks. With all due respect to my colleagues on that subject, I desire to say that I have more confidence in the Federal reserve banks and their experience than I have in the Congress of the United States. Now I yield to the Senator from Alabama.

Mr. HEFLIN. I wish to ask the Senator if it is not a fact that our export trade this year up to this time is larger than it was last year?

Mr. POMERENE. Does the Senator mean larger in the number of dollars that we have received or larger in the quantity?

Mr. HEFLIN. In the number of dollars.

Mr. POMERENE. I think that is, perhaps, true.

Mr. HEFLIN. If that is true, it shows that the purchasing power of the Old World is yet in pretty good shape, does it not?

I wish to say further to the Senator, in reference to his suggestion that the trouble is not here but yonder across the sea,

that last year the banks obtained money in the cotton-growing districts at 4½ per cent, while this year the rate of interest was raised to 7 per cent. The legal rate of interest in my State is 8 per cent; so the Senator can see what a small margin of profit the banks have in helping to move the cotton crop. Call money in New York, I understand, has gone up to 12 per cent. Money goes where it can earn the most interest, as a rule. We have that condition to confront us here; and there are a number of instances of which I know in connection with loans where the farmer has been unable to get money to handle his crop as he did in 1919.

The VICE PRESIDENT. The question is on concurring in the amendments of the House of Representatives.

The amendments were concurred in.

Mr. DIAL. Mr. President, I was absent last week for a day or two. On my return I noticed in the CONGRESSIONAL RECORD that my good friend and colleague [Mr. SMITH of South Carolina] made a speech, in which he referred, amongst other things, to the profits of cotton mills. I merely desire to make some corrections of mistakes into which I believe my colleague inadvertently fell.

For instance, I notice that he says that New England and southern mills made on an average 300 per cent in profits. Mr. President, I am not here to defend profiteering; I believe there has been too much profiteering carried on in the United States; but as to that statement I desire to say that I never heard of a mill making 300 per cent per annum, and I doubt very much whether any mill made any such amount on an average.

The cotton-mill industry is a great one in my section of the country, and our people are very much interested in it. Sometimes, of course, mills make greater dividends than at other times, as is the case in all industrial enterprises.

My colleague also stated that the cotton mills reduced the price of goods only 33⅓ per cent. In that statement I think he is in error. I have investigated that question. Goods which last summer were selling at 26 cents a yard to-day are selling at 8 cents a yard. So it is plain that that great industry has been very hard hit, and there is very little, if any, sale for many of the goods it produces. I know of mills in the community where my home is located which, when I was home about six weeks ago—I have not heard from them in the last month—had not sold a yard of goods for five or six months. They are piling up their goods in the warehouses; they can not find a market for them at any price, but are merely trying to operate in order to give employment to their labor.

In reference to the statement of the senior Senator from South Carolina that cotton mills had been declaring dividends upon which they paid no taxes, I desire to say that it is true that certain enterprises have paid very large dividends, but mostly they have been in the shape of stock dividends. There is a misapprehension in the country in regard to the object of paying stock dividends. A stockholder is no better off with a stock dividend than he was before. A stock dividend merely divides up the unit of the ownership of the property. The Government is not defrauded, and the stockholders, perhaps, are not benefited. It would make no difference to a stockholder whether he could sell one share of stock for $200 or wait until there was a stock dividend declared and sell two shares at $100 each. So I think there is a misconception along that line. The dividends which have been declared are not from earnings made recently, perhaps, but from accumulated earnings of many years.

Mr. SMITH of South Carolina. Mr. President, will my colleague allow me to interrupt him?

Mr. DIAL. Certainly.

Mr. SMITH of South Carolina. Do I understand my colleague to say that whenever a mill declares a dividend in the form of stock and the stockholder receives double the par value of his original holding of stock—and I know of a case where such a dividend was paid—that the two shares are worth no more than the one share was worth?

Mr. DIAL. Very probably the two shares are not worth any more than the one was. The value of the property has not been increased, but the units of ownership have merely been increased and divided.

Mr. SMITH of South Carolina. I understand as to that; but the earnings that the mill has made are paid in the form of a stock dividend, and therefore if a given property on its replacement value, so to speak, is earning 300 per cent, it is certainly a going concern and is worth that much more than it was when the original investment was made. If, instead of paying a cash dividend, they pay a stock dividend, the value of the property is enhanced by its creative power, which is evidenced by the stock dividend. When my colleague shall have concluded I shall read a communication from the Federal Trade Commission on this identical point, touching these very mills.

Mr. DIAL. Very well, Mr. President. There is a great, big question about replacement values. We can deceive ourselves and imagine that we are well off, when really disaster will soon catch us. We thought last summer that our stock was really worth more than it was, because it was based upon the idea of replacement value; but when things became more normal and this decline came, the price of the stock declined perhaps one-half. It was the same way with land in our country. We thought we were better off than we were. Our land that used to bring $40 an acre got up to $200 and $250 an acre. Now it has gone away back down again.

Mr. SMITH of South Carolina. Mr. President, may I ask my colleague another question?

Mr. DIAL. Certainly.

Mr. SMITH of South Carolina. Speaking about this stock dividend, when the directors of the concern ordered this division they could have, had they seen fit to do so, declared a cash dividend to that amount; but they decided to issue a stock dividend, and therefore the dividend was made. It was left to their option as to whether they would declare it in cash or in the form of a stock dividend. Now, my colleague does not say that they did not earn that amount of cash, but they transformed it into stock at their own will.

Mr. DIAL. They should not have issued any more dividends, cash or stock, than they had earned.

Mr. SMITH of South Carolina. Exactly.

Mr. DIAL. That is true; but they would avoid no taxes by issuing a stock dividend. Now, there were stock dividends that some of the mills issued this year that were not made recently, but were the accumulation of profits for many years past. I happen to know a mill in which I am somewhat interested, I am sorry to say, that paid no dividends for about 15 years. It is about 20 years old. It has never paid dividends until recently, and its stock to-day is selling around $100 a share only, and sometime ago it could have been bought for a few cents a share. I know of many other mills in our section that never paid dividends for many years after they were started.

Unfortunately, Mr. President, in the South we begin enterprises upon too meager a capital. We start them in debt, and it takes a long time to accumulate enough profits to get the enterprise out of debt. So that the industry in our country is not a very prosperous industry; it never has been; but since the war it did prosper and made tremendous dividends temporarily, or at least they thought they made dividends; but by the time we convert those goods into cash it is a question whether we did or did not. I say it is one of these inflated feelings, and the point I am trying to make is that these enterprises are great friends of the community. They create a market for our people to sell their cotton to, and their vegetables, and in my section stock in a great many mills are owned by the farmers of those communities. My good colleague lives in a most magnificent agricultural country. His own is in the best, or one of the best, cotton-producing countries in the world, but they have not many mills in that section of the State.

Mr. SMITH of South Carolina. Mr. President, I will state to my colleague that the State of South Carolina is not so large but that a mill located inside the State is almost in a man's immediate community, and that so far as the mill interests of my State are concerned I am just as jealous of their prosperity and progress as my colleague is. I do not own any mill stock, and therefore have not that intimate and vital feeling, perhaps, that I should if I owned a good, big block of it; but I do not. I am a farmer, and farmers do not indulge in stock ownership very often.

Mr. DIAL. My friend is badly mistaken about that, because I happen to know a mill the nucleus of which was 200 stockholders, nearly every one of whom was a farmer.

Mr. SMITH of South Carolina. Yes; but most of them had a side line other than farming. I do not want my colleague to convey the impression, however, nor can he convey the impression without my opposition, that I in my speech, or here now, am trying in any way to disparage the mills of my State or bring them into criticism. The whole purpose of my speech was to show that the men who produced the raw material out of which the mill gets its finished product did not, by the very nature of the case, have the same facilities for protecting their profits that the mill people had, and that is all there was to it.

Mr. DIAL. Yes; I am not criticizing my colleague at all, and I will say that no one in the world sympathizes with the man who produces any more than I do, and there is nobody who works for his interests any harder than I have tried to work since I have been here. I say the conduct of the Secretary of the Treasury this summer in not letting the War Finance Cor-

poration function so that our people could have had a market for their surplus cotton is little short of a crime; and it is a shame now that the price has gone so low, away down where it does not sell for half what it cost to produce it. If I had my way I would advise every man who owns a bale of cotton not to sell a bit of it for 3 months or 60 days at least, until the world becomes normal again and the people want cotton at a reasonable price.

Mr. SMITH of South Carolina. Does my colleague restrict that criticism to the Secretary of the Treasury alone?

Mr. DIAL. Principally.

Mr. SMITH of South Carolina. I should like to have all the sinners included.

Mr. DIAL. I do not agree with some of the statements and interviews given out by the Federal Reserve Board, but I will state that upon the whole I am a friend of the Federal Reserve Bank System and its officers. I think they talked a little too much and they produced a panicky feeling in the country, and I feel that that is one of the troubles now.

Mr. HEFLIN. Mr. President, will the Senator yield to me for just one moment?

Mr. DIAL. Certainly.

Mr. HEFLIN. I do not want to be understood as criticizing the Federal Reserve Banking System. I think it is the greatest banking system ever devised; but my criticism goes to the administration of the system. I think mistakes have been made there; but I agree with the Senator that it is a great system.

Mr. DIAL. I do not say that they have not made mistakes. It is certainly a very great system, and I know intimately some of the men on the board, and I know they have the good of this country and the prosperity of the people at heart, and I know they are willing to do everything that is reasonably consistent with good banking; and I must say that some of the criticisms on the floor of the Senate against that board, especially about the increased rate of interest, have been unjust. We, the Congress, authorized them to increase the rate of interest on a graduated schedule; and the banks, instead of complaining about the increased rate, ought to be thankful that they can borrow at all. The trouble is they borrowed too much, at least a good many of them. When they pay such a great rate of interest it is no exception in the case of a particular bank. Every other bank in the same district would have to pay the same rate, provided it borrowed in the same proportion to its capital and surplus. Before the Federal Reserve Banking System was adopted a national bank could only borrow an amount equal to its capital and surplus, but when this law was passed the top was taken off, and they have been authorized and allowed to borrow an unlimited amount during the war.

Mr. SMITH of South Carolina. Mr. President, will my colleague allow me to ask him a question?

Mr. DIAL. Yes, sir.

Mr. SMITH of South Carolina. My colleague is referring to the law of 1863, the national bank act, until——

Mr. DIAL. Until the Federal reserve bank act was passed.

Mr. SMITH of South Carolina. I say, until the Federal reserve law was put into effect. Does he not agree that the very point he is now making, that a bank should be restricted to a certain percentage of its capital and surplus——

Mr. DIAL. No; I do not say it should be restricted to that amount.

Mr. SMITH of South Carolina. Well, I say, here is the point, it amounts to the same thing: Under the section introduced here at the last session, and passed just before we adjourned—the Senator from Connecticut [Mr. McLEAN], for the Banking and Currency Committee, brought it in here—we so amended the present law as to penalize any bank that exceeded a certain per cent of its capital and surplus, which percentage was to be decided by the board of governors, and that when they exceeded in their rediscount privileges a certain per cent of their capital and surplus then the rate of interest on the excess should be so graduated and progressed as to prohibit them from borrowing above the limit that the Federal Reserve Board of Governors saw fit to put.

Now, the question I want to ask my colleague is this: If you restrict the rediscounting privilege of a member bank to a certain per cent of its capital and surplus, what difference is there between the Federal reserve law and the old law of 1863, which was so rigidly inflexible that we could not do business in this country?

Mr. DIAL. No, Mr. President; I do not say it should be restricted to that amount. I said the provision heretofore was that that was a reasonable amount. I do not think it should be restricted to that. I want to say that I am glad the Federal Reserve Board can do more than that. I do not look upon a graduated rate of interest as a penalty at all. I look on it as an accommodation to the bank.

Mr. SMITH of South Carolina. If my colleague will allow me, was not the object of that graduated and progressive tax to prohibit the bank in a nice way from overdrawing or overrediscounting a certain amount of its capital and surplus?

Mr. DIAL. It was to tell the bank to put on the brakes, and not to borrow too much.

Mr. SMITH of South Carolina. Precisely.

Mr. DIAL. Now, I think it is a very good thing that we go back to precedent and look back to what is considered good banking and not allow them to borrow ad libitum. There is no telling what they will borrow if no limit is placed. Some of them would borrow until they could not pay their depositors, and would possibly fail, and the stockholders would lose their money. I think it is well that there is some supervision of the banks.

Mr. SMITH of Georgia. Mr. President, does not the Senator think any of the banks are well managed by intelligent business men? Does he not think that as a rule the banks are managed by intelligent business men? And does he think that the average bank would overdiscount and overdiscount until it would destroy its depositors' fund?

Mr. DIAL. The statistics show that such things do occur.

Mr. SMITH of Georgia. Occasionally.

Mr. DIAL. I have a very high regard for the bankers of this country. There is no finer set of men than the bankers of the United States. In the words of Pete Hildebrand——

The VICE PRESIDENT. The Chair would like to know what is before the Senate.

Mr. SMITH of South Carolina. The Senator from South Carolina, my colleague, is before the Senate.

Mr. DIAL. I am just coming to what I was going to tell you.

The VICE PRESIDENT. Just a moment. There is not anything pending before the Senate. Senators have been debating without a thing before the Senate.

Mr. DIAL. I am simply correcting some errors which I think my colleague unintentionally made in his speech. I was going to say about the bankers what my friend Pete Hildebrand said when he referred to a fine class of people, "One of which I am whom." So there is no better class of men than the bankers of this country, but some of them do borrow too much, and now some of the bankers in this country wish they had not borrowed so much.

The remedy, in all seriousness, is for more banks to join the system, and thereby they will be enabled to borrow more money and help the farmers of this country and the people generally to market their crops and their produce gradually. I am not certain of the exact number, but I think the Comptroller of the Currency said that perhaps there were only 25 per cent of the banks in this country that had borrowed a short time ago. So I am a friend of the system, and I think the banks ought not to be limited to the original amount, but they ought to be allowed to borrow any reasonable amount, and I think a gradual schedule of interest is a very wise way to limit that amount. It has the advantage that in times of distress they can be accommodated, and it helps the people to market their crops by degrees, and not all at one time.

Now, Mr. President, further in regard to the cotton mills of this country: They are like other enterprises. They have to buy their cotton in the open market, and of course they buy it as cheaply as possible. As I said before, I think it is a crime that cotton has gone down to such an extent as it has, away below the cost of production; but the mills buy that cotton in competition with mills of the world, and so far as the mills of the South are concerned they do not consume any very great quantity when it is considered among the consumption of the world. In the South we only have about 18,000,000 spindles, and in the whole United States there are only about 34,000,000 spindles. In Great Britain alone there are some 69,000,000 spindles, and in the whole world there are about 154,000,000 spindles. Therefore the mills buy their cotton in competition with the exporters and the mills of the world, and they sell their goods in the same way.

Not only that; the Government tax on mills has been enormous. They sometimes take as much as 80 per cent out of the profits in taxes. Furthermore, if the mills should declare an unreasonable amount in stock dividends, under section 220 of the act, a tax can be imposed on that stock dividend.

Now, Mr. President, I merely want to keep the record straight on these matters. I do not want mills to be put in any mistaken position, and, of course, I know my colleague did not intend to do it; I know that he and I both are particularly anxious

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about trying to get a better price for what our people raise. But there should be greater cooperation between all industries in this country. I want the mills to make a return upon their investment, as I want the farmer to make a good return upon his investment, and I want every honest dollar in this country to earn a fair return upon itself. The management of our mills are amongst our best business men who have the interest of their communities and employees, as well as their stockholders, at heart. Mills would prefer to pay a higher price for cotton if world affairs and conditions could be stabilized. Fluctuation injures all.

Senator SMITH had read a letter from the Federal Trade Board in his remarks made before the Senate a day or two ago, which quoted an editorial from Commerce and Finance of June 20, 1920; conditions have changed disastrously since that time. He and I are most anxious that all our people may be happy and prosperous, and both are cooperating earnestly and wholeheartedly to secure a better price for what our people raise.

Mr. SMITH of South Carolina. Mr. President, I do not know but what I should rise to a question of personal privilege.

The VICE PRESIDENT. I think that would be something before the Senate.

Mr. SMITH of South Carolina. I do not mean that really seriously, but in part I do, for the reason that the accuracy of certain statements I made here on the floor have been questioned. They were in a way inaccurate, and therefore I am going to read a communication from the Federal Trade Commission sent to me this morning in response to a request on my part, showing just the facts in regard to the dividends claimed to be made, and I shall read this so that the whole matter can be put clearly. I shall not read the names of certain corporations mentioned in this communication, but will reserve them for any question as to my further accuracy. The communication is as follows:

FEDERAL TRADE COMMISSION,
Washington, December 20, 1920.

Senator E. B. SMITH,
325 Senate Office Building, Washington, D. C.

DEAR SIR: The following notes regarding stock dividends declared by certain cotton manufacturing companies may be of interest to you. These stock dividends are isolated cases that occurred in 1920 following the decision of United States courts that stock dividends are not taxable. Many others occurred which were not noted in financial and trade papers or of which I made no note at the time:

1. Commerce and Finance (New York) of March 27, 1920, stated that the recent decision of the United States Supreme Court declaring stock dividends not taxable was resulting in great activity in textile mill stocks. Stated that many New England mills were capitalized at about $10 per spindle, while the replacement cost was estimated at $50 per spindle. Reserves piled up during the war and were not distributed, because it was felt that such dividends would be taxable. With this bar removed by the United States Supreme Court decision it was stated that boards of directors who had been contemplating stock dividends would probably make distribution of surplus in the form of stock dividends.

2. Commercial and Financial Chronicle, May 8, 1920, page 1923, stated the following mills had declared stock dividends since the decision of the United States Supreme Court:

——— ———, 100 per cent, 172,000 shares, no par value.
——— ———, 66⅔ per cent, $4,000,000.
——— ———, 100 per cent, $2,500,000.
——— ———, 100 per cent, $2,400,000.
——— ———, 100 per cent, $750,000.
——— ———, 100 per cent, $600,000.

3. Journal of Commerce, June 7, 1920, states ——— ——— had decided on a 400 per cent stock dividend, consisting of a 300 per cent dividend in common and 100 per cent in preferred. Stated this to be the largest stock dividend paid up to that time by a southern mill.

Also that stockholders of the ——— ——— ratified the action of the directors in declaring a stock dividend of 200 per cent.

Also stated that the ——— ——— had paid the largest cash dividend yet paid, amounting to 60 per cent.

Also that many mills in addition to paying stock dividends have been paying 10 to 20 per cent cash dividends annually.

Mr. President, I made no other comment, other than to say that if the decline in the price of manufactured goods was not equal to the decline in the raw material, then the dividends which were made after such a decline were just as great as those before the decline. If it be true that they have declined in a ratio equal to the price of the raw material, I maintain that the conditions under which these organizations and other organizations may protect their profits, both in fixing the price of the raw material and in fixing the price of the finished product, and protecting their surplus and their profits, put them clear out of the class in which the agriculturist finds himself; and that is all I have to say about it.

Mr. DIAL. I would like to ask my colleague if that statement referred to was the June 20 statement.

Mr. SMITH of South Carolina. I believe the last one was.

Mr. DIAL. June 20, 1920?

Mr. SMITH of South Carolina. Yes.

Mr. DIAL. That is nearly six months ago?

Mr. SMITH of South Carolina. Yes.

Mr. DIAL. Since that time the bottom has dropped out of the mills' stock and the mills' products, and a great many of the mills which paid a dividend wish that they had never done it. They find themselves in the strange condition the rest of us are in, with our products on hand, cotton on hand, and other things on hand.

Mr. SMITH of South Carolina. I think there is no doubt about the fact that the mills suffered in this situation, as every other business in the country has suffered. But they are still in a position to better take care of themselves in their operations than the man who makes the raw material.

Mr. HARRISON. Mr. President, I understand that the Senate will adjourn in a few moments, and before it adjourns I desire to express myself on one question.

I did not desire to detain the Senate in the consideration of the resolution to revive the War Finance Corporation, although I was heartily in favor of section 2 of that joint resolution; I believed that it was best to accept the House amendment in order that the legislation might be passed immediately so that it might be placed upon the statute books.

I believe that that is the way we can render some real and substantial service to the people of the country, by creating credit so that they can seek markets and sell their products, wares, and goods. It was so broad that it applied in the end not only to agricultural products, but to every other kind of product. That is sensible and reasonable and sane legislation.

But I understand that there will be pending to-morrow or the next day in the House, and is now under consideration in the Committee on Ways and Means of the House, a bill which, upon its face, is supposed to be for the protection of the farmers of the country, but that is not its sole intent and purpose. It is a bill designed to place a high protection, or an embargo, I know not which——

Mr. THOMAS. Both.

Mr. HARRISON. Both, I presume, upon certain agricultural products coming into this country. It picks out and places in the list, I believe, corn, wheat, wool, live stock, some by-products of soy bean, and a great many other things.

Mr. President, I am opposed to that legislation. I do not propose, as a matter of emergency, to vote for a piece of temporary legislation that gives protection as high as that embodied in that resolution. I am opposed now, and have always been, to protection of any kind whatsoever. If my record and the record of most Democrats in the House and in the Senate has been consistent on one proposition, it has been on the tariff. We have believed in a tariff for revenue only, and have fought the Republican cry for protection for a very, very long time, and I would dislike very much to see any of our Democratic brethren in the House or Democratic brethren in the Senate vote now for legislation which would place a tariff on wool higher than was embodied in Schedule K of the iniquitous Payne-Aldrich tariff law.

The country will not be fooled by it. There is no cry from the farmers of the country for that kind of legislation. It is merely a forerunner, intended only to beat a path through which the Republican Party might travel in the coming session of Congress when a full tariff measure, with still higher protection, probably will be presented to the House and Senate. I doubt whether there is a single farmer organization in the country that has asked for this legislation. Certainly it was not promised in the recent campaign, because the tariff question was hardly heard of in the turmoil of that political battle. But the reason for the legislation is plain. It is clearly discernible.

The manufacturers of the country, the special interests of America, desire, in the writing of the new tariff law, to obtain as high a protection as is possible and are now lending aid ostensibly and giving sop to the farmers in the country, through their Representatives here in Congress, of a protective tariff on agricultural products, high, yes, absolutely indefensible, so that they can demand at the coming session that they be treated likewise.

The Democratic Party can not afford to stultify itself by going back at this time on a principle touching the tariff for which it has always stood and in which it has always believed. Its traditions are too dear, the rights of the people too great for that, and for one I pass the cup from my lips, and if the legislation ever passes the House and comes to the Senate I shall steadfastly oppose it and record my vote against it.

Mr. THOMAS. Mr. President, the Senator's speech is a source of great encouragement to me. That is the position I occupied at the last session of the Senate. I feel now that, with the stimulus of my young friend behind me, perhaps he and I will be able to keep a part of the Democratic Party in line upon its traditional policy, if that bill comes over to the Senate.

RECOGNITION OF THE SOVIET GOVERNMENT.

Mr. KING. Mr. President, I desire to offer a resolution for reference to the Committee on Foreign Relations. I have noticed during the past few days statements in a number of newspapers to the effect that our Government entertains the thought of recognizing the bolsheviki government of Russia. In one newspaper these words are found:

At a meeting of the Cabinet to-day one member stated it would be necessary to work officially through the soviets to carry out President Wilson's plan for the relief of Armenia.

Mr. President, I can not believe that the administration contemplates recognizing the Lenin-Trotski government, either as a de facto or as a de jure government.

The American people do not attempt to dictate the form of government which the people may establish in other lands. While we are solicitous for the welfare of the people of other nations, and are desirous that liberty and freedom shall be enjoyed by all, and that progressive and enlightened policies and governments shall be established, we have never sought to force any form of government upon the peoples of other countries.

The people of the United States have always entertained a friendly feeling toward the inhabitants of Russia. The relations between our Government and the Government of Russia for many years were of the most cordial character. There is no question but that we are deeply interested in Russia and solicitous for the peace and happiness of the people of that distracted and unhappy land. I am sure that our Nation would do everything within its power to aid the people of Russia and to help them in establishing a liberal and enlightened government under which peace and prosperity would come to all classes.

However, it is the right of our Government to determine when and under what circumstances it will accord recognition to any other government. There have been times in our history when we have for long periods denied recognition to governments which were exercising power and authority and were supported, if not by all at least by a portion of the people, subject to their control. It has been the policy of our Government not to intimidate other nations or, by refusing to accord recognition, to compel the adoption of a form of government which would more nearly accord with the views of the American people. We have insisted, as it was the right of this Nation to do, that those with whom we have held diplomatic and official relations should observe the recognized principles of international law and that code of morals and honor which should obtain between civilized sovereign nations.

The United States refused to recognize Huerta's government in Mexico. Huerta had risen to a position of power by methods abhorrent to civilized people. In the end, another President was selected, and recognition was accorded the Carranza government. When the Czar was overthrown Kerensky organized a government in Russia. As I recall, his government was promptly recognized by the United States.

It is quite likely that if the bolsheviki government, notwithstanding its destructive political and economic views, had observed the rules governing the relations of civilized people, and had acknowledged its obligations to other nations, it would have been recognized by the United States. But the soviet government, when it seized authority in Russia, announced its purpose to destroy not only the United States but all other Governments, and to level all lines of nationalism and precipitate the people of the world into one colloidal mass. It engaged in atrocious and sanguinary crimes at home, and inflicted the most horrible and brutal cruelties upon the Russian people themselves. It sought to destroy the intellectuals and to prevent the majority of the people from establishing a stable government, one in which the forms of law would be observed, and under which Russia might assume her proper station among the civilized nations of the world.

Lenin and Trotski sent their agents into our country, as well as into other countries, for the purpose of fomenting international and domestic strife and to bring about disorder and revolution. The hand of the bolshevists was raised against all nations and against law and order everywhere. The United States was regarded as an enemy of the sinister and destructive forces represented by the soviet government, and it was therefore the particular object of enmity and hatred. The bolsheviki government has ruled in a brutal and tyrannous manner over the Russian people and has denied to them the free expression of their will. The Russian people do not desire bolshevist rule. The overwhelming majority of the people of that unhappy land desire freedom and emancipation from brutal and unbearable conditions under which they are now compelled to exist.

A recognition of Lenin and Trotski would not be a recognition of the Russian people; it would be an act hostile to the great mass of Russia's inhabitants, one which, in my opinion, would militate against their interests and the early establishment of a government in Russia which will represent the wishes of the people and give them opportunity for industrial and economic freedom as well as political and religious liberty. It would be, as I regard it, a frightful mistake for this great, free Nation to accept the bloody hand extended by Lenin and Trotski. We know that while they would stretch forth one hand, professedly in friendship, the other would carry a dagger with which they would destroy this Republic. A recognition of the soviet government of Russia would be a repudiation of our past policy and would give moral support to the bloody and brutal autocracy which is crushing the unfortunate people of Russia.

Senators will recall that for nearly two years a representative of the soviet government has been in our midst, and in a brazen and audacious manner he has pretended to be the ambassador of the Russian Government. He has sought to spread seditious doctrines and to inculcate the destructive creed of the third internationale congress. His mission seems rather to have been to create disunion among the American people, and to alienate them from their Government and undermine their faith and confidence in republican institutions.

More than a year ago I urged the deportation of Mr. Martens. I called the attention of the Labor Department to the fact that under existing law he was subject to deportation and that he should immediately be arrested and expelled from the United States. Fortunately, the Secretary of Labor at last appreciated his duty in the premises, and he has within the past few days ordered the deportation of this undesirable alien.

Before the resolution which I submit is read, I desire to call attention to the attitude of Mr. John Spargo, the well-known American socialist. Mr. Spargo has investigated the soviet government, and has reached definite conclusions concerning its purposes as well as the consequences of its operations. Those who know Mr. Spargo will be compelled to admit his liberal tendencies and his natural disposition to support an economic or political creed which would give to the masses of the people greater control in the affairs of government as well as greater power in industrial concerns. I have no doubt that he approached the investigation of the bolshevik government in a sympathetic manner, and with a desire to find in the new régime a panacea for what he conceived to be the evils of capitalistic government. Mr. Spargo is an honest and conscientious American, and his investigations have compelled him to condemn bolshevism and to unmask its false pretenses and reveal its hideous and misshapen form to the world.

In a recent address at the Cleveland Chamber of Commerce, where Mr. Spargo analyzed the statements of Mr. H. G. Wells, the noted English socialist, and dissented from some of the views which that writer expressed, he declared that bolshevism is responsible not only for the plight of Russia but for a great deal of the tragic misery and suffering now rampant in Europe. He further states that the most important question of international policy confronting the incoming administration is that of determining what our policy with respect to Russia is to be. Mr. Spargo alludes to the fact that our industrial and commercial life is necessarily linked with the restoration of commercial and industrial life in Russia, and states that it is a fact "known to every statesman that there may be no real restoration of Europe, no solution of the great problem of reconstruction, until Russia is brought into wholesome and normal relations with the life of the rest of the world."

Notwithstanding the necessity of commercial relations with Russia, Mr. Spargo does not advocate a recognition of the Lenin-Trotski government, but, upon the contrary, advises against that course. Let me read what he says upon this matter:

Impressed by these facts, a good many people have surrendered to a shrewdly conducted bolshevist propaganda in this country and are demanding the revision of the policy announced by Secretary of State Colby in August last. They are demanding the recognition of the bolsheviki as a demand of extensive trade relations.

Concerning these demands I have only to say that, in my judgment, anything more disastrous, and more certain to lead to economic anarchy and ruin, imperiling the whole fabric of civilization, it would be impossible to conceive. That is not my opinion only, but I know it to be the conviction of the best minds of Europe, regardless of nationality or political partisanship.

Not only do bolsheviki not represent the will of the Russian people, but what is more important, they do not propose to hold honorable

relations with us. Their major purpose is not the realization of their Communist program in Russia, but the destruction of the economic and political systems of the great commercial and industrial nations, especially the United States.

We gave our recognition immediately and without reservation to the government which was set up in Russia after the revolution, which honestly sought to base its rule upon the will and interests of the Russian people. We can not now in good faith give it to this unscrupulous power, which exists by brute force and has repudiated the very idea of responsibility to the people.

Mr. President, there are some further aspects of this question which I should like to discuss, but I shall not at this time further detain the Senate.

In conclusion, let me add that, in my opinion, this Government can never afford to recognize, in any manner, a faction or dictatorship or government which adheres to the doctrines announced in the third internationale congress, and attempts to carry them into effect and overthrow by force our institutions and by revolutionary propaganda our Nation, as well as all other civilized nations in the world. It is said that Lenin wrote that political creed. Whether he did or not, it is the emanation of the bolshevist government and Lenin and Trotski and the organization of which they are representatives are committed to its execution. This creed calls for the overthrow of all nations and pledges the soviet government to unrelenting war to the accomplishment of that end. Bolshevism, therefore, is at war with our Nation and all civilized nations; it seeks the destruction of the finest and the best there is in the world, the overthrow of our Christian civilization and the plunging of humanity into an abyss from which there is no escape.

Mr. President, I ask that the following resolution be read and then referred to the Committee on Foreign Relations.

The resolution (S. Res. 408) was read and referred to the Committee on Foreign Relations, as follows:

Whereas the so-called soviet socialist dictatorship in Russia pretends to be the successor of the former legal and recognized Government of Russia and is seeking political and diplomatic recognition from the Government of the United States; and

Whereas said soviet socialist dictatorship has repudiated the acknowledged and legal obligations of the former Government of Russia to other governments and to the nationals of other governments with whom it was in contract relations; and

Whereas said soviet socialist dictatorship has ignored and refuses to recognize the duties and obligations of nations under international law, including the obligation of honor and good faith in the keeping and performance of international treaties; and

Whereas the professions and acts of said soviet socialist dictatorship in Russia are incompatible with the principles of public order, and the liberty, rights, and property of individuals as established in the law of all civilized States; and

Whereas said soviet socialist dictatorship has carried on a propaganda in the United States for the destruction of public order and private rights, which propaganda is inimical to the interests of the United States, and constitutes an offense against the Government and people of the United States; and

Whereas said soviet socialist dictatorship acknowledges no common ground of international law or honor to sustain political and diplomatic relations between the Government of the United States and said soviet socialist dictatorship pretending to be the Government of Russia: Now, therefore, be it

Resolved by the Senate of the United States, That it is the sense of the Senate that the Government of the United States do not recognize the present soviet socialist dictatorship in Russia as either a de facto or de jure government, and that the Government of the United States do not enter into political or diplomatic relations with said dictatorship or with any persons claiming authority under the same.

ORDER OF BUSINESS.

Mr. FLETCHER. Mr. President, before a motion is made to adjourn, I would like to remind Senators on the other side that quite a few nominations have been sent in, which can not be referred to the appropriate committees or acted upon until we have an executive session in order that they may be laid down and appropriately referred. I, therefore, suggest that the motion take the form of an executive session for the purpose of having the nominations referred to proper committees in the hope that they will be promptly acted upon and duly confirmed.

Mr. CURTIS. Mr. President, the majority is not ready to have an executive session just at this time.

INTERFERENCE WITH COMMERCE.

Mr. POINDEXTER. Mr. President, a few days ago the Senator from Wisconsin [Mr. LA FOLLETTE] made a motion to reconsider the vote of the Senate by which the bill (S. 4204) to prohibit interference with commerce was passed. Some days have elapsed since that motion was made. Under very common procedure in the Senate a motion to lay the motion to reconsider on the table might have been made, but a motion to lay the motion to reconsider on the table is not debatable, so that I have refrained from making that motion, because the motion to reconsider, as I understand it, is debatable and would give an opportunity for those who desire to be heard upon the bill to express their views.

I desire to say, however, that unless it is brought up within a reasonable time by those who proposed it, and presented to the Senate, so the Senate may have an opportunity of completing the business which it has begun, I shall be very much disposed to make a motion to lay on the table, after waiting a sufficient length of time which seems to be reasonable for those who are interested in the discussion of the bill to do so.

The bill simply seeks to apply to a great agency of the Government—transportation—the same protection of the law which every individual citizen now has.

Mr. KENYON. I ask the Senator from Washington if he would object to an interruption to suggest the absence of a quorum? There are a number of Senators who are interested in the measure who are not here. I think if it is to be discussed it might be well to have them here.

The VICE PRESIDENT. I think it will be well to get the opinion of the Chair. The bill was passed under a call of the calendar under Rule VIII. The Chair will hold that the motion to reconsider is still a part of the procedure under Rule VIII, and as that rule provides that a Senator may speak but once and for no more than five minutes, the Chair thinks it advisable to call attention to that fact in this matter.

Mr. ROBINSON. Mr. President, a parliamentary inquiry. Is the motion to reconsider now before the Senate?

The VICE PRESIDENT. No; it is not up for reconsideration, but the Chair thinks that the situation is as explained by the Chair, that the bill having been passed when reached on the calendar under Rule VIII, the motion to reconsider must be governed by Rule VIII.

Mr. KENYON. That is, limiting discussion to five minutes?

The VICE PRESIDENT. Five minutes and one speech.

Mr. POINDEXTER. I am very glad that the Chair has announced his view. That clarifies the situation somewhat. If those who were opposed to the bill are satisfied with five minutes discussion of it, I am sure that those who are in favor of it will be satisfied with that amount of time. However——

Mr. KENYON. May I ask the Senator, Does that mean that a motion to table it is not in order?

Mr. POINDEXTER. I must refer that to the Chair.

The VICE PRESIDENT. Perhaps it was not good practice, but the Chair has been inquired of as to whether, if the motion to reconsider prevails, an objection may then be entered to the further consideration of the bill. The Chair has expressed the opinion that it can be objected to, and it thereupon would have to go back to the calendar unless some Senator moved to proceed to the consideration of the bill and it was so ordered by the Senate. In other words, the bill having been considered under Rule VIII and passed under Rule VIII, the motion to reconsider comes under Rule VIII. If the bill be reconsidered any Senator may object to the further consideration of the bill and it goes to the calendar, unless there be a motion made to proceed to the consideration of the bill notwithstanding the rule. The Chair is therefore of the opinion that if Rule VIII applies in one particular it must apply in all, and that the debate is limited to five minutes.

Mr. ROBINSON. If the Senator from Washington will yield to me, I should like to make a brief statement, not in his time.

Mr. POINDEXTER. I will conclude in just a moment and yield the floor.

The VICE PRESIDENT. There is nothing before the Senate.

Mr. ROBINSON. I understand that, but I do not care to raise that point of order.

Mr. POINDEXTER. I only desire to occupy the floor a moment. There has been a great deal said, so I am informed, about the manner in which the bill was passed. I desire to say in that connection that it passed in the ordinary course of business of the Senate. It was not taken up upon special motion, but was passed upon call of the calendar.

I am referring to certain objections as to its passage that I have heard on the part of some of those who are opposed to the bill. I call attention to the fact that I was present at the time the bill passed, but made no motion or statement in regard to it. It passed upon the machinery of the consideration of the calendar of the Senate.

I beg leave to say this further in regard to the nature of the bill——

Mr. KENYON. May I ask the Senator before he proceeds, because so much has been said about the method in which the bill was passed, how many Senators were present in the Chamber at the time it was passed?

Mr. POINDEXTER. I have no idea how many Senators were present. I was present myself.

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Mr. KENYON. I have heard it stated there were only three Senators present. I had been in the Chamber previous to that, but was called out, and when I got back the bill had been passed.

Mr. SMOOT. There was the usual number present.

Mr. KENYON. The usual number? There must have been five here then. I had hoped that regardless of anyone's feelings about the bill and its merits and the final passage the motion to reconsider could be agreed to so there might be a discussion of the bill before it was passed.

Mr. POINDEXTER. I am perfectly willing, Mr. President, I will say, so far as my interest in the bill is concerned, if we can have a date fixed for the vote upon the bill directly, that I would consent, and I hope the Senate would consent, to a reconsideration, upon the condition that the date for a vote upon the bill be fixed. If that is agreeable to the opponents of the bill, I shall be very glad if they will suggest it. Then there would be such time for debate as would be agreed upon by the Senate by unanimous consent, if there should be a unanimous-consent agreement.

I wish to say, as I was proceeding to say a moment ago, that there is nothing in the bill which imposes any penalty upon anyone for quitting his employment. That is true whether he quits as an individual or as a member of an organization; whether employees quit singly or quit all together. There is no language in the bill that imposes any penalty on anyone for quitting his employment.

Mr. McKELLAR. Mr. President——

Mr. POINDEXTER. Just a moment. There is, however, a penalty provided in the bill against those who interfere with others who are employed in interstate commerce with the purpose and intent of impeding or obstructing such commerce, or who, by threats or intimidation or by force or violence, interfere with others who are engaged in interstate commerce, or who agree or conspire together with the intent and purpose of impeding or obstructing interstate commerce. Those are the acts which are penalized by this measure, and not the mere quitting of employment.

When the proper time comes for the discussion of the bill I hope to have an opportunity of briefly stating to the Senate the importance of imposing penalties for acts of that kind, with the view of setting up the same method of decision or administration of economic disputes between classes in the country that is now set up for the settlement of disputes between individuals in the community, who are not allowed to fight out their differences upon the street, to the inconvenience and the suffering of the community as a result. The purpose is to substitute the law for force and violence, and I assume that that is the central principle upon which this Government is founded.

Mr. ROBINSON. Mr. President, I do not care at this time to enter into a discussion of the merits of the bill, but to point out the fact that I think, in view of the history of procedure in the Senate under Rule VIII, the motion to reconsider ought to prevail as a matter of right and fairness. It ought to be confessed. In saying that I do not intend to criticise the author of the bill or anyone else for not making the objection which any Senator under Rule VIII could have made when the Poindexter bill was reached on the call of the calendar; but we all know, Senators, that bills of this character are not usually passed by unanimous consent. This subject and related subjects were discussed for days when the Senate had under consideration what we now know as the "transportation act." The Senate by a small majority adopted a provision analogous but not identical with that which is contained in the bill of the Senator from Washington; but it receded from that position in conference. There is not a Senator who does not know that an objection would have been made to this bill if Senators who are opposed to it had been informed that it was going to be called up.

This is an important measure; it is a contested measure; and proceedings under Rule VIII for the consideration of unobjected bills on the calendar during my service in the Senate have never recorded the passage of a bill of this character.

There are bills on the calendar that involve the claims of injured soldiers that have been objected to month after month. This bill relates to an issue of very great importance, and the Senate, if it wants to pass the bill, ought to fight it out. We should discuss it and take a vote on it. Those who are opposed to the bill should have the opportunity to give the reasons for their opposition.

I know that it can be answered that every Senator ought to be here at his post when the calendar is called and that therefore anyone opposed failed to do his duty when he was not here ready to object when this bill was reached on the calendar; but we know the procedure of the Senate when we are considering the calendar, and we know that Senators have a multiplicity of duties outside this Chamber that make it impossible for them to stay here all the time.

To insist upon a denial of the motion to reconsider does not mean that the end of the Senator from Washington likely will be accomplished or the enactment of the legislation that is contemplated in his bill will be expedited by one day. Speaking quite frankly on the subject, I desire to say there is not a possibility that the bill will pass both Houses of Congress and become a law during the present session of Congress.

The body at the other end of the Capitol declined to accept a similar provision during the last session of Congress. A compromise was effected in the transportation act by which Government tribunals were created to adjust controversies arising between railroads and their employees. Those tribunals have proven not completely satisfactory, but effective. What is the advantage to this body; what is the advantage accruing to the country to insist upon a snap judgment in a question of this importance; a question that is contested and that every Senator here knows is contested? Why renew agitation of antistrike legislation when no strike is impending? Why not try out further the system of adjustment now employed?

I neither express nor imply criticism of any Senator who was present and failed to raise an objection; technically speaking, it was the duty of those who were opposed to the bill to exercise their privilege and make the objection; but the Senate spends days and even weeks in discussing unobjected bills; it has consumed this entire day in the discussion of a measure for which every Senator voted, and I do not propose to put myself in the attitude of insisting upon the right of discussion in the Senate upon bills that are not objected to and of denying that right upon bills that are objected to.

So far as I am concerned, I shall vote and fight for the motion to reconsider, and it will not make me friendly to the measure to see its advocates insist that those who are opposed to it shall be denied an opportunity of either expressing or registering their opposition merely because they had no actual notice that the bill would be called up.

Mr. THOMAS. Mr. President, I am not at this time either an advocate or an opponent of this bill. I attend the sessions of the Senate with reasonable consistency, and I recall that when the calendar was up for consideration a few days ago there were very few Senators present. I know that a great many bills were objected to, and quite a number were disposed of. I myself was not in the Chamber when this bill was reached, and I do not know whether I would have objected to it or not at the time. However, I fully agree with the Senator from Arkansas that a bill of this importance, which is known to be controverted, should be enacted into law only after the fullest discussion. Hence the motion to reconsider should, in my judgment, be carried, thus giving to every Senator, both those who advocate and those who oppose the measure, the opportunity to inform the Senate as to the reasons for their respective positions. So, under the circumstances, I think the motion for reconsideration should prevail.

Mr. SMOOT. Mr. President, I was present in the Chamber when the bill passed, but my attention was diverted in one way or another, and I did not follow the bill closely; but even if I were for the bill, and knew that I would vote for it, if a motion were made to reconsider the bill I should vote for the motion.

ADJOURNMENT TO THURSDAY.

Mr. CURTIS. I move that the Senate adjourn until Thursday next at 12 o'clock.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until Thursday, December 23, 1920, at 12 o'clock meridian.

NOMINATION.

Executive nomination received by the Senate December 20, 1920.

MEMBER OF THE FEDERAL TRADE COMMISSION.

JOHN F. NUGENT, of Boise, Idaho, to be a member of the Federal Trade Commission for a term of seven years, vice William B. Colver, term expired.

CONFIRMATION.

Executive nomination confirmed by the Senate December 20, 1920.

MEMBER OF THE FEDERAL TRADE COMMISSION.

JOHN F. NUGENT, of Boise, Idaho.

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HOUSE OF REPRESENTATIVES.

MONDAY, *December 20, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, let Thy protecting arms go out to the innocent and unwary, now that an unprecedented wave of crime is going on throughout the length and breadth of our land. Many hearts are broken and many homes are left desolate. Strengthen, we beseech Thee, the arm of the law, that it may reach out to the culprits and place them where they can do no harm; that they may be taught the sanctity of life and the value of property; that the unrest throughout our country may cease, and peace and order maintained, to the honor and glory of Thy holy name. In the spirit of the Lord Jesus Christ. Amen.

The Journal of the proceedings of Saturday, December 18, 1920, was read and approved.

PROTECTING DEPOSITS IN NATIONAL BANKS.

Mr. McCLINTIC. Mr. Speaker, I ask unanimous consent to address the House for 10 minutes on the subject of banking legislation.

The SPEAKER. When?

Mr. McCLINTIC. Now.

The SPEAKER. The gentleman from Oklahoma asks unanimous consent to address the House for 10 minutes now on the subject of banking legislation. Is there objection?

There was no objection.

Mr. McCLINTIC. Mr. Speaker, I wish to address myself briefly to the subject of protecting depositors in national banks. I am fully cognizant of the fact that there may be some who will disagree with me relative to my ideas on this subject. However, I am thoroughly convinced that it will only be a short while before it will be necessary for the great Banking Committee and this House to consider legislation of this kind in order to keep step with the progress that is being made by civilization.

I am thoroughly of the opinion that the great Federal reserve act is sufficient to protect this country against any kind of a financial panic. However, I am in favor of providing additional legislation which will be of service to the banking institutions and those who deposit money in the same. The Federal reserve banks in 1918 made over $55,000,000 in profits, and in 1919 the enormous sum of $88,000,000 was likewise made in profits. In my opinion a portion of this money should be placed into a fund each year for the purpose of protecting depositors in national banks.

Bankers, as a rule, are honest. However, their business is always coupled with certain kinds of risk. In the wheat and cotton growing sections of the United States it is necessary for banks to furnish the capital that is needed to move the crops. During the past year market situations have, indeed, been very bad, and for months at a time it was practically impossible for owners of cotton to dispose of the same. Conditions of this kind bring about serious hardships on banking institutions, and in some cases where markets could not be found the financial conditions of banks extending this kind of aid have been seriously impaired.

If there is any one thing that will disturb and disrupt a peaceful community, it is the crash of a bank failure. In many cases occurrences of this kind are responsible for suicides and the mental unbalancing of individuals.

Recently in the South a banker sent a bullet crashing into his brain, when, if he had only known it, in a few days he would have received sufficient help to have enabled his bank to continue business. This banker preferred to take his life rather than face his friends who had intrusted him with their funds. If the depositors in his bank could have been protected by a depositors' guaranty law, then the chances are he would not have taken his life, as it is more than probable that there could have been found some way to tide the institution over this crisis.

A few days ago I heard a Member of Congress make a most remarkable statement in this connection, and I am sure that I will violate no confidence when I state the facts in the case. He and five others were elected as directors of a large business institution, and the manager of the same in order to hedge certain contracts became a speculator on the stock markets, which resulted in a loss of over a million dollars. All of the directors, except this Member of Congress and one other party, preferred to commit suicide rather than face the humiliation of confronting those who had intrusted this business into their care. It is to the credit of this Member of Congress that he assumed his proportion of the liability and paid off the same in after years.

It is no wonder that his people have rewarded him by his election to this body, as his record is such as to entitle him to the commendation and the praise of all who know him. [Applause.]

Several States have already provided adequate bank guaranty laws. These are working successfully and the depositors in banks having this protection have never lost any money because of a bank failure. When a national bank fails a receiver, an attorney, and other kinds of professional help are employed to wind up its affairs. As a rule these are imported from some other section of the country and they do not have definite information as to the kind of paper that is subject to collection. In many cases the assets are disposed of at a loss, when, if the same could have been handled through the instrumentality of a depositors' guaranty law, more money could be derived for the depositors, and the expense could be reduced to a very low minimum. As a rule in States where the depositors of banks are guaranteed by law, when a bank fails instead of the public being embarrassed and the financial conditions being disturbed, the institution is sold to some other person, and the assets of the same are handled in such a way as to provide the greatest amount of money without the people being disturbed by reason of the change. To my mind it is far better to protect depositors of banks in this manner than to follow the old system, which has always brought about a great deal of sadness and misfortune to the community in which the institution was located.

The member banks of any Federal reserve district are not entitled to participate in the profits made by the Federal reserve banks, yet they are indirectly responsible for the success of the institution.

I can see no good reason why it would not be fair and right to set aside into a fund 10 per cent of the net profits of each Federal reserve bank annually for the purpose of protecting deposits in national banks, and I am hoping that the banking committee of this House will feel warranted in the interest of right, humanity, and justice to immediately allow a hearing to be held so that those interested in this subject may have the opportunity of presenting their ideas.

I have prepared a bill which I do not claim to be perfect, yet it provides the machinery which, in my opinion, will greatly improve the present plan of taking care of defunct banking institutions:

A bill (H. R. 15012) to provide for the creating of a national depositors' guaranty fund in each Federal reserve district, to be used for the protection of depositors in national banks and trust companies, and authorizing the Comptroller of the Currency to have supervision over the same.

Be it enacted, etc., That wherever the word "bank" is used in the act, the word shall be held to refer to any national bank or trust company which has complied with the provisions of the Federal reserve act and has been designated as a member bank.

Wherever the word "comptroller" is used in the act, the word shall be held to refer to the Comptroller of the Currency.

SEC. 2. That the comptroller is hereby authorized upon the passage and approval of this act to have full supervision over the national depositors' guaranty fund, which is hereby created and established for the purpose of protecting depositors in banks having a full membership and enjoying all the privileges granted under the provisions of the Federal reserve law: *Provided*, That the term "depositors" shall be held to include only individuals or institutions that have money on deposit in banks and do not draw or receive interest from any source for the use of same.

SEC. 3. That the act of March 3, 1919, relating to the disposition of profits of Federal reserve banks is hereby amended to read as follows:

"After the aforesaid dividend claims have been fully met, 10 per cent of the net earnings of each Federal reserve bank each year shall be deposited to the credit of the national depositors' guaranty fund in said bank, subject to be disbursed by the comptroller in paying off depositors of defunct banks. The balance of the net earnings shall be paid to the United States as a franchise tax except that the whole of such earnings, including those for the year ending December 31, 1918, shall be paid into a surplus fund until it shall amount to 100 per cent of the subscribed capital stock of such bank, and that thereafter 10 per cent of such net earnings shall be paid into the surplus."

SEC. 4. That the comptroller is hereby authorized and directed to levy against the capital stock of each bank coming under the provisions of this act an annual assessment of one-half of 1 per cent of the average daily deposits, less the deposits of the United States and State funds if otherwise secured, for the preceding year, and he may direct the same to be deposited in the bank assessed, to the credit of the national depositors' guaranty fund, or to the credit of this fund in the Federal reserve bank of the district in which the member bank is located: *Provided*, That deposits to the credit of the national depositors' guaranty fund, in member banks assessed for this purpose, shall not be subject to draw interest, and the comptroller is hereby authorized to withdraw any part or all of this fund at any time the same is needed to pay off depositors of any bank.

SEC. 5. That banks hereafter organized which are entitled to the protection authorized by the national depositors' guaranty act shall pay into the national depositors' guaranty fund at the direction of the comptroller 2 per cent of the amount of their capital stock, which amount shall constitute a credit fund subject to adjustment on the basis of its deposits at the end of the first year's business, and thereafter assessments shall be made as is provided for in section 4 of this act: *Provided*, That the said 2 per cent payment shall not be required

of new banks formed by the reorganization or consolidation of banks which have been previously assessed for this purpose.

SEC. 6. That 60 days after the passage and approval of this act the comptroller shall notify each bank entitled to receive protection through the national depositors' guaranty fund that the assessments authorized have been made and he shall designate the bank where the deposit shall be placed. As soon as a bank has complied with the provisions of this section, the comptroller shall furnish to said bank a certificate which shall recite that said institution has complied with the provisions of the national depositors' guaranty act, and the bank receiving the same shall be permitted to advertise that its depositors are protected by the national depositors' guaranty law.

SEC. 7. That the comptroller is hereby authorized to increase the assessment made against banks in any Federal reserve district when it becomes necessary to provide funds to take care of an emergency: *Provided*, That the assessment made shall be used for no other purpose than is provided for in this act, and that the same shall not exceed the sum of 1 per cent of the average daily deposits based on the preceding year's business: *Provided further*, That if the assessment hereby authorized does not provide sufficient funds to pay off depositors in defunct banks, the comptroller is hereby authorized to borrow from the national depositors' guaranty fund of any Federal reserve district an amount sufficient to take care of any emergency situation, and the Federal reserve bank loaning such funds shall be entitled to receive interest at a rate not to exced 6 per cent per annum.

SEC. 8. That the comptroller is hereby authorized and empowered to issue certificates of deposit to depositors of defunct banks, drawn on the national depositors' guaranty fund of any Federal reserve district, bearing interest at a rate not to exceed 6 per cent per annum in case the amount to the credit of the national depositors' guaranty fund is not sufficient to pay off the depositors and loans can not be obtained from other Federal reserve banks.

SEC. 9. That whenever the financial condition of a bank becomes impaired to the extent it becomes necessary for the same to be closed, the comptroller shall as soon as possible thereafter issue checks drawn on the national depositors' guaranty fund in the Federal reserve district where the bank is located to the depositors entitled to receive the same: *Provided*, That nothing in this act shall exempt stockholders of defunct banks from any individual liability other than that which is already provided for, and the comptroller is hereby authorized to place to the credit of the national depositors' guaranty fund any moneys that may be collected from stockholders of defunct banks and to use the same in paying off depositors.

SEC. 10. That the comptroller is hereby authorized to provide necessary rules and regulations covering all assessments, payments of claims to depositors, transferring of funds from one bank to another, borrowing funds from Federal reserve banks, issuing of certificates of deposit, and to provide any additional regulations that will be necessary to carry out the provisions of this act.

SEC. 11. That any bank failing or refusing to comply with the provisions of this act shall be subject to a fine of $100 per day, and at the end of 30 days, if the bank fails or refuses to pay the accrued amount, the comptroller is authorized to cancel its charter and to liquidate the business of said institution: *Provided*, That any moneys collected under the provisions of this section shall be deposited to the credit of the national depositors' guaranty fund.

I have never talked with a national banker but what was in favor of legislation of this kind. I know that the depositors who patronize national banks will welcome this kind of a law, and I am sure that any legislation which will improve the financial conditions of our Nation in the future will be welcomed by all of the people. [Applause.]

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution (S. J. Res. 227) extending until January 31, 1921, the time within which the special joint committee created by the naval appropriation act approved June 4, 1920, is required to make its report to the Congress of the United States, in which the concurrence of the House of Representatives was requested.

The message also announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 3259. An act for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States.

PRODUCERS OF AGRICULTURAL PRODUCTS.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 13931) to authorize the association of producers of agricultural products, disagree to the Senate amendments, and agree to the conference asked for by the Senate.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to take from the Speaker's table the bill H. R. 13931, disagree to the Senate amendments, and agree to the conference asked for by the Senate. The Clerk will report the bill.

The Clerk read the title of the bill, as follows:

A bill (H. R. 13931) entitled an act to authorize the association of producers of agricultural products.

The SPEAKER. Is there objection to the request of the gentleman?

Mr. GARD. Reserving the right to object, Mr. Speaker, is this the so-called Capper-Hersman bill, with the Hersman part stricken out and the Volstead part substituted last June?

Mr. VOLSTEAD. Yes. This is a substitute for it.

Mr. GARD. I understand it was passed by the Senate.

Mr. VOLSTEAD. It was passed by the Senate with a number of amendments, and one amendment especially is clearly an error.

Mr. GARD. What are the remaining objectionable amendments?

Mr. VOLSTEAD. I am not prepared to say just what will be objectionable. Of course, I assume that the House bill is what the House would want, but the last amendment is clearly erroneous. It refers to one act, the Clayton Antitrust Act, as the one that punishes unfair methods of competition. The Clayton Antitrust Act does not do that. It is the Federal Trade Commission act that does that, and that error ought to be corrected.

Mr. GARD. Does the gentleman think the bill should go to conference?

Mr. VOLSTEAD. It will have to go to conference for that purpose.

The SPEAKER. Is there objection?

There was no objection, and the Speaker appointed as conferees on the part of the House Mr. VOLSTEAD, Mr. GRAHAM of Pennsylvania, and Mr. SUMNERS of Texas.

CALENDAR FOR UNANIMOUS CONSENT.

The SPEAKER. To-day is unanimous-consent day. The Clerk will call the Calendar for Unanimous Consent.

FEDERAL BUILDING, CORDOVA, ALASKA.

The first business on the Calendar for Unanimous Consent was the bill (H. R. 12437) to authorize the expenditure of the sum of $100,000, heretofore appropriated for the erection of a United States post office, courthouse, and jail at Cordova, Alaska, by the act approved March 4, 1913, for the erection of a United States courthouse and jail at Cordova, Alaska.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Reserving the right to object——

Mr. GARRETT. Mr. Speaker, will the gentleman yield for an inquiry?

Mr. GARD. Yes.

Mr. GARRETT. When was that bill reported?

The SPEAKER. April 20.

Mr. GARD. Mr. Speaker, is there anyone here from the Committee on Public Buildings and Grounds to answer some questions?

Mr. JOHNSON of Washington. I suggest that this bill be passed without prejudice.

Mr. GARD. I ask unanimous consent that the bill be passed without prejudice.

The SPEAKER. The gentleman asks unanimous consent that the bill be passed without prejudice. Is there objection?

There was no objection.

THE STATUTES.

Mr. LITTLE. Mr. Speaker, by direction of the Committee on Revision of the Laws, I move that the bill (H. R. 9389) to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919, a bill of 10,747 sections, now on the Clerk's desk, be considered by the House, that the rules be suspended, and that it be passed, being read by title only.

The SPEAKER. The gentleman from Kansas moves to suspend the rules and pass the bill referred to, to be read by title only. The Clerk will report the bill.

The Clerk read the title of the bill (H. R. 9389) to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919.

The SPEAKER. Is a second demanded?

Mr. MOORE of Virginia. Mr. Speaker, I demand a second.

Mr. LITTLE. I ask unanimous consent that a second be considered as ordered.

The SPEAKER. The gentleman from Kansas asks unanimous consent that a second be considered as ordered. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Kansas [Mr. LITTLE] has 20 minutes, and the gentleman from Virginia [Mr. MOORE] has 20 minutes.

Mr. MOORE of Virginia. Mr. Speaker, I shall only detain the House for but a minute, because I think it is obvious that this bill is generally approved. We all know, of course, that one feature that has marked the development of Government for a long time has been the great increase in the enactment of statute law. I recall that Campbell, in his Lives of the Lord Chancellors, speaks of a session of the English Parliament held at Yarmouth that enacted but a single statute, which was designed to protect the Yarmouth fisheries. Now, of

course, Parliament turns out annually a very large body of statute law. The other day the gentleman from Kansas showed us a volume containing the statutes enacted at the first session of Congress—a very thin volume. But we are in a new time, and every legislative body in the civilized world now produces a large number of statutes at each session. That is notably the case here, and that fact emphasizes the need for a periodical codification or compilation of our statute law. The need is extremely urgent now, and, as I tried to state the other day, the demand for what we are endeavoring to do proceeds from many sources. Now, one of two things is necessary—this is the alternative—either that we shall now adopt no codification revealing the living statute law of the country to the public in a convenient form, or else that we shall pass a bill in the manner in which it is proposed to put this bill through. If we decline to pass this bill, there will be postponed to some very indefinite future date the execution of a most important work. If the bill is passed now and without detailed discussion, I realize fully that the House trusts a great deal to the committee that is responsible for this compilation.

Mr. HUDSPETH. If the gentleman will yield, I want to state to my friend from Virginia I think if every Member of the House had observed the work of this committee as I have they would not feel any question about the correctness of this bill. [Applause.]

Mr. MOORE of Virginia. I am much obliged to my friend. I must, however, say that none of us can claim to have done as much in this connection as the chairman of the committee [Mr. LITTLE]. He has addressed himself to the task with unsparing diligence. I might have competed with him except that for a part of the period I was engaged in trying to avoid the consequences of a possibly altogether fatal landslide. [Laughter.] Now, with reference as to how the committee has carried on its enterprise, whether it has done its duty satisfactorily, I can only testify that we have used every possible precaution to avoid error. Coupled with the fact that the utmost care has been exercised, consider the saving clauses that are appended to the compilation which quite comprehensively guard against the effect of any error which may have been committed, I believe the House may regard the compilation as being just about as accurate as it could have been made under any circumstances whatever.

Mr. BEE. The committee having gone over the codification carefully, I supposed it was possible to put it in alphabetical order—A, B, C. I notice, for example, however, that the Internal Revenue is close to the end of the codification. There is no way by which it could be alphabetically arranged as to the different subjects?

Mr. MOORE of Virginia. It was hardly possible to do that. It may be assumed that a full and analytical index, such as will be provided, will avoid any such difficulty as the gentleman has in mind.

Mr. BEE. I am satisfied that the gentleman has the right idea in mind.

Mr. GARD. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. GARD. How is the index made, may I inquire?

Mr. MOORE of Virginia. The index of the Statutes at Large, as I understand, is made under the supervision of the Joint Committee on Printing, and is by extremely competent men. We can take it for granted that the index to this volume will be made similarly, and that it will undoubtedly afford the easy opportunity of quickly ascertaining exactly where any particular provision can be found.

Mr. GARD. Of course, the index is extremely important.

Mr. MOORE of Virginia. Yes; the index is of extreme importance, and I think my friend will acknowledge that the indexing of the Statutes at Large is thoroughly well done.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. RAKER. In the preparation of this code will the indexing clerk also place under the sections the various citations to the decisions of the Federal courts in construing those sections?

Mr. MOORE of Virginia. No; it is not contemplated that there will be any reference to judicial decisions.

Mr. RAKER. The committee has prepared such citations to decisions, has it not?

Mr. MOORE of Virginia. No; the committee has not prepared any citations of decisions. The expediency of doing that was considered, and we laid aside that idea for the reason that it was thought it would involve labor that would interfere with the early completion of the work and unnecessarily add to the size of the volume.

Mr. RAKER. The index of the statutes which have been amended in the final enactment will be considered as well?

Mr. MOORE of Virginia. Yes.

Mr. PARRISH. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. PARRISH. Has the gentleman any idea as to when the indexing will be completed?

Mr. MOORE of Virginia. The gentleman from Kansas [Mr. LITTLE] is better prepared than I to answer that question.

Mr. LITTLE. This bill, when it passes, will be published in one volume, just as the Statutes at Large are published, and indexed just as any other Statutes at Large are indexed, at the close of this Congress on the 4th of March, if they follow the general custom. Possibly they may get it done sooner.

Mr. MOORE of Virginia. I may say that we design to expedite the indexing as rapidly as possible and also the printing of the volume and its circulation.

Mr. PARRISH. One of the reasons why I asked that question is the fact that a number of Members are binding their volumes of the statutes now. I thought perhaps we could bind the index along with the volume.

Mr. MOORE of Virginia. Just as soon as the bill becomes law the preparation and printing of the index will go forward and be finished at the earliest possible moment.

Mr. LARSEN. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. LARSEN. Is it contemplated that the index will be in a separate volume or bound in the same volume?

Mr. MOORE of Virginia. It will be bound in the same volume. And, further, the suggestion has been made that Congress in providing for the printing should consider whether it would not be advisable to authorize a large number of copies to be printed on thin paper, so as to greatly reduce the bulk of the copies so printed.

Mr. REED of West Virginia. The plates, as I understand, will be preserved by the Public Printer. I understand they will not have to be reset.

Mr. MOORE of Virginia. I understand that when the bill becomes a law plates will be made from the type already set and the number of copies desired will be printed without delay.

Mr. BURROUGHS. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BURROUGHS. I agree with the gentleman that the index will be a valuable part of the work when completed. Is it not also true that the committee has prepared a very complete table of contents that will be found in the first part of the book?

Mr. MOORE of Virginia. That is true. There is such a table of contents, which facilitates the use of the compilation, just as it now is.

Mr. BRAND. I would like to know if these experts who are preparing the index have ever had any experience in indexing law books?

Mr. MOORE of Virginia. I understand they have had long experience in indexing the Statutes at Large that are annually published. I have not heard of any fault being found up to this time by officials of the Government, the bench and bar, or the general public, with the indexing as it has been done from year to year.

Mr. BRIGGS. Mr. Speaker, will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. BRIGGS. Does this bill provide that the codification shall be indexed in an exhaustive way?

Mr. MOORE of Virginia. There is no provision of that sort, and I suppose there has never been any provision of that kind with respect to any individual volume of the Statutes at Large.

Mr. BRIGGS. Does not the gentleman think it ought to be incorporated in the bill?

Mr. MOORE of Virginia. I do not think it should be incorporated in the bill. If it is deemed advisable to indicate in a specific way how the indexing should be done, that is a matter that should be taken care of by a separate measure.

Mr. BRIGGS. The gentleman does not think it ought to be done as a part of the adoption of this report?

Mr. MOORE of Virginia. No. In my opinion, if there is any necessity for a specific requirement as to indexing, it should not be incorporated in this bill.

Mr. GARRETT. The index is not a part of the law, anyhow.

Mr. MOORE of Virginia. The index is not a part of the law. It must be made after the law is enacted.

Mr. BRIGGS. I want to ask the gentleman whether the same arrangement as that in the old Revised Statutes will be followed in this compilation?

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Mr. LITTLE. We followed the Revised Statutes as far as the immense amount of new law would permit.

Mr. MOORE of Virginia. The gentleman will understand that there has been such a multiplication of statutes since the date of the Revised Statutes that strict adherence to the arrangement then observed was not possible. Since that date a great number of new subjects have been drawn within the legislative activity.

Mr. BRIGGS. I understand that. I meant so far as they related, of course.

Another question, when there was a doubt as to whether a statute had been repealed or not, was such a statute incorporated in this codification, or was it left out?

Mr. MOORE of Virginia. I do not recall any case in which we had any misgiving as to whether a statute had been repealed or not. If there had been such cases I think we would have set out all the statutes relative to the particular subject and not assumed the responsibility of construing any statute.

Mr. BRIGGS. Was there any endeavor to reconcile the vast amount of pension legislation and to coordinate it so that it might be made available in a way more accessible than it is under present conditions?

Mr. MOORE of Virginia. I believe the pension legislation is contained under one title. But arrangement or coordination has not gone to the point of amending any statute or series of statutes. To use the language of an old law writer we have not used "the amending hand."

Mr. BRIGGS. It has not been a revision, but simply a codification?

Mr. MOORE of Virginia. The gentleman is correct. We have tried to make it strictly a compilation or codification and not a revision. I for one would not have been willing, in the time available to a Member of Congress for this sort of work, to engage in an effort to revise. I do not think it would have been practicable, nor do I think it would have been safe.

Mr. BRIGGS. Does the codification bring down to date all of the laws passed by this Congress to the end of the last session?

Mr. MOORE of Virginia. It brings all the laws down to the 4th of March of last year.

Mr. DENISON. I want to ask this question of the gentleman from Virginia.

Mr. MOORE of Virginia. I yield to the gentleman from Illinois.

Mr. DENISON. Is it within the limit of possibility either here or in the Senate for codification of the interstate commerce law that was embodied in the transportation act to be put into this volume without endangering its passage?

Mr. MOORE of Virginia. That would, of course, involve an amendment of the bill and interfere with the general plan. It would take in enactments after the 4th of March, 1919.

Mr. DENISON. Of course, the transportation act——

Mr. MOORE of Virginia. But let me say this to the gentleman, there are compilations issued by the Interstate Commerce Commission at short intervals containing all the laws bearing upon transportation, and they are pretty widely distributed without charge.

Mr. DENISON. The transportation act itself is a codification of the transportation law.

Mr. MOORE of Virginia. Yes; and the Interstate Commerce Commission every now and then, quite frequently, issues a compilation which is very full and in very convenient form.

Mr. CAMPBELL of Kansas. Does not the gentleman think it far better to have that in a separate compilation than to enlarge this volume?

Mr. MOORE of Virginia. Yes; transportation is a subject with respect to which there will probably be a great deal of legislation as time goes on, and the method employed by the Interstate Commerce Commission of keeping all who are interested informed as to what its law is at any given time meets every necessity. Of course, this compilation contains all the statutes effective on March 4, 1919.

Mr. ALMON. Will the gentleman yield?

Mr. MOORE of Virginia. Certainly.

Mr. ALMON. Do I understand from the gentleman that the committee have read this bill and made the comparison, or have they had to intrust that to the revisers and codifiers in the employ of the committee?

Mr. MOORE of Virginia. I will say this frankly to my friend, for myself I can not claim to have examined every section of this bill. That would have been impossible. But I have examined many sections with a view to ascertaining their correctness, and I have not found any inaccuracies. Other members of the committee have done the same thing. I believe the chairman of the committee [Mr. LITTLE] has gone beyond that. Perhaps he can say that he has looked at every section.

Mr. ALMON. Another question. Then in the event that mistakes have been made in codifying, thereby making a change in the law, what effect, in the opinion of the gentleman, would that have upon the law? Would the passage of this bill, in other words, have the effect of changing the law, and will the law be as it is in this bill or as it previously was, if there has been a mistake?

Mr. MOORE of Virginia. If we have invented a provision, or if we have so misapprehended the existing law as to put something in a section that is not the law, a court might hold what appears in the compilation to be the law. The very question we have here is as to how the work has been done, and whether it has been done in such a way that the House is entitled to rely upon the compilation as being accurate. I think it hardly within the range of possibility that any such error as my friend suggests will ever be discovered.

Mr. ALMON. My only purpose in asking these questions was to get further information, so that we might better determine whether we could rely on what has been done by the committee voting for the bill.

Mr. BURROUGHS. Will the gentleman yield?

Mr. MOORE of Virginia. Yes.

Mr. BURROUGHS. I understand from what the gentleman says that he has examined the work sufficiently, and is sufficiently acquainted with the methods pursued by the committee so that he is satisfied, as I myself am satisfied, that the factor of error in the preparation of this work has been reduced to a minimum?

Mr. MOORE of Virginia. Yes. There is no sort of question about that. I do not believe we can get a more accurate compilation.

The SPEAKER. The time of the gentleman has expired.

Mr. GARRETT. Mr. Speaker, I desire to present a parliamentary inquiry, and in order to present it intelligibly I shall have to ask leave to make a statement. I have examined the form of the motion made by the gentleman from Kansas, as I understand it is to be journalized, to suspend the rules and pass House bill 9389, with the reading of the title. Now, the question in my mind is whether that motion should not be somewhat elaborated. Here is the situation: The bill by the number referred to was reported to the House on March 4, 1919. Subsequently a joint resolution passed the House and the Senate which received the signature of the Executive authority.

Mr. LITTLE. Will the gentleman yield?

Mr. GARRETT. Yes.

Mr. LITTLE. The motion was elaborated; it was considerable longer than that stated by the gentleman.

Mr. GARRETT. I conferred with the Clerk of the House, and he stated to me the way it was journalized.

Mr. LITTLE. I move to suspend the rule and pass, reading by title only House bill 9389, an act to consolidate, codify, and revise and reenact the general and permanent laws of the United States in force March 4, 1919, the bill now on the Clerk's desk, the completed bill of 10,747 sections. I was quite specific about that because I wanted to meet the point the gentleman had in his mind.

The SPEAKER. The Chair will suggest to the gentleman from Kansas that he send up his motion in writing.

Mr. GARRETT. I think it highly important when we are not reading a bill, particularly that it should be so stated as to show clearly that it embraces all that we want to pass.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. MANN of Illinois. I will say to the gentleman from Tennessee that I myself examined and found that the bill on the Clerk's desk is the completed bill.

Mr. GARRETT. That is my understanding. But the bill as shown on the calendar was not the bill that is now upon the Clerk's desk. We passed a joint resolution subsequently which authorized this committee to print additions to the bill; of course, that resolution, although law, would not annul the rules of procedure of the House.

Mr. MANN of Illinois. When does the gentleman think the joint resolution was passed?

Mr. GARRETT. Just before the adjournment of the last session of Congress.

Mr. MANN of Illinois. I think it was about the time of adjournment a year ago.

Mr. GARRETT. Was it passed before the report was made?

Mr. LITTLE. Oh, yes.

Mr. MANN of Illinois. That was my understanding, long before this report was made.

Mr. GARRETT. The fact still remains that it only authorizes the printing——

Mr. MANN of Illinois. It only provided for the form of the printed bill.

Mr. LITTLE. It was passed December 19, 1919.

Mr. GARRETT. The bill which was originally placed on the calendar is only a part of the bill that we are now asked to consider.

Mr. MANN of Illinois. Admitting that to be true, every once in a while we have what we call a star print of the bill. I think myself that this ought to have a star on it. The bill which the Clerk has would be certified to the Senate as a completed bill regardless of the date of the report.

Mr. GARRETT. If that is clear, all right. The only thing in my mind is this: We are dispensing with the reading of the bill. The bill originally placed on the calendar is not the full bill that we are now actually considering—that is, it is not the bill which at the time it was reported and given the number is referred to in the motion made by the gentleman from Kansas. The gentleman from Illinois sees what I am after.

Mr. MANN of Illinois. I know what the gentleman is after; I have been looking up the same thing and I find that the bill on the Clerk's desk is the completed bill—that is, the bill we are now considering—and I think the gentleman's objection is taken care of.

Mr. GARRETT. If the motion of the gentleman from Kansas is made sufficiently broad to include the additions, and I understand that it is his purpose to do so and he thought he had, that is sufficient, but as the Clerk has it at the desk, as journalized, it is not.

Mr. MANN of Illinois. The Journal never shows what the bill is until passed. It does not set out the bill. This situation frequently arises. I get the bill as soon as it is reported from the document room, and every once in a while I find that the bill reported from the desk is not the bill I have in my hand. Usually if it is a star print I get it, but sometimes I do not. If not, I ask what print of the bill is being read. The print of the bill which the Clerk has is the print that the House passes, if it passes the bill.

Mr. GARRETT. That is true, of course, but always the bill is read. Now, this bill is not to be read except by title.

Mr. MANN of Illinois. That does not make any difference about the fact. I suggested that there might be some way to correct this by motion, but it seems to me that as the Clerk has possession of the completed bill it is sufficient to say that we pass that bill by title. That is the bill the Clerk will certify as being passed.

Mr. GARRETT. Mr. Speaker, if gentlemen are perfectly clear that the motion as it appears now will cover the full bill, I am content, but I do not want the engrossing clerk to have any difficulty, and we do not wish the record to be made up in such a way as to give cause for the courts to hold any part of our work void.

Mr. LITTLE. Permit me to say that the motion was drawn in view of the conference I had with the gentleman from Tennessee on the subject, hoping to meet the point he suggested some weeks ago.

Mr. GARRETT. If the gentleman has his motion as he stated it on the floor, I think it will be all right, but as journalized it caused me to wonder if there might not be some loophole for attack in the courts.

Mr. LITTLE. It was drawn so that it would meet the gentleman's purpose. That was the primary purpose in putting it in this form.

Mr. CHINDBLOM. Mr. Speaker, will the gentleman from Tennessee yield?

Mr. GARRETT. Yes.

Mr. CHINDBLOM. As one not expertly informed of the procedure in the House, may I ask the gentleman what means of identification there will be as to this particular bill after it passes the House?

Mr. GARRETT. That is the thing which was in my mind. It is identified by the calendar number.

Mr. MANN of Illinois. Might we not have the motion reported?

Mr. GARRETT. As journalized. I think that would be a good idea.

Mr. CHINDBLOM. Could not some identification mark be placed upon it?

Mr. GARRETT. I know of none except the calendar number.

The SPEAKER. The Clerk will report the motion as it has been sent up.

The Clerk read as follows:

Mr. LITTLE, by direction of the Committee on Revision of the Laws, submitted the following motion:

"I move to suspend the rules, read by title only, and pass the bill (H. R. 9389) entitled 'A bill to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919,' being the complete bill of 10,747 sections as finally approved by said committee and printed under its direction pursuant to public resolution No. 24, approved December 23, 1919, a copy of which is duly in possession of the Clerk."

Mr. GARRETT. I think that covers it.

Mr. BANKHEAD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. BANKHEAD. Would that motion be comprehensive enough to provide that the bill should not be engrossed? It says nothing about that.

Mr. MANN of Illinois. A motion to suspend the rules does not require engrossment.

The SPEAKER. The question is on suspending the rules and passing the bill.

The question was taken, and, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

EXTENSION OF ASSESSMENT WORK ON MINING CLAIMS.

Mr. RHODES. Mr. Speaker, by direction of the Committee on Mines and Mining, I move to suspend the rules and pass the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921.

The SPEAKER. The gentleman from Missouri moves to suspend the rules and pass the bill, which the Clerk will report.

The Clerk read as follows:

Be it enacted, etc., That the period within which work may be performed or improvements made for the year 1920 upon mining claims is required under section 2324 of the Revised Statutes of the United States is hereby extended to and including the 1st day of July, 1921, so that work done or improvements made upon any mining claim in the United States or Alaska on or before July 1, 1921, shall have the same effect as if the same had been performed within the calendar year of 1920: *Provided*, That this act shall not in any way change or modify the requirements of existing law as to work to be done or improvements made upon mining claims for the year 1921.

The SPEAKER. Is a second demanded?

Mr. WINGO. Mr. Speaker, I demand a second.

Mr. RHODES. Mr. Speaker, I ask unanimous consent that a second be considered as ordered.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Missouri is entitled to 20 minutes and the gentleman from Arkansas to 20 minutes.

Mr. RHODES. Mr. Speaker, in the first place, I desire to say that section 2324 of the Revised Statutes of the United States requires that there shall be done annually $100 worth of assessment work on all mining claims between the time the claimant has taken up his claim and the time he is to receive his patent. Your committee first reported a bill similar to the act of November 13, 1919, under which the provisions of the general law were suspended for the year 1920. One week ago to-day the Senate passed this bill. In fact, I should say this is the Senate bill verbatim. This bill provides for an extension of time in which the assessment work may be done, whereas the provisions of the act of November 13, 1919, provides for a suspension of the provisions of the general law requiring assessment work for 1920.

Mr. GARD. Mr. Speaker, will the gentleman yield for a parliamentary inquiry as to the status of the bill?

Mr. RHODES. Yes.

Mr. GARD. The gentleman says that the Senate bill is identical with this bill. Are we not considering the Senate bill?

Mr. RHODES. The House reported the Senate bill without amendment.

Mr. GARD. The request of the gentleman is that we pass this Senate bill under a suspension of the rules?

Mr. RHODES. That is the request. Mr. Speaker, I come from a State in which not one mining claim exists that will be affected by this bill. In other words, the legislation which we seek is not applicable to conditions in my State. The Committee on Mines and Mining has been led to believe that there is widespread demand for the enactment of this bill. It was stated on the floor of the House when the act of November 13, 1919, was passed that if Congress would pass that law no more requests of that character would be made in the future, but we feel certain that the same reasons which justified the passage of the act last year and the act of the preceding year, and which had also been passed in 1917, exist to-day. Mr. Speaker, the same conditions not only exist, but there is the added condition of financial stringency which enters into conditions to-day in the Northwest which did not exist a year ago. For that reason your Committee on Mines and Mining believes this legislation should be passed.

Mr. HUDSPETH. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Yes.

Mr. HUDSPETH. As I understand the bill, it simply provides that the assessment work that was required of the owner

of a mine or a claim for 1920 may be done up until 1921, July 1, extending the time for that work.

Mr. RHODES. The gentleman has correctly stated the purpose of the bill.

Mr. HUDSPETH. I am for the bill.

Mr. RHODES. In other words, nobody loses anything. The Government of the United States will lose nothing, but the owner of the claim is given a longer time in which to do the assessment work than the original law provides. While labor is plentiful in some sections of the country, we are informed that labor conditions in certain mining sections are such that it is not plentiful, and we are further informed—in fact, I know as a matter of recent investigation—that mining conditions throughout the United States have not been within the last 25 years in such a plight as they are in to-day. Take, for instance, the mining of gold. The annual production of gold has materially declined in recent years. Take the price of copper. It has declined from 34 cents a pound to 13¾ cents a pound on the New York market last Friday. Lead has declined from 9 cents a pound, 90 days ago, to 4½ cents a pound last Friday on the New York market. Mining conditions are as bad as agricultural and other industrial conditions throughout the length and breadth of the United States. Your committee has been led to believe that the passage of this bill at least will in a measure render some relief in the mining sections of the Northwest.

Mr. LONGWORTH. Mr. Speaker, will the gentleman yield?

Mr. RHODES. Yes.

Mr. LONGWORTH. Can the gentleman tell me what the present price of zinc is?

Mr. RHODES. About 5½ cents per pound. I should have added that zinc has suffered a great decline. My own State stands second in the production of zinc, Oklahoma being first, and 90 per cent of the zinc mines in Missouri, Oklahoma, and Kansas are closed to-day.

And I will say, as a matter of further information upon general mining conditions, that I represent a district in Missouri which produced last year 96 per cent of all the lead produced in Missouri, and Missouri stands first in the Union in the production of lead, our State having produced 162,000 tons of lead in 1919, with Idaho ranking second. To-day every lead-mining concern in my section of the State has either closed within the last 30 days or has expressed an intention to reduce the wage of labor by January 1, 1921, indicating the extreme depression in which the mining business is found.

Mr. GARD. Will the gentleman yield?

Mr. RHODES. I yield.

Mr. GARD. I notice from the report that similar bills to this were enacted in 1917, 1918, and 1919?

Mr. RHODES. That is true.

Mr. GARD. Is it the intention of gentlemen on this committee to report this bill out annually, or is there to be some adjustment of the matter?

Mr. RHODES. Mr. Speaker, I presume the gentleman did not hear the beginning of my remarks when I stated that when the act of November 13, 1919, came up for passage gentlemen on the floor of this House stated that it would never be necessary to make a similar request in the future; but that your committee has found that the conditions which existed in 1919, which justified the passage of the bill then, are presented to-day with additional reasons for the passage of this measure.

Mr. KINKAID. Will the gentleman yield for a suggestion?

Mr. RHODES. I yield to my friend from Nebraska.

Mr. GARD. Surely.

Mr. KINKAID. This bill is not similar to the bills passed in former years just named by the gentleman from Ohio. Those bills excused the doing the work for the year entirely. This bill provides for the extension of time for a few months only in which to perform the work which has to be performed within that time.

Mr. RHODES. Mr. Speaker, perhaps the gentleman did not observe my statement at the outset. I first stated that the committee reported a bill in which it sought to reenact the provisions of November 13, 1919, but a week ago to-day the Senate passed this bill, which is a more liberal measure than the act passed last year and the bill which the committee reported in the first instance. I will say further to the gentleman that I have personal knowledge of hundreds of requests that have come to this committee seeking the passage of this bill, and I only know of three objections that have reached us from any source in the United States to the proposed legislation.

Mr. GARD. I do not desire to impede the passage of the bill in the slightest, but I am seeking information. I note from the reading of section 2324 that if the location was made prior to 1872 $10 worth of work a year is required, and if made after 1872 $100 worth of work is required. Is that correct?

Mr. RHODES. That is correct. There are very few of these old claims left.

Mr. GARD. What the gentleman desires is to avoid the payment of the $100 a year of work?

Mr. RHODES. Will the gentleman permit me again to repeat that all this bill seeks to do is merely to extend the time in which the claimant has to do the work, and does not seek to suspend the provisions of the act as the act of last year did?

Mr. GARD. In other words, he can do this work of $100 up to July 1, 1921?

Mr. RHODES. The gentleman is exactly correct.

Mr. GARD. That is the point to which you desire to extend this $100 worth of work. Is there anything else you want to do in the way of extension in the section?

Mr. RHODES. Not at all. The bill is very definite and certain, and says that the claimant is simply given up to and including July 1, 1921, in which to do the work. Mr. Speaker, how much time have I remaining?

Mr. BROOKS of Illinois. Will the gentleman yield?

Mr. RHODES. I will.

Mr. BROOKS of Illinois. In the event that this law is not passed is it not possible on January 1, 1921, for some one else to file a claim on these claims?

Mr. RHODES. It is not only possible, Mr. Speaker, but it is quite probable that a number of bona fide claimants will lose their claims because of others "jumping" the claims.

Mr. BROOKS of Illinois. If the gentleman will yield further, have there been many of these claims on which $100 worth of work has been performed?

Mr. RHODES. This year?

Mr. BROOKS of Illinois. This year.

Mr. RHODES. I am advised a large number of the claimants have done assessment work for this year, but there is a large number on which the assessment work has not been done.

Mr. BROOKS of Illinois. In reference to the people who have done the work, are they real miners or prospectors or people who may buy the mines, capitalists?

Mr. RHODES. Mr. Speaker, we are advised they are bona fide claimants, and it is in the interest of the bona fide claimants we are seeking the legislation, and, in addition, I should state that the climatic conditions are such at this particular time in the States of Colorado, California, Washington, Oregon, Idaho, and Nevada, and all of the northeastern mining section, that it is impossible to do work because of the heavy snowfall. In fact, I might say that snow will be on the ground from this time probably until the first or the middle of June, 1921. Objection was made some days ago by a gentleman that the provisions of this bill should be extended further than July 1, 1921. I received a petition this morning from citizens residing in the State of Arizona, in which they say if the provisions of the bill can be extended until June 1, 1921, it will afford relief in many cases. Mr. Speaker, I reserve the remainder of my time.

Mr. WINGO. Mr. Speaker, all there is to this legislation is that under the law mining claimants have to do a total amount of $500 worth of work on the claim. They can either do it in one year or scatter it over five years, doing an amount of $100 each year. But the conditions have been such that a great many of these claimants have not been able to do the annual assessment work of $100. This bill is for the express purpose of preventing these people from losing their claims by reason of the fact that they have not been able to do the assessment work for this year. Now, it simply gives them until the 1st day of next July to do the 1920 assessment work. Now, I do not want to mislead the House. I stated in 1917, when the first bill was passed, that the only practical way was to suspend all assessment work for a period expiring one year after the declaration of peace.

I told the gentlemen then who promised the House that they would not come back and ask further extension that they did not know what they were talking about and that they would come back. The Welling bill, the House bill, was unanimously approved by the committee and is a better bill. Under that bill the work was suspended for one year. That is the identical suspension bill that we have enacted heretofore. But we are told that this, the Senate bill, is the only thing we can enact now, and that it will do some good. I suspect that the gold prospectors will be here before the 1st of July asking to be relieved. The snow will not be gone until the middle of June. This gives some relief to most of them, and simply postpones until July, 1921, the necessity for doing the work they are required to do in the year 1920. It is a wise provision. I would be in favor of giving it to them.

Mr. PARRISH. Mr. Speaker, will the gentleman yield?

Mr. WINGO. Certainly.

Mr. PARRISH. I would like to ask the gentleman to state whether this mining industry in the West would be benefited

by granting the extension? If this is not done, could the claims be jumped by squatters?

Mr. WINGO. If this is not done, the claimants will be frozen out. Instead of this retarding, I think it will not check the work at all, but that the work will be done under most of the claims, and the claims will not be abandoned. I think this is not calculated to hold up development, but it will help development. In other words, I think we ought to give the men who went in there under conditions different from those now existing a chance to make good their claims. I think the Congress ought to give them that chance.

Mr. PARRISH. I agree with the gentleman.

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Colorado [Mr. VAILE] two minutes.

The SPEAKER. The gentleman from Colorado is recognized for two minutes.

Mr. VAILE. Mr. Speaker and gentlemen of the House, last year those of us who felt the necessity of some legislation of this kind told the House that we would not make this a continuing annual affair. We did not say—at least I did not say—we would not ask for it this year, but we did suggest that it would not be required every year.

It has been suggested in argument that it is now easier to get labor than it was in 1919, and that there is in fact considerable unemployment in many places. There are several answers to this contention. In the first place, there is very little unemployment in the mining districts. In a good many localities it is impossible to get men on almost any terms. It must be remembered that in some mining communities a good many men were accustomed in the past to earn a livelihood by doing this assessment work. But we waived the requirement of doing it at all in 1917, 1918, and 1919 because costs were so high that the expenditure of the money for this purpose was rightly regarded as a waste. Many miners left those communities either to enter military service or because mines generally were shutting down owing to the excessive cost of operations. These men can hardly be expected to return for merely temporary employment, even if it was at all practicable to go to the mines in the deep snows of a Rocky Mountain winter.

Another thing that makes it difficult to secure labor is that for a long time the hand-drilling, hard-rock miner has been on the way to becoming an extinct species. The large mines which are no longer prospects use air drills and electric power. The employment of the old-style, single-jack miner has been reduced to a minimum in the developed properties. In prospects, however, the hard-rock work is necessarily single-jack drilling, because it would be entirely out of the question to install air compressors or electric power in rudimentary nonproductive mines. The single-jack miner having sought other employment, there is an especial difficulty in obtaining the particular kind of labor required for the annual assessment work, as well as the general difficulty of obtaining any labor at all in the localities where that work has to be done.

Much work has been done by locators in laying out and making roads to their prospects. I know of several groups of mining claims in Colorado where thousands of dollars have been expended in this way. This work, of course, will all go to the benefit merely of the man who will relocate those properties on January 1 if the bill before us is not immediately enacted into law.

I agree entirely with the gentleman from Arkansas [Mr. WINGO] that it would have been well to make the suspension of the requirement of annual labor continue for a year after the proclamation of peace. However, as has been pointed out, we are not now asking the same thing that we asked before. We are not asking a waiver, but a mere extension of the time. It has been suggested that the extension which we are now asking may not be sufficient, because in high altitudes, like many places in Colorado, where mines are located at 10,000 feet altitude or more, the snow does not leave until after the 1st of July. I would prefer in this respect the provision of my own bill, introduced in the House, to extend the time to August 1. However, gentlemen should bear in mind that if the owner gets in and starts work on his claim, that prevents a relocation, prevents the jumping of his claim, even though he has not actually completed his annual work by the end of the time, if he is then engaged in doing it.

Let me call attention to a fact which might be lost sight of by some. It was suggested by the inquiry of the gentleman from Texas [Mr. PARRISH], who evidently is himself familiar with the situation, that if this resolution is not passed, the mining industry will not be helped one bit, because the claim jumper has a year after the 1st of January in which he may do his work. And that extends the time as to him for an additional year. It is of no benefit to anybody except to the man who wants to take advantage of the foresight, energy, and knowledge of the country of somebody else who has located a claim by jumping that claim. There are many such speculators who would be glad to take advantage of some other man's work by moving in on a claim staked out and located, a claim perhaps on which improvements of some considerable value have been constructed.

Mr. HUDSPETH. The failure to pass this legislation would only benefit the class known as the bonus hunter and not the stable citizen.

Mr. VAILE. Exactly, those who would take advantage of other men's work. The claims are held by the men who located them themselves, after months and sometimes years of struggling, prospecting, time spent in trudging over the mountains studying the rear elevation of a burro, or else they are owned by men to whom these prospectors have sold in good faith.

Mr. BLANTON. Will the gentleman yield?

Mr. VAILE. Yes.

Mr. BLANTON. This bill would not in any way do away with the payment of back amounts of $100 for other years?

Mr. VAILE. The gentleman understands that this is not payment. It is the performance of labor.

Mr. BLANTON. This does not do away with the necessity for spending that amount for the improvement of the claims?

Mr. VAILE. Oh, not at all. After the man has done work aggregating five years, whether he does it this year or later, he can get a patent.

Mr. BLANTON. He must still spend his $500 to have that much work done, or do work equivalent to that in value.

Mr. VAILE. Yes.

Let me, in conclusion, say just a word about general conditions in the mining industry. That word is that the industry is now shot to pieces. The price of gold of course is a constant, as measured in money, because gold is the yard-stick of our currency. But this means that as measured in commodities the price of gold is now way down. But practically all minerals now bring the miner less than the cost of production. It is a fact which can easily be verified by the figures that costs of machinery, power, fuel, and all supplies used in the mining business have not as yet shared to any appreciable extent in the supposed general fall of prices, which is itself almost inappreciable to the general consumer.

Smelting charges are very high. Transporation charges, where the facilities for railroad transportation still exist, are very high. Some railroads and a good many spurs and branches have been discontinued in the mining regions and sold for junk. These conditions have compelled many mines to shut down. When a mine is shut down, the natural result is that the capital invested in it and its future productivity are forever lost. You can close up a woolen mill, but if you keep the property guarded there is practically no physical deterioration. The farmer certainly has my sympathy when he is compelled to sell live stock at a loss, and the loss of breeding stock is a national calamity too. The farmer of course derives mighty small comfort from the fact that he still has his land, but I can assure him that the mine owner who is obliged to stop business would consider himself fortunate indeed if he had such a large part of the value of his property left. His property soon loses its entire value. When a developed mine stops operating it fills up with water, timbers rot, and earth and rock caves in. The fear of such a total loss keeps many a mine owner paying out an annual loss from operations conducted with no hope of present profit.

These matters will be presented to Congress in other proposals for remedial legislation. We shall ask for relief by tariff legislation, by the McFadden gold bonus bill, and by other measures, for an industry which has suffered more from the war and war prices than any other single business, an industry moreover, which in some period of its history has invariably been conducted at a loss. The farm pays something in cash the first year. The factory produces some return in cash the first month. The mine has no such history. Practically every mine had an unproductive stage in its beginning. Mine development must proceed on faith, hope, and charity, the faith and hope of the miner and the charity of his creditors. May we not rely in some small degree on the charity also of this great Government which owes so much to the faith and hope of the miner? Remember that to-day we are only asking for a charity which costs nothing to the Government, in behalf of mines which have as yet produced nothing for their possessors. [Applause.]

Mr. WINGO. I yield five minutes to the gentleman from Utah [Mr. WELLING].

Mr. WELLING. Mr. Speaker, the committee having this matter in charge were hopeful that there would be no inter-

ruption in the assessment work on mining claims this year. I think all of us from the mining States are anxious to have this work resumed, but conditions have arisen in the West since this Congress reconvened which justify this relief which the bill provides. In fact, the condition is so bad there to-day that the Committee on Mines and Mining felt that they would be justified in reporting a complete relief measure, doing away with the necessity for assessment work this year, just as they did last year and the year before. It became apparent to the committee as we went along in our investigation that it might be impossible, because of lack of time, to pass the bill which I introduced and which the committee reported unanimously. That bill did give complete exemption. There were certain individuals in the House and certain influences in the Senate which were opposed to that sort of action. It seems apparent that this is the only relief that is available at this time for the miners and prospectors of the West. It is justified, because there is in the West to-day a great deal of snow in the higher altitudes, and it is impossible at this season of the year to get to the mining claims and to perform this assessment work. I hope that the bill will pass in its present form. It must be remembered that it in no way relieves the owners of a prospect from doing the total amount of work required under the provisions of section 2324 of the Revised Statutes affecting assessment work.

Mr. RHODES. Will the gentleman yield for a question?

Mr. WELLING. I am glad to yield to the gentleman.

Mr. RHODES. I desire to ask the gentleman whether it would be a good thing to extend the time in which to do this work from January 1 to July 1 as a matter of permanent legislation, and whether climatic conditions in the Northwest would permit work to be done before July 1 of each year?

Mr. WELLING. I think so. Perhaps there are some very exceptional regions in the high mountains where there would still be snow on July 1, but I appreciate the force of the suggestion that was made by the gentleman from Arizona [Mr. HAYDEN], that perhaps this assessment work ought to be done in the fiscal year rather than in the calendar year as at present.

Mr. WINGO. Mr. Speaker, I yield two minutes to the gentleman from Nevada [Mr. EVANS].

Mr. EVANS of Nevada. Mr. Speaker, the western Members join the eastern Members in the desire to have work done upon mining claims, because we all realize that the only way in which development and progress can come to the West is by hard, consistent work.

The law requiring expenditure of $100 annually upon each 20-acre mining claim, or fraction thereof, is therefore a wise provision, in which western men approve and concur. In the great out West, every hill is a mountain, every creek is a river, and every man is a liar, only when he endeavors to tell the whole truth about our magnificent possibilities and opportunities. Because there is room and undeveloped resources west of the Mississippi River to support, in the American way, ten times the present population of our United States; the mind can not grasp the magnitude of coming events; where perpetual sunshine upon fertile soil richly repays men to reclaim and cultivate this generous domain. Therefore, we of the West desire and invite cooperation and aid of increased population and interest in our mutual opportunities in abundance.

During October of this year a company of movie stars were securing Nevada snow scenes upon the rugged mountainous regions of northern Nevada. At the same time in southern Nevada our citizens were picking cotton, harvesting English walnuts, and gathering home-grown dates and figs, thus showing the diversity of resources in a single State, furnishing opportunity for employment of miners in various occupations and in different counties. The excess profits tax, which adds a serious burden to mining, has done its full share to retard opening new properties and continuing old ones. The products of mining are in no sense an excess profit, but clearly a depletion of mine values and reserves. When the ranch sells cattle they are replaced by young stock. But there is only one crop of ore in a mine. The heavy hand of war has taken full measure from Nevada, many returning soldiers and others finding the necessity for moving into new communities, away from mining districts where their claims are located; therefore to exact a strict observance of the law, which requires the annual assessment work, will mean abandonment of thousands of mining claims, which if relocated will require under the law no work being done until December 31, 1922. A strict enforcement of law means of necessity abandonment of a major portion of mining claims, upon which those relocated in January, 1921, will require no work being done for practically two years. Therefore, suspension of assessment work for 1920 will serve development and give proper encouragement to many most worthy citizens. Changing the period from the end of the calendar year to the end of the fiscal year will serve to increase the amount of work annually performed.

We of the West, in homes of our own choosing, have a certain pride in the latent resources of our section, being upon the ground and knowing the needs and difficulties. Our sincere wish is to have the confidence of eastern Members, for the sincerity of our purpose in reclaiming the West, and inviting the cooperation of true American home builders.

Mr. WINGO. Mr. Speaker, I yield two minutes to the gentleman from Montana [Mr. EVANS].

Mr. EVANS of Montana. Mr. Speaker, from the inquiries that have been made by gentlemen on the floor I anticipate that some eastern Members have not a clear conception of the needs and wants of this bill. The statute provides that when a claim is located and $500 worth of work done, the locator may get a patent. It provides that $500 worth of work must be done, at least $100 worth each calendar year.

Mr. HARDY of Colorado. Is the gentleman sure that he is correct; does it require $500 in five years?

Mr. EVANS of Montana. It can be done at any time, but he must do $100 worth each year, and $500 worth before he is entitled to a patent. It works out this way: A man locates a claim, carries it on with one, two, three, or four hundred dollars of annual assessment work. He files with the county clerk or the recording officer evidence of the fact that he has done the annual assessment work for that year. But there are people in the land who watch the opportunity of finding out that the claimant has not done the annual work up to the last day of the calendar year. Then he goes out on the 1st day of January as a claim jumper, as we call it, and he locates on the ground that the prospector has done $200 or $300 worth of work upon. He gets the benefit because the individual locator was so unfortunate or improvident that he did not do his annual assessment work. The Government gets nothing out of this proposition so far as a money consideration. It is only to show the bona fides of the man who claims this particular piece of ground. The passage of the bill, in my judgment, will not help the large mine owner. The large concerns have probably done all of their assessment work. If it helps anybody, it will help the prospector, the man of very limited means, perhaps an improvident man who has not been able to do his $100 of assessment work. The corporations have done their assessment work long since.

The SPEAKER. The time of the gentleman has expired.

Mr. EVANS was granted leave to revise and extend his remarks in the RECORD.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD.

The SPEAKER. Is there objection?

There was no objection.

Mr. VAILE. Mr. Speaker, I make the same request.

The SPEAKER. Is there objection?

There was no objection.

Mr. WINGO. Mr. Speaker, the fact I think should be stressed in the RECORD, and I think those Members who live in the mining districts should also impress upon their constituents the fact that this work must be done by July 1 and that they will get no further extension from Congress. I do not mean that I am opposed to that; I am in favor of extending it further, but I know enough about the situation to know that one reason why this bill is being passed instead of the House bill is because this is the only bill that can be put through now. I do not believe conditions will arise which would make it possible for further extensions and I think gentlemen should advise their constituents that they must do the assessment work by July 1 or lose their claims.

Mr. MAYS. Will the gentleman yield?

Mr. WINGO. I will.

Mr. MAYS. Does this require the claimant to make a declaration?

Mr. WINGO. No; I think it should have done so. I think it better from the Government's standpoint and the claimant's standpoint that we should pass it in the same language that we did before, and require notice to be filed in the recorder's office.

Mr. TAYLOR of Colorado. Will the gentleman permit?

Mr. WINGO. Yes.

Mr. TAYLOR of Colorado. There was a suggestion that they be required to file that notice before the 31st of December, but there is no time now in which to file the notice and rather than to extend the time up to say the 1st of April we thought it better to require no notice at all.

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Mr. WINGO. My opinion was that we should provide for an extension for 1920 and make the notice July 1, 1921.

Mr. RHODES. Mr. Speaker, I yield to the gentleman from Washington [Mr. SUMMERS] the balance of my time.

Mr. SUMMERS of Washington. Mr. Speaker, it seems to me that this is only a reasonable consideration that might be extended to the mine operators and developers of the western section of our country. There are many reasons why development work has not been carried on during the past year.

A day or two ago I had one case laid before me in detail. This gentleman stated that he was developing a number of claims; that he was abundantly able financially to carry on this development work, but that the labor situation had been such during the past summer that he had found it quite impossible to procure labor for the purpose of doing the necessary $100 worth of work on each of the claims he was undertaking to develop. He was praying that there might be a little extension of time, not on account of negligence, not because he was not financially able, but because of the labor situation, in the hope that he might not have to forfeit all of the work that he had done in the past year on the number of claims which he is developing. The Government of the United States stands to lose nothing. Certainly the developer who has put in two or three or four hundred dollars' worth of effort toward bringing a mine into existence should have a little consideration at this time. I trust this measure will be approved.

The SPEAKER pro tempore (Mr. MANN of Illinois). The question is on the motion of the gentleman from Missouri, to suspend the rules and pass the Senate bill 4565.

The question was taken; and, in the opinion of the Chair, two-thirds having voted in favor thereof, the rules were suspended and the bill was passed.

UNANIMOUS CONSENT CALENDAR.

The SPEAKER pro tempore. The Clerk will resume the calling of the Calendar for Unanimous Consent.

Mr. RAKER. Mr. Speaker, I ask unanimous consent to extend my remarks upon the bill last passed.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will call the Calendar for Unanimous Consent.

STANDING ROCK INDIAN RESERVATION.

The Clerk called H. J. Res. 346, extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota.

The SPEAKER pro tempore. Is there objection to the present consideration of the House joint resolution?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the resolution.

The Clerk read as follows:

Resolved, etc., That the Secretary of the Interior is hereby authorized, in his discretion, to extend for a period of one year the time for the payment of any annual installment due, or hereafter to become due, of the purchase price for lands sold under the act of Congress approved May 29, 1908 (35 Stats., p. 460), entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the Standing Rock Indian Reservation, in the States of North and South Dakota, and for other purposes," and the act of Congress approved February 14, 1913 (37 Stats., p. 675), entitled "An act to authorize the sale and disposition of surplus or unallotted lands of the Standing Rock Indian Reservation, in the States and North and South Dakota, and for other purposes," and any payment so extended may annually thereafter be extended for a period of one year in the same manner: *Provided*, That the last payment and all other payments must be made within a period not exceeding one year after the last payment becomes due by the terms of the act under which the entry was made: *Provided further*, That any and all payments must be made when due unless the entryman applies for an extension and pays interest for one year in advance at 5 per cent per annum upon the amount due as herein provided, and patent shall be withheld until full and final payment of the purchase price is made in accordance with the provisions hereof: *And provided further*, That failure to make any payment that may be due, unless the same be extended, or to make any extended payment at or before the time to which such payment has been extended as herein provided shall forfeit the entry and the same shall be canceled and any and all payments theretofore made shall be forfeited.

The SPEAKER pro tempore. This is now being considered in the House as in Committee of the Whole House. The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, was read the third time, and passed.

CUTTING OF TIMBER BY CORPORATIONS.

The next business on the Calendar for Unanimous Consent was the bill (S. 1) authorizing the cutting of timber by corporations organized in one State and conducting operations in another.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, the particular bill now called on the Calendar for Unanimous Consent is said in the report of the Department of the Interior to be either inaccurately or inadequately expressed. Therefore I ask those who are proponents of the measure whether the bill is limited to the purpose of cutting the timber for mining purposes or includes other purposes than mining purposes?

Mr. TAYLOR of Colorado. It is intended to be entirely for mining purposes.

Mr. SINNOTT. Mr. Speaker, I think the criticism in the letter of the Secretary was directed to a former Senate bill, which confined the cutting of timber to mining purposes, and the purpose of this bill does not confine the cutting of timber to mining purposes.

Mr. GARD. I understand it does not, and that is my inquiry, Why should it not?

Mr. SINNOTT. Because the original law does not confine it to that purpose. The purpose of this bill is to enable foreign corporations—that is, foreign to the State—to cut timber in a particular State. The present law merely permits a citizen of a State to cut timber within the State for manufacturing, mining, domestic, and agricultural purposes.

Mr. GARD. The law to which the gentleman refers and to which the Secretary of the Interior refers is one permitting a man who has a mining claim or an agricultural claim to cut wood on his claim for mining purposes, or for agricultural purposes, or for domestic use.

Mr. SINNOTT. That is a specific law. There is a law which permits a man to cut timber on his mining claim or on his homestead, but the law being amended here is another law and a broader law than that. There are two laws.

Mr. GARD. I am asking the gentleman, first, about the law I first mentioned. There is a general law that a man may cut timber on his mining claim?

Mr. SINNOTT. Yes. He has that right to-day, and it would not be necessary to amend that law.

Mr. GARD. He also has the right to cut on his agricultural land, or he has the right to cut timber for domestic purposes, for his own use.

Mr. SINNOTT. Yes.

Mr. GARD. What is this particular law that the gentleman desires to amend?

Mr. SINNOTT. The present law is that a citizen of a State may cut timber upon the public lands of the State under rules and regulations prepared by the Secretary of the Interior. He must apply for a permit when he cuts more than $50 worth of timber. He may cut $50 worth of timber by sending into the local office a statement showing how much timber he desires to cut and the particular Government land on which the timber is to be cut. If he desires to cut more than $50 worth he has to get a permission from the chief of the field service, and that permission is subject to revision or revocation by the Commissioner of the General Land Office.

Mr. GARD. This privilege being given to corporations, of course, it can be assumed that their desire to cut timber is on rather a large scale. They would not engage in the cutting of timber for a slight amount like $50 worth. Evidently this is some proposition on the part of corporations of considerable size to engage in the cutting of timber.

Mr. SINNOTT. No; I think not. I think it is merely to give a foreign corporation the same right that a domestic corporation has in a particular State. For instance, a corporation organized in the State of Washington could not cut timber in the State of Oregon, although they had need for the timber in the State of Oregon, while a corporation organized in the State of Oregon could cut that timber.

Mr. TAYLOR of Colorado. Mr. Speaker, will the gentleman permit a suggestion?

Mr. GARD. Yes.

Mr. TAYLOR of Colorado. I suggest that it is very common in the mining development of the West to organize a company in one State and do business in possibly several Western States. A good many companies are organized in New Jersey, in Arizona, and in other places. Under the law as it stands there is a great handicap with respect to cutting timber for doing their work. They have to cut it under the supervision of the Secretary of the Interior, anyway, and this is simply to put those corporations on an equal footing.

Mr. SINNOTT. Mr. Speaker, will the gentleman yield further?

Mr. GARD. Yes.

Mr. SINNOTT. I call the gentleman's attention to page 2, line 5. The purpose of the bill is succinctly stated in the following language:

Said permits to confer the same rights and benefits upon such corporations as are conferred by the aforesaid acts upon corporations incorporated in the State in which the privilege is to be exercised.

That states the real purpose of the bill.

Mr. GARD. I understand that to be the effect of the bill. I do not know the purpose of the bill, but suppose a corporation organized, say, in the State of Oregon wants to cut timber in Washington, what is to prevent them from going over there and cutting timber the way it is now?

Mr. SINNOTT. And take it into Oregon? The law does not permit him to take timber from one State to the other except in one or two cases.

Mr. GARD. Does not the present law permit a corporation or firm or individual to buy timber in one State, say in Washington, and transport it, say, to Oregon?

Mr. SINNOTT. Oh, yes; but not to go and cut Government timber upon the public domain.

Mr. GARD. But this is of wider scope, I take it, than the bill the gentleman referred to, and the question is whether there is any limitation on the amount except the permit issued by the Secretary of the Treasury.

Mr. SINNOTT. The rules and regulations of the Secretary of the Interior govern the amount; they have rules and regulations as to the amount that can be obtained in any period of 12 months.

Mr. GARD. Well, there is no restriction other than that?

Mr. SINNOTT. No restriction other than that; but it must be used for this purpose, and in the regulations the Secretary has made restrictions. I have the regulations here.

Mr. GARD. But what I am trying to satisfy in my mind is whether this Government timber, this property which belongs to the United States, is properly safeguarded by this bill, because my own observation, although rather limited, is that the cutting of the timber belonging to the United States has been a thing too liberally granted in times past, for which the people, particularly in the West, and incidentally, by reason of the necessary loss, the people generally throughout these States, have suffered.

Mr. SINNOTT. The gentleman probably has in mind forest reserve timber. This bill does not relate to our forest reserves. It simply relates to the public domain outside of the forest reserves. Before he may secure a permit under this bill, if he desires to cut over $200 worth of timber in any one year, he has to put up a bond, conditioned upon the faithful performance of the regulations of the Secretary, a bond three times the amount of the timber desired, and he has to show that the timber is needed by him for the specific purpose and is not for sale.

Mr. GARD. I understand that no timber is authorized to be cut under any conditions unless a permit from the Secretary of the Interior shall have been first issued.

Mr. SINNOTT. That is over $50 worth. They may cut under $50 worth of timber by notifying the chief of the field service. If they desire between $50 and $200 worth, they must apply to the chief of the field service, and he grants a permit, and that permit is subject to revocation by the Commissioner of the General Land Office; but when he desires timber over $200 worth he has to have the direct permit of the Secretary of the Interior.

Mr. MONDELL. If the gentleman will yield, all this legislation does, as I understand it, is to provide that corporations organized outside these States in which the timber is to be cut may have the same privileges under the law that corporations organized within the State have. That does not broaden the law, does it?

Mr. SINNOTT. No; it merely gives a foreign corporation the same right a domestic corporation has.

Mr. MONDELL. Now, the gentleman from Ohio was discussing the law, and the law is what it is, and we are not proposing to change it. The question is, Should a foreign corporation have the same right under the law that domestic corporations have?—and I think the gentleman will admit there is no reason why they should not.

Mr. GARD. Except there be the possible reason of extending the privilege of cutting down this timber of the United States to more persons than at present have the right to cut.

Mr. MONDELL. The only difference in practice would be instead of going to the trouble of securing the privilege in the name of an individual or a State corporation, as would be done now in case the privilege was desired, a foreign corporation would have the right and privilege in its own name.

Mr. HUSTED. They would find a way to cut it, anyway.

Mr. MONDELL. Well, the law is restricted. The privilege is not a broad one under the present law. Those who are entitled to rights under the law will find a way to exercise the right. I do not know of the conditions that arise here that present seemingly a necessity for legislation, but there seems to be no reason why a corporation that has been organized in an adjacent State should not have the same right of a corporation organized in the State in which it is desired to cut——

Mr. GARD. Is the gentleman satisfied there is a necessity for this amendment to the law?

Mr. MONDELL. I really know nothing about it, I will say to my friend, except this, that I think the present law is not more liberal than it should be, rather restrictive than otherwise, and I can not see any reason, while the matter has never been brought to my attention, why a foreign corporation should not have the same right as the domestic corporation, because they must qualify under the law in any event and they must show their claim to the right under the law.

Mr. GARD. Will the gentleman from Oregon advise me of the necessity for adding this amendment?

Mr. SINNOTT. Why, I think there is a necessity for it. A great many mining claims must be developed by foreign corporations in various States and without this law they would not be permitted to cut the timber on the public lands outside of their own claims.

Mr. BEE. Mr. Speaker, will the gentleman yield?

Mr. SINNOTT. Yes.

Mr. BEE. Is it not a rather dangerous precedent to authorize these corporations in one State to transact business in another State, lapping from one State to another?

Mr. SINNOTT. They have to show that they have a right to transact business within the State where they propose to cut the timber, and show that they have complied with the laws of that State. The last paragraph provides for that.

Mr. TAYLOR of Colorado. Mr. Speaker, I ask unanimous consent that the bill be considered in the House as in Committee of the Whole.

The SPEAKER pro tempore. The gentleman from Colorado asks that the bill be considered in the House as in Committee of the Whole. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 1 of an act entitled "An act authorizing the citizens of Colorado, Nevada, and the Territories to fell and remove timber on the public domain for mining and domestic purposes," approved June 3, 1878 (ch. 150, p. 88, vol. 20, U. S. Stat. L.), and section 8 of an act entitled "An act to repeal timber-culture laws, and for other purposes," approved March 3, 1891, as amended by an act approved March 3, 1891 (ch. 559, p. 1093, vol. 26, U. S. Stat. L.), and the several acts amendatory thereof, be, and the same are hereby, extended so that it shall be lawful for the Secretary of the Interior to grant permits to corporations incorporated under a Federal law of the United States or incorporated under the laws of a State or Territory of the United States, other than the State in which the privilege is requested, said permits to confer the same rights and benefits upon such corporations as are conferred by the aforesaid acts upon corporations incorporated in the State in which the privilege is to be exercised: *Provided*, That all such corporations shall first have complied with the laws of that State so as to entitle them to do business therein; but nothing herein shall operate to enlarge the rights of any railway company to cut timber on the public domain.

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ALLOTMENTS ON FORT BELKNAP RESERVATION, MONT.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 13225) providing for the allotment of lands within the Fort Belknap Indian Reservation, Mont., and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill in the House as in Committee of the Whole?

Mr. MONDELL. Mr. Speaker, reserving the right to object, I would like to have some explanation as to the necessity for this legislation.

Mr. EVANS of Montana. Mr. Speaker, the bill relates to an Indian reservation in the northeastern part of Montana on which are located about 1,200 or 1,500 Indians. They are very desirous of allotting the lands and taking them in severalty. That seems to be the wish of the Indian Department. They are a tribe of fairly well civilized Indians and fairly capable, I think, of managing their own affairs. I believe the bill has the approval of the department and of the Committee on Indian Affairs and of the Indians themselves.

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Mr. MONDELL. I have not a copy of the bill before me. Has the gentleman a copy of the bill?

Mr. EVANS of Montana. Yes. The bill is quite extensive.

Mr. MONDELL. That is my recollection.

Mr. RHODES. Mr. Speaker, as a member of the committee, I would like to be recognized for just a moment.

The SPEAKER pro tempore. The question is pending on the reservation of an objection by the gentleman from Wyoming.

Mr. MONDELL. Mr. Speaker, I ask that the bill go over without prejudice; that the bill be passed over and retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Wyoming asks unanimous consent that the bill be passed over and retain its place on the calendar. Is there objection?

There was no objection.

CLAIMS OF TRIBES OR BANDS OF INDIANS OF CALIFORNIA.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 12788) authorizing any tribes or bands of Indians of California to submit claims to the Court of Claims.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection?

Mr. MONDELL. I object.

The SPEAKER pro tempore. The gentleman from Wyoming objects. The bill is stricken from the calendar.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill remain on the calendar and go to the foot thereof.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the bill remain on the calendar and go to the foot thereof. Is there objection?

There was no objection.

SUGAR HOARDING IN THE DISTRICT OF COLUMBIA.

The next business in order on the Calendar for Unanimous Consent was the resolution (H. Res. 521) requesting the Department of Justice to investigate sugar hoarding in the District of Columbia.

The title of the resolution was read.

Mr. GARD. Mr. Speaker, reserving the right to object, it must be apparent that nothing could be gained by affirmative action on this resolution at this time—a resolution to authorize the Federal Trade Commission to investigate sugar hoarding in the District of Columbia, or otherwise restraining commerce, or monopolizing or attempting to monopolize sugar. I see no reason for the continuance of the resolution on the Calendar for Unanimous Consent, and I object.

Mr. KNUTSON. Mr. Speaker, I move that the resolution be stricken from the calendar.

Mr. GARD. The resolution is stricken from the calendar under my motion.

The SPEAKER pro tempore. The gentleman from Ohio objects, and the resolution is stricken from the calendar.

Mr. GARRETT. Mr. Speaker, I want to make an inquiry. Is that a simple House resolution?

The SPEAKER pro tempore. It is a simple House resolution.

Mr. GARRETT. I question whether it is properly on the calendar in the first place.

The SPEAKER pro tempore. It is not now on the calendar.

PINE RIDGE INDIAN RESERVATION.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 397) to authorize a lieu selection by the State of South Dakota for 160 acres on Pine Ridge Indian Reservation, and for other purposes.

The title of the bill was read.

The SPEAKER pro tempore. Is there objection to the present consideration in the House as in Committee of the Whole?

Mr. GARD. In the absence of the gentleman from South Dakota [Mr. GANDY] I suggest, Mr. Speaker, that the bill be passed over and retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that the bill be passed over and retain its place on the calendar. Is there objection?

There was no objection.

MILK RIVER VALLEY GUN CLUB.

The next business on the Calendar for Unanimous Consent was the bill (S. 793) authorizing the issuance of patent to the Milk River Valley Gun Club.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of the bill in the House as in Committee of the Whole?

Mr. GARD. I object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Ohio objects.

Mr. VAILE. Mr. Speaker, I hope the gentleman will not object.

Mr. GARD. I will reserve my objection if the gentleman desires to make a statement.

Mr. VAILE. I will be glad to answer questions if I can, if they are stated by the gentleman. This bill is to use this land as a game preserve. It can not be used by the Government or by agricultural or mining locators. It is a boggy flat. It is desired to preserve it for the breeding of young waterfowl, where they can be protected if trespassers are kept out.

Mr. GARD. Where is this particular swamp where they breed wild ducks?

Mr. VAILE. It is in northern Montana, in what is known as the Milk River Valley.

Mr. GARD. This seems to provide for the unlimited purchase of lands at $50 per irrigable acre, for the construction of irrigation works.

Mr. VAILE. Oh, no, indeed. The gentleman misunderstands the purport of the bill. It provides for the purchase of three forties, two of which are fractional forties, lots 5 and 6, and the southeast quarter of the southwest quarter of section 32. It requires the grantee to pay $50 per irrigable acre for the construction of irrigation work, if that amount is assessed, for such irrigable area as may be determined by the Secretary of the Interior. As a matter of fact, we think there is none, though the bill, as it came from the Senate, provided for the amount of irrigable area being fixed at 30 acres, to be used as a game preserve. If there are 30 acres, let there be that amount. If there is less, let it be the amount fixed by the Secretary.

Mr. GARD. What is the particular advantage of permitting this patent to be granted to this corporation known as the Milk River Valley Gun Club and impede the possible necessities of the United States?

Mr. VAILE. I can not see how any necessity of the United States could possibly be impeded. If the land is not used for the purpose for which it is granted, it reverts to the United States by the express terms of this bill.

Mr. GARD. Does this gun club have any game preserve now?

Mr. VAILE. No. They have a house on the land which they desire to purchase, but they are not maintaining any preserve, and desire to have this one.

Mr. GARD. Do they have any preserve there?

Mr. VAILE. No.

Mr. GARD. Under their ownership or lease?

Mr. VAILE. No; that is what they are seeking now by this bill, but they have none at present.

Mr. GARD. What is the object of maintaining a clubhouse out there if they have no preserve?

Mr. VAILE. For the convenience of hunters during the game season, but they want this preserve so that they can fence and protect this land during the breeding season of the wild fowl.

Mr. GARD. At the present time the privilege of hunting out there is open to everyone?

Mr. VAILE. True.

Mr. GARD. Under proper restrictions?

Mr. VAILE. That is true.

Mr. GARD. But if this patent is granted then this certain territory is to be fenced in for the exclusive use of the members of the Milk River Valley Gun Club?

Mr. VAILE. That is true, but I submit that should not be regarded as an objection. We have to protect game in some way, and we can hardly expect to make a national park out there.

Mr. GARD. I object, Mr. Speaker.

The SPEAKER pro tempore. The gentleman from Ohio objects.

Mr. VAILE. I ask that the bill go to the foot of the calendar without prejudice.

The SPEAKER pro tempore. The gentleman asks unanimous consent that the bill go to the foot of the calendar and be retained thereon. Is there objection?

There was no objection.

YELLOWSTONE NATIONAL PARK.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 12466) authorizing the granting of certain irrigation easements in the Yellowstone National Park, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. SMITH of Idaho. I ask unanimous consent that the bill be passed without prejudice.

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Mr. BLANTON. I object.
Mr. HUSTED. I object.
The SPEAKER pro tempore. Objection is made. The bill is stricken from the calendar.

PLATTE RIVER IN MISSOURI.

The next business on the calendar for unanimous consent was the bill (H. R. 10920) declaring Platte River to be a nonnavigable stream.

The Clerk read the title of the bill.
The SPEAKER pro tempore. Is there objection to the present consideration of the bill in the House as in Committee of the Whole?
There was no objection.
The SPEAKER pro tempore. The Clerk will report the bill.
The bill was read, as follows:

Be it enacted, etc., That the Platte River in the State of Missouri be, and the same is hereby, declared to be a nonnavigable stream within the meaning of the Constitution and laws of the United States, and jurisdiction over said river is hereby declared to be vested in the State of Missouri.

SEC. 2. That the right of Congress to alter, amend, or repeal this act is hereby expressly reserved.

The SPEAKER. The question is on the engrossment and third reading of the bill.
Mr. GARRETT. Mr. Speaker, I should like to inquire of the gentleman from Wisconsin [Mr. ESCH] just what the effect is of passing a measure declaring a stream nonnavigable?
Mr. ESCH. By declaring a stream nonnavigable and placing it within the jurisdiction of the State through which it flows, you no longer have to come to Congress to secure the consent of Congress for the construction of a bridge over it.
Mr. GARRETT. Is that the only effect it will have?
Mr. ESCH. Yes. This bill was introduced by the gentleman from Missouri [Mr. BOOHER], who has been ill for many months, and therefore he has been unable to secure its consideration before. It is a little stream only 75 miles long, rising in southwestern Iowa and flowing into the State of Missouri and emptying into the Missouri River. The bill was thoroughly investigated by the chief engineer's office at Kansas City. An open hearing was had, notice was given to all interested parties on the river, and there was no protest against the passage of the bill.
Mr. GARRETT. I will say to the gentleman from Wisconsin that I have no objection to the bill; I was simply interested in the legal phase of it. As I understand it, the navigability of a stream is more a question of fact than it is a question of law. Has there, in fact, been any navigation on this stream?
Mr. ESCH. I think when there was some timber on the upper reaches there was a little navigation, but it can hardly float a canoe or boat now.
Mr. GARRETT. This question arises, and in my own section, in the formation of drainage sections, where it is necessary to secure permission from the War Department to alter the course of a stream. I was somewhat interested in the legal phase of it.
Mr. MAYS. Will the gentleman yield?
Mr. ESCH. Yes.
Mr. MAYS. I see that this is designated as the Platte River. There is a Platte River in the State of Nebraska that is of considerable importance.
Mr. ESCH. We do not seek to affect the Platte River in Nebraska in this bill.
Mr. MAYS. Would it not be better to designate the State?
Mr. ESCH. This bill says Platte River in the State of Missouri.
Mr. MAYS. It does not say so in the title.
Mr. MACGREGOR. Will the gentleman yield?
Mr. ESCH. Yes.
Mr. MACGREGOR. Is it the purpose of this bill to take the Platte River out from under the jurisdiction of the Federal Water Power Commission?
Mr. ESCH. No; it has not that purpose; I do not think it could be developed anyhow.
Mr. MACGREGOR. Would it not take it out from under the jurisdiction of the Federal Water Power Commission?
Mr. ESCH. Where it is wholly intrastate. This is interstate; it rises in Iowa.
The SPEAKER. The question is on the engrossment and third reading of the bill.
The bill was ordered to be engrossed and read a third time, was read the third time, and passed.
On motion of Mr. ESCH, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ENROLLED BILL SIGNED.

The SPEAKER announced his signature to enrolled bill of the following title:
S. 4526. An act to amend section 501 of the transportation act, 1920.

ENROLLED BILLS PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that, December 18, they had presented to the President of the United States, for his approval, the following bills:
H. R. 7900. An act for the relief of Rudolph L. Desdunes;
H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia;
H. R. 1865. An act for the relief of the Baltimore Dry Docks & Ship Building Co., owner of a dry dock at Baltimore, Md.; and
H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

SENATE BILL REFERRED.

Under clause 2, Rule XXIV, a Senate bill of the following title was taken from the Speaker's table and referred to its appropriate committee, as indicated below:
S. 3259. An act for the public protection of maternity and infancy and providing a method of cooperation between the Government of the United States and the several States; to the Committee on Interstate and Foreign Commerce.

COMMITTEE TO INVESTIGATE AND ESTABLISH NAVAL AVIATION AND SUBMARINE BASES.

Mr. BUTLER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate joint resolution 227 and consider the same.
The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to take from the Speaker's table Senate joint resolution 227. Is there objection?
There was no objection.
The Clerk read the joint resolution, as follows:

Senate joint resolution (S. J. Res. 227) extending the time within which the special joint committee appointed to investigate the advisability of establishing certain naval, aviation, and submarine bases in the United States is required to make its report to Congress.

Resolved, etc., That the time limit within which the special joint committee created by the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920, is required to submit its report to the Congress of the United States be, and it hereby is, deferred and extended to January 31, 1921.

The SPEAKER. Is there objection?
Mr. GARD. Reserving the right to object——
Mr. BUTLER. Gentlemen on the committee have told me that it is absolutely impossible to make the report by the 1st of January, and ask that the House will join the Senate in extending the time 30 days. I just had a talk with the gentleman from Tennessee [Mr. PADGETT], and he hopes that the joint resolution will be passed.
Mr. GARD. What was the original time of making the report?
Mr. BUTLER. January 1, 1921.
The SPEAKER. Is there objection? [After a pause.] The Chair hears none.
The Senate joint resolution was read the third time and passed.

WITHDRAWAL OF CERTAIN PUBLIC LANDS.

The next business on the Calendar for Unanimous Consent was the bill (S. 2379) to provide for the disposition of certain public lands withdrawn and improved under the provisions of the act of Congress approved June 25, 1910 (36 Stat. L., p. 847), as amended by the act of August 24, 1912 (27 Stat. L., p. 497), and which are no longer needed.
The SPEAKER. Is there objection?
Mr. JONES of Texas. Reserving the right to object, does this bill authorize the sale of public lands or lands of some character?
Mr. SINNOTT. The lands which the bill authorizes the sale of are lands that have been heretofore withdrawn for exploratory drilling for water. It covers some 280 acres that have been heretofore withdrawn. This bill was prepared in the department and introduced by the chairman of the Senate committee.
Mr. JONES of Texas. If the bill is passed, the lands can be sold.
Mr. SINNOTT. Yes; these particular lands may be sold at public auction, but they must be sold for at least the appraised value of the land.
Mr. JONES of Texas. Does this provide for a reservation by the Government of all oil and mineral rights?

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Mr. SINNOTT. No; there is no such reservation.

Mr. JONES of Texas. Would the gentleman object to such an amendment?

Mr. SINNOTT. I would not.

Mr. JONES of Texas. Then I shall not object.

Mr. GARD. Mr. Speaker, I object to the consideration of the bill.

Mr. SINNOTT. Will the gentleman withhold his objection for a moment?

Mr. GARD. Yes.

Mr. SINNOTT. The only interest I have is that it was introduced at the request of the Secretary of the Interior. There is this land that has been explored for water at a great expense by the Government, and it remains undisposed of. This is an opportunity to permit the Government to reimburse itself for a very large expenditure. Mr. Speaker, I ask unanimous consent that the bill may go to the foot of the calendar.

The SPEAKER. Is there objection to the request of the gentleman from Oregon?

There was no objection.

REFUND OF DUTIES COLLECTED ON FIELD KITCHENS.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 6171) to authorize the refund of duties collected on field kitchens imported during the year 1915.

The SPEAKER. Is there objection to the bill?

Mr. GARD. Reserving the right to object——

Mr. CANNON. What is the bill?

Mr. GARD. This is a bill, I will say to the gentleman from Illinois, for the refund of duties paid on field kitchens, and the gentleman from Illinois had some colloquy with the gentleman from Illinois [Mr. BRITTEN] about this same bill when it was up before.

Mr. CANNON. The duties were collected under the law and presumably are in the Treasury. How much do the duties amount to?

Mr. GARD. I do not know the amount. One objection to the bill would be that the amount is so inconsequential that it would be difficult to get it back to the donors.

Mr. CANNON. These field kitchens were largely paid for by subscriptions.

Mr. GARD. I understand so. I understand that the amount collected was $182.25.

Mr. CANNON. They were paid for by subscriptions by the public.

Mr. GARD. I am not familiar with the bill. It was introduced by the gentleman from Illinois [Mr. BRITTEN] at the last session. When the bill was up for consideration, the gentleman from Illinois [Mr. CANNON] objected to its consideration at that time.

Mr. CANNON. We are passing it now hop, skip, and jump, by unanimous consent, and, without speaking disrespectfully of another body, pretty nearly as the other body passes bills—without much consideration. I think it would better come up in the regular way or when we have a full House.

The SPEAKER. Does the Chair understand the gentleman from Illinois to object?

Mr. CANNON. Yes.

Mr. MANN of Illinois. Mr. Speaker, I ask unanimous consent that the bill may go to the foot of the calendar.

The SPEAKER. The gentleman from Illinois asks unanimous consent that the bill may go to the foot of the calendar. Is there objection?

Mr. GARRETT. Mr. Speaker, this is the second time that it has been stricken from the calendar, is it not?

Mr. MANN of Illinois. It was up before. Whether it was stricken from the calendar then or not I do not know.

Mr. GARRETT. If it was not, it should have been under the rule.

Mr. MANN of Illinois. It should have been unless by unanimous consent it was retained on the calendar.

Mr. GARRETT. Of course.

Mr. MANN of Illinois. I think that is the case, although I would not say. The bill was introduced by my colleague, and he does not happen to be on the floor at this time.

Mr. CANNON. Nobody call tell the amount and nobody can tell how much it would cost to find out who the donors were. It would require much investigation. With equal propriety we might return all that was contributed to the Red Cross to the people who contributed it, and a hundred other charities.

The SPEAKER. Is there objection to the request of the gentleman from Illinois [Mr. MANN] that the bill go to the foot of the calendar?

Mr. CANNON. Is my friend in earnest? Does he want it to go to the foot of the calendar?

Mr. MANN of Illinois. My colleague who introdueed the bill is not on the floor at the present time. He is unavoidably detained from the Chamber, and I think it is a proper courtesy to him to retain it on the calendar.

The SPEAKER. Is there objection?

There was no objection.

WATER SUPPLY OF SUNNYSIDE, UTAH.

The next business on the Calendar for Unanimous Consent was the bill (S. 46) for the protection of the water supply of the town of Sunnyside, Utah.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none, and the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the public lands within the several townships and subdivisions thereof hereinafter enumerated, situated in the county of Carbon and State of Utah, are hereby reserved from all forms of location, entry, or appropriation, whether under the mineral or non-mineral land laws of the United States, and set aside as a municipal water-supply reserve for the use and benefit of the people of the town of Sunnyside, a municipal corporation of the State of Utah, as follows, to wit: The south half of south half of section 34, in township 13 south, range 14 east, Salt Lake base and meridian; and also the following lands which, when surveyed, will be described as follows, to wit: All of section 11; west half of section 12; all of section 13; and all of section 14, in township 14 south, range 14 east, of Salt Lake base and meridian.

SEC. 2. That the lands heretofore described and reserved for municipal water-supply purposes shall be administered by the Secretary of the Interior, in cooperation with and at the exclusive expense of the town of Sunnyside, Utah, for the purpose of storing, conserving, and protecting from pollution the said water supply, and preserving, improving, and increasing the timber growth on said lands, to more fully accomplish such purposes; and to that end said municipality shall have the right, subject to the approval of the Secretary of the Interior, to the use of any and all parts of the lands reserved for the storage and conveying of water and construction and maintenance thereon of all improvements for such purposes.

SEC. 3. That the said Secretary of the Interior is hereby authorized to prescribe and enforce such regulations as he may find necessary to carry out the purpose of this act, including the right to forbid persons other than those authorized by him and the municipal authorities of said municipal corporation from entering or otherwise trespassing upon these lands, and any violation of this act or of regulations issued thereunder shall be punishable as is provided for in section 50 of the act entitled "An act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909" (35 Stat. L., 1098), as amended by the act of Congress approved June 25, 1910 (36 Stat. L., 857).

SEC. 4. That this act shall be subject to all legal rights heretofore acquired under any law of the United States, and the right to alter, amend, or repeal this act is hereby expressly reserved.

With the following committee amendment:

Page 2, line 19, after the word "purposes," insert:

"*Provided*, That deposits of coal or other minerals in the lands reserved by this act may be leased or otherwise disposed of by the Secretary of the Interior under laws applicable to such deposits, if and when he shall find that same may be mined and removed without injury to the municipal water supply of Sunnyside, Utah."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

HOMESTEAD ENTRIES, FORT ASSINNIBOINE MILITARY RESERVATION, MONT.

The next business on the Calendar for Unanimous Consent was the bill (S. 2964) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assinniboine Military Reservation, in Montana.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. Mr. Speaker, reserving the right to object, I should like to ask some one interested in the bill a question.

Mr. EVANS of Montana. I am interested in it.

Mr. BEGG. Is this the first request for postponement of time?

Mr. EVANS of Montana. Yes.

Mr. BEGG. What is the occasion for the request?

Mr. EVANS of Montana. The reservation is in the northern part of Montana in rather a barren country. They have had some three or four years of drought up there. It was a military reservation and was abandoned and the lands were sold to individuals and homesteaders at the rate of $2.50 per acre, the payments to be made annually. They have had no crop up there in three or four years and they are practically destitute and can not make their payments. If they do not make their payments they simply forfeit the improvements they have put on there during the last two or three years.

Mr. BEGG. In the last session did we not pass a similar act to this?

Mr. EVANS of Montana. Not for these people, but for the Fort Peck Indian Reservation, which, though not contiguous, is

close by. The gentleman will find that the Secretary, in his letter, says that the same conditions prevail here as did with respect to the Fort Peck Indian Reservation, and he asks that the time be extended on these lands, as on the Fort Peck Indian Reservation lands.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted etc., That any person who has made homestead entry under the provisions of the act of Congress approved February 11, 1915 (38 Stat. L., p. 807), entitled "An act authorizing the Secretary of the Interior to survey the lands of the abandoned Fort Assiniboine Military Reservation and open the same to settlement," may obtain an extension of time for one year from the anniversary of the date of entry last preceding the passage of this act within which to pay all of the installment then due or any part of any preceding installment, where payment has not yet been made and where an extension of time therefor is not authorized by any act of Congress by paying interest at the rate of 5 per cent per annum on the sums to be extended from the maturity of the unpaid installments to the expiration of the period of extension, the interest to be paid to the receiver of the land office for the district in which the lands are situated, within such time as may be prescribed for that purpose by the Secretary of the Interior: *Provided*, That any installment which becomes due within one year from the passage of this act and for which an extension of time for payment is not otherwise authorized, may also be extended for a period of one year by paying interest thereon in advance at the said rate: *Provided further*, That any payment so extended may thereafter be extended for a further period of one year in like manner: *And provided further*, That if commutation proof is submitted, all the unpaid payments must be made at that time.

SEC. 2. That the failure of any entryman to make any payment that may be due, unless the same be extended, or to make any payment extended either under the provisions hereof or other act of Congress, at or before the time to which such payment has been extended, shall forfeit the entry and the same shall be canceled, and any and all payments theretofore made shall be forfeited.

With the following committee amendment:

Page 2, line 16, after the word "thereafter," insert "in the discretion of the Secretary of the Interior."

The SPEAKER. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. EVANS of Montana, a motion to reconsider the vote by which the bill was passed was laid on the table.

FEDERAL RESERVE ACT.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 14021) to amend the act approved December 23, 1913, known as the Federal reserve act.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BEGG. I object.

The SPEAKER. Objection is heard, and the Clerk will report the next bill.

ACQUIREMENT OF RURAL HOMES.

The next business on the Calendar for Unanimous Consent was the bill (S. 3477) to increase, without expenditure of Federal funds, the opportunities of the people to acquire rural homes, and for other purposes.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MONDELL. Mr. Speaker, this bill will probably be brought up under a rule a little later, and I do not think it ought to be considered at this time. I object.

MILITARY TELEGRAPH CORPS, CIVIL WAR.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 5815) granting relief to persons who served in the Military Telegraph Corps of the Army during the Civil War.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, is there anyone here who can give us information about the number of people who will be affected by this bill, in respect to their military status? In the absence of the gentleman who made the report and the Member who introduced the bill, I ask that the bill be passed without prejudice.

Mr. MANN of Illinois. Mr. Speaker, it ought to go to the foot of the calenar.

The SPEAKER. Without objection, the bill will go to the foot of the calendar.

There was no objection.

MONTEZUMA NATIONAL FOREST.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8692) authorizing the exchange of lands within the Montezuma National Forest in Colorado.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. GARD. Mr. Speaker, reserving the right to object, will the gentleman advise the membership of the House of the purpose and extent of this bill?

Mr. TAYLOR of Colorado. I shall be very glad to try to do so.

Mr. Speaker, the Montezuma National Forest, in the State of Colorado, was formed about 20 years ago, and takes quite an amount of privately owned land, scattered through it in isolated tracts. Between these privately owned tracts there is intervening Government land. Both the Forest Service officials and the private owners have been trying for several years to obtain the passage of a bill authorizing the consolidation of these tracts. This bill was prepared with the approval of the Forest Service and the consent of the local owners for the purpose of allowing them to make some exchanges and let the Government consolidate its land and the private owners consolidate their land, with the approval of the Secretary of Agriculture. I may say there is not very much valuable timber in that country, and I am confident there is little or none involved in these exchanges. It is a matter of mutual convenience for the Forest Service people and the local owners. The Agricultural Department, including the Forest Service, has made several very elaborate reports upon this bill and the officials came before the committee and made an elaborate statement, which is published in my report, showing the advisability of the passage of this measure. I desire to say to the gentleman and the members of the committee that the Public Lands Committee has tried a number of times during the last five or six years to pass a general forest reserve exchange bill, allowing, generally speaking, the Forest Service and the owners, with the approval of the owners and the approval of the Agricultural Department, to exchange private lands generally for Government lands and Government lands for private lands, and for the purpose of consolidating, economizing, and making more efficient the administration of the Forest Service in guarding against fires, predatory wild animals, regulating grazing, and so forth. But we never yet have been able to pass a general bill of that kind. There is a bill of that kind on the calendar now that ought to be passed.

There is no reason under heaven why that kind of a bill, properly safeguarded, should not be passed. But at present the only way we can accomplish anything is to take up these forest reserves one at a time and try to pass a bill for each individual forest service. There are about 20 of those bills pending before the Senate and House now like this one, approved by the Forest Service, and this is merely one of them. I have been trying to pass this bill for several years. The Montezuma National Forest is in the southwestern part of Colorado in my congressional district. There has never been any expressed opposition to this bill, and there can be no objection I know of by anybody. The language meets with the approval of the Public Lands Committee and the Secretary of Agriculture and the Forest Service. And I feel, in view of the fact we have passed something like a dozen similar bills and there are something like a dozen more to be strung along at various times, that there can not be any valid objection to the passage of this one at this time.

Mr. GARD. Does it require joint action and approval of the Secretary of the Interior and the Secretary of Agriculture?

Mr. TAYLOR of Colorado. Wherever there are public lands, yes; but if it is private land within the forest reserve, then the Interior Department has nothing to do with it and we allow the Secretary of Agriculture to determine that matter, but if there is any public land to be exchanged the Secretary of the Interior has to be consulted. That is the general practice, I believe.

Mr. CHINDBLOM. Will the gentleman yield under his reservation and allow me to ask a question?

Mr. GARD. Surely.

Mr. CHINDBLOM. Are there any natural resources in this reservation outside of the timber?

Mr. TAYLOR of Colorado. No. Nothing that would be affected by this exchange.

Mr. CHINDBLOM. Any water power?

Mr. TAYLOR of Colorado. If there is water power, it would come under the water-power law, and coal and gas and minerals are not involved, as they come under special laws.

Mr. CHINDBLOM. If there is any water power, I suggest it would be rather unwise to give blanket authority to exchange such lands merely in the discretion of some gentleman.

Mr. TAYLOR of Colorado. No. All the water power in the United States comes under the present water-power law, which we passed last summer. That is already under the control of the Government.

Mr. CHINDBLOM. But this will give authority to exchange some lands for other lands without the exception of natural resources.

Mr. TAYLOR of Colorado. Those natural resources do not go with the surface of the land any more. They are patented separately, or are subject to lease under the act of February 25, 1920.

Mr. CHINDBLOM. I am asking that.

Mr. TAYLOR of Colorado. All minerals, coal, oil, gas, and so forth, are reserved.

Mr. CHINDBLOM. Water power?

Mr. TAYLOR of Colorado. Yes; the waters of navigable streams belong to the Government, and the water-power sites on public lands also belong to the Government, and no one could get control of them by exchanges of land such as would be authorized by this bill.

Mr. CHINDBLOM. All that is protected?

Mr. TAYLOR of Colorado. Yes; it is all reserved and fully protected.

Mr. CHINDBLOM. And would not apply to this bill?

Mr. TAYLOR of Colorado. No; it would not apply to this at all. I am perfectly confident there is no possibility of fraud or imposition upon the Government under the terms of this bill. It has been very carefully drawn and exhaustively examined by Government officials and attorney.

Mr. CANNON. Will the gentleman allow me to ask him a question?

Mr. TAYLOR of Colorado. Certainly.

Mr. CANNON. I understood the gentleman to say that this was not very well timbered?

Mr. TAYLOR of Colorado. No; there is not much timber of any appreciable value upon the lands to be exchanged. We have no large tracts of valuable timber like California and Washington and Oregon.

Mr. CANNON. Well, we have not been very happy heretofore where we have authorized the exchange of land; great scandal when the lands exchanged were of less value and valuable timber tracts given, and so forth.

Mr. TAYLOR of Colorado. Practically speaking, there is little valuable, merchantable timber in the vicinity of these desired exchanges; but if the Government gave up any timber it would be for a full, fair, and reasonable consideration. There is no danger any more of the Government agents getting the worst of it in these exchanges.

Mr. CANNON. Are these lands which they exchange outside of that country?

Mr. TAYLOR of Colorado. No. This bill only applies to the Montezuma National Forest, in southwestern Colorado.

Mr. CANNON. How extensive is that?

Mr. TAYLOR of Colorado. There are 14,748,943 acres in the 19 national forest reserves in Colorado. In the Montezuma National Forest there are 812,100 acres. Nine of our Colorado national forests are larger and nine are smaller than the Montezuma.

My printed report upon this bill is very full and contains elaborate reports from the Secretary of Agriculture and covers 13 pages of fine print. At pages 5 and 6 I say:

> Your committee has about 20 local bills similar to this one now pending before it and also some general bills. The Senate has also about 20 of these bills and has passed several times a general bill authorizing exchange of lands generally within all of the national forests throughout the West, and your committee believes that a general law, properly safeguarded, should be enacted to obviate the necessity of passing a large number of these local bills. These bills now pending pertain to 26 different national forests.
>
> Some of the bills provide for the exchange of both land and timber for land, which the Forest Service in some localities is quite anxious to do, and some of the bills limit the number of acres that can be exchanged in any one national forest in any one year.
>
> There are 155,000,000 acres of Government-owned public land and 20,000,000 acres of private-owned lands scattered throughout the 157 national forests, and those private lands are mostly isolated from neighbors, and their occupancy is unsatisfactory to both the present owners and to the Forest Service, and if these isolated and scattered tracts could be exchanged and consolidated it would be of great convenience to both the Government and the owners, provided, of course, such exchanges can be properly safeguarded to protect the Government both as to timber and character of lands exchanged. This bill is recommended by a large number of citizens who have sent in petitions for this purpose, and it is also recommended by the State and Forest Service officials for the benefit of the Montezuma National Forest, with the exception of section 23, township 37, referred to, which is just outside the national forest and which the Forest Service officials say is necessary for the use of the Forest Service as a gateway into this Montezuma National Forest; the Forest Service is quite anxious to obtain title to these lands in that section for the proper handling of range stock in that national forest; therefore your committee believes that the bill should be passed. Inasmuch as these exchanges are made subject to the discretion and approval of both the Secretary of the Interior and Secretary of Agriculture, it would seem as though there can be no likelihood of any injury inuring to the Government or of any kind of fraud or injustice being perpetrated and that the exchanges ought to be authorized in the interest of the economical administration of the Montezuma National Forest, as well as for the welfare of the citizens residing within that national forest.

Mr. CANNON. What is the size of the Montezuma National Forest?

Mr. TAYLOR of Colorado. Eight hundred and twelve thousand one hundred acres. But there is only a very small part of it to which this exchange bill would apply.

Mr. CANNON. They sell the little tracts for what they are worth, do they?

Mr. TAYLOR of Colorado. No; that is not the idea. The private owners have small tracts or ranches scattered around, and they want to consolidate them—to trade lands with the Government—and get their holding together.

Mr. CANNON. Then the Government gains or loses, as the case may be?

Mr. TAYLOR of Colorado. The Government never loses anything in these exchanges. Nowadays they have some very wise forest-reserve officials who look after the Government's welfare very thoroughly. There has been no scandal or public complaint for many years about anything of that kind. I feel that, inasmuch as it is an exchange of forest-reserve land that is probably better adapted for agricultural purposes for timberland that the forest-reserve officials want to be included in the forest reserve, it is a measure that should be passed. It consolidates a lot of checkerboard ownerships.

Mr. SMITH of Idaho. This legislation was initiated by the Secretary of the Interior. It does not interest the Members themselves. It is initiated by those who are charged with the administration of these lands.

Mr. TAYLOR of Colorado. It is initiated by the Secretary of Agriculture.

Mr. CANNON. Well, for the present——

Mr. TAYLOR of Colorado. There are a number of other bills similar to this, I may say to the ex-Speaker, that other Members are interested in, and which they desire to see passed.

Mr. CANNON. Well, if you made a general bill, it would be worth looking after.

Mr. TAYLOR of Colorado. We can not at this session, I fear, pass a general exchange bill. It would involve too much time and debate.

Mr. CANNON. In that case you could kill all the birds with one stone. But being a little here and a little there, the bills pass as a courtesy to the Members who represent those sections.

Mr. TAYLOR of Colorado. Are not the Members representing those sections entitled to a little courtesy sometimes?

Mr. CANNON. Yes; but I think it would pay to consider it wholesale rather than by piecemeal by unanimous consent.

Mr. TAYLOR of Colorado. Of course, I will have to defer to the ex-Speaker's judgment and good will upon this unanimous-consent day.

Mr. CANNON. I am just telling you how it seems to me. There is more legislation by unanimous consent, considering the number of bills that are passed, than is useful to the Government.

Mr. TAYLOR of Colorado. I understand that the gentleman asks that it go to the foot of the calendar?

Mr. CANNON. I have no objection to its going to the foot of the calendar if the gentleman desires it to go there.

Mr. TAYLOR of Colorado. Mr. Speaker, in view of the gentleman's objection, I will have to request that the bill be passed over for the present and be put at the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Colorado requests that the bill go to the foot of the calendar. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Colorado a question: By the exchange of such lands within these national forests, could a forest which has been set aside for certain purposes be in any way changed?

Mr. TAYLOR of Colorado. Oh, no. This bill is looked upon by the local supervisor and the forest ranger as advantageous to the Government of the United States to make it possible to have some of these little isolated, checkerboard ownerships consolidated and the Government lands also consolidated.

Mr. BLANTON. The gentleman understands that the attempt is now being made to utilize these national forest reserves for purposes other than those for which they were designed, and that there is a protest coming up from all over the country. There is no chance of this forest reserve being used for other purposes than those for which it was designed?

Mr. TAYLOR of Colorado. No. The people out there look upon this just as a matter of mutual benefit and for the general welfare; that is all.

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The SPEAKER. Objection has been made. The bill will go to the foot of the calendar. The Clerk will report the next bill.

JUDICIAL DISTRICT OF ALASKA.

The next business on the Calendar for Unanimous Consent was the bill (S. 4205) to amend section 4, chapter 1 of Title I of an act entitled "An act making further provision for a civil government for Alaska, and for other purposes," approved June 6, 1900, as heretofore amended by section 2 of an act entitled "An act to amend section 86 of an act to provide a government for the Territory of Hawaii, to provide for additional judges, and for other judicial purposes," approved March 3, 1909, and for other purposes.

The title of the bill was read.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent that the bill be passed over.

Mr. GARD. What is the reason for that?

Mr. VOLSTEAD. We have discovered that there is an error in the description of the district to be formed under this bill. I am waiting for information to be filed by the Attorney General and one of the judges up there in order to have the bill properly amended.

Mr. GARD. The only purpose of the bill is to fix the boundaries of some district court in Alaska?

Mr. VOLSTEAD. Yes; that is correct.

Mr. GARD. And the gentleman is endeavoring to have the boundaries correctly described?

Mr. VOLSTEAD. Yes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent that the bill be passed over. Is there objection to the gentleman's request?

There was no objection.

The SPEAKER. The Clerk will report the next bill.

DESERT LANDS IN NEVADA.

The next business on the Calendar for Unanimous Consent was the bill (S. 2977) to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891.

The title of the bill was read.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, Mr. Speaker, what is the purpose of this bill?

Mr. McLAUGHLIN of Michigan. Mr. Speaker, if you please, let the bill be read.

The SPEAKER pro tempore (Mr. CAMPBELL of Kansas). The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891, be, and the same is hereby, amended so as to read as follows:

"SEC. 8. That the provisions of the act to which this is an amendment, and the amendments thereto, shall apply to and be in force in the State of Colorado, as well as the States named in the original act; and, excepting in the State of Nevada, no person shall be entitled to make entry of desert lands unless he be a resident citizen of the State or Territory in which the land sought to be entered is located."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, the gentleman from Colorado [Mr. TAYLOR] reported the bill, and I see he has forgotten now what it was. I hope he will take time to find out what it is.

Mr. TAYLOR of Colorado. I was really paying more attention to my own bill than to this.

Mr. MANN of Illinois. We passed a bill with reference to desert-land entries applying to certain things. It did not apply, I believe, to the State of Colorado. Now it is proposed, is it, to make this apply to the State of Colorado?

Mr. TAYLOR of Colorado. No; it is not proposed to make it apply to the State of Colorado.

Mr. MANN of Illinois. That is what it says. Maybe it is not. The gentleman has evidently forgotten it.

Mr. TAYLOR of Colorado. I reported the bill a long time ago. It is not my bill. It is a Senate bill.

Mr. SINNOTT. The only change that this makes in the law is to omit the requirement that the residents of the State of Nevada shall be residents in the State. The original act requires that no person shall be entitled to make an entry of desert land unless he is a resident of the State or Territory in which the land sought to be entered is located. This dispenses with that feature as far as Nevada is concerned.

Mr. MANN of Illinois. Really, what excited my curiosity was this: The existing law provides that no person shall be entitled to make entry of desert land "except" he be a resident citizen.

Now, the word "except" may not have been the better word to use. I do not know. But the distinguished Committee on the Public Lands, or the distinguished Senate, whoever it was, struck out "except" and inserted "unless." As these gentlemen are students of languages, I desire to know the distinction between "except he be a resident citizen" and "unless he be a resident citizen." There must be some reason for the change of this language. Just how far-reaching that may be in its effect I do not know, and therefore I make the inquiry.

Mr. SINNOTT. I would assume that it was the purpose of another body that we are not permitted to mention here——

Mr. MANN of Illinois. Oh, yes; you can mention them.

Mr. SINNOTT. Having used the word "except" in the third line previous, they used "unless" here for euphony.

Mr. MANN of Illinois. "Euphony" is a good word, and I have nothing further to say.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The bill is on the Union Calendar.

Mr. MANN of Illinois. My copy of the bill says it is on the House Calendar.

The SPEAKER pro tempore. That is an error.

Mr. TAYLOR of Colorado. It is on the Union Calendar.

Mr. MANN of Illinois. There may be a star print of the bill. I did not get it until this morning.

Mr. MacGREGOR. There is a star print.

Mr. TAYLOR of Colorado. The bill is on the Union Calendar. I ask unanimous consent that it be considered in the House as in Committee of the Whole.

Mr. MANN of Illinois. The Speaker ruled in the last session that a Union Calendar bill on the Unanimous Consent Calendar, if not objected to, automatically receives consideration of the House as in Committee of the Whole.

The SPEAKER pro tempore. The present occupant of the chair accepts that decision. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891, be, and the same is hereby, amended so as to read as follows:

"SEC. 8. That the provisions of the act to which this is an amendment, and the amendments thereto, shall apply to and be in force in the State of Colorado, as well as the States named in the original act; and, excepting in the State of Nevada, no person shall be entitled to make entry of desert lands unless he be a resident citizen of the State or Territory in which the land sought to be entered is located."

The SPEAKER pro tempore. The question is on the third reading of the Senate bill.

The bill was ordered to a third reading, and was accordingly read the third time and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the bill was passed was laid on the table.

ARID LANDS IN THE STATE OF CALIFORNIA.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 8864) to encourage the reclamation of certain arid lands in the State of California, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. CHINDBLOM. I would like to have the bill read.

The SPEAKER pro tempore. The Clerk will report the bill.

Mr. MANN of Illinois. I reserve the right to object.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized in his discretion to grant to any citizen of the United States, or to any association of such citizens, a permit, which shall give the exclusive right, for a period not exceeding two years, to drill or otherwise explore for water beneath the surface of not exceeding 2,560 acres of arid, unreserved, unappropriated, nonmineral, nontimbered public lands of the United States, in the State of California, lying east of the Sierra Nevada Mountains, not susceptible of successful irrigation at a reasonable cost from any known available source of surface water supply: *Provided, however,* That not more than one such permit shall be issued to the same citizen or the same association of citizens within an area of 40 miles square: *And provided further,* That said land shall not be fenced or otherwise exclusively used by the permittee except as herein provided: *And provided further,* That said land shall theretofore have been designated by the Secretary of the Interior as subject to disposal under the provisions of this act.

SEC. 2. That the Secretary of the Interior is hereby authorized, on application or otherwise, to designate the lands subject to disposal under the provisions of this act: *Provided, however,* That where any person or association qualified to receive a permit under the provisions of this act shall make application for such permit upon land which has not been designated as subject to disposal under the provisions of this

act (provided said application is accompanied and supported by properly corroborated affidavit of the applicant, in duplicate, showing prima facie that the land applied for is of the character contemplated by this act), such application, together with the regular fees and commissions, shall be received by the register and receiver of the land district in which said land is located and suspended until it shall have been determined by the Secretary of the Interior whether said land is actually of that character. That during such suspension the land described in the application shall not be disposed of; and if the land shall be designated under this act, then such application shall be allowed; otherwise it shall be rejected, subject to appeal.

SEC. 3. That any qualified applicant for a permit under section 1 of this act shall file with the register or receiver of the land district in which said land is located the application for such permit and shall make and subscribe before the proper officer and file with said register or receiver an affidavit that such application is honestly and in good faith made for the purpose of reclamation and cultivation and not for the benefit of any other person or corporation, and that the applicant is not acting as agent for any person, corporation, or syndicate in making such application, nor in collusion with any person, corporation, or syndicate to give them the benefit of the land applied for or any part thereof, and that the applicant will faithfully and honestly endeavor to comply with all of the requirements of this act, and shall pay to said register and receiver a filing fee of 1 cent per acre for each acre of land embraced in said application, and such applicant shall then be entitled to receive such permit after the lands embraced therein are designated as provided in section 2 of this act.

SEC. 4. That such a permit shall be upon condition that the permittee shall begin operations for the development of underground waters within six months from the date of the permit and continue such operations with reasonable diligence until water has been discovered in the quantity hereinafter described, or until the date of the expiration of the permit. Upon the presentation at any time of proof satisfactory to the Secretary of the Interior that any permittee is not conducting such operations in good faith and with reasonable diligence, or has violated any of the terms of the permit, the Secretary shall forthwith cancel such permit, and such permittee shall not again be granted a permit under this act.

SEC. 5. That on establishing at any time within two years from the date of the permit to the satisfaction of the Secretary of the Interior that underground waters in sufficient quantity to produce at a profit agricultural crops other than native grasses upon not less than 20 acres of land has been discovered and developed and rendered available for such use within the limits of the land embraced in any permit the said permittee shall be entitled to a patent for one-fourth of the land embraced in the permit, such area to be selected by the permittee in compact form according to the legal subdivisions of the public land surveys if the land be surveyed, or to be surveyed at his expense under rules and regulations established by the Secretary of the Interior if located on unsurveyed land.

SEC. 6. That the remaining area within the limits of the land embraced in any such permit shall thereafter be subject to entry and disposal only under "An act to secure homesteads to actual settlers on the public domain," approved May 20, 1862, and amendments thereto, not exceeding 160 acres to any one person.

SEC. 7. That the receipts obtained from the sale of lands under the provisions of section 6 hereof shall be paid into, reserved, and appropriated as a part of the reclamation fund created by the act of Congress approved June 17, 1902, known as the reclamation act.

SEC. 8. That all entries made and patents issued under the provisions of this act shall be subject to and contain a reservation to the United States of all the coal and other valuable minerals in the lands so entered and patented, together with the right to prospect for, mine, and remove the same. The coal and other valuable mineral deposits in such lands shall be subject to disposal by the United States in accordance with the provisions of the coal and mineral land laws in force at the time of such disposal. Any person qualified to locate and enter the coal or other mineral deposits, or having the right to mine and remove the same under the laws of the United States, shall have the right at all times to enter upon the lands entered or patented, as provided by this act, for the purpose of prospecting for coal or other mineral therein, provided he shall not injure, damage, or destroy the permanent improvements of the entryman or patentee, and shall be liable to and shall compensate the entryman or patentee for all damages to the crops on such lands by reason of such prospecting. Any person who has acquired from the United States the coal or other mineral deposits in any such land, or the right to mine or remove the same, may reenter and occupy so much of the surface thereof as may be required for all purposes reasonably incident to the mining or removal of the coal or other minerals, first, upon securing the written consent or waiver of the homestead entryman or patentee; second, upon payment of the damages to crops or other tangible improvements to the owner thereof, where agreement may be had as to the amount thereof; or, third, in lieu of either of the foregoing provisions, upon the execution of a good and sufficient bond or undertaking to the United States for the use and benefit of the entryman or owner of the land, to secure the payment of such damages to the crops or tangible improvements of the entryman or owner, as may be determined and fixed in an action brought upon the bond or undertaking in a court of competent jurisdiction against the principal and sureties thereon, such bond or undertaking to be in form and in accordance with rules and regulations prescribed by the Secretary of the Interior and to be filed with and approved by the register and receiver of the local land office of the district wherein the land is situate, subject to appeal to the Commissioner of the General Land Office: *Provided*, That all patents issued for the coal or other mineral deposits herein reserved shall contain appropriate notations declaring them to be subject to the provisions of this act with reference to the disposition, occupancy, and use of the surface of the land.

SEC. 9. That the Secretary of the Interior is authorized to prescribe the necessary and proper rules and regulations and to do any and all things necessary to carry out and accomplish the purposes of this act.

With the following committee amendments:

1. On page 1, in line 3, after the word "authorized," insert "in his discretion."

2. On page 1, in line 11, after the word "Mountains," insert "and in the State of Idaho."

3. On page 2, in line 3, after the word "*however*," strike out the remainder of the line and all of lines 4 and 5, and the word "square," in line 6, and insert in lieu thereof the following: "That no permit shall be issued to the same citizen or the same association of citizens for lands the nearest legal subdivision of which is within 40 miles of any tract covered by an existing permit to such citizen or association of citizens."

4. On page 2, in line 17, after the word "otherwise," insert the words "in his discretion."

5. On page 3, in line 10, after the word "shall," insert the words "in the discretion of the Secretary."

6. On page 4, in line 3, after the word "then," insert the words "in the discretion of the Secretary."

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, this is an old matter. In the Sixty-fourth Congress the gentleman from California [Mr. RAKER] introduced a bill to make this same thing apply to the whole State of California, and the Department of the Interior reported against it and asked that it be limited to a part of the State of California.

In the Sixty-fifth Congress the gentleman from California [Mr. RAKER] reintroduced the bill, applicable to the whole State of California, and the Department of the Interior again reported against it as applying to the whole State of California, stating that it would make no objection if the bill was limited to that part of California east of the Sierra Nevada Mountains.

Then the gentleman from California [Mr. RAKER] in this Congress introduced a bill in accordance with the recommendations of the General Land Office. Thereupon the Committee on the Public Lands, without any investigation of anything, or any report from anybody, proposed to include the whole State of Idaho, although that State does not come at all within the scope of the original decision as to the lands to which this sort of thing might be applied.

Mr. SMITH of Idaho. It is true that the bill was amended in the committee to include the State of Idaho, but, of course, the Secretary of the Interior would not undertake to grant a permit to sink wells under a law of this character except in the arid portion of the State, which is the extreme southern end. Everyone who knows anything about Idaho and its climatic conditions knows that the southern section is arid almost to the extent that Nevada is arid, and to the same extent as that portion of California lying east of the Sierra Nevada.

Mr. MANN of Illinois. That may all be. The original act was passed to try an experiment in the State of Nevada, and it was claimed then that Nevada was wholly nonirrigable. Whether that act has done any good or whether it has been made use of, I do not know.

He used the same language in the original bill introduced by the gentleman from California, as to California, which limited the right of exploration in nonirrigable lands, and the Department of the Interior, which has the execution of this law, objected to the blanket provision. The gentleman from California then limited his new bill to a certain portion of California. If the objection of the Interior Department was valid, and I do not undertake to say whether it was or not—but it prevented the Committee on Public Lands in two Congresses from reporting the bill—if the objection was valid as to that it is certainly valid as to Idaho, concerning which we have no official information, and it certainly is not arid all over the State.

Mr. RAKER. If the gentleman will yield, the provision of the bill requires the land to be arid, unreserved, unappropriated, nonmineral, and nontimbered.

Mr. MANN of Illinois. I understand that; that was the provision of the bill that the Department of the Interior objected to; it is precisely the same thing.

Mr. RAKER. I want to say, with all due respect to the Department of the Interior, that they are not quite as familiar with the State of California as I am. There are many tracts of land on the eastern slope of the Sierra Nevada——

Mr. MANN of Illinois. The gentleman from California adopted the suggestion of the Interior Department.

Mr. RAKER. I had to.

Mr. MANN of Illinois. The gentleman thought he could not get his bill passed without it. If that is the case as to California, it is equally the case with Idaho.

Mr. RAKER. I am speaking particularly as to California. There are large tracts of land on the east side of the Sierra Nevada Mountains where this bill will work to the advantage——

Mr. MANN of Illinois. Where the gentleman hopes it may work to the advantage. It never has worked anywhere else to advantage.

Mr. RAKER. It has worked to advantage in Nevada.

Mr. MANN of Illinois. We passed the law as to Nevada a long time ago. Have they ever discovered water or dug a well there?

Mr. RAKER. Yes.

Mr. MANN of Illinois. I would like to know where it was.

Mr. SMITH of Idaho. I wish to ask the gentleman from Illinois what objection there can be to a private individual expending his own money to discover artesian water in suffi-

cient quantity to reclaim 20 acres, and if he succeeds, securing title to 640 acres of the land surrounding the well.

Mr. MANN of Illinois. There may be many objections. That was all well considered when the law was passed. I am willing to go into that again, but the gentleman knows that individuals or corporations ought not to have the exclusive right to water anywhere.

Mr. RAKER. These are places where they may have to go 1,000 or 5,000 feet before reaching water.

Mr. MANN of Illinois. They may have to, and they may not have to go 5 feet.

Mr. SMITH of Idaho. May I make a statement? I live in the extreme southern end of Idaho, which is the arid section. There is a company being organized in my home town to raise $35,000 to dig a well south about 10 miles from Twin Falls, near the mountains, with the hope that they may discover artesian water. The money is being raised among the citizens of the town in order to determine whether there is any artesian water in that section.

Now, under the provisions of this law it authorizes private citizens or a corporation to dig a well, which, according to the experience in that section of those who have been sinking wells, must be sunk at least 1,000 feet, and costing five, six, or even seven thousand dollars to determine whether or not water can be found. If it is found, it seems to me that the individual or company that has expended that money should get title to 640 acres of land. That is the whole provision in this bill. I do not see that any objection should be made to it. I see no more objection to permitting private citizens to expend their own money to find water on the public lands any more than for them to explore in search of minerals.

Mr. CHINDBLOM. Will the gentleman yield? I wonder whether the gentleman from Illinois has given attention to section 8. If this is an act only to permit the search for water in arid lands, why all these provisions in section 8 with reference to the requirements of coal, minerals, and so forth?

Mr. SMITH of Idaho. There is a reservation to the Government of minerals that may be discovered.

Mr. CHINDBLOM. There is more than that; there is a section a page long reciting the method by which coal and mineral deposits may be reserved and rights obtained. It is not an act for regulating such rights.

Mr. SMITH of Idaho. Has the gentleman noticed the reservation on page 7?

Mr. CHINDBLOM. Yes; all patents issued are subject to the provisions of this act. Why go ahead in this act and describe the provisions under which patents may be issued.

Mr. SMITH of Idaho. That is in accord with the present law.

Mr. RAKER. The mineral rights are reserved to the Federal Government.

Mr. CHINDBLOM. I am not familiar with the other acts in force. If there are other acts, why not refer to them without reciting the conditions under which coal and mineral rights may be obtained?

Mr. RAKER. This is a better course of legislation; it reserves the right of all minerals to the Government, and no man discovering water can get the mineral rights.

Mr. MANN of Illinois. I understood the gentleman from Idaho to say that a man could only secure 160 acres.

Mr. SMITH of Idaho. Two thousand five hundred and sixty acres are set aside for exploration, and then he gets a patent to 640 acres if water is found in sufficient quantity to reclaim 20 acres.

The SPEAKER pro tempore (Mr CAMPBELL of Kansas). Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Unless the bill can be modified so that it will apply after we get the information to the actual arid land in Idaho, I shall object, and I shall object to the present consideration, anyway. If the gentleman gets the information, I have no objection hereafter to that part of the State being included in a bill of this kind.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill take its place at the foot of the calendar.

The SPEAKER pro tempore. The gentleman from Idaho asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

Mr. McLAUGHLIN of Michigan. Reserving the right to object, I notice that section 7 of the bill provides that all of the proceeds from the sale shall go into the reclamation fund. I do not know how much money will be realized by these sales, but it seems to me that this provision is in line with the practice of certain bills introduced from committees which prevents money finding its way into the Treasury of the United States as other money of the people finds its way there. It seems to me that when property of the United States is sold the money ought to go into the Treasury, subject to appropriation by Congress. Until we learn more about this matter I shall object to anything being done under this bill. I object to the request of the gentleman from Idaho, that it retain its place on the calendar.

Mr. RAKER. Mr. Speaker, will the gentleman yield before he makes the objection?

Mr. McLAUGHLIN of Michigan. Certainly.

Mr. RAKER. I want to call the attention of the gentleman to the fact that the present law is that the proceeds of the sale of all public lands shall go into the reclamation fund as provided for in this act, so that there is no distinction.

Mr. McLAUGHLIN of Michigan. Is there a law to the effect that the proceeds of the sale of all public lands shall go into the reclamation fund?

Mr. RAKER. No; but according to the provisions of this section.

Mr. McLAUGHLIN of Michigan. Oh, yes.

Mr. MANN of Illinois. All of it goes into the reclamation fund that is not given directly to the States.

Mr. RAKER. That is what I say, the same as provided for by section 7.

The SPEAKER pro tempore. Objection is made, and the bill will be stricken from the calendar.

Mr. LITTLE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks upon the bill (H. R. 9389) passed to-day.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. RAKER. Mr. Speaker, I ask unanimous consent that the bill just objected to may remain on the calendar and go to the foot thereof.

The SPEAKER pro tempore. The gentleman from California asks unanimous consent that the bill to which objection has just been made may go to the foot of the calendar. Is there objection?

Mr. McLAUGHLIN of Michigan. Mr. Speaker, I do not object to that proceeding now.

The SPEAKER pro tempore. The Chair hears no objection, and it is so ordered.

NATIONAL EMPLOYMENT BUREAU.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 544) to provide for the establishment of a national employment bureau in the Department of Labor.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. Mr. Speaker, I object to the consideration of the bill.

TRANSPORTATION OF EXPLOSIVES, ETC.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 12161) to amend an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L., p. 1134).

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, I would ask the gentleman who has reported the bill to advise us just what these amendments propose to do?

Mr. MERRITT. Mr. Speaker, this bill relates exclusively to amendments to the existing law with reference to the transportation of explosives. This bill is, in fact, suggested by the Interstate Commerce Commission and approved by the carriers and shippers. The amendments are very slight in character, made with the idea of clarifying existing law, also providing for conditions which have arisen during the war. The bill as originally passed in 1909 had to do with explosives, but since the war there have been made a great many dangerous gases and other chemicals which, while they come within the spirit of the law, may perhaps not come within its letter. There are also amendments designed to clarify certain doubts, as, for example, whether a vehicle means a railroad car or not. There are also certain verbal changes to distinguish between f-u-s-e-s, f-u-z-e-s, and f-u-s-e-e-s. The value of this legislation may, perhaps, be understood by one or two simple but striking instances. During the year 1918, Mr. Clark, of the Interstate Commerce Commission, testified there were on the average on the tracks of the United States 50,000 cars loaded with war explosives, and in addition there were 5,000 cars transporting commercial explosives. These regulations were so effective that during that whole year not a single life was lost through these cars, and only about $30,000 worth of damage done to property. During that same year, however, there were a number of accidents, to a total of 739, due to acids, corrosive liquids, gasoline, alcohol, and charcoal, while the property damage ran

into hundreds of thousands of dollars. I mention that only to show the importance of this legislation.

The only changes in the law are those that I have indicated and also one provision shown on page 1 of the bill, which gives the Interstate Commerce Commission the right to utilize the services of the bureau for the safe transportation of explosives and other dangerous articles, and to avail itself of the advice and assistance of any department, commission, or board of the Government; but provision is made that no official or employee of the United States shall receive any additional compensation for such services, except as now provided by law. There is no new expenditure involved.

Mr. GARD. To what bureau does that refer on page 4?

Mr. MERRITT. That is a bureau which, according to Mr. Clark's testimony, was gotten up by the railway association.

Mr. ESCH. Mr. Speaker, will the gentleman yield?

Mr. MERRITT. Yes.

Mr. ESCH. It is the bureau of explosives of the American Railroad Association, of which Col. Dunn is chairman, and he cooperates with the Interstate Commerce Commission in regard to the enforcement of the existing law.

Mr. MERRITT. There has been very close cooperation between the railways and this commission.

Mr. GARD. The new part of this law is in section 233, and that is a section of regulations rather than a section of prohibitions and penalties. It provides for the formulation of regulations for safe transportation by the Interstate Commerce Commission of certain explosives, including inflammable liquids, solids, and gases and poisonous substances.

Mr. MERRITT. That is all. It amplifies the definition of what may be regulated by the law.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, further reserving the right to object, what I desire information about is particularly this section 233, whether it is thought that the mere passing of the law permitting regulations by the Interstate Commerce Commission is sufficient to carry into effect the very laudable object of the bill.

I should think the object of the bill is for the protection of life and property against explosives carried in interstate commerce, is it not?

Mr. MERRITT. Yes; it is.

Mr. GARD. And there are certain provisions, it seems to me, which are very good. There are some absolute prohibitions in respect to their being transported, and then there is a provision about marking on the outside, and so forth.

Mr. MERRITT. There are prohibitions against carrying them on certain vehicles which are also carrying passengers.

Mr. DEWALT. Will the gentleman permit?

Mr. MERRITT. Yes.

Mr. DEWALT. If the gentleman from Ohio had time and would take an opportunity to refer to the act of 1909, which has specific reference to section 233, he will find that that section of that act provided only as to transportation by land, whereas this act as now proposed covers transportation both by land and by water. The present act under consideration is an application of the act of 1909, but, so far as penalty is concerned and prohibition is concerned, it is not very much different, except in so far as the new act extends the provision of the old act to a great many other articles which were not named in the act of 1909. Now, that is really the scope of the present legislation, as I understand it, and, if I am incorrect, the gentleman from Connecticut no doubt will correct me.

Mr. MERRITT. That is correct, sir.

Mr. GARD. In this amendment here providing for the execution of the previous act in utilizing the services of the bureau the information given by the chairman of the committee is that it is a bureau maintained——

Mr. MERRITT. By the American Railway Association.

Mr. GARD. Well, is there any theory of compensation between the utilization of a privately conducted bureau and the Interstate Commerce Commission?

Mr. MERRITT. No, sir. I may say for the information of the gentleman and the House that these regulations and this United States law has been copied almost exactly in Canada and in England, showing that the regulations and the way they have been carried out met with the approval of these other countries, and they have complimented our commission by copying them.

Mr. DEWALT. In further answer of the gentleman from Ohio, an inspection of the bill under consideration, on page 4, shows that it definitely states:

But no official or employee of the United States shall receive any additional compensation for such service except as now permitted by law.

It does not contemplate any bureau by the Government of the United States, but only the employment of the assistant of the bureau established by the railway association, and no additional compensation is to be allowed. I merely interlarded this——

The SPEAKER pro tempore. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, I would like to ask a little information. I believe I drafted the one on the statute books, but still I have forgotten a great deal about it. I notice it draws a distinction, and I have no doubt a proper one, between f-u-z-e, f-u-s-e, and f-u-s-e-e-s, and wherever the term f-u-s-e as spelled with an "s" occurred in the bill the committee has stricken it out except in one place.

Mr. MERRITT. Yes, sir.

Mr. MANN of Illinois. That is where it defines the meaning of it. What is the purpose of defining the meaning of fuse when it is not used in the bill any place except in the definition?

Mr. MERRITT. In line 6 of the bill the word as spelled with "z" should be an "s," I think, because when a f-u-s-e becomes detonating it is f-u-z-e.

Mr. MANN of Illinois. I had supposed that the committee intended to put f-u-s-e-s in that line, and I had my copy of the bill marked that an amendment ought to be offered putting the word f-u-s-e-s in there in addition. The present law covers f-u-s-e-s.

Mr. MERRITT. Yes.

Mr. MANN of Illinois. And those are not dangerous explosives. I had supposed that probably that was accidentally left out. The bill as drawn originally——

Mr. MERRITT. I think in line 6 the word "fuze" should be f-u-s-e-s and the second f-u-z-e-s, because if the f-u-s-e is detonating it makes it f-u-z-e. It seems to me to be correct English—no; it would not. In line 6 it provides it shall be lawful to transport——

Mr. MANN of Illinois. Fuzes except detonating fuzes.

Mr. MERRITT. But there is no fuze that is not a detonating fuze, and every fuze is dangerous.

Mr. MANN of Illinois. Well, that language would not make sense.

Mr. MERRITT. No, sir.

Mr. MANN of Illinois. It seems to me that f-u-s-e-s ought to be inserted as an additional clause there.

Mr. MERRITT. I think so. And then "fuzes except detonating" should be stricken out.

Mr. ESCH. If the gentleman will permit, if the gentleman will notice, the report in the letter sent to us by Chairman Clark has this suggestion in reference to an amendment. "Line 6, page 2, change 'fuses' to 'fuzes' and insert immediately following that word 'fuses.'" That would carry out the suggestion.

Mr. MANN of Illinois. That is the proposition I have here in my bill. I was going to say I recall—of course, it is impossible to recall very definitely about a matter of this sort—that when we engaged in preparing the original bill, and most of it I have forgotten, I did not understand that fuses were dangerous.

Mr. MERRITT. No, sir; I think they should be in the bill—"fuses."

Mr. MANN of Illinois. Now, I notice that you provide that notice to the carrier shall be in writing.

Mr. MERRITT. Where is that?

Mr. MANN of Illinois. On page 5, line 13.

The present law, I think, provides that the agent of the carrier shall be informed as to the true character of the article. You provide that it shall be in writing. That may be necessary; I do not know. But, of course, notice of this sort, if it is to be in actual writing, is one thing, and if it is to be a printed notice, then it is another thing.

Mr. ESCH. That form of giving notice would probably be subject to regulation. The trouble has been in several cases that have come up before the commission was that there was doubt whether the notice had been given orally. The purpose of the amendment is to have a record made of the matter in writing. The only thing required would be that the notice should be entered in writing on the bill of lading.

Mr. MERRITT. It would be hard to prove a case if the shipper's statement was not in writing. The bill merely calls for a truthful statement in the bill of lading.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. This is a House Calendar bill. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That sections 232, 233, 234, 235, and 236 of the act to codify, revise, and amend the penal laws of the United States, approved March 4, 1909, be amended to read, respectively, as follows:

"SEC. 232. It shall be unlawful to transport, carry, or convey within the limits of the jurisdiction of the United States any high explosive, such as and including dynamite, blasting caps, detonating fuses, black powder, gunpowder, or other like explosive, on any vessel, car, or vehicle of any description operated in the transportation of passengers by a common carrier engaged in interstate or foreign commerce, which vessel, car, or vehicle is carrying passengers for hire: *Provided*, That it shall be lawful to transport on any such vessel, car, or vehicle smokeless powder, primers, fuses, except detonating fuses, fireworks, or other similar explosives, and properly packed and marked samples of explosives for laboratory examination, not exceeding a net weight of one-half pound each, and not exceeding 20 samples at one time in a single vessel, car, or vehicle; but such explosives shall not be carried in that part of a vessel, car, or vehicle which is being used for the transportation of passengers for hire: *Provided further*, That it shall be lawful to transport on any such vessel, car, or vehicle small-arms ammunition in any quantity, and such fuses, torpedoes, rockets, or other signal devices as may be essential to promote safety in operation: *And provided further*, That nothing in this section shall be construed to prevent the transportation of military or naval forces with their accompanying munitions of war on passenger-equipment vessels, cars, or vehicles.

"The words 'detonating fuses' as used in this section shall be interpreted to mean fuses used in naval or military service to detonate the high explosive bursting charges of projectiles, mines, bombs, or torpedoes. The word 'fuses' as used herein shall be interpreted to mean devices used in igniting the bursting charges of projectiles. The word 'primers' as used herein shall be interpreted to mean devices used in igniting the propelling powder charges of ammunition. The word 'fuses' as used herein shall be interpreted to mean the slow-burning fuses used commercially and intended to convey fire to an explosive or combustible mass slowly or without danger to the person lighting. The word 'fusees' as used herein shall be interpreted to mean the fusees ordinarily used on steamboats and railroads as night signals.

"SEC. 233. The Interstate Commerce Commission shall formulate regulations for the safe transportation within the limits of the jurisdiction of the United States of explosives and other dangerous articles, including inflammable liquids, inflammable solids, oxidizing materials, corrosive liquids, compressed gases, and poisonous substances, which shall be binding upon all common carriers engaged in interstate or foreign commerce which transport explosives or other dangerous articles by land or water, and upon all shippers making shipments of explosives or other dangerous articles via any common carrier engaged in interstate or foreign commerce by land or water. Said commission, of its own motion, or upon application made by any interested party, may make changes or modifications in such regulations, made desirable by new information or altered conditions. Such regulations shall be in accord with the best-known practicable means for securing safety in transit, covering the packing, marking, loading, handling while in transit, and the precautions necessary to determine whether the material when offered is in proper condition to transport. Such regulations, as well as all changes or modifications thereof, shall, unless a shorter time is authorized by the commission, take effect 90 days after their formulation and publication by said commission and shall be in effect until reversed, set aside, or modified.

"SEC. 234. It shall be unlawful to transport, carry, or convey within the limits of the jurisdiction of the United States, liquid nitroglycerin, fulminate in bulk in dry condition, or other like explosive, on any vessel, car, or vehicle of any description operated in the transportation of passengers or property by land or water by a common carrier engaged in interstate or foreign commerce.

"SEC. 235. Every package containing explosives or other dangerous articles when presented to a common carrier for shipment shall have plainly marked on the outside thereof the contents thereof; and it shall be unlawful for any person to deliver, or cause to be delivered, to any common carrier engaged in interstate or foreign commerce by land or water, or to carry upon any vessel, car, or vehicle operated by any common carrier engaged in interstate or foreign commerce by land or water any explosive, or other dangerous article, as specified in section 233 of this act, under any false or deceptive marking, description, invoice, shipping order, or other declaration, or without informing the agent of such carrier in writing of the true character thereof, at or before the time such delivery or carriage is made. Whoever shall knowingly violate, or cause to be violated, any provision of this section, or of the three sections last preceding, or any regulation made by the Interstate Commerce Commission in pursuance thereof, shall be fined not more than $2,000 or imprisoned not more than 18 months, or both.

"SEC. 236. When the death or bodily injury of any person is caused by the explosion or escape of any article named in the four sections last preceding, while the same is being carried or placed upon any vessel, car, or vehicle to be transported in violation thereof, or while the same is being so carried or transported, or while the same is being removed from such vessel, car, or vehicle, the person knowingly carrying, placing, or aiding or permitting the carrying or placing of such articles upon any such vessel, car, or vehicle, to be so carried or transported, shall be imprisoned not more than 10 years."

With committee amendments as follows:

Page 1, line 10, after the word "detonating," strike out the word "fuses" and insert the word "fuzes."

The SPEAKER pro tempore. The question is on agreeing to the committee amendment.

Mr. MANN of Illinois. I want to ask the gentleman from Connecticut a question. Under the existing law permission is granted to carry small-arms ammunition in any quantity?

Mr. MERRITT. Yes. That is in this bill, too.

Mr. MANN of Illinois. It may be, but it is not where it is in the existing law.

Mr. MERRITT. It is on lines 13 to 17 on page 2.

Mr. MANN of Illinois. All right.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The SPEAKER pro tempore. The Clerk will report the next committee amendment.

The Clerk read as follows:

Page 2, line 5, after the word "primers"——

Mr. MERRITT. Mr. Speaker, the committee desires to change that amendment in the interest of clarity.

Mr. MANN of Illinois. Do you want to do so at that place?

Mr. MERRITT. Yes. The word "fuses" in the original bill should remain at the end of line 5. Strike out in line 6 the word "except" and insert the words "but not," and strike out the word "fuses" and insert the word "fuzes," so that it will read:

That it shall be lawful to transport on any such vessel, car, or vehicle smokeless powder, primers, fuses, but not detonating fuzes.

The SPEAKER pro tempore. The gentleman from Connecticut offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MERRITT: Page 2, line 6, strike out the word "except" and insert "but not."

Mr. MANN of Illinois. Mr. Speaker, I take it that the present language, including the amendment, which says "fuses, except detonating fuzes," would confuse the exception there; but "detonating fuzes" and the language following that, "fireworks, and other similar explosives," would be subject to transportation.

Mr. MERRITT. I guess that is true.

Mr. MANN of Illinois. I think so. Of course, that is somewhat a matter of construction.

Mr. MERRITT. Yes.

Mr. MANN of Illinois. But when you say "fuses, except detonating fuzes," the exception is probably applicable to the "fuzes" already mentioned, whereas if you change it and put in another description entirely and follow that with the word "but," it would cover everything following.

Mr. MERRITT. I think the gentleman is correct. The difficulty I was trying to avoid was——

Mr. MANN of Illinois. I understand the difficulty. I do not see why you do not leave it the way it is, and leave "fuses" where it is in line 5, and then insert "fuzes."

Mr. MERRITT. Would it not make it perfectly clear to say "fuses, except detonating fuses, herein called 'fuzes,'" in brackets?

Mr. MANN of Illinois. That would cover it, but that would be awkward.

Mr. MERRITT. It is pretty difficult, where the difference is simply a matter of spelling, to make it clear.

Mr. MANN of Illinois. You can say "fuses and fuzes, except detonating fuzes." Or you can put "fuses" in line 6, after the second word "fuzes."

Mr. MERRITT. Yes; that would do. But it is awkward any way you put it.

Mr. MANN of Illinois. No; that would not be awkward.

Mr. MERRITT. The way the gentleman proposes would be "primers, fuses, except detonating fuses"?

Mr. MANN of Illinois. No; "primers, fuses, fuzes except detonating fuzes, fireworks, or other similar explosives."

Mr. MERRITT. That is the way the committee amendments read.

Mr. MANN of Illinois. No; you have stricken out "fuses" entirely.

Mr. MERRITT. The difficulty is that it has been testified that every "fuze" is dangerous and should not be transported. Every "fuze" is a dangerous fuze.

Mr. MANN of Illinois. It is easy enough, if that is what you want to do, to say "fuses, not including fuzes."

Mr. MERRITT. That is all right, but I had suggested the word "not." The words "not including" would suit better. I suggest changing "not" to "not including." Mr. Speaker, will the Clerk please read it as he has it now?

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

In line 6, strike out the word "except" and insert "not including" in lieu thereof.

The SPEAKER pro tempore. The gentleman from Connecticut offers an amendment to the committee amendment. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The SPEAKER pro tempore. The question is on the committee amendment as amended. The Clerk will report the committee amendment as amended.

The Clerk read as follows:

Page 2, line 5, strike out after the word "primers" the word "fuses" and insert "fuzes," and in line 6, after the word "detonating," strike out the word "fuses" and insert "fuzes."

Mr. MERRITT. That is not correct. That is the way it was originally reported. The word "fuses" in line 5 is not stricken out.

The SPEAKER pro tempore. The Chair will suggest the voting down of the amendment in line 5. That will accomplish the purpose.

Mr. MANN of Illinois. That can be done.

The SPEAKER pro tempore. The question is on agreeing to the amendment in line 5.

The question being taken, the amendment was rejected.

The SPEAKER pro tempore. The question recurs on agreeing to the amendment in line 6 as amended.

Mr. CHINDBLOM. What is that amendment?

The SPEAKER pro tempore. The next amendment is to strike out the word "fuses" and insert the word "fuzes."

The question being taken, the amendment was agreed to.

Mr. MANN of Illinois. Now we ought to strike out the word "except" in line 6.

Mr. MERRITT. Yes.

Mr. MANN of Illinois. And insert——

Mr. MERRITT. "Not including."

Mr. MANN of Illinois. "Not including" might cover it.

The SPEAKER pro tempore. There was an amendment to the amendment.

Mr. MERRITT. That was adopted, was it not.

The SPEAKER pro tempore. The Clerk will report the amendment as it will read.

The Clerk read as follows:

That it shall be unlawful to transport on any such vessel, car, or vehicle, smokeless powder, primers, fuses, not including detonating fuzes.

Mr. MERRITT. That is right.

The SPEAKER pro tempore. That has been agreed to. The Clerk will report the next amendment.

The Clerk read as follows:

Page 2, line 15, after the word "such," strike out "fuses" and insert in lieu thereof "fuzes."

Mr. MANN of Illinois. I ask unanimous consent that all the committee amendments may be reported at once.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent that all the committee amendments may be reported at once. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the remaining committee amendments.

The Clerk read as follows:

Page 2, line 22, after the word "detonating," strike out "fuses" and insert "fuzes."

In line 23 strike out "fuses" and insert "fuzes."

Page 4, line 11, after the word "modified," insert: "In the execution of the provisions of this act the Interstate Commerce Commission may utilize the services of the bureau for the safe transportation of explosives and other dangerous articles, and may avail itself of the advice and assistance of any department, commission, or board of the Government, but no official or employee of the United States shall receive any additional compensation for for such service except as now permitted by law."

Mr. MERRITT. Mr. Speaker, a clerical error. In line 18 the word "for" is repeated. I move to strike out the word "for" where it occurs in line 17.

The Clerk read as follows:

Page 4, line 17, at the end of the line, strike out the word "for."

The amendment was agreed to.

Mr. MERRITT. I move that all the committee amendments be agreed to.

The SPEAKER pro tempore. The question is on agreeing to the committee amendments just read.

The committee amendments were agreed to.

Mr. MERRITT. I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Speaker, I crave the indulgence of the House to call attention to a very important matter, important to a very large part of the country. The last census shows that about 39 per cent of the population of the United States are farmers. Every farmer in order to be successful must raise a few head of cattle. We are going to be called upon either Wednesday or Thursday to vote upon a measure which places an increased duty on wheat flour and a duty on wheat, and at the same time leaves frozen beef and hides and oil cake on the free list, to come into the United States absolutely free. I want to call the attention of the House to the fact that during the last fiscal year there was shipped into the United States absolutely free of duty 42,436,333 pounds of frozen beef and veal, 439,461,092 pounds of cowhides, 68,359,825 pounds of calf hides, and 145,026,652 pounds of oil cake.

During the four months of July, August, September, and October of the present fiscal year (1920) there were shipped into the United States absolutely free of duty 19,456,961 pounds of frozen beef and veal, 80,023,347 pounds of cowhides, 10,782,491 pounds of calf hides, and 128,615,571 pounds of oil cake.

In South American countries, where they have little more than a third of our population, they now have over 80,000,000 head of cattle and raise over 32,000,000 head of cattle a year, while in the United States where we have a population of 105,000,000 we now have only a little more than 75,000,000 head of cattle, and we annually raise less than 30,000,000 head a year.

Mr. DOWELL. Will the gentleman yield?

Mr. BLANTON. Yes.

Mr. DOWELL. Does the gentleman appreciate the fact that they are on the free list in all the Democratic tariff laws?

Mr. BLANTON. Yes, Mr. Speaker; and I want to call attention to the fact that it is the biggest mistake the Democratic Party ever made to starve both the farmers and the cattlemen of the country who raise the food and clothing with which the 105,000,000 people are kept alive.

Mr. DOWELL. I am glad to have that statement from the gentleman from Texas.

Mr. BLANTON. I want to ask my Democratic friends and my Republican friends, who claim to be logical, what kind of logic is it that puts wheat flour on the dutiable list, which puts a high tariff on the bread of the country, and thus protects the wheat grower, but which at the same time lets nearly 50,000,000 pounds of frozen beef and over 500,000,000 pounds of cattle hides come into the country free every year, with absolutely no duty? I want to say this, my friends, you who represent the great city consumers of the country: You imagine you are appealing to them, you imagine you are catering to the interests of the great consuming city districts of this country in offering them cheap beef at the expense of the cattle raisers of this country. I want to tell you that during the last 90 days there has been more cattlemen bankrupted in this country than ever before in the whole history of the United States Government. If you bankrupt many more cattle raisers in this country, you are going to put them out of business. They are going to stop raising cattle when they find out that they have to compete with the South American tropical countries, where they have an abundance of grass and water the whole year around, where they do not have to feed the cattle, where they have labor at a very cheap price, and where they can raise beef at one-fifth of what it costs the American producer; you are going to learn that when the American cattlemen find out that the Republican Congress is going to forget their interests and compel them to compete with the South American products, where some of the biggest packeries in the world exist, they are going to quit raising beef and your city consumers are going to have to depend on the South American product with the price that the packers want to put on it, when they can tell you to your face that you crippled and killed the cattle industry in the United States, and they will make you pay for it.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. BLANTON. Give me two minutes more.

Mr. MONDELL. The gentleman will have lots of time on Wednesday.

Mr. MERRITT. I will yield to the gentleman two minutes more.

Mr. BLANTON. I want to tell my good friend from Wyoming that we will have a chance to discuss this question Wednesday, provided he and my good friend from Kansas, who now presides over the House [Mr. CAMPBELL], see fit to let us do so. If they see fit to let us discuss the question, we will have a chance, but without a special rule from the Committee on Rules making in order such amendments, there will be no chance whatever to have considered any amendments seeking to place a duty on frozen beef, hides, and oil cake, as tariff bills without a rule are amendable only as to rates. It is the big packers of the country that have kept frozen beef and hides out of this bill, and you can not get around it. It is a gold brick for the cattle raisers.

The SPEAKER pro tempore. The time of the gentleman has again expired.

Mr. MERRITT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MERRITT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. CRAGO. Mr. Speaker, I desire to make a request for unanimous consent. I was out of the House when the bill H. R. 5815 was reached in its regular order, and I take it that Mr. JUUL, the gentleman from Illinois, was also out. I was attending to some departmental measures. I ask unanimous consent that notwithstanding the action of the House the bill retain its place on the calendar.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bill referred to retain its place on the calendar.

Mr. GARD. That has already been done.

The SPEAKER pro tempore. The Chair will say that the bill went to the foot of the calendar.

Mr. MANN of Illinois. In accordance with the rule, it went to the foot of the calendar.

Mr. CRAGO. I ask, Mr. Speaker, that it retain its place on the calendar.

Mr. MANN of Illinois. I do not think we ought to make a precedent by departing from the rule that where a bill has been called up and goes over it goes to the foot of the calendar. It was because neither of the gentlemen was here that we did not strike it from the calendar entirely.

The SPEAKER pro tempore. The gentleman from Pennsylvania asks unanimous consent that the bill retain its place on the calendar. Is there objection?

Mr. MANN of Illinois. I shall have to object.

DISPENSING WITH BUSINESS ON CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with the business on next Calendar Wednesday. I make the request in order that we may consider a measure reported by the Committee on Ways and Means.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that the business in order on next Calendar Wednesday may be dispensed with. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I want to know whether or not the gentleman from Wyoming [Mr. MONDELL] can assure us we are going to have ample time to discuss the merits of the bill?

Mr. MONDELL. I think there will be no question about granting opportunity to discuss the bill. I hope there will be.

The SPEAKER. Is there objection?

Mr. GARRETT. Mr. Speaker, reserving the right to object, has the gentleman from Wyoming conferred with the gentleman from Missouri [Mr. CLARK] with reference to this request?

Mr. MONDELL. I have not, but my understanding is that the minority members on the Ways and Means Committee have talked it over—that is, all of the members have—and I assume that the minority members of the committee have talked it over with the gentleman from Missouri. My understanding is that it is entirely agreeable to all the members of the committee.

Mr. GARRETT. I hope the gentleman will defer his request for a little time.

Mr. MONDELL. I shall be very glad to, if the gentleman desires.

Mr. GARD. Will not the gentleman defer his request until, say, to-morrow morning, when those interested in the matter can be here?

Mr. MONDELL. I think it is rather important to settle the matter, if we can, this evening.

Mr. MANN of Illinois. It is a matter of convenience to all of the Members of the House to know.

Mr. MONDELL. Members on both sides are coming to me constantly and asking when the matter is coming up. They would like to know whether it is coming up Wednesday or Thursday, and out of deference to those requests I have made the request to dispense with Calendar Wednesday business.

Mr. DEWALT. Mr. Speaker, will the gentleman yield?

Mr. MONDELL. Yes.

Mr. DEWALT. If the gentleman insists upon pressing his request at this time and does not accede to what I deem to be the reasonable request of the gentleman from Ohio [Mr. GARD], I shall object.

Mr. MONDELL. I feel that it is proper that I should accede to the request of the gentleman from Tennessee [Mr. GARRETT] and call the matter up later this evening, but I hope the gentleman from Ohio will be agreeable to having the matter settled some time this afternoon.

Mr. DEWALT. I should request that the gentleman from Wyoming [Mr. MONDELL], the leader of the Republican side, accede to the request of the gentleman from Ohio [Mr. GARD], and if he does not, then I shall object.

Mr. MONDELL. All that I can promise is that the matter will not be called up until later in the afternoon.

Mr. DEWALT. Then, I object.

Mr. MONDELL. Of course, the gentleman can object at any time.

The SPEAKER. The Clerk will report the next bill on the Calendar for Unanimous Consent.

MARINE HOSPITAL SERVICE.

The next business on the Calendar for Unanimous Consent was the bill (H. R. 11841) to amend "An act granting additional quarantine powers and imposing additional duties upon the Marine Hospital Service," approved February 15, 1893.

Mr. ESCH. Mr. Speaker, I ask unanimous consent that this bill go to the foot of the calendar.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, I would ask some gentleman on the Committee on Interstate and Foreign Commerce, which reported this bill, if the existing law has been examined?

Mr. ESCH. Yes; an amendment is necessary showing that this is an amendment of the first paragraph of section 2 of the act of 1893.

The SPEAKER. Is there objection?

There was no objection.

LOW GROUNDS OF WASHINGTON, D. C.

The next bill on the Calendar for Unanimous Consent was the bill (H. R. 12045) to provide for the conveyance of lots on the low grounds of Washington, D. C.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in carrying into effect the provisions of the act of July 1, 1879, entitled "An act to provide for the conveyance of the low grounds in the city of Washington," under the provisions of the act of Congress approved May 7, 1822 (21 Stats., 47), the Secretary of the Interior be, and he hereby is, authorized at his discretion to execute and deliver the deeds therein provided for without proof of compliance with the building conditions under which the lands were sold, upon a satisfactory showing of inability to supply such evidence.

Mr. MANN of Illinois. Mr. Speaker, my attention was diverted when the question of objection to this bill was put. I think the bill never has been considered by anybody in respect to its form. It did not properly belong to the Committee on the Public Lands, but probably would not have received any different consideration if it had gone elsewhere. I would ask some gentleman where we will find the Twenty-first Statutes, page 47, covering an act approved May 7, 1822? "There ain't no such thing."

Mr. COADY. Mr. Speaker, I would say to the gentleman that that may be a typographical error. I remember at the time the committee of which the gentleman from Oregon [Mr. SINNOTT] is chairman considered it, that he got out the statute and read it, and that it is exactly as set forth in this report.

Mr. MANN of Illinois. I do not know. I said "There ain't no such thing." When this bill came up I sent to the Library of Congress for these statutes, and after the boys up there had puzzled their brains for several days, they said they could not find anything of the kind. I then sent to the library of the Supreme Court. They said they could not find anything of that kind. Then I sent to the Congressional Library, and they said they could not find anything of the kind. Then I wrote to the Secretary of the Interior and asked him, and he apparently says that the citation is correct. It may be. Nobody can produce the book. The letter says:

You inquire whether the citation therein of the Twenty-first Statutes, page 47, is correct. In response thereto you are advised that the citation in question is correct, as referred to the statute and the page on which the act of July 1, 1879, can be found.

House bill 12045 should be amended, in line 5, after the word "Washington," by eliminating the quotation marks and adding the same after the figures "1822," in line 6, so that as amended it should read: "An act to provide for the conveyance of the low grounds in the city of Washington under the provisions of the act of Congress approved May 7, 1822."

While the Secretary of the Interior says the citation is correct, I repeat, "There ain't no such thing." At least they could not find it in the Congressional Library, nor in the library of the Supreme Court, nor of the House of Representatives. I do not care whether it is passed or not, although I suggest to the gentleman that perhaps he would better offer the amendment suggested by the Secretary of the Interior. Perhaps that will help find something. It is proposed here to enact legislation to clear title. The first thing we run across is something that shows that we do not know anything about what it means, because it makes reference to things that do not exist.

Mr. SMITH of Idaho. This statement is from the letter of the Secretary of the Interior who, according to the gentleman's own statement a little while ago, is authority on everything pertaining to the public lands, and unless he recommends legislation it should not be enacted.

Mr. MANN of Illinois. The gentleman from Idaho is seeking to be facetious, but his strongest point is in being serious. The gentleman is not happy in trying to be facetious.

Mr. SMITH of Idaho. The gentleman used the Secretary of the Interior as authority on a bill we were considering a moment ago and now in this bill he is trying to discredit him.

Mr. MANN of Illinois. I did not take the authority of the Secretary of the Interior in the bill we had a moment ago.

However, that has nothing to do with this case. I took the action of a committee which, because of the recommendation of the Secretary of the Interior, had refused three times to report a proposition without consideration, and then because the gentleman from Idaho is on the committee they agree to an amendment which he proposes without consideration.

Mr. SMITH of Idaho. Mr. Speaker, the letter just read by the gentleman from Illinois [Mr. MANN] suggests an amendment to change the quotation in line 5, after the word "Washington," to the end of line 6, after the "1822," and the amendment is accepted by the committee.

The SPEAKER. Does the gentleman offer that as an amendment?

Mr. SMITH of Idaho. I do.

The SPEAKER. The Clerk will report the amendment.

The Clerk read as follows:

In line 5, after the word "Washington," strike out the quotation marks and, in line 6, after the figures "1822," insert quotation marks.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

CANCELLATION OF A SEGREGATION OF PUBLIC LANDS UNDER THE CAREY ACT.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 2188) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. GARD. Mr. Speaker, reserving the right to object, will the gentleman advise the Members of the necessity of the bill that is now under consideration?

Mr. SMITH of Idaho. What is the gentleman's inquiry?

Mr. GARD. I want to know what the bill is about and the necessity for its being passed.

Mr. SMITH of Idaho. What does the gentleman wish to ascertain about the bill?

Mr. GARD. Anything; any information about it.

Mr. SMITH of Idaho. Well, this bill is to amend what is known as the Carey Act, which was enacted in 1894, providing that on application of the State certain public lands which could be irrigated were segregated for that purpose. The law provided the term of 10 years within which the land might be reclaimed, and under that general law it often occurred that land which had been segregated on the application of a State was held for a number of years without any work whatever being undertaken on the project. This bill simply limits the time to three years, and provides that if the work is not undertaken in three years, the segregation shall be canceled.

Mr. GARD. Does the bill provide for the restoration of the land to the public domain?

Mr. SMITH of Idaho. Yes; the segregation would be canceled and the land immediately restored to the public domain on request of the State, or application might be entertained to have it again segregated in order that some other company or individual might reclaim it.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That section 3 of the act of Congress approved March 3, 1901 (31 Stat. L., p. 1133), be, and the same is hereby, amended to read as follows:

"SEC. 3. That section 4 of the act of August 18, 1894, entitled 'An act making appropriation for sundry civil expenses of the Government for the fiscal year ending June 30, 1895, and for other purposes,' be, and the same is hereby, amended so that the 10-year period within which any State shall cause the lands applied for under said act to be irrigated and reclaimed, as provided in said section, as amended by the act of June 11, 1896, shall begin to run from the date of approval by the Secretary of the Interior of the State's application for the segregation of such lands; and if actual construction of reclamation works is not begun within three years after the segregation of the lands or within such further period as shall be allowed by the Secretary of the Interior, the said Secretary of the Interior, in his discretion, may restore such lands to the public domain; and if the State fails, within 10 years from the date of such segregation, to cause the whole or any part of the lands so segregated to be so irrigated and reclaimed, the Secretary of the Interior may, in his discretion, continue said segregation for a period not exceeding five years, or may, in his discretion, restore such lands to the public domain upon the expiration of the 10-year period or of any extension thereof."

The committee amendments were read, as follows:

On page 2, line 10, after the word "period" insert, "not exceeding three years." In line 18, after the word "lands" insert, "not irrigated and reclaimed."

The question was taken, and the amendments were agreed to.

The bill as amended was ordered to be read a third time, was read the third time, and passed.

CONSOLIDATION OF LANDS IN THE NATIONAL FORESTS OF SOUTH DAKOTA.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 11118) authorizing the consolidation of lands in the national forests in the State of South Dakota.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. SINNOTT. Mr. Speaker, in the absence of the gentleman from South Dakota at present I ask unanimous consent that this bill be passed without prejudice.

The SPEAKER. Is there objection?

Mr. GARD. The understanding is that it goes to the foot of the calendar?

The SPEAKER. It goes to the foot of the calendar. Is there objection? [After a pause.] The Chair hears none.

ROOSEVELT NATIONAL PARK.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 5006) to add certain lands to the Sequoia National Park, Calif., and to change the name of said park to Roosevelt National Park.

The Clerk read the title of the bill.

Mr. ELSTON. Mr. Speaker, I ask unanimous consent that this bill be passed without prejudice to the foot of the calendar.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

DISPOSITION OF ABANDONED PORTIONS OF RIGHTS OF WAY GRANTED TO RAILROAD COMPANIES.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 9899) to provide for the disposition of abandoned portions of rights of way granted to railroad companies.

The Clerk read the title of the bill.

Mr. SINNOTT. Mr. Speaker, for the same reason, on account of the absence of the gentleman who is the author and who reported the bill, I ask that this bill be passed without prejudice.

The SPEAKER. Without objection this bill will go to the foot of the calendar. [After a pause.] The Chair hears no objection.

VALIDATING CERTAIN APPLICATIONS FOR AND ENTRIES OF PUBLIC LANDS.

The next business in order on the Calendar for Unanimous Consent was the bill (S. 3994) validating certain applications for and entries of public lands, and for other purposes.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, I think I will not object to this, although it is plainly a Private Calendar bill.

Mr. SMITH of Idaho. It is a long bill.

The SPEAKER. Is there objection?

Mr. GARD. Mr. Speaker, this seems to be a bill containing a number of private claims.

Mr. SMITH of Idaho. No; they should not be considered as private claims. Every bill is a bill to perfect title to public lands in a number of individual cases. It is legislation that was suggested by the Secretary of the Interior, and to which have been added some bills which have either passed the Senate or are already on the House Calendar. There is no item included in this bill that has not been recommended by the Secretary of the Interior in order to perfect titles to public lands.

Mr. GARD. This is a rather extensive bill to pass by unanimous consent, and I object.

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill hold its place on the calendar, because we must get it through this session, or otherwise a greater hardship will be worked upon these people whose relief is sought here.

The SPEAKER. The gentleman from Idaho asks unanimous consent that the bill go to the foot of the calendar. Is there objection?

Mr. SMITH of Idaho. Mr. Speaker, I ask unanimous consent that the bill hold its place on the calendar; not at the foot of the calendar, but that it be passed over without prejudice; not to go to the foot of the calendar.

The SPEAKER. When that request is made on an objection of a Member to the consideration of a bill the bill goes to the foot of the calendar. The gentleman from Idaho asks unanimous consent that it hold its place on the calendar. Is there objection?

Mr. GARD. I think we ought to follow the regular practice. I object.

The SPEAKER. The gentleman from Ohio objects. The Clerk will report the next bill.

MONTHLY PAYMENT OF PENSIONS.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 7539) to provide for monthly payment of pensions, and for other purposes.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. HUSTED. Reserving the right to object, Mr. Speaker, this is a very important bill, which will involve an additional expenditure of a large amount of money to execute its provisions. I think it should come up in the regular way. I therefore object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

COPPER HARBOR RANGE LIGHTHOUSE RESERVATION, MICH.

The next business in order on the Calendar for Unanimous Consent was the bill (H. R. 14122) to authorize the sale of a portion of the Copper Harbor Range Lighthouse Reservation, Mich., to Houghton and Keweenaw Counties, Mich.

The title of the bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of Commerce for and on behalf of the United States is hereby authorized and directed, in his discretion, to sell and convey to Houghton and Keweenaw Counties, in the State of Michigan, for the sum of $2,000, that certain piece or parcel of the Copper Harbor Range Lighthouse Reservation, Mich., with the improvements thereon, which is that portion of lot 2, section 33, township 59 north, range 28 west, Michigan, lying east of the creek that drains Lake Fanny Hooe, and on which portion is located Fort Wilkins (abandoned), no longer required for lighthouse purposes: *Provided*, That said counties shall forever maintain the site and structures thereon as a historic landmark or as a public park; that said counties shall construct and forever maintain a bridge suitable to the Lighthouse Service across the creek from Lake Fanny Hooe in the rear of the rear range light and station buildings; that the road which now passes in front of the said rear range light structures shall be diverted by said counties from the north to the south side of the structures, crossing the creek by the bridge just mentioned; that the portion of the road west of the creek shall be constructed by said counties in accordance with specifications to be furnished by the Lighthouse Service; that the officers and employees of the Government of the United States shall have the right at all times to pass and repass over the said bridge and over the land transferred hereunder, by any route they may select, and to transport all necessary materials thereover; that the maintenance of the site and structures, the construction and maintenance of the bridge, and the diversion of the road, as hereinbefore provided for, shall be without expense to the United States: *Provided further*, That in the event of the discontinuance by said counties of the maintenance of said piece or parcel of land as a historic landmark or as a public park, or of the failure of the said counties to perform any of the terms and conditions preceding, the title to the premises hereunder transferred shall revert to the United States and the $2,000 paid by said counties shall be retained by the United States in consideration of the provisions hereof.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

With a committee amendment, as follows:

In line 11, page 3, strike out the figure "2" and insert in lieu thereof the figure "3."

Mr. GARRETT. Mr. Speaker, I would like to call the attention of whoever has charge of the bill to a somewhat peculiar provision in it, as I caught its reading. There is a proviso in there to the effect that the counties shall forever maintain the bridge, and something else provided that it shall be forever maintained as a public park. The only thing I can think of about that is that may occasion some difficulties in the future. Forever is a good long while.

Mr. MANN of Illinois. This is to devote the land to public park purposes.

Mr. GARRETT. If they fail to maintain the bridge as provided in there, what will be the effect? Will this land revert to the Government, or in what legal situation will it be?

Mr. MANN of Illinois. The bill says the title shall revert to the Government.

Mr. GARRETT. That is expressed in the bill?

Mr. MANN of Illinois. That is expressed in the bill. It is provided that "in the event of the discontinuance by said counties of the maintenance of said piece or parcel of land as an historic landmark or as a public park, or of the failure of the said counties to perform any of the terms and conditions preceding, the title to the premises hereinunder transferred shall revert to the United States, and the $2,000 paid by said counties shall be retained by the United States in consideration of the provisions hereof."

Mr. DEWALT. Further than that, there is a provision in the bill which specifically says it can be altered, amended, or repealed at any time.

Mr. MANN of Illinois. Oh, certainly.

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill as amended.

Mr. CHINDBLOM. Mr. Speaker, I desire to offer an amendment. In line 6, page 1, after the word "of," preceding "$2,000," I move to insert "not less than," so as to make it read "a sum not less than $2,000."

The SPEAKER. The Clerk will report the amendment offered by the gentleman from Illinois.

The Clerk read as follows:

In line 6, page 1, after the word "of," preceding "$2,000," insert "not less than," so as to make it read "a sum not less than $2,000."

Mr. CHINDBLOM. Mr. Speaker, this will not prevent the Secretary of Commerce, in his discretion, from accepting the sum of $2,000, but it will leave it in his discretion. We do not know why the amount of $2,000 is fixed here. Nobody has stated it. The report of the committee does not state why the sum of $2,000 is fixed as the compensation to be paid to the Government. Conditions may differ from what they were when this bill was reported and the amount of $2,000 was agreed to by somebody. I think no harm can be done by leaving it in the discretion of the Secretary of Commerce to accept and receive more than $2,000 if, in his judgment and in the opinion of those with whom he is dealing, a larger sum might be paid.

I will say now, while I have the floor, that this should be followed by a similar amendment on page 3, line 4, so that the exact amount paid by the counties should be retained, as provided in the latter part of section 1. I dare say that it is very unusual to fix the amount absolutely which the United States may be permitted to accept if it is offered to it.

The SPEAKER. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. CHINDBLOM].

Mr. SMITH of Idaho. Mr. Speaker, I doubt whether the gentleman from Illinois understands the construction that is put on the words "not less than" by the Secretary of the Interior. We had the matter up about a year ago, and the Secretary of the Interior decided that when those words were used he construed them as instructions to him to appraise the land and sell it at its appraised value. While I am not familiar with the provisions of this bill, it is a question in my mind whether the object sought to be attained would be defeated by putting in those words "not less than."

Mr. CHINDBLOM. Mr. Speaker, this is not a conveyance in fee. This is a sale and conveyance of the property under certain conditions, and there could not very well be an appraisal of the value of the fee of this land. But I think some discretion should be left with the Secretary of Commerce as to the amount of compensation that is to be given to the United States Government.

Mr. MANN of Illinois. I would suggest to my colleague that very likely that language would require the Secretary of the Interior to appraise the land and sell it to the highest bidder.

The purpose of the bill is to preserve this place as a historic landmark. I am not familiar with the location. Usually we are asked to give title without any compensation at all. If it were out West on the public land the compensation would be fixed at $1.25 an acre regardless of the value of the ground, and I do not say improperly so fixed. If there is any occasion for having this place maintained as a landmark, probably it would be better to have it done by the State or by the counties than to have it done by the General Government. I do not know what the land may be worth for something else, but if it is desirable to have it for a public park or a landmark I am not sure that it would be desirable to put it up to see who would pay the highest price for it, or even to see whether these people would pay the appraised value. Maybe that is all that would occur.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. CHINDBLOM. The bill says very clearly that the Secretary of Commerce is authorized, in his discretion, to sell this land to Houghton and Keweenaw Counties—not to anybody else—for specific purposes, and the purposes are named.

Mr. MANN of Illinois. Probably it would not give him authority to put it up to the highest bidder.

Mr. CHINDBLOM. Why can we not get some information on a bill of this sort, as to why the sum of $2,000 is fixed? If anybody will tell me why that has been fixed, I shall be willing to withdraw my amendment; but it appears to me that it is not

right to throw a bill into the House without any information as to why the sum of $2,000 should be paid for something.

Mr. SMITH of Idaho. May I ask the gentleman why he should be so much interested in getting a larger sum than $2,000 for the Federal Government, which would impose a tax upon the people living up there?

Mr. CHINDBLOM. Because I happen to be a Representative in the Congress of the United States. I think we have some obligation here to look after the interests of the Federal Government. I am not sitting here in a State legislature.

The SPEAKER. The question is on the amendment offered by the gentleman from Illinois [Mr. CHINDBLOM].

The question being taken, the amendment was rejected.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

EMERGENCY TARIFF.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent that the report of the Committee on Ways and Means and the views of the minority on the emergency tariff bill may be filed at any time before 12 o'clock to-night. We have not yet got the report quite ready, but will have it perhaps within an hour.

Mr. MANN of Illinois. I should like to suggest to the gentleman from Michigan that if he wishes this to be privileged, of course it will have to be presented from the floor. The bill has not been reported yet from the floor. If it is to be taken up under a rule, that probably does not make any difference.

Mr. FORDNEY. I have just introduced the bill, but the report is not ready yet, but will have it within half an hour. I understand the House will adjourn perhaps before that time, and that is the reason I am asking this unanimous consent.

Mr. MANN of Illinois. I was only making the suggestion. If it is to be called up as a privileged report, it will have to be presented in the open House.

Mr. CANNON. We ought to know what is in the bill, and we will not have time to read it.

Mr. FORDNEY. It can be printed to-night.

Mr. CANNON. But I can not read it to-night.

Mr. FORDNEY. It is not proposed to bring it up in the House before Wednesday.

Mr. CANNON. Then why not report it in the morning?

Mr. FORDNEY. I should like to have the report printed along with the bill. That is the only object.

Mr. CANNON. The report can be printed to-morrow in time to call it up Wednesday.

Mr. GARRETT. If consent is given to file a report, it ought to include the views of the minority also.

Mr. FORDNEY. Yes. The gentleman from Illinois [Mr. HENRY T. RAINEY] told me that he will have the minority views ready in a few minutes.

The gentleman from Wyoming [Mr. MONDELL] informs me that I should report the bill now, and then ask unanimous consent to file the report later to-night. I report the bill by direction of the Committee on Ways and Means.

Mr. GARRETT. The gentleman is reporting it, as I understand, as a privileged bill.

Mr. SNELL. He must report it as a privileged bill, or else he will have to have a special rule to call it up.

Mr. FORDNEY. Being a revenue bill, it is privileged.

Mr. CANNON. Why not let the bill and report come together in the morning? I do not believe there is any prospect, is there, of calling up the bill for action before Wednesday or Thursday?

Mr. FORDNEY. Not before Wednesday; we are trying to bring it up and pass it on Wednesday. I would like to have the report printed to-night, so that Members can have it to-morrow.

Mr. MANN of Illinois. I suggest to the gentleman from Michigan that I have seen this modus operandi adopted by both sides of the House: "Mr. Speaker, the Committee on Ways and Means presents the following privileged report," and then ask unanimous consent that both sides have until midnight to file the report and minority views.

Mr. FORDNEY. That was my request.

Mr. CANNON. Has the gentleman introduced his bill?

Mr. FORDNEY. I have; it is given the number 15275.

Mr. DEWALT. The gentleman stated that he had conversation with the gentleman from Illinois [Mr. HENRY T. RAINEY] and that he said that in a few minutes he would have his minority views ready.

Mr. FORDNEY. He said he would have his views ready before the House at adjournment, but I was told by the Speaker that we were liable to adjourn in a few minutes. Therefore I am trying to get the privilege of filing the report and minority views before midnight.

Mr. SNELL. Does the gentleman expect to pass the bill on Wednesday?

Mr. FORDNEY. I would like to.

Mr. SNELL. With how much debate?

Mr. FORDNEY. Not more than three hours. Members of the committee feel that will be ample time to discuss it. It is a very short bill.

Mr. BLANTON. Reserving the right to object, I would like to ask a question. Is this the logical Republican tariff measure that seeks to put a high tariff on bread and yet permits an annual importation of millions of pounds of frozen beef and of hides to continue to come in on the free list?

Mr. FORDNEY. This is a bill introduced as an emergency bill, to try to save some of the industries in the agricultural districts from going into bankruptcy.

Mr. BLANTON. Will there be a chance to amend the bill on the floor?

Mr. FORDNEY. Yes; I think the bill will be considered under the five-minute rule.

Mr. BLANTON. Very well.

TARIFF ON CERTAIN AGRICULTURAL PRODUCTS.

Mr. FORDNEY. Mr. Speaker, I now report the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes. I ask, Mr. Speaker, unanimous consent to present the report and minority views any time before 12 o'clock to-night.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. McFADDEN. Reserving the right to object, and I do not think I will object, I want to ask the gentleman whether dairy products are included in the bill?

Mr. FORDNEY. No; they are not.

Mr. McFADDEN. Will there be an opportunity to amend it?

Mr. FORDNEY. It is a revenue bill, and it is not subject to amendment except as to rates.

Mr. GARRETT. Mr. Speaker, I see no reason why there should be an objection to the request of the gentleman from Michigan from the minority standpoint, but I would like it stated that the gentleman from Illinois [Mr. HENRY T. RAINEY] shall not be precluded if he should fail to have the minority views ready.

Mr. FORDNEY. I have not seen the gentleman the last few minutes, but he assured me he would have the report by adjournment.

Mr. CAMPBELL of Kansas. If he does not have it ready to-night, he may file it to-morrow?

Mr. FORDNEY. Yes.

The SPEAKER. Is there objection to the request of the gentleman from Michigan? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

By unanimous consent, the following leave of absence was granted:

To Mr. NELSON of Wisconsin, indefinitely, on account of illness in his family.

To Mr. STEVENSON, for 10 days, on account of closing up his business affairs and moving his family to the Capital.

ADJOURNMENT.

Mr. MANN of Illinois. Mr. Speaker, I make the point that no quorum is present.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 5 minutes p. m.) the House adjourned until to-morrow, Tuesday, December 21, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

252. A letter from the Secretary of Agriculture, transmitting report showing number of publications issued by the Department of Agriculture during the fiscal year 1920; to the Committee on Printing.

253. A letter from the Secretary of the Navy, transmitting draft of requested legislation to recover the value of public property lost by persons in the naval service through abuse or negligence; to the Committee on Naval Affairs.

254. A letter from the Secretary of the Treasury, transmitting a supplemental estimate of appropriation required by the Department of the Interior for fees and expenses of examining surgeons, pensions, fiscal year 1922 (H. Doc. No. —); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. GRIGSBY, from the Committee on the Territories, to which was referred the bill (S. 2189) to provide for agricultural entries on coal lands in Alaska, reported the same without amendment, accompanied by a report (No. 1138), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. FORDNEY, from the Committee on Ways and Means, to which was referred the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, reported the same without amendment, accompanied by a report (No. 1139), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LANGLEY: A bill (H. R. 15271) to authorize the construction of a bridge across the Tug River in Mingo County, W. Va., at or near Cedar, in said county, to the Kentucky side, in Pike County, Ky.; to the Committee on Interstate and Foreign Commerce.

By Mr. WEAVER: A bill (H. R. 15272) making an appropriation to be expended under the provisions of the act of March 1, 1911 (36 Stat., 961); to the Committee on Appropriations.

By Mr. JOHNSON of Washington: A bill (H. R. 15273) authorizing the lease of school lands containing deposits of coal, oil, oil shale, or gas by the State of Washington for longer periods than five years; to the Committee on the Public Lands.

By Mr. MURPHY: A bill (H. R. 15274) providing for the monthly payment of pensions; to the Committee on Invalid Pensions.

By Mr. FORDNEY: A bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. VOLSTEAD: A bill (H. R. 15276) to amend chapter 541 of the Revised Statutes of the United States, passed July 1, 1898, known as the bankruptcy act; to the Committee on the Judiciary.

By Mr. STEVENSON: Joint resolution (H. J. Res. 422) to use alien property funds until same shall be distributed according to law; to the Committee on Interstate and Foreign Commerce.

By Mr. HULL of Tennessee: Joint resolution (H. J. Res. 423) providing for the appointment of a joint select committee to consider and draft legislation to facilitate the exchange and sale of agricultural products between producer and consumer; to the Committee on Rules.

By Mr. MONAHAN of Wisconsin: Resolution (H. Res. 621) authorizing the painting of a full-length portrait of Abraham Lincoln and placing it in the Hall of the House of Representatives; to the Committee on Accounts.

By the SPEAKER: Memorial of the Legislature of the Territory of Hawaii, favoring the passage of House bill 13500 to establish a Hawaiian homes commission; to the Committee on the Territories.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15277) granting an increase of pension to Sarah M. Beach; to the Committee on Invalid Pensions.

By Mr. BUTLER: A bill (H. R. 15278) granting a pension to Eli W. Elzey; to the Committee on Invalid Pensions.

By Mr. CROWTHER: A bill (H. R. 15279) granting a pension to Cornelia De Camp Croxton; to the Committee on Pensions.

By Mr. FORDNEY: A bill (H. R. 15280) granting an increase of pension to Floyd L. Green; to the Committee on Pensions.

Also, a bill (H. R. 15281) granting a pension to Lucy E. Porter; to the Committee on Invalid Pensions.

By Mr. FULLER of Illinois: A bill (H. R. 15282) granting an increase of pension to Catherine Wood; to the Committee on Invalid Pensions.

By Mr. HILL: A bill (H. R. 15283) granting a pension to Josephine Carey; to the Committee on Invalid Pensions.

By Mr. HOWARD: A bill (H. R. 15284) conferring jurisdiction on the Court of Claims to adjust the claims between the Otoe and Missouria Tribes of Indians and the Omaha Indians to certain moneys received by the Omaha Indians; to the Committee on Indian Affairs.

By Mr. KING: A bill (H. R. 15285) granting a pension to Edith Ettinger; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15286) for the relief of B. I. Bryant; to the Committee on Claims.

By Mr. LANGLEY: A bill (H. R. 15287) granting an increase of pension to Jerry McIntosh; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 15288) granting a pension to Nancy Blitz; to the Committee on Invalid Pensions.

By Mr. RANDALL of California: A bill (H. R. 15289) granting a pension to Charles M. Eddy; to the Committee on Pensions.

By Mr. SANDERS of Indiana: A bill (H. R. 15290) granting an increase of pension to Susan A. Bailey; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 15291) granting a pension to John C. Trent; to the Committee on Pensions.

Also, a bill (H. R. 15292) granting a pension to Nancy M. Wagner; to the Committee on Pensions.

Also, a bill (H. R. 15293) granting an increase of pension to Clarence Matchett, alias Harry J. Reed; to the Committee on Pensions.

Also, a bill (H. R. 15294) granting a pension to Charles T. Bowman; to the Committee on Pensions.

By Mr. SMITH of Idaho: A bill (H. R. 15295) for the relief of the heirs of Oliver P. Phillips; to the Committee on War Claims.

By Mr. STINESS: A bill (H. R. 15296) granting a pension to Mary J. White; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15297) granting a pension to Nannie Roberts; to the Committee on Pensions.

Also, a bill (H. R. 15298) granting a pension to Joseph F. Moore; to the Committee on Pensions.

Also, a bill (H. R. 15299) granting a pension to Nora Meredith; to the Committee on Invalid Pensions.

By Mr. WRIGHT: A bill (H. R. 15300) for the relief of the city of West Point, Ga.; to the Committee on Military Affairs.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4631. By the SPEAKER (by request): Petition of the Amalgamated Metal Workers of America, of Philadelphia, Pa., demanding immediate recognition of Russian soviet republic; to the Committee on Foreign Affairs.

4632. Also (by request), petition of the City Council of the City of Chicago, Ill., protesting against the armed invasion of Ireland by Great Britain, etc.; to the Committee on Foreign Affairs.

4633. By Mr. DALLINGER: Petition of the executive committee of the Associated Industries of Massachusetts, favoring reduced expenses for the Government so as to reduce taxation; to the Committee on Ways and Means.

4634. By Mr. EMERSON: Resolutions adopted by the International Farm Congress; to the Committee on Agriculture.

4635. By Mr. FULLER of Illinois: Petition of the Outlook Club, of Rockford, Ill., favoring the Sheppard-Towner maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4636. Also, petition of the J. D. Hollingshead Co., of Chicago, favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4637. Also, petition of the Chicago Railway Equipment Co., of Chicago, Ill., favoring the Patent Office bill; to the Committee on Patents.

4638. By Mr. JOHNSON of Washington: Petition of various citizens of the third congressional district of the State of Washington, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4639. By Mr. LUCE: Petition of citizens of Newton, Mass., urging amendment of Federal water-power act and defeat of House bill 12466; to the Select Committee on Water Power.

4640. By Mr. MICHENER: Petition of George D. Ball, of Addison, Mich., regarding the League of Nations and offering a substitute therefor; to the Committee on Foreign Affairs.

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4641. By Mr. O'CONNELL: Petition of the Travelers' Protective Association of America, of St. Louis, Mo., favoring laws which will require all foreign-born citizens to live in the United States for a period of five years before being entitled to vote; to the Committee on Immigration and Naturalization.

4642. By Mr. ROWAN: Petition of the New York State League of Women Voters, favoring the Rogers bill, providing for independent citizenship for married women, and the Smith-Towner educational bill; to the Committee on Education.

4643. Also, petition of the T. H. Symington Co., of New York, favoring the passage of the Nolan bill, H. R. 11934; to the Committee on Patents.

4644. By Mr. TINKHAM: Petition of sundry citizens of the State of Massachusetts, protesting against the passage of the Smith-Towner bill; to the Committee on Education.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 21, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Infinite Spirit, Father of all souls, we bless Thee that every child born into this world is stamped with an individuality which differentiates it from every other human being. A marvelous blessing, but a stupendous responsibility. The parents may do much in shaping its course. Education teaches it to think soundly and reach wise conclusions. The Sunday school and church may quicken its conscience, society may develop its social functions, but when all is done it is the architect of its fortune. To live with its Maker, think with its Maker, is to build a character which will stand the test of time and eternity. Through the incomparable life and character of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

BUSINESS IN ORDER ON CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that for to-morrow the House dispense with Calendar Wednesday business.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that business in order on Calendar Wednesday, to-morrow, be dispensed with. Is there objection?

Mr. MADDEN. Reserving the right to object, I will ask the gentleman from Wyoming the purpose of dispensing with business in order on Calendar Wednesday?

Mr. MONDELL. Mr. Speaker, I make the request in order that we may take up on Calendar Wednesday a bill reported last evening from the Committee on Ways and Means.

Mr. MADDEN. I shall not object, but still further reserving the right to object, would say that I think the unwisdom of the legislation proposed must be manifest to everybody. The proposition is to legislate on three or four articles, the prices of which have fallen, while those three or four articles are still in the hands of the owners, and to eliminate from consideration——

Mr. MONDELL. Mr. Speaker, will the gentleman yield?

Mr. MADDEN. I want first to make this one statement—to eliminate from consideration articles that are in the hands of thousands and thousands of other industries throughout the United States, and thus indulge in the passage of special legislation, instead of general legislation which I would very much like to see enacted. However, Mr. Speaker, I do not object.

The SPEAKER. Is there objection?

Mr. RAYBURN. Mr. Speaker, reserving the right to object, does the gentleman from Wyoming think it hardly fair that a bill of this importance, reported last night and printed for the first time this morning, should come up to-morrow, and furthermore, in view of the fact that some Members who have not family ties here, who expect to spend Christmas away from here, have their reservations already made for to-morrow?

Mr. MONDELL. The matter has been discussed for some time, and gentlemen will have to-day in which to consider it.

Mr. RAYBURN. That is a long time.

Mr. MONDELL. Until to-morrow when the House meets.

Mr. RAYBURN. I object.

Mr. MONDELL. A great many Members of the House on both sides have asked that the matter be taken up to-morrow instead of the day following.

The SPEAKER. Is there objection?

Mr. RAYBURN. Mr. Speaker, I object to dispensing with business in order on Calendar Wednesday, to-morrow.

The SPEAKER. The gentleman from Texas objects.

Mr. MONDELL. Mr. Speaker, I move to dispense with business in order on Calendar Wednesday, to-morrow.

The SPEAKER. The question is on the motion of the gentleman from Wyoming to dispense with business in order on Calendar Wednesday, to-morrow.

The question was taken.

Mr. KINCHELOE. Mr. Speaker, I make the point of order that there is no quorum present.

The SPEAKER. The gentleman from Kentucky makes the point of order that there is no quorum present. Evidently there is not. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll. The question is on the motion of the gentleman from Wyoming, to dispense with business in order on Calendar Wednesday, to-morrow.

The question was taken; and there were—yeas 207, nays 77, answered "present" 2, not voting 145, as follows:

YEAS—207.

Almon	Focht	Lankford	Riddick
Anderson	Fordney	Layton	Robsion, Ky.
Andrews, Nebr.	Frear	Lazaro	Rodenberg
Ashbrook	French	Lea, Calif.	Rose
Ayres	Fuller, Ill.	Lee, Ga.	Schall
Bacharach	Garner	Lehlbach	Scott
Barbour	Glynn	Little	Shreve
Begg	Good	Longworth	Sinclair
Benham	Goodykoontz	Luhring	Sinnott
Black	Gould	McAndrews	Smith, Idaho
Bland, Ind.	Graham, Ill.	McDuffie	Smith, Ill.
Bland, Mo.	Graham, Pa.	McKenzie	Smith, Mich.
Bland, Va.	Green, Iowa	McLaughlin, Mich.	Smithwick
Blanton	Greene, Mass.	McLaughlin, Nebr.	Snyder
Boies	Greene, Vt.	McLeod	Steagall
Bowers	Griest	MacGregor	Steenerson
Brooks, Ill.	Hadley	Magee	Stephens, Ohio
Brooks, Pa.	Hardy, Colo.	Mann, Ill.	Strong, Kans.
Burroughs	Harreld	Mansfield	Strong, Pa.
Byrns, Tenn.	Harrison	Mapes	Summers, Wash.
Campbell, Kans.	Hastings	Martin	Sumners, Tex.
Campbell, Pa.	Haugen	Merritt	Sweet
Caraway	Hawley	Michener	Swindall
Chindblom	Hayden	Miller	Swope
Clark, Fla.	Hays	Monahan, Wis.	Taylor, Ark.
Classon	Hernandez	Mondell	Taylor, Colo.
Cole	Hersey	Montague	Taylor, Tenn.
Cooper	Hickey	Moore, Ohio	Temple
Copley	Hicks	Moore, Va.	Thompson
Crago	Hoch	Moores, Ind.	Tillman
Crisp	Holland	Murphy	Tilson
Crowther	Houghton	Newton, Minn.	Timberlake
Curry, Calif.	Howard	Newton, Mo.	Tincher
Dale	Hudspeth	O'Connor	Towner
Davis, Minn.	Hull, Iowa	Ogden	Treadway
Denison	Humphreys	Osborne	Upshaw
Dickinson, Iowa	Husted	Padgett	Vaile
Dowell	Hutchinson	Park	Vestal
Dunbar	Ireland	Parker	Vinson
Dunn	Jefferis	Parrish	Volstead
Echols	Johnson, S. Dak.	Patterson	Wason
Edmonds	Johnson, Wash.	Porter	Watson
Elliott	Jones, Tex.	Purnell	Webster
Elston	Juul	Raker	Wheeler
Emerson	Kahn	Ramsey	White, Kans.
Esch	Kelley, Mich.	Ramseyer	Williams
Evans, Mont.	Kennedy, Iowa	Randall, Calif.	Wilson, La.
Evans, Nebr.	Kiess	Ransley	Wood, Ind.
Evans, Nev.	Kinkaid	Reavis	Woods, Va.
Fairfield	Knutson	Reed, W. Va.	Young, N. Dak.
Ferris	Kraus	Rhodes	Zihlman
Flood	Langley	Ricketts	

NAYS—77.

Aswell	Doughton	Linthicum	Rogers
Bankhead	Dupré	Luce	Rucker
Barkley	Eagan	McClintic	Sears
Bell	Fess	McFadden	Sherwood
Box	Gallagher	McKeown	Sims
Briggs	Gallivan	Madden	Sisson
Brinson	Gard	Major	Stedman
Buchanan	Garrett	Mays	Stephens, Miss.
Byrnes, S. C.	Godwin, N. C.	Milligan	Stoll
Cannon	Goodwin, Ark.	Minahan, N. J.	Thomas
Cantrill	Griffin	Nelson, Mo.	Venable
Carter	Hardy, Tex.	Nolan	Watkins
Clark, Mo.	Huddleston	Oldfield	Weaver
Cleary	Hull, Tenn.	Olney	Welty
Collier	Jacoway	Phelan	Wingo
Connally	Johnson, Miss.	Pou	Wright
Cullen	Kincheloe	Quin	Young, Tex.
Davis, Tenn.	Lanham	Rainey, H. T.	
Dewalt	Larsen	Rayburn	
Dickinson, Mo.	Lesher	Reber	

ANSWERED "PRESENT"—2.

Butler Snell

NOT VOTING—145.

Ackerman	Brand	Carss	Davey
Andrews, Md.	Britten	Casey	Dempsey
Anthony	Browne	Christopherson	Dent
Babka	Brumbaugh	Condy	Dominick
Baer	Burdick	Costello	Donovan
Bee	Burke	Cramton	Dooling
Benson	Caldwell	Currie, Mich.	Doremus
Blackmon	Candler	Dallinger	Drane
Booher	Carew	Darrow	Drewry

Dyer	Kendall	Nelson, Wis.	Siegel
Eagle	Kennedy, R. I.	Nicholls	Slemp
Ellsworth	Kettner	O'Connell	Small
Fields	King	Oliver	Smith, N. Y.
Fish	Kitchin	Overstreet	Steele
Fisher	Kleczka	Paige	Stevenson
Foster	Kreider	Pell	Stiness
Freeman	Lampert	Perlman	Sullivan
Fuller, Mass.	Lonergan	Peters	Tague
Gandy	Lufkin	Radcliffe	Tinkham
Ganly	McArthur	Rainey, Ala.	Vare
Goldfogle	McCulloch	Rainey, J. W.	Voigt
Goodall	McGlennon	Randall, Wis.	Volk
Hamill	McKinley	Reed, N. Y.	Walsh
Hamilton	McKinley	Riordan	Walters
Hersman	McLane	Robinson, N. C.	Ward
Hill	McPherson	Romjue	Welling
Hoey	MacCrate	Rouse	Whaley
Hulings	Maher	Rowan	White, Me.
Igoe	Mann, S. C.	Rowe	Wilson, Ill.
James, Mich.	Mason	Rubey	Wilson, Pa.
James, Va.	Mead	Sabath	Winslow
Johnson, Ky.	Moon	Sanders, Ind.	Wise
Johnston, N. Y.	Mooney	Sanders, La.	Woodyard
Jones, Pa.	Morin	Sanders, N. Y.	Yates
Kearns	Mott	Sanford	
Keller	Mudd	Scully	
Kelly, Pa.	Neely	Sells	

So, two-thirds having voted in favor thereof, Calendar Wednesday for to-morrow was dispensed with.

The Clerk announced the following pairs:

Until further notice:

Mr. BUTLER with Mr. STEELE.
Mr. MCARTHUR with Mr. WHALEY.
Mr. FOSTER with Mr. SABATH.
Mr. FISH with Mr. PELL.
Mr. BURDICK with Mr. MOON.
Mr. KEARNS with Mr. TAGUE.
Mr. PETERS with Mr. OLIVER.
Mr. ANTHONY with Mr. DENT.
Mr. PAIGE with Mr. HOEY.
Mr. SIEGEL with Mr. MCLANE.
Mr. WARD with Mr. OVERSTREET.
Mr. LUFKIN with Mr. O'CONNELL.
Mr. MASON with Mr. DOMINICK.
Mr. DALLINGER with Mr. FISHER.
Mr. YATES with Mr. BABKA.
Mr. FREEMAN with Mr. LONERGAN.
Mr. TINKHAM with Mr. SMALL.
Mr. MORIN with Mr. CASEY.
Mr. HAMILTON with Mr. MANN of South Carolina.
Mr. RANDALL of Wisconsin with Mr. BOOHER.
Mr. WALSH with Mr. FIELDS.
Mr. SANFORD with Mr. GOLDFOGLE.
Mr. WINSLOW with Mr. RIORDAN.
Mr. VOIGT with Mr. CANDLER.
Mr. KING with Mr. JOHNSTON of New York.
Mr. VARE with Mr. BRUMBAUGH.
Mr. ACKERMAN with Mr. WISE.
Mr. WOODYARD with Mr. NEELY.
Mr. MCKINLEY with Mr. DRANE.
Mr. KLECZKA with Mr. WELLING.
Mr. RADCLIFFE with Mr. CAREW.
Mr. BURKE with Mr. CARSS.
Mr. KELLY of Pennsylvania with Mr. SANDERS of Louisiana.
Mr. WILSON of Illinois with Mr. MEAD.
Mr. MUDD with Mr. COADY.
Mr. DYER with Mr. ROMJUE.
Mr. MCPHERSON with Mr. IGOE.
Mr. VOLK with Mr. MOONEY.
Mr. PERLMAN with Mr. HAMILL.
Mr. JAMES of Michigan with Mr. BENSON.
Mr. HULINGS with Mr. STEVENSON.
Mr. WHITE of Maine with Mr. KETTNER.
Mr. BRITTEN with Mr. SULLIVAN.
Mr. ROWE with Mr. JAMES of Virginia.
Mr. MOTT with Mr. MAHER.
Mr. SANDERS of Indiana with Mr. BRAND.
Mr. BROWNE with Mr. NICHOLLS.
Mr. NELSON of Wisconsin with Mr. POU.
Mr. WALTERS with Mr. RAINEY of Alabama.
Mr. SLEMP with Mr. BEE.
Mr. CRAMTON with Mr. RUBEY.
Mr. SELLS with Mr. HERSMAN.
Mr. LAMPERT with Mr. DOOLING.
Mr. FULLER of Massachusetts with Mr. CALDWELL.
Mr. JONES of Pennsylvania with Mr. BLACKMON.
Mr. REED of New York with Mr. SCULLY.
Mr. MACCRATE with Mr. DONOVAN.
Mr. CHRISTOPHERSON with Mr. ROWAN.
Mr. SANDERS of New York with Mr. MCKINLEY.
Mr. MCCULLOCH with Mr. DOREMUS.
Mr. ELLSWORTH with Mr. DREWRY.
Mr. CURRIE of Michigan with Mr. GANLY.
Mr. KENDALL with Mr. DAVEY.
Mr. STINESS with Mr. SMITH of New York.
Mr. KELLER with Mr. WILSON of Pennsylvania.
Mr. GOODALL with Mr. ROBINSON of North Carolina.
Mr. KENNEDY of Rhode Island with Mr. EAGLE.
Mr. HILL with Mr. GANDY.
Mr. DARROW with Mr. KITCHIN.
Mr. KREIDER with Mr. MCGLENNON.
Mr. DEMPSEY with Mr. JOHNSON of Kentucky.
Mr. ANDREWS of Maryland with Mr. JOHN W. RAINEY.

Mr. BUTLER. Mr. Speaker, I have a general pair with the gentleman from Pennsylvania, Mr. STEELE. I assume that if he were here he would vote "no," and I must ask permission to withdraw my vote of "aye" and answer "present."

The name of Mr. BUTLER was called, and he answered "Present."

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present, the Doorkeeper will open the doors.

EXTENSION OF REMARKS.

Mr. CRAGO. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing an address delivered by the Hon. WALTER W. MAGEE, a Representative from the State of New York, on the occasion of the dedication at Syracuse, N. Y., of the "Rock of the Marne Memorial." This is a memorial to the men and officers of the Thirty-eighth Infantry who fell in the World War, and was erected by the surviving members of that splendid organization.

The SPEAKER. The gentleman from Pennsylvania asks unanimous consent to extend his remarks in the RECORD by printing a speech delivered by Hon. WALTER W. MAGEE, a Representative from the State of New York, upon the memorial to the Thirty-eighth Regiment. Is there objection? [After a pause.] The Chair hears none.

Mr. LITTLE. Mr. Speaker, I also ask unanimous consent that members of the Committee on Revision of the Laws be allowed to extend their remarks upon the bill passed yesterday. None of them had opportunity to address the House except the gentleman from Virginia and the chairman.

The SPEAKER. The gentleman from Kansas asks unanimous consent that members of the Committee on Revision of the Laws be allowed to extend their remarks on the revision of the laws. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object——

Mr. GARNER. Mr. Speaker, reserving the right to object, I wish gentlemen in each instance would always specify the remarks are their own remarks.

Mr. LITTLE. It is not a request for myself; it is for other members of the committee.

Mr. GARNER. I understand. If the gentleman in making the request would simply say that he asks unanimous consent that they should extend their own remarks——

Mr. LITTLE. Certainly.

Mr. GARNER. Then they will be confined to their own remarks, but if a member merely gets consent to extend his remarks he can put anything on earth that he wants in the RECORD.

Mr. LITTLE. I will put it in the shape which the gentleman suggests.

Mr. GARNER. Now, if the Speaker will repeat the request, the RECORD will show exactly what the request is.

The SPEAKER. The gentleman from Kansas asks unanimous consent that members of the Committee on the Revision of the Laws have permission to extend their own remarks. Is there objection?

Mr. GARD. How many members of the committee desire to take advantage of this?

Mr. LITTLE. I know of two. I do not know whether they all do or not, but I thought they all should have equal opportunity.

Mr. GARD. How many are there?

Mr. LITTLE. There are two, I think, who desire this privilege. But I thought the others should have equal opportunity.

Mr. GARD. How many are on the committee?

Mr. LITTLE. Eleven besides myself, but they have not all asked for this or expect to take advantage of this. There are only two who have asked, and I do not think the extensions will be very extensive.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

PERMISSION TO ADDRESS THE HOUSE.

The SPEAKER. By special order to-day the gentleman from Ohio [Mr. LONGWORTH] is entitled to address the House for 45 minutes. [Applause.]

TARIFF AND TRADE AGREEMENTS.

Mr. LONGWORTH. Mr. Speaker and gentlemen of the House, I would not have asked the indulgence of the House to discourse upon a subject so hackneyed, so perennially discussed as the tariff merely for the sake of airing my views. My object is not so much to give information or advice as to suggest for your consideration certain entirely new phases of the question which the war and the abnormality of present conditions have brought about, with the hope that what I shall say may stimulate your minds in the direction of helping in their wise solution.

The duty of raising revenue is confided by the Constitution to the House of Representatives, acting in the first instance through the agency of the Ways and Means Committee. By a tremendous majority the American people have commanded us to originate new revenue laws, and at the earliest possible moment. More than that we are commanded to substitute for the present tariff law one based upon an entirely different principle, that of protection, as opposed to free trade or a tariff for revenue, as you may be pleased to call it, for to my mind the Underwood law is a hodgepodge of some of the worst features of both.

Early next month the Ways and Means Committee will hold hearings upon the tariff. No doubt an extra session of Congress will be called very soon after the adjournment of this Congress on the 4th of March, and it is our hope that at the earliest possible moment consistent with due care and thorough investigation of the entire question we may report to this House a complete revision of the tariff law based on the principle of protection to American industry and to American labor, for which the Republican Party has always stood and which the American people by a majority of nearly 8,000,000 have commanded us to enforce and maintain. May I say that, in my judgment, this ought not to interfere with the immediate revision of the internal-revenue laws, not for the purpose of substantially reducing taxation, which under the present condition of the Treasury is impossible, but for the purpose of more justly distributing the burden of taxes which to-day are throttling business and adding directly to the cost that the consumer must pay for necessities of life. That as I believe ought to come first. We already have sufficient information on which to found action, and that action should be taken just as soon as possible.

Even so, however, the tariff is a present and vital question and one which deserves the immediate consideration of the best minds and wisest statesmanship of the Congress and of the country. It is my purpose to-day not so much to discuss the general principles of tariff making as to point out some new phases which add greatly to its complication and which have never before been present at the beginning of any tariff revision about to be undertaken by the Congress.

Generally speaking, there are three principal conditions now existing which make the solution of the tariff problem infinitely more difficult than ever before. First, its relation to the Government revenue; second, the immense, if not almost insuperable, difficulty of accurately determining costs of production at home and abroad; and, third, the question of what consideration ought to be paid or discrimination made in favor of our allies, not only in view of our close relationship with them on account of our cooperation during the war, but also having in mind the immense amount of money they owe us, both in payment for our enormous exports in recent years and of the loans we have advanced, now aggregating nearly $10,000,000,000.

I want to speak first of the present relation of the tariff to Government revenues. When I first came into Congress, 17 years ago, and from then on during the administrations of Roosevelt and Taft the receipts from customs were of paramount and vital importance from the revenue standpoint. They constituted at least half, and sometimes more, of the total revenues of the Government. As an instance, in the last year of the Roosevelt administration the receipts from customs were something more than $300,000,000 out of a total revenue of less than $600,000,000. In 1920 the receipts from customs were a trifle more, namely, about $320,000,000, but that was out of a total revenue for that year of $6,500,000,000. In other words, while during the normal years of recent Republican administrations the customs receipts have averaged 50 per cent of all the Government's income, to-day they are furnishing less than 5 per cent. One of the remarkable features of the present situation is that notwithstanding the fact that the war served as an absolute bar more effective than the highest sort of tariff against the importation of certain classes of commodities, the total value of imports in the past four or five years has increased enormously. In 1908 the total value of our imports was about $1,250,000,000. In 1920 it was more than $5,000,000,000. Another notable feature of the situation is that while in 1908 45 per cent of all our imports came in free of duty, to-day more than 75 per cent contribute nothing to the customs. In 1908 the average ad valorem rate on all imports was 22 per cent. To-day it is barely 6 per cent.

Under such conditions it would seem obvious that the customs would offer a fruitful field for increased revenue, so that the people might be relieved of some of the more onerous and oppressive of the tax burdens. The trouble about it is, in the first place, that a complete revision of the customs laws, based upon the protective principle, will not yield under anything like normal conditions an increased revenue of more than, in my judgment, $350,000,000, which under our present extravagant rate of Government expenditure would be relatively only a drop in the bucket. It is true that it would be possible to raise very large additional revenues from the customs if we adopted the principle of imposing duties on noncompeting articles, like tea and coffee, as Great Britain does, but that would be in violation of the protective principle, as I understand it, and one which, in my belief, the next Congress will under no circumstances adopt.

Looking at the revenue question from another and practical standpoint, no increase of the revenues from customs is possible without an entire revision of all the tariff schedules. Our experience during the present session has proved that piecemeal tariff revision, except in rare instances, is impractical if not impossible. The various tariff measures which we passed and sent to another body have not been acted on. With the possible exception of the dye bill and another measure which I hope we will pass to-morrow, but which has little or no bearing upon the revenue, I do not believe they will be acted on. So that we must dismiss for the immediate present the question of adding substantially to the revenues from customs.

This brings me to the second phase of the complications which add to the difficulties of a speedy revision of the tariff, and that is the enormous difficulty of accurately determining the costs of production of competing articles. The commerce of the world is out of joint. Industry abroad is in some countries completely paralyzed, in others in a condition of abnormality. In this country, the one least affected by the cataclysms of the World War, many industries are in entirely abnormal condition.

The principle of protection is founded upon the equalization of the relative costs of production of articles between this and the competing countries. Is it going to be possible under such conditions to arrive at the information upon which a thoroughly scientific protective tariff may be founded? I hope and believe that it may prove to be possible, but I see enormous difficulties in the way. I fear that it will be many months before a tariff law which will endure the tests of time and experience can be passed in both Houses and signed by the President.

In the meantime are we justified in passing any more tariff bills in this House? One, and one only, in my opinion. A bill will be brought before you to-morrow or the next day which is of the most vital importance and necessary, as I believe, to save from stark and certain ruin some of the most important agricultural interests of the country—but I shall reserve what I have to say on the subject until the bill is before us.

I come now to the third and, to my mind, the most important and complicated phase of the tariff question as it now confronts us, and one entirely unprecedented so far as my knowledge goes in tariff legislation. What shall we do, if anything, in the way of discrimination in favor of our late allies? If we do discriminate, shall it be from the unselfish standpoint of helping them along the road toward financial stability and industrial rehabilitation or from the more selfish standpoint of making their debts to us more easy of collection? At this point let us examine for a moment the present condition of our export trade. We used to consider a balance of trade in our favor as a feather in our cap, and rightly so, because it was an actual balance represented by cash money or adequate security. To-day, however, the balance is so enormous that it amounts almost to an embarrassment, and a large part of it is not settled for, nor does it seem possible that it will be settled for in anything like the near future. In the year before the beginning of the war our exports of merchandise were about $2,500,000,000. Our imports were about $1,800,000,000, leaving a balance of trade in our favor of approximately $700,000,000. In the last year of the war our

exports had increased to more than $6,000,000,000 and our imports to $3,000,000,000, leaving a balance of trade in our favor of more than $3,000,000,000. The apparent excess of exports for the years of 1918 and 1919 and for the present year up to the last of September is very nearly $9,000,000,000. A part of this has been paid for in various ways—by loans, by credits granted by the Grain Corporation, the Shipping Board, and the War Department, by appropriations made by Congress for the relief of some of the European countries, by loans made by the War Finance Corporation to banks and individuals in this country to assist in financing exports, by shipments of gold, and by the sale here of foreign securities and the repurchase here of American securities formerly held in Europe—but, including all these, there still remains, as we were informed the other day by the Treasury Department, an unfunded balance of more than $3,000,000,000, for which there seems to be no possibility of settlement in cash for many years to come.

To-day Europe owes us close to $14,000,000,000, most of which is only informally secured. How is Europe going to pay us this enormous sum? That is a question that must be considered in the formation of a new tariff law.

The President says that Europe has one means, and one means only, for the payment of her debt to us, and that is by the importation and sale in this market of her goods, and for that purpose he says that all tariff or any other bars which prevent her selling freely in the American market ought to be removed. That was the principle he laid down in his message to Congress on the 2d of December, 1919. He states it as his opinion that Europe has but three ways of meeting these obligations: First, by the further extension of credits; second, by importation into this country of gold; and third, by the importation into this country of goods. The first two he eliminates as impracticable and impossible under existing conditions, and then in his message occurs this significant sentence:

> Anything, therefore, which would tend to prevent foreign countries from settling for our exports by shipments of goods into this country could only have the effect of preventing them from paying for our exports and therefore preventing the exports from being made.

The only logical conclusion to be drawn from this sentence is that there should be no tariff bars against the free importation into this country of goods by the debtor nations, and that even the insignificant bars erected by the Underwood law should be removed. The President then goes on to say:

> The productivity of the country, greatly stimulated by the war, must find an outlet by exports to foreign countries, and any measures taken to prevent imports will inevitably curtail exports.

The enactment into law of such a doctrine would, to my mind, bring utter ruin and complete disaster to American industry and American business. I concede, of course, that, as the President says, conditions have changed, but that they have changed to such an extent that we would be justified in abandoning the standards and policies of the past and forgetting our home market to enter into a mad scramble for the world's market I vigorously deny. [Applause on Republican side.] May I suggest that even if that were a wise policy we would cut a pretty sorry figure in our attempt to gain the world's market once we had lost our market here at home.

The retention of the home market, to my mind, is the prerequisite to the gaining of any influence or real power in the markets of the world. If we can not preserve our industries at home surely we can not compete with the industries of other countries, fortified with their cheap labor cost abroad. The ideal situation for America, as I conceive it, would be to produce here in sufficient quantities for American consumption every article which under our climatic conditions can be produced here at anything like a reasonable cost. Our experience during the war has shown the danger of being dependent upon other countries for things which are essential to our national security. As a direct result of the war certain industries have grown up here, like the chemical industry, for instance, upon which we must rely for absolute essentials for preparedness against external aggression. They are to-day on a most precarious basis—mere infants in their swaddling clothes—and it would seem to me little short of a national crime to permit their ruin for the sake merely of allowing certain other industries to get materials for the moment a little cheaper.

The House of Commons yesterday passed a bill, as I understand, almost exactly the same as the bill passed by this House for the protection of the dye and coal-tar product industry. Great Britain realizes that just as soon as normal international trade conditions are restored that the enormous accumulation of dyes and other coal-tar products in Germany will be dumped upon the world's market. The action of Great Britain yesterday, together with the action that has been taken by other countries, leaves America as the sole dumping ground for the tremendous accumulation of Germany, and unless we take action to protect it will bring absolute and complete ruin to the new chemical industry of this country. I think it is a most unfortunate condition that it is within the power of only a few men, as it seems to be, in another body to prevent by filibustering the passage of legislation absolutely necessary for the preservation of an industry in this country which is an essential for preparedness against war. If I may digress for just a moment, to my mind the same situation nearly is involved in one part of that bill we will consider to-morrow. I mean the wool question. In my judgment if something is not done for the protection of the wool industry—and the only means that I know of is the bill we will consider to-morrow—within three months there will not be any wool industry in this country. There will be hardly any sheep left. The liquidation of enormous loans that have been advanced on wool at the high prices can only be made in the next few months, if insisted upon, by the sale for slaughter of the mother sheep, and once we lose them we lose our reproductive power. I think it would be a most unfortunate thing if this House and if this Congress would permit the destruction of the wool industry of this country.

For myself I am willing to go to any reasonable extent to make the path toward financial and industrial rehabilitation of the stricken countries of Europe as easy as possible, but I balk at giving them free rein in the American market. I still cling firmly to the belief that the American market is primarily for the American producer and that once we lose it any effort to be a dominant figure in the world's market will come to naught.

I hope that Europe's tremendous debt to us will prove to be collectible. I am not one of those who believe that any part of the debt ought to be forgiven. I do not think it quite respectful to the debtor countries to assume that their debts, properly and honorably contracted, are not eventually to be paid in full. But if it came to the last ditch, if it should eventuate that the only possible way to collect these debts would be to surrender to the nations of the world the home market of America, I would say, "Let us sacrifice every cent of the money owed us rather than sacrifice our industrial independence." [Applause.]

May we for a moment examine the President's suggestion from an entirely unselfish point of view—that is to say, from the point of view of the Allies—from the point of view of making it as easy as possible for them to pay their debts to us by the freest possible importation of their goods. Would the lowering of the tariff bars against the world accomplish this result? Would the abandonment of any measures restricting importations into this country effected nominally in the interest of those countries which are our largest debtors redound in the end so much to their advantage as to the advantage of other countries who owe us nothing? It seems to me there is a fundamental fallacy in the affirmative side of that argument. Our principal debtors are Great Britain, France, Italy, and Belgium.

They owe us something between eight and nine billion dollars in loans, and probably between $2,500,000,000 and $3,0000,000,000 for exports. In all of these countries the cost of production and the price of labor is relatively high. To me it seems obvious that duties sufficiently low to invite large importations from these countries would invite even larger importations from the low-cost countries like Japan, and the Orient generally, and South America. Would not an invitation to the world to compete with entire freedom in the American market be in fact accepted by those countries whom we least desire to benefit, with the ultimate result not for the benefit of our late Allies and greatest debtors but in fact in their ultimate discomfiture?

If discrimination in favor of the debtor nations is to be a feature of our future tariff policy, there is one way to my mind by which it can be effectively accomplished, and that is through the medium of separate and reciprocal trade agreements. I can see difficulties in the way of such a policy, but to my mind they are by no means insurmountable. I can conceive that it might be greatly to the benefit of England or France or Italy or Belgium and not greatly to our detriment to permit them certain advantages over other countries in the shipment of certain kinds of goods into our market, in return for which it might be greatly to our benefit and not greatly to their detriment to receive in return certain advantages to American goods in their markets. Under such a policy we would not be giving something for nothing. Such arrangements would be and ought to be to our mutual advantage.

This country has never gone very far in the policy of reciprocity. Such reciprocal trade agreements as we have had with other nations have been of comparatively insignificant scope, and the efforts to bring about reciprocity with Canada,

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so unpopular both here and there, ultimately failed largely because of the ill-judged and in many respects the rather silly treaty that was negotiated for the purpose. The mere fact that the policy of reciprocal trade agreements has not been a success in the past does not necessarily argue that it may not be successfully achieved in the future, particularly under the unprecedented present condition of world affairs. I am not making this suggestion without the backing of high authority. The authority I shall quote from is that of one of America's best beloved Presidents—in his day the greatest living exponent of the protective-tariff principle. In the last speech he ever made, on the very day that he was struck down by the hand of an assassin, the 5th of September, 1901, President McKinley, at the Buffalo Exposition, said:

By sensible trade arrangements which will not interrupt our home production we shall extend the outlets for our increasing surplus, a system which provides a mutual exchange of commodities. A mutual exchange is manifestly essential to the continued and healthful growth of our export trade. We must not repose in fancied security that we can forever sell everything and buy little or nothing. If such a thing were possible, it would not be best for us or for those with whom we deal. We should take from our customers such of their products as we can use without harm to our industries and labor. Reciprocity is the natural outgrowth of our wonderful industrial development under the domestic policy now firmly established. What we produce beyond our domestic consumption must have a vent abroad. The excess must be relieved through a foreign outlet, and we should sell everywhere we can and buy wherever the buying will enlarge our sales and productions, and thereby make a greater demand for home labor.

Those were the words of a statesman, of a far-seeing man, who could project himself into the future, and to my mind they outline the policy which could well be applied to conditions as they exist to-day. The policy then enunciated by President McKinley and that suggested a year ago by President Wilson are as different as white is from black.

McKinley insisted upon the complete preservation of the home market as the prerequisite for the making of any arrangement with any foreign nation under which they might have certain advantages in dealing in our market, and that only under condition that we should have certain advantages in dealing in theirs. President Wilson proposes that we take down the bars against the world in order to enable certain nations of Europe to dispose of $13,000,000,000 worth of goods here.

Against such a policy the American people have recorded themselves, as I interpret the result of the recent election, by an emphatic and tremendous majority. We have received no specific instructions with regard to the adoption of the policy laid down by President McKinley, but I believe it to be in no way inconsistent with the instructions we have received, and that if we shall determine to legislate so far as the tariff is concerned with a view to making the debts of the Allies more easy of collection that it is through reciprocal trade agreements that we can best and most effectively accomplish it.

We are in the midst of abnormal times. We are called upon to legislate under unprecedented conditions. We have become the leading creditor nation of the world, the largest creditor that the world has ever known or even dreamed of, and that must be taken into consideration in the formulation of an American tariff policy and program, but with the full realization of these conditions I adhere rigidly to the belief that there is nothing inconsistent in retaining our home market and at the same time occupying a position of commanding influence in the markets of the world. [Applause.] In fact, I am unable to imagine how we can hope to successfully compete with other nations in the world's market unless we retain a commanding position in our market here at home. I am prepared to go far to help those nations toward financial and industrial rehabilitation who have suffered far more than we as a result of the war, particularly those whose soldiers fought side by side with us for the preservation of Christian civilization, but I insist that it must never be at the sacrifice of the industrial independence of America. [Applause.]

HOSPITAL TREATMENT OF DISEASED ALIEN SEAMEN.

Mr. JOHNSON of Washington rose.

The SPEAKER pro tempore (Mr. MADDEN). For what purpose does the gentleman from Washington rise?

Mr. JOHNSON of Washington. I rise to move to take from the Speaker's table House bill 7930, with Senate amendments, and agree to the Senate amendments.

The SPEAKER pro tempore. The Clerk will report the bill, with the Senate amendments.

The Clerk read the title of the hill, as follows:

A bill (H. R. 7930) to provide for the treatment in hospital of diseased alien seamen.

The Senate amendments were read.

Mr. JOHNSON of Washington. Mr. Speaker, this bill was passed by the House on July 30, 1919. It is a necessary measure, in my opinion, growing out of certain conditions in the Department of Labor connected with the examination of sick sailors, in order that part of the expense of their maintenance shall be borne by the owners of foreign ships coming to these ports bringing the sailors.

Mr. HICKS. Mr. Speaker, will the gentleman yield?

The SPEAKER pro tempore. Does the gentleman from Washington yield to the gentleman from New York?

Mr. JOHNSON of Washington. Yes; but I thought I would make a brief statement first.

Mr. HICKS. I would be glad if the gentleman would make a statement, because I am free to confess that I do not know what is the purpose of this bill and what these amendments do.

Mr. JOHNSON of Washington. I will try to explain them. Let me read the bill. It is a short bill. It was passed, as I said, July 30, 1919. The reading of the amendments by the Clerk did not make it clear. The bill provides—

That alien seamen found on arrival in ports of the United States to be afflicted with any of the disabilities or diseases mentioned in section 35 of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to, and the residence of aliens in, the United States," shall be placed in a hospital designated by the immigration official in charge at the port of arrival and treated, all expenses connected therewith, including burial in the event of death, to be borne by the owner, agent, consignee, or master of the vessel, and not to be deducted from the seamen's wages, and no such vessel shall be granted clearance until such expenses are paid or their payment appropriately guaranteed and the collector of customs so notified by the immigration official in charge.

Now comes the principal Senate amendment:

Alien seamen suspected of being afflicted with any such disability or disease may be removed from the vessel on which they arrive to an immigration station or other appropriate place for such observation as will enable the examining surgeons definitely to determine whether or not they are so afflicted, all expenses connected therewith to be borne in the manner hereinbefore prescribed.

Then the bill continues:

In cases in which it shall appear to the satisfaction of the immigration official in charge that it will not be possible within a reasonable time to effect a cure, the return of the alien seamen shall be enforced on or at the expense of the vessel on which they came, upon such conditions as the Commissioner General of Immigration, with the approval of the Secretary of Labor, shall prescribe, to insure that the aliens shall be properly cared for and protected, and that the spread of contagion shall be guarded against.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. HICKS. Mr. Speaker, will the gentleman yield there?

The SPEAKER pro tempore. Does the gentleman from Washington yield to the gentleman from New York?

Mr. JOHNSON of Washington. Yes.

Mr. HICKS. The bill provides that the aliens shall be returned after a certain time after the disability has arisen and shipped back home. By whom was the expense to be borne before that time?

Mr. JOHNSON of Washington. By the ship that brings the crews. Every man lined up on the ship's papers is part of the crew, and if a man falls sick on the voyage the ship takes care of him, but the laws and the regulations fail to provide that certain of these seamen who become afflicted here shall be cared for at the expense of the shipowners. We have a regulation here that requires an examination by the United States medical officers and setting them aside in case they have certain diseases, contagious or loathsome, and thereupon they are treated on the ship or in our hospitals.

Mr. HICKS. Who pays the expense?

Mr. JOHNSON of Washington. The foreign ships. But in certain cases the alien seaman is permitted to step out on payment of $50. The hearings were held a couple of years ago, and I do not quite recall the details; but at any rate we find that certain alien seamen, afflicted by both contagious and loathsome diseases in the United States, are transferred to the marine hospitals to be treated at the expense of our Government. A year ago when we passed this act, the statement indicated that the saving to the Government of the United States at that time would be from $200,000 annually on up, depending, of course, on the number.

Mr. HICKS. Does this provide that the expense shall be borne as it is now? Does the bill put the expense on the shipowner instead of on the Marine Hospital Service?

Mr. JOHNSON of Washington. This provides that the sick alien seaman shall remain in the charge of the immigration officials and not permitted to step out if they are sick, and if incurable must go back in the vessel on which they shipped.

Mr. HICKS. In other words, they are maintained at the expense of the shipowner until they are given a clean bill of health and discharged?

Mr. JOHNSON of Washington. Yes; discharged from the hospital. That is the whole purpose of the bill. It will result in a saving of money, and will put the sick sailors in charge of the Public Health officials.

Mr. HICKS. Does the gentleman think that this bill will supersede the La Follette Act in regard to certain provisions?

Mr. JOHNSON of Washington. No. This takes care of the health provision, and turns over to the owners of the ships the care of those men that come in. If we care for the sailor who is sick, the owners of the ship will be responsible. That provision is partly in the immigration law now. This perfects it.

Mr. FOCHT. Does that include both foreign ships and American ships?

Mr. JOHNSON of Washington. American ships take care of their sick seamen.

Mr. FOCHT. But under the provisions of this bill both will be included?

Mr. JOHNSON of Washington. No; this bill refers to alien seamen.

Mr. DENISON. I want to ask the gentleman from Washington a question. Did I understand him to say a moment ago that the immigration laws do not now cover members of crews that leave their ships and stay in this country, when they are foreigners?

Mr. JOHNSON of Washington. Not entirely. To make that clear to the gentleman I would have to read from the regulations of the Immigration Service, put out for the guidance of immigration officials in an effort to handle alien sailors and seamen. Rule 10 is headed, "Who are seamen." Subdivision 4 of that rule provides for the medical examination, and that covers a page of regulations, in an effort to determine just how a sick alien sailor or seaman shall be handled, either on his ship or in the immigration station or at the hospital.

Th's is a bill made necessary after an attempt to carry out these things, in order to save the United States anywhere from $200,000 annually on up, according to the number of sick sailors from alien ships. That is all there is to it.

Mr. DENISON. Let me ask one more question while I am on my feet. Does the law which we recently passed repeal any part of the La Follette Act?

Mr. JOHNSON of Washington. No; the La Follette Act was specially exempted.

I yield 10 minutes to the gentleman from California.

Mr. RAKER. Mr. Speaker, the gentleman from Washington [Mr. JOHNSON], in a general way, has given the House the benefit of the investigation of the committee upon this subject. The original bill was reported out unanimously by the Committee on Immigration and Naturalization and passed by the House without a dissenting vote.

The first amendment of the Senate is simply a clerical one. The second is a just one, providing that, notwithstanding the sailor is in hospital, during the time he is there none of his wages shall be deducted by the hospital authorities or the United States.

The second provision is that, notwithstanding the seaman has not left his vessel and has not attempted to enter the United States, nevertheless the immigration officials may go upon the vessel and remove this seaman from the vessel while it remains in United States waters if this seaman is afflicted with a disease that might be spread if he were permitted to enter this country. In both instances, when he comes voluntarily or when he is taken off the ship by the immigration officials, he is removed to a hospital and all of the expenses while he is in that hospital, medical and otherwise, are paid by the ship that brought him to the shores of the United States.

Mr. McDUFFIE. Suppose his illness is the direct result of his own misconduct. Do you mean to say that you can not take any of his wages in part payment for his treatment?

Mr. RAKER. Not if he has a contagious or loathsome disease.

Mr. McDUFFIE. This only applies to that?

Mr. RAKER. Yes.

Mr. McDUFFIE. Suppose a man were to get sick or disabled or hurt as the result of his own carelessness?

Mr. RAKER. This does not apply to that. This applies only to one who has a contagious or loathsome disease. It is not only for his benefit, but for the benefit of the port which the ship has entered; it is a protection to the Government of the United States and it insures his care and attention. It saves the Government from paying the expense and compels the ship that brought him here to pay the expense. This has been practically carried out to some extent, but there is some question between the Department of Labor, of which the Bureau of Immigration is a part, and the shipowners as to whether the burden should all fall on the shipowners. It is provided by this bill, as it should have been originally, that the shipowner must bear all the expenses. The committee are in favor of these amendments, and the bill ought to pass.

Mr. DENISON. Does the gentleman think that provision is fair and just?

Mr. RAKER. Absolutely.

Mr. DENISON. Suppose the sailor leaves the ship for shore leave and contracts the disease here in America?

Mr. RAKER. He can not do that very well.

Mr. DENISON. Why not?

Mr. RAKER. He comes out under his card, and is to be returned to this ship. The only way that he can fail to go back is by desertion, and the question is whether you can find him or not. It might be hard to determine, in the case of a deserter, where the disease was contracted. This provision is not for the deserter. It is for the man who belongs to the crew of the ship, and who is going to sail when the ship sails, and not the man who deserts. So it is clearly, legitimately, and honestly a debt which the steamship company ought to pay, and be compelled in advance to give bond for that purpose.

Mr. DENISON. Suppose a man should leave the ship afterwards, as he would have a perfect right to do under the La Follette law. He would not be a deserter, but he would have a right to leave the ship.

Mr. JOHNSON of Washington. Certainly. He has that right.

Mr. RAKER. He has the right to leave the ship under certain conditions.

Mr. JOHNSON of Washington. But not to desert the ship.

Mr. RAKER. But not to desert the ship, and if he does, and he is found out on shore, he is then deported under the law.

Mr. DENISON. But suppose he is not a deserter?

Mr. RAKER. I think it is nothing more than just. In the case of any sailor who comes to the United States and gets the benefit of the seamen's act and of our immigration law, and contracts one of these diseases, the steamship company whose employee he is shall be responsible, as it ought to be responsible, for his hospital care and attention, and that is the purpose of this bill.

This is a bill in behalf of the United States as well as for the protection of the people. I thank the gentleman and I yield back the balance of my time.

Mr. JOHNSON of Washington. Mr. Speaker, I move the previous question.

The previous question was ordered.

The Senate amendments were agreed to.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4588. An act granting the consent of Congress to the counties of Bowie and Cass, State of Texas, for construction of a bridge across Sulphur River at or near Pettis Bridge on State Highway No. 8, in said counties and State;

S. 4587. An act granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge over the Withlacoochee River; and

S. 4519. An act to authorize the Louisville & Nashville Railroad, its successors and assigns, to construct and maintain a bridge across the Alabama River at or near a point approximately 4 miles from the city of Montgomery, Ala.

The message also announced that the Senate had agreed to the amendment of the House of Representatives to the joint resolution (S. J. Res. 212) directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

SENATE BILLS REFERRED.

Under clause 2 of Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4588. An act granting the consent of Congress to the counties of Bowie and Cass, State of Texas, for construction of a bridge across Sulphur River at or near Pettis Bridge on State Highway No. 8, in said counties and State; to the Committee on Interstate and Foreign Commerce.

S. 4541. An act to extend the time for the construction of a bridge across the Susquehanna River at Harrisburg, Pa.; to the Committee on Interstate and Foreign Commerce.

S. 4587. An act granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge over the Withlacoochee River; to the Committee on Interstate and Foreign Commerce.

OPPORTUNITIES TO ACQUIRE RURAL HOMES.

Mr. FESS. Mr. Speaker, I present a privileged resolution from the Committee on Rules.

The Clerk read as follows:

House resolution 544.

Resolved, That immediately upon the adoption of this resolution the House shall resolve itself into the Committee of the Whole House on the state of the Union for the consideration of S. 3477, a bill "to increase, without expenditure of Federal funds, the opportunities of the people to acquire rural homes, and for other purposes." There shall be one hour and a half of general debate, one-half to be controlled by the chairman of the Committee on Irrigation of Arid Lands and one-half to be controlled by the ranking minority member of that committee. At the conclusion of general debate the bill shall be read for amendment under the five-minute rule, whereupon the bill shall be reported to the House with amendments, if any, and the previous question shall be considered as ordered on the bill and all amendments to final passage without intervening motion, except one motion to recommit.

Mr. FESS. Mr. Speaker, I would like to ask the gentleman from Tennessee [Mr. GARRETT] whether he wants any time on the rule?

Mr. GARRETT. I would like a little time on the rule. Would it be agreeable to the gentleman from Ohio to let us have not exceeding 30 minutes on this side? If we do not use it, we will yield it back.

Mr. FESS. We had hoped to get through with less than that time.

Mr. GARRETT. The discussion, I apprehend, will be devoted to the bill and not to the resolution. There is no objection to the form of the resolution, but I should be very glad if the gentleman would agree to let us have 30 minutes.

Mr. FESS. The rule provides for an hour and a half debate.

Mr. GARRETT. Yes; but we would like to have 30 minutes on this side on the rule.

Mr. FESS. Would it be agreeable to the gentleman to reduce the time for general debate?

Mr. GARRETT. I do not feel authorized to agree to that. This was agreed to in the Committee on Rules and I would hardly like to take the responsibility.

Mr. FESS. Very well; we will agree to 30 minutes.

Mr. GARRETT. Mr. Speaker, if the gentleman will permit me for a moment before he begins, this is really an important and far-reaching matter, if I interpret it correctly, and I feel like the Members of the House ought to hear the discussion of it. I therefore make the point that no quorum is present.

The SPEAKER. The gentleman from Tennessee makes the point that no quorum is present. Evidently there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The Doorkeeper was directed to close the doors, the Sergeant at Arms to notify the absentees, and the Clerk to call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Fish	Kettner	Riordan
Anderson	Fisher	King	Robinson, N. C
Andrews, Md.	Foster	Kitchin	Romjue
Anthony	Frear	Kleczka	Rouse
Babka	Freeman	Lampert	Rowan
Baer	Fuller, Mass.	Langley	Rowe
Benson	Gallivan	Lee, Ga	Rubey
Blackmon	Gandy	Lonergan	Rucker
Bland, Ind.	Ganly	Lufkin	Sabath
Booher	Godwin, N. C.	Luhring	Sanders, Ind.
Brand	Goldfogle	McArthur	Sanders, La.
Britten	Goodall	McClintic	Sanford
Burdick	Goodwin, Ark.	McCulloch	Scully
Burke	Gould	McGlennon	Sherwood
Caldwell	Graham, Pa.	McKiniry	Siegel
Campbell, Kans.	Greene, Vt.	McKinley	Sisson
Candler	Gricst	McLane.	Slemp
Carew	Hamill	McPherson	Smith, Ill.
Casey	Hamilton	MacCrate	Smith, N. Y.
Christopherson	Hardy, Tex.	Maher	Steele
Copley	Haugen	Mann, S. C.	Stephens, Miss.
Costello	Hawley	Mansfield	Stevenson
Crago	Hill	Mason	Stiness
Crisp	Hoey	Mead	Sullivan
Currie, Mich.	Howard	Moon	Tague
Dallinger	Hulings	Mooney	Tinkham
Darrow	Hull, Tenn.	Morin	Vare
Davey	Husted	Mott	Venable
Dempsey	Igoe	Mudd	Voigt
Dent	Ireland	Neely	Walsh
Dewalt	James, Mich.	Nelson, Wis.	Walters
Dominick	James, Va.	O'Connell	Wason
Donovan	Johnson, Ky.	Oliver	Welling
Dooling	Johnson, S. Dak.	Pell	Whaley
Doremus	Johnston, N. Y.	Peters	White, Me.
Drane	Jones, Pa.	Porter	Williams
Drewry	Kearns	Radcliffe	Wilson, Ill.
Dyer	Keller	Rainey, Ala.	Wilson, Pa.
Edmonds	Kelley, Mich.	Rainey, Henry T.	Wise
Ellsworth	Kendall	Rainey, John W.	Wood, Ind.
Ferris	Kennedy, Iowa	Randall, Wis.	Wright
Fields	Kennedy, R. I.	Reed, N. Y.	

The SPEAKER pro tempore (Mr. MADDEN). On this vote 264 Members have answered to their names, a quorum.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

Mr. FESS. Mr. Speaker, I offer the following amendment which I send to the desk, to have pending.

The Clerk read as follows:

Amendment by Mr. FESS: After the word "Resolution" strike out the words "the House shall" and insert "it shall be in order to move that the House."

Mr. FESS. Mr. Speaker, I ask unanimous consent that debate upon the rule be limited to one hour, one-half of that time to be controlled by the gentleman from Tennessee [Mr. GARRETT] and one-half by myself, and that at the end of that time the previous question be considered as ordered on both the rule and the amendment.

The SPEAKER pro tempore. The gentleman from Ohio asks unanimous consent that debate upon the rule be limited to one hour, one-half to be controlled by the gentleman from Tennessee [Mr. GARRETT] and one-half by himself, and that at the end of that time the previous question be considered as ordered on both the rule and the amendment. Is there objection?

There was no objection.

PRINTING OF TARIFF STATISTICS, ETC.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent for the present consideration of three resolutions, providing for the printing of matter for the use of the Ways and Means Committee, being the printing of hearings, some statistics, and a summary of statistics.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent to have considered at this time three resolutions referred to. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, may I ask the gentleman whether or not in this summary of statistics there are to be printed the figures on the number of millions of pounds of frozen beef that are being sent to the United States every year from foreign countries, and the number of millions of pounds of hides sent in every year, duty free?

Mr. FORDNEY. This summary of statistics will show all imports and exports, and the values and the countries whence they come.

Mr. BLANTON. And the oil cake.

Mr. FORDNEY. I think that is all in the summary.

Mr. BLANTON. That competes with our southern farmers.

Mr. FORDNEY. I think it is there; yes—something in which the gentleman will be very much interested.

The SPEAKER pro tempore. Is there objection to the present consideration of the resolutions?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the first resolution.

The Clerk read as follows:

House concurrent resolution 68, to print summary of tariff information, 1920, as a House document, with 7,500 additional copies.

Resolved by the Senate (the House of Representatives concurring), That the summary of tariff information, 1920, prepared for the use of the Ways and Means Committee, be printed as a House document, and that 7,500 additional copies be printed, of which 4,000 shall be for the use of the House, 2,000 for the Senate, 1,000 for the Committee on Ways and Means of the House, and 500 for the Committee on Finance of the Senate.

Mr. MANN of Illinois. Mr. Speaker, I suggest to the gentleman that it is not proper for the House to pass a resolution reading, "*Resolved by the Senate (the House of Representatives concurring).*" It should be "*Resolved by the House of Representatives (the Senate concurring).*"

Mr. FORDNEY. That is evidently a clerical error, and I ask unanimous consent that that change be made.

The SPEAKER pro tempore. Is there objection to the Clerk making the change suggested?

There was no objection.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER pro tempore. The Clerk will report the next resolution.

The Clerk read as follows:

House resolution 624, to authorize the Committee on Ways and Means to have printed 2,500 copies each of its hearings.

Resolved, That the Committee on Ways and Means is hereby empowered to procure the printing of 2,500 copies each of its hearings for the use of the said committee, and the usual number of copies shall not be printed in addition thereto.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

Mr. RAKER. Mr. Speaker, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. RAKER. In preparing these copies of hearings for the Committee on Ways and Means, has the committee determined to send a copy to each Member of the House as printed?

Mr. FORDNEY. Yes; every day that the print comes out we will send a copy to every Member of the House.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

The SPEAKER pro tempore. The Clerk will report the next resolution.

The Clerk read as follows:

House concurrent resolution 69, to print statistics of imports and duties, 1908 to 1918, inclusive, as a House document, with 4,250 additional copies.

Resolved by the House of Representatives (the Senate concurring), That statistics of imports and duties from 1908 to 1918, inclusive, prepared for the use of the Committee on Ways and Means, be printed as a House document, and that 4,250 additional copies be printed, of which 2,500 shall be for the use of the House, 1,000 for the Senate, 500 for the Committee on Ways and Means of the House, and 250 for the Committee on Finance of the Senate.

The SPEAKER pro tempore. The question is on agreeing to the resolution.

The resolution was agreed to.

OPPORTUNITIES TO ACQUIRE RURAL HOMES.

Mr. FESS. Mr. Speaker, toward the close of the last session Senate bill 3477 was presented to the Committee on Rules, to be made in order for immediate consideration. The Rules Committee acted upon it, but in the pressure of public business at the close of the session the House could not take it up. It is now presented for immediate consideration. That is all the rule does.

This is a reclamation measure, and we have thought that reclamation is one of the commanding interests of the country. I think everybody must have been impressed with the general drift away from the rural life into the urban life, and it has been one of the problems of the Nation to know how to enlarge upon the productive area in order to supply the foodstuffs that a constantly increasing consuming public will demand. I have thought frequently that that would be our greatest problem, that while consumption is bound to grow by leaps and bounds production can only grow either by an increase of acreage or an increase of production to the acre, through intensive cultivation.

Mr. BEGG. Mr. Speaker, will the gentleman yield?

Mr. FESS. In a moment. The time will come when the increase in acreage will be at an end. It is not now, because millions of acres are lying in a useless state, either because of lack of drainage that would make them cultivatable or else because of the lack of water on large areas of arid land, which through irrigation could be made to blossom as the rose. It seems to me one of the biggest problems before the country to-day is to know how to increase the tillable acreage. Usually these propositions carry with them an immense appropriation and for that reason are always resisted, a good many times unwisely.

Here is a proposition that carries no expenditure whatever from the Federal Government, and it is no more than to put at the disposal the trained engineers already in the employ of the Government to go over this land and make a report as to whether they are hopeless waste or whether the possibility is such that they can be made to be cultivated, and for that reason as well as the general proposition that irrigation where it is feasible is justifiable. For the reason that there is no cost to the Federal Government, I do not hesitate to report the resolution. Now I will yield to my friend from Ohio.

Mr. BEGG. I should like to ask the gentleman, if he will permit, two or three questions. In the first place, am I correct in assuming that this is an investigation or rather a development of private property absolutely?

Mr. FESS. In a way it would be so regarded, but we are justified in it because of the great demand for the increase of the cultivated area, and if we could stimulate it without expense to the Government it would be a function that I think the Government would be justified in undertaking.

Mr. BEGG. It is a development of private property regardless of whether justified or not, is it not?

Mr. FESS. I am of the opinion——

Mr. SINNOTT. Will the gentleman yield there?

Mr. BEGG. I would rather have the gentleman from Ohio answer without interruption.

Mr. SINNOTT. If the gentleman will yield.

Mr. BEGG. I would rather not——

Mr. SINNOTT. It is not a development of private property for the benefit of the owner of the private property. His surplus land above the farm unit must be disposed of and sold at a price fixed by the Secretary of the Interior.

Mr. BEGG. In view of the statement of the gentleman I would like to ask another question. If that is the fact, and he is not to receive any benefit financially from these investigations and the development process, why not turn over this land to the Government and let it be developed as a Government proposition? As I read the last part of the bill it says that it shall be sold at the actual cost of the land and development thereof plus a definite reasonable profit to the owner. Now, I do not see any argument, as far as I am concerned, for developing private property at Government expense. There is no provision in there to pay these engineers and if we have more engineers in the Department of the Interior than we can find work for, why not discharge them? Now, there is no provision to pay them their salary, and after the project is developed it is to be sold at a price and the owners get the profit. Now, we are shy on oil in this country and gasoline. If I have a big tract of land why is not the Government justified in going out and experimenting for oil as well as in developing wild, arid land?

Mr. FESS. I recognize the strength of the observation made by my colleague, but he draws a conclusion from an erroneous premise in that he assumes the money is supplied by the Government. The money must be advanced by the persons whose interests are thus to be enhanced and the Government can not be at any loss whatever——

Mr. BEGG. Will the gentleman yield right there?

Mr. FESS (continuing). In the utilization of the expert engineers.

Mr. BEGG. Will the gentleman yield for a definite question?

Mr. FESS. I will be glad to yield.

Mr. BEGG. Is it implied by this act that the private individual will pay the salaries and transportation of governmental engineers?

Mr. FESS. I so understand.

Mr. BEGG. Well, it does not say so, if the gentleman will read it.

Mr. FESS. Well, I so understand. Mr. Speaker, I reserve the remainder of my time.

Mr. GARRETT. Mr. Speaker, I should be very glad if I could have the attention of Members for a few moments upon this very important bill. I very much hope that this rule will be defeated, because I do not think the bill should be considered; but, if the rule shall prevail and the bill is considered, I hope that it will be defeated. I can hardly believe that if this House comes to a full understanding of what is involved in this measure that it will knowingly consent to breathe the breath of life into the principle which runs through it. I want to read a little from the report of the committee. The report says, "The bill is unique among reclamation measures," and that is true. The report says, "It is unique in the fact that it calls for no money from the Treasury." If that were correct, which it is not, it would not be the only reason in which it is unique. So far as I know the Congress has never committed itself at any time to a proposition that one of the governmental agencies shall enter into the improvement of private property solely for the purpose of private gain to the owner of that property, and that is all that this measure is, Mr. Speaker, and so it is unique in that. This measure might be more properly entitled a bill "to make the Secretary of the Interior a real estate agent." It is idle to say that this proposition is not going to cost the Government anything. Do you tell me that it is proposed to use the engineer force of the Government, men officially employed by the Government, to make these investigations and to have them paid by private funds? If that be the case, is that a sound principle of government? These investigations will be made by engineers who will be upon the rolls of the Department of the Interior. Is it sound government to have them paid by private interests while doing work provided for under the law of the Congress? I can not think so.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. GARRETT. I will yield?

Mr. GRAHAM of Illinois. Then, following that, to give their official sanction as engineers in the employ of the Government to some real estate project that these landowners may have to advance?

Mr. GARRETT. Absolutely, and that is the inevitable result of this bill and purpose of it.

Mr. BLANTON. Will the gentleman yield?

Mr. GARRETT. I will yield to the gentleman from Texas.

Mr. BLANTON. We now have agricultural experiment agents going over the country teaching farmers' wives how to make

cottage cheese; we have others showing them how to cultivate and harvest the best kind of agricultural products. This is merely an extension of that program.

Mr. GARRETT. Oh, the gentleman, I think, has confused two matters that are not related. At any rate, those gentlemen are paid out of the Federal Treasury.

I do not know what interests were responsible for the presentation of this measure. I do not, of course, mean to imply that there was anything sinister in the minds of those who were responsible for it, but I do not hesitate to say that it is one of the most open, bold efforts to secure governmental aid in the boosting of the price and the value of private property that I have witnessed since I have been a Member of the House of Representatives.

Mr. KINKAID. Will the gentleman from Tennessee yield to just a suggestion?

Mr. GARRETT. Certainly.

Mr. KINKAID. The able ex-Secretary of the Interior, Mr. Lane, states in the report that he makes that by going through this process the large profits made by private landowners and private land speculators will be prevented, implying that they have sold at a profit too great heretofore, and thus making it impossible for persons of limited means to buy their homes, so that he will limit the profit made by the landowner to a reasonable profit and thus enable persons of limited means to secure homes. It is to cut down profits rather than to foster profits.

Mr. GARRETT. Does the gentleman from Nebraska share in that opinion?

Mr. KINKAID. Decidedly.

Mr. GARRETT. I should like to ask the gentleman from Nebraska how you are going to interfere with the profits of the individual unless he goes into this scheme?

Mr. KINKAID. Because he makes a contract before the beginning of the investigation to abide by the decision of the Secretary of the Interior and puts up the money in advance for the making of the investigation, so that he is bound by a contract to abide by the decision of the Secretary of the Interior in the administration of that law.

Mr. GARRETT. Oh, certainly, if he enters into a contract. But the gentleman knows very well that a man is not going to enter into this proposition unless he believes at the time he enters into it that it is to be profitable to him. That is human nature, and I do not blame the man, and I do not say that by way of criticism.

Mr. KINKAID. Pardon me, but most of the land to be reclaimed will consist of small farms, which the farmers will want to retain and not sell at all, most of them. In the case of large tracts the surplus will be secured under the clause we have referred to. There are 400,000 acres of my district that they have talked about bringing in under this bill—just tentatively—since the bill was up, and I had nothing to do with originating it at all. There will be no large tracts in it, but they will want to irrigate for the purpose of doubling the yield per acre and retain the land.

Mr. GARRETT. If the gentleman will pardon me, he is speaking about a thing that is in his mind, and I am speaking of actual possibilities under this bill and of the principle that is involved in it, which, in my opinion, is violative of sound governmental practices, namely, the use of the Government's credit by private individuals, and the use of the Government's money, in a measure, because it is idle to say that this thing is not going to cost the Government anything; it is bound to cost the Government something. It is wrong to use the Government's money, and to use the Government's credit, and to use the Government's prestige for private profit.

Mr. BUTLER. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. BUTLER. I thank you very much for yielding. I am endeavoring to learn what is the purpose of this bill, and I will thank you if you will enlighten me. It seems to me to authorize the Government to help a man sell land that is of no use to him.

Mr. GARRETT. I do not know whether that accurately describes it or not. I am not a member of the legislative committee before which this bill came, but it came before the Committee on Rules, and what I have learned about it I learned in the Committee on Rules when a rule was sought by the proponents of this bill before that committee. What was stated there was the plan immediately in the mind of the landowners in some sections of the country, including the arid sections of the West, and it was also suggested that in sections of the South drainage propositions might be promoted. It was the purpose to bring about an organization of the private landowners, and that organization would turn over to the Secretary of the Interior their lands under an agreement that parts of them should be sold at a certain price after they were reclaimed, the sale price including all profits, of course, to go to the owners. Thereupon the lands would be investigated by the engineers, who would be Government officials, and the Government's sanction and the Government's advertising, so to speak, would be placed behind the lands when they were thrown upon the market.

Mr. BUTLER. Then is not my conception about right in the light of what the gentleman has said? This land is of no use to the owners, and the Government steps in and improves it, so that the owners can get rid of it.

Mr. HUSTED. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. HUSTED. Is this land to be sold by the owner or by the Secretary of the Interior on account of the owner? If it is to be sold by the owner, it is palpably clear that the Secretary of the Interior could not control either the price or the profits, because there are a dozen ways in which the owner could avoid it.

Mr. GARRETT. It is provided that the landowner at the time of placing his land under the control of the Secretary of the Interior shall agree to the price at which the part he is willing to sell is to be sold after it is reclaimed, and that, I suppose, would be binding upon him.

Mr. BEE. Mr. Speaker, will the gentleman yield for a question?

Mr. GARRETT. Certainly.

Mr. BEE. The owner having entered into a contract with the Secretary of the Interior, subsequently, for some reason of his own, or for no reason, decides not to go on with the contract. Does the Government have to bring suit against the Secretary of the Interior to enforce the contract?

Mr. GARRETT. This bill makes no provision to cover such a contingency.

Mr. BEE. What would be the result then?

Mr. GARRETT. The result would be endless confusion and endless litigation, in my opinion.

Mr. BANKHEAD. Mr. Speaker, will the gentleman yield for a question?

Mr. GARRETT. Certainly.

Mr. BANKHEAD. From the standpoint of the contention that it will not increase the cost to the Government, I assume that the Reclamation Service is provided at the present time with only such engineers and officers as they actually need for the performance of their duty. Would not this bill enormously increase the demand for the service of those men?

Mr. GARRETT. I should think so. The advocates of the bill, however, insist that the salaries of these additional engineers will be paid out of the private fund raised by the landowners. That is their answer. I say that in fairness to them. In response to the suggestion of the gentleman from Alabama, I say that, in my opinion, that is extremely objectionable. We do not want men on the Government pay roll doing work directed by an act of Congress who are paid by private individuals or interests, no matter who or what they may be.

Mr. BANKHEAD. If that were not done, necessarily it would involve an additional expenditure.

Mr. GARRETT. Certainly.

Mr. BUCHANAN. Mr. Speaker, will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Texas.

Mr. BUCHANAN. Will the gentleman yield for a question?

Mr. GARRETT. I yield to the gentleman from Texas.

Mr. BUCHANAN. Under the provisions of this bill the money is to be paid into the Treasury to cover this extra expense. Will not that inevitably impose extra work upon the Treasury Department?

Mr. GARRETT. It is expressly provided that the money shall be paid out only by an authorized fiscal officer of the Government. Of course, it would impose extra work upon the Treasury Department.

Mr. CLARK of Florida. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Florida.

Mr. CLARK of Florida. I want to call the attention of the gentleman to the beginning of section 4—

that every contract for development of a project shall provide, among other things, that the developed farms, tracts, and parcels less a farm or home unit reserved to the owner, shall be sold to persons who desire to occupy the same as homes,

Who is to determine what that home unit shall be, whether 40 acres or 160 acres or what?

Mr. GARRETT. That is not provided in the bill, and there is where the possibility of very great injustice to the Government arises, because there is no one to determine what shall be a

proper unit, and the owner might say that he wanted all of his land back as a proper unit after it had been improved by the Government.

Mr. CLARK of Florida. In other words, he might get 1,000 acres improved and then say he needed that much as a home unit?

Mr. GARRETT. Yes.

Mr. CARAWAY. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Arkansas.

Mr. CARAWAY. If he should fail to sell, or if the price set is more than the land will bring, what is to become of it?

Mr. GARRETT. There is absolutely no provision in the bill for determining that question in any way whatever.

Mr. HUDDLESTON. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Alabama.

Mr. HUDDLESTON. Will the gentleman tell us what constitutional warrant there is for this kind of legislation?

Mr. GARRETT. I do not think there is any. But it has become rather academic, perhaps one might almost say obsolete, to raise constitutional questions.

Mr. HUDDLESTON. It would seem that the Constitution not only has no friends in the House but no acquaintances either. [Laughter.]

Mr. HICKS. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from New York.

Mr. HICKS. The gentleman from Florida [Mr. CLARK] rather anticipated my question. Do I understand that the Secretary of the Interior is to be the sole judge of the amount of land which is in excess of the needs of the owner?

Mr. GARRETT. This bill does not define it. There is no authority provided here with the power to declare what shall be a farm or home unit.

Mr. HICKS. It would seem to me that if a man had his farm irrigated he would claim that there was no excess land; he would want all of it, unless he wanted to sell it as a land speculation for a profit.

Mr. GARRETT. That would seem to be a very reasonable conclusion to draw.

Mr. SMITH of Idaho. I call the attention of the gentleman to page 2, lines 3, 4, and 5, in which reference is made to "farms" and "tracts" to be retained, of "suitable size."

Mr. HICKS. What is a suitable size?

Mr. SMITH of Idaho. It might be 160 acres or it might be 500 acres. It would depend on the location and character of the land and the purpose for which it was to be used.

Mr. WINGO. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Arkansas.

Mr. WINGO. I have an indistinct recollection that there is a criminal statute that prohibits governmental employees receiving compensation from private citizens. This bill does not either directly or by implication repeal that statute. How are they going to use these engineers? They would possibly be sent to the penitentiary if they were used. Is it not necessary to have an amendment to the bill?

Mr. GARRETT. I should think so if the gentleman is correct as to the law, and it is my impression that he is correct, and that is a question which I am very glad the gentleman has raised.

Mr. WINGO. That is a very beautiful proposition to go into. I do not want a little thing like that to mar the harmony of the operation of this law.

Mr. GARRETT. Mr. Speaker, I reserve the remainder of my time.

Mr. BUTLER. Before the gentleman yields the floor I want to apologize for having asked him the question I did, because I find the purpose of the bill explained on page 3 of the report:

> In financing it they will enjoy the benefit of the fact that able and disinterested engineers, economists, and administrators, representing the Reclamation Service, the greatest engineering organization in the world with 17 years' experience in the reclamation of arid lands, has approved the project. The financing may be accomplished under either a public or a private corporation. In either case, it will be done in accordance with State laws. In no case does the Government assume any responsibility beyond the exercise of its powers of supervision and direction.

In other words, they will indorse the thing, so that other people may come in and make the purchase.

Mr. GARRETT. Mr. Speaker, I reserve the remainder of my time. How much time have I used.

The SPEAKER. The gentleman has used 20 minutes.

Mr. FESS. Mr. Speaker, I yield five minutes to the gentleman from Nebraska [Mr. KINKAID], the chairman of the committee.

Mr. KINKAID. Mr. Speaker, the bill comes here from the Senate. It was referred to the House Committee on Irrigation of Arid Lands. It was carefully considered and unanimously reported. Every member of the Committee on Irrigation of Arid Lands supported the motion to report it with the recommendation that it do pass, as I remember.

Previous to the passage of the general reclamation law irrigation under private enterprise failed in a large measure. Why? Because the engineers employed in many cases were inexperienced. These projects were bonded. The bonds were sold in the market, but because the work of the engineers on some of the projects had been inaccurate and that in some cases the propositions were not feasible, the bonds became worthless. Thus irrigation by private enterprise became discredited and the bonds issued unsalable.

Now, the Government under the reclamation act passed in 1902 has been irrigating public lands and thereby providing homes for homesteaders. Over $100,000,000 has been raised from the sale of public lands and $20,000,000 of bonds authorized to defray the cost. In fact, $150,000,000 has been invested because the fund is a revolving fund and it can be invested over and over again as paid back by water users.

These projects are paying back the money invested, and some of them raise crops of greater value each year than the project cost. For instance, the Salt River project, Arizona, raises two and one-half times as much annually as the project cost, and besides, the power developed incidentally by the irrigation will pay for the cost of the project.

The crop reports of the Secretary of the Interior for this year show a gross value of crops raised on 1,114,000 acres of $89,000,000, an average of nearly $80 per acre, including all the poor crops with the better crops, the work of the unskilled irrigator with that of the experienced irrigator. Taking quite a number of the better projects and omitting the poorer ones, an average of $100 per acre in crops for 1919 is ascertained. The Salt River project, to which I have just referred, averaged $126.27 per acre. The Yuma project, connecting Arizona and California, averaged $134 per acre. The Okanogan project in Washington reached the phenomenal production of $367.23 an acre, according to the report of the Secretary of the Interior, and I apprehend the crop consisted largely of apples, as they raise in that region some of the finest apples produced in the world. Accordingly, the reclamation of arid lands by the Government has been the most profitable internal improvement scheme our country has ever known. Our remaining public lands are nearly or soon will be exhausted. The Government and taxpayers are so encumbered and burdened by a great bonded war indebtedness that appropriations from the Treasury can not be spared to supplement the inadequate reclamation fund derivable from the sale of public lands.

Here are the people with lands of their own who are ready to irrigate their holdings at their own expense. The bill provides that the Government shall not expend one dollar, but the owner of the land is required to pay in advance into the United States Treasury for the irrigation afforded him. Will the Government, which has been paternalistic more or less under the reclamation act of 1902, help private landowners to irrigate at their own expense? Will the Congress permit them to increase the production of the country in foodstuffs so much needed at their own expense, letting them have nothing more than the service of the skilled engineers of the Reclamation Bureau?

Will not the Congress help the people to help themselves at their own expense? Some gentlemen oppose this bill because they say it is paternalistic, in face of the fact that the owner of the land pays all the cost in advance, yet make no criticism of the general reclamation law which requires all the money expended to be furnished by the Government and the water users pay back in installments covering a period of 20 years, without interest. I regard the reclamation law of 1902 as very beneficent and justified by a sound public policy. What the pending bill asks of the Government is insignificant as compared with the liberal provisions of the act of 1902. I respectfully challenge the logic and consistency of that attitude. The engineers in the Reclamation Service have become skillful, accurate, and reliable, so that projects taken up under this bill with these experienced engineers would be feasible and safe and the bonds issued to pay the cost would be marketable. The bonds of the irrigation districts formed under State laws would sell in the market because the people would know that the engineering done was reliable. [Applause.]

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. KINKAID. Certainly.

Mr. JOHNSON of Mississippi. What has become of the Mondell-Lane bill?

Mr. KINKAID. That was reported out by the Committee on Public Lands and is now on the proper calendar, I believe.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. GARRETT. Mr. Speaker, I yield the remainder of my time to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Speaker and gentlemen of the House, at the last session of the Congress, in the closing hours, I objected to the consideration of this bill under unanimous consent, and I did it for this reason: There has been no section of the United States which amounts to any great deal which has been developed by the Government at the expense of the private individual. We have now face to face with us the proposition that there are private lands, bought at a song, or I suppose at a very cheap price, which the Government is asked to go upon and develop in the way of furnishing engineers. It is said that the Government is not to pay the engineers, but the bill provides that it is. I want to cite the advocates and friends of this bill to this fact.

Mr. SMITH of Idaho. Mr. Speaker, will the gentleman yield?

Mr. BEGG. I can not yield. The great State of Illinois, one of the richest agricultural countries in the United States, has been developed and drained by private initiative, and at one time it was as hopeless a proposition from an agricultural standpoint as any other part of the country, simply because of water. We have thousands of acres in Ohio that are not in agricultural use, and the advocates of this bill come up and say they want the Government to contract, and they will pay the bill to pull the stumps off it. That kind of a proposition is an insult to every man who lived 50 years ago or less than 50 years ago. I myself have helped clean many an acre of stumps in order that it might be planted to agricultural products. This kind of proposition is purely socialistic. It is the most radical departure from a proper governmental function that was founded on republicanism that we have ever had to face in this House.

It is paternalistic, and if we continue with a few more propositions such as we have been considering during the past two or three days, it will not be long before some fellow will be in here advocating a bill to furnish everybody in the United States with a meal ticket and have it charged to the Treasury of the United States. I want to say to you people here in Congress, and I say it to you seriously, that the United States never developed from the raw country that she was, from the day of the wax candle and the tallow dip down to the electric light, by doing for the citizen what he ought to do for himself. We have run wild in asking the Government to do this, to do that, and to do the other thing.

I want to read the last part of this bill. It is said that it is not to cost the Government anything; that it is to be developed and then to be sold; to be sold at a profit, and that profit is to be paid to the owner. The bill provides as follows:

> All contracts for the purchase of farms and parcels shall be made for, and the moneys due thereunder shall be payable to, the owner or owners of the land or their assigns.

Why, my good friends, there is not a bit of difference between that proposition and such a one as this: Let us say that I own some land down in Kentucky or in Ohio which is supposed to be underlined with coal mines. It will cost money to develop them. But the idea under consideration now is that I should come in here with a bill and ask the Government of the United States to send its geological engineers down there to develop that coal land and, if they found coal, to sell it, but to give me the contract and pay all of the moneys to me.

I want to ask the Republican side of this House, Where have you been going in the past few days? You passed a bill a day or two ago to do one thing and now propose to bring up one to-morrow turning around and offsetting the first one, and in between you come and ask that the Government go out West and develop agricultural lands and give the proceeds of the sale to the man who owns the land, who bought it in its crude state, who did not put a dollar of effort or money into it, and who yet asks for the profit on the sale of it after the Government has spent its money in the development of it and sent its engineers there and paid their salaries. I say to you that there never was a ranker Republican proposition presented to Congress. [Applause.]

Mr. FESS. Mr. Speaker, I yield the remainder of my time to the gentleman from Wyoming [Mr. MONDELL].

The SPEAKER pro tempore. The gentleman from Wyoming is recognized for six minutes.

Mr. MONDELL. Mr. Speaker, notwithstanding the views that certain very estimable gentlemen hold, conditions change and the world do move. I think we all admit, as suggested by the gentleman from Ohio [Mr. FESS] that one of the greatest problems before this people, one of the greatest problems before the people of every nation in the world in time to come, will be that of encouraging a return to the lands, an increase of farm homes and farm life, an increase of farm production. We are feeling the need of it in America to-day, when our population is constantly drifting to the cities, to the bright lights, and away from the land and the good sound homely influences that flow from it. There have been a great many suggestions as to the way in which the Federal Government may properly encourage the tendency back to the farm, may properly encourage the development of areas that now lie unused, many of them not far from the great centers of population. A great many have suggested that the Federal Government shall loan great sums of money for this purpose. I do not know but that the time may come, I think it may come, when we may undertake in the balance of the country to a certain extent what we are doing now under the reclamation law in the West. This bill proposes an encouragement of land development without expense to the Federal Government. The gentleman from Tennessee [Mr. GARRETT] says that it is a departure from our past policy. We have for many years been furnishing Government engineers, who were paid by private funds. Every land-grant railroad in the West is having its land surveyed with funds it advances by Government engineers. Every man who has patented mineral land from the beginning of our public patenting of those lands has had his land surveyed by a public official and his claim carried to patent on money which he advanced to the officials of the Land Office to have the work done. Every day of the year the officers of the Geological Survey are executing topographic and geological surveys in cooperation with municipalities, corporations, counties, States, they advancing the money, and the work being done by engineers of the Government and under Government regulation.

Mr. MOORE of Virginia. May I interrupt the gentleman?

Mr. MONDELL. I have only five minutes. This is a proposal to lend that same encouragement to general land development that we have been lending in these other lines. Before a Government engineer can be employed on any project there must have been a contract made with the Secretary of the Interior, the necessary money must have been advanced and must be in the Treasury, whereupon the Government would take charge of the development.

I am willing to admit, for the sake of argument, that there is a possibility, a bare possibility, of some scandal under a policy like that proposed. You can not embark on anything worth while without the possibility of occurrences that might be regrettable. But if we are to be deterred from undertaking a worthy work for fear that it will not always be carried on in the best possible way, then we shall do nothing, we shall make no advance, we shall assume the position that gentlemen have taken, that we are still in the day of the ox team in America; that we are still in the day when we have more land than we need or can use. The plan proposed may be open to some objections, the bill may need amendment, but the interests involved are so important, the work proposed so imperative, that the questions involved should at least have the careful consideration of Congress.

The SPEAKER pro tempore. The time of the gentleman has expired; all time has expired. The previous question has been ordered, and the vote will be upon the amendment.

The question was taken, and the amendment was agreed to.

The SPEAKER pro tempore. The question is on the resolution as amended.

Mr. GARRETT. Mr. Speaker, I ask for the yeas and nays on the adoption of the resolution.

The yeas and nays were ordered.

The question was taken; and there were—yeas 141, nays 113, not voting 177, as follows:

YEAS—141.

Andrews, Nebr.	Eagan	Hernandez	McKenzie
Ayres	Elston	Hersman	McKeown
Barbour	Emerson	Hickey	McLaughlin, Mich.
Benham	Esch	Hicks	McLaughlin, Nebr.
Blanton	Evans, Mont.	Hoch	McLeod
Brooks, Ill.	Evans, Nebr.	Houghton	Magee
Brooks, Pa.	Evans, Nev.	Hudspeth	Major
Browne	Fess	Hull, Iowa	Mann, Ill.
Campbell, Kans.	Focht	Ireland	Martin
Campbell, Pa.	French	Johnson, S. Dak.	Mays
Carss	Fuller, Ill.	Johnson, Wash.	Merritt
Carter	Glynn	Juul	Miller
Chindblom	Good	Kelly, Pa.	Monahan, Wis.
Classon	Graham, Pa.	Kiess	Mondell
Clearv	Green, Iowa	Kinkaid	Moore, Ohio
Cole	Greene, Mass.	Knutson	Moores, Ind.
Cooper	Greene, Vt.	Kreider	Newton, Mo.
Crago	Griest	Langley	Osborne
Cullen	Griffin	Lazaro	Patterson
Curry, Calif.	Hadley	Lea, Calif.	Perlman
Dale	Hardy, Colo.	Lehlbach	Porter
Davis, Minn.	Hastings	Luce	Purnell
Dickinson, Iowa	Hayden	Lubring	Raker
Dowell	Hays	McClintic	Ramsey

Ramseyer	Sherwood	Summers, Wash.	Ward
Randall, Calif.	Shreve	Swindall	Webster
Ransley	Sinclair	Swope	Welling
Reavis	Sinnott	Taylor, Colo.	Wilson, Ill.
Reed, W. Va.	Smith, Idaho	Taylor, Tenn.	Winslow
Rhodes	Smith, Mich.	Temple	Wood, Ind.
Riddick	Snell	Thompson	Yates
Robsion, Ky.	Snyder	Timberlake	Young, N. Dak.
Rose	Steenerson	Upshaw	Zihlman
Schall	Stephens, Ohio	Vaile	
Scott	Strong, Kans.	Volk	
Sears	Strong, Pa.	Volstead	

NAYS—113.

Ashbrook	Davis, Tenn.	Lesher	Reber
Aswell	Dempsey	Linthicum	Ricketts
Bankhead	Doughton	McAndrews	Rogers
Barkley	Drewry	McDuffie	Sims
Bee	Dupré	McFadden	Smithwick
Begg	Eagle	MacGregor	Steagall
Bell	Echols	Madden	Stedman
Black	Elliott	Mann, S. C.	Stephens, Miss.
Bland, Mo.	Fairfield	Mapes	Stoll
Bland, Va.	Flood	Michener	Sumners, Tex.
Boies	Gallivan	Milligan	Sweet
Bowers	Garrett	Minahan, N. J.	Taylor, Ark.
Box	Godwin, N. C.	Montague	Thomas
Briggs	Graham, Ill.	Moore, Va.	Tillman
Brinson	Hardy, Tex.	Murphy	Tilson
Buchanan	Harrison	Nelson, Mo.	Venable
Burroughs	Hersey	O'Connor	Vestal
Butler	Huddleston	Ogden	Vinson
Byrnes, S. C.	Husted	Oldfield	Wason
Cannon	Hutchinson	Olney	Watkins
Caraway	Jacoway	Overstreet	Welty
Clark, Fla.	Johnson, Miss.	Padgett	White, Kans.
Clark, Mo.	Jones, Tex.	Park	Wingo
Coady	Kincheloe	Parker	Woods, Va.
Collier	Kraus	Parrish	Woodyard
Connally	Lanham	Phelan	Young, Tex.
Copley	Lankford	Pou	
Cramton	Larsen	Quin	
Crisp	Layton	Rayburn	

NOT VOTING—177.

Ackerman	Fields	King	Romjue
Almon	Fish	Kitchin	Rouse
Anderson	Fisher	Kleczka	Rowan
Andrews, Md.	Fordney	Lampert	Rowe
Anthony	Foster	Lee, Ga.	Rubey
Babka	Frear	Little	Rucker
Bacharach	Freeman	Lonergan	Sabath
Baer	Fuller, Mass.	Longworth	Sanders, Ind.
Benson	Gallagher	Lufkin	Sanders, La.
Blackmon	Gandy	McArthur	Sanders, N. Y.
Bland, Ind.	Ganly	McCulloch	Sanford
Booher	Gard	McGlennon	Scully
Brand	Garner	McKiniry	Sells
Britten	Goldfogle	McKinley	Siegel
Brumbaugh	Goodall	McLane	Sisson
Burdick	Goodwin, Ark.	McPherson	Slemp
Burke	Goodykoontz	MacCrate	Small
Byrns, Tenn.	Gould	Maher	Smith, Ill.
Caldwell	Hamill	Mansfield	Smith, N. Y.
Candler	Hamilton	Mason	Steele
Cantrill	Harreld	Mead	Stevenson
Carew	Haugen	Moon	Stiness
Casey	Hawley	Mooney	Sullivan
Christopherson	Hill	Morin	Tague
Costello	Hoey	Mott	Tincher
Crowther	Holland	Mudd	Tinkham
Currie, Mich.	Howard	Neely	Towner
Dallinger	Hulings	Nelson, Wis.	Treadway
Darrow	Hull, Tenn.	Newton, Minn.	Vare
Davey	Humphreys	Nicholls	Voigt
Denison	Igoe	Nolan	Walsh
Dent	James, Mich.	O'Connell	Walters
Dewalt	James, Va.	Oliver	Watson
Dickinson, Mo.	Jefferis	Paige	Weaver
Dominick	Johnson, Ky.	Pell	Whaley
Donovan	Johnston, N. Y.	Peters	Wheeler
Dooling	Jones, Pa.	Radcliffe	White, Me.
Doremus	Kahn	Rainey, Ala.	Williams
Drane	Kearns	Rainey, H. T.	Wilson, La.
Dunbar	Keller	Rainey, J. W.	Wilson, Pa.
Dunn	Kelley, Mich.	Randall, Wis.	Wise
Dyer	Kendall	Reed, N. Y.	Wright
Edmonds	Kennedy, Iowa	Riordan	
Ellsworth	Kennedy, R. I.	Robinson, N. C.	
Ferris	Kettner	Rodenberg	

So the resolution as amended was agreed to.

The Clerk announced the following additional pairs:

Until further notice:

Mr. LONGWORTH with Mr. GARD.

Mr. FORDNEY with Mr. GARNER.

Mr. TREADWAY with Mr. HENRY T. RAINEY.

Mr. HARRELD with Mr. FERRIS.

Mr. BACHARACH with Mr. HULL of Tennessee.

Mr. SLEMP with Mr. DEWALT.

Mr. TINCHER with Mr. MANSFIELD.

Mr. RODENBERG with Mr. HOWARD.

Mr. BLAND of Indiana with Mr. RUCKER.

Mr. SMITH of Illinois with Mr. ALMON.

Mr. MUDD with Mr. GALLAGHER.

Mr. LITTLE with Mr. SISSON.

Mr. HAWLEY with Mr. MEAD.

Mr. KLECZKA with Mr. BABKA.

Mr. CROWTHER with Mr. WILSON of Louisiana.

Mr. WILLIAMS with Mr. CANTRILL.

Mr. BURKE with Mr. STEELE.

Mr. NEWTON of Minnesota with Mr. MCGLENNON.

Mr. KENNEDY of Rhode Island with Mr. WEAVER.

Mr. DUNN with Mr. HUMPHREYS.

Mr. KAHN with Mr. SANDERS of Louisiana.

Mr. NOLAN with Mr. HAMILL.

Mr. DUNBAR with Mr. MOONEY.

Mr. JEFFERIS with Mr. RIORDAN.

Mr. WHEELER with Mr. BYRNS of Tennessee.

Mr. DENISON with Mr. RUBEY.

Mr. HAUGEN with Mr. WRIGHT.

Mr. TOWNER with Mr. NEELY.

Mr. FREAR with Mr. HOLLAND.

Mr. WATSON with Mr. NICHOLLS.

Mr. NELSON of Wisconsin with Mr. GOODWIN of Arkansas.

Mr. ELLSWORTH with Mr. DICKINSON of Missouri.

Mr. EDMONDS with Mr. LEE of Georgia.

Mr. JEFFERIS. Mr. Speaker, I desire to vote.

The SPEAKER pro tempore. Was the gentleman present and listening when his name was called?

Mr. JEFFERIS. I was just walking in when my name was called.

The SPEAKER pro tempore. Was the gentleman inside the room?

Mr. JEFFERIS. I was walking right along there.

The SPEAKER pro tempore. Did the gentleman hear his name called?

Mr. JEFFERIS. I did not hear my name called.

The SPEAKER pro tempore. The Chair does not think the gentleman qualifies under the rule.

Mr. JEFFERIS. I had just walked through the door.

Mr. DUNBAR. Mr. Speaker, may I vote "present"?

The SPEAKER pro tempore. Was the gentleman present and listening when his name was called?

Mr. DUNBAR. No.

The SPEAKER pro tempore. The gentleman does not come within the rule.

Mr. ALMON. Mr. Speaker, I desire to vote "present."

The SPEAKER pro tempore. Was the gentleman present——

Mr. ALMON. I desire to vote "present." I did not get here in time.

The SPEAKER pro tempore. The gentleman can not qualify.

Mr. ALMON. Can not I answer "present"?

The SPEAKER pro tempore. No.

Mr. HUMPHREYS. Mr. Speaker, I was not here and I thought I had the right to answer "present."

The SPEAKER pro tempore. No.

The result of the vote was announced as above recorded.

Mr. KINKAID. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill.

The SPEAKER pro tempore. The gentleman from Nebraska moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill. The question is on agreeing to that motion.

The question was taken, and the Speaker pro tempore announced that he was in doubt and asked for a division.

The House divided; and there were—ayes 68, noes 26.

The SPEAKER pro tempore. So the House decides to go into Committee of the Whole. The gentleman from New York [Mr. HICKS] will please take the chair.

Thereupon the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the bill S. 3477, with Mr. HICKS in the chair.

The CHAIRMAN. The House having resolved itself into Committee of the Whole House on the state of the Union, the Clerk will report the bill.

The Clerk read as follows:

A bill (S. 3477) to increase, without expenditure of Federal funds, the opportunities of the people to acquire rural homes, and for other purposes.

Be it enacted, etc., That the Secretary of the Interior, through the Reclamation Service, is authorized to investigate and determine the feasibility of developing tracts of land in private ownership within any State or Territory, by reclamation and otherwise, for the purpose of subdividing the land and disposing of the same in farms and parcels at reasonable prices.

SEC. 2. That after the Secretary of the Interior has determined the feasibility of a project, he is authorized, through the Reclamation Service, to develop the land to such extent, and dispose of the same in farms and parcels in such manner and upon such terms as to him shall be deemed most feasible and practicable.

SEC. 3. That no moneys of the United States shall be expended for any of the purposes of this act, nor shall either the investigation or development of any project be commenced or any obligation incurred therefor until a contract shall have first been made by the Secretary of the Interior with the owner or owners of the land, providing for the

payment in advance by the owner or owners of sufficient moneys to meet the estimated cost, and thereafter of sufficient moneys to meet the actual cost, of such investigation or development, and no expense shall be incurred by the Government in excess of moneys already advanced. The moneys provided by every such contract shall be deposited with the Treasury of the United States as a trust fund, and shall be disbursed by a duly authorized fiscal officer of the Government under the direction of the Secretary of the Interior and in accordance with the terms of such contract.

SEC. 4. That every contract for development of a project shall provide, among other things, that the developed farms and parcels shall be sold to persons who desire to occupy the same as homes at the actual cost of the land and the development thereof plus a definite reasonable profit to the owner or owners stated in advance therein. All contracts for the purchase of farms and parcels shall be made for, and the moneys due thereunder shall be payable to, the owner or owners of the land or their assigns.

Amend the title so as to read: "An act to increase, without expenditure of Federal funds, the opportunities of the people to reclaim and acquire rural homes, and for other purposes."

With committee amendments, as follows:

Page 1, line 5, after the word "developing," insert "farms and."

In line 7, after the word "the" where it occurs the second time, strike out the words "land and disposing of the same in farms and parcels at reasonable prices" and insert in lieu thereof "lands in excess of the amount needed by the owner for his own farm and of the disposing of the remaining lands in farms and parcels of suitable size at reasonable prices."

On page 2, line 3, after the word "the" where it occurs the second time, strike out the word "land" and insert "farms and tracts."

In line 4, of page 2, after the word "the," strike out the word "same" and insert "surplus lands."

In line 5, page 2, after the word "parcels," insert "of suitable size."

In line 1, of page 3, after the word "farms," insert the word "tracts," and after the word "parcels," insert "less a farm or home unit reserved to the owner."

Mr. WINGO rose.

The CHAIRMAN. For what purpose does the gentleman from Arkansas rise?

Mr. WINGO. To make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. WINGO. My understanding of the rule was that we would have general debate and then consider the bill under the 5-minute rule. The Clerk is now reading the amendments.

Mr. MANN of Illinois. This is reporting the bill for the first time.

Mr. WINGO. Is that the method?

Mr. MANN of Illinois. Yes.

Mr. WINGO. This is such an extraordinary bill that I think we should report it properly.

The CHAIRMAN. Under the resolution by which this bill is to be considered in the committee it is provided that there shall be an hour and a half of general debate, one-half to be controlled by the chairman of the Committee on Irrigation of Arid Lands and one-half to be controlled by the ranking minority member of that committee.

Mr. KINKAID. Mr. Chairman, I yield five minutes to the gentleman from Idaho [Mr. SMITH].

The CHAIRMAN. The gentleman from Idaho is recognized for five minutes.

Mr. SMITH of Idaho. Mr. Chairman, 18 years ago, in response to a sentiment which was broadcast over the country, the general reclamation law was enacted, providing that the receipts from the sale of public lands should be placed in a special fund and used for the irrigation of arid lands in the Western States. Under the operation of that law 26 projects have been undertaken in 14 different States. On nearly every one of those projects the wisdom of the enactment of this wise and beneficent law has been fully demonstrated, as the result of which a great deal of advantage has accrued not only to that section of the country but to the benefit of the eastern sections of the country by building up a market in the Western States for the manufactured products of the East.

Since this law was enacted over 3,000,000 acres of land, which had theretofore been entirely of a desert character, has been reclaimed and placed under cultivation. Over 40,000 families have found homes upon these various projects, and in many instances the value of the crops raised on the several projects each year exceeds the actual cost of the entire project.

We have been endeavoring during the intervening years to have this reclamation fund increased by direct appropriation or by a loan to the fund, but only in one instance has any addition been made to the fund. About 10 years ago $20,000,000 was advanced by Congress to the reclamation fund, and it is being paid back to the fund from the receipts of the sales of the lands and repayments at the rate of $1,000,000 a year, so that the $20,000,000 advanced by the Government will be eventually returned to the Treasury.

Because of our failure to influence Congress to make further advances to the reclamation fund in order that new projects might be taken up, and to reclaim swamps or other unused land, the legislation which is pending to-day was initiated. It is planned under this bill to have the Secretary of the Interior, through the Reclamation Service, reclaim the land with money advanced to the Government by the owners of the land that is to be reclaimed.

In almost every State in this Union there are large tracts of land which are of a waste character, absolutely lying idle, which can be reclaimed and made productive by the expenditure of a reasonable sum per acre, either by draining the land or by placing water upon it, as may be necessary. One reason why it is thought wise to secure the cooperation of the Federal Government in reclaiming these lands is that the Reclamation Service has demonstrated conclusively that the projects which are constructed by the Reclamation Service are the most successful. In many instances in the western country private irrigation companies have undertaken to reclaim these lands, but they have not always been successful. The element of profit in the project aroused the enthusiasm of the promoters unduly, and oftentimes a larger quantity of water was stated to be available by the engineers than was actually obtainable, and as a result some of those private projects have been a great disappointment. But in every instance where the Government has undertaken a project it has been successful in reclaiming the land and placing settlers upon it. The Government engineers have been conservative in their estimates in regard to the amount of the water supply and the cost of constructing the necessary works.

Under the provisions of this bill it is proposed that the owners of the land shall turn it over to the Federal Government for reclamation at their expense, and enter into a contract with the Secretary of the Interior to dispose of the same at a reasonable price to actual settlers.

We are confronted constantly with the fact that the people are leaving the farms and going to the cities. The last census report shows that the trend of population is constantly away from the land, and that only about 35 per cent of the people in this country live on the farms. You can not employ men at a reasonable price to work on the farms, and because of the high wages which it has been necessary for the farmers to pay during the last year or two they are now very much embarrassed for the reason that the crops which they have raised have cost them more than they can actually sell them for.

While many poor young men of the country who desire to engage in agricultural pursuits are not willing to work for wages on a farm, they will gladly avail themselves of an opportunity to settle upon the land if they can secure title at the actual cost of reclamation. At every land opening in the Western States conducted by the Government or by the State there were many times more applicants for the land than there were parcels available, which demonstrates that the people are land hungry, if they can secure it at a reasonable price.

The enactment of this bill will result in numerous projects being taken up for development, and under its provision hundreds of thousands of acres of waste lands will be reclaimed and tens of thousands of new homes established without the Government expending a single dollar. I earnestly urge the passage of the bill.

Mr. KINKAID. Mr. Chairman, if the gentleman from Colorado will permit, I would like to yield some more time to a gentleman on this side.

Mr. TAYLOR of Colorado. Certainly.

Mr. KINKAID. I yield 10 minutes to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Chairman, having discussed this bill briefly when the rule was under consideration, it was not my intention to ask for time in the general debate. The gentleman from Nebraska [Mr. KINKAID] has, however, suggested that I discuss one or two features of the proposed legislation at this time, and I am glad to do so.

I realize that this is a measure with regard to which there is ground for differences of opinion. That is true of almost any legislation brought before us, and I can readily understand how gentlemen may be so conservative in their view of what the Federal Government ought to do, and of the reasonable limitation of its activities, that they may properly view this as a questionable enterprise. But it is not a new departure in governmental activity. I think whoever wrote the report fell into an error in suggesting that. It is the adaptation to a new class of enterprise, a policy which the Government has, in a measure, followed for many years.

The gentleman from Idaho [Mr. SMITH] has very interestingly called our attention to what has been accomplished under the reclamation law. That is the law under which we use Government money for the reclamation of land by irrigation, the money so used to be repaid, as it is being regularly repaid, by the settlers. The record under the reclamation law has

been a most creditable one and a most encouraging one, although some mistakes have been made and there have been two small projects that have been failures.

For a number of years past there has been an increasing agitation in the country for the extension throughout the continental boundaries of the United States of the policy adopted under the reclamation law. There has been a good deal of objection to that, and a good deal of sound reason against the nation-wide extension of that policy and the utilization of moneys raised by taxation, even for so laudable a purpose as that of making lands usable.

Out of the discussions of the last year or two has come this suggestion, made, I think, first, by certain gentlemen who have had a great deal to do in California and elsewhere with land development, a suggestion taken up by the former Secretary of the Interior, Mr. Lane. He was of the opinion, as have been many others who have studied these problems, that the Federal Government could very greatly aid in encouraging land development and reclamation in all parts of the country by loaning its engineers to those who are proposing development enterprises, the engineers to be paid by those undertaking the projects. The gentlemen from the West have referred to the work heretofore done under the reclamation law, and to its helpful influence in the West. There is, however, no part of the country so much interested in a proposition of this sort as the South. There is no part of the country that has so much land that is not now utilized, but that could be made fertile, fruitful, and highly valuable.

The development of considerable tracts of land by private enterprise is surrounded by many difficulties. In the first place, there is always the temptation for people to undertake such enterprises who have not the means to carry them through. Sometimes these enterprises are undertaken by gentlemen who do not realize as they should their obligation to the public. It is the quite general experience that, owing to the view that the public has come to take of land development, it has been necessary in order to bring lands into the market and settle them to charge an almost prohibitive price in order to repay the cost of reclamation and to pay interest on the money used in the development during the very considerable period while settlement is being accomplished.

It is believed that by having the Interior Department furnish its engineers to examine and superintend these projects the average price charged may be largely reduced, and we may be able to encourage greatly what everyone realizes is a highly important class of development, particularly now when the drift is growing stronger and faster all the time away from the farm and to the town and city.

I am willing to admit that projects might be undertaken under this law relative to which the Government engineers might be overoptimistic. Conditions might arise under which a given enterprise would prove not to be as wholly satisfactory as the Government engineers believed it would be. I am willing to admit that there is a possibility of danger there. But as I said a moment ago, if we are to decline to lend aid and assistance to these enterprises, so needful and so useful, simply because we fear that here and there a project may not turn out as favorably as anticipated, if we allow fears of that sort to influence us, we can not well undertake any enterprise, either public or private, for there is an element of chance in them all. [Applause.]

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. BANKHEAD. Will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Wyoming has expired.

Mr. KINKAID. Mr. Chairman, I yield the gentleman five minutes more.

Mr. BANKHEAD. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. BANKHEAD. I want to ask the gentleman if under the present reclamation law a corporation organized to drain swamp land in my State could get the reclamation engineers' service? In other words, would their services be available for the owners of that land at the present time to make surveys and recommendations as to the feasibility of the project?

Mr. MONDELL. I do not think they would be available under the law. I think this is true: In the region in which we are operating under reclamation law the reclamation engineers are sometimes called in and sometimes do give advice gratuitously to people in the immediate vicinity, where that examination can be made without taking the engineer from his work for any considerable length of time. However, we have a provision in the Agricultural bill under which certain engineers of the Agricultural Department are now available for and do furnish advice to those proposing to carry out drainage projects. The appropriation for that purpose is not large, but there are several engineers who are engaged in that class of work. They visit projects in various parts of the country where private enterprise contemplates development by drainage. They make suggestions; they give advice; they make recommendations; they do approximately what the engineers would do under this law. But there are a few engineers only engaged in that work, and under the limitations of the law they can do nothing more than give advice.

Mr. LAYTON. Will the gentleman yield?

Mr. MONDELL. Yes.

Mr. LAYTON. I want to answer a question put by the gentleman from Alabama [Mr. BANKHEAD]. I know a large swamp area in my State was surveyed, estimates made and a drainage system placed upon paper, and the cost estimated as to the reclamation of that swamp, and the engineers who did that came from the Geological Survey.

Mr. McKENZIE. Will the gentleman yield?

Mr. MONDELL. I will.

Mr. McKENZIE. Assuming a company of men own a large tract of arid land——

Mr. MONDELL. The gentleman should get out of his mind that this applies wholly to arid lands. My own belief is that this law will be utilized to a limited extent only in the arid regions. We have reached the point in the reclamation of arid lands in the West where the problems are so difficult that they are almost beyond private enterprise in the main. I look for the greatest development under this law in the border States, in the Eastern States, and in the South.

Mr. McKENZIE. Well, call it swamp lands or some lands owned by a combination of individuals. Now, if they can get the stamp of the approval of the Government engineers on the project, will it not assist them in selling to the general public?

Mr. MONDELL. Yes; that is the purpose and intent of this legislation.

The CHAIRMAN. The time of the gentleman from Wyoming has again expired.

Mr. KINKAID. I yield the gentleman one minute more.

Mr. MONDELL. As matters now stand one of the great difficulties is that the general public does not always have confidence in the recommendation of private engineers employed by private corporations; they would unquestionably be more impressed by the recommendations made by Government engineers. The land could be sold much more cheaply, because there would not be the long delay and expensive advertising that now seems to be necessary even on the best projects carried out and developed by private enterprise.

Mr. SEARS. Will the gentleman yield?

Mr. MONDELL. If I have the time.

Mr. SEARS. Does the gentleman believe that under this bill lands owned by the State could be drained?

Mr. MONDELL. I have not thought of that particularly, but I imagine so; and if not, the bill could be amended.

Mr. BEGG. Mr. Chairman, a parliamentary inquiry. Is there any time for the opposition to this bill, or is not the opposition to be heard?

The CHAIRMAN. The time is equally divided between the gentleman from Nebraska, the chairman of the Committee on Arid Lands, and the ranking minority member of that committee.

Mr. BEGG. Is it possible that legislation can be considered in the House and the opposition to it not be able to be heard? I think the opposition is entitled to some time.

The CHAIRMAN. The Chair will state that we are proceeding under a resolution adopted by the House a few moments ago.

Mr. BEGG. And the time was turned over to two Members favorable to the bill.

Mr. TAYLOR of Colorado. If the gentleman from Ohio will permit, I will say that I have agreed for two gentlemen to talk against the bill.

Mr. BEGG. The gentleman is not afraid of the proposition; he knows that it will be defeated; but the gentleman on this side will not give us time.

Mr. KINKAID. I will give the gentleman some time.

Mr. BEGG. How much?

Mr. KINKAID. Ten minutes.

Mr. WINGO. Mr. Chairman, does the Chair rule that the ranking minority member means the ranking party member? I know it has been customary to say that the ranking minority member from a party standpoint is to control the time, where it is a party question. That is customary; but I know of at least two instances where if you had had a provision in the rule

for the minority member, I would be permitted to control the time, but insisted that we would let those who were opposed control it.

Mr. MONDELL. The gentleman was here when the rule was adopted. He heard the rule read, and I have no doubt if he had suggested an amendment at that time it would have been changed, but he did not suggest it. It seems to me that the gentleman is talking too late.

Mr. WINGO. Mr. Chairman, it never occurred to me that the Committee on Rules was going to depart from the practice which it has pursued heretofore.

Mr. MONDELL. It is a very usual rule that the time should be divided between the two sides, with the understanding that the gentlemen in charge of the time on the different sides will be fair to their respective sides. If the gentleman has any complaint to make of the treatment by his side, I am willing to ask gentlemen on this side to give him some time.

Mr. WINGO. I am not making any complaint. I am submitting a parliamentary inquiry, which I trust is a right which a Member still has, without being criticized by gentlemen who ride on white asses, to use a Hebrew expression, on the Republican side.

The CHAIRMAN. The Chair will respond to the parliamentary inquiry. In the opinion of the Chair, the rule which has been adopted in the House is binding upon the committee. The rule provides that there shall be an hour and a half of general debate, one-half to be controlled by the chairman of the Committee on Irrigation of Arid Lands and one-half by the ranking minority member of that committee.

While the rule may be arbitrary, a remedy lay in an amendment when the resolution was being considered; but as no amendment was adopted, the Chair must hold that the words "the ranking minority member of that committee" means the political minority, and so will recognize the gentleman from Nebraska [Mr. KINKAID] for one half the time and the gentleman from Colorado [Mr. TAYLOR] for the other half.

Mr. WINGO. If that is the kind of rules that we are going to have brought in here, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Arkansas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Eighty-seven Members, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ackerman	Ferris	Kitchin	Rodenberg
Andrews, Md.	Fields	Kleczka	Romjue
Anthony	Fish	Lampert	Rouse
Ayres	Fisher	Lee, Ga.	Rowan
Babka	Fordney	Linthicum	Rowe
Baer	Foster	Little	Rubey
Barkley	Frear	Lonergan	Rucker
Benson	Freeman	Longworth	Sabath
Blackmon	Fuller, Mass.	Lufkin	Sanders, Ind.
Bland, Ind.	Gandy	Luhring	Sanders, La.
Booher	Ganly	McArthur	Sanders, N. Y.
Bowers	Gard	McCulloch	Sanford
Brand	Garrett	McGlennon	Scully
Britten	Glynn	McKinley	Siegel
Browne	Godwin, N. C.	McLane	Sims
Brumbaugh	Goldfogle	McPherson	Slemp
Buchanan	Goodall	MacCrate	Small
Burdick	Goodwin, Ark.	Maher	Smith, Ill.
Burke	Gould	Mansfield	Smith, N. Y.
Butler	Graham, Ill.	Mason	Smithwick
Caldwell	Greene, Vt.	Mead	Steele
Candler	Hamill	Merritt	Stevenson
Cantrill	Hamilton	Moon	Stiness
Carew	Harreld	Mooney	Sullivan
Casey	Haugen	Morin	Sweet
Christopherson	Hawley	Mott	Tague
Clark, Mo.	Hays	Mudd	Taylor, Ark.
Classon	Hersman	Neely	Tincher
Copley	Hill	Nelson, Wis.	Tinkham
Costello	Hoey	Newton, Mo.	Towner
Crowther	Howard	Nicholls	Vare
Currie, Mich.	Hulings	O'Connell	Vestal
Dallinger	Hull, Tenn.	Oliver	Voigt
Darrow	Igoe	Olney	Volk
Davey	James, Mich.	Padgett	Walsh
Davis, Tenn.	James, Va.	Paige	Walters
Dempsey	Jefferis	Pell	Watkins
Denison	Johnson, Ky.	Peters	Watson
Dent	Johnson, S. Dak.	Porter	Whaley
Dewalt	Johnston, N. Y.	Pou	Wheeler
Dickinson, Mo.	Jones, Pa.	Radcliffe	White, Me.
Dominick	Kahn	Rainey, Ala.	Williams
Donovan	Kearns	Rainey, Henry T.	Wilson, La.
Dooling	Keller	Rainey, John W.	Wilson, Pa.
Doremus	Kelley, Mich.	Ramsey	Wise
Drane	Kendall	Reavis	Wood, Ind.
Dunn	Kennedy, Iowa	Reed, N. Y.	Wright
Dyer	Kennedy, R. I.	Riddick	Yates
Ellsworth	Kettner	Riordan	
Fairfield	King	Robinson, N. C.	

The committee rose; and Mr. MADDEN having resumed the chair as Speaker pro tempore, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill S. 3477, and finding itself without a quorum, he had caused the roll to be called, when 233 Members responded to their names, a quorum, and he handed in the list of the absentees for printing in the Journal.

The committee resumed its session.

The CHAIRMAN. The gentleman from Colorado is recognized for 45 minutes.

Mr. TAYLOR of Colorado. Mr. Chairman and gentlemen of the House, it seems to me that a great deal of the objection and criticism that have been made against this bill arises from the fact that Members are not familiar with the present Government irrigation reclamation law. They are not to be criticized for not being familiar with it, because it has only been available throughout the Western States. As some of you know, the reclamation law has been a tremendous success in some 16 or 17 Western States. There are some 30 prosperous Government reclamation projects which have been in operation ever since soon after the law was enacted on the 2d of June, 1902. That law authorizes the irrigation and reclamation of the public lands to be made from the proceeds of the sales of public lands. The proceeds from the sale of public lands that have been sold since 1902 have been turned in to the reclamation fund, and those funds have amounted to something over $100,000,000. We have also borrowed from the Government $20,000,000, so that we have expended up to the present time something over $120,000,000 in reclaiming Government land through the Reclamation Service and have put millions of acres of barren, arid land under cultivation and placed thousands and thousands of people in happy and prosperous homes upon those lands throughout the arid West. Land that would not support a horned toad or a sand lizard before the water was put on it by the Government now presents a splendid modern settlement throughout these various reclamation projects. I have two of them in my own district in Colorado; one of them, the Uncompahgre project, will soon irrigate nearly 140,000 acres and has cost about $9,000,000. It covers a large part of Montrose and Delta Counties, which is a wonderfully rich country. The other project, the Grand Valley Highline, at Grand Junction, Colo., covers about 55,000 acres. Some of that land is now worth three or four hundred dollars an acre. All this wonderful improvement throughout the West has been brought about by the Government Reclamation Service.

Every dollar that the Government of the United States has put into the reclamation tracts is going to be paid back. The settlers have 20 years within which to pay the money back, and they are already commencing to pay it back. I think some three or four million dollars have been paid already. There is no trouble about the Government Reclamation Service or about the present reclamation projects, but under that law they only apply primarily to public lands. That is, they are started primarily upon and for the public domain. But the fact of the matter is that the public domain has nearly all been disposed of in so far as getting an appreciable amount of money is concerned. We used to receive something like $7,000,000 a year from the sale of coal and other public land. But now that we have adopted the coal and oil and gas and water-power leasing policy we are not yet getting money from that source. The desert-land law, which used to bring in $1.25 an acre, has practically become obsolete by reason of overly strict construction, so that we are getting little or nothing from that law. The $1.25-an-acre preemption law has been repealed, and the stone and timber law and the isolated tract law are construed out of existence. The homestead law only pays $16 a claim. So our receipts from the sale of public lands are very rapidly dwindling down to practically nothing, and unless we can get some royalties from these leasing laws our Government reclamation work on the public lands will gradually and rapidy run down, but I may say I am hopeful that these leasing royalties will commence coming in soon and that this splendid work may go on.

However, be that as it may, this bill provides for the carrying out of the reclamation policy in a different way. This makes the policy and the machinery and skill and experience of the Reclamation Service applicable to private land and provides for their economical and practical reclamation by and with private funds instead of by Government funds. The bill is short and very plain and easily understood, and anyone at all familiar with the practical, everyday working of the present reclamation law can see exactly how this bill will work out. It is very clear and simple to all the western Members, and let me say that this bill was argued for parts of two days in the Senate, on February 6 and March 11 last, and it was passed on April 7 without a dissenting voice in the United States Senate; and it does seem to me that if there were any of the loopholes and

objections which we hear here, some of those able and distinguished gentlemen at the other end of this building would have discovered some of them. The fact of the matter is there are many million acres of lands throughout portions of the West that can not now be irrigated. The public lands can not be reclaimed because private capital will not invest in private irrigation enterprises on a large scale and there are no Government funds available for that purpose. There is a good deal of swamp and cut-over land in the South and East and throughout the country that is lying idle to-day that private capital will not undertake the reclamation of; it is too big and uncertain a proposition for them to drain the swamps of the South or undertake large reclamations of the cut-over stump lands of the East, North, South, or Middle West with private capital.

The trouble is that whenever private enterprise has opened up large irrigation projects they have lately generally been a failure, and private capital will very rarely go into them any more. But trust companies and financiers all over the United States say that if Congress will enact some law whereby the United States reclamation engineers and officials can have the absolute control of the construction of the works and the expenditure of the money, and the sale of the lands reclaimed, and collection of the money and repayment to the people who advance the money, so there will be no promotion charges or any graft or rake-off or any kind of private commissions or things of that kind, and they can rely upon and get the benefit of the engineering skill and the 18 years of experience of the reclamation officials, they will put their money into reclamation enterprises of various kinds.

This bill is to enable private owners of lands to put their lands into the hands of the reclamation officials to handle, just as if the lands were public lands, only the owners must furnish the money, if they have it, and if they do not, they borrow it or bond the property in various ways. The best way and the one that will probably be used will be to organize an irrigation district or drainage district, or any kind of a reclamation district, and issue bonds on all the lands of the district for the payment of the cost of the entire reclamation and sale of the lands. While that method, as I say, is, I think, the best way, especially where there are a large number of owners of the private lands to be reclaimed, yet the actual method of raising the money to do the work is not provided in the bill, because that is a detail to be worked out afterwards.

Mr. WINGO. Will the gentleman yield for a question?

Mr. TAYLOR of Colorado. I will yield for a question.

Mr. WINGO. Is it the intention of the framers of the bill that nothing will be undertaken by the Secretary of the Interior under this law that can be handled by private enterprise?

Mr. TAYLOR of Colorado. The Secretary of the Interior will not interfere with any private enterprise. The Reclamation Service will only undertake the handling, the reclamation, and sale under this bill of privately owned lands that are idle, that no private enterprise is trying or willing or able to handle, or where private enterprise has tried and failed to successfully handle them, and not then unless and until the owners have applied to the Interior Department, and advanced the cost for and obtained an examination by the reclamation engineers. Then if an examination shows that the project is practicable, and the owners can arrange to raise the necessary money to finance the work and accept the estimates of the Government engineers and ask to have them go ahead with the work they can do so. The engineers will ascertain the number of acres of land to be reclaimed and the value of it after being reclaimed and the cost of the land and cost of reclamation, and see if the land will warrant the expense, whether it is drainage of swamp land or clearing of stump land, or irrigation of arid land. The policy and principle is the same. The land must bear the cost and the owners must advance the money themselves or by encumbering the land. If they raise that money and deposit it, then the Reclamation Service will, in case it is an irrigation enterprise, send out experienced irrigation engineers, and if they find there is sufficient water supply, and that it can be made a practical paying proposition, a sufficient acreage involved in the project, and what the charge will be per acre, and report that it is feasible, and then if the people who own the land desire to advance the cash personally, or borrow it any way, or organize irrigation districts and bond the district for the amount the Reclamation Service says is necessary, private capital will take those bonds, and the Government will have absolute control over the construction work and all the handling of its entire enterprise, and the private owners of the land will have nothing to do with it. In other words, this is simply to make the Reclamation Service of the United States available to privately owned lands, where people are willing to put up the necessary private capital instead of going to the United States Government for the money. It permits private owners of extensive tracts of idle lands to practically employ the United States Reclamation Service engineers and officials and machinery and experience to put their lands on a paying basis by building settlements and homes on the lands and thereby benefiting the people and the whole country and not costing Uncle Sam a single dollar.

Mr. WINGO. Right there, for information. Do I understand the gentleman to say after the engineers make the survey and determine the feasibility, then this law provides for the organization of an irrigation district?

Mr. TAYLOR of Colorado. Yes. The owners of the land have got to raise the necessary money somehow. They can get the cash any way they can. I said in any western country on large tracts of privately owned lands, owned by a large number of people without any money, the most practicable and simplest and surest way to get the money in large sums would be to organize an irrigation or drainage district; but that method is not required if they can get the money any other way.

Mr. WINGO. Suppose it is stump or cut-over land, is there any law covering that now?

Mr. TAYLOR of Colorado. We have an irrigation district law and also a drainage district law in the Western States, but I am not familiar with the State laws of your State or other States on this subject. Any State could, of course, I assume, pass such a law if it so desired and has none now.

Mr. WINGO. Might a district be organized under this act for that purpose, the cut-over lands?

Mr. TAYLOR of Colorado. This bill does not require or authorize or say anything about the organization of reclamation districts for cut-over lands or any other kinds of lands. I said the owners of the cut-over lands, or swamp lands, or arid lands, or whatever kinds of lands are desired to be reclaimed, must produce the cash necessary for the Government engineers and officials to do the work of reclamation. The bill does not say how they shall get that cash. I mentioned the formation of a district merely as one way of raising the money. I had in mind the irrigation and drainage district laws of the West.

Mr. WINGO. What provision of the statute? Is it in the existing law, or is it in this statute proposed here?

Mr. SMITH of Idaho. If the gentleman will permit, I wish to say that districts are organized under State laws and not under Federal law. Almost every State in the Union has a law under which districts are or can be organized.

Mr. WINGO. I have not said how I am going to vote on the bill. I asked the gentleman if it was in the existing Federal law or comes under this proposed law?

Mr. TAYLOR of Colorado. The Western States all, I think, have State laws in reference to irrigation and drainage districts.

Mr. WINGO. But is it intended to confine it to irrigation? I thought it was drainage, cut-over and——

Mr. TAYLOR of Colorado. Yes; certainly; and swamp land, and every other kind of idle land that is worth reclaiming, and the owners are willing and able to raise the necessary funds to reclaim it.

Mr. WINGO. How are you going to have that——

Mr. TAYLOR of Colorado. You can under this bill reclaim any kind of land that will warrant reclaiming, that will justify the expense, where it is in large enough tracts to justify the Reclamation Service in taking up the project and where private capital will put up the money for the work. In a nutshell, this is the idea and theory and object of this bill: Trust companies with large sums of money to invest and thousands of capitalists generally throughout the United States have money to invest. They do not want to engage in active enterprises themselves, but they want to loan out their money on absolutely good security.

A great many private irrigation enterprises throughout the West have during recent years proved financial failures for various reasons which it is not necessary to go into, but principally from underestimation of cost of construction and overestimation of quantity of water and cost of promotion, and other things, so that capital will not, generally speaking, now advance money on these kinds of enterprises. It is too much risk and bother to look after them. I understand the same is true largely regarding private drainage enterprises, so that private capital can not be obtained by private individuals to do this kind of development—reclamation work—notwithstanding there are hundreds of competent engineers who absolutely know that there are throughout the United States hundreds of large bodies of land in private ownership that are now lying idle for the want of proper development, but the owners have not the money themselves, and can not get the money sufficient to defray the neces-

sary expense of reclaiming and making those lands productive, and the problem before the country which this bill tries to solve is: How to get together the money and the skill and administrative ability to do this work and make these lands productive and convert them into homes for the people, and if this bill can solve that problem it will be one of the greatest pieces of constructive and beneficial legislation that has been enacted by Congress in many years. Now, the admitted fact is throughout the country that the Reclamation Service has during the past 18 years by wonderfully skillful, conscientious, honest, loyal, and energetic service to the Government inspired and richly deserved and obtained the confidence, respect, and esteem of the country in general, and especially the financiers and the moneyed people generally throughout the country have voluntarily come forward and assured the Secretary of the Interior and the Reclamation Service and numerous Members of Congress that if Congress would enact some Federal law whereby these privately owned idle tracts of land could be handled and reclaimed by and under the authority, supervision, and absolute control of the Reclamation Service, so that they might know, first, that the projects were feasible and practical; and, second, that the money will be skillfully expended; and, third, that the Federal officials will see that the money is repaid, then they are perfectly willing and ready to advance the necessary funds, and that is what this bill attempts to accomplish.

Mr. WINGO. What provision is there in here to authorize the Secretary to go down and organize an improvement district under the laws of my State, for example, for the purpose of developing cut-over lands? What authority would he have? He has none under the State law.

Mr. TAYLOR of Colorado. I have tried to answer that before.

Mr. WINGO. What provision of this bill takes care of that?

Mr. TAYLOR of Colorado. Oh, I regret I have not time and can not yield further to the gentleman.

Mr. WINGO. I am not captious about this. I am making my inquiry in good faith.

Mr. SUMMERS of Washington. It says, "The Secretary is authorized to investigate and determine the feasibility of developing farms and tracts of land by reclamation and otherwise."

Mr. WINGO. But not under Federal law. The gentleman from Nebraska [Mr. KINKAID] understands what I am talking about. The gentleman from Nebraska knows that we have peculiar laws under our State constitution, and we can not do what is done out in Colorado.

Mr. KINKAID. As I understand it, the improvement districts must be formed under State laws. In nearly all the Western States which have irrigable lands, laws for organizing irrigation districts have been provided. Where no such laws exist the legislative assembly may enact proper provisions.

Mr. WINGO. The gentleman from Nebraska is familiar with the law in my State, I am sure, on this very proposition, and from line 8 to line 13, on page 2 of this bill, there is language which would absolutely contravene the constitution of my State. You could not take the funds and put them into the United States Treasury under a State improvement district according to our State law.

Mr. TAYLOR of Colorado. Well, if the State law will not fit in with this bill, they will have to make it fit or else not have the advantage of it. Every State that has lands needing reclaiming can enact the necessary laws to comply with the requirements of this bill.

Mr. WINGO. That is what I thought.

Mr. KINKAID. The State is not depositing any money with the United States. It is the individual landowner who has the right to deposit money where he pleases.

Mr. TAYLOR of Colorado. Certainly. When we come in here with a splendid measure for the development of our country, when it is provided in the bill that it will not cost the United States one dollar, when the money must be advanced by the people themselves, I can not understand why anybody should object to a bill of this kind. If it were a demand on the Treasury, a grab of $1,000,000 or so, I could understand the opposition; but when it is a plain common-sense business proposition, for the much-needed development of our country, and every dollar of the money is to be provided by private individuals, I can not understand why there should be this opposition.

Mr. McDUFFIE. Mr. Chairman, will the gentleman yield?

Mr. TAYLOR of Colorado. Yes.

Mr. KINKAID. Is the gentleman from Colorado going to yield to the gentleman from California [Mr. RAKER]?

Mr. TAYLOR of Colorado. Yes; I will yield to the gentleman from California for eight minutes.

Mr. McDUFFIE. Does the gentleman mean to leave the impression that two or more owners of cut-over land, say, could not appeal to the Reclamation Service for their suggestions rather than have an organization of the States do it?

Mr. TAYLOR of Colorado. If they can raise the necessary money in any other way they need not form a district. That is not a requisite of the bill. That is merely one means of raising money which we use often in the West.

Mr. McDUFFIE. Then the State would have to do it?

The CHAIRMAN. The gentleman from California is recognized for eight minutes.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, to my mind, after having heard the entire hearings before the committee, after reading the report of the committee, after reading what the Secretary of the Interior said on the question, as well as having had more or less personal observation in regard to the irrigation question, I just want to give a few observations to the committee on this question, so that there can be no misunderstanding.

Now, in the first instance, this is not in relation to any particular kind of farm lands in any particular location in the United States. It applies to swamp and overflowed lands in the Southern States; it applies to cut-over lands in the New England and Northwestern and north Pacific Coast States; it applies to the arid and semiarid lands of the West. Any individual, association, corporation, or otherwise that owns land in large tracts, which it is desired to have subdivided, to the end that it may be put to use, can apply to the Secretary of the Interior under this bill for the purpose of having it properly subdivided and placed into farm units and sold to actual settlers and home seekers.

Mr. SNELL. Mr. Chairman, will the gentleman yield for a question?

Mr. RAKER. I will gladly yield to the distinguished gentleman from New York for a question.

Mr. SNELL. Did anybody from the East or from the New England States ever appear in the interest of this bill?

Mr. RAKER. Not in the interest of this bill, but on the question of homes for discharged soldiers we received a good many reports, and a very clear, distinct, and lucid report from Mr. Davis, the Director of the United States Reclamation Service, showing that this law would work admirably, would work well, to the great advantage of much unused, cut-over, and waste and unoccupied and unused land in the Eastern States at the present time.

Mr. SNELL. Was not that an entirely different proposition from what is pending here?

Mr. RAKER. It is a different proposition, but the statement as to the land applies just the same.

Mr. JOHNSON of Mississippi. Mr. Chairman, will the gentleman yield for a question?

Mr. RAKER. Certainly.

Mr. JOHNSON of Mississippi. Is it not a fact that after more than two months of hearings before the Committee on Public Lands, during which time hundreds of people, a large number from every State in the Union, appeared before the Committee on Public Lands in behalf of the soldiers' land bill, giving testimony in favor of it, some few against it—is it not a fact that that bill was reported out favorably by a vote of 17 to 4 and placed upon the calendar for its passage and killed by the steering committee?

Mr. RAKER. I can answer as to all except the latter part. All the statements made by the gentleman are true. I want to say that that bill to my mind is an admirable piece of legislation well constructed, and if placed upon the statute books would work well upon every part of the territory of the United States.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. RAKER. Just for a short question.

Mr. DOWELL. The bill referred to did not refer to private lands.

Mr. RAKER. Which?

Mr. DOWELL. The one that the gentleman refers to.

Mr. RAKER. It covers private lands as well as public lands.

Mr. JOHNSON of Mississippi. Private and public.

Mr. RAKER. That statement having been made that it applies only to lands that can be used by taking off the water, taking out the stumps, or placing on the water, it is perfectly sound. There is no distinction as to whether it is an individual or a corporation. The Government places no responsibility or restriction. There is no compulsion. There is nothing expected of the State. Each individual or corporation has absolute control of his property.

But here we give a means whereby the private individual owner can have his land disposed of, and it is desirable for many reasons, and I want to describe them to you. There are many large tracts of land owned in this country by estates, by

minors, by widows, and by old men who have had a mania for acquiring large tracts of land. They have it, and the question is how to use it properly. It has been the experience in practically every State in the Union, particularly in the Middle West—and everybody who has his eyes open knows it to be true—that where they have tried to open up large tracts of land by individual negotiations, the enormous expense, the high-salaried incompetent managers, the high-salaried incompetent engineers and superintendents have made those enterprises failures because they raised the expenses so high that they could not dispose of the land, and the entire amount of money was used in show and nothing done. But here is the proposition: In the first place, the man who owns the land voluntarily goes before this splendid service of the Government that for 17 years has had experience and has gathered together the best talent that the world could afford in the way of engineering of all classes as to draining swamps and as to irrigating desert land and cutting stumps, and these agents have traveled the wide world over to see what could be done and how it should be done, and have made a success in it.

Now, the private individual goes to the Reclamation Service with this splendid corps of assistants and says to them, "Here, I have a 50,000-acre tract of land. I can not use it." Or a widow or a guardian of a minor goes to this department and says, "Here, I have a similar proposition, and I want you to handle my land. I do not want these speculators to rob me of this land and give me nothing in return, and the one who gets the land nothing in return. I want some fair compensation for my land. I want this land developed so it will make a hundred happy homes"; and the individual, the guardian, the trustee, or the executor puts up a sufficient amount of money to make the survey of the land.

The CHAIRMAN. The time of the gentleman has expired.

Mr. RAKER. I should like three minutes more.

Mr. TAYLOR of Colorado. I yield three minutes to the gentleman.

The CHAIRMAN. The gentleman is recognized for three minutes more.

Mr. RAKER. When the survey is made they find it feasible, namely, that the expense of reclamation, of drainage, of handling, of pulling out the stumps will yield, when properly invested, a large return if the land is sold at a proper price. So they enter into a contract that the individual shall sell this land at a certain price. He agrees to it. It is a voluntary transaction on his part.

Mr. SNYDER. I want to ask one question. Who agrees to buy the land?

Mr. RAKER. There are 100,000 families scattered over the United States in these thickly congested districts who are looking for some place to go out where they may have a pretty, happy home, where they may be prosperous and raise their children as they ought to raise them.

Mr. LAYTON. Send them to me.

Mr. RAKER. When this contract has been entered into, the individual knows what he is going to get for the land, the purchaser knows what he can buy the land for. He knows it will be a success, and that he can procure the land at a reasonable price. I hope the committee will adopt this bill. It is true, as the report so aptly says, the bill is unique among reclamation measures, in the fact that it calls for no money from the Treasury; even overhead expenses and cost of preliminary investigations, as well as the cost of construction and development to be undertaken under the terms of the bill are to be deposited with the Treasurer of the United States before any work is done by the parties to be directly benefited. The underlying principles of the bill are new in American legislation. It aims to combine the benefits of both public and private enterprise without incurring the drawbacks of either. It has been urged on behalf of the bill that it will at least clearly reveal the limitations of private enterprise in the field of reclamation and land settlement, and that every dollar that can be enlisted under this plan is a dollar saved for the general taxpayer and the Public Treasury.

In urging the importance of going forward with the development and utilization of our natural resources, Secretary Lane, in his last annual report, said:

> But in suggesting practicable steps of progress at this time, I do not forget the burden of taxation which confronts our people, nor the delicate and difficult task which Congress is called upon to perform in trying to keep the national outgo within the national income. Hence I am now suggesting such constructive things as the Government may be able to do through the exercise of its powers of supervision and direction.

And the Secretary further said:

> And the principle on which we should move is this: "Not what the Government can do for the people but what the people can do for themselves under the intelligent and kindly leadership of the Government."

The bill under consideration was framed in accordance with these suggestions. The initiative for development under this plan must be taken by landowners or local communities. They will apply to the Secretary of the Interior and ask him to use the engineering facilities of the Reclamation Service to investigate a proposed project, accompanying their application with the estimated cost of such investigation. If their project is approved as sound and feasible from an engineering, economic, and agricultural standpoint, the Secretary enters into a contract with the landowners under which he agrees to organize and develop the project precisely as is now done under the reclamation law, with the important difference that the project is constructed wholly at the expense of the landowners. In financing it they will enjoy the benefit of the fact that able and disinterested engineers, economists, and administrators, representing the Reclamation Service, the greatest engineering organization in the world, with 17 years' experience in the reclamation of arid lands, has approved the project. The financing may be accomplished under either a public or a private corporation. In either case it will be done in accordance with State laws. In no case does the Government assume any responsibility beyond the exercise of its powers of supervision and direction.

As amended the bill will be applicable to conditions existing in several of the semiarid States in the West, where a strong demand is being made for irrigation, as well as drainage, by communities with the land all in private ownership. By the amendments the farms of individuals may be irrigated, drained, or otherwise reclaimed, and held intact by the owners, respectively, without the same being sold, as is required as to "tracts" large enough for several farms, from which latter, however, the owner of the tract will be permitted to retain from the tract sufficient for his own use for farming purposes. In several States of the semiarid West there exist large communities of fairly well-developed farms in private ownership, which by the application of irrigation the production may be doubled.

It is believed that this measure will be also helpful to the smaller class of irrigation projects in the West, consisting of public lands, more or less; also drainage projects in the North and South; likewise that it may be beneficially employed for reclamation in the North and East.

The CHAIRMAN. The gentleman from Nebraska has consumed 21 minutes, and the gentleman from Colorado 25 minutes.

Mr. KINKAID. I yield five minutes to the gentleman from Pennsylvania [Mr. SHREVE].

Mr. SHREVE. Mr. Chairman, I am not a member of the committee, and I have no land to irrigate, and, more than that, there is no land in the State of Pennsylvania that I know of that would come within the provisions of this act. Yet I want to say to you that I should feel remiss as a Member of this Congress and a member of the great party that is so soon to take over the reins of the Government if I did not express myself as favoring this measure. Why, during the last year it has been my privilege and pleasure to travel across the continent with the members of the Committee on Appropriations. We visited reclamation projects and national parks, and I will say to you gentlemen, coming from the East as I do, it was a revelation to me, it was the great surprise of my life when we traveled down through that country, down through the State of Nebraska, and I first saw a wire fence extending along here, and on the one side great fields of alfalfa rising up three or four feet high, and on the other side I saw sagebrush and sand. Why, it was almost beyond comprehension, when you stop to think that the only difference between the one side and the other side was simply a question of water. Then, as we traversed over that country, we found plenty of places where the land that might be irrigated was not in sufficient quantity to be considered by the Government as a reclamation project, but there were plenty of places where this law would become applicable, where it would develop a large amount of land for the use of the farmer.

Just at the present time, when there is such great demand all over the country for more small farms, it seems to me that this is the one opportunity we will have in this Congress in which to do something practicable in the way of extending this great service to private individuals and the people. [Applause.] Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman yields back one minute.

Mr. KINKAID. Mr. Chairman, I yield 10 minutes to the gentleman from Ohio [Mr. BEGG].

Mr. BEGG. Mr. Chairman and gentlemen of the committee, I have listened to the arguments and every statement that has been made in favor of this proposition, trying to find some reason to satisfy my mind why the Government should undertake to develop private property for the sole benefit of the individual

for whom it is developed. I listened with great concern and interest to the gentleman from Wyoming [Mr. MONDELL] in his two speeches of five minutes each. Now, I want to call attention to the fact that this land to be reclaimed is stumpage land, cut-over land, rocky land like that up in Connecticut, swampy land like that in Florida, and arid land like that in the West.

The summary of the arguments that have been presented is that they want the Government to do it because it costs the individual too much, and because private capital will not put its money into the proposition and expend it on the proposition of developing this unclaimed land.

Then in the next breath they say that it is not going to cost the Government a single dollar. I would like to have some gentleman on the floor, some time, some gentleman who favors the bill, like the distinguished gentleman from Nebraska, or Colorado, I would like to have them show me how it will not cost the Government a single dollar to develop a thing that is going to be so expensive that private capital will not go into it.

Mr. KINKAID. Will the gentleman yield?

Mr. BEGG. No; I can not yield; let the gentleman use some of his own time. It seems to me that this kind of a proposition is a pure hoax. If you read the bill carefully, you will find that it does not say anywhere that there can not be funds taken out of the Public Treasury to pay the bills. On the contrary, any jurist in the United States called upon to pass on this section would rule that the cost of all the experimental work, salaries of every one of the engineers, would come out of the Treasury of the United States.

Mr. SMITH of Idaho. Will the gentleman yield?

Mr. BEGG. I decline to yield.

Mr. SMITH of Idaho. The gentleman does not want to make a misstatement.

Mr. BEGG. If you do not mean it, why use that language? What is the use of having a Government-aid agency?

I can hire as competent men outside of the Government force as in the Government force if I will pay the price, and if you do not pay the salaries, what do you want the Government to do? Why did you not write it in? I will say that I am going to offer an amendment to separate the engineers on this work from the Government pay roll, and every one of you will vote against it because you expect the Government to pay the bill.

Now, gentlemen of the committee, it seems to me that in the light of the campaign we have just got through making—and I made a good many speeches myself, and every Member of the House no doubt made them—and I will make a guess that every man jack of you when on the platform decried the Government's going into private business. [Laughter and applause.] You pledged your people that if you were returned to power you would do everything you could to segregate the Government from private business, and do it right away. Now, that is all you have been doing for the last two or three days, is getting them back into it.

The gentleman from Nebraska [Mr. KINKAID] says there are something like 20,000 acres in Nebraska that if the Government will go out and investigate and reclaim them will probably make it pay $2 to $1. I want the distinguished gentleman from Nebraska to tell me what the State experimental station is doing, particularly since they get an appropriation from the national experimental station at Washington, through the agricultural college, to develop that land. Why, I would like to go out and buy a piece of run-down land, if this bill becomes a law, then have the Government come along and do the work.

You have listened to arguments of every kind. They say make the Government do the experimental work and the private individual will pay the bill. But the Government is to furnish the men. Then, after they have made the exploitation or investigation, the Government will let the contract to do the work in developing my farm. That seems to me, gentlemen, is getting Townley, from North Dakota, skinned alive. [Laughter.]

He is not one, two, three with that kind of a doctrine, in my judgment. The distinguished gentleman from Colorado [Mr. TAYLOR] said that the reason we opposed this is because we do not understand it. It is entirely possible that I did not understand every phase of it, but I will challenge the gentleman from Colorado in his next speech to show me and this committee where the Reclamation Service of the United States ever reclaimed a dollar's worth of private property and then sold it and gave it to the private individual for a profit. I am not averse to having the Government go and spend millions, billions, if necessary, to reclaim great tracts of land that belong to the whole people and then let the whole people get the benefit of it. This puts me in mind of the high-finance scheme in a city, where a man opens up a new tract of territory and then buys a good big block out of the heart of it and sits down for a generation or two and lets the rest of the citizens build it up and inflate his values from $10 an acre to $10,000 an acre. It is the same proposition. Why should the Government go in and spend money for any private land? Why should the Government send its help even if the private individual is going to pay the bill? I agree with the gentleman from Tennessee who awhile ago said that it is a bad governmental policy to have a private individual or concern or corporation hold the purse strings on a Government employee. How would you like to have the meat packers own the employees who are doing the work for the Government in inspecting the meat? It is the same proposition. I want to say to you seriously that I can not see a single argument in the teaching of my fathers that were handed down to me from the time I went to school and studied elementary history in advocacy of such a proposition as this. There is not a line in the history of the United States from Washington down to William McKinley and Grover Cleveland that ever sanctioned any such doctrine as we have been putting over in the last few days in this Congress. It has only been in the last eight years that these things have been possible, so that whenever a man gets a toothache or anything else he appeals to the United States Government to come and cure him of it. If a man gets in a quarrel with his employer he wants the Government to come and settle the trouble. My God, men, are we living in a Republic, or are we living in a paternalistic form of government where the only right we exercise is once every four years to change to pater. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. HUDSPETH].

Mr. HUDSPETH. Mr. Chairman, I do not see anything in this bill to be especially scared of. I was amused awhile ago when my friend from New York [Mr. SNYDER], in reference to the matter of organizing companies to take over these lands, asked the question, Who was going to buy the land? I want to state to my friend from New York that down in Texas pretty soon we expect to get a pretty big slug of money from the city of New York, where a corporation was being formed to take over 200,000 acres of land under a project of this kind, but they want to know what this particular soil is adapted to grow. Under this bill it is provided that the Secretary of the Interior shall send his experts down there and tell you gentlemen just what this soil is adapted to growing, and then we expect to get some of your New York money in developing Texas lands.

Mr. SNYDER. But the gentleman from California was speaking about an individual who had 50,000 acres of land.

Mr. HUDSPETH. Oh, we have individuals down there in Texas who have half a million acres of land.

Mr. SNYDER. And he painted a beautiful picture, bringing it right down to where somebody was going to pay. I wanted to find out who was going to pay.

Mr. HUDSPETH. You people are going to pay. We want your New York money in Texas. It is legal tender down there.

Mr. SNYDER. There is not a man in the House more in favor of proper irrigation than I am, but I agree with my friend BEGG, absolutely, that the Government has no right to take on anybody's personal business. Therefore I am opposed to this whole scheme.

Mr. HUDSPETH. And my friend from Arkansas [Mr. WINGO] intimates that every man in the Interior Department who engages in this can be haled before a Federal court under some criminal law he imagines is in existence. Does he know that at the present time the citizens of the Pecos Valley made up a $10,000 fund to pay engineers to go down from the Interior Department and survey that land down there and make a report on the feasibility of the Red Bluff Dam site?

Mr. WINGO. I never heard of it.

Mr. HUDSPETH. I am just telling the gentleman. There are lots of things about which I can enlighten my friend from Arkansas.

Mr. WINGO. Proceed.

Mr. HUDSPETH. The gentleman never heard of these engineers going out West and surveying mineral claims. Yet he thinks we could hale the whole Interior Department before a Federal court. There are $10,000 down there, or should be there by this time, contracted with the water users of the Pecos Valley, and they should send engineers down there from the Interior Department.

Mr. HAYDEN. The gentleman realizes, also, that every soil survey made in the United States is under cooperative action—money put out by somebody to help survey the soil.

Mr. HUDSPETH. Yes; and I want to enlighten my friend from Arkansas again by stating that there is nothing in this bill that requires a State to pass a law before the citizen can take advantage of it.

Mr. WINGO. I did not say anything of that kind.

Mr. HUDSPETH. I understood the gentleman thought the great State of Arkansas could not take advantage of this bill until the legislature met and passed a law.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. HUDSPETH. Yes.

Mr. WINGO rose.

Mr. HUDSPETH. I first want to yield to my friend from New York, because I am interested in New York at the present time, for we hope to get money from New York for the organizing of land corporations in Texas.

Mr. SNYDER. I hope you keep on getting it. My friend HAYDEN over there knows that in the Indian Bureau we found in our investigations that over $3,000,000 had been spent by surveyors of that bureau, which had been charged up to somebody, but to whom we have been unable to find out so far, and that was on a proposition almost exactly like this, where the Government went out to survey lands for some one, land that they were going to allot to somebody, and we found that $3,000,000 were expended, which we tried to charge off here in the last session.

Mr. HUDSPETH. I hope it went to Texas, but I know it did not. We need foreign capital, and that is what we will get if we pass this bill.

Mr. SNYDER. I think we are about to get into the same sort of situation in this.

Mr. HUDSPETH. Why do we men in Texas want this bill? Fake schemes are being organized every day; land corporations are putting land on the market to catch your people in New York by schemes of that kind. Under this bill it can not be done. Why? Because the Secretary of the Interior sends his experts down there and makes a report upon these lands and tells you what they will produce.

Mr. SNYDER. I will say to the gentleman that we up in the State of New York are not looking for that kind of protection. We want to get stung once in a while.

Mr. HUDSPETH. But we do not want you to get stung.

Mr. HUSTED. If the gentleman will permit, in connection with what the gentleman said with reference to the sale of land, I assume all of these tracts will not turn out well. Even if carried on under Government supervision, some probably will be a failure. I would like to ask what will be the advertising value in case some one wants to exploit a worthless tract under this governmental sanction that is proposed?

Mr. HUDSPETH. I do not think he can do it under this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. HUDSPETH. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. TAYLOR of Colorado. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. WINGO].

Mr. WINGO. Mr. Chairman, my good-natured friend from Texas must have been having a dream. I confess that I have many things to learn and he nothing, but I did not suggest anything about Federal agents and Federal courts. I was trying to get some practical information. I am not surprised in his dream the gentleman did not comprehend either my questions or their objects. I listened, as I always do, to the charming dissertations of the gentleman from Wyoming, but as usual his utterances were as devoid of information on the practical facts of the pending measure as they were pregnant with stale platitudes.

The proponents of this measure assure us that this bill will develop and sell the cut-over stump lands of my district, spread fertilizer over the infertile lands of the gentleman from Texas, drawing thereto for that purpose the gold of New York, drain the swamp lands of Florida, and irrigate the arid lands of Arizona; but some of us are not so credulous as to take rhetoric in lieu of law, and call in vain on these gentlemen to show us how these things are possible and practicable under the provisions of the bill.

The report says this is a unique bill. True. The arguments made so far in support of it are unique. For instance, we are assured that private capital and private enterprise are now developing these reclamation projects in the West, but the expense is so great it is hard on the landowners, and that if the Government will do it it will be less expensive. Unique suggestion that, but it taxes the credulity of every intelligent man who knows by experience that Government handling of these projects is more expensive than private development.

I have the temerity to say to the gentleman from Texas, wise as he claims to be, that when the great undeveloped resources of Texas are developed for the best interests of Texas it will be by private capital and private enterprise, and not by Federal expert agents, prowling over that State, peddling Government aid. Oh, but you must help the farmer. This is not for the benefit of any farmer. Is it going to increase the food supply? Would you aid the increase of farm products to-day? If so, what you need is labor and a market. Is not that it? Gentlemen talk about its being an expensive proposition to get land, because, as the gentleman from California says, there are thousands who want land. If you come to the great Commonwealth of Arkansas, we can give you land as rich and fertile as the valley of the Nile that you, right now, can buy on 10 years' time, deferred payments, at less than half the minimum cost of any reclamation project ever put over. No; it is not for the purpose of increasing the food supplies; it is for the purpose of increasing the number of experts who will be on the Federal pay roll. I am not deceived. If it is a justifiable activity of the Federal Government, if it is to add to the wealth of a great Nation, if it develops the food supply and increases the strength, credit, and the industrial wealth of this Nation, then the Government ought to pay the expense and ought not to make the private individual pay it; but that is not the object. Make your bill a genuine, practical measure, whereby the swamp lands may be drained, the arid lands irrigated, the cut-over lands brought into cultivation, and I shall be for it. May I suggest that what we need now is not increased officeholders, but a practical plan whereby the farmer can find a profitable market for the products of the lands already developed.

Mr. MADDEN. Mr. Chairman, it seems to be manifest to everybody that we can not finish the consideration of this bill to-night, and inasmuch as I think we ought to have plenty of time for discussion of the question involved, I make the point of no quorum.

Mr. MONDELL. Will the gentleman withhold that? I think we ought to get through with the general debate to-night.

Mr. MADDEN. No; I think it is time to quit.

The CHAIRMAN. Does the gentleman from Illinois make the point of no quorum?

Mr. MADDEN. I do.

The CHAIRMAN. The Chair will count. [After counting.] Eighty-one Members are present, not a quorum, and the Clerk will call the roll.

Mr. KINKAID. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Nebraska moves that the committee do now rise. The question is on agreeing to that motion.

The motion was agreed to.

Accordingly the committee rose; and Mr. MADDEN as Speaker pro tempore having assumed the chair, Mr. HICKS, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill (S. 3477) to increase, without expenditure of Federal funds, the opportunities of people to acquire rural homes, and for other purposes, had come to no resolution thereon.

Mr. KINKAID. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD.

The SPEAKER pro tempore. The gentleman from Nebraska asks unanimous consent to revise and extend his remarks in the RECORD. Is there objection?

There was no objection.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 17 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 22, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

255. A letter from the Acting Secretary of the Treasury, transmitting supplemental and deficiency estimates of appropriation required for the Public Health Service for the fiscal years 1920 and 1921 (H. Doc. No. 937); to the Committee on Appropriations and ordered to be printed.

256. A letter from the Acting Secretary of the Treasury, transmitting supplemental estimates of appropriations required by the Department of Labor during the fiscal year 1921 (H. Doc. No. 938); to the Committee on Appropriations and ordered to be printed.

257. A letter from the Secretary of the Treasury, transmitting deficiency estimate of appropriation required by the Treasury Department to cover "Contingent expenses, Independent Treasury," for the fiscal year 1920 (H. Doc. No. 939); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. SIEGEL, from the Committee on the Census, to which was referred the joint resolution (H. J. Res. 410) to authorize payment to members of the Army and Navy who were employed as enumerators during the Fourteenth Decennial Census to take the census of persons in the Army and Navy, reported the same without amendment, accompanied by a report (No. 1140), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. HASTINGS, from the Committee on Indian Affairs, to which was referred the bill (H. R. 15159) changing the designation of the superintendent for the Five Civilized Tribes to the Third Assistant Secretary of the Interior, defining his duties, and for other purposes, reported same without amendment, accompanied by a report (No. 1141), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. McFADDEN: A bill (H. R. 15301) to amend section 11(m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919; to the Committee on Banking and Currency.

Also, a bill (H. R. 15302) to amend the first paragraph of section 20 of the act of Congress approved July 17, 1916, known as the Federal farm loan act, as amended by the act of Congress approved April 20, 1920; to the Committee on Banking and Currency.

Also, a bill (H. R. 15303) to amend section 9 of the Federal reserve act, as amended by the act approved June 17, 1917; to the Committee on Banking and Currency.

By Mr. WARD: A bill (H. R. 15304) for the adjudication and determination of the claims arising under joint resolution of July 14, 1870 (16 Stat. L., 670), authorizing the Postmaster General to continue to use in the Postal Service Marcus P. Norton's combined postmarking and stamp-canceling hand-stamp patents, and directing him to "determine upon a fair, just, and equitable compensation for the use of said inventions," or arising otherwise; to the Committee on the Post Office and Post Roads.

By Mr. GOULD: A bill (H. R. 15305) authorizing the Secretary of War to donate to the village of Covert, N. Y., a German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. MADDEN: A bill (H. R. 15306) to amend sections 301 and 307 of the transportation act, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. BROOKS of Illinois: Joint resolution (H. J. Res. 424) authorizing and empowering the President to invite all nations to send delegates to a convention to provide for disarmament; to the Committee on Foreign Affairs.

By Mr. PORTER: Joint resolution (H. J. Res. 425) authorizing the appointment of an ambassador to China; to the Committee on Foreign Affairs.

By Mr. FISH: Joint resolution (H. J. Res. 426) providing for the bringing to the United States of the body of an unknown American killed on the battlefields of France, and for the burial of the remains with appropriate ceremonies; to the Committee on Military Affairs.

By Mr. BLANTON: Resolution (H. Res. 622) providing that it shall be in order to consider without intervention of a point of order amendments to House bill 15275; to the Committee on Rules.

By Mr. SCHALL: Resolution (H. Res. 623) to investigate the conduct of officers of the Federal reserve banks and the Federal Reserve Board in relation to the extension and withdrawal of credit; to the Committee on Rules.

By Mr. STRONG of Kansas: Resolution (H. Res. 625) requesting the War Department to furnish information to the Committee on Military Affairs regarding the abandonment of Camp Funston and providing that pending the furnishing of such information and action thereon that no action toward the wrecking and abandonment of said camp be taken; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 15307) granting a pension to Malissa Leonard; to the Committee on Invalid Pensions.

By Mr. CAREW: A bill (H. R. 15308) to compensate the owners of the steamship *Brynhild* for damages and expenses in repairing the said steamship and to make an appropriation therefor; to the Committee on War Claims.

Also, a bill (H. R. 15309) to compensate the owners of the American steamship *Vindal* for damages and expenses in repairing the said steamship and to make an appropriation therefor; to the Committee on War Claims.

By Mr. CLASSON: A bill (H. R. 15310) granting a pension to Annie Rouse; to the Committee on Invalid Pensions.

By Mr. DARROW: A bill (H. R. 15311) granting an increase of pension to Theresa B. Streibig; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 15312) granting an increase of pension to Rebecca E. Boblett; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15313) granting a pension to Philip Olinger; to the Committee on Pensions.

By Mr. FORDNEY: A bill (H. R. 15314) granting a pension to Sadie L. Holmes; to the Committee on Invalid Pensions.

By Mr. KINKAID: A bill (H. R. 15315) granting a pension to Hattie E. Boyd; to the Committee on Invalid Pensions.

By Mr. LINTHICUM: A bill (H. R. 15316) granting an increase of pension to Thomas Rolle; to the Committee on Pensions.

By Mr. REAVIS: A bill (H. R. 15317) granting a pension to John R. Ward; to the Committee on Pensions.

By Mr. ROMJUE: A bill (H. R. 15318) granting a pension to Arthur E. Lewis; to the Committee on Invalid Pensions.

By Mr. WILSON of Pennsylvania: A bill (H. R. 15319) granting an increase of pension to Mary M. Taylor; to the Committee on Invalid Pensions.

By Mr. WOODYARD: A bill (H. R. 15320) granting an increase of pension to Amanda Ruble; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4645. By the SPEAKER (by request): Petition of the Federated Trades Council of Milwaukee, Wis., demanding the recognition of the Russian soviet government; to the Committee on Foreign Affairs.

4646. By Mr. BARBOUR: Petition of Methodist Sunday School and Church of Merced, Calif., favoring the passage of House bill 8063; to the Committee on the Judiciary.

4647. By Mr. BURROUGHS: Petition of Miss Agnes Hunt on behalf of the Nineteenth Century Club of Manchester, N. H., advocating the passage of Smith-Towner and Sheppard-Towner bills; to the Committee on Interstate and Foreign Commerce.

4648. Also, petition of Maude Miller Robinson on behalf of the Woman's Club of Anterim, N. H., advocating passage of Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4649. Also, petition of Mrs. E. P. Thompson in opposition to the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4650. By Mr. CAREW: Petition of Travelers' Protective Association of America, favoring revision of the income tax laws; to the Committee on Ways and Means.

4651. Also, petition of the Travelers' Protective Association of America, favoring improvement of rivers and harbors; to the Committee on Rivers and Harbors.

4652. Also, petition of the Bronx Board of Trade of New York City, favoring daylight-saving law; to the Committee on Interstate and Foreign Commerce.

4653. Also, petition of Travelers' Protective Association of America, regarding immigration to this country; to the Committee on Immigration and Naturalization.

4654. By Mr. CULLEN: Petition of Atlantic Deeper Waterways Association, Philadelphia, Pa., favoring trunk-line water-

way system from Maine to Florida; to the Committee on Rivers and Harbors.

4655. Also, petition of the Travelers' Protective Association of America, regarding immigration to the United States; to the Committee on Immigration and Naturalization.

4656. Also, petition of the Travelers' Protective Association of America, regarding harbors and inland waterways; to the Committee on Rivers and Harbors.

4657. Also, petition of the Travelers' Protective Association, regarding revision of income-tax laws; to the Committee on Ways and Means.

4658. By Mr. CURRY of California: Petition of California Bar Association, favoring the passage of Senate bill 1214 and House bill 133, providing for the adoption of uniform rules of procedure in the Federal courts; to the Committee on the Judiciary.

4659. Also, petition of Meroya McKenzie and 11 other citizens of Napa, Calif., protesting against the passage of Senate bill 4038 as applied to radio amateurs; to the Committee on the Merchant Marine and Fisheries.

4660. By Mr. ESCH: Petition of Federated Trades Council of Milwaukee, demanding recognition of the Russian soviet government; to the Committee on Foreign Affairs.

4661. Also, petition of Travelers' Protective Association of America, St. Louis, Mo., in connection with improvement of harbors and inland waterways; to the Committee on Rivers and Harbors.

4662. Also, petition of Travelers' Protective Association of America, St. Louis, Mo., in connection with increased stringency of immigration laws; to the Committee on Immigration and Naturalization.

4663. Also, petition of Travelers' Protective Association of America, St. Louis, Mo., in connection with income-tax exemption; to the Committee on Ways and Means.

4664. By Mr. FULLER of Illinois: Petition of Mrs. Samuel D. Brodt and Dekalb Women's Club, of Dekalb, Ill., favoring the passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4665. Also, petition of the Franklin Motor Car Co., of Chicago, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4666. By Mr. IRELAND: Petition of sundry citizens of Peoria, Ill., protesting against the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4667. Also, petition of sundry women voters of Peoria, Ill., opposing the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4668. By Mr. KENNEDY of Rhode Island: Resolutions of Woonsocket (R. I.) Mothers' Club and Rhode Island Women's Club, urging passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4669. By Mr. LINTHICUM: Petition of Edward Stinson Manufacturing Co., of Baltimore, Md., relating to House bill 13201; to the Committee on Coinage, Weights, and Measures.

4670. Also, petition of Burt Machine Co. and T. H. Symington Co., both of Baltimore, Md., relating to the Nolan bill; to the Committee on Patents.

4671. Also, petition of Webster-Butterfield Co. and Miss Mary E. A. Connolly, both of Baltimore, Md., relating to the Smith-Towner bill; to the Committee on Education.

4672. Also, petitions of Baltimore Chamber of Commerce, of Baltimore, Md., relating to deferring payment taxes; Hilgartner Marble Co., of Baltimore, Md., relating to the national budget; and Haman, Cook, Chestnut & Markell, of Baltimore Md., relating to revenue; to the Committee on Ways and Means.

4673. By Mr. McLAUGHLIN of Michigan: Petition of Grand Traverse County Farm Bureau, Traverse City, Mich., indorsing the so-called French-Capper truth in fabric bill; to the Committee on Interstate and Foreign Commerce.

4674. Also, petition of Grand Traverse County Farm Bureau, Traverse City, Mich., opposing the so-called Ralston-Nolan bill; to the Committee on Ways and Means.

4675. By Mr. O'CONNELL: Petition of Joske Bros. Co., of San Antonio, Tex., regarding the value of Liberty bonds; also, Dairymen's League (Inc.), urging that milk and all dairy products be included in the temporary tariff bill; to the Committee on Ways and Means.

4676. By Mr. SINCLAIR: Petition of the faculty of the State Normal School at Dickinson, N. Dak., favoring the passage of the Smith-Towner bill; to the Committee on Education.

4677. By Mr. WATSON: Petition of sundry women of Ardmore, Montgomery County, Pa., urging the passage of the Sheppard-Towner bill, for the protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 22, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father in heaven, we lift up our hearts to Thee in gratitude for the spirit of progress Thou didst implant in the heart of man; for every step toward a higher civilization handed down from generation to generation to the present hour. Make us wise, we pray Thee, in our generation, that we may hold fast to the good and press forward toward the better and higher civilization which is ever beckoning us onward and upward, that we may achieve and leave behind us a record which will inspire future generations. In the spirit of the World's Great Exemplar. Amen.

The Journal of the proceedings of yesterday was read and approved.

SPEAKER PRO TEMPORE TO-MORROW.

The SPEAKER. Some months ago the Speaker accepted an invitation to deliver an address in New York at the Pilgrim Tercentenary; and the Chair designates the gentleman from Massachusetts [Mr. WALSH] to act as Speaker pro tempore to-morrow.

ARTHUR LUCAS.

Mr. IRELAND. Mr. Speaker, by direction of the Committee on Accounts I ask consideration of the privileged resolution which I send to the desk.

The SPEAKER. The gentleman from Illinois offers a privileged resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 572.

Resolved, That the Clerk of the House of Representatives be, and he is hereby, authorized and directed to pay, out of the contingent fund of the House, $60 to Arthur Lucas for special janitor services rendered during the second session of the Sixty-sixth Congress.

Mr. IRELAND. Mr. Speaker, this is the usual resolution that is passed each session for the boy who does the janitor work for the gentleman from Illinois [Mr. CANNON]. I move the adoption of the resolution.

The resolution was agreed to.

Mr. SEARS. Mr. Speaker, I make the point that there is no quorum present.

The SPEAKER pro tempore (Mr. WALSH). The gentleman from Florida makes the point of order that no quorum is present. It is apparent that there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Andrews, Md.	Foster	Lonergan	Sabath
Anthony	Freeman	Lufkin	Sanders, Ind.
Babka	Fuller, Mass.	McCulloch	Sanders, La.
Baer	Gallivan	McGlennon	Sanders, N. Y.
Black	Gandy	McKeown	Sanford
Blackmon	Ganly	McKinley	Schall
Booher	Goldfogle	McLane	Scully
Brand	Goodall	MacCrate	Siegel
Brinson	Greene, Mass.	Maher	Sinclair
Britten	Hamill	Mann, S. C.	Sisson
Browne	Hamilton	Mason	Small
Brumbaugh	Hill	Mead	Smith, N. Y.
Burdick	Hoey	Moon	Steele
Burke	Huddleston	Mooney	Stevenson
Caldwell	Hullings	Mudd	Stiness
Candler	Hull, Iowa	Nelson, Wis.	Strong, Kans.
Carter	Igoe	Newton, Mo.	Sullivan
Casey	James, Mich.	Nicholls	Summers, Wash.
Christopherson	James, Va.	O'Connell	Tague
Costello	Johnson, Ky.	Paige	Taylor, Ark.
Currie, Mich.	Johnson, Miss.	Parker	Taylor, Tenn.
Dallinger	Johnson, S. Dak.	Pell	Tinkham
Davey	Johnston, N. Y.	Perlman	Vare
Dent	Jones, Pa.	Rainey, Ala.	Vestal
Dewalt	Juul	Rainey, J. W.	Voigt
Dominick	Kearns	Ramsey	Volstead
Donovan	Keller	Randall, Wis.	Ward
Dooling	Kendall	Reed, N. Y.	Watkins
Drane	Kennedy, Iowa	Reed, W. Va.	Wilson, Ill.
Dyer	Kennedy, R. I.	Riordan	Wilson, Pa.
Edmonds	Kettner	Robinson, N. C.	Wise
Ellsworth	Kitchin	Romjue	Wright
Ferris	Kleczka	Rouse	Yates
Fields	Kraus	Rowan	
Fisher	Lampert	Rowe	
Focht	Lesher	Rubey	

The SPEAKER pro tempore. On this roll call 290 Members have answered to their names. A quorum is present.

Mr. MONDELL. I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER pro tempore. The Doorkeeper will unlock the doors.

EMERGENCY TARIFF.

Mr. FORDNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, and, pending that, I would like to arrange time for general debate. Will the gentleman from Illinois [Mr. HENRY T. RAINEY] agree to an hour and a half on a side for general debate?

Mr. HENRY T. RAINEY. That will be satisfactory.

Mr. FORDNEY. Then, Mr. Speaker, I ask unanimous consent that there be an hour and a half general debate on each side, one half that time to be controlled by myself and the other half by the gentleman from Illinois [Mr. HENRY T. RAINEY].

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent for three hours' general debate, one-half the time to be controlled by the gentleman from Michigan [Mr. FORDNEY] and one-half by the gentleman from Illinois [Mr. HENRY T. RAINEY]. Is there objection?

Mr. SNYDER. Mr. Speaker, reserving the right to object, I should like to ask the chairman of the committee if that provides for any time for any Members of the House other than members of the Committee on Ways and Means?

Mr. FORDNEY. The bill will be considered under the five-minute rule.

Mr. SNYDER. But I should like to ask the gentleman further if all the time is to be taken up by members of the Committee on Ways and Means?

Mr. FORDNEY. Requests for time on this side for more than two hours have been made.

Mr. SNYDER. Would it not be better to have more general debate? There are a few of us who do not need much time, but would like a minute or two without being obliged to get it under the five-minute rule.

Mr. FORDNEY. I should like to see the bill passed to-day, and in order to do that and consider the bill under the five-minute rule we will have to hurry along with the general debate.

Mr. SNYDER. There are a number of men on this side of the House who would like to have a little time under general debate.

Mr. FORDNEY. The Ways and Means Committee will not take up half of the time under general debate, and I will distribute the balance as best I can.

Mr. SNYDER. I have no desire to keep the bill from going through to-day, but it seems to me wise to make it two hours on a side and let a few gentlemen outside of the committee have something to say, although it may not be of great value——

Mr. FORDNEY. It will be of great value.

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, may I ask the gentleman a question?

Mr. FORDNEY. Certainly.

Mr. MANN of Illinois. Is it the intention of the gentleman from Michigan to ask the House to remain in session to-day until this bill is passed?

Mr. FORDNEY. Yes; I want to pass the bill to-day.

Mr. MANN of Illinois. Is it the gentleman's intention to ask the House to sit until the bill is passed?

Mr. FORDNEY. It is.

Mr. MANN of Illinois. Then why does not the gentleman cut the debate down to an hour and give the Members of the House a chance to discuss it under the five-minute rule? No one will remain here to hear the general debate.

Mr. FORDNEY. Let me offer that suggestion to the other side of the House. I will ask the gentleman from Illinois, in order to distribute the time and give more time to gentlemen under the five-minute rule, will it be agreeable to him to have an hour of general debate on each side?

Mr. HENRY T. RAINEY. That is impossible; I can not agree to that.

Mr. FORDNEY. I have requests on this side for two or three hours' time, but I have cut it down to an hour and a half.

Mr. HENRY T. RAINEY. I have requests for two or three hours, too, and those requests are not all from members of the committee. I do not think we can get along with less than an hour and a half.

Mr. BLANTON. Mr. Speaker, reserving the right to object, it is impossible to get time on this side of the House for those of us who are in favor of this bill. I would like to ask the gentleman from Michigan if the time he has asked for will take care of the time promised by the gentleman to me.

Mr. FORDNEY. I promised to give the gentleman from Texas 10 minutes under general debate, or obtain that amount under the 5-minute rule, if I could. But the gentleman can see the predicament that I am in, without any time for myself to present the bill to the House. I have had requests on this side for more than two hours and a half.

Mr. BLANTON. But we are not working under such great emergency and pressure that we can not have an hour or two to devote to this important bill.

Mr. FORDNEY. We want it passed to-day.

Mr. BLANTON. Yes; so that some Members can run off home to-morrow.

The SPEAKER pro tempore. Is there objection?

Mr. BLANTON. I object.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan, that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill H. R. 15275.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the consideration of the bill of which the Clerk will report the title.

The Clerk read as follows:

A bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes.

Mr. LONGWORTH. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

Mr. WINGO. I object.

The Clerk read the bill, as follows:

Be it enacted, etc., That on and after the day following the passage of this act, for the period of 10 months, there shall be levied, collected, and paid upon the following articles, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila), the rates of duty which are prescribed by this section, namely:

1. Wheat, 30 cents per bushel.
2. Wheat flour and semolina, 20 per cent ad valorem.
3. Corn or maize, 15 cents per bushel of 56 pounds.
4. Beans, provided for in paragraph 197 of the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, 2 cents per pound.
5. Peanuts or ground beans, 3 cents per pound.
6. Potatoes, 25 cents per bushel of 60 pounds.
7. Onions, 40 cents per bushel of 57 pounds.
8. Rice, cleaned, 2 cents per pound; uncleaned rice, or rice free of the outer hull and still having the inner cuticle on, 1¾ cents per pound; rice flour, and rice meal, and rice broken which will pass through a No. 12 wire sieve of a kind prescribed by the Secretary of the Treasury, one-fourth of 1 cent per pound; paddy, or rice having the outer hull on, three-fourths of 1 cent per pound.
9. Lemons, 1¼ cents per pound.
10. Oils: Peanut, 26 cents per gallon; cottonseed, coconut, and soya bean, 20 cents per gallon.
11. Cattle, 30 per cent ad valorem.
12. Sheep: One year old or over, $2 per head; less than one year old, $1 per head.
13. Fresh mutton and lamb, 2½ cents per pound.
14. Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.
15. Manufactures of which cotton of the kind provided for in paragraph 14 is the component material of chief value, 7 cents per pound, in addition to the rates of duty imposed thereon by existing law.
16. Wool, commonly known as clothing wool, including hair of the camel, angora goat, and alpaca, but not such wools as are commonly known as carpet wools: Unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound. Unwashed wools shall be considered such as shall have been shorn from the animal without any cleaning; washed wools shall be considered such as have been washed with water only on the animal's back or on the skin; wools washed in any other manner than on the animal's back or on the skin shall be considered as scoured wool. On wool and hair provided for in this paragraph, which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.
17. Wool and hair of the kind provided for in paragraph 16, when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which wool or hair of the kind provided for in paragraph 16 is the component material of chief vaue, 45 cents per pound in addition to the rates of duty imposed thereon by existing law.

SEC. 2. The rates of duty imposed by section 1 (except under paragraphs 15 and 17) in the case of articles on which a rate of duty is imposed by existing law, shall be in lieu of such rate of duty during the 10 months' period referred to in section 1.

SEC. 3. After the expiration of the 10 months' period referred to in section 1, the rates of duty upon the articles therein enumerated shall be those, if any, imposed thereon by existing law.

SEC. 4. The duties imposed by this act shall be levied, collected, and paid on the same basis, in the same manner, and subject to the same provisions of law, including penalties, as the duties imposed by such act in 1913.

Mr. FORDNEY. Mr. Chairman and gentlemen of the House, this bill has been reported by the Ways and Means Committee, prompted by the appeals that have been made by people from various parts of the country pointing out the distressed financial condition of the agricultural productions of the country.

First let me say that the sheep growers of the country—and, by the way, that industry is one of the most important industries of the country to all the people. The production of wool in this country before the war, in round numbers, was 300,000,000 pounds annually, while our annual consumption was a trifle more than 500,000,000 per annum. During the war we learned a lesson and have paid the penalty for many of the things used in this country that we can produce but do not. Wool is one of those articles.

Information was brought to the committee that 90 per cent of all the sheep on the western ranges are mortgaged to-day for $9 per head, more money than the sheep will sell for on the market to-day. Information was brought to the committee that 90 per cent of the cattle on the western ranges are mortgaged for $45 per head, more money than they will sell for.

A statement was made, and it is printed in the hearings, of a shipment of sheep to the Chicago stockyards, where a farmer made a shipment that, after paying the freight, the discount, allowances, and commissions, that shipment of sheep netted the farmer 33 cents a head, which he had sold at $2.10 a head delivered.

The most striking illustration of the distressed condition the farmer finds himself in came to my notice last evening when I stepped into a restaurant and ordered some lamb chops. I received two small lamb chops, about two mouthfuls to each chop, and paid 65 cents for the two, twice as much as was received by the farmer for a whole sheep—carcass, hide, wool, and all. [Laughter.]

Somewhere between the farmer and the consumer the value of the sheep got away. The farmer to-day is suffering because of the lack of a market for his products and a price for his products that would yield to him something like the cost of production. What is true of mutton and cattle is true of every article that the committee has included in this bill, or practically so.

Mr. GRIFFIN. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. GRIFFIN. Will the gentleman kindly tell us how this bill will provide for disposing of the profit between 35 cents which the farmer gets for his sheep and the $2.10 for which he sold it.

Mr. FORDNEY. Oh, brother, my time is too limited to make a long explanation of that, but the gentleman knows that what I have said is true.

Mr. GRIFFIN. And will this bill bring about an improvement in the situation?

Mr. FORDNEY. The gentleman must not take my time. Some criticisms may be made because there are some farm products that need assistance that are not included in this bill. There is no possibility of putting through Congress with any hope of success this bill if we include everything asked for by everybody. The committee has attempted to include in the bill the articles of agriculture and the manufactured products of wool and cotton—of long-staple cotton—the things that are in greatest distress. Information was brought to us that the lemon crops of to-day of California and Florida are yet hanging on the trees, because the price that can be obtained for that crop will not pay for harvesting the crop, let alone the cost of producing it. We are aiming to bring some measure of relief in a small way, quickly and for a short time, as an emergency measure, until something more scientific and permanent can be done by Congress to encourage the industries of the country in every line. Gentlemen may criticize this bill and criticize the members of the committee for not including more items than are included in the bill, or we may be criticized for including some things that some gentlemen believe should not be included, but if you were to sit and listen to the information that was presented to our committee I believe you would agree with us that we have made an honest effort to include in the bill the things that the farmer is producing because of the fall in the price of which he is in greatest distress. I do not want to occupy more than a little time, because there are many gentlemen who desire to speak.

Mr. GREEN of Iowa. I suggest that the gentleman reserve the remainder of his time.

Mr. FORDNEY. Yes. I want to conclude quickly. Some criticism may be made because the committee have included a duty on long-staple cotton. Never before, for at least a half century of time, has there been a duty included in any tariff bill on any imported cotton, but the production of long-staple cotton has become such a great industry in the United States that the importation of sea-island cotton or Egyptian cotton now constitutes competition with the cotton produced in this country to a point where it is necessary that the industry in this country should have some protection. The committee has included a duty on long-staple cotton and also a duty on the manufactured products of long-staple cotton.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. BLANTON. Inasmuch as the gentleman has served that item to the country with a slice of lemon and a pinch of onion, we will accept it.

Mr. FORDNEY. The gentleman has told me that he is going to support this bill.

Mr. BLANTON. I am.

Mr. FORDNEY. And if he is, he should not criticize it. Under existing law the revenues collected, as estimated by the Treasury Department, on those items will yield about $6,000,000 in revenue. Under the proposed bill, if it is enacted into law as now written, it is estimated that more than $150,000,000 of revenue will come to the Government. I reserve the remainder of my time.

Mr. LONGWORTH. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. LONGWORTH. In the absence of any agreement respecting the limitation of time for debate any gentleman who obtains recognition by the Chair is entitled to one hour?

The CHAIRMAN. The Chair so understands it.

Mr. LONGWORTH. Is he permitted to yield that time to other Members?

The CHAIRMAN. Yes.

Mr. LONGWORTH. In such portions as he desires?

The CHAIRMAN. As the Chair understands it.

Mr. HENRY T. RAINEY. Mr. Chairman, 80 years ago the English Parliament assembled to discuss revenue measures. Already in England there prevailed the highest protective tariff of any country in the world. Corn was protected and had been protected for 200 years. Every agricultural product was protected, and manufactured articles were protected. At that time in England the party which stood for high protective tariffs and the development of a home market had a majority of over 90 in the Parliament. Before the session closed the people of England had rebelled against the illogical system. Before the session closed the first steps were taken which led to England's present tariff system—a system under which England collects more revenues to-day at her ports than we collect, a system which imposes not duties for the purpose of protection but duties for the purpose of revenue, and under the new English system, which came into force, with the entry of Richard Cobden into the Parliament of England 80 years ago, England has prospered as no other commercial nation had prospered. Her exports have increased, her imports have increased, and she became a creditor nation.

Under this system she became the clearing house of all the world. In her home markets farm products increased in price until to-day the products that the English farmers sell on the market bring a higher price than under the old system—and the English farmer receives a higher price to-day for his products than farmers receive in any other country in the world, and English farms are now the best cultivated and the best developed farms in the world—higher than we have ever been able to obtain for agricultural products here in this country.

This country has become a creditor nation almost overnight. To-day we are exporting more than we import. To-day the manufacturing industries which they propose to protect in the immediate future are exporting their products to every country in the world, and we have reached out under our present low tariff system and control the markets of the world. Our exports this year will amount to nearly $3,000,000,000 in excess of our imports, and the nations which will owe us this tremendous balance owe us other balances. We have sold them nearly a billion dollars' worth of war goods, not included in this amount. They owe us moneys that we have loaned to them—nearly $10,000,000,000—and if all the gold that is produced in the world each year was assembled and was under the control of these nations who owe us money it would not be enough to pay us one installment of interest on the amount of the loans our Government has made to them. There are balances due on account of municipal and private indebtedness, and all these tremendous balances must be paid in some way. There are but two ways to pay them, either in gold or in goods. Payment in gold, of course, is impossible, and we propose now to put up the bars and keep them from paying us in goods. Already the great financial institutions of the country, headed by the National City Bank, are warning the Republican Party against

increases in the tariff, increases which will accentuate the exchange differences between this country and other nations. This bill levies the Payne-Aldrich rates on the products it reaches, and more than that.

I remember the campaign of 12 years ago. I recall that the Republican platform declared in favor of a revision of the tariff, and I remember that it was necessary for Mr. Taft, the candidate for the Presidency, to make a swing around the circle, speaking in Cincinnati, Milwaukee, Kansas City, and St. Louis, and to announce that this revision would be a revision downward. Then I remember that there followed the Payne-Aldrich bill, which was a revision upward. Then I recall that right in the middle of his term of office sentiment changed and the Republican Party was swept from control here in the House of Representatives, and the foundations were laid for a return to power of our party, which stands for reasonable tariffs for revenue only. It may be that history will repeat itself and that the situation in England 80 years ago may be reflected here to-day. It may be that a similar change in public sentiment is about to occur in this country. It may be that the revolution that we had in the middle of the Taft administration will come again. Half of our exports consists of farm products. By cutting off the foreign demand you can not increase the home consumption of farm products, and this bill may lead in the immediate future to retaliatory tariffs, tariffs which may be reflected in this country in fewer and fewer orders and in mills running on less and less time.

I congratulate the Republican Party upon its leadership. It approaches a period of absolute and undisputed control of all branches of this Government with able leaders in this House. The gentleman from Michigan [Mr. FORDNEY] stands for a protective tariff. You can not make it too high to suit him; he admits it on every occasion. [Applause on the Republican side.] And yesterday the gentleman from Ohio [Mr. LONGWORTH], an able exponent of the protective system and one of the leaders on that side, made the astounding announcement that he would favor making the nations that owe us a present of the $10,000,000,000 they owe us rather than abandon the protective tariff system.

Mr. LONGWORTH. If the gentleman will permit, I did not state it exactly in those words. I said, "rather than abandon our home market." [Applause on the Republican side.]

Mr. HENRY T. RAINEY. The gentleman from Ohio said this:

> Let us sacrifice every cent of the money they owe us rather than sacrifice our industrial independence.

[Applause on the Republican side.]

In other words, the position of the gentleman from Ohio is that industrial independence means the home market, with a production from our mills sufficient only to supply it. Heretofore we have been supplying the home market and we have been exporting $3,000,000,000 more than other nations imported into this country. In order to preserve our industrial independence, and by industrial independence the gentleman means that a high-tariff wall shall be erected around our manufacturing industries, in order that the price may be raised to a level which may satisfy the cupidity and greed of the men who control those great interests, if such a thing is possible, and in order to do that the gentleman is willing to pay the immense sum of $10,000,000,000 for that privilege—$10,000,000,000 contributed by the people of this country, who were advised through the dark days of the war, when the blue of the flag seemed at times to be fading away in the blue of the sky, to save and buy Liberty bonds. The money arising from $10,000,000,000 worth of those bonds was loaned by this Government abroad. This Government acts as the trustee of the people of the country who sacrificed and saved in order that our allies might be kept in the field until our armies got there, and in order that American lives might be saved in northern France—and the gentleman advises that in order to build a tariff wall high enough around these protected industries to enable them to make charges upon our own citizens his party is going to be generous enough to the manufacturers of this country to give away $10,000,000,000 of the people's money. [Applause on the Democratic side.]

The CHAIRMAN. The Chair desires to advise the gentleman that he has consumed 15 minutes.

Mr. HENRY T. RAINEY. Mr. Chairman, I reserve the remainder of my time.

I desire to extend my remarks by printing a recent statement given to the press by Hon. W. G. McAdoo, also a telegram which shows the position of Hon. CLAUDE KITCHIN, of North Carolina, now unfortunately detained by illness at his home in North Carolina. Mr. KITCHIN will be the leader of the minority in the next Congress, and I also print a recent editorial from the Springfield (Mass.) Republican, an independent Republican newspaper:

[Statement by Hon. W. G. McAdoo.]

DECEMBER 20, 1920.

As I see the situation, the country can not look with indifference upon the distressing situation in which the farmers find themselves because of the tremendous shrinkage in the value of agricultural products. We can not excuse inaction nor dismiss the matter with a mere observation that deflation is necessary and that farmers must take their medicine along with the rest of the country. The farm industry is basic to the life of the Nation and possesses a superior claim to consideration not alone because its prosperity is our best protection but also because the farmer, by the very nature of his business, is more exposed to adverse influences and has less protection against them than any other class. The bulk of his crop matures at the same time and if forced upon the market all at once or in a short period he may not realize even the cost of production.

To have a chance to make a fair profit he must have credit to carry his crop for a reasonable time. He must have ample, economical, and prompt railroad transportation to get his crop to market at the times when he can sell advantageously, and he must have sufficient convenient and reasonably cheap storage facilities for the conservation of his crop while waiting for a favorable market.

It is in the highest degree to the interest of the people as a whole that the farmers shall have these facilities and opportunities so that speculation and greed may not thrive on his misfortune on the one hand and that the consumer may not suffer from the extortion of profiteers on the other.

When colossal losses like those the farmers are now sustaining overtake them every line of industry suffers, factories close, business shrinks, labor is thrown out of employment, and confidence is seriously shaken. We are already experiencing these unhappy consequences.

Of course, prices in the United States could not be kept permanently on an inflated and artificial basis. Deflation was necessary and inevitable, but the processes of deflation are frequently more dangerous than the processes of inflation. It is easier to climb a tree than to come down. For this very reason the readjustments through which all industry and business are now going must be dealt with intelligently and eased in every reasonable way. It is the imperative duty of those in civil authority and of those who control credit to exercise their powers so as to prevent needless distress and preserve confidence.

I am frank to say that I think that the policies thus far pursued with respect to credits have been too drastic, but whether or not I am right, I am sure that the situation should now be reviewed in the light of existing conditions. A more liberal policy about credits should be put into effect immediately. I think that the reserve bank rates could be prudently reduced and that member banks could be safely encouraged to make loans on agricultural products and to business generally on reasonable time to those who can give adequate security and that the whole situation would be beneficially affected by this procedure.

Every intelligent person sympathizes with the effort to prevent speculation and the use of credit for purposes not beneficial to the general interest, but a wise discrimination should be exercised, and certainly the primary producer like the farmer should not be forced to bear the brunt of the sacrifices.

In many parts of the country, especially in the agricultural districts, credit is almost entirely wanting, and in many lines of legitimate business and industry great losses are being sustained because of the restriction of credits.

The point I wish to impress is that deflation has been carried so far and with such rapidity that we must now reconsider the situation, make an effort to present further distress and suffering, and bring about a revival of industry and confidence.

With this in view, we should make every effort to stimulate and enlarge our export trade. This is especially important to the farmers, because approximately 50 per cent of our export trade represents agricultural products. European nations desire our cotton, grain, and other products, but have no credit. It is to our interest to supply that credit. I therefore think that the revival of the War Finance Corporation is highly desirable. I believe that it can exercise an immensely beneficial influence upon the export trade if it is operated on a sound and liberal scale.

The recent action of the League of Nations at Geneva for the establishment of an international commission to consolidate the credits of some of the central European powers and utilize them in the purchase of American commodities is an important step and offers a new opportunity for helpful service by the War Finance Corporation.

Every influence of this Government should be promptly exerted to secure a prompt determination of the amount of the German indemnity. So long as this question remains unsettled it is undoubtedly true that there can be no economic rehabilitation of Germany and of the Central Powers, and so long as this continues their credit and buying power is reduced to a minimum.

If the German indemnity were fixed to-day, it would enormously help the economic situation throughout the world, and an immediate market would be opened for American food, cotton, and manufactured products which would not only relieve great suffering in Europe but redound to our own prosperity. It is a great pity that the peace treaty was not ratified promptly, as this would have put an American representative on the Reparations Commission, and would have enabled our Government long since to have brought about a settlement of the German indemnity with benefit to the entire world.

I have long been convinced that we ought to reestablish trade relations with Russia. It is not necessary to recognize the soviet government to do this. Why should we refuse to let people in distress in Russia or elsewhere buy our products, if they can pay for them, no matter what form of government they may choose for themselves? We have always stood for the right of peoples to determine their own form of government, and I must say that I have never been able to see any reason for our stand that we must not trade with Russia because we do not like or do not recognize her existing government. The opening up of Russian trade—and I am sure that it can be accomplished under conditions that will reasonably protect our citizens—would be very helpful to our business situation.

Of course, taxes ought to be readjusted and reduced. Last March I publicly advocated funding a large part of our floating debt. This could be done, and should be done, so that its pressure may be taken off of the American people, and especially off of business, at this time of unavoidable readjustment. The tax burden should be lightened, and can be by funding $2,000,000,000 of the floating debt during the next two years. Why should we continue high taxes merely because a relatively few people think it sounder policy to compel the present generation to pay still more of the war cost than to pass a reasonable amount of it on to future generations?

Unfortunately, the present Congress has refused for two years to do anything to relieve the tax burden or to prepare for this inevitable period of readjustment. Taxes should be reduced at this session of the Congress. There is no excuse for delay. It is essential that the business interests of the country know at the beginning instead of at the end of the year the basis upon which business must be conducted, so far as taxation is concerned, and be able to go forward with certainty and confidence. One of the grievous faults of the tax legislation of the last several years was its enactment by the Congress at the end of the year, with retroactive effect for the entire year.

The Congress should address itself unsparingly to economy in expenditures. Genuine economies can be effected by intelligent investigation and legislation. The responsibility, however, rests upon the Congress itself, because it controls the purse strings, and therefore has the power to limit expenditures. The Congress should no longer make gifts or authorize loans directly from the Public Treasury to any class or business in this country. I refer particularly to the gift of $654,000,000 made by the present Congress to the railroad corporations and to the $300,000,000 which the present Congress directed the Treasury to lend to railroad corporations at 6 per cent interest. Why should the people of the United States be taxed to make gifts and loans to railroad companies, aggregating $954,000,000, when we are already overburdened with taxes for purposes which we can not escape? There is no justification for policies like these.

The only way to effectively reduce our tax bill is to cut down our Army and Navy appropriations. If we had joined the League of Nations, that promised the most immediate and successful way of reducing armaments with safety to all nations concerned. But since we have not joined the league, I think Senator BORAH'S suggestions for an immediate agreement with England and Japan for a limitation of naval expenditures is valuable, and that such an agreement ought to be reached, if possible. This would be a practical step in the right direction, even though not a thoroughly satisfactory one. The fact that the suggestion emanates from a Republican, who has been a consistent opponent of the league, and that it is utterly inconsistent with his previous assertion that agreements of this kind are a surrender of sovereignty, makes no difference.

I am opposed to increased taxes on moderate incomes. Already these incomes are bearing a larger proportion of taxation than is justified. A radical revision of the war income taxes is essential to the prosperity of the country, and in that revision the moderate income taxpayer must have his burdens reduced instead of increased.

To sum up, I should say that a more liberal policy about domestic credits ought now to be pursued; that our foreign trade should be stimulated and enlarged; that the War Finance Corporation should be revived to assist it; that the German indemnity should be defined as quickly as possible, so that the central European markets may be opened to our farmers, manufacturers, and business men; that trade relations with Russia should be resumed as promptly as possible; that a large part of the floating debt of the Treasury should be funded; and that taxation ought to be reduced and readjusted at this session of the Congress.

If these steps are taken promptly, I believe that they will greatly relieve the present distressing situation.

[Telegram showing position on the bill of Hon. CLAUDE KITCHIN.]

SCOTLAND NECK, N. C., *December 18, 1920.*

Hon. CHARLES R. CRISP,
House of Representatives, Washington, D. C.:

YOUR, GARNER'S, and DICKINSON'S telegram received.

While you can count on my standing by what the Democrats on the committee do, my judgment is that there is nothing in the proposition that will help the cotton and tobacco farmer of the South and the grain farmer of the West, and much in the future that might hurt him. It may increase prices of some of his necessary purchases. Only oils from agricultural products should be included. Certainly mineral oils should be excluded, their prices already sky high; and, too, they are already the object of outrageous favoritism in the tax act. The proposition may help the live-stock men and the peanut growers for next year's crop—not for this year's. They (the peanut farmers) must sell this year's crop before a bag of foreign nuts can reach here after the act. If Democrats favor the proposition, couple it with a clear, rigid, enforceable, nonprofiteering provision protecting the manufacturers of such products; otherwise they will take it as an excuse to excessively profiteer. The proposition, if enacted, may prove indirectly a virtue by undeceiving the western farmer with respect to the tariff, since, in my opinion, the farmer will experience practically no beneficial effect from it. In our section the only things that will help now are for the Secretary of the Treasury to function according to the intent and purpose of the War Finance Corporation extension act we passed in the Sixty-fifth Congress for the benefit of exports, and for the Reserve Board not to charge discount rate higher than 1 per cent less than the legal rate of interest in the State in which the loan is made. For instance, legal rate in North Carolina is 6 per cent; when money is loaned to banks in this State by the reserve bank, the rate should not exceed 5 per cent. This leaves a margin of 1 per cent to cover the expense and some little profit to the borrowing bank which will loan to the people. Remember if a prohibitive tariff or embargo is good in times of emergencies, it is good in normal times to prevent future emergencies. Can we afford to educate our farmers that high tariffs are his salvation now and hereafter? The products of our farmers in the United States are in large part exported. How can their exports be paid for by foreigners except by imports? An embargo or prohibitive tariff cuts off the means of paying for our agricultural exports.

CLAUDE KITCHIN.

[Editorial from Springfield (Mass.) Republican of December 20, 1920.]

WEAKNESS IN CONGRESS.

Congress is showing decided weakness in yielding so easily to western and southern demands for measures designed to neutralize deflation with more inflation and to shield producers, as against consumers, from the effects of falling prices. The experience following the Civil War, when a bill to inflate the currency was finally passed and vetoed by President Grant, is being recalled by the present temper of Senate and House. Fifty years ago deflation of prices began, after the inflation of the war's greenback issues, and the Greenback Party was formed to prevent, by political control of the Government, the return of prices to a hard-money basis. The recent severe fall in prices has brought into being in the agricultural States of the West and South very much the same sentiment in favor of inflationary measures that swept over the United States in the late sixties and early seventies.

Everyone must keenly sympathize with agricultural producers. Official figures show that the 1920 harvest—one of the largest in history—is worth some $5,000,000,000 less than last year's harvest sold for. This shrinkage in values from $14,000,000,000 to $9,000,000,000 has been parelleled, however, in some other lines of commodities. Grain and cotton growers and live-stock men are not the only ones to be hit. Half the textile mills in New England are shut down or are on half time. The American Woolen Co. in its auction sale of overcoatings in New York last week realized less than 40 per cent of the prices of a year ago. Cloth sold at $6 a yard last year brought less than $1.50. The 22½ per cent wage reduction already announced will affect 100,000 mill operatives in these New England States.

The bill to revive the War Finance Corporation, which has passed the Senate and is expected to pass the House, is really a measure to increase prices of farm products by what amounts to a huge Government subsidy to the export trade. If it should meet expectations, it would force renewed inflation on the country, tend to increase taxes, and add greatly to Europe's debt to America for goods received but not paid for. It means also plunging the Government back into business, although the Republican Party for two years has been demanding on the stump that the Government get out of business.

Other measures are being promoted to much the same end. An increase of the tariff on farm products to prohibitory rates has been decided upon by the House Ways and Means Committee. An embargo on wool is also favored in powerful circles. While these are called "emergency measures," who can doubt that once enacted they could not soon be modified or repealed? Meanwhile, surprising as it may seem, the idea of shutting out all imports seems to be spreading like an epidemic. The economic incongruity between the measures to subsidize exports while prohibiting imports fails to impress the people most directly concerned financially. But there is some logic in the statement of an eastern textile journal, Fiber and Fabric: "Embargo everything or nothing is the only fair course." If prohibitive duties are to be levied on farm products, should not manufactures have them also?

Such an extreme course as an all-inclusive embargo is not to be tolerated, of course, but the passage of some of the proposed bills for the special benefit of producers should be considered with reference to that great class of consumers that work for salaries and wages. In many industries wages are going down. The textile industry is already affected in this way. The iron and steel industry is following suit. These wage reductions are being justified on the ground that the cost of living has fallen. But if the prices of food and clothing are to be kept up to a degree by Congress through legislation, the economic argument for wage cuts will be seriously weakened. In short, the whole readjustment process may be thrown out of gear by the acts which Congress now contemplates. For if there is to be deflation, it must reach all economic classes or social disturbances will be intensified.

Mr. FORDNEY. Mr. Chairman, I understood that we had agreed upon time. I now understand that we had not, and I move that the committee do now rise and fix the time for general debate.

The motion was agreed to.

Accordingly the committee rose; and Mr. WALSH, Speaker pro tempore, having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 15275, had come to no resolution thereon.

Mr. FORDNEY. Mr. Speaker, I now move that general debate be closed at 3 o'clock.

Mr. BLANTON. Mr. Speaker, I make the point of order against that motion that it is out of order.

Mr. LONGWORTH. Mr. Speaker, debate has been had on the bill in the Committee of the Whole House on the state of the Union, and it is quite competent to close the debate in the House on a majority vote.

Mr. BLANTON. I believe the gentleman is correct.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Michigan.

The question was taken; and the motion was agreed to.

Mr. FORDNEY. Mr. Speaker, I ask unanimous consent that that time be divided between myself and the gentleman from Illinois [Mr. HENRY T. RAINEY].

Mr. GARNER. That is, divide the control of the time between the gentleman from Michigan and the gentleman from Illinois?

Mr. FORDNEY. Divide the time; I be permitted to control half of it, and the gentleman from Illinois to control half of it.

The SPEAKER pro tempore. The gentleman from Michigan asks unanimous consent that that time be controlled half by himself and half by the gentleman from Illinois. Is there objection? [After a pause.] The Chair hears none.

Mr. FORDNEY. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15275.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15275, with Mr. ANDERSON in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15275, which the Clerk will report by title.

UMI

The Clerk read as follows:

A bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes.

Mr. FORDNEY. Mr. Speaker, I yield five minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman, I rise simply for the purpose of putting in evidence just what I meant by the statement I made yesterday, a part of which my friend from Illinois [Mr. HENRY T. RAINEY] did me the honor to quote. I fear a false impression might be derived from his quoting only a few words of the sentence that I proposed that we should forgive the debts of our allies. On the contrary, I took precisely the opposite position. I read the entire sentence.

I hope that Europe's tremendous debt to us will prove to be collectible. I am not one of those who believe that any part of the debt ought to be forgiven. I do not think it quite respectful to the debtor countries to assume that their debts, properly and honorably contracted, are not eventually to be paid in full. But if it came to the last ditch, if it should eventuate that the only possible way to collect these debts would be to surrender to the nations of the world the home market of America, I would say, "Let us sacrifice every cent of the money owed us rather than sacrifice our industrial independence."

[Applause.]

I meant that when I said it and I mean it now. There is later in my speech a suggestion as to how we could enable these debtor nations to trade in our markets and thus pay some of their debts with their products, but I confined that to the debtor nations and not to the nations of the world who owe us nothing. I proposed that we should have separate reciprocal trade agreements with those countries, such as Mr. McKinley proposed 19 years ago. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield 10 minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, I entertain a very high regard for my colleague on the committee [Mr. HENRY T. RAINEY] but I think it is only due to this House that I should correct some of the statements that he has made at this time. He states in his report in respect to wheat:

At the present time wheat is coming in free from Canada. This is the logical result of the reciprocity propositions of the Taft administration.

The fact is that it is the logical result of the Underwood law and not of the Taft reciprocity proposal. The Taft administration proposed a reciprocity arrangement with Canada which many through the West thought was a mighty poor trade. Still it was a trade, and Canada made important concessions to the United States in her markets for the privilege of obtaining the admission of certain agricultural products into the United States, but under the Underwood law a free gift was made to Canada of our markets, and we got absolutely nothing in return. In other words, the gate swung only one way—toward the United States.

The second statement I wish to call to your attention, made by the gentleman from Illinois [Mr. HENRY T. RAINEY], is this. He says:

This bill will not help the wheat farmers of the Northwest, the most of whom have disposed of their wheat.

The fact is that only 25 per cent of the wheat in the hands of the farmers through the Northwest has been sold up to this time.

Then, he says again:

Canadian wheat is better than ours and commands always a higher price in Winnipeg than our wheat commands in Minneapolis.

That is the first time I ever heard anybody on earth make such a statement. It is notoriously the fact that the price of wheat always rules higher in Minneapolis than in Winnipeg, considering the fact that the quotations at Winnipeg cover wheat in storage at Fort William, Ontario, and not wheat delivered at Winnipeg.

The statement has also been made that these rates are too high, and complaint has been made that wheat carries 30 cents rather than 25 cents per bushel. The fact is that we will get only about 7½ cents a bushel, as against 25 cents under the Payne law and 10 cents under the Underwood law as introduced.

The discount on Canadian money to-day is 16 per cent. It has averaged lately about 15 per cent. The price of wheat is around $1.50 per bushel.

Figuring it out on the basis of 15 per cent, it would amount to 22½ cents a bushel. Then figuring the rate in this bill, 30 cents a bushel, less the exchange item of 22½ cents, we are left 7½ cents a bushel protection. That is what we actually get for wheat under the present exchange conditions, under this bill.

The gentleman from Illinois [Mr. HENRY T. RAINEY] is pretty hard to please. He says this bill will do absolutely no good to cotton because we export 60 per cent of it, or a large part of it. He also says that it will do us no good with wool because we must import to take care of our national requirements and we have an immense supply of wool on hand. It seems to me that is a very poor kind of logic, and I place my prediction against his that this bill will be of decided benefit to the woolgrowers.

Mr. BANKHEAD. Mr. Chairman, will the gentleman yield?

Mr. YOUNG of North Dakota. I would be very glad to, but for the fact that there is so much pressure for time. Mr. Chairman, to those who say we must compete with the wheat of Canada in the European markets I wish to call attention to the present export conditions. We are experiencing difficulty in selling wheat for export to Europe because of the breakdown of the exchange of European countries. Canada is having the same difficulty. They can not profitably sell there, because the European countries want to pay for it in depreciated money. As against this they are selling here and receiving payment in money which is at a good premium. To-day every $100 paid to Canadians is worth to them $116. Yesterday it was worth $115. It has been averaging of late about $115. We are up against a condition and not a theory.

I am supporting this bill not because it is perfect, nor because it contains all the items I would like to have in it or tried to get in it, but because it represents the best we could obtain. In this connection, I wish to express my appreciation for the courtesy shown me, a representative of an agricultural district, by the members of the Ways and Means Committee. The committee has been generous to me and fair to the Northwestern States, considering what has been done for other sections of the country.

Mr. Chairman, an important conference of western and southern Members of Congress was held last Monday, at which there was adopted a report which I desire to have printed in the RECORD, and, therefore, for that purpose ask for permission to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

The matter referred to is as follows:

REPORT OF SPECIAL COMMITTEE APPOINTED BY A CONFERENCE OF WESTERN, CENTRAL, AND SOUTHERN MEMBERS OF CONGRESS TO RECOMMEND A PROGRAM OF AGRICULTURAL REMEDIAL LEGISLATION AND PLAN OF ACTION IN RESPECT THERETO.

WASHINGTON, D. C., *December 20, 1920.*

To Hon. HAROLD KNUTSON, M. C.,
Chairman of the Conference.

MR. CHAIRMAN: Your special committee on legislative program and plan of action beg leave to report that after careful consideration we have decided to recommend that the members of our conference center their efforts during the next 10 days or so to secure the passage of three measures:

(1) The emergency tariff bill.
(2) The War Finance Corporation bill.
(3) The Young-Tincher bill now pending before the Committee on Banking and Currency, which provides for the loaning, through the Federal land banks, of $100,000,000 of the profits of the Federal reserve banks upon notes secured by agricultural products.

It is already apparent from telegrams received that there will be protests upon the part of certain agricultural interests not taken care of in the emergency tariff bill, and we believe the members of this conference should try, as far as possible, to unite for the passage of the bill as reported from the Ways and Means Committee through the House, reserving desired changes for presentation either to the Senate committee or the conference committee, in order not to delay the passage of the bill through the House before Christmas, so that it may be referred to the Senate Committee on Finance and receive consideration through the brief Christmas recess.

Four members of your special committee are also members of the Ways and Means Committee. The bill as reported does not represent what we requested and fought for in the Committee on Ways and Means, but it was the best which we could secure from a committee which also has in its membership representatives of the great consuming public of the East, and also of manufacturers' interests throughout the country, whose claims for recognition in this bill were refused.

It is quite possible that no member of our conference will find the bill sufficiently broad to meet the expectations of his constituents. We believe, however, that this is a time when all must be willing to sacrifice something in order to secure the passage and approval of a bill which will give a measure of relief to the farm producers. We believe that we should accept what is obtainable, rather than attempt to load up the bill with amendments to such an extent as to endanger its passage in the Senate or its approval by the President.

The bill now includes those particular farm products which have been hardest hit. To add other products might destroy to some extent the emergency character of the bill, which is the theory upon which the bill is being pressed for quick action by Congress and in advance of tariff hearings. We believe it will be the best plan, considering the opposition of the consumers and manufacturers, to make the bill not only emergency in name but emergency in fact.

It should also be remembered that the Ways and Means Committee has already begun the consideration of a general tariff bill, and in its preparation the interests of all producers will be considered.

The membership of your special committee, made up of Republicans and Democrats, have worked together with the utmost good feeling and

harmony. We join in the hope that no effort will be made to drag in politics or seek to gain party advantage. Any other course would be unfair and might cause embarrassment or failure.

We hope the members of the conference will exercise patience with the members of this committee, as well as the Ways and Means Committee, in the performance of a difficult task.

We also ask leave to continue the consideration of a further legislative program, to be reported at an early date.

GEORGE M. YOUNG, North Dakota, *Chairman.*
CARL W. RIDDICK, Montana.
N. J. SINNOTT, Oregon.
CHARLES B. TIMBERLAKE, Colorado.
WILLIAM A. AYRES, Kansas.
FRANK L. SMITH, Illinois.
J. STANLEY WEBSTER, Washington.
J. N. TINCHER, Kansas.
CLAUDE B. HUDSPETH, Texas.
WHITMELL P. MARTIN, Louisiana.

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Louisiana [Mr. LAZARO].

Mr. LAZARO. Mr. Chairman, I shall vote for this farmers' emergency tariff bill on the ground that it is better to get half a loaf than none at all. I would like to see the bill contain more duty on certain articles, say, rice, for instance. I would also like to see the bill include some other articles, for instance sugar, and others. But the Committee on Ways and Means tell us that this is the only farmers' emergency tariff bill they can submit and pass at this time. However, they promise us that they will begin hearings soon, with the view of bringing in a permanent and scientific tariff bill for consideration in the near future.

I have always considered a tariff an economic and not a partisan question, and I have always voted accordingly. For this reason I have always advocated a nonpartisan, nonsectional scientific tariff commission, on the ground that information and facts must be gathered and conditions of commerce and industry analyzed by such a commission before a policy can be determined upon or tariff rates fixed by the Congress.

The last war has demonstrated to all the necessity of our country having its owa vital industries at home and of not depending on foreign countries in time of emergency. The only way to have our industries going at home in time of emergency is to protect and develop them in time of peace. I am sure the southern Members will remember the enormous loss to the cotton farmers of the South when the war broke out, because the United States had no merchant marine to carry our cotton to the markets of the world. Also, our difficulty in obtaining dyes and many other things we needed at home. I have always contended that protection should be given our agricultural products in proportion to the protection given the manufactured products. The producers of the agricultural sections can no longer survive under a policy that compels them to buy in a protected market and sell in a free market. In other words, this Nation can not prosper as a whole and permanently half protected and half free. There is a general awakening throughout the agricultural sections of the United States on the importance of revising our tariff laws, and keen interest is being taken in our treaty relations with foreign countries affecting commerce and trade. Our farmers can no longer compete with those of foreign countries, for instance in Asia, where they wear very little clothing and live on practically nothing, without sinking to their level or go broke. For years everything in the shape of manufactured goods has been petted and coddled and protected, and the real source of production and the real life blood of America has received very little attention of any kind. This, of course, is due to the fact that labor is organized, capital is organized, industry is organized, and the farmers are unorganized. Farmers are leaving the farm to migrate to the cities because they can no longer afford to pay for the present high cost of labor, implements, and fertilizers to raise corn, cotton, rice, cane, peanuts, and other commodities at the prices they are selling for. We must equalize the cost of production in this country with that of foreign countries, so far as may be consistent with the public welfare, such schedules to be so placed as to fairly distribute the burdens and benefits among all industries, without discriminating against any section, class, or product, to the end that there may be maintained American standards of living in every line of effort.

It should be plain to any thinking man that free trade can never be successfully approached until all the people of the world shall have developed to an equal degree. Not until their education, methods of living, morals, and ideals become the same could we begin to think of free trade, and when that is reached there will always remain the great natural difference of soil and climate, and the nearness to the great markets of the world. Let me call the attention of my southern friends who are interested in the cotton industry and whose constituents are sacrificing their cotton seed for almost nothing to the fact that we have imported, during the last fiscal year, 538,878,000 pounds of oil from foreign lands, as follows:

	Pounds.
Coconut oil	269,226,000
Cottonseed oil	24,164,000
Palm oil	50,162,000
Soy-bean oil	195,326,000
Total	538,878,000

to which we must add 33,906,000 gallons of Chinese nuts, peanuts, and so forth, in the crude state. This should appeal to the peanut growers' Representatives also.

We imported, mostly from Egypt, 690,000 bales of cotton, valued at $159,918,000, during the last fiscal year. This was principally long staple, which competes with our long-staple varieties, produced by very high-priced labor, as against the cheap labor of Egypt and India.

Then, too, let us consider for a moment the rice industry. Our people were appealed to to produce more. They have bought land and implements at high prices; they have bored wells for irrigation; and they have paid labor high to make the largest crop they ever produced, and to-day not only that rice is selling away below the cost of production but there are practically no markets. And yet rice is being imported from Asiatic countries where they produce it for practically nothing.

As a foundation to any stability of values in the live-stock industry, we must have protection against cattle raising in South America and the sheep raisers of Australia and New Zealand. Due to cheap land, cheap labor, tropical climate, luxuriant grass, and the fact that they have a larger percentage of calves and no winter season in South America, meat can be produced in those countries for much less per pound than in the United States. All of the big American packers have plants in South America, some of them larger than anything they have in the United States. As matters now stand, they can put us out of business with cheap foreign meat, or put the price up on the consumer, as they choose.

While we wish to assist other countries all we can, our first duty is to America. In conclusion, I want to say to the Representatives from the large eastern and northern cities, who always take the view that measures for the relief of the farmers mean higher prices to their consumers, that if something is not done immediately for the relief of the farmers to enable them to meet their obligations and plant a crop next year there will be the shortest food crop in the history of the country in 1921. This will not only cause nonemployment, hunger, and suffering, but higher prices to their consumers. Let me also call their attention to the fact that when the purchasing power of the farmers is destroyed their manufactures will be paralyzed. They should also understand that it is not the price of our raw agricultural products that cause the high cost of living. The high cost of living during normal times is mainly due to a faulty system of distribution and marketing which lets in too many middlemen, who profit at the expense of both the producers and the consumers. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. SNYDER].

Mr. SNYDER. Mr. Chairman, to my mind it can not be said that there is not an emergency and a very hazardous condition existing to-day in the agricultural industry of this country. The only reason why I would feel at this time justified in voting for this bill is because of that fact. It may be true, as has been stated here, that the farmers of the country are in many cases on the verge of bankruptcy, but that is a condition that is also true of many other industries in the United States to-day. In the limited time necessary, however, to bring out an emergency measure I can easily conceive that it is not possible to cover all of the industries which should be covered at this time. In voting for this bill I am taking into consideration the statement and the knowledge we have of the fact that in the near future investigations will begin which will very soon bring about a comprehensive tariff measure which will cover all of the industries throughout the whole country that require protection. It would be difficult for me to vote against any measure looking to the protection of any industry in the country. Therefore, as I said a moment ago, I shall, with some reluctance, vote for this bill.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. Yes.

Mr. GREEN of Iowa. I think the gentleman will concede that at the present time and under the present administration, as a matter of practical legislation, it is utterly hopeless to expect a comprehensive tariff bill to become a law.

Mr. SNYDER. The gentleman is quite right. However, what I am most disturbed about is that throughout the entire United States to-day, particularly in the industrial centers,

there is a condition existing where 50 per cent of those who work in the industries of the country are unemployed. They naturally feel that they are just as near to bankruptcy as the farmers in some other sections of the country.

Mr. McFADDEN. Mr. Chairman, will the gentleman yield?

Mr. SNYDER. In a moment. It is my belief that if it were not for the difference in the exchange rates to-day as between Canada and the United States, that this bill, if it becomes a law, would increase the price of flour $2 a barrel within 10 days after it does become a law, and the question naturally arises in my mind, how can I justify myself in voting for a measure which will increase the price of flour to the people in the Mohawk Valley, from which I come, 50 per cent of whom are out of work, and are finding it difficult to exist through the winter? That is what I am up against, as are many other men in the House; and yet in the hope that this will do what the proposers of it think it will, and because of the fact that I have some knowledge of conditions in the West, where I traveled a long distance last summer, and where it was impossible not to observe that the agricultural interests of the country are in a very hazardous condition, and also in the hope that the bill will start up business and make a market for some of these products, I shall vote for it. Yet at the same time I can not help realizing that the one industry in which I am particularly interested, and many others in which I am interested in an indirect way, are in practically the same condition as the wool industry or the agricultural industry.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. FORDNEY. Mr. Chairman, I yield one minute to the gentleman from Nebraska [Mr. KINKAID].

Mr. KINKAID. Mr. Chairman, I have read somewhere in the Scriptures that "He who does not provide for his own household is worse than an infidel." In keeping with this declaration, I conceive it to be the first duty of a government to promote and preserve the welfare of its citizens. I am a firm believer in the Scripture I have quoted, therefore I have for years been a devout supporter of the beneficent policy of the protection of American labor and American industries. I shall support the pending bill both for the protection it will afford to American producers and for the revenue it will place in the Treasury. It seems very clear to me that if we shall not promote and preserve prosperity in our own country, first by our production and then by maintaining our home market, the best market in the world for Americans and all other peoples, we will be derelict in the discharge of our duties. I maintain that it is a first obligation to be discharged by our Government to look to the success and prosperity of its own citizens. And how can America be of assistance to foreign countries who stand in need of our helpful cooperation for the uplift of their needy without we shall first reestablish our own prosperity? Mr. Chairman, I repeat, I am in favor of the bill for the revenue it will bring into the Treasury, as well as for the protection it will afford to farmers and stock raisers. The present revenue law, passed at the commencement of the Wilson administration, has been placing in the Treasury only about $225,000,000 a year, which is about one-third of what was produced by the revenue law passed under the Taft administration, yet the importations from foreign countries have been increased several hundred per cent over what they were under the Taft law. Why hold open the gates to foreign producers at merely nominal rates of toll when there never was a time in our history when we were in greater need of revenue? Had not the great war occurred, the damaging industrial effects of the low rates imposed under the Wilson administration would have been much more fully realized and extended than has been the case, and this was evidenced by the untoward figures ascertained and unfavorable industrial conditions which resulted before the war. The present situation is peculiar and unprecedented. The effects upon trade and prices and our commercial relations with other nations, including the difference in exchange, are now so upset and demoralized that it is impossible to determine precisely where we are at. The consequence is that the fixing of dutiable rates is attended with risk, yet relief must be afforded with the chance that some imperfections will occur.

When general tariff revision shall be taken up by the new Congress we should so legislate as to not foster profiteering, and diligence will be required to avoid doing so. But, in my judgment, the pending bill does not contain any such possibilities. It looks only to the preservation of the agricultural industry. There perhaps never was a time when such a great sacrifice has been suffered by American farmers. The crops now on their hands were produced on a high cost basis, but since they have been gathered and harvested and before disposition could be made prices had fallen to points below the actual cost of production in most cases. The losses thereby sustained by farmers are estimated in the billions. All know that the obligations of farmers incurred previous to the last few months were contracted when prices were high for all commodities, and, correspondingly, all the moneys they borrowed were expended on a high-priced basis, so that their indebtedness carried down to this time has been virtually doubled or more in what it will take of their products to liquidate. This great hardship has been brought about by circumstances to which the victims have not contributed and could not possibly control, and such relief as the Congress may be able to afford will only be fair and just to these producers, and I am sure what may result will inure to the general welfare of our Republic.

Lack of adequate railway transportation for the movement of crops when they were first gathered prevented many from selling when no loss would have occurred. Since the great drop in prices, the financial situation has been such as to prevent farmers from borrowing money to enable them to carry their surplus, awaiting the return of adequate prices.

To those who oppose this remedial measure, I respond that the case is exceptional, because it is not economic laws, not the ordinary law of supply and demand, which has brought about the present situation. It was not economic laws or the law of supply and demand that first lifted prices of commodities in general, including farm products, as high as the housetops. Neither has it been the law of supply and demand unhampered that caused the prices to come down again independently of governmental orders and policies. At the commencement and during the war the Government did much to stimulate farmers to greatly increase their productions. This of itself required an increase of labor with increased prices to be paid therefor. Take, for instance, amateur carpenters who could handle a handsaw and drive nails were paid $11 a day early in the war in building cantonments and other structures, and at the same time the thoroughly skilled and experienced were paid twice that much. The numerous munition factories, shipbuilding yards, and other activities, preparatory to war, called into their service hundreds of thousands of laborers, paying prices in keeping with these high standards.

Adding to the exhaustion of available farm help, we must not overlook the direct loss of farmers' sons and farm hands from the fields who became enrolled for war service. Due to these causes prices for farm labor were increased from 200 to 300 per cent, and such prices were paid for help in raising the crops now on hand. Again, it must not be forgotten that at the start, to stimulate the growing of wheat, the Congress fixed the minimum price at a certain increased amount, dependent upon the terminal points, notwithstanding other influences may have caused it to go higher had not the legislation occurred. This very act caused corn to reach prices relatively higher than wheat, without any legislation therefor. The embargo effected by the war against foreign importations also made its contribution to high prices in general, including the products of the farm.

But another potent agency in raising prices was the inflation of the circulating medium by the operation of the Federal Reserve Law. Certainly it must be granted that this system was a great auxiliary in the financing of preparations for and waging the war to a successful end, nevertheless it carried along with it the bad effects of inflation of currency and prices, which is always calculated to demoralize business more or less if not duly limited both in extent and duration. It is my recollection that the expansion of credits for the 18 months during the war was 16 per cent. If we had stopped right there when the armistice was signed, the problem of inflation, always a precarious one to business, could have been handled very successfully under the careful administration of the Federal Reserve Law directed to that end. We all have known we had to get down from off the housetops to prewar prices somehow, and the problem was how to go about it in a manner the best to avoid serious injury. To be pushed off suddenly or jump therefrom clear down to prewar prices was sure to result in serious injury. But had the degree of inflation reached at the time the armistice was signed been there permanently arrested, stopped, the process of deflation might have, under the carefully directed guidance of the administration of the Federal Reserve Law, been brought about almost imperceptibly. But what occurred? We did not stop at the signing of the armistice. Only a short time intervened until the same policy pursued during the war of increasing credits was resumed; not only that, but the rate of expansion was increased, so that between March 5, 1919, and February 28, 1920, loans were increased through the agency of the Federal

Reserve Banks, inferably by the direction of the Federal Reserve Board, $2,303,000,000, or 24 per cent.

The increase of loans made by the Federal Reserve Banks, combined with those made by State banks and trust companies, aggregated $5,200,000,000. Accordingly, instead of stopping short the inflation of currency and prices when the cause therefor had ceased the policy was continued at an increased rate. Take, for instance, the cattle-growing sections of the West—farmers and ranchmen received suggestions from their bankers, understood to come from the Federal Reserve Banks, presumably with the sanction of the Federal Reserve Board, to buy and carry more cattle, with the pledge that the promissory notes they gave to the banks for the money wherewith to pay for the cattle would be purchased and carried by the Federal Reserve Banks, and that was done and an equal amount of new Federal Reserve Notes was issued in payment of the cattle paper. But before the cattle could be matured the makers of the notes were called upon to make payment without a renewal of their obligations which they had been accustomed to rely upon, with the result that they were obliged to sell their cattle at a sacrifice to meet their obligations.

Another cause which has contributed to the drop in prices was the fact that the war left European countries without any money with which to buy our products, while the individual consumers of the United States were left full-handed as a result of the nominal and more or less artificial and fallacious prosperity caused temporarily by the war. True, things commenced to take a backward course in businesses on the signing of the armistice and the reverses that usually follow wars have been verified in this instance and in some respects excelled. Because money was plentiful in America and scarce in other countries possessed of a surplus of farm products, it was very natural that these competing countries should seek our shores as a market, and that has occurred, especially as to the products of the farm listed in the pending bill, so that our American market has become glutted. All the while American consumers have become less able to buy because of the process of deflation which has been going on, and this has been especially so with labor, because thousands have been thrown out of employment while the wages of those retained have been reduced. A peculiar hardship to the farmer is that the prices of what he consumes have not been reduced in proportion to the decline of prices in his own products. Farmers now find themselves unprepared to protect their interests like manufacturers and other industries are organized more or less to accomplish.

The duties provided by the bill are as follows:

Wheat, 30 cents per bushel.
Wheat flour, 20 per cent ad valorem.
Corn or maize, 15 cents per bushel.
Beans, 2 cents per pound.
Peanuts, 3 cents per pound.
Potatoes, 25 cents per bushel.
Onions, 40 cents per bushel.
Rice, uncleaned, 1½ cents per pound; cleaned, 2 cents per pound.
Lemons, 1½ cents per pound.
Peanut oil, 26 cents per gallon.
Cottonseed, coconut, and soya-bean oil, 20 cents per gallon.
Cattle, 20 per cent ad valorem.
Sheep, 1 year old, $2 per head; less than 1 year old, $1 per head.
Fresh mutton and lamb, 2½ cents per pound.
Long-staple cotton, 7 cents per pound, with a compensatory duty of 7 cents per pound in addition to existing rates upon the manufactures thereof.
Unwashed wool, 15 cents per pound.
Washed wool, 30 cents per pound.
Scoured wool, 45 cents per pound, with a compensatory duty of 45 cents per pound in addition to existing duties upon the manufactures of wool.

The emergency time is limited to 10 months, and it is estimated that the revenue realized will amount to $130,395,586. This estimate is based upon the table prepared by an actuary of the Treasury Department, as follows:

Article.	Proposed duty.	Estimated imports.	Estimated revenue.	Present revenue.
Wheat	30 cents per bushel	$7,008,400.00	$2,109,520.00	$12,290.00
Wheat flour	20 per cent		657,900.00	
Corn	15 cents per bushel	9,175,000.00	137,625.00	
Beans	2 cents per pound	154,588,000.00	3,091,760.00	644,117.00
Peanuts:				
Unshelled	3 cents per pound	11,418,000.00	642,540.00	42,817.50
Shelled	do	146,847,000.00	4,405,410.00	1,101,352.50
Potatoes	25 cents per bushel	6,242,000.00	1,560,000.00	7,814.00
Onions	40 cents per bushel	1,967,600.00	787,040.00	393,520.00
Rice:				
Cleaned	2 cents per pound	145,033,000.00	2,900,660.00	1,450,000.00
Uncleaned	1½ cents per pound		235,575.00	117,787.50
Flour, meal, and broken rice.	½ cent per pound	2,015,000.00	5,037.50	5,037.50
Unhulled	¾ cents per pound	9,423,000.00	70,672.50	35,336.26
Lemons	1½ cents per pound	3,525,000.00	881,250.00	
Oils:				
Peanut	26 cents per gallon	$16,667,000.00	$4,333,420.00	$1,000,000.00
Cottonseed	20 cents per gallon	12,397,000.00	2,479,400.00	
Soya bean	do	1,918,500.00	383,700.00	
Cattle	30 per cent		5,851,500.00	
Sheep	$1	102,484.00	102,484.00	
Mutton and lamb	2½ cents per pound	66,271,700.00	1,656,792.50	
Wool:				
Unwashed	15 cents per pound	66,000,000.00	9,900,000.00	
Washed	30 cents per pound	95,000,000.00	28,500,000.00	
Scoured	45 cents per pound	100,000,000.00	45,000,000.00	
Manufactures of	do	25,000,000.00	11,250,000.00	
Total			130,395,586.50	4,810,072.26

Mr. Chairman, all of the products listed in this bill have been since the war and are now coming into the United States from foreign countries and sold in our own markets in competition with our own products. While our producers are helping to pay the heavy taxes resulting from the costs of the war, these importers are competing with them in their own home market, with the payment of no duties as to some things and very small duties as to others. Is that fair? In other words, is it fair to give the foreign producer a financial advantage over the American producer in our American market? The pending bill is intended to right this manifest wrong. It is a patriotic bill, because it stands for America and American producers. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I do not believe we are going to realize all we hope from this bill. I do not favor all of the propositions contained in the bill, taken separately, but I do believe that a critical situation confronts this country, and particularly the farmers of the country, which requires the passage of some bill for relief. This bill will go far toward that result. It is true that in the East and elsewhere there is not the relief granted that we would like to give to business, which clamors for aid, but the people are all flowing toward the cities from the country to-day, and you could not haul them out from the cities onto the farms with an ox team. When we find our farms idle there is going to be a problem more serious than the public appreciates to-day. As has been shown by our report, over 64,000,000 pounds of lamb and mutton have been shipped into this country from Argentina and other countries within four months. That meat has been placed on the market in competition with our farmers, who can not get money even to pay the freight to bring their sheep to market, according to their own statements. The price received for their sheep is nearly all absorbed in freight and other charges. With such conditions something must be done to shut off this importation of mutton.

Mr. SUMNERS of Texas. Mr. Chairman, will the gentleman yield?

Mr. FREAR. I regret I have not the time.

It can not be done in the House, but in another body I would like to see put upon this Argentine mutton, now being placed in cold storage, a heavy tax on all of the mutton, or that portion of it shipped to this country within the last four months, with a requirement that unless it be taken out of cold storage within the next two months the tax would apply. [Applause.] I would not permit this bill to be used so that dressed meat from South America could be brought in for the advantage of the beef packers. I would make it what we intend to have it, namely, strictly a protection to the farmers. While what I have said is true of mutton and lamb, it is equally true of wheat to a large extent, for we are bringing in millions of bushels of wheat every day. Fifty-six million bushels have come into this country from Canada since the 2d day of December, or in less than three weeks, according to a report furnished our committee.

There are trainloads coming in from Canada constantly and they come into direct competition with wheat raised by our own farmers. I know whereof I speak, for they write to me that they may have to abandon their farms; that they can not get enough to pay their expenses and taxes this year. With that condition, gentlemen, knowing that agricultural prosperity is the foundation of good business conditions, I say to you it is absolutely necessary for this bill to pass in this form if we can not get it in any other.

The measure is drawn to meet critical conditions in the West and South that require immediate relief if we would preserve our farms and save those who are threatening to abandon them. Products of my own State are suffering from competing importa-

tions, but I accept the rule of the majority that only the most pressing cases can be cared for in this emergency bill.

With a demoralized foreign exchange and heavy trade in our favor and with $130,000,000 estimated revenue from the bill with which to relieve the Treasury, I shall support it. I do believe a great part of our high retail prices to-day come from combinations that profit out of the necessities of the people. Better marketing conditions, heavy taxes on cold-storage meats, and exposure of profiteering will bring some relief, but during these days of readjustment of business conditions to a normal basis no law, however sweeping, can correct economic conditions brought about by the war. A scientific adjustment of the tariff next session will help to meet the situation, but in the meantime this emergency legislation is demanded by those who furnish the food from the farms.

Mr. HENRY T. RAINEY. Mr. Chairman, I yield a half minute to the gentleman from New York [Mr. GRIFFIN].

Mr. GRIFFIN. Mr. Chairman, not being a member of the committee that reports this bill, and not being able to get sufficient time to do justice to the subject, I ask unanimous consent to extend and revise my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GRIFFIN. The manner in which this bill has been shunted upon the floor of this House utterly precludes the possibility of its careful, deliberate, and thoughtful consideration. Outside of the few members of the Committee on Ways and Means, which gave it, I understand, a more or less perfunctory consideration, very few of the Members of this House were apprised of its impending arrival or the full extent of its provisions. It is true that we received an intimation yesterday of its proposed appearance from the gentleman from Ohio [Mr. LONGWORTH], who was scheduled, by a special order of the day, to talk for 45 minutes, after the reading of the Journal and the disposition of business on the Speaker's table, on "Tariff and trade agreements." Instead of sticking to his subject, however, he launched into a labored defense of the protective policy of the Republican Party and an argument in behalf of the measure which is now before us. He thus was enabled to steal a march upon the House and obtain 45 minutes for the discussion of this bill before it really came before us. Now, the bill is here and the chairman of the Ways and Means Committee proposes that the discussion upon it be limited to three hours, all of which will necessarily be consumed by the members of his committee. The rest of us must be content to sit and listen, and in large measure be denied the privilege of interrogating the speakers to bring out the full intent of the measure.

As one of the Members of the House representing a large constituency in the heart of the metropolis of the Western World, it is not unreasonable to expect that that constituency, through its spokesman, should be heard. The people of my district do not ask me for excuses when matters of great moment are under consideration if I fail to voice their sentiments. They know nothing about the rules of this House, and care less. They do not know that the only legislation that can come before this body is that which receives the approval of the steering committee—an unconstitutional appendix to our legislative system that was never within the contemplation of the framers of our Constitution. Our constituencies do not know that questions of the profoundest import to the welfare of the country may be germinated in the cabal of the steering committee; transplanted thence to the appropriate committee; potted in haste to the House itself, and there brought to flower under the oratory of party leaders.

The gentleman from Michigan [Mr. FORDNEY] gives as an excuse for the haste he demands that the bill must be passed to-day. But why to-day? Is it possible that he is bound under some pledge to the speculators and profiteers—who are the only ones who will profit under this bill—to present them with this legislation as a Christmas present? Such haste is unseemly and brings, somewhat justly, upon this body the oft-repeated criticism that it is not a legislative body in the true sense of the term.

While this debate has been going on I have had placed in my hand a long telegram from W. V. Hamilton, president of the New York State Millers' Association, earnestly requesting my assistance in seeing that this measure is beaten. He says that the measure of protection now proposed is unnecessarily high. I merely mention this in order to show how unjust it is to force through a measure of this kind without giving the people of the country an opportunity to be heard. No doubt after the bill is passed hundreds of similar requests will pour in to us.

The New York World, in an editorial, on December 2, 1920, said:

> Congress has long been the most incompetent, the most shiftless, and the most irresponsible branch of the Federal Government. * * * Its rules are made for the suppression of liberty and the glorification of mediocrity. It functions according to seniority, and seniority is merely a crude western reversion to the Chinese system of ancestral worship. Any fool who can manage to hold his seat will eventually become chairman of one of the most important committees or the ranking member of the minority on that committee.

Of course, it goes without saying, that I am very far, indeed, from approving of that sentiment. A man is not a fool who can hold his seat in this House; although his friends may often judge him unwise in dedicating his life to a service which is so inadequately compensated or appreciated. The management of this bill on the floor, however, and the wholly unnecessary curtailment of debate upon it are some of the things which lend color to criticism, such as that just mentioned, and tends to create general dissatisfaction with congressional methods.

This bill proposes to impose temporary duties upon agricultural products for a period of 10 months, beginning the day following its passage. It is difficult to divine the real purpose of a Republican House in passing such a measure. It is so utterly opposed to the trend of Republican policy in the past, that the inquisitive are justified in venturing the question: Has the great Republican Party reached the parting of the ways and come to the conclusion that it is high time to cater to the cotton States of the South? Perhaps their success in one of the districts of Texas and in some of the States of the South has inspired the belief that there is a chance for further conquests below the Mason-Dixon line. If the South is going to be fooled by this sop to their staple industry, I shall be much deceived.

All previous tariff legislation emanating from the Republican Party has invariably been twisted to suit the supposed needs of the manufacturing and industrial centers. Now, it appears, they are giving belated attention to the needs of agriculture. But, my dear friends from the South, do not be fooled by the tempting bait that is dangled before your eyes. The South has always stood for free trade or at most a tariff for revenue only. There is hardly a word in this bill for the comfort of the manufacturer. The omission is purposely made, my friends, in order to lull you to sleep. Wait until the Republican Party brings out its new tariff bill in the next House. Then you will find your manufacturing friends amply taken care of, and you, unfortunately having been led into this cul-de-sac, will find yourselves estopped from registering any protest against the exorbitant concessions to the manufacturer. You will find that your forces have been broken into and you will have no unity to combat the incursion.

The gentleman from Michigan [Mr. FORDNEY] in his remarks told a pathetic story of the ranchman that had a little lamb that he sent to market. Lambs, it appears, were selling for $2.10 per head, notwithstanding which, when the ranchman got his returns from the consignee, all he received after the payment of freight and other charges was 33 cents. This, if true, is truly sad, but how will an increase of $1 per head on sheep help the ranchman? How much of the additional dollar will the ranchman get, and the railroads, the packers, and the middlemen steal? That is the question. If they steal in the same proportion they will receive 85 cents and the ranchman will receive 15 cents out of the additional dollar which this bill will add to the cost of the sheep. Obviously, then, the principal beneficiaries of this legislation will be the railroads, the packers, and the middlemen. Do you not see how futile it is to attempt to adjust inequalities of distribution, such as this, by mere tariff schedules? Those conditions must be removed by thoughtful legislation, controlling and regulating the charges of the railroads, speculators, and middlemen, and controlling, if not preventing, the vast accumulation of products purposely held out of the market to enhance their price.

It is time to understand that there are malign forces at work in this country which have the will and the power to defy tariff laws and check the operation of the laws of supply and demand; forces that can, by combination and secret agreements, create an artificial scarcity, holding back from the markets the products of labor, and set at naught the natural course of the stream of commerce. People wondered, when the Underwood tariff bill was passed, why the cost of living did not immediately decrease. It should have shown an immediate response, but it did not. Why? Because those who should have been competitors regulated imports to suit their own convenience, and entered into secret trade agreements to uphold prices. Products which could be stored in warehouses or put in cold storage were deliberately held by such methods out of the market to maintain high prices.

When capital has such power as this the time for tariff tinkering is at an end. There is only one remedy, and that is a policy of national regulation, both of imports and exports, with

the constant view of maintaining normal reasonable prices. The hit-and-miss policy of tariff schedules must be discarded.

A "Tariff For Revenue Only" is merely a camouflage for a tariff subsidy. Where tariffs are employed at all they should be used only to check the flow of importation in order to stabilize the home market. Raising revenue should not be the primary consideration. Protecting home industries is a much more commendable purpose. But only those industries should be protected which are essential to make us self-sufficient and economically independent. The tariff rates in all cases should be elastic and revisable by a competent commission whenever it is apparent that the tariff rates are being taken advantage of to gouge the consumer.

The printed report of the committee accompanying this bill (Report No. 1139) states, on page 2, that there are approximately 600,000,000 pounds of wool in storage in the United States. Just think of it! There is enough wool thus kept out of the market to make a suit of clothing for every human being in the United States! The pertinent question is, Why is it in storage? Winter is upon us and the people need clothing. Many of us are wearing clothing several years old because we will not stand to be gouged by unconscionable profiteers.

Oh, they tell us that the bill is for the benefit of the grazer and the rancher. But tell me who owns the 600,000,000 pounds of wool now in storage in the United States? Do you suppose all of that wool belongs to the rancher and the grazer? No, my friends, that wool is owned by the speculators and the profiteers. And they want to cash in. That is the emergency! And that, perhaps, is the reason why this is called an "emergency tariff."

The bill before us proposes a duty of 2½ cents per pound on mutton and lamb. How, pray, is that going to help the consumer? The gentleman from Michigan [Mr. FORDNEY] told about having to pay 65 cents for two lamb chops in a restaurant. If that is a hardship to him, how must the poor mechanic, the clerk, and workman feel about conditions which subject him to such unconscionable gouging? But the point is, how is the hardship to be lessened to the consumer and to the stock-raiser by imposing this tariff? Surely if the stock-raiser is to get more for his sheep the butcher will be bound to ask more for his mutton. So that if it should happen to help the stock-raiser—which I doubt—the gentleman from Michigan will find himself paying 70 cents instead of 65 cents for his dinner.

The argument is made in the committee report and here on the floor that this is also a revenue measure in addition to its other claims for admiration. Well, if it is a revenue measure it can only be such in so far as foreign products are imported. If it fails to keep out the competition of foreign products it can not be of any service to those whom it purports to benefit. If it is going to be of any help to the farmer, it must exclude foreign competition. Is that not the excuse given for every tariff measure—that we must protect our home producers against the inundation of our market with foreign products? If this tariff measure then is going to be a revenue producer the farmer will be no better off than he is now.

There could be nothing devised to show the utter incapacity of the Republican Party to meet the issues of reconstruction so well as this proposed plan of a high tariff to relieve the economic distress of the country. The people are suffering under the oppression of war taxes, and added to their burden is the iniquity of profiteering which is even a greater evil calling for immediate rectification. We are paying war prices for the necessities of life, and yet, in this dire moment of distress, the Republican leaders can think of nothing to lessen the public burdens beyond an increase in the tariff, utterly forgetting all the lessons of our history, that an increase of tariff inevitably augments the cost to the consumers.

The curse of our age is dishonesty. It seems to have permeated every strata of society. Greed and avarice are the idols of the world.

The speculators and profiteers have got this country by the throat.

I do not blame the farmers for their dissatisfaction. Undoubtedly they do not receive adequate returns for their products, but the difficulty is beyond mending by any tariff tinkering. The farmers' products are bought by speculators and the middlemen and storage warehousemen control the output and gouge the consumers to their hearts' content.

The people are subjected to an economic tyranny worse by far than the political tyranny of kings. The world is trembling on the verge of a great change. Either the masses must obtain consideration in our legislatures or they will violently shake off the tyranny and resort to the soviet system, whereby the nonproducers and profiteers are deprived utterly of all political power. Strange as it may seem, the soviet system has been in operation in this country for many years. We have seen the evidence of its presence in our economic history and have failed to identify it or classify it. It was in operation at the beginning of our political life, when the masses were deprived of political power. We had a soviet system then consisting of the wealthy, who were in the saddle and held the reins of Government. Manhood suffrage has tended to abate the evil, but within the last fifty years there has grown up an economic tyranny worse than the old class system, so that to-day we have a soviet of the moneyed classes. Men have become money mad. The lowest and the meanest are not immune from its contagion or exempt from its pollution. We must have a new dispensation—a dispensation of plain, everyday honesty—or the world will sink again into barbarism in a welter of violence and anarchy. The need of the hour is plain, common honesty, and if those occupying places of influence in the land do not consent to deal fairly with the people they must witness soon the end of their domination. The soviet of the moneyed classes will give way to a soviet of the people. Such a denouement would mean the end of representative government and would presage the fall of civilization.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SMITH of Michigan, Mr. SWOPE, Mr. OGDEN, Mr. CROWTHER, Mr. HARDY of Texas, Mr. HAYDEN, Mr. MCCLINTIC, Mr. WILSON of Louisiana, Mr. SEARS, Mr. SUMNERS of Texas, Mr. BOX, Mr. PARRISH, Mr. MANSFIELD, Mr. RAYBURN, Mr. BROOKS of Pennsylvania, Mr. RANDALL of California, Mr. NELSON of Missouri, Mr. KNUTSON, Mr. HERNANDEZ, and Mr. LARSEN asked permission to extend their remarks in the RECORD.

Mr. BANKHEAD. Mr. Chairman, I desire to submit a blanket request.

The CHAIRMAN. The Chair thinks such a request is not in order in the Committee of the Whole. Is there objection to granting these several requests?

Mr. MANN of Illinois. Reserving the right to object, Mr. Chairman, I just want this to go into the RECORD. The House refuses time for the consideration of a bill and lets everybody in favor of it print long speeches on the subject, so that the speeches are not made in the House at all.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HENRY T. RAINEY. Mr. Chairman, I yield five minutes to the gentleman from Arkansas [Mr. OLDFIELD].

The CHAIRMAN. The gentleman from Arkansas is recognized.

Mr. OLDFIELD. Mr. Chairman and gentlemen of the committee, I am opposed to this bill. [Applause.] I can not get the consent of my mind to vote for the highest protective measure that I have had the opportunity to vote for when I know that it will not do the things that these gentlemen think it will do. In other words, my friends, I do not think we need prohibition of articles coming into this country. That is not the thing. What we need is a market for the things we produce, a market for the things that we have on hand, and a market for the things we expect to produce in the future.

Now, they talk about this bill being a revenue measure. No man from the Treasury Department ever came before our committee and said it would raise any revenue whatever. There is a statement in this report here which says that it will raise $125,000,000. I do not believe that statement, because I say to you here that this bill is a higher protective measure on these articles than the Payne-Aldrich tariff law. Therefore it is not for the purpose of getting revenue, but it is for the purpose, and the sole purpose, of protection, an embargo on foreign products.

Now, Europe owes us a great deal of money, as you know, and if an individual owes you $1,000 you are not going to make it more difficult for him to pay that $1,000; but, on the contrary, you are going to help him, if you can, to pay you the $1,000. Therefore, my friends, this will not help the farmers of the South or of the West, because what they have on hand to-day they have no market for. That is the trouble with the cotton of the South. That is the trouble with the cottonseed oil of the South. That is the trouble with the wheat growers and the corn growers and the cattle growers. It is a lack of markets, owing to a lack of money, in this country to buy these various products. Therefore I do not believe we, especially Democrats, ought to vote for it at this time. If there are Democrats who are for protection, I would advise them, for whatever the advice is worth, to wait for two or three months and then they will have all the opportunity they want to vote for protection, because the Republican Party will have a large majority in both

Houses after the 4th of March, and they expect to place upon the statute books of this country the highest and most burdensome tariff laws ever imposed upon the people of this country.

We must have revenue, of course, from any source that we can get it, but this bill will not bring in revenue. I do not see how it can bring in revenue when the people of this country can not sell the things that they have on hand to sell. It would shut out imports, and therefore we will lose what we are now getting on these various items.

Now, gentlemen, speaking as a Democrat, let us look at the platforms of the two parties. Of course, you know what the platforms of the two parties are, but I want to put them in the RECORD here. The Republican platform of 1920 says:

> The Republican Party stands now, as always, in the fullest sense committed to the policy of tariff protection to American industries and American labor.

The Republican Party has always been for protection. The Republican Party is going to be for protection in the next Congress. Here is what the last Democratic national platform says on the subject:

> We reaffirm the traditional policy of the Democratic Party in favor of a tariff for revenue only, and we confirm the policy of basing tariff revisions on the intelligent research of a nonpartisan commission, rather than upon the demands of selfish interests, temporarily held in abeyance.

No tariff commission has reported on the items in this bill. There has been no investigation, except that men have come before our committee and said, "We are up against it financially; our banks are pressing us; we can not pay our debts." Certainly that is true, but the remedy is not a prohibitory tariff law against the products that we can not sell here now for lack of markets. The Republican Party thus far has refused to do anything to stabilize the conditions in Europe. You have refused to do anything that would enable our allies to stabilize the conditions prevailing within their territory, and now you are trying to get away from this proposition by making the American people believe that you want to help the producers of this country. I do not think that is the real reason. I think the real fact is, my friends, that it is a carefully laid plot by the leaders of the Republican Party to try to split the Democratic Party on the question of protection. I do not believe they will succeed, because I believe that Democrats, gentlemen on this side of the House, would prefer to wait until after the 4th of March, and then, if you want to vote for protection, you will have all sorts of opportunities.

Now, then, take the wool proposition. Is there a person in this House to-day who believes that, under this provision on the cotton section, imposing 7 cents a pound duty on sea-island cotton will be of any benefit to the people of this country? It just gives the cotton manufacturers of this country an excuse for robbing all the other people of the country on cotton goods and cotton cloth. Take also the wool schedule, the one that put the Republican Party on the rocks in the Taft administration. It is not denied that the woolgrowers and the manufacturers got together and wrote schedule K, and it split the Republican Party—in fact, almost destroyed the Republican Party—and yet this in fact is a higher wool schedule than that in the Payne-Aldrich law.

That can not be denied, my friends. Do you believe that the woolgrowers and sheep growers of this country are as expert in getting money out of the tariff as the woolen manufacturers? Do you not know that the woolen manufacturers of this country will get the best of it when you go to writing tariff laws? They are experts at it, and they will grow rich on it, and they will continue to grow rich on it.

If there is no Democratic Party in this country to stand up against this special tariff privilege for the future, then it will be just a question of how much one man in this country can rob another man in this country and get away with it without anything being said about it.

I am opposed to this bill, and I hope every Democrat in the House at least will vote against the proposition. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Kansas [Mr. CAMPBELL].

Mr. CAMPBELL of Kansas. Mr. Chairman, the farmers of this country are to-day suffering from three causes: First of all, the importation in large quantities of competitive products; second, a falling off in the purchasing power of the American laborer and the average consumer; and third, the outrageous greed of the dealers who have been selling the products of the farms and other industries to the consumer. [Applause.] There has been nothing so outrageous in all the years of our history as this greed. Why, the case that has been mentioned here of the man who sold two mutton chops for 60 cents out of a sheep that brought only three times that amount for the whole sheep, is an example, and accounts for a large part of the trouble we are in now. And this greed is practiced in every city in the country until the people have simply rebelled; they have quit buying. This bill will do only one thing; it will prevent the foreign competition. We shall have to restore the jobs to American laborers next spring when the other end of Pennsylvania Avenue is in sympathy with the enactment of laws that help American labor and American industry. Then we shall have to put the fear of the law into the hearts of the grafters who have been and are an outrage to the consumers of the country. We do not need importations of beef and wheat or any other farm products into the United States, and the gentleman from Illinois is unnecessarily alarmed.

Mr. AYRES. Will my friend yield for a question?

Mr. CAMPBELL of Kansas. Yes.

Mr. AYRES. I understood my colleague to say that we did not need the importation of beef into this country. I should like to know whether he includes frozen meat?

Mr. CAMPBELL of Kansas. I do. We do not need frozen meat, and I should like to have that in this bill. I should like to have a lot of things in this bill. I should like to have the whole tariff schedule in this bill if the man at the other end of the Avenue would sign it.

Our great need in this country is a restoration of the ability of the American consumer—the American market—that made a market in 1910, 1911, and 1912 for 10,000,000 head more of beef cattle than we had this year, with 10,000,000 more people here now than there were then. Why were we able to make a market for 10,000,000 head more of beef cattle then than we are now? Because then all were employed in American industries and getting the American scale of wages, and the seller to the consumer was not acting the hog as he is acting to-day. The seller has destroyed the confidence of the American buyer until the purchaser simply looks in at the window and turns away. Until the seller to the consumer changes his attitude toward business in this country and takes a reasonable profit for the things that he turns over, the consumer will walk by on the other side and refuse to purchase.

This bill will help to the extent that it will prevent the packers and the millers from loading up with cheap imported farm products to have on hand. It will do another thing. It will enable the farmers of this country to save the females of their flocks and herds and prevent a meat famine in this country in the years to come. This will serve the means of producing meat products. We must protect the farming industry in order to have food in the future. [Applause.]

Mr. FORDNEY. Mr. Chairman, I yield six minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, if I felt that there was very much chance of this pending legislation becoming a law I doubt if I should feel very much disposed to support it. I do not understand the argument of my friend from Kansas [Mr. CAMPBELL] and do not believe there is anything in this bill likely to affect the final cost to the consumer of food products and the prevention of profiteering by those handling food products. For one I must confess that he did not convince me of the point he was endeavoring to make.

A tariff bill, as I conceive it, can not be made between sunrise and sunset; that, I am sorry to confess, is what the Committee on Ways and Means have endeavored to do in this case. We have not had a single hearing on the bill. We have not asked for a particle of expert advice. We have not called for information from the Tariff Commission, and all that the bill could be based on in the way of a hearing was the very pitiable appeal of the woolgrowers of Texas.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. TREADWAY. Yes.

Mr. GREEN of Iowa. Is the gentleman really serious in that statement?

Mr. TREADWAY. That we had no hearings?

Mr. GREEN of Iowa. Yes.

Mr. TREADWAY. I certainly am.

Mr. GREEN of Iowa. We had hearings. We consulted the Treasury Department. We went over this whole thing. We took all the time we had and could take on an emergency measure that had to have instant action, if any action was to be had at all, and then we brought in this bill.

Mr. TREADWAY. If the gentleman from Iowa [Mr. GREEN], one of my esteemed colleagues on the Ways and Means Committee, can bring before this House any document of hearings on the bill that he introduced or that the gentleman from North Dakota introduced, on which this bill is based, I will withdraw that statement.

Until he does so that statement, I think, is good. I repeat, the only hearing we had was the appearance of the wool-

growers. The gentleman from Texas presenting their position made a most excellent speech.

Mr. HENRY T. RAINEY. Will the gentleman yield?

Mr. TREADWAY. Certainly.

Mr. HENRY T. RAINEY. I desire to corroborate what the gentleman has stated.

Mr. TREADWAY. Thank you. I have every sympathy with the woolgrowers. The situation is a serious one that confronts the wool industry and the sheep-raising industry of this country. To my mind, we would have been much more justified in presenting a bill to this House for the protection of the sheep industry, possibly also of the beef industry, than to endeavor to care for the various interests and producers that are in the bill.

The section of the country that I represent is both a manufacturing and a producing section. Certainly there has been no attention given to the welfare of the manufacturing and textile industries of the country in this so-called emergency legislation. The employees of those industries are already feeling the effect of falling off of business.

My friends, we are starting from a false basis. It is not the influx of importations that is causing the serious financial loss to certain sections of the country; it is the reaction from the war, the depression of the value of the dollar, and the so-called emergency tariff bill will not accomplish the result, in my opinion, desired by the proponents of the measure.

Mr. CAMPBELL of Kansas. Will the gentleman yield?

Mr. TREADWAY. I will.

Mr. CAMPBELL of Kansas. Would not that have the same application to manufactured wool, cotton, and shoes that it does to the agricultural product?

Mr. TREADWAY. The price of the manufactured article is depreciating in exactly the same way. The industries in New York, New Jersey, and New England, and in the other manufacturing States are suffering just as much as are the agricultural interests. Nevertheless, my friends, I appreciate the emergency of the agricultural interests of the West and the great interest of Members from that section in this bill, so I intend to give them the benefit of the doubt and vote for this bill. [Applause.]

Mr. TREADWAY had leave to extend his remarks.

Mr. FORDNEY. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. BLANTON].

Mr. BLANTON. Mr. Chairman, I offer no apology for supporting this bill. Every item of duty in it is levied upon foreign products annually imported into the United States in competition with the products of our farms and ranches. It is to save our farmers and stock raisers from bankruptcy that this bill is designed. It is true that it does not go far enough, but as far as it does go it is all right. By all means this bill should place a duty upon all foreign oil cake, frozen beef and veal, and cattle hides, and I want to say that these items would have been in this bill but for two influences—first, that of the big packers who operate their tremendous packeries in foreign countries, and second, the clamor of the millions of consumers in the big cities who do not care whether our farmers and stock raisers make a living wage or not, but demand all food and clothing at low prices.

I want to repeat here the statement I made to my colleagues and the press on December 4, 1920, before this session met, and to which I again called attention on December 9, 1920, before this committee framed this proposed legislation.

Time has proven that free raw material is not a fundamental of true democracy. It has been a fatal policy and constitutes one of our gravest mistakes. It has almost bankrupted some of our southern producers who by law have been forced to purchase everything they have to buy in a protected market and then sell all of their raised products in a free one, where the whole world, dissimilar as it is, competes on an equal footing. The illusive, seductive doctrine of permitting raw materials from every foreign country of the world to enter the United States absolutely free of duty has taken away from our home producers their home market and is largely responsible for our southern planters now being forced to sell their cotton, which means their living for a whole year, for less than they paid out to have it picked and ginned; for the Chamber of Commerce in Ranger, Tex., now offering some of the splendid farms of Eastland County rent free to any farmers who will agree to cultivate them next year; for our warehouses now bulging out with both the spring and fall clips of domestic wool which can not now be sold for its cost of production; for the crippling of our great peanut industry; for stagnating our important stock-raising and dairy interests; and for swiftly depopulating our farms and ranches. Our farmers and stockmen of the United States, sturdy producers who yearly feed and clothe our 105,000,000 people, are now with their backs to the wall facing a most serious crisis.

In Mexico, South America, Australia, Europe, Asia, and Africa there exists an entirely different state of conditions, a different standard of living, a different standard of working hours, a different standard of wages, a different standard of necessities, morals, intelligence, hopes, ambitions, and aspirations. Mexican peons are content to work for a miserable existence. Chinese and Japanese laborers are perfectly satisfied to work from 10 to 14 hours each day for less than 20 cents' pay, to live on rice, to go almost naked, and to let the future take care of itself. Must our intelligent, ambitious, deserving men and women on the farms and ranches of the United States be longer placed on the same level by being forced to compete directly with the peons and slaves of the universe? I am one loyal Democrat who is not in favor of it.

I have had Hon. Thomas W. Page, chairman of the United States Tariff Commission, to assemble for me the following authentic statistics concerning recent importations. During the last fiscal year ended June 30, 1920, the following raw materials were imported from foreign countries into the United States absolutely free of any duty, to wit:

Cotton	pounds	345,314,126
Corn	bushels	10,229,249
Wheat	do	4,744,712
Wheat flour	barrels	157,896
Wool	pounds	427,578,038
Beef and veal	do	42,436,333
Mutton and lamb	do	16,358,299
Cattle	head	575,328
Sheep	do	199,549
Cowhides	pounds	439,461,092
Calf hides	do	68,359,825
Cabretta hides	do	101,848
Buffalo hides	do	14,682,279
Other hides	do	275,964,213
Oil cake	do	145,026,652
Vegetable oils:		
Chinese nut oil	gallons	10,613,638
Coconut oil	pounds	269,226,966
Cottonseed oil	do	24,164,821
Palm oil	do	50,163,387
Palm-kernel oil	do	53,503
Olive oil, for manufacturing	gallons	216,145
Soya-bean oil	pounds	195,773,594
Other oils	worth	$1,542,271

During the recent four months of July, August, September, and October, 1920, the following raw materials were imported from foreign countries into the United States absolutely free:

Cotton	pounds	42,961,691
Corn	bushels	5,317,376
Wheat	do	12,040,541
Wheat flour	barrels	221,989
Wool	pounds	44,435,246
Beef and veal	do	19,456,961
Mutton and lamb	do	64,623,776
Cattle	head	142,139
Sheep	do	94,960
Cowhides	pounds	80,023,347
Calf hides	do	10,782,491
Cabretta hides	do	488
Buffalo hides	do	3,270,450
Other hides	do	53,013,186
Oil cake	do	128,615,571
Vegetable oils:		
Chinese nut oil	gallons	3,354,901
Coconut oil	pounds	62,402,486
Cottonseed oil	do	579,172
Palm oil	do	12,962,010
Palm-kernel oil	do	1,403,651
Olive oil, for manufacturing	gallons	9,896
Soya-bean oil	pounds	26,923,725
Other oils	worth	$378,053

It does not require an expert to realize just how much the above free competitive imports have discriminated against our farmers and stockmen, and their consequent losses thus occasioned, besides the great loss in revenue to the Government.

We have in the United States about 75,000,000 to 80,000,000 head of cattle and we annually raise here less than 30,000,000 head of calves, while South American countries, with only a little more than a third of our population, now have on hand from 80,000,000 to 85,000,000 head of cattle and anually raise approximately 35,000,000 head of calves.

Due to their tropical climate, cheap and luxuriant grass, cheap labor, ample water, and little feeding, our cost of production is about five times as great as theirs per pound.

The time has come when we must take products of American farms and ranches, and all competitive substitutes, off of the free list and let our American market afford a living wage and return to our producers, and when we must so arrange our tariff schedules on such products and substitutes as will equalize our cost of production with that of foreign countries. To a certain extent this principle was recognized and followed in the tariff act of October 3, 1913, in placing a duty on certain products largely raised by cheap labor in foreign countries. And during the last fiscal year ending June 30, 1920, the fol-

lowing dutiable products were imported from foreign countries into the United States and duty paid upon same, to wit:

Rice, uncleaned, 22,437,197 pounds, duty five-eighths cent.
Rice flour, 1,265,198 pounds, duty one-fourth cent.
Rice, cleaned, 156,217,566 pounds, duty 1 cent.
Beet sugar, 1,219,834 pounds.
Cane sugar, 7,533,200,338 pounds.
Molasses, 154,670,200 gallons.
Peanuts, shelled, 120,344,425 pounds, duty three-fourths cent.
Peanuts, not shelled, 12,067,998 pounds, duty three-eighths cent.
Butterine and cocoa butter, 41,500 pounds.
Olive oil, edible, 6,812,596 gallons, duty 30 cents.
Linseed and flaxseed oil, 4,550,391 gallons, duty 10 cents.
Peanut oil, 22,064,363 gallons, duty 6 cents.
Rapeseed oil, 1,229,526 gallons, duty 6 cents.
Other dutiable oils, 1,432,695 gallons.
Certain wheat, 35,052 bushels, duty 10 cents.
Certain wheat flour, 1,160 barrels.

If it is democratic and American to place a duty upon rice, peanuts, and cane products, then why not upon corn, wheat, cotton, wool, hides, live stock, and far-eastern vegetable oils and substitutes that daily compete with our farm and ranch products? And why beg the question any longer? Why not place a proper and adequate duty upon all such items to do some good?

The millions of city consumers who inhabit New York, Boston, Philadelphia, Pittsburgh, Baltimore, Washington, Cleveland, Detroit, Chicago, St. Louis, and our other large cities, while demanding and getting their $6, $8, $10, $15, $20, and $25 for six to eight hours' work each day, are constantly demanding that everything they eat and wear be furnished to them at the lowest minimum. They never give a serious thought to the subject of a living wage to the producer who feeds and clothes them. And I am afraid that it has been the clamoring of these millions of city consumers, whose votes are very much desired, which has caused free raw materials to be written into Democratic platforms. Much too long have we Democrats permitted rest-needing politicians to entwine into our platforms and policies some city-vote-catching slogan to the detriment of our producers. With blinking eyes we Democrats have sat by and let our brother Republicans pass their measures to place a duty upon pearl buttons, chemical glass, surgical instruments, tungsten, magnesite, and the numerous other products their rich millionaire friends are interested in, thus placing unneeded millions into the pockets of a few wealthy millionaires, and we have let our worthy producers appeal to us in vain.

The proper solution of this question more vitally concerns the consuming millions in cities than anyone else. Suppose our producers were to get tired and quit. There would be starvation in cities. When the manufacturer can not make a profit he shuts down and prevents loss. But after the producer prepares and plants his ground in the spring and arranges for the season's growth of his flocks and herds there is no shutting down for him without losing his whole year's income. He must combat drought, floods, disease, grasshoppers, boll weevil, rust, depredations, plots of gamblers, and the score of other enemies that seem to combine for his destruction. Just now there is ample demand for our products abroad, but want of funds and credit prevents a sale. At an enormous expense we have built a large merchant marine, so essential in bringing the markets of the world to our producers, and we must not let it stand for naught or slip out of our hands. We must find a safe way to assist worthy purchasers to obtain necessary credit. We must see to it that our producers are not forced off of their farms and ranches.

The price our farmer receives for all of his products is the market price of same in the town or city near his farm where he is forced to sell. Will any sensible statesman contend that when hundreds of millions of pounds of farm products are permitted to be imported from foreign countries absolutely free and dumped into the markets of the United States, where when sold at a profit they are sold at prices far less than the cost of production in this country, that they do not affect and lower the price of every product of every farm in the United States?

Ask our farmers what they are getting for their cotton. You will find that they can not sell it for what they have paid out to have it picked and ginned. Ask them if they want us to permit this 345,314,126 pounds of foreign cotton to be imported into the United States absolutely free of duty to compete with their products. Ask our sheep and mohair men, whose wool has gone down from 72 to 15 cents per pound, if they want us to continue to permit 427,578,038 pounds of foreign wool to be imported into the United States each year absolutely free of duty, and for us to continue to permit 64,623,776 pounds of foreign mutton and lamb to be imported here in four months duty free, as was done in July, August, September, and October, 1920.

To prevent our farmers and stock raisers from being bankrupted and run off of their farms and ranches by this foreign competition, on December 14, 1920, I introduced in the House the following:

A bill (H. R. 15083) to prohibit for one year the importations of cotton, cotton seed, corn, wheat, wheat flour, oil cake, vegetable oils, cattle, sheep, hogs, hides, beef, veal, mutton, lamb, wool, mohair, rye, barley, flax, peanuts, oats, and all food substitutes for farm products raised in the United States.

Be it enacted, etc., That for one year after the passage and approval of this act the importations of cotton, cotton seed, corn, wheat, wheat flour, oil cake, cattle, sheep, hogs, hides, beef, veal, mutton, lamb, wool, mohair, rye, barley, flax, peanuts, oats, vegetable oils, including Chinese nut oil, coconut oil, cottonseed oil, palm oil, palm kernal oil, olive oil, and soya bean oil, and all food substitutes for farm products raised in the United States, are hereby prohibited, and all acts and parts of acts in conflict with the provisions of this act are hereby suspended for the time stated in this act.

The principle of so arranging our tariff schedules on our farm and ranch products, and all substitutes, as will equalize our cost of production with that of foreign countries, was a part of my platform when I came to Congress, and I am still standing on my platform.

My colleagues over on the Republican side are not fooling me with this bill. I know that it does not go far enough. I know why they have left beef, hides, and oil cake out of it. The big packers and the millions of city consumers would not let them put in these items.

Look at this item from the press:

EASTLAND WOULD CUT WAGES IN ALL BUILDING TRADES.

EASTLAND, *December 17.*

Claiming that the high wage scale is retarding building activities, the leading building contractors drafted proposals for reduction of the wage scale and requested the labor leaders to accept reductions, to reduce carpenters' pay from $10 to $8 per day; bricklayers from $13.50 to $11; painters from $10 to $8; electricians, $10 to $8; plumbers, $13.25 to $11; common labor, $6 to $4; mortar workers, $8 to $5; cement finishers, $13 to $11; plasterers, $13 to $11; lathers, $10 to $8.

The unions have not acted on the proposition.

And in this same county of Eastland, where city laborers are getting as high as $13.50 per day, a chamber of commerce has been begging farmers to come and cultivate the farms next year absolutely rent free. Ought city laborers who are getting $13.50 per day to object to farmers and stock raisers receiving a living wage for their products? They depend on the farmers and stock raisers for what they eat and wear. If our producers quit, they will be robbed then sure enough with the price they then must pay for foreign products.

Again, I say it is the howl from the packers and millions of city consumers of the East that has caused beef, hides, and oil cake to be left out of this bill. And under the rules we can not put them in this bill. When it is read under the five-minute rule I intend to offer amendments to place a duty of 1½ cents per pound on oil cake, 3 cents per pound on cattle hides, and 5 cents per pound on beef and veal shipped from foreign countries to the United States, and 5 cents per pound on all foreign mutton and lamb, beef and veal now in cold storage. And if such items are defeated by points of order, the blame will be on the Republican Party. For to make such items in order I introduced the following:

House resolution 622.

Resolved, That in the consideration of H. R. 15275, being a bill imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, it shall be in order to consider without the intervention of a point of order amendments to said bill proposing to place a duty upon frozen beef and veal, hides, and oil cake imported from foreign countries into the United States.

After introducing this resolution for a special rule I went to the distinguished gentleman from Kansas [Mr. CAMPBELL], chairman of the Rules Committee, and begged him to give us 30 minutes' hearing, but he refused, notwithstanding that several members of the Rules Committee expressed a willingness to have the hearing. I felt sure that he would refuse, but I wanted to put it on him and his party and the steering committee which kept it out. [Laughter and applause.]

There are now over 40,000,000 pounds of foreign mutton and lamb in cold storage and 10,000,000 pounds more now on ships from foreign countries coming into the United States free, and when by amendment I seek to place a duty of 5 cents per pound on same, watch our Republican brothers make points of order against the amendments. And you will see that it is the Republican Party that is protecting the big packers.

All of this talk of foreign countries retaliating against us is bunk. They need our products. They must have our products. And the only reason now that our cotton and wool can not be sold is that foreign countries have neither money nor credit with which to buy. By reorganizing the War Finance Board the other day we have taken steps to help them get the necessary credit. They can not retaliate against our products, because they must have them.

Under this bill now before us for passage the following duty on foreign products imported from foreign countries into the United States is provided:

Wheat, 30 cents per bushel.
Corn or maize, 15 cents per bushel.
Beans, 2 cents per pound.
Peanuts, 3 cents per pound.
Potatoes, 25 cents per bushel.
Onions, 40 cents per bushel.
Rice, cleaned, 2 cents per pound.
Lemons, 1½ cents per pound.
Peanut, cottonseed, coconut, and soya bean oil, 20 cents per gallon.
Cattle, 30 per cent ad valorem.
Sheep, $2; lambs, $1.
Fresh mutton and lamb, 2½ cents per pound.
Cotton with 1⅛ staple, 7 cents per pound.
Wool and mohair, unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound.

Mr. HENRY T. RAINEY. Mr. Chairman, I yield seven minutes to the gentleman from Mississippi [Mr. COLLIER].

Mr. COLLIER. Mr. Chairman, in the limited time allotted to me it will be impossible for me to discuss the bill in many of its phases.

It has been argued so often by so many that the cause of our depression, that the cause of the failure of the farmers of this country to get high prices for their products, is due to the fact that they made their crops upon a high-priced market, and when the time came to market those crops there was, by reason of the change of conditions in foreign countries, a decrease or change in the national exchange of these countries. That has been argued to such an extent that in the limited time at my disposal I shall not go into it. We all know that from an economic standpoint what we need is not a tariff law to keep out importations, but a market to which we may send our surplus products.

There are one or two articles in this bill to which I desire to address myself, and one of them is wool. My friends on the Republican side of this House, do you know that from 1898 to 1912, during the time when there was the highest protective tariff of any country on wool, and in addition to that a tax of 15 per cent on the carcass of the sheep, there was a decrease in the number of sheep in the United States—during those 12 to 14 years of the highest protective tariff in the history of our Republic—a decrease amounting to over 11,500,000 sheep? I heard a man telling a Member of this House sometime ago, speaking of how the sheep, by reason of the tariff conditions, had decreased in the great State of Texas from 1898 until 1912, with a tariff of 11 cents a pound on wool in the rough, with a tax of 33 cents a pound on the scoured wool, with a tax as high as the Washington Monument on the finished product, I heard a man state that in the State of Texas during those 14 years sheep decreased in number from 2,500,000 down to about 1,200,000. I looked into this. I found that the other agricultural products of that great State during that time increased enormously in value, from less than a billion dollars to over $2,500,000,000. The sheep-raising business is simply a frontier proposition. Do you want a man who has 1,000 acres on which he formerly grazed 300 or 400 head of sheep, but which now is devoted to the production of corn, cotton, wheat, to stop the production of those food products, worth ten times in value the amount of sheep, and go back to the raising of a few sheep?

Again, it has been estimated that it requires 600,000,000 pounds of wool to take care of the needs of the American people. Our home supply is 300,000,000 pounds. How is this going to help the sheep farmer to-day, when, according to the report of the majority, we find that there is enough wool on hand now to last the country for 12 months, and that other information is enough for two years?

Mr. AYRES. Mr. Chairman, will the gentleman yield?

Mr. COLLIER. Yes.

Mr. AYRES. Can the gentleman, as a member of the committee, explain why it is that frozen beef was not put into this bill, when cattle are not shipped to this country, and the packers have big packing establishments in South American countries?

Mr. COLLIER. I understand the gentleman very well. I listened with much amusement to the gentleman from Kansas [Mr. CAMPBELL], a man who has been in this House for nearly 20 years, one of the leaders, when he spoke of how this bill would curb the packers. Why, the gentleman from Kansas well knows that the packers of Chicago, Kansas City, and other places do not import live stock into this country. The testimony before the Ways and Means Committee shows that there are hundreds of millions of pounds of frozen beef brought into this country, which is now in storage in New York, not for sale now, but in storage, and when the Republican majority meets next year, if they enact a high tariff, all of that frozen meat will then be dumped onto the American public and the consumer will have to pay the difference between the tariff they fix at that time and the tariff that is paid now. The tariff on cattle amounts to practically nothing. The disturbances in Mexico have practically denuded that country of cattle. I heard Mr. LONGWORTH the other day, with tears streaming down his cheeks, say that if we did not pass this bill the ewes, the mothers, as he put it, of the poor little lambs in the West, would be destroyed. Yet at the same time he votes for the bill which he knows will not give relief in the next three or four months, and by that time, according to his statement, the poor mothers of the little lambs will have been destroyed, and yet he votes for a bill which will prohibit my friend, Mr. HUDSPETH, from Texas, and other sheep owners from going down into Mexico and buying some more mothers to take care of these little lambs. [Laughter and applause.]

Then, again, I want to say something about cotton. It is amusing to listen to the tender solicitude of the gentleman from Michigan [Mr. FORDNEY], of the gentleman from Iowa [Mr. GREEN], of the gentleman from North Dakota [Mr. YOUNG], of the gentleman from Washington [Mr. HADLEY], the gentleman from Oregon [Mr. HAWLEY], and the gentleman from Colorado [Mr. TIMBERLAKE] for the cotton farmer. It is interesting to see such tender solicitude on the part of those gentlemen who do not know a cotton boll from a cocklebur for the poor cotton farmer. It is one of the most pathetic and touching incidents in modern politics. Why did they put a tariff of 7 cents a pound on a cotton of 1⅛ inches in length, a cotton that is not raised, not 1 per cent of it, in the United States?

It looks as if it was done as a way to keep us from saying anything, because there is somebody who believes that a tax on cotton would amount to something. But there is something beyond all that. There is a reason for it, because when they put a tax of 7 cents a pound on cotton, which they know will never come in competition with the American product, it will allow the manufacturer of cotton goods to add that tariff to the price of the manufactured article——

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLLIER. Is my time up so soon? Well, this will be continued about the 15th or the 18th of May, 1921. [Applause and laughter.]

Mr. HENRY T. RAINEY. Mr. Chairman, I now yield to the gentleman from Louisiana [Mr. MARTIN].

Mr. MARTIN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. HENRY T. RAINEY. Mr. Chairman, I yield the remainder of my time to the gentleman from Tennessee [Mr. HULL].

Mr. HULL of Tennessee. Mr. Chairman, it is not insisted by the proponents of this bill that it is either scientific or logical. Neither is it insisted that the causes which it is sought to remedy by the passage of this bill were due to the existence or absence of tariffs at the time the causes manifested themselves. If it were so insisted, it would be patently untrue, because there was a general slump in prices of most raw materials and the advanced stages of many manufactured articles, in securities, and in foodstuffs about the same time in one half of the world, regardless of tariff conditions, while the other half of the world was starving, as it is now, for most of those identical articles and commodities. So that in considering this bill the House is in the situation of saying that it proposes by its enactment to remedy the very causes which in their inception had no relation whatever to the existence or the absence of tariff legislation.

The gentleman from Ohio, my genial friend, Mr. LONGWORTH, in common with several others recently, somewhat amused me on yesterday when, assuming a heroic attitude, he announced that he proposed to surrender the entire debt due us from Europe rather than surrender home markets. When I contemplate the fact that we are to-day manufacturing and selling all the countries of the world $4,000,000,000 of all kinds of manufactured products and others, exclusive of agricultural products—as much as our total foreign commerce was in 1914—and when I further contemplate our wonderfully strong and impregnable position as a financial, commercial, and industrial nation compared with the present crippled condition of all other countries, and when I heard my friend make that startling declaration, it reminded me of the assumed attitude of a well-known Member on my side of the House who represents a district com-

posed exclusively of farmers. His constant platform is that he proposes to stand by the farmers in this House, even though it should defeat him overwhelmingly in the next election. [Laughter and applause.]

Now, Mr. Chairman, I see no particular concern that any Member of the House should feel in regard to the question of scientific or certain tariff protection in this bill in view of the fact that it is conceded on every hand and was argued at length by the gentleman from Ohio on yesterday that with the existing confused and abnormal economic conditions of the world it is utterly impossible now or soon to frame any protective tariff measure that would be at all intelligent or scientific or practicable. It therefore follows that this measure is simply thrown in here in a crude, haphazard, careless kind of way because our farmers, in common with many other classes of persons and business, are in serious distress at this time. So with a measure which is neither flesh nor fowl as to any definite amount of actual protection it embodies, Members on my side might well be more disturbed about voting for this bill and for the naked doctrine of protection which it does contain than they need be concerned with the idea of voting for it and securing a certain or definite amount of protection for some local industry in return. Now, what is the real situation? We have serious distress among the farmers. The values of many of their products have suddenly shrunk nearly 50 per cent during the past six months just as the values of many raw materials and other products and commodities have shrunk in this and other countries of the world. Every class thus affected, of course, wants the most available remedy for it, and speedily. This Congress proceeds after some weeks deliberation to throw in the hopper this so-called protective-tariff measure. Now, the situation as I see it, my friends, is that if we really desire to help the farmer there are three practical ways by which it can be done. I do not consider this tariff measure as in the least a remedial measure. In the first place, as my friend from Arkansas [Mr. OLDFIELD] correctly stated, we have a surplus of commodities in this country. We desire to sell them. They have helped to produce stagnation and sudden depression here. We can not sell them at home; we do not expect to sell them at home, because we shall continue to produce as much as our domestic needs require and more. The result is we must, as in the past, find foreign markets for them. We are now exporting or have been until recently about $8,000,000,000, one-half manufactures raw materials, and so forth, and the other half foodstuffs and other agricultural products. We expect to continue to produce a surplus which we must sell abroad. How can this tariff bill help to do that? Then the only remedy for sane, practical relief is to open up and facilitate our foreign market conditions. That involves a rehabilitation and a strengthening of our international exchange and trade situation, international credits, and so forth, to bring those trade facilities between nations back to a functioning order. Then we will be able gradually to work off our surpluses and work them off to countries which are to-day and will be to-morrow actually starving for almost every ounce of surplus which we have.

Mr. LONGWORTH. If the gentleman will permit, I will ask if this, instead of being a tariff bill, were a bill which imposed a straight embargo, would the gentleman support it?

Mr. HULL of Tennessee. I am now coming to that embargo situation and shall be glad to answer the gentleman on that point.

Mr. JEFFERIS rose.

Mr. HULL of Tennessee. I shall have to ask the gentleman to excuse me, because my time is so limited. I was in the act of stating, and I wish to say to the gentleman from Ohio what I conceive to be the practical remedies under existing circumstances in lieu of either remedy that he suggests: First, let the Government and the banking and other financial agencies of this country cooperate with the commercial, banking, and other agencies of other countries who want our surplus commodities, in reviving and strengthening our international trade and exchange situation. That opens the door, that gives us a free flow of commerce back and forth between nations. This would afford temporary relief. America will have to make large, long-time investments abroad to give us a stable and sound and permanent export situation. In the second place, I would have the farmers of this country who still own a surplus of farm products and live stock given all the credit accommodations possible that will enable them to hold this surplus, pending the revival of international trade functions. I do not mean by this to hold up the values of this surplus artificially, but rather up to a fair world-price level at this stage of readjustment. In the third place, Congress could do much to encourage and considerable to aid in bringing the farmer in more direct communication with the consumer. For many years we have heard constant talk about efficiency in production, but we have heard entirely too little about economic efficiency and directness in the distribution of that which the farmer produces between him and the consumer. Cooperative sales agencies, cooperative purchasing agencies, additional storage facilities properly supervised, better transportation, terminal facilities, all these are important steps which are now being pointed out to you by the farmer himself to bring the farmer more directly and in cheaper contact with the consumer, and which, if it enabled him to get even one-third to one-half the level of prices which the American consumers are now paying for his products, would put him in the most independent position economically at this minute. [Applause.] Now, these, in my judgment, are the practical methods by which the agricultural surplus, as well as the other surpluses, we produce in this country will finally be disposed of. What is the situation on the other side? We are now no longer living within ourselves. This very condition we are called upon to remedy demonstrates that. We must find countries which are in great need of our surplus and work out a way to get it to them in order that we may sell it on amply satisfactory terms to ourselves.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Tennessee yield to the gentleman from Kansas?

Mr. HULL of Tennessee. I will have to ask the gentleman to excuse me because my time is so limited. If I could get a little extension I would be only too glad to yield.

I repeat, what is the situation, Mr. Chairman? It is a world situation. We need not delude ourselves with the theory that we can face inward instead of outward across the ocean when it comes to facing and solving this serious condition. We have to look out and see what the world economic situation is and help to deal with it, and that comes home to us in a forcible way in connection with this proposal.

Now, the European countries must get to functioning in the way of coming back toward normal, economically. At this time the European nations have suffered a loss of from 30 to 50 per cent of their productive power. They still suffer it, because they are utterly unable to get our foods and raw materials—our surplus materials and foodstuffs—which are giving us so much trouble here at home at this time. They can not get them because they have neither the cash nor the credit to pay for them, and we now propose to put on an embargo in large measure. In other words, we propose to say, in effect, that while we demand the privilege of selling $8,000,000,000 worth of products every year to all other nations, we in turn deny them the right to sell to us at all, at least to an appreciable extent, except when it precisely suits us to buy.

Now, if it is wise and sound policy to enact this measure as a remedy for the present depression in agricultural products then it is equally wise and sound for every other nation in the world suffering from a slump to enact a similar prohibitory measure to keep out our automobiles, to keep out our iron and steel products, to keep out all our other $4,000,000,000 of manufactured products, raw materials, and so forth, and an additional $4,000,000,000 of agricultural products and foodstuffs.

It is equally sound and justifiable, I say, that this precedent should be adopted by every other nation. And then where would we be? [Applause.] We would then have a live and real congestion and slump. This action would invite protest and retaliation by other nations, and I feel sure we would soon see it. This is a mighty dangerous precedent for a big exporting Nation.

We ought to realize that with international credit in a state of partial paralysis, and with the exchange situation so utterly broken down as to put an enormous penalty on what we sell abroad and somewhat of a corresponding premium upon what we purchase from abroad, we ought to realize the utter impossibility of getting back toward normal and resuming international trade functions in our trade affairs until these conditions are first corrected.

Now, if we face backward and enact this legislation we will be proceeding in precisely the opposite direction from that which we should pursue, and we will later have to retrace our steps on our way back toward a resumption of sound and normal conditions. During the last 20 months I have heard the very champions of this measure daily thundering in this House against the retention of any further governmental restrictions on business, demanding that the Government take its hands off of business and let it function undisturbed. And yet here comes in that entire brigade of former denunciators of Government restrictions on business and demanding the imposition of the most

artificial economic barrier that has ever been presented or even thought of during the last four or five years. It is utterly inconsistent and utterly contradictory.

This shortsighted tariff policy not only gets us nowhere, but it invites all other nations likewise to refuse to buy from us. I am, of course, most anxious to support any sort of measure even halfway practical and sound that would be reasonably calculated to aid agriculture in the present emergency, but it is so patent to my mind that we can only get relief by working off our surplus farm products and live stock in European and other markets that I am utterly unable to see any advantage but only material injury from the passage of the proposed high tariff bill.

According to all human calculations, the foreign exchange and international trade barriers will undoubtedly be in a measure removed during the next few months so as to permit a gradual outlet and sale of our surplus products with the result that the present condition of stagnation and abnormally low prices, due to the temporary inability of one half the world to dispose of its surplus to the other half, will be correspondingly relieved. We all hope and pray for such improvement, which can not come too soon. But it will in no sense be due to the effect of any high tariff nostrum such as this bill proposes.

Now, the European countries are in a frightful condition. I have before me the report of the finance committee of the international conference which represented 39 nations which held protracted sessions at Brussels a few weeks ago. Among other things in that report, referring to the world situation and the necessity for restoring it economically, they make this statement:

> It is of the greatest importance that every Government should abandon at the earliest practicable date all uneconomic and artificial measures which will conceal from the people the true economic situation. Each country should aim at the progressive reality of that freedom of commerce which prevailed before the war.

Whether it was high tariff in one country or low tariff in another, they said that the conditions should be restored instead of being made more artificial.

Europe's economic power is in eclipse. Her financial, commercial, and industrial conditions are highly artificial, disjointed, demoralized, and constantly changing. The financial situation of each European country in regard to its budget, internal and external debt, currency, and exchange, is frightful to contemplate. All budgets show great gaping deficits in current receipts and expenditures, notwithstanding each of these nations has since the armistice added new taxes to its undisturbed war taxes. The Italian deficit for this fiscal year will be around $2,400,000,000, while that of France will be greater unless expected payments of the German indemnity should be realized to a surprising extent. The German deficit is about $11,200,000,000. Several nations in and contiguous to Europe, not engaged in the war, likewise have very considerable deficits, such as Spain, Switzerland, Holland, and Denmark. These conditions are not surprising when we reflect that the annual expenditures of the Governments of the world before the war aggregated $9,250,000,000, whereas they now aggregate $52,250,000,000. The external debt of the European countries amounts to $155,000,000,000 compared with $17,000,000,000 in 1913, to say nothing of the immense internal indebtedness. I am, of course, not including England in these references to European nations. The currencies of European countries have been inflated to the extent of $55,000,000,000 and more, the larger portion of which is fiat money, while the printing presses have not even yet been stopped by some of these Governments. In addition there has been a limitless expansion of credit. Efforts to fund unbearable loads of floating debt have in a number of cases proven fruitless. France recently carried through successfully a refunding operation of magnitude, but at a 6 per cent interest level, tax free. Several foreign loans negotiated during the past autumn by French interests ranged from 8 per cent to 9½ per cent interest. The exchange situation has operated against Europe with deadly effect since the removal of the artificial and arbitrary stabilizing influences provided by Government regulations during the war. The English pound sterling exchange rates are around $3.50 compared with $4.86 par; the French franc 5.90 compared with 19.3 par; the Italian lira 3.41 compared with 19.3 par; the Belgian franc 6.22 compared with 19.3 par; the German mark 1.39 compared with 23.8 par; the Austrian crown .26 compared with 20.3 cents par; the Czechoslovakian crown 1.16 compared with 20.3 cents par; the Danish krone 15.15 compared with 26.8 cents par; the Grecian drachma 7.38 compared with 19.3 cents par; the Holland florin 31.25 compared with 42.2 cents par; the Norway krone 14.95 compared with 26.3 cents par; the Spanish peseta 12.91 compared with 19.3 cents par, and in like proportion elsewhere.

The South American exchange is 20 per cent to 40 per cent off. These adverse exchange conditions impose added cost corresponding to the percentage of decline of all that these countries thus suffering buy from abroad with cash, while their credit strength has been rapidly ebbing away. Europe is on a paper basis, while the United States is on a gold basis and offers virtually the only free gold market. Unfortunately, these countries have comparatively little to sell and much to buy, especially of food and raw materials, while America, with great surpluses of these very products which Europe so greatly needs, is fenced off from the markets of the latter by these abnormally low exchange conditions and by a lack of international credits. It has been said recently that the English pound sterling at $3.40 means that Europe pays a premium of over 40 per cent on all it buys and that the farmers and manufacturers of other countries have 40 per cent advantage over ours in selling their products to Europe. This delicate situation reveals the critical state of our foreign trade at this time and the extreme importance of conserving rather than jeopardizing or abandoning it by the use of artificial barriers such as the proposed tariff embargo. The proposed high tariff would only drive the exchange rates farther down. Who can justify that suicidal course?

A general depression in all trades, including the textile manufacturing industries, exists throughout Europe and England, while the former is at the same time suffering most severely from the shortage of food and raw materials. Only two great manufacturing nations remain at all intact as a result of the war—the United States and England. Only four important commercial nations have favorable trade balances—the United States, Canada, Spain, and the Argentine. The great excess of exports from the United States over imports which has taken place in the circumstances already described materially aided in the serious breakdown of exchange conditions. To restore these, as well as the economic equilibrium of the world, Europe must at least gradually regain her productive power. To do this she must have food and raw materials, of which we have a most burdensome surplus. She at present has little credit, less goods that we need, and no cash. The chief underlying cause of the failure of Europe thus far to return to production to a reasonable extent has been the failure to establish general peace conditions and to fix the amount of the German indemnity. The result of these failures has been general uncertainty, doubt, apprehension, suspense, inaction, and helplessness in most lines of commerce, finance, and industry, not only in Germany but in several commercial countries of Europe. France, for instance, has suffered in her credit and general economic situation because she has been waiting in patient expectancy of large German indemnities from month to month with which to meet urgent necessities. The economic affairs of all nations are closely interwoven and interrelated, and the inability of Europe thus far to procure sufficient food and raw materials to enable her to revive production has most seriously crippled and retarded the development and normal restoration of the financial and commercial affairs of the world.

In further considering the policy embodied in the pending high tariff bill in the light of world conditions, present and prospective, it is important that we should keep in mind our own unparalleled development and growth in finance, commerce, and industry. We will thus more clearly realize how difficult it is and will be for our Nation to function commercially and industrially except as an integral part of the great economic structure of the world. Apart from being the greatest creditor Nation and the center of the world's finance and commerce, we are the greatest producing Nation in history. We are annually producing vast surpluses of foodstuffs, raw materials, and manufactured products. To keep capital and labor employed and to prevent calamitous stagnation and depression the Nation will and must continue to turn out increasing surpluses from year to year, all of which can only be sold in foreign markets. Our international commerce jumped from a little over $4,000,000,000 in 1913 to over $13,000,000,000 in 1920. Those who imagined that we could isolate ourselves after the war and live alone and within ourselves have already experienced a rude shock as they saw prices of farm products and many articles of raw material and manufactures take a serious slump during recent months, mainly because artificial trade barriers resulting from the war prevented their shipment and sale to foreign markets where they have been and are so urgently needed. It is due, however, to say that the general reactionary effects of the war have also contributed to the decline in values in such countries as England, Canada, South America, United States, Japan, and the Far East, but the actual slump which has so violently affected the values of so many commodities in these countries during recent months constitutes a much greater decline than

was justified at this stage of deflation and economic readjustment. The big problem of this country, which is that of every important country, is to get the world back to normal. No prohibitive or embargo tariff legislation which this and other Nations may adopt will in the least contribute to this great end, but on the contrary will only result in exasperating, hurtful, and damaging delay. How can this proposed high tariff stay the economic decay of Europe which is so directly injuring our prosperity? No reasonable person can well underestimate the major factor which our foreign trade constitutes in our domestic prosperity.

The world to-day owes the United States near $16,000,000,000, which in chief measure constitutes the balance of trade in our favor during the past six years. The amount our Government loaned the allied Governments during the war was mainly credited for the payment of goods and war supplies purchased from us. From $3,000,000,000 to $6,000,000,000 of our exports have been financed by private agencies in the United States. The United States is now in the paradoxical situation of seeking payment of this vast world indebtedness, and especially the interest thereon, while at the same time it faces the absolute necessity of selling several billions of surplus abroad, thereby piling up the indebtedness due it. Other Governments and their citizens owing us can only pay by means of cash, credit, or goods. To compel payment of either principal or interest in cash correspondingly reduces the ability of foreign markets to absorb our surplus agricultural products and other surplus commodities.

If we should attempt to compel payment in gold we would readily realize that we already have too much gold and are suffering inflation of values on account of the excess, and, above all, it is physically impossible for our debtors to pay gold at this time. It would also be wholly infeasible for other governments to pay us in their own depreciated currencies. They can not pay in credits, because they are now starving for our surplus foodstuffs, raw materials, and other products because of their utter inability to furnish acceptable credit. It follows, therefore, that the principal payments we may expect at any early date must be in goods. Some citizens here look with keen disfavor upon the idea of such payments in goods. They seem to be afflicted with the wholly false and superficial view that this method would result in displacing vast quantities of our domestic products and materially injuring the proper development of our domestic industries. I notice in the debate to-day the statement that the pending high tariff bill does not propose to prohibit or obstruct imports except mainly those from nations that were not engaged in the war and which profited most from the war. This sharply raises the question as to the true effect and meaning of international commercial operations. The 11 allied Governments to whom our Government loaned $9,580,000,000 could pay their debts to us with goods, but without selling or shipping to us directly a single product or commodity. For illustration, England sells manufactured and other products to Brazil, from whom we purchase nearly $200,000,000 worth of coffee each year. We owe Brazil and Brazil owes England—the result is that $200,000,000 of England's debt to us is canceled. In other words, neither imports nor exports are paid for by the shipment of money to any appreciable extent. This general situation is well expressed by a noted economic authority as follows:

> From South American countries and from the Far East we have bought, year in and year out, more than we have sold to them. We have been enabled to pay for the commodities thus bought because of our heavy exports to other countries, chiefly to Europe. The balance of trade between any pair of countries is rarely such as to bring about an equalization of their exports and imports. It is in the grand total of the countries' transactions that we find the equalization of imports and exports, or rather the equalization of all of a country's international debts and credits; and it is this broad equalization which serves to bring about a settlement without the flow of specie. * * * In times of peace the Americans have been able to pay for their imports of coffee from Brazil or raw silk from Japan through credits based on heavy exports of breadstuffs and cotton and copper to European countries. London was the clearing house for these transactions, which were disposed of irrespective of the particular relations of the United States with Brazil and Japan.

International commerce is mainly barter—an exchange of goods. When imports decline exports will decline.

It is important to note that only 23 per cent of our total imports for 1920 came from Europe, against 50 per cent prior to the war, while the remaining 77 per cent came from Canada, South America, Japan, the Far East, and other countries; but, on the other hand, 60 per cent of our total exports went to Europe in 1920, as against 68 per cent prior to the war. It is manifestly absurd, therefore, to contend that we are not injuring ourselves when we obstruct trade with the countries south and west of us, because it is plain that in the ultimate outcome such action would be just as detrimental to the United States, if not more so in the circumstances, than to obstruct the flow of commerce between this country and those engaged in the war.

A few highly partisan individuals are inclined to rail against our present large volume of imports, which aggregated $5,238,000,000 for the last fiscal year of 1920. They studiously ignore their true economic significance. They complain as if the entire amount of these imports were manufactures or similar products which are displacing finished American production to that extent. This is wholly false and fallacious. For example, the amount of imports of manufactures ready for consumption for the last fiscal year was only $745,000,000, which amount was less in quantity than that imported annually under the operation of the Payne tariff law. The value of foodstuffs in various forms imported during the same year aggregated near $1,500,000,000, but these items of import consisted mainly of sugar, $688,000,000; coffee, $310,000,000; fruits and nuts, $124,000,000; cocoa, $72,000,000; tea, $19,000,000, and other smaller items, more than 60 per cent of all of which constituted luxuries, and most of which we do not produce. Carrying this analysis a little further, our imports of crude materials for use and for further use in manufacturing aggregated $2,900,000,000 for the fiscal year 1920. Who but the narrow protectionist politician would complain at this phase of our international commerce? Certainly our manufacturers who turn it into the finished product and sell for a good profit, and our laborers who are thereby given increased employment at good wages, are offering no complaint. In addition to these considerations these classes of large imports are not only not detrimental to our economic situation but are both helpful to it and to the settlement of foreign indebtedness due us. I may also add that it is only through the purchase and importation of these classes of products that we are able to make satisfactory exportation and sale of our immense surpluses in all lines. It would be most fatal for this country to slacken or diminish production, for such course would mean unemployment with all its attendant circumstances. France, Italy, Belgium, and central Europe, to say nothing of certain other countries, urgently need all our surplus. The other half of the world should move forward in production notwithstanding the recent slump in values it has experienced, and at the same time should as rapidly as possible develop credit and other plans for the active and full resumption of trade relations with the European countries just named.

The proposed tariff bill, in my judgment, is not nearly so innocent as appears on its face, for whether so intended or not, this measure sharply raises the question of the most supreme importance to this Nation, one involving the whole future commercial policy of the Nation in the light of the new and changed economic conditions in which our country and the world find themselves as the result of the war. The American people are now face to face with the momentous question of whether they as a Nation will maintain our present supreme position in world finance, commerce, and industry, going forward with the development of our foreign trade, keeping alive and expanding our great merchant marine, making sound and permanent investments of surplus capital abroad, affording labor increased employment at home, negotiating wise reciprocal commercial treaties, cooperating with other nations in the elimination of unfair, hurtful, and dangerous trade practices so as to promote fair and friendly trade relations, prescribing a tariff for revenue only, and doing in other essential respects big things in a big way as sound, enlightened, and progressive policy would suggest.

The American Nation must either adopt this wise and philosophic policy for its future and continue to progress, or it must inevitably and as the only alternative adopt the narrow, short-sighted, suicidal policy of commercial isolation not unlike that pursued by China after she had become a world factor in finance and commerce and which has brought her to her present low and despised estate. This latter policy means that the United States shall return to a general and comprehensive system of high protective tariffs—tariffs on the commodities of all producers, from the raw material to the finished product, when selfishly demanded by them, whether really needed or not even from the standpoint of protection. It practically means going backward 40 years, although economic conditions have entirely changed. This policy would assure permanent artificial commercial conditions, a new army of trusts, monopolistic prices to consumers at home, inefficiency in production, stagnation, shutdowns, and an artificially high level of costs of production which would prevent successful American competition in world markets and would compel a return to the old practice under former high protective tariff systems of dumping our annual surpluses abroad at prices far below the domestic prices charged the American consumer. This policy, so backward, antiquated, and utterly provincial for a full-grown country, would mean the

death knell to our present $13,000,000,000 of international commerce, and along with it our dominant position in the financial and commercial affairs of the world. It would then be entirely appropriate to remit our foreign debt and let the gift become a monument to our economic stupidity and our future national decadence. Bourbon protectionists can not realize that we are living in a new world and that the position of our Nation in the world economy is vastly different from that of the past. From this time the Nation will move forward or backward according to which of these great epochal policies it adopts.

In the language of President William McKinley, "the period of exclusiveness is past. The expansion of our trade and commerce is the pressing problem." Notwithstanding every true sign and wise warning to the contrary, the fight for reaction, for exclusiveness, and for economic isolation is now on. The sudden appearance of this hastily constructed high tariff bill was the signal to all the forces of stand-pat protection and of greed and selfishness to rally in a grand effort again to get both their arms and feet into the Federal Treasury. The logrollers behind this and other like high-tariff bills make the pork-barrel logrollers drop their heads in shame. No person or business can become a beneficiary of one of these general high protective tariff laws without joining with all other beneficiaries, no matter how undeserving or extortionate, and upholding their demands. I am persuaded that the proponents of this measure, while recognizing its utter futility as a remedy for the present distress of the farmers, have rushed it before Congress for the purpose of exciting the favorable interest and whetting the appetite of certain wheat raisers and livestock growers, bean, peanut, onion, and other raisers of certain agricultural products, to the extent that they will next spring demand that their representatives here give their support not only to protective-tariff items affecting them at home but to the entire high protective tariff measure the reactionary Republicans expect to lay before Congress next year.

The peanut farmer will be expected to join hands with the supporters of schedule K, a schedule the past history of which reeks with bargain and intrigue, not to say scandal. The wheat grower who will get no protective benefits will be asked to lock arms with the Agricultural Implement Trust in an effort to secure a restoration of his monopolistic tariff rates. The long-staple cotton producer will be called on to assist the Cotton Bagging Trust to secure new and high rates so that he can plunder the cotton grower, and so on down the line. This is an auspicious time, considering the distress in the country, for the high priests of high protection to marshal their forces along the highest protective lines. Those who oppose this general policy for the Nation and favor the liberalized commercial policy I have outlined seem oblivious to the full significance of this present high-tariff movement, and unless they bestir themselves the extreme reactionary, hidebound high protectionist will have control when the work of general tariff revision is taken up next spring. In that event a bill will be prepared very much after the manner of the preparation of the pending bill. The Tariff Commission will be shunted aside and its work and services ignored. Full and true economic facts will not be sought or welcomed. The beneficiaries will come and write their own extortionate rates as they have on many former occasions. We will see old schedule K unblanketed and brought forth to do duty again with its specific duties, its ad valorem duties, its compound duties, its duties by the pound, its duties by the yard, its compensatory duties, and a further network of combined and complicated levies and iniquities which only greed and selfishness can devise. I recall that the Dingley law was framed almost in its entirety prior to the existence of the Congress which was to take jurisdiction of it, and it was hastily introduced and passed through the House within five days after Congress met. There was no time then for tariff commissions to make real investigations and true reports of facts so vital to any honest, intelligent tariff revision, and I predict that there will be no time in this instance. The reactionary schedule K protectionists have in the past, when out of power or threatened by defeat, preached loud and long in favor of tariff commissions, scientific tariffs, taking the tariff out of politics. They indulged in this performance in 1882 when they were about to be overthrown, and in 1909–10 when disaster faced them. Will history repeat itself?

Unless legitimate business and citizens who oppose taxing one citizen for the benefit of another and who favor an honest tariff for revenue or a well-balanced system of customhouse taxation, modeled along the most scientific lines in the light of true modern facts and actual economic conditions shall bestir themselves we bid fair to see another orgy of the schedule K protectionists at our Capitol—lobbyists infesting every corridor, rates written mountain high, and every economic law violated. I had thought that by the creation of the Tariff Commission both political parties had at least tacitly agreed that there would be no more general tariff revisions except after full investigation of all the essential facts necessary first to be had as a basis for intelligent, practicable, and sound action.

It is utterly infeasible, in my judgment, even though both parties should be willing, for such facts to be procured or such tariff revision to be made either now or during the coming months. The commercial and industrial conditions of the Nation and of the world are so completely abnormal and out of joint as to render any sort of intelligent tariff revision impracticable. Let me preface what I am about to say by recalling the fact that until 1840 high protectionists only advocated their doctrine in behalf of new or undeveloped industries. Protection of American labor against "cheap foreign labor" was not even mentioned during that period. About 1840, however, the country began to insist that the existing industries were full grown, and protection advocates then conceived the idea of urging protection on the theory that it was to protect American labor. The country heard much of this new argument from time to time until after 1900, when the extortionate tariff rates had permitted the formation of thousands of trusts in this country which arbitrarily fixed exorbitant prices to all consumers, and thereupon the advocates of high protection, being hard pressed, again modified their attitude by proclaiming themselves in favor of a tariff that would equal the difference in cost of production at home and abroad plus a reasonable profit to the manufacturer or producer. It soon developed that under this theory the beneficiary of protection was fixing his own profits without limit and to the great injury and loss of the consuming public. These "Schedule K" advocates thereupon abandoned the clause "plus a reasonable profit" and have since preached the generality or abstraction that the tariff should be based on the difference in the cost of production at home and abroad. They now propose to formulate a general tariff revision act on this amended theory, although the theory has broken down and become discredited by the best economic thought the world over. It would be impossible to conceive of a more fruitless undertaking now or soon than that of ascertaining the difference in the cost of commodities here and elsewhere. The economic situation in every country is abnormal and is constantly changing. The cost of a commodity to-day is often different from that of yesterday or to-morrow. Many governments still retain regulation and control of many prices, of businesses, and of commercial transactions generally. Exchanges are badly out of joint; domestic currencies are greatly depreciated; some countries are overstocked with all lines, from the raw material to the finished product, while others are virtually destitute of either; ocean freight rates and insurance are high and uncertain; there is no level of production costs and no average cost of production either obtainable or in existence in any important commercial country at this time.

Vast inflations of credit and currency still exist in many countries. Other commercial nations have not yet outlined their future economic policies. But I need not elaborate. Suffice it to say that any general tariff revision made during the next few months will call for still more elaborate revision a year or two later. In the meantime those who oppose sweeping high tariffs, which in the future must be hurtful both to legitimate business and to the healthy commercial and industrial development of the country, can only urge a later and more suitable occasion for real permanent tariff revision—revision on the principle of a competitive tariff, which is a tariff levied for revenue and not for protectionist purposes, with the highest rates on luxuries and the lowest, or none at all, on the actual necessities of life. There is a vast irreconcilable and well-defined difference in attitude of one endeavoring to write a tariff for revenue purposes and one writing a tariff for protection. The whole spirit and purpose of each is utterly antagonistic. One seeks the protection of profits with only secondary regard for revenue, while the other seeks revenue without any regard for protection; one prescribes rates for protective purposes upon the impossible theory of the difference in cost of production, while the other discards this theory and acts on the policy that some competition should exist in every line of industry, a condition that can be determined by comparing the amount of imports coming into this country with the amount of goods consumed, in conjunction with all other available facts relating to the volume of production in a given line here and elsewhere, the consumption, the freight costs, the trade conditions, and trade movements. Competitive tariff rates do not contemplate destructive rates where the existence of a business is justified economically, but rates competitive and designed to prevent monopoly and to assure reasonable competition in the domestic markets. The cost of production theory is futile, because costs not only vary in one country, but there are even several levels of costs of production in the same industry of any one country.

Again, the question always arises under this theory as to whether a tariff rate shall be based on the difference between the production costs of the least efficient business concern at home and the most highly efficient concern abroad. A tariff based on this will-o'-the-wisp theory may just as easily be made high as low, or vice versa, for the reason that it is not difficult to obtain a set of cost figures for either purpose. If it is proposed to take an average cost of production basis, then the efficient business concern gets protection it does not need, while the less efficient business receives inadequate protection. Artificial prices of imports created by subsidies, rebates, drawbacks, trust combinations, or other unfair trade practices should be dealt with by commercial treaties or other special adequate method, and not by a simple high tariff which is not applicable.

It is unnecessary to dwell upon the unsoundness of the protective tariff as a tax. It is no more nor less than a subsidy or gratuity levied in the form of a tribute on the people generally for the benefit of a select and favored few. In the event of such a law these governmental beneficiaries should be required to make an annual accounting of profits to the end that any excess would be turned back into the Treasury. There can be no pretext in the light of present conditions for the enactment of a typical standpat high-protective tariff system from any viewpoint of enlightened self-interest. Such a measure would wholly disregard the true interests of the taxpayers, of the consumers, and would greatly retard our material development. On what possible theory can or should Congress reimpose tariff taxes to prevent or materially restrict imports of wood and lumber products which we are exporting to the annual amount of $186,000,000; of mineral oils, which we are exporting to the amount of $426,000,000; of iron and steel products, which we are exporting to the amount of $932,000,000; of rubber manufactures, which we are exporting to the amount of $69,000,000; of copper and copper manufactures, which we are exporting to the amount of $150,000,000; of bituminous coal, which we are exporting to the amount of $132,000,000; of automobiles, which we are exporting to the amount of $233,000,000; of agricultural implements, which we are exporting to the amount of $87,000,000; of any kind of raw cotton, which we are exporting to the amount of $1,381,000,000; of meat and dairy products, which we are exporting to the amount of $771,000,000; of paints and varnishes, which we are exporting to the amount of $27,000,000; and so on through the list of infinite varieties of foodstuffs, raw materials, and manufactures which we are to-day producing and selling to all nations to the extent of $8,000,000,000? How can the manufacturer's difference in cost of production theory be invoked and applied as a basis for protective-tariff levies in the cases of all these classes of enormous exports? How can the foreign "pauper labor" shibboleth be made to do service in the face of the fact that the efficiency and effectiveness of our intelligent and skilled labor with the superior advantages of modernized machinery, great variety and quantity of raw materials, and systems of mass production, produce commodities of the value of $8,000,000,000 which we are able to ship and sell in all the world markets in utter defiance of the competition of similar commodities produced any and everywhere else by pauper, ignorant, or any other kind of labor? There is no ground for the protectionist and no pretext for a Democrat upon either the theory of protection or of "placing a tariff on everything imported" to support a measure to place customs duties on sporadic items of imports when our home manufacturers and producers are both supplying the domestic market and shipping and selling the same commodities ad libitum throughout the world. Our basic supplies far excel those of any other country.

The United States has grain, meat, coal, iron, copper, timber, oil, cotton, wool, leather, either in unlimited or such reasonable quantities as to insure our industrial independence. On the other hand, every foreign commercial country is materially handicapped by the lack of some or several of these great basic resources. England proper only has coal and iron and must purchase abroad her foodstuffs and raw materials; Germany is without cotton, copper, wool, and others; France, Italy, and Austria are in like predicament; Japan has few of the basic materials with which to develop a manufacturing nation, and she is now gradually slipping back into a greatly restricted economic situation which will leave her but a minor factor in world competition. We need potash and nitrate among a very few other widely necessary products. The test of the friendly interest of Congress in the peanut and cotton belt will come not in the dispensing of a little tariff sop but on the question of allowing an additional appropriation to complete and operate the great nitrate plant at Muscle Shoals.

I have thus briefly contrasted the respective attitudes of the majority membership of each political party as I construe them. Those who favor a revenue tariff would place upon the free list not only articles of prime necessity but manufactured or other products which are produced with such high efficiency and corresponding lower costs as to permit their export and sale generally in other countries. It was from this viewpoint that agricultural implements, typewriters, cash registers, sewing machines, iron ore, pig iron, steel rails, structural steel, boots and shoes, wood and lumber products, mineral oils, meat and dairy products, leather and many leather manufactures, breadstuffs, cotton bagging, drawing chains, and many trust-controlled and other domestic products were either placed on the free list or given a very low rate of duty in the existing Underwood tariff law. Why should we try to fool anyone, as has often been done in the case of agricultural products, by imposing a nominal tariff which affords no sort of protection? The only theory on which this could be done would be to enlist the support of those thus deceived for other protective items. The view also that in these modern times "some tariff should be placed on everything" is utterly unwise and unsound. The Walker tariff of 1846 slanted in this direction, but it placed most of the controverted articles in the 30 per cent tariff class and the others in the 25 per cent class. But we were not a great exporting Nation then, and we did not have thousands of trusts ready to hide behind every tariff rate, big or little, and raise prices to filch the domestic consumers. Any effective revenue tariff rate contemplates a regular flow of imports even though small in volume—not a sporadic entry—and more than a nominal yield of revenue. Otherwise, why impose it unless for protection? A high or low tariff rate levied to-day on many scores of articles of great volume would result in no revenue, or but a few cents or a few odd dollars. Then, I repeat, why impose such useless rates except for such protection as might at least now and then be availed of to the unjust injury of consumers?

Let me point out a few instances showing that the pending tariff bill is fraudulent on its face, and this should constitute evidence of its general unsoundness. The controlling purpose of the bill is to create the false impression in the minds of the farmers of the Nation that they can be materially benefited by a high protective tariff, upon the theory that the tariff will prevent outside competition and thereby enable the farmer to secure higher prices than otherwise for his products in the domestic market. A few general facts and conditions patent to every sane person utterly disprove this view. The American farmer has an enormous amount of fertile land and employs intelligent and skilled labor and utilizes the most highly developed agricultural machinery. The result is that he annually produces vast surpluses of wheat, meat products, cotton, and other commodities, which he is compelled to export and sell in the world markets under the law of supply and demand and in open competition with like products of every nation. Every intelligent person knows that the price the American farmer thus receives for his surplus sold in the world markets virtually fixes the price of his products sold at home for domestic consumption. This truism is best illustrated in the case of cotton and wheat. The reason, and the only reason, that the high protective-tariff interests have always insisted on placing nominal duties on agricultural products, which do not bestow any benefits, has been that the farmer would, under this false delusion, aid or acquiesce in a policy that would impose exorbitant tariff rates on most commodities the farmer is obliged to purchase to eat or wear or use and at such artificially high prices as the tariff will make possible. Under this method of misleading the farmer he is placed in the actual position of supporting high-tariff rates on all agricultural implements, cotton bagging, cotton ties, leather, boots and shoes, fence wire, timber, lumber, sewing machines, hats, clothing, and many other articles which he would otherwise be able to purchase at a correspondingly lower price. How are the profits of the wheat farmer protected in the American markets when his exports of wheat and wheat flour during the last fiscal year, 1920, aggregated $546,000,000, compared with imports of like products aggregating less than $40,000,000? This Nation has exported millions of bushels of wheat each year for three-quarters of a century. During the past eight years the annual amount of wheat exported has ranged from 132,000,000 bushels up to 332,000,000 bushels, while the imports have been insignificant in comparison. The United States and Canada each exports and sells an annual surplus of wheat, and both the foreign and home prices are fixed alike in the world's market at Liverpool. Some Canadian wheat passes through the United States on its way to foreign markets. During the first 10 months of the present year the United States exported $668,000,000 worth of wheat and wheat flour. It is clear that any trivial advantage the farmer might now and then receive from a tariff on wheat and products in a similar situation would

be infinitesimal when compared to the greatly increased prices he would be obliged to pay for all he buys under the operation of a high protective tariff.

The proposed high-tariff measure carries 15 cents per bushel on corn imports, although we are annually producing 3,000,000,000 bushels, while the imports have been running around 2,000,000, 3,000,000, and 5,000,000 bushels for such years as 1916, 1917, and 1918, and our exports for the same years have been 40,000,000, 67,000,000, and 49,000,000, respectively. During some years a few million bushels come in from Argentina and go to the corn-products companies to be manufactured and reexported, or are taken and fed at near-by Atlantic coast points. These nominal imports, if absolutely prohibited, would not affect our home prices for corn one one-thousandth of 1 per cent. It is for such theoretical benefits as this that the American farmer is expected in turn to give his support to an entire system of high tariff rates which would enable the domestic manufacturer to rob and plunder him with respect to everything he buys. The American corn raiser has been bringing in a few hundred thousand head of cattle each year in order to feed his corn. The proposed 30 per cent duty on cattle, whether so intended or not, strikes principally at this profitable business and in no remote respect affects the general level of domestic cattle prices. At the behest of a few lemon growers, principally in California, the tariff on lemons is increased 150 per cent, in order that these enterprising gentlemen may fatten their pockets with excessive profits at the expense of 105,000,000 consumers. The peanut grower, for some unfathomable reason, gets a tariff increase of 325 per cent, and he gets it in the face of the statistical fact that the combined import and domestic production of peanuts leaves a deficiency for domestic consumption of 220,000,000 pounds for the years 1919–20, when compared with the preceding year. France's annual imports of peanuts before the war were approximately fifteen times as great as those of America's best year; Holland's and Germany's were more than twice as great, while Italy's and Belgium's regular imports were about equal to America's in her banner year, ending June 30,.1918. During recent years new and extensive uses of peanut products for oil, butter, candy, and other confection purposes have caused an enormous consumption. The result has been that during the past one or two years the oil millers have been put out of business because of an utter lack of an adequate supply of peanuts from any source. The confectioners are using the entire product. For the first 10 months of the present year there were imported 110,788,209 pounds of shelled peanuts at an import price of 9½ cents per pound and 8,596,000 pounds of unshelled at 9 cents per pound, while the imports of less than 700,000 pounds during October, 1920, were at corresponding prices of 7½ cents and 7 cents per pound. An added freight differential to the point of general distribution amounting to 1¾ cents per pound in favor of the domestic producer would give him the combined tariff and freight advantage over western imports of 4¾ cents per pound. These combined conditions of the peanut industry show that the proposed tariff measure would give protection with a vengeance, although not in the least necessary for the success of the domestic industry in the light of the history of its rapid and phenomenal development. It is only another instance of the robbery of the masses of the people by the high protective tariff.

We have had the wool controversy with us since the American woolen manufacturer and woolgrower in 1867 entered into a hard and fast compact to maintain what was finally developed into schedule K. I am sorry I have not the time to enter into the details of the wool and woolen situation. It is a long story. In the first place, the bulk of the wool, the prices of which it is proposed to protect by this bill, has passed out of the hands of the grower and is in the hands of speculators, middlemen, and manufacturers, with the result that the former would derive no benefits to this extent, while the latter are neither seeking nor entitled to any benefits. I may add that this is the situation with respect to most of the products it is now sought to protect, but it is all done in the name of the farmer, although much or most of the commodities are now out of his hands. There has been a slump in wool prices throughout the world and it was in no sense due to the presence or absence of any tariffs. Due to a lack of normal consumption of wool during the war period, large surplus stocks of wool are on hand in all wool centers, including America, the Argentine, England, and Australia. The British Government paid 31 cents per pound for 2,500,000 bales, most of which it now has on hand. In this state of world congestion of raw wool the Australian and English interests have organized what is called a realization commission and financed it for the purpose of carrying their surplus wool stocks until the manufacturing industry revives and with the view of unloading these stocks gradually as improved and improving market conditions make justifiable. This course contemplates that in the early future the world will begin to buy woolen clothing and other woolen manufactures as was its custom prior to the war, and this will enable the woolen manufacturing concerns to resume operations which are now curtailed some 50 per cent, with the result that fairly reasonable prices will be ultimately realized for existing stocks as well as coming crops of wool. In my judgment, some similar agency in the United States is the only feasible remedy for real and merited relief to the wool grower. To dam up our present and prospective wool supply in the United States with no definite plan or concert of action to regulate the surplus distribution and to conserve the market situation will result in greater losses to the American woolgrower than those great woolgrowing countries will suffer in the world market stabilized as it will be under the operations of the realization commission.

I well recall that during many different years while schedule K was in operation prices in the world market at London were higher than our domestic prices in the market at Boston, but our American woolgrower did not get the benefit of them, because he had long since placed himself exclusively at the mercy of the American woolen manufacturer. Our present annual exports of wool and woolen manufactures amount to $56,000,000. There is no reason why this business should not be greatly expanded from year to year. If we reverse our policy, however, and return to schedule K, it would simply mean greatly increased costs to the manufacturer of all woolen articles, much higher prices of the same to all American consumers, and the utter destruction of our export opportunities. The woolgrower and the woolen manufacturer had a temporary estrangement during the nineties, with the result that the representatives of the woolen manufacturers in the person of Mr. S. N. D. North and others came on to Washington and appeared before the Dingley Ways and Means Committee with an elaborate statement setting out the extreme disadvantages the manufacturers suffered by reason of the wool duty, and further averring that no American manufacturer buys foreign wool for any purpose that he can accomplish equally well by the use of domestic wool, and concluding with the statement that if they would—

make this tariff bill right, the domestic manufacturer could promise the woolgrower a quick market for all the raw wool he can grow for many years to come.

This view forcibly emphasizes the fact that a tariff levied generally falls not alone on what individuals eat and wear but the burden strikes all classes of business which buy unfinished products and carry them through higher processes to the finished stage, with the result that all production costs are greatly enhanced to the producer as well as the ultimate consumer.

Let me say in conclusion that this high-tariff bill will not improve existing artificial trade conditions in this country, but will only make "confusion worse confounded." We must realize that these price declines and slumps are due to inevitable post-war and other conditions which I have described. We must realize, for example, that the decline in our exports of meat stuffs of $600,000,000 during the first 11 months of this year and the resulting surplus left on our hands had something to do with the slump in prices of certain live stock, and that it is utter folly to allow politicians to attribute every cause and effect, every wrong and remedy, to the tariff.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. HULL of Tennessee. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. FORDNEY. Mr. Chairman, has the other side used all of its time?

The CHAIRMAN. All.

Mr. FORDNEY. Mr. Chairman, I yield the balance of my time to the gentleman from Iowa [Mr. GREEN].

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. GREEN of Iowa. Mr. Chairman and gentlemen, in the few minutes allotted to me in which to go over this bill I shall have to decline to yield to anyone, but in these few minutes I hope to be able to justify the action of the Committee on Ways and Means in bringing this bill before you.

I shall not attempt to argue, as the gentleman from Illinois [Mr. HENRY T. RAINEY] has done, the beauties of the tariff system of England, which has left her fields uncultivated and utterly ruined her agricultural producers, nor shall I attempt to answer those who have criticised the bill but propose to do nothing whatever for the farmers under the present situation.

Mr. Chairman, there are few, even among the farmers themselves, that realize the extent of the calamity that has befallen the whole Nation in the evils which now beset the farmer. A careful calculation shows that the depreciation in the value of crops of this year below the prices which prevailed last year amounts to the staggering sum of $5,000,000,000. The depreciation in the value of live stock, while it can not be easily calculated, is probably one-quarter as much more.

Without taking into account the depreciation in the value of real estate, you can see the condition of the farmer to-day. The Ways and Means Committee found that the wheat market of the Northwest farmers was practically destroyed. It found that the farmer in western Nebraska was burning corn for fuel rather than attempting to put it upon the market. It found that the sheep grower has no market for his wool in certain communities; he could obtain no bid for it whatever. It found under certain circumstances that a sheep grower had better feed his sheep to the hogs, if he had any hogs to feed, than to send them to the Chicago market.

And so I might go down the line with all the products which are included in this bill.

What was the Ways and Means Committee to do under such circumstances? Some gentlemen on my own side proposed that we introduce a comprehensive tariff bill covering all cases, because the plight of the farmer, bad as it was, was also shared to some extent by the manufacturer. But a moment's thought will convince any person, I think, that a comprehensive tariff bill along Republican lines would not have a shadow of a chance of becoming a law under this administration. Was the Ways and Means Committee, then, to sit down and do absolutely nothing, or was it to act? And what was its action to be? Some members said that we ought at least to bring in a bill covering all agricultural products. But such action would have been as futile, as fatal to any chance of the bill becoming a law, as it would be to introduce at this time the Payne-Aldrich bill.

What could be done by the committee? Just exactly what was done, and that alone. Only such a bill stood any chance of becoming a law at this time. We reported a nonpolitical bill, selecting articles as to which there had been the most depreciation and as to which there was the greatest crisis in the market, and attempting to give relief to all parts of the country, from Maine to California, from Oregon to Florida, from Minnesota to Louisiana, to help them all some.

Now, if some gentlemen say, very properly, perhaps, that even considering this as a bill applying to this particular emergency, there are articles included in the bill which ought not to be included in an emergency bill, I for one will grant it. If they say that there are some articles that are excluded that ought to be included in this bill, I will admit it. But because a bill is not what I want or possibly what they want, ought we at this time to refuse any aid whatever to the farmer? I say no. The time has come for action, and immediate action, if we are going to get any benefit from our action now. The situation is such that it can not wait.

Now, there are some gentlemen who have said, "Why is frozen beef omitted from this bill?" So far as I am concerned, I would be glad to see frozen beef put in this bill. I would have been glad to see butter put in this bill. Beef and butter are both articles which are produced in enormous quantities by my own State. But it is a fact, nevertheless, that, bad as is the situation of those who produce beef and those who produce butter, it is not as bad as the situation of those who produce wool and mutton. Butter has depreciated, but not to the same extent as many agricultural products. Cattle have declined in the Chicago market on an average about 27 per cent from the prices of last year. Sheep have declined over 50 per cent—about 52 per cent, I think, to speak accurately. The wool market is destroyed, and for that reason we seek, if possible, to benefit the woolgrower by putting him in a situation where there will not be further depreciation in wool by reason of the importation of the enormous stores of wool and mutton still held in Australia and New Zealand awaiting a market in this country.

While, as I have said, we have endeavored to reach every part of this country—and in framing the bill I may say candidly and frankly that I, for my part, thought there was no use to bring in the bill unless we could so shape it that it would command votes enough to override a presidential veto—we have not framed this bill, as some think, without a substantial basis. In a rough way we have endeavored to put nothing in the bill the value of which had not depreciated over 50 per cent since the same time last year; and in a rough way—it may not be entirely accurate, owing to the limitations upon our time—nothing has been excluded from the bill except articles that have not depreciated to that extent in the same period. And I might say also that no article was excluded unless, in the opinion of the majority of the committee, it would most seriously imperil the chances of the bill becoming a law.

So, gentlemen, here is the situation: We were told by those who are suffering the most, the sheep grower, the wool grower, and the cattle raiser, that if we do not act upon this matter at once there is no use of taking any action at all. If it goes beyond the holidays I fear that they will receive no benefit from it. We have prepared this measure somewhat hastily because of the necessities of the case. It is not in all respects logical. It is not in all respects scientific. It was the best that we could do in the time that was given to us to meet the pressing emergency that besets the American farmer. There may be some who say that because this is not a comprehensive bill and does not take care of the manufacturer also, they will not support it. If so, I think that they are making a mistake, so far as the interests of the manufacturer are concerned. Destroy the farmer and you destroy the market of the manufacturer. This is not a local emergency. It is a national calamity that is upon us at this time, which we have sought to meet as best we could by the bill that we now present to you. [Applause.]

The CHAIRMAN. The time of the gentleman from Iowa has expired. Three o'clock having arrived, the Clerk will read the bill by paragraphs for amendment.

The Clerk read as follows:

Be it enacted, etc., That on and after the day following the passage of this act, for the period of 10 months, there shall be levied, collected, and paid upon the following articles, when imported from any foreign country into the United States or into any of its possessions (except the Philippine Islands, the Virgin Islands, and the islands of Guam and Tutuila), the rates of duty which are prescribed by this section, namely:

1. Wheat, 30 cents per bushel.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Minnesota offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 1, line 10, after the word "bushel," strike out the period, insert a semicolon, and the following:

"*Provided, however*, That the rates herein to be levied shall not apply to wheat purchased prior to the 20th day of December, 1920, and that said wheat shall be permitted to enter under the now prevailing rate, under proper regulations of the Secretary of the Treasury."

Mr. LONGWORTH. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Ohio reserves a point of order.

Mr. NEWTON of Minnesota. Mr. Chairman, this bill which materially affects the duties upon many of our imports was introduced in the House at the close of the day, day before yesterday. Just one day therefore has elapsed between the day of its introduction and the day of its consideration upon the floor. Within almost a matter of hours preceding the introduction of this measure responsible leaders in Congress were informing the people that no revision of the tariff would be possible during the present session.

An examination of the bill will disclose many items. Ordinarily this would call for exhaustive hearings with notification to those desiring to appear either for or against the measure. Yet upon this measure practically no hearings have been had with the exception of the item of wool. Information which is ordinarily available to Members as to the effect of the measure is not available and can not be under these circumstances. Yet we are asked to pass this bill this afternoon. Why? Because of the emergency. Granted. This does not relieve us, however, of the obligation to act wisely and for the best interests of the whole country. In our endeavor to relieve one situation which is bad by the passing of remedial legislation we must avoid creating greater emergencies by acting too hastily.

Mr. Chairman, I represent almost altogether a city constituency. Yet in a truer sense I am a representative of the Nation. Furthermore, no city can prosper while the rural district surrounding it is in jeopardy.

The producer should be encouraged. Many of them are now having serious difficulty. This has led to many proposed remedies, many of which, in my judgment, would injure rather than help the farmer. In order to prescribe the proper remedy we must first ascertain the cause. Personally, I think the farmer needs markets and that little can be accomplished toward furnishing new markets and consequent increased demand for his produce until the world and especially Europe recovers from the late war. In the meantime let us legislate

carefully and wisely and endeavor to avoid injuring some while trying to aid others.

I take it that there is no intention on the part of this committee to injure or destroy any business or any individual. You want to avoid that. Hence I have offered the proposed amendment.

Heretofore in the enactment of a tariff measure the business interests of the country have had ample notice of a possible revision. They have been able to make their contracts with that in mind. All of a sudden comes this bill, introduced on the 20th of December. Yet, here is the item of wheat and wheat products that we are considering in this bill. We have the following situation confronting certain interests in the city of Minneapolis which I represent:

In my district is the largest primary wheat market in the world. We have large milling concerns there employing thousands of men. Long before this measure was ever contemplated contracts were made for the importation of wheat from Canada, and upon wheat from those contracts to be received here during the months of December and January millers made contracts for the sale of flour. If this bill should become a law before the end of January, so that this wheat can reach this country under the contracts made, it would mean the levying of a duty of 30 cents a bushel on that wheat. The effect would be obvious and might lead to either the bankruptcy of the concern or the repudiation of contracts and resulting litigation.

I take it that is not intended, and I therefore submit this amendment to the House providing that wheat coming in on contracts made prior to the introduction of this bill shall not be affected by the provisions of the act.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. ANDREWS of Nebraska. Why did not the millers make their contracts with the farmers of the United States for their wheat?

Mr. NEWTON of Minnesota. For the simple reason that the millers of Minneapolis and the millers of the whole country are in business under existing laws, and I may say to the gentleman that so far as I have been able to ascertain there is not a grain man nor miller in the city of Minneapolis who would not gladly see the duty on wheat restored. But they are competing with world conditions, and under the circumstances they naturally avail themselves of all the markets available.

Mr. REAVIS. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. REAVIS. Does not the gentleman believe that if his amendment were adopted it would eventually be determined that practically all of the wheat they want to import was under contract prior to the 20th of December?

Mr. NEWTON of Minnesota. No; I think not. Contracts previous to the 20th of December can be easily ascertained, and there is a provision in my amendment for issuance of proper regulations by the Secretary of the Treasury in order to safeguard that very thing.

Mr. FESS. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. FESS. Is it not entirely feasible that the buyer of wheat, the manufacturer, will add the loss that he suffers to the price of the flour that he sells?

Mr. NEWTON of Minnesota. If he does that, then the consumers are going to suffer by it.

Mr. FESS. That is the point.

Mr. NEWTON of Minnesota. It is pretty near time in the consideration of this legislation that we consider the consumers of the country and try to deal fairly with both producer and consumer.

Mr. REAVIS. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. REAVIS. Under the terms of the gentleman's amendment, as I heard it read, all that is required is a contract entered into prior to the 20th of December.

Mr. NEWTON of Minnesota. Yes.

Mr. REAVIS. It may be a verbal contract, it may be a written contract, no consideration may have been stated, and I am quite sure the adoption of the amendment would wipe out the tariff.

Mr. NEWTON of Minnesota. Contracts under this provision would inevitably have to be in writing or by wire, or some kind of a written contract.

Mr. YOUNG of North Dakota. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. YOUNG of North Dakota. It is claimed by the millers that they always hedge all purchases on the grain exchanges so that they can save themselves against loss. If they have done that, why are they going to lose?

Mr. NEWTON of Minnesota. If they did that at the time it would be with the idea that the law was going to remain as it is now.

The CHAIRMAN. The time of the gentleman has expired.

Mr. LONGWORTH. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The Chair will hear the gentleman.

Mr. LONGWORTH. It seems to me the point of order will lie against the amendment because it provides a new method of dealing with the importation of wheat. This is simply a tariff bill putting a certain rate on these items. The gentleman from Minnesota offers an amendment providing that in certain cases the tariff duty shall not lie, but that some other method may be employed by the Secretary of the Treasury under certain regulations to be made by him. The present occupant of the chair has been the chairman of the committee a number of times in the consideration of revenue laws. I think he is one of those who believe that the rule with regard to amendments of revenue laws should be construed very strictly. I concede that this is a pretty close case, because it deals with items referred to in the bill; but because it offers a different method, a method we can not ascertain, because it is to be provided under regulations issued by the Secretary of the Treasury, it is a violation of paragraph 3, Rule XXI.

Mr. MADDEN. Mr. Chairman, in connection with the amendment offered by the gentleman from Minnesota, in which it is provided that the duty provided for in the bill shall not apply to contracts entered into prior to December 20, and that regulations shall be made by means of which it may be ascertained whether or not a violation of the provisions included in the amendment is practiced by those who are receiving wheat from foreign countries, the gentleman from Ohio argues that this is a different subject. I do not see how he can contend for that. This provision of the bill contemplates the assessment of 30 cents a bushel on wheat coming into the United States.

The amendment provides that the 30 cents a bushel shall not be levied on any wheat that may come in under a contract entered into prior to a certain date, and that regulations shall be made by the Secretary of the Treasury under which this wheat under contract may come in.

The CHAIRMAN. Will the gentleman from Illinois permit a question?

Mr. MADDEN. Certainly.

The CHAIRMAN. Does the gentleman think that a provision authorizing the Secretary of the Treasury to make regulations touching conditions of the admission of this grain to this country is germane to this item?

Mr. MADDEN. Yes; I think it is quite germane. In the first instance, we levy the tax, and the Secretary of the Treasury does, under that provision of the bill, whether we say so in the bill or not, make regulations touching the amount of tax that shall be collected, and I can see no reason why under the rules of the House he could not also be authorized to make further regulations to provide for the method of the importation of any wheat that may come in under contract. I do not think that it in any way violates any rule under which the committee is operating, but on the contrary is germane in every respect, and I think that it deals with the same subject and only provides that contracts entered into in good faith prior to the enactment of this law shall not be violated.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. REAVIS. The operation of the amendment as I understand it merely limits the tariff imports. The bill provides a tariff on wheat, and the amendment places a limitation exempting a certain kind of wheat.

Mr. MADDEN. It does not exempt a certain kind of wheat. It does not go to the kind of wheat at all. It simply makes an exemption on the importation of wheat which comes into the country under contracts already entered into, the legality of which no one can question.

Mr. REAVIS. I expressed myself rather awkwardly. I did not mean the kind or character of wheat. I did not mean it in that way. The sole effect of this amendment is a limitation upon the tariff that contract wheat shall come in free of duty.

Mr. MADDEN. I do not think the gentleman states it now correctly. Contract wheat under contracts made before the enactment of the law; otherwise the law that we are considering would be retroactive, and if I understand the policy of the Congress it is that the laws shall become effective after they are passed and not before they are passed. The amendment of the gentleman from Minnesota [Mr. NEWTON] provides that this law shall not be retroactive where contracts exist that were legitimately entered into prior to the consideration of the bill

or its enactment into law, and the gentleman stated very frankly on the floor that nobody knew that this bill was coming up for consideration and that it was only fair to assume that anybody in the United States could enter into a contract that was binding before knowledge was in the possession of the public to the effect that this bill was to come up for consideration.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. MADDEN. Yes.

Mr. BARKLEY. The Chairman asked the gentleman from Illinois whether he thought that part of the amendment giving the Secretary of the Treasury power to make regulations in reference to admission of this contract wheat was germane to this section. Is it not true that under the terms of the amendment the only function the Secretary of the Treasury would have to perform would be to determine whether it was contract wheat antedating the 20th day of this month?

Mr. MADDEN. I suppose that would be the only function.

Mr. BARKLEY. And is not that a function properly belonging to an administrative officer?

Mr. MADDEN. He would have to make regulations for wheat that was not coming in under contract, and it is perfectly supposable that he would have the right under any law that we might enact to ascertain whether any contracts have been entered into that should be enforced and under which exemptions should be made. I maintain that the point of order is not well taken.

Mr. GARRETT. Mr. Chairman, I do not think the point of order is well taken.

The CHAIRMAN. The Chair will hear the gentleman from Tennessee.

Mr. GARRETT. Mr. Chairman, paragraph 3 of Rule XXI is as follows:

> No amendment shall be in order to any bill affecting revenue which is not germane to the subject matter in the bill; nor shall any amendment to any item of such bill be in order that does not directly relate to the item to which the amendment is proposed.

I respectfully submit that the proposition in the amendment offered by the gentleman from Minnesota [Mr. NEWTON] is not obnoxious to either of the inhibitions contained in paragraph 3 of Rule XXI. The amendment is germane. That is to say, Mr. Chairman, the fundamental feature of the amendment offered by the gentleman from Minnesota is germane to the fundamental feature of the bill.

It does relate to the particular item which is under consideration. The only possible ground upon which it might be held to be out of order is suggested by the gentleman from Ohio [Mr. LONGWORTH] as being contained in the language authorizing the making of regulations by the Secretary of the Treasury. I do not think it would appreciably affect the amendment of the gentleman from Minnesota if he were to strike out that part of the language, because there is a provision at the conclusion of this bill, section 4, under which, in my opinion, taken in connection with existing law, the Secretary of the Treasury could and would make the regulations necessary to identify the wheat that is now under contract. But that is not the main purpose of the gentleman's amendment. That is merely an administrative proposition. The test, the acid test, it seems to me to apply, is the first part of the gentleman's amendment. What is intended by that; and this important question should not be permitted to turn upon a mere incidental administrative provision. I respectfully submit that it is not obnoxious to either of the provisions laid down in paragraph 3 of Rule XXI, or any other rule of the House.

Mr. MANN of Illinois. Mr. Chairman, because of the probable effect of the ruling on this point of order on future tariff bills, it is rather an important matter. This bill itself provides for making regulations by the Secretary of the Treasury. That is, it carries existing provisions of law and makes them applicable to this bill. I do not see how it could be contended that the regulations proposed in the amendment are not germane to the provisions of the bill itself. It seems to me the only question is whether it is germane to the paragraph under consideration. Here is an item in the bill that provides for a duty of 30 cents a bushel on wheat. The gentleman from Minnesota [Mr. NEWTON] offers an amendment providing that that duty shall not apply to certain wheat, and adds to that a provision for the method of determining as to what wheat shall be exempted from the payment of the 30 cents a bushel, which certainly is germane. Providing a method for ascertaining what wheat will not be subject to duty is clearly germane to the levying of the duty.

The CHAIRMAN. Will the gentleman from Illinois permit a question?

Mr. MANN of Illinois. Certainly.

The CHAIRMAN. Suppose the gentleman from Minnesota, instead of offering an amendment relating to the duty on wheat, had proposed to amend this particular item by proposing an administrative provision with respect to the levying of that duty. Does the gentleman from Illinois think that that administrative provision would be in order as an amendment to this item?

Mr. MANN of Illinois. Well, I am inclined to think it would not be. But that is not the question, Mr. Chairman. If this item provided that certain wheat should be subject to a duty, then it would be in order to add to that either in the original bill or by way of an amendment. A method of determining what wheat is was thus defined where there is no definition of wheat in the bill itself. That is a distinction which seems to be perfectly patent. Here is a proposition in the bill for the levying of a duty on all wheat. If the bill had provided for the levying of a duty only on a certain class of wheat, then it would be in order to add by way of an amendment a method of determining the class of wheat, because that would be germane to the provision, essential to the provision. That is the gentleman's amendment now.

Mr. TOWNER. Mr. Chairman, I am not in sympathy with this amendment and shall vote against it; but I think myself it is very important, indeed, that a rule of this character should be determined correctly. Now, after all, everyone will admit, I think, who has any knowledge whatever of the application of these rules that it is perfectly proper and perfectly germane to make an exception from the operation of an act. In this bill a certain duty is levied on wheat. It is perfectly proper to except certain classes of wheat from the operation of that act. There has been numerous decisions that would support that contention. In this case it seems to me that it is equally clear that the administrative feature of the amendment, which merely says that the Secretary of the Treasury shall have the power to make rules for the determination of the fact of the exception and the question of fact is whether or not a claim for the exception is well founded or not, is perfectly germane to the exception itself and does not formulate a new rule that might be applicable only to a general exception. I think the statement made by the Chairman would be clearly out of order; but this is not the case. If it is germane to make an exception from the operation of a statement or rule made in the bill, which certainly no one could contend was not the case, it is equally germane to make it effective by provisions that are not antagonistic or otherwise out of order, and for that reason it seems to me that the amendment offered by the gentleman is not subject to the objection which has been made.

The CHAIRMAN. The Chair is ready to rule. The Chair is not unmindful of the importance of the question which he is about to decide. Because of its importance and because a decision with respect to this particular item may have applicability to amendments which may be offered hereafter, the Chair will take the liberty of going into the matter at somewhat greater length than might otherwise be the case. The general rule of the House relative to the admissibility of amendments is found in clause 7 of Rule XVI. The Chair will only read a part of that clause, which is as follows:

> And no motion or proposition on a subject different from that under consideration shall be admitted under color of amendment.

That clause has been construed to require that an amendment proposed shall be germane not only to the general subject of the bill but as well to the paragraph to which it is offered as an amendment. This general rule has been in force in the House for many years. There is another rule, which is applicable only to revenue bills, adopted in the Sixty-second Congress. That rule was read by the gentleman from Tennessee, but the Chair takes the liberty of reading it again:

> No amendment shall be in order to any bill affecting revenue which is not germane to the subject matter which is in the bill, nor shall any amendment to any item in such bill be in order which does not directly relate to the item to which the amendment is proposed.

It seems clear to the Chair that this rule, adopted subsequently to the adoption of the original rule relative to admissibility, must have been intended to further limit and restrict the character of amendments admissible under the general rule applicable to the admission of amendments. That is to say, that the House intended by the adoption of this rule to adopt a stricter rule with respect to the admission of amendments to revenue bills than would apply to amendments to general legislation. It is not the province of the Chair to ameliorate the rigor of this rule; that is the province of the House. It is the province of the Chair to apply it in all its strictness in accordance with its specific terms, and the Chair wishes to direct particular attention to the fact that this rule does not provide merely that an amendment shall be germane to the paragraph

but that it shall be germane to the item to which it is offered as an amendment. Now, the amendment offered by the gentleman from Minnesota is as follows:

Provided, however, That the rate herein to be levied shall not apply to wheat purchased previous to the 20th day of December, 1920, and that such wheat shall be permitted to enter under the now prevailing rate under proper regulations of the Secretary of the Treasury.

The Chair has no doubt that the amendment offered by the gentleman from Minnesota, exclusive of that portion of the amendment which provides for the issuance of regulations by the Secretary of the Treasury, is germane to the item to which it is offered as an amendment, and is in order. If the latter part of the amendment is intended to accomplish anything, it must be intended to extend the authority of the Secretary of the Treasury with respect to the issuance of regulations and to amend the authority which the Secretary now has. That is an administrative provision, and it may be in order to another portion of the bill, but the Chair thinks it is not germane to the item under consideration under the strict rule which must be applied to it. The mere fact that it is attached to a provision which is germane does not make it germane itself. If such a rule were adopted by the process of offering an amendment which is germane, there might be brought into consideration by the House propositions which were not germane and which would wholly destroy the purpose and effect of the rule under consideration. The Chair realizes, of course, that it is an important question, and the Chair admits the possibility of error on the part of the Chair and would welcome an appeal in order that the question may be determined by the House.

Mr. GARRETT. Mr. Chairman, I have no desire personally, as far as I am concerned, to appeal from the decision of the Chair, but before the Chair announces his final decision I trust it may not be an impertinence if I venture to direct his attention to the fact that the Chair is in error in stating that the second provision of paragraph 3 of Rule XXI provides that an amendment must be germane to the item in the bill. It does not so read. It must be germane to the bill. That is by the provision of the first section.

But the language—and I call the Chair's particular attention to it, because there is to my mind a clear distinction; I think it was made by the gentleman from Illinois [Mr. MANN]—the language is, "Nor shall any amendment to any item of such bill be in order which does not directly relate to the item to which the amendment is proposed." The word "germane" is not used in connection with the item.

The CHAIRMAN. The Chair is glad to have the gentleman from Tennessee call his attention to that matter, but in determining the matter in the way he has decided to determine it the Chair thinks he is following a long line of precedents already established which he is not at this time willing to overrule. The Chair therefore sustains the point of order.

Mr. NEWTON of Minnesota. Mr. Chairman, I offer an amendment. I have only one copy of the amendment here and it is a revision of the previous amendment. All I desire to do is to offer the amendment as offered before, but with the words "under proper regulations of the Secretary of the Treasury" omitted.

The CHAIRMAN. The Clerk will read the amendment as it is now proposed.

The Clerk read as follows:

Amendment offered by Mr. NEWTON of Minnesota: Page 1, line 10, after the word "bushel," strike out the period and insert a semicolon and the following:

"*Provided, however,* That the rate herein to be levied shall not apply to wheat purchased prior to the 20th day of December, 1920, and that said wheat shall be permitted to enter under the now prevailing rates."

Mr. NEWTON of Minnesota. Mr. Chairman, it is my opinion that, without any language directing the Secretary of the Treasury to issue proper regulations, he would have that power in order to avoid a possible fraud upon the act. I may say, however, that if it is the opinion, or should be the opinion, of anyone that he does not have that power, upon the adoption of this amendment I propose, later on in the discussion of the bill, at the proper place, to offer an amendment authorizing and directing the Secretary of the Treasury to put forth suitable regulations, in the event of the adoption of this amendment. I take it that no one in this House desires to pass any kind of emergency legislation here that would have the direct result of impairing the obligations of large contracts involving a serious loss to many people.

Mr. FORDNEY. Mr. Chairman, I hope that the amendment will not prevail. Not to my knowledge has there ever been a tariff bill passed by this House with such a provision in it, and I want to say to the House that it is no greater hardship upon men who may have made contracts prior to the introduction of this bill than the provision which he would have written into the law. If this amendment is adopted, it would work a hardship upon the farmers of this country who have wheat to sell. The gentleman from Minnesota has proposed by his amendment to shift the burden from the speculator to somebody else. That is to say, you propose to shift the burden from the manufacturer of flour to the man who produces wheat. That is the substance of the gentleman's amendment.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. In a minute.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield there?

The CHAIRMAN. Does the gentleman from Michigan yield to the gentleman from Illinois?

Mr. FORDNEY. In a minute. Let me say to the gentleman that since the 3d day of December there has entered the ports of this country from two ports on Lake Superior—Fort William and Port Arthur—56,000,000 bushels of wheat, and the newspapers say there were 72,000,000 bushels of Canadian wheat shipped to those ports for export to the United States in addition to those shipments; and yesterday papers stated that from one town in Canada—I think Brockville—22,000 cars of wheat have come into the United States. That is from one point alone. The effect of this amendment, if adopted, would be that there would be at least 200,000,000 bushels of Canadian wheat come into our market to the detriment of the farmers who are producing wheat, to whom we are trying to give aid by the adoption of this emergency measure.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield now?

Mr. FORDNEY. I yield.

Mr. NEWTON of Minnesota. The gentleman has stated that there is no precedent in tariff legislation for a provision of this kind.

Mr. FORDNEY. That I know of.

Mr. NEWTON of Minnesota. May I not ask the gentleman if there has ever been a precedent where a tariff bill, involving so much as this does, has been reported out on the 20th of December and within two days thereafter is taken up for a vote by the House? It seems to me the circumstances are entirely different.

Mr. FORDNEY. The point I make is that this is an emergency measure, designed to give immediate relief to the man who would be protected from the destruction of his home industry by importations, and the quick action of the committee is for the purpose of giving temporary and immediate relief. The gentleman's amendment would prevent that very purpose which is set out in the bill.

Mr. NEWTON of Minnesota. Mr. Chairman, will the gentleman yield further?

Mr. FORDNEY. I yield.

Mr. NEWTON of Minnesota. I take it that the gentleman in providing for the agricultural industry does not desire to injure any other industry in the country?

Mr. FORDNEY. I do not want to protect the speculator as against the producer. That is my purpose, and the effect of the gentleman's amendment is to protect the speculator and not the producer. [Applause.]

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. JONES of Texas rose.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. KNUTSON. Mr. Chairman, I move to strike out the last word.

Mr. JONES of Texas. I believe I have the floor.

There are three reasons, it seems to me, why this amendment should be defeated. In the first place, nearly all of the contract wheat negotiated for by the millers and big contractors is by telephone and memorandum. That is, they go to the telephone and simply make a little memorandum of the contract that is made. It may involve a great amount of wheat, but it is simply a contract made by the telephone and memorandum made. It is rarely done by formal contract. So that it would open the door to a great deal of fraud to permit contracts that were entered into, or presumed to be entered into, prior to a certain date to be admitted free. If this amendment should pass, all of the wheat contracted for importation prior to December 26 could be delivered as a free-list article regardless of the time of delivery.

Mr. NEWTON of Minnesota. The gentleman does not mean to convey to the House the idea that Canadian wheat is imported into the United States upon mere telephone communications?

Mr. JONES of Texas. I do not know how it is imported, but I am telling you how the millers buy the wheat. I know how it is usually done. I do not know how it comes over the border. I do not see why there should not be telephonic communication across the border. And the gentleman's amendment does not limit its application to formal contracts in writing.

There is another reason why I do not think it should be permitted, and that is this: A great deal of the wheat is contracted for over a period of months. A man may enter into a contract this month for the delivery of so much wheat per day, per week, or per month, covering the season. So a man may have wheat contracted for to be delivered through a five or six months' period. If you permit such a contract made prior to December 20 to be excepted from this bill, you might as well strike the item from the bill, since the man with a big contract for future deliveries could absolutely flood the country with his product.

Another objection is that it would give a tremendous advantage to the millers who happen to live close to the border over the inland miller. The border miller being close to the source of importation usually brings in most of the wheat. He therefore has his contracts for foreign wheat. Under these contracts, if this amendment were adopted, he could get wheat from over in Canada if he had it contracted for before the date of December 20 at a much less price than would be practicable for the inland miller and would put the inland miller out of business.

I submit that all three of these reasons are absolutely unanswerable, and that the amendment should be defeated.

Mr. QUIN. Mr. Chairman, I move to strike out the last word. To me this is a very sad hour to think that the Ways and Means Committee of the great House of Representatives in the United States of America would bring up such a hypocritical camouflage measure when the people who produce the real life-giving wealth of this country are in distress. To my utter amazement my good friend the gentleman from Texas, a member of the committee, came forward with a Republican speech in behalf of this hypocritical bill. Whatever may be the verdict, the farmer—and when I say the farmer I mean the man who tills the soil—has sense enough to know that if this Congress passes such a measure as this it is putting the harpoon in him under false pretenses. [Laughter.]

Why is it that this bill is brought here after 85 per cent of the aggregate of the articles mentioned in it are out of the farmers' hands and in the hands of speculators? Why is it that this Congress comes forward with a bill with a limitation on it of 10 months? If you figure the time when he plants his next crop and when it is in full bloom ready to begin the harvest, the law goes out of existence, and when he begins to gather his next crop he has nothing on earth to safeguard him against what you now pretend to be an emergency.

If this policy is good to bridge the farmers over an emergency, surely it would be a fine permanent policy to prevent the recurrence of low prices for farm products. These wise Republicans know this measure is a fake.

I want to say to the gentleman from Texas that a few years ago I read his splendid address which he made on this floor in behalf of the people of this country when he was speaking against the tariff on lumber. Now the gentleman comes forward with a new doctrine. If his position was good then, it was good for all time. How can any man who stands for the great producers of this Republic come forward with a doctrine under the pretense of an emergency that he knows has operated for years as an oppressor of the poor of this Republic?

If you analyze the subject, take all the items included here under the pretense of protection you can see that the man who produces it has no protection. In the fall of the year, in the closing hours of 1920, when the farmers of the country have raised bumper crops under conditions that cost them great sums of money, and the bulk of these crops are out of the hands of the farmer, the American Congress proposes to do what? To let the beef packers bring into the United States millions of tons of frozen meat. There is nothing said here except an ad valorem of 20 per cent. How is anyone going to drive cattle on hoof from South America to the United States? I asked the gentleman when he was talking about $2 on a lamb, how he is going to bring lambs over here into the United States.

Under this bill no live stock can be imported, but all frozen mutton comes in free of duty. Is that in the interest of the farmer? Every farmer knows it is strictly for the packer's benefit. I want to say to you, sir, that the records in the city of Chicago show that farmers realize 33 cents apiece on sheep sold there; but you go down here to the market and pay 45 cents a pound for two ribs of mutton with a mouthful of meat on them. [Laughter.] Then do not tell me that you are protecting the farmer here. This measure is the most deceptive thing that has ever been brought before the Congress to try to fool the man in distress.

Then they have put in here 7 cents a pound on long-staple cotton. If they want to be honest, why did they not put it on all cotton? [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. QUIN. I should like to have an extension of five minutes.

Mr. FORDNEY. I move that all debate on this amendment close in seven minutes.

The CHAIRMAN. The gentleman from Michigan moves that debate on this amendment close in seven minutes.

The motion was agreed to.

Mr. FORDNEY. I yield two minutes to the gentleman from Mississippi [Mr. QUIN].

Mr. QUIN. I say if gentlemen wanted to be honest instead of endeavoring to fool the farmer, why did they not put that duty on all cotton? Out of the 13,000,000 bales of cotton raised in the United States there are only about 75,000 bales that come within the purview of this pretended protection to the farmers. You have insulted the intelligent farmers of this country. Under the pretext of protecting the farmers, but in reality letting the tariff barons of this country rob the people, you are coming here with this kind of a measure; and some people who come here as Democrats and friends of the people are foolish enough to fall into your trap of plunder and protection and your conspiracy to exploit their constituents, as you will do at the next session of Congress. [Laughter and applause.]

Another thing, I want to ask my friends from Louisiana who expect to be for the protection of the farmers, where is there a line in this bill to protect the man who raises sugar? You know that to-day the man who produces sugar in the State of Louisiana is losing 3 cents a pound on every pound of sugar that he puts on the market. Yet you pretended friends of the producers have not put a line in this bill to protect that man, who is facing disaster to-day. My friends, this measure, in all decency and fairness to the American people, ought to be defeated, and how any Democrat can stamp under foot the principles of his party and go over, boots, breeches, hide, and tallow, into the protection camp of the Republicans I can not understand. [Applause and laughter.]

The legislation herein recommended provides for the following rates of duty:

Wheat, 30 cents per bushel.
Wheat flour, 20 per cent ad valorem.
Corn and maize, 15 cents per bushel.
Beans, 2 cents per pound.
Peanuts, 3 cents per pound.
Potatoes, 25 cents per bushel.
Onions, 45 cents per bushel.
Rice, uncleaned, 1¼ cents per pound; cleaned, 2 cents per pound.
Lemons, 1½ cents per pound.
Peanut oil, 26 cents per gallon.
Cottonseed, coconut, and soya-bean oil, 20 cents per gallon.
Cattle, 20 per cent ad valorem.
Sheep, 1 year old, $2 per head; less than 1 year old, $1 per head.
Fresh mutton and lamb, 2½ cents per pound.
Long-staple cotton, 7 cents per pound, with a compensatory duty of 7 cents per pound in addition to existing rates upon the manufactures thereof.
Unwashed wool, 15 cents per pound.
Washed wool, 30 cents per pound.
Scoured wool, 45 cents per pound, with a compensatory duty of 45 cents per pound in addition to existing duties upon the manufactures of wool.

Mr. FORDNEY. I yield five minutes to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, there are three reasons why the amendment offered by the gentleman from Minnesota [Mr. NEWTON] ought not to prevail. First, probably all of this wheat that has been bought by the millers has been bought to arrive and it will be across the border before this bill is signed.

Mr. NEWTON of Minnesota. Under the contracts it can not be compelled to arrive until the 31st of January.

Mr. YOUNG of North Dakota. Notwithstanding that, the great bulk of this wheat is bought to arrive and it will be across the border before this bill is signed.

Secondly, the millers claim at least that they always hedge against all purchases, and if they have hedged against these purchases they will save themselves from loss.

The third reason is this, that if you adopt this amendment it will open the doors wide to fraud. You might just as well strike this item out entirely as to adopt this amendment. It would defeat the purpose of the bill.

For the reasons just mentioned, the flour millers ought not to complain. If it is the grain gamblers the gentleman has in mind to protect, I want to express the hope that the Members of this House will waste no sympathy on them.

The CHAIRMAN. The question is on the amendment of the gentleman from Minnesota [Mr. NEWTON].

The question being taken, the amendment was rejected.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer an amendment, in line 10, page 1, to strike out "thirty" and insert "twenty-five."

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY: Page 1, line 10, strike out "thirty" and insert "twenty-five."

Mr. HENRY T. RAINEY. Mr. Chairman, 25 cents is the Payne-Aldrich rate, and I want to see how much higher we are going to make this bill than the Payne-Aldrich bill, which was rejected by the people two years after it was adopted.

Under a tariff of 25 cents a bushel on wheat an average of 100,000 bushels per annum was brought into the United States, and that is all. Under a tariff of 25 cents a bushel on wheat from 34,000,000 to 259,000,000 bushels of wheat were exported. Now we are afraid of 100,000 bushels from Canada when we have been exporting from 34,000,000 bushels to 259,000,000 bushels of wheat. We are seeking to impose this tariff of 30 cents a bushel on wheat, 5 cents more than the Payne-Aldrich rate, in the absence of any information at all on the subject. No man knows what is the visible supply of wheat in the United States to-day. So far as the information submitted to this committee goes, they do not know anything about it at all. No man knows how much more wheat can come in here from Canada nor what the visible supply of Canadian export wheat is. The information I get is that the supply of wheat in Canada for export purposes is about exhausted. The world supply may be about exhausted. Twenty million starving people in China will absorb a considerable portion of it. It will be seven months before our crop of winter wheat in the United States will reach the market. We do not know whether our winter wheat crop is going to be destroyed by the cold weather of the approaching winter, or by the fly and the chinch bug of the approaching spring.

In the minority views which I filed here I made the statement that ordinarily, in fact usually, Canadian wheat commands a higher price in Canada than our wheat commands in Minneapolis.

The gentleman from North Dakota [Mr. YOUNG], who ought to know something about the markets of his own State and Canada, takes issue with that statement and says that it is not true. Canadian wheat is better than ours, and Canadian wheat does nearly always, if not always, command a higher price in Winnipeg than the American Blue Stem and Duram wheat and other hard wheats of the North command on the Minneapolis market. For the benefit of the gentleman from North Dakota I want to read the market reports as published in the Chicago Tribune of Saturday last, December 18. In Winnipeg No. 1 northern wheat was selling for $1.94 and in Minneapolis it was selling for $1.63. No. 2 northern wheat was selling last Saturday in Winnipeg for $1.90, while in Minneapolis the same grade was selling for only $1.59. No. 3 northern wheat last Saturday was selling in Winnipeg for $1.83, and was selling in Minneapolis for only $1.55. These are the differences that usually prevail in these markets, and ordinarily under free wheat, with exchange at a parity, Winnipeg will be a better market for the wheat of North Dakota than Minneapolis will be.

Mr. YOUNG of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. No; I can not. I know what the gentleman is going to say. He is going to say that there is a difference in the purchasing power of Canadian money.

Mr. YOUNG of North Dakota. I was going to ask why they are shipping wheat into this country by the millions of bushels from Canada if that is so.

Mr. HENRY T. RAINEY. If the gentleman had read my minority views he would have learned that it is on account of the difference in exchange. That is the only reason, but the difference in exchange does not mean that a Canadian dollar will not buy as much of the necessaries of life in Canada as an American dollar in the United States. I was in Canada lately, and as a matter of fact a Canadian dollar will buy more of the necessaries of life in Canada than an American dollar will buy of the same things in the United States. Because of the difference in exchange, because we are sending to Canada so many more goods than Canada is sending to us, there is this difference in exchange.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FORDNEY. Mr. Chairman, I hope this amendment will not prevail. In the Payne tariff law there was a duty of 25 cents a bushel on imported wheat. The committee would have made the rate in this bill 25 cents per bushel were it not for the fact of the difference in exchange on Canadian money. On Saturday last Canadian money was worth 85 cents on the dollar. The difference between 25 cents and 30 cents practically is the difference in the rate of exchange on Canadian money and American money, so that 30 cents a bushel now is practically the same as 25 cents under the Payne tariff law. That is the only reason for making the rate 30 cents a bushel, instead of 25 cents. The difference in exchange on other money than that of Canada is far greater than on Canadian money.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. FORDNEY. Yes.

Mr. SNELL. Why does the committee lower the rate on flour and raise it on wheat?

Mr. FORDNEY. Because we believe the difference is as nearly correct as you can figure it, based on the value of wheat which is likely to prevail in the next 60 or 90 days. Twenty per cent on flour is just as near as could be figured out as a proper basis for 30 cents a bushel on wheat.

Mr. SNELL. Under the Payne law there was a duty of 25 per cent ad valorem on wheat flour, and that is reduced from that rate under that bill, but the duty on wheat is raised over what it was in the Payne bill.

Mr. FORDNEY. I will say to the gentleman that I think the rates on flour and wheat in this bill are more scientific than the rates in the Payne bill.

Mr. SNELL. Does that statement apply to the whole bill?

Mr. FORDNEY. No; but to this rate on flour and wheat as compared with the rates on those commodities in the Payne bill. I believe they are more scientific than the rates in the Payne law. Mr. Chairman, I move that all debate upon this amendment close in 15 minutes.

The motion was agreed to.

Mr. YOUNG of Texas. Mr. Chairman, inasmuch as I find myself in a situation where I shall not be able to vote upon this bill, because my arrangements have already been made to leave on an afternoon train, I do not want to leave the Hall with such an important matter pending—a matter that will probably be the last revenue bill to be brought before this body before I retire from it permanently—without leaving some statement as to my position upon it. I do not understand that the committee reported it merely as a revenue measure or that the House is so considering it. I do not understand that this is the prime purpose of the bill. The purpose of the proposed law is to aid agricultural conditions in this Nation, in every section of the Nation, so that as a revenue bill I shall not discuss the tariff question, but I shall discuss the broader aspect of the measure as I understand it.

Coming from a great agricultural State, where this year we have produced more than 4,000,000 bales of cotton, with probably 1,000,000 bales of that crop to be turned back to the earth because there is no market for it, coming from a State having 6,000,000 head of cattle, with more than 2,000,000 acres of land sown in wheat, a State that is about third or fourth in corn production, naturally I am intensely interested in any bill that would at this time bring relief to the farmers of the country and open up a market for the products of the farm during the current year. Does this bill do that? If it does not do it, it ought not to be passed by this Congress.

Take the great agricultural section of my State that produces cotton. You throw out a sop here of 7 cents a pound for long-staple cotton. It is nothing but a gold brick that is held out to the cotton industry of the country. I will tell you what the cotton farmer needs. Cotton is an export crop. In normal times 65 per cent of the crop goes to foreign markets to be consumed. From that great State of mine 90 per cent of the crop does not see the mills of this country, but goes to foreign countries. If you would bring relief to the cotton farmer, it will not be by tariff legislation, but you will have to open up the European markets so that the people in Europe who need this great commodity can come here and purchase this commodity from us. They can not do it. They need credit. They need funds with which to pay, and yet you are holding up here by this bill a power that will prohibit a movement into our territory of a lot of commodities from other countries that would enable the wheels of commerce to move. If you pass this bill, I say

to you that other nations will respond to it and close their ports to us, and you will thus clog the wheels of commerce.

Another proposition thrown out as a sop is that on cottonseed oil. The farmers do not produce cottonseed oil. They produce cotton seed. That is their raw material. The oil-mill people buy this raw material. The packers of this country have a dominating influence and power in the control of this commodity—cotton seed and cottonseed oil. The raw product has gone out of the hands of the farmer, it is in the hands of the packers and the manufacturers, and you throw out this as a bait to the farmer, and you protect, if you protect anybody, the packer of this country, just as you do when you refuse to stop frozen meat from coming and put a tariff against live animals. [Applause on the Democratic side.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. STEENERSON. I congratulate the committee on their prompt action in reporting the emergency measure. The duty, 30 cents a bushel, is exactly the same as I put in the bill I introduced at the beginning of this session. The gentleman from Illinois [Mr. HENRY T. RAINEY] has explained the price of wheat in Winnipeg and Minneapolis and quoted market reports that wheat was higher in Winnipeg than in Minneapolis. He is entirely mistaken, and a great many others are mistaken about these quotations, because the quotation for Winnipeg wheat is not wheat delivered in Winnipeg but for wheat delivered at Port Arthur and Fort William, on Lake Superior, and nearer to the Atlantic seaboard than Minneapolis or Duluth, and it is worth more for export there than at Duluth or Minneapolis. Freight is more from Winnipeg to those points than it is from Winnipeg to Minneapolis or Duluth, therefore the quotations are misleading.

Mr. YOUNG of North Dakota. Is it not true that the farmers in western Canada have been agitating to get their wheat into the United States for the past 20 years?

Mr. STEENERSON. I have lived on the Canadian border—within a few miles—and there has not been a year in my recollection that wheat has not come over by carload and wagonload, right across, at a difference of 10, 15, 20, and 25 cents a bushel, and 30 cents a bushel is the very lowest that ought to go into this bill, because we are dealing here with an emergency. The situation is extraordinary. The price of wheat in the United States to-day is not controlled by the law of supply and demand at all. Mr. Barnes, in his recent statement to the Farm Bureau Federation, pointed out that the price is entirely controlled by foreign Governments. There is not a country in Europe buying wheat from us that is not represented by a purchasing agency, and those purchasing agencies have been consolidated so that there is no competitive bidding. There is absolutely no competition. The Governments do the buying, and they resell the wheat in their own countries at a loss, and they have been doing that ever since the war began, for the reason that their policy is to furnish their people, both England, France, Belgium, and Holland, bread at the prewar price. They bought wheat in England when it was $4 a bushel and sold it to the millers and bakers for $1.50 in order that the old penny loaf could be supplied to the people. Otherwise they feared there would be revolution.

It is plain that the ordinary laws of supply and demand are set aside and the purchasers dictate the price. Canada, on our northern boundary, is not only a great wheat-producing country, but is as near to our consuming centers as our own farmers. Ordinarily the bulk of her wheat goes to Europe, but last summer Great Britain ceased buying just as the Canadian crop was ready to move, and thereby forced it on our markets, with the result that the price fell about a dollar a bushel in less than three months.

It looks very much as if this move was cleverly designed for the very purpose of depressing the price in our domestic market, to enable Europe to buy our surplus back at the lower price. In a recent statement Mr. Julius Barnes, president of the United States Grain Corporation, among other things said:

> The largest overseas buyer, whose normal requirements run to practically one-half the overseas purchases of wheat, has bought not a bushel in America since July 29—over three months ago—their policy directed by governmental consideration which would not have affected the usual import merchants abroad. They have abstained from purchasing during the period of crop pressure here and in Canada. This particular importer has been able to so abstain because of large purchases made in America last May, June, and July, providing an enormous advance stock which has carried them through these months and may for some time longer. This is a total deflection of the operation of supply and demand as usually interpreted by commercial judgment. The merchant opinion of the world, freely operating, would never have dared accumulate such a supply of high-priced wheat, and there would never have been thus established the price level recorded last May and June, for nothing in the usual factors of supply and demand justified such urgent purchasing.

And in a recent letter Mr. Flesh, vice president of the Grain Corporation, said:

> DEAR SIR: I have your telegram of November 29, in which you request reports detailing the activities of the United States Grain Corporation up to the time its activities ceased in June, with especial reference to the purchase of wheat and wheat flour by the Allies and others.
>
> I am pleased to send you herewith the information asked for, in pamphlet form, compiled by Mr. A. L. Russell, statistician. We might add for your information that many of the foreign Governments still continue to control imports of flour and wheat by their own purchases, and while some few individual merchants have been from time to time in the market and have made purchases direct, our belief is that this is camouflage, and that these purchases were made under Government direction. In other words, because of Government restrictions the individual initiative of the foreign buyer for purchases of both wheat and wheat flour has not been permitted.
>
> If we can be of further service to you in supplying information from this end, do not hesitate to call on us.
>
> Yours, truly, EDW. M. FLESH,
> *Vice President and Treasurer.*

The duty of 30 cents per bushel would have made this manipulation of the wheat prices on our exchanges more difficult and perhaps prevented it. This bill, when enacted into law, will tide us over until a more effective protection to our farmers can be devised. It should be borne in mind that nearly all, if not all, of these European Governments have for several years since the war began taken over the sale of wheat in their respective countries, buying at the market price but selling at such a reduced price as to enable them to furnish bread to their people at prewar prices. It is said that in one year the British Government alone spent $300,000,000 in this way. They are all directly interested in getting cheap wheat, and their combined resources are all on the bear side of the market.

It is a power that enables them to nullify the so-called natural laws of supply and demand and to fix the price of our chief food staple in our own market. Such a condition can not be longer tolerated.

Mr. Barnes, speaking of the remedy for this, said:

> If this condition of Government selling and buying promised to long continue one could not, I believe, in simple justice do otherwise than urge the creation of a Government agency to protect our own producers. The injection of Government into business is most undesirable and only justified when our producers have been deprived of the usual protection of free competition.

The Federal Trade Commission recently, on direction of the President, investigated the wheat markets of the country, and among other things reported as follows:

> The following conclusions, submitted with the report herewith, are reached:
>
> In the matter of possible remedies—
>
> First. The commission believes, subject, of course, to the opinion of the Attorney General, that the President of the United States has no power under existing law to shut out wheat imports in the present situation by embargo, import duties, or otherwise.
>
> Second. The President of the United States apparently has certain powers under the Lever Act to stop future trading in wheat. In view of the divergence of opinions upon the possible efficacy of such action and of the failure of the wheat-futures market to perform satisfactorily the functions of stabilization and insurance which its advocates have claimed for it, if regulatory or other action is to be employed in the matter of future trading, consideration of the question by the Congress and legislation not connected with war powers are indicated.
>
> Third. If foreign Governments are to maintain for some time to come buying commissions with concentrated purchases, the desirability of the United States meeting them through a selling organization should be seriously considered.
>
> Nineteenth. Concentrated buying by foreign Governments may be deemed necessary, especially where such Governments have fixed prices for flour irrespective of the price of wheat. If such Government buying is manipulative, however, and if it is to be continued for some time to come, it would seem desirable that it should be counteracted by Government selling organization in this country. Even if such foreign buying is not intentionally manipulative, there is no reason why producers in this country should be subjected thereby to loss through unnecessarily fluctuating prices.
>
> Twentieth. The decline in wheat prices would appear to be in part due to country-wide and world-wide conditions. Abrupt changes in prices and comparatively low prices have occurred following changes in volume of production, variations in demand from year to year, and marketing unevenly distributed through the seasons. An improvement in the situation would follow from greater regularity of production from year to year in so far as such regularity is subject to human achievement and a more even marketing of grain through the year.

I hope that Congress will consider these things and eventually evolve some permanent measure that will protect our farmers against these manifest injustices. Those from the large cities and manufacturing districts who seem to think that this measure is class legislation are utterly mistaken.

Its aim is to restore, not to destroy, the law of supply and demand in our domestic wheat prices—to protect the producer against dumping foreign wheat upon our market to enable them to buy it back at less than cost of production. The prosperity of the farmer is necessary in order that the manufacturer and his labor may be properly paid. Lack of profitable market for the farmer destroys his purchasing power and results, as it now already has resulted, in closed factories, idle labor, and hard times. [Applause.]

Mr. ROGERS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

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The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. ROGERS. Mr. Chairman, the gentleman from Iowa [Mr. GREEN] in the course of his closing remarks under general debate called attention to the fact that the industrial section of this country can not afford to have the agricultural section of the country suffer. This is true unselfishly, as he pointed out, and it is true selfishly, because the market is taken from industry if agriculture can not buy. But if that is true, the converse is also true. Agriculture can not truly prosper in this country if the industrial section of the country is not prospering. I admit with all my heart that the agricultural interests of this country need protection to-day. I admit with all my heart the need of relief from the agricultural imports of other countries, but I make the point that industry at this very moment needs protection to quite the same degree that agriculture needs it.

Mr. Chairman, I oppose this bill because it is sectional, because it is unfairly discriminatory, because it is class legislation.

I believe in the principle of the protective tariff. But a protective tariff is justifiable only if it is universal; only if it comprehends in its protection all American-made products which need protection. Admittedly this bill does not do this. It protects only certain agricultural articles—wheat, corn, beans, potatoes, rice, onions, and the like. It protects also a certain favored few of the raw materials from which are made the things we eat and wear. The purpose and intent of this legislation is to keep up artificially the prices of these commodities. If it does not do this its sponsors fail of their deliberate desire.

One-third of the wage earners of the United States are engaged in manufacturing and mechanical industries. About one-third of our total population lives directly upon the wages of those who toil in manufacture and industry. But there is not a line of protection in this bill for these millions. The framers of the legislation have not even thought of them. The result of this bill upon them is to maintain or even to increase the cost of the things they eat and wear. Their burdens are not to be decreased. On the contrary, a still more staggering load is to be heaped upon their shoulders. Their last estate will be worse than their present.

Is this sane or even decently fair tariff building? Is legislation to help only the farmers of the West and South at the expense of their brothers in industry to be tolerated in a Republican Congress pledged by its platform of 1920 to preserve the home market for American labor and industry?

I admit that agriculture sorely needs a protective tariff to-day. But so does industry. Take New England for example. The situation is critical and grows worse daily. The Boston papers of Sunday report that thousands of idle workers are calling for help. One-fourth of all our men and women workers are idle, according to the official report of the division of statistics of the State department of labor and industries. More than one-third of our textile workers are unemployed to-day. Daily further curtailments are announced. Is the condition in the West and South any worse?

The reason for the New England crisis is clear. Take the imports of cotton manufactures. Before the Underwood tariff law of 1913 our imports of manufactures of cotton for the first 10 months of a single calendar year were about $50,000,000. For the first 10 months of 1920 they were $123,000,000. The excess of $75,000,000 in imports represented loss of employment to workers in cotton mills.

Take the imports of wool manufactures. Before the Underwood law our imports for a 10-month period were about thirteen or fourteen millions. For the first 10 months of 1920 they were $51,000,000—four times as great. Unemployment of workers in wool is here again the inevitable corollary.

Take, finally, exports from Japan—a cheap-labor country—with which we, on a high-wage scale basis, can not compete without a protective tariff. Before 1913, under a Republican tariff, our imports for a 10-month period ranged from seventy to eighty millions. For the first 10 months of 1920 they were $387,000,000—a fivefold increase.

Industry is hard hit. It needs protection. It recognizes that agriculture also needs protection. It does not ask something for itself it is unwilling to extend to its fellow. On the selfish ground alone no one industry in our country, however great, can prosper if men and women in other occupations are out of work, for the necessary market then is lacking. Industry simply seeks to be included at once in a general program of protection. Protection to be useful or even defensible must, I repeat, be universal. Prosperity or adversity in the United States is not local, it is nation wide.

So this bill is shortsighted as well as viciously unsound in principle. It will defeat its own purpose. It carries an alliance of western and southern farmers against the industrial sections of the United States. Such a policy if persisted in spells ruin for all. It spells ruin for industry. But it ultimately will spell ruin as well for the beneficiaries of this very legislation.

I can not regard this as true protective legislation. I ask protection not for a favored class or section but for all our people. Industrial America does not seek sectional or class legislation to aid it, but it has a right to demand that neither sectional nor class legislation shall be invoked against it. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. All time has expired on this amendment. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

Mr. SMALL. Mr. Chairman, I move to strike out the first four lines on page 2.

The CHAIRMAN. The Chair will state to the gentleman that the first four lines of the paragraph have not been passed. We have not reached the point that the gentleman refers to.

Mr. SMALL. Then I move to strike out line 1 on page 2.

The CHAIRMAN. That matter has not been passed. The Clerk will read.

The Clerk read as follows:

Wheat flour and semolina, 20 per cent ad valorem.

Mr. SMALL. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from North Carolina.

Mr. SMALL. It is to strike out lines 1 and 2 on page 2.

The Clerk read as follows:

Amendment offered by Mr. SMALL: Page 2, strike out all of lines 1 and 2.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph be closed in 10 minutes.

Mr. HENRY T. RAINEY. I would like to have five minutes.

The CHAIRMAN. The Chair thinks that motion is not in order at this time.

Mr. FORDNEY. We can not finish this bill to-night unless we hurry along.

Mr. CARTER. Mr. Chairman, a point of order. Did not the gentleman from North Carolina [Mr. SMALL] get the floor.

The CHAIRMAN. He did.

Mr. SMALL. Mr. Chairman, I seek this opportunity mainly for the purpose of explaining my attitude upon this bill. Unquestionably the drastic decline in the prices of agricultural products has aroused the interest of the entire country, and every normal man would be willing to do all in his power to give relief to the agricultural interests. The prices of almost all other commodities have likewise declined. This bill proposes a high protective tariff upon certain agricultural products, with the avowed purpose of preventing imports and thereby decreasing the supply and increasing the prices of farm products.

I can not vote for the measure. There are times when principle must rise above expediency. [Applause.] If I understand one policy or principle of the Democratic Party, it is in opposition to protection for protection's sake. It is in favor of a tariff in which the primary purpose shall be to raise revenue and not to keep out importations. The purpose of this bill primarily is not to raise revenue, but it is labeled an emergency measure and is intended to restrict or stifle foreign trade. It is hoped thereby to increase the price of certain farm products.

When the next Congress convenes in extra session the Republican majority will report a high protective tariff bill, with protective duties as high as they dare impose, covering all classes of products. What will then be the attitude of Democrats? It will be such a bill as no Democrat can afford to support. And yet any Democrat who votes for the present bill can not consistently oppose such future bill. I would not charge the distinguished chairman of the Committee on Ways and Means, or the majority of that committee, with playing politics, but if it were possible for a great party to play politics with such a serious subject as the welfare of the farmers of the country, they have assuredly done so. They have in the introduction and advocacy of this bill embarrassed Democrats of the House who represent agricultural districts. But it seems to me that if Members on this side of the House are to remain true to one ancient principle of the party to whose doctrines they subscribe, they can not favor a protective tariff for agricultural products simply because the farmers of their districts are favored and oppose in the coming Congress a protective tariff bill probably with more onerous schedules than were contained in the Payne-Aldrich bill. [Applause.]

The CHAIRMAN. The time of the gentleman from North Carolina has expired.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this amendment be closed in five minutes.

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The CHAIRMAN. The gentleman from Michigan moves that all debate on this amendment be closed in five minutes. The question is on agreeing to that motion.

The question was taken, and the Chairman announced that the ayes seemed to have it.

Mr. HENRY T. RAINEY. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 81, noes 53.

So the motion was agreed to.

Mr. SMALL. Mr. Chairman, I ask unanimous consent to extend my remarks.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to extend his remarks. Is there objection?

There was no objection.

Mr. SNELL and Mr. HENRY T. RAINEY rose.

The CHAIRMAN. The gentleman from Illinois [Mr. HENRY T. RAINEY] is recognized.

Mr. FORDNEY. I wish the gentleman from Illinois would yield five minutes to the gentleman from New York [Mr. SNELL].

Mr. HENRY T. RAINEY. Mr. Chairman, members of the committee on this side are entitled to some time while this discussion proceeds. I am going to insist on the time that I ought to have in order to explain these paragraphs of this bill.

In order to show the little consideration that has been given to the preparation of this bill I want to call your attention to the fact that while the tariff on wheat is fixed at 5 cents per bushel higher than even the Payne-Aldrich rate, the tariff on wheat flour and semolina is placed at 20 per cent ad valorem, which is 5 per cent below the Payne-Aldrich tariff rate. Under the Payne-Aldrich tariff rate we imported from Canada $500,000 worth of wheat flour every year.

Under the Payne-Aldrich tariff rates our exports ranged from 9,000,000 barrels to nearly 22,000,000 barrels, valued at from $48,000,000 to $245,000,000. These rates while less are practically the same; but if we exclude wheat from Canada, the result will be to compel Canada to grind her wheat in her own mills, and even 12 years ago she had mills in which she was grinding wheat. Then if we exclude flour from Canada, too, Canada will simply grind her own wheat, which is better than ours, and export her own flour. As a matter of fact, Canadian wheat and Canadian flour have always come in contact and in competition with American wheat and American flour. They export theirs and we export ours, and in the port cities of Europe we meet Canadian wheat and Canadian flour, and the price is fixed there, and there always has been competition and always will be competition between Canada and the United States both in the production of wheat and the production of flour. It is simply more apparent when it occurs in Minneapolis than it is when it occurs in Liverpool or in any other of the port cities of Europe, that is all.

We do not know how much we are diminishing the food supply of this country by this kind of a bill, and these two paragraphs to which I call attention are so badly balanced that I wonder why gentlemen on the other side, if they want to make this a good bill—even from the standpoint of the Payne-Aldrich tariff, the highest tariff they have ever had—why they do not try to balance it by putting a tariff on flour 5 per cent higher than is proposed here, so that it will equal the rate in the Payne-Aldrich tariff bill and balance the bill from their own standpoint. And if, as was stated a while ago, there is a difference in exchange between Canada and the United States, and they are trying to make it up, does not that difference prevail as much in the matter of flour as it does in the matter of wheat, if there is anything in that argument? Why of course it does.

The CHAIRMAN. The time of the gentleman from Illinois has expired. The question is on the amendment of the gentleman from North Carolina [Mr. SMALL].

The question being taken, the amendment was rejected.

Mr. NEWTON of Minnesota. I move to amend, on page 2, line 1, by striking out the word "and," and after the word "semolina" strike out the comma and insert "bran and other mill feed wheat products."

Mr. LONGWORTH. I make the point of order that the amendment is out of order under clause 3 of Rule XXI.

The CHAIRMAN. Does the gentleman from Minnesota [Mr. NEWTON] desire to be heard on the point of order?

Mr. NEWTON of Minnesota. I do not.

The CHAIRMAN. The Chair sustains the point of order.

Mr. LANGLEY. I ask unanimous consent to extend my remarks on this bill.

The CHAIRMAN. The gentleman from Kentucky asks unanimous consent to extend his remarks in the RECORD on the bill. Is there objection?

There was no objection.

Mr. SNELL. I move to strike out the last word.

Mr. BANKHEAD. Mr. Chairman, a parliamentary inquiry. Was not all debate closed on this paragraph?

The CHAIRMAN. Debate was closed on the amendment of the gentleman from North Carolina [Mr. SMALL].

Mr. SNELL. Mr. Chairman, coming as I do from a part of the country that believes in a protective tariff second only to its religion, I am in a very peculiar position as far as this bill is concerned, but if there was ever a bill presented to this House which a man coming from my part of the country would be justified in voting against, it is this measure.

This measure purports to be for the relief of the farmer. If it is honestly for the relief of farmers, it should relieve the farmers equally in all parts of this country, but as I look at it, it is simply for the relief of a special class of farmers in a particular part of the country. The farmers in my part of the country—Pennsylvania, New York, and New England—largely produce dairy products. They are to-day producing those products and selling them on the market for less than it costs them to produce them, and it looks now as if they were going to sell them at a still less price. They are in exactly the same position as the farmers in the South and West, as far as their products are concerned, and if you are going to take care of the farmers in those parts of the country, why should you not take care of the farmers of New York, Pennsylvania, and New England? I would be glad to offer an amendment to protect the dairy products of our part of the country, but under the rules of the House that is impossible. I asked certain members of the Ways and Means Committee why these articles were not included in the bill, and they told me that the schedules were made up in order to attract southern votes. [Applause.] Let me tell you, gentlemen of the House, if you bring a measure in here that is properly framed you can pass it without making special provisions in order to attract their votes. As I look at it, they will vote for this measure because it includes articles in which they are interested, but what I want to know is what they are going to do when we have a general tariff bill that interests all parts of the country.

Mr. CARAWAY. Vote against it.

Mr. SNELL. That is exactly what I thought you would do, and I wanted to get you on record. Let me tell you, if I had charge of the revenue-raising bills of the House, you would vote at this time for a tariff to cover all parts of the country and all industries or you would not vote for any. It would not be especially arranged to attract votes from any particular part of the country. As I look at it, it would have been just as easy to have written into this bill "butter, 6 cents a pound," as it was to write "peanuts, 3 cents a pound," and as there were no hearings no one knows any reason why dairy products do not need protection just exactly as much as peanuts, and my section of the country is much more interested in these. In my judgment this is a peanut tariff bill. [Applause.]

The Clerk read as follows:

3. Corn or maise, 15 cents per bushel of 56 pounds.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph be now closed.

The CHAIRMAN. That is not in order until after there has been debate.

Mr. HENRY T. RAINEY. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Illinois [Mr. HENRY T. RAINEY] moves to strike out the paragraph.

Mr. HENRY T. RAINEY. Mr. Chairman, coming from the largest corn-producing State in the Union, I want to denounce in unmeasured terms this proposed tariff of 15 cents a bushel on corn. This is the tariff imposed by the Payne-Aldrich bill. We produce in the United States 70 per cent of the world's supply of corn, and of the amount we produce in the United States 80 per cent is consumed on the farms where it is produced, in feeding animals.

This bill proposes to deprive the corn-producing sections of the country of the privilege of bringing in feeding cattle from Canada to help bring up the price of the corn they produce, and at the same time you offer this tariff of 15 cents a bushel, which, under the circumstances of the case, can absolutely accomplish nothing. The corn that we import comes in from the Argentine Republic. We never brought in over eleven or twelve or thirteen million bushels per year of corn from Argentina. We have one county in Illinois which will produce every year more corn than we have ever brought in from the Argentine Republic. This year we are bringing in less corn from the Argentine Republic than we have brought in in the years immediately preceding it.

When corn went to $2 a bushel on American farms, under free corn, we were bringing in 14,000,000 bushels of corn from

the Argentine Republic, and we will not bring in 9,000,000 this year.

Nearly all of the imported corn from the Argentine Republic is absorbed by the Corn Products Co., which has a plant at Edgewater, N. Y. They have a plant there built for the purpose of utilizing Argentine corn, built in the old days when there was a tariff on Argentine corn.

Mr. BARKLEY. Will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. BARKLEY. Is there any particular quality in Argentine corn that adapts it for use of the Corn Products Co. over American corn?

Mr. HENRY T. RAINEY. Yes; it gives the corn sirup a golden hue, makes it a better color than we can make out of our American corn, but this country demands the white corn sirup. This sirup is exported, all of it, from the Edgewater plant.

Mr. KING. Is it not a fact that the foot-and-mouth disease was brought into Illinois through Argentine corn?

Mr. HENRY T. RAINEY. Oh no; the gentleman is having a dream. Argentine corn is unloaded at the Edgewater plant of the Corn Products Co. right into the plant and is manufactured into corn sirup. Then it is loaded, often on the same tramp steamer that brings the corn in, and is exported.

In spite of what the Government actuary says you will not get any tariff out of this measure, because this company manufactures corn sirup to be exported and they get back the tariff they pay on it as it goes abroad. It does not displace a bushel of American corn. You can not fool the farmer and get him to stand for a cut-throat tariff bill hereafter by making him believe he is protected on corn. You can not do it with my consent under the facts of this case. This paragraph is a gold brick handed to the farmers.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph be closed in 10 minutes, 5 to be given to the gentleman from New York and 5 to the gentleman from Iowa.

Mr. MANN of Illinois. Mr. Chairman, I make the point of order that the gentleman can not do that.

The CHAIRMAN. The Chair sustains the point of order.

Mr. TOWNER. Mr. Chairman, it is the statement of the gentleman from Illinois [Mr. HENRY T. RAINEY] that this provides for placing a duty on corn of 15 cents a bushel and that it will have no effect whatever. If that be the case, one wonders why the gentleman is so exceedingly anxious to have this provision of the law eliminated.

The gentleman states that the amount of corn that is imported from Argentina is so small that its importation has no effect on the market in the United States. I think that the committee, if they have regard for the facts, will not take that view of the case. The fact is that every time there is an importation of corn from Argentina it does affect the market price of corn all over the United States.

A constituent of mine the other day sent me a clipping from an Omaha paper which contained a dispatch from New York City. That dispatch stated that there had been imported into the city of New York alone up to that time 6,500,000 bushels of corn. The item went on to state that all of the granaries in New York City and on the eastern seaboard which were made for the purpose of storing grain were full. It further stated that 500,000 more bushels of corn were in vessels that were then in New York Harbor that had not been unloaded, and that they were to be unloaded partially in barges for want of warehouse facilities. It also stated that there were 500,000 more bushels of corn in vessels on the way from Argentina to the United States. It stated further that the supply of corn on the eastern seaboard was sufficient to supply the eastern demand for more than two years.

Now, the gentleman says that he thinks the dispatch and information of that kind would have no effect on the markets of corn in the West. This was published in an Omaha paper in the center of the grain-growing regions of the United States.

Mr. HENRY T. RAINEY. Will the gentleman permit me to say that if he will examine the importations of corn he will find that there is nothing at all to sustain what he saw in the Omaha paper. If we are to protect the farmer from ghost stories of that kind you can not do it by a protective tariff bill; you have to educate them.

Mr. TOWNER. Oh, I do not know. I do not think there is any reason to doubt the statement. We know there have been more than 10,000,000 bushels of corn already imported from Argentina this year, up to a month ago. The fact is that that information goes to every purchaser of corn from the farmers of the State of Nebraska and all through the Middle West. They are anxious, those whom they represent are anxious, to purchase all of the corn at just as low a price as possible, and when the farmer comes in to sell corn to the man who represents the purchaser in his neighborhood he is told by the purchaser, "I am sorry to say that we can not pay you as much as we did yesterday or last week; but the fact is that importations of corn from Argentina are cutting down the market every day, and we can not give you as much as we would otherwise." In other words, all of the influences that can be brought to bear by the purchasers of grain or other products on the market are exercised for the purpose of securing the grain as cheaply as possible and the importation of corn continuously from Argentina is one of the most effective arguments they use for that purpose.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

By unanimous consent, Mr. TOWNER was granted leave to extend and revise his remarks in the RECORD.

Mr. TOWNER. This proposed legislation is emergency legislation. It is not complete, and certainly it is not final. The present free-trade tariff which permits the dumping of foreign farm products on our markets can not last long, and the world knows it. So while it lasts, and while the gates are wide open, the foreign producer is flooding our markets with his products. The farmer does not demand and does not expect that his products shall not decline on a general declining market. All he asks, and what he has a right to expect, is that the products which he places on the market shall only suffer that measure of reduction which other products bear. But the unfortunate fact is that the farmers' products have suffered reductions in price ranging from 25 to 100 per cent greater than other products. The farmers' products are now priced on the market at figures much below the cost of production.

This extraordinary and disastrous situation is caused in large part by this dumping of foreign farm products on the market.

It is stated that 55,000,000 bushels of wheat will cross the Canadian boundary into the United States by the end of this month. Port Arthur and Fort William elevators hold 73,000,000 bushels ready to send across as rapidly as the market can receive them; and this will continue as long as the doors stand open.

During the last year we also imported over 345,000,000 pounds of cotton, over 427,000,000 pounds of wool, over 439,000,000 pounds of cowhides, over 42,000,000 pounds of beef and veal, over 16,000,000 pounds of mutton and lamb, over 538,000,000 pounds of oil, and the list could be greatly extended. The market for American-produced corn, wheat, wool, cotton, and other products has been broken by these importations. It is idle to say that they do not affect our market. They have affected it, they now affect it, and they will continue to affect it as long as we do not take steps to protect it.

We can not afford as a purely economic proposition to discourage the production of foodstuffs in the United States. The demands of free-trade theorists and of unthinking consumers for cheap farm products will result in exactly the opposite way from that expected if the farmer shall be compelled to sell his products below the cost of production. He will not continue to produce if production does not yield him a fair return. He does not ask nor expect a guaranteed profit; but he does ask and expect that he be guaranteed a fair chance in the American market. He does ask that in an emergency like this, when the American market is being flooded with the more cheaply produced products of foreign lands, the foreign product should be equalized at least with that of the American producer. The American farmer does not ask for special privileges for himself, but he does object to special privileges being granted foreigners. As long as the present tariff rates on farm products are allowed to continue the American farmer has no assurance that he will receive even the cost of production. What he asks for in this bill is that he shall not be driven from the American market by foreign competition, and not be compelled to sell his products on the market at a less cost than the cost of production. That is not asking a favor; it is only asking for justice.

Mr. DEMPSEY. Mr. Chairman, I move to strike out the last word. This bill is attacked on two grounds. First, it is said that the same provision should have been made in favor of the manufacturer as that which is made in favor of the farmer.

Gentlemen do not stop to draw the distinction. The manufacturer can slow down. It is not a question with him of the products on hand, but it is a question of manufacturing products in the future, and the manufacturer is slowing down. On the other hand, with the farmer the question is one of crops which have been grown in the whole preceding year, with a past history for four or five years of large prices, but with no anticipation that the prices would decline to the extent that they have. So that there is that distinction between the manufacturer and the farmer.

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Mr. LINTHICUM. What about the stock which the manufacturers have on hand? For instance, I have in my town——

Mr. DEMPSEY. That is in the same situation, but it is relatively small. The farmer has on hand practically the entire product for a year, while the manufacturer has the product probably of 20 or 30 or 40 days.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. DEMPSEY. I have only five minutes. The next question is this: Why do you not give the manufacturer the same protection, aside from what I have already said? For the very good reason that you have not the time in which to arrange the schedules. Next, they say, Why do we not protect the farmers of the State of New York? The farmer of the State of New York needs protection; I admit that very frankly; but his product has protection, though it is relatively low. Dairy products are not relatively as low as some other farm products—for instance, fruit, which is raised in my section, or as wheat.

Dairy products have, too, what very few products have in this bill, some measure of protection. Butter is protected to-day, and as I understand it nothing in this bill is protected with the exception of wool, until it gets protection by this measure. I am in favor of the protection of dairy products and will fight for it when a general tariff measure is framed by the next Congress, but it is impossible under the rules of the House to add them to this measure and I can not oppose it on that account.

Some gentlemen say, also, that we are framing this bill to please the South, and that we will lose the South next time. I say they are wrong. The South has agricultural products. The South has had only agricultural products in the past, and we are getting the South, with such distinguished company as the gentleman from Texas [Mr. GARNER], because of the fact that we are protecting agricultural interests. But the South has ceased to be agricultural alone. The South manufactures as we do now, and when the time comes, as it will, when we will present a general bill in the next Congress, gentlemen from the South will find themselves in the same attitude that the gentleman from Texas finds himself to-day, and they will find their constituents saying to them that they must support the manufacturers' schedule just as to-day they find their constituents saying they must support the agricultural schedules. And let me say to you that the Democratic Party of the future is not going to adopt the narrow platform of saying that a tariff should be levied for revenue only. On the contrary they are going to say that while they are glad to get the revenue, the basis and the true basis and the only basis of a measure levying import duties is to protect the manufacturers and the farmers and the laborers in the United States. [Applause.]

Mr. SMITH of Michigan rose.

Mr. FORDNEY. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto be closed in five minutes.

The motion was agreed to.

Mr. SMITH of Michigan. Mr. Chairman and gentlemen of the committee, I do not know that I shall get a great deal of credit for voting for this bill, although I am very much in favor of it. It does not take a great deal of courage for a Republican to vote for a protective measure. I am reminded now of my first vote in Congress 10 years ago. It was at the time the bill for reciprocity with Canada was considered by the Congress. I voted against that measure, and I did it because it was a free-trade measure. I know something of the feeling of you gentlemen on my right when we ask you to support this bill. I may say to you that there is a great deal of difference between the conditions that exist now and the conditions that existed then. This is an emergency measure. I do not believe our country ought to be made the dumping ground for the products of foreign nations. I understand that some of our allies have passed measures similar to this, and we are presenting this measure to you now as a measure for the protection of the farm markets of the United States. You heard the gentleman from Ohio [Mr. LONGWORTH] state how valuable those markets are. He says that if we are to lose the $10,000,000,000 that our allies owe us or our American markets, that we had better release our indebtedness and preserve our American markets. This bill is to relieve a class that is the very foundation of our institutions, and in considering it I can not but think of the lines of Goldsmith:

> Ill fares the land, to hastening ills a prey,
> Where wealth accumulates, and men decay,
> Princes and lords may flourish or may fade;
> A breath can make them, as a breath has made;
> But a bold peasantry, their country's pride,
> When once destroyed, can never be supplied.

There are 16 items included in this bill, 9 of which directly concern the district which I have the honor to represent. We are the largest bean producing district in the United States. We are vitally interested in wool, wheat, onions, potatoes, cattle, sheep, and in live stock. You can not injure the business of the farmers without injuring all the other industries in the United States.

Wool is piled up in many warehouses in Michigan and there is absolutely no market for it. This bill will relieve that condition, or at least it will prevent other countries, such as Argentina and Australia, from filling our country with wool in competition with our farmers. The farmers all along have been encouraged to produce, and prices have been stabilized, until they find themselves to-day with no market for their product. I consider this bill we are considering to be proper legislation. We can not now pass a bill for general revision. It is properly named emergency legislation, and I shall heartily support it. I was much in hopes that it might include a duty on dairy products, but under the parliamentary situation no amendments are admissible, and many important farm products must be omitted.

The legislation herein recommended provides for the following rates of duty:

Wheat, 30 cents per bushel.
Wheat flour, 20 per cent ad valorem.
Corn or maize, 15 cents per bushel.
Beans, 2 cents per pound.
Peanuts, 3 cents per pound.
Potatoes, 25 cents per bushel.
Onions, 40 cents per bushel.
Rice, uncleaned, 1½ cents per pound; cleaned, 2 cents per pound.
Lemons, 1½ cents per pound.
Peanut oil, 26 cents per gallon.
Cottonseed, coconut, and soya bean oil, 20 cents per gallon.
Cattle, 20 per cent ad valorem.
Sheep, 1 year old, $2 per head; less than 1 year old, $1 per head.
Fresh mutton and lamb, 2½ cents per pound.
Long staple cotton, 7 cents per pound, with a compensatory duty of 7 cents per pound in addition to existing rates upon the manufactures thereof.
Unwashed wool, 15 cents per pound.
Washed wool, 30 cents per pound.
Scoured wool, 45 cents per pound, with a compensatory duty of 45 cents per pound in addition to existing duties upon the manufactures of wool.

The life of this act is limited to a period of 10 months, and it is estimated that the imports under this bill will produce $130,395,586.50.

Estimated receipts under H. R. 15275.

[Estimates furnished by the Government actuary, Treasury Department].

Article.	Proposed duty.	Estimated imports.	Estimated revenue.	Present revenue.
Wheat	30 cents per bushel	$7,008,400.00	$2,109,520.00	$12,290.00
Wheat flour	20 per cent		657,900.00	
Corn	15 cents per bushel	9,175,000.00	137,625.00	
Beans	2 cents per pound	154,588,000.00	3,091,760.00	644,117.00
Peanuts:				
Unshelled	3 cents per pound	11,418,000.00	642,540.00	42,817.50
Shelled	do	146,847,000.00	4,405,410.00	1,101,352.50
Potatoes	25 cents per bushel	6,242,000.00	1,560,000.00	7,814.00
Onions	40 cents per bushel	1,967,600.00	787,040.00	393,520.00
Rice:				
Cleaned	2 cents per pound	145,033,000.00	2,900,660.00	1,450,000.00
Uncleaned	1½ cents per pound		235,575.00	117,787.50
Flour, meal, and broken rice	½ cent per pound	$2,015,000.00	$5,037.50	$5,037.50
Unhulled	¾ cent per pound	9,423,000.00	70,672.50	35,336.25
Lemons	1½ cents per pound	3,525,000.00	881,250.00	
Oils:				
Peanut	26 cents per gallon	16,667,000.00	4,333,420.00	1,000,000.00
Cottonseed	20 cents per gallon	12,397,000.00	2,479,400.00	
Soya bean	do	1,918,500.00	3,837,000.00	
Cattle	30 per cent		5,851,500.00	
Sheep	$1	102,484.00	102,484.00	
Mutton and lamb	2½ cents per pound	66,271,700.00	1,656,792.50	
Wool:				
Unwashed	15 cents per pound	66,000,000.00	9,900,000.00	
Washed	30 cents per pound	95,000,000.00	28,500,000.00	
Scoured	45 cents per pound	100,000,000.00	45,000,000.00	
Manufactures of	do	25,000,000.00	11,250,000.00	
Total			130,395,586.50	4,810,072.26

The following excerpt is taken from the report of the Committee on Ways and Means reporting the bill and shows the increase in importations of some of the items covered by the bill:

The present serious conditions are attributed in a large degree to importations from abroad. During the month of October, 1919, imports of wheat amounted to 564,756 bushels, and in October of this

year imports were 9,802,103 bushels. It is reported that since December 356,000,000 bushels of foreign wheat have been received at two Lake Superior ports.

In the month of October, 1919, 1,044,719 pounds of mutton and lamb were imported, compared with 27,024,972 pounds in October, 1920.

There is approximately 600,000,000 pounds of wool in storage in the United States, not including the spring clip which begins two months hence. This quantity of wool alone is adequate to supply the wool consumption of the United States for a period of one year.

The potato market of New England is flooded with importations from Canada.

The peanut industry of the South reports that it faces destruction on account of increased importations. During a 10 months' period ending October, 1919, 23,138,696 pounds were imported, compared with 110,788,209 during the corresponding 10 months of this year.

The importations of onions during the past 10 months show an increase of some 300 per cent over the corresponding period of last year.

I do not harbor the belief that we are bordering on the abyss of financial despair, and have asked for these few minutes to give some of the reasons that lead me to that opinion.

That the prices of most commodities have come down no one will deny. That the decline has either affected or will affect all commodities is self-apparent. So far, from observation and statistics, farm products have made the greatest drop, while merchandise shows the least reduction. The decline in agricultural products has been so great that it presents a question of national scope for solution. In looking around for a remedy it is of first importance to determine the cause for the decline.

In the first place, high prices were directly caused by the war. When the war ended there was a universal demand that prices be lowered. This demand was followed by a campaign to purchase only necessaries, and has had its effect, until now we only pay 10 cents for sugar that formerly cost 30 cents; $10 for a barrel of flour that formerly cost $18; $8 for a pair of shoes that formerly cost $12 and $15; $40 for a suit of clothes that formerly cost $75. Indeed, many of the merchants advertise general reduction of as much as 20 to 25 per cent on all sales, while special reductions of 50 and 100 per cent are advertised in some newspapers. Some merchants are advertising prewar prices, and a survey of the retail trade shows a general reduction in most lines of merchandise. We are gradually working back to normal. That is what we all desired when prices were mounting. We ought not now to complain too bitterly when the thing happens that we were all contending for.

But the farmer has been hit the hardest. For some time after the war there was a great question as to what prices and what classes should come down first. I heard it said that we could not have cheap commodities and low prices until labor came down. I also heard it contended that labor could not come down while the high cost of living existed. Both possibly were right, and again maybe neither were right as measured by the law of supply and demand. Now, both labor and commodities are coming down without waiting one for the other. But I want to say something about the reduction in farm products. When the farmers are depressed, business is depressed. When farming is unprofitable, business of all kinds is in a hole. The merchant, the laborer, the manufacturer, the banker, the transporter, all are at an ebb. As far as the farmer of to-day is concerned, he himself has plenty and to spare. Wool, cotton, live stock, wheat, corn, oats, potatoes, beans, and fruits in abundance. There is plenty of money in the land and the circulation was never more than it is to-day. The per capita of circulation is as much to-day as ever, but in the midst of plenty there is no market for much of the farm products. It is not a question of production. It is a question of markets. Our warehouses are full with wool, cotton, and grain. Wheat is coming in by the million bushels from Canada. Mutton by the million pounds from New Zealand. Live stock from neighboring foreign countries is flooding the market. The foreigner is supplying the market that by right belongs to the American farmer. When the farmer can find no market for his wool, his cotton, his live stock, and his grain, he certainly has the undoubted right to say that we shall not become the dumping ground for products of foreign countries, and this bill will help that condition. For that reason I shall support it willingly.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois to strike out the paragraph.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

4. Beans, provided for in paragraph 197 of the act entitled "An act to reduce tariff duties and to provide revenue for the Government, and for other purposes," approved October 3, 1913, 2 cents per pound.

Mr. BLACK. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 2, line 8, after the figures 1913, strike out the figure "2" and insert the figure "1."

Mr. BLACK of Texas. Mr. Chairman, several Democrats in speaking for this bill this afternoon have taken particular pains to emphasize that they do not subscribe to the doctrine of free raw material. Neither do I. I agree with them that the historic policy of the Democratic Party has been in favor of collecting a substantial portion of the expenses of the Government at the custom house, and I agree also that our doctrine has been that the duties on imports should be reasonable in amount and based upon the idea of raising revenue and not of emphasizing the doctrine of protection. It also goes without saying that in the application of this principle farm products should be included, just as well as manufactured products. I do not believe there would be any better reason that we should have a long free list of farm products than that we should have a long free list of manufactured articles. Up to that point there is no difference between us, but does this bill meet the test of that Democratic principle?

It seems to me that any Democrat who thinks it does is very easily satisfied.

Any Member who can read the schedule in this bill applying to clothing wools, which is more than twice as high as the rates provided in the often-denounced Schedule K of the Payne-Aldrich tariff law, and then claim that such rates are designed with the idea of raising revenue rather than to act as an embargo statute, is a Member gifted with such an imagination that he could easily work himself up to the point where he would believe that the darkness of midnight is the flaming light of day and that the odor of the swamp is the perfume of roses and violets. Perhaps it is good fortune to be gifted with so fertile an imagination as that, and if so, these gentlemen are rich beyond the dreams of avarice.

I have always made it plain to the people I represent that I am not in favor of the so-called free list of farm products; that I favored a reasonable duty on raw material the same as I do on manufactured products; but I have also made it plain to them that I would not at any time support a bill where the rates were so high that they were manifestly intended to take the place of an embargo act rather than as a revenue measure. Now, I have undertaken to examine this bill with care. I have compared its rates, each and every one of them, with the rates of the present Underwood tariff law. I have compared them with the Payne-Aldrich bill, and I find some of the rates reasonable enough and which I would gladly support if they stood alone, and I find others that are entirely too high and can have but one effect, and that will be to impose an embargo; therefore I can not support the bill.

Gentlemen have stated on the floor—for example, the gentleman from Michigan, Mr. SMITH, and the gentleman from Michigan, Mr. FORDNEY—that they did not want any dumping of foreign products on our markets. Now, which of these gentlemen this afternoon has pointed to a single nation but that the balance of trade is in our favor, and until we are importing a larger amount of goods than we are exporting to a particular nation how can we say that we are being made the dumping ground? Now, I undertake to say, Mr. Chairman, that there is hardly a nation with whom we are now doing business but that the American dollar is at a premium and exchange has greatly depreciated. Now, why is that? It is because we are selling them more products than we are buying? Now, the advocates of this bill come to us who are from the cotton States and say, "We will help you out by giving you a tariff of 7 cents a pound on staple cotton of 1⅛ inches." I do not suppose that 3 per cent of the American cotton crop is of as much length as 1⅛ inches in staple. So how much help would that be to the cotton farmer? Now, Mr. Chairman, if the estimates of the Department of Agriculture are correct, we have raised about 13,000,000 bales of cotton in the South this year, and the American home market can only consume about 6,000,000 bales, and we must of necessity find a market for the rest of it elsewhere, if we are to escape bankruptcy and ruin. It is not a holding movement that we need. We have lots of cotton in storage now. It is a "moving movement" that we require. In other words, a market for our surplus products. Will we help find that market by making our customers less able to buy through shutting off their imports?

The United States is a great producer of raw material, and one of the principal of these is cotton, and our prosperity as a nation depends upon a free and open market for the surplus of these raw products, and I do not see how we can consistently start out on a program of embargo on imports when it is our policy to demand in every way we can a free and open market for our exports.

The development of foreign trade is one of the surest ways to insure the future prosperity of the people of the United States, and none more so than our farmers. The only way we can promote it is by an exchange of commodities, and it would be a very shortsighted policy which would start us out on a program of closing our country to importations at the very time we need most of all to be exporting our raw materials.

Mr. FORDNEY. Mr. Chairman, I move to strike out the last word. I will be very brief in replying to the gentleman, but let me say to the committee, for the benefit of the Members present, that when the Payne-Aldrich tariff law was adopted and 45 cents a bushel import duty placed upon beans, our competition was from Europe. To-day, because of the war, the competition on beans in the world has been transferred from Europe to China, Japan, and Manchuria, where the cheapest labor in the world is found, where people employed work for 12 hours for 12 and 15 cents a day, and last year there came into this country, from the Orient chiefly, 3,500,000 bushels of beans and we exported less than 2,000,000 bushels of beans. Therefore, we have had a balance of trade against us between this country and Japan and China of more than $150,000,000 in the last 12 months, and we have shipped to those countries more than $100,000,000 in gold more than we brought from those countries, and the rates fixed in this bill are not adequate protection to our bean growers in this country as was the rate in the Payne tariff law, the condition then being taken into consideration.

Mr. DEMPSEY. If the gentleman will permit, the gentleman from Texas who last spoke said that he examined the schedules of the Payne-Aldrich bill carefully but he did not say he had examined the schedules of articles in this bill.

Mr. FORDNEY. No, he did not. I have explained that our competition is now from the Orient and there is to-day no market for the American-grown beans because of the fact that our markets are flooded with oriental beans. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto be now closed.

Mr. McFADDEN. I desire to offer an amendment.

The CHAIRMAN. The gentleman from Michigan moves that all debate on the paragraph and all amendments thereto be now closed.

Mr. FORDNEY. I will withhold my motion a minute and let the gentleman offer his amendment if it is to this paragraph.

Mr. HENRY T. RAINEY. I desire to offer an amendment to this paragraph.

Mr. FORDNEY. If gentlemen are going to talk all night we can not get this bill through; and we are going to stay here until we pass this bill. The gentleman can talk on some other item, but let us get along.

Mr. HENRY T. RAINEY. I desire to offer it to this particular item.

The CHAIRMAN. The Chair will state there is an amendment pending.

Mr. HENRY T. RAINEY. Mr. Chairman, I make the point of order that there is no quorum present. I am going to be heard on this bill and offer this amendment or the gentleman will not get it through to-night.

The CHAIRMAN. The gentleman makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and forty-three gentlemen are present, a quorum. The question is on agreeing to the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was rejected.

Mr. RAKER. Mr. Chairman, I offer an amendment.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer an amendment.

Mr. FORDNEY. Mr. Chairman, I move that the debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Michigan moves that the debate on this paragraph and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. HENRY T. RAINEY. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 96, noes 33.

Mr. HENRY T. RAINEY. Mr. Chairman, I demand tellers.

The CHAIRMAN. Tellers are demanded.

Mr. RAKER. A point of order, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. RAKER. There is no amendment pending. It is a motion to close debate.

The CHAIRMAN. Yes; a motion to close debate on the pending paragraph and all amendments thereto. The Chair will count. Those in favor of taking the vote by tellers on the motion will rise and stand until they are counted. [After counting.] A sufficient number have risen. Tellers are ordered, and the gentleman from Michigan [Mr. FORDNEY] and the gentleman from Illinois [Mr. HENRY T. RAINEY] will please take their places and act as tellers.

The committee again divided; and the tellers reported—ayes 93, noes 24.

So the motion was agreed to.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment.

The Clerk read as follows:

Amendment offered by Mr. HENRY T. RAINEY: Page 2, strike out paragraph 4, and insert: "Beans, 45 cents per bushel of 60 pounds."

Mr. HENRY T. RAINEY. Mr. Chairman, the rate I propose is the Payne-Aldrich rate. The rate in this bill is 200 per cent more than the Payne-Aldrich rate.

The gentleman from Michigan [Mr. FORDNEY] ought not to object to my speaking about this paragraph of this bill, because I want to compliment him and say that the eighth district of Michigan is represented here by a man who takes good care of the interests of his people. There are 60,000 growers of edible beans in the United States, and 15,000 of them live in the district of the gentleman from Michigan. The district of the gentleman from Michigan is a great bean-producing district. Therefore that district and the bean growers, who never even dreamed of getting this sort of protection, who never ever dreamed of the riches that await them in the near future, are to be handed by their Representative in Congress a Christmas gift of 200 per cent more than they have ever received for their beans before. The eighth district of Michigan is well represented, and I hope it will keep on sending the gentleman from Saginaw here indefinitely in the future. They will never find a man who can do more for them than this.

But I commiserate those gentlemen who represent here districts in New England, especially the Boston districts, which consume the beans produced by the bean growers in the district represented by the gentleman from Michigan. After this bill passes and the gentleman's constituents have received at his hands this magnificent Christmas gift, I would not advise the gentleman from Michigan to put in much time in the city of Boston, and I would like to know just how many votes he would get for Congress if he were running there in the average Boston district. I am wondering how these gentlemen from Boston, who represent bean-consuming constituencies, are going to defend their votes on this bill when they take away money from their bean-consuming constituents and hand it in Christmas gifts to the bean producers of the district represented by the gentleman from Saginaw, Mich. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired on this paragraph. The question is on agreeing to the amendment offered by the gentleman from Illinois [Mr. HENRY T. RAINEY].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

5. Peanuts or ground beans, 3 cents per pound.

Mr. RAKER. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from California moves to strike out the last word.

Mr. RAKER. Mr. Chairman and gentlemen of the committee, the bean item just passed is right. I shall vote for this bill for good reasons, without recapitulating them as well as my friend from Texas [Mr. GARNER] has done.

I just want to say one word in regard to the bean question. The gentleman from Michigan [Mr. FORDNEY] explained it partially, but did not go into details as it affects the West. Shipments of beans have been coming from the Orient into the West and have practically ruined our bean industry in the West.

Mr. LARSEN. Mr. Chairman, will the gentleman yield?

Mr. RAKER. I regret I can not yield. I want to say that on December 6, 1920, my colleague, Mr. RANDALL, of southern California, introduced the bill H. R. 14471, which, among other things, provides that there shall be a duty on lemons of 1½ cents a pound. The committee has practically adopted my colleague's amendment, making it 1½ cents a pound. I want to commend my colleague on his introducing that amendment and compliment him on his ability in getting the Committee on Ways and Means to place it on this emergency measure, inasmuch as the industry in California and the people of the West deserve it.

Mr. RANDALL of California. Mr. Chairman, will my colleague yield?

Mr. RAKER. Yes.

Mr. RANDALL of California. Does not the gentleman think the committee should have made the rate the same as in the Payne-Aldrich bill, namely, 1½ cents?

Mr. RAKER. The Payne-Aldrich bill is deceased, and the people who enacted it are deceased, and we are now confronting new situations. I do not care to rehash a dead matter all the time. Let us dwell on things as they now exist. The present conditions of the country are such that we ought now to face them, and vote as they require. This is a matter that will relieve the people of the State of California, and I want to commend my distinguished colleague from California, Mr. RANDALL, for having acted so early in introducing his bill and on getting the Committee on Ways and Means to place it in the present emergency tariff measure.

Mr. KAHN. Will the gentleman yield?

Mr. RAKER. I yield to my distinguished friend.

Mr. KAHN. Is it not a fact that since the Payne-Aldrich bill was repealed the Japanese have gone into the culture of beans in Korea and Manchuria, that they bring them to California with everything in the way of cost paid, freight paid, and lay them on the wharf at San Francisco for 3 cents a pound?

Mr. RAKER. Yes.

Mr. KAHN. Whereas the California raisers can not possibly produce them under 5 cents a pound?

Mr. RAKER. The gentleman is absolutely correct. There is another item that the committee ought to have included in this bill, and that is eggs. The orientals are sending them over by the shipload, not only to my State but to the State of Washington and the State of Oregon, and they can deliver them on the western coast for one-third of what it costs to produce them there. The time will come when Congress will place a reasonable tariff on eggs—that will produce revenue. That is the reason I am speaking for it—to help maintain this Government. It is ordinary business; it is ordinary sense. There is no politics in it. Wherever you can charge an import duty upon articles that come into this country under such conditions as this, and at the same time raise revenue to help maintain the Government, it is good American doctrine and it ought to be carried out. [Applause.] That is what I have always stood for and shall continue to stand for. That is what I am in Congress for, to protect my district and my State and this country. I will do that wherever the opportunity presents itself. At the same time I am opposed to placing upon any article a duty so burdensome that it prohibits the importation entirely.

Mr. BUTLER. Does the gentleman have any peanuts in his district?

Mr. RAKER. Yes.

Mr. BUTLER. Then, the gentleman is in on the peanut proposition?

Mr. RAKER. Yes. We raise cattle; we raise horses; we produce wool; we produce lambs; we produce rice. The greatest rice-producing State in this country to-day is the State of California; and on those things which the State produces, and brings them cheaper and better to the American people, and on which at the same time a duty can be imposed which will raise revenue, let us look after the interests of the United States.

Mr. FORDNEY. I move that all debate on this paragraph and all amendments thereto be now closed.

Mr. HENRY T. RAINEY. Mr. Chairman, I want to offer an amendment.

The CHAIRMAN. The gentleman from Michigan moves that all debate on this paragraph and all amendments thereto be now closed.

The question was taken, and the Chairman announced that the ayes appeared to have it.

Mr. HENRY T. RAINEY. I demand tellers.

Tellers were ordered.

The CHAIRMAN. Those in favor of the motion of the gentleman from Michigan will pass between the tellers.

Mr. KINCHELOE. Who are the tellers?

The CHAIRMAN. The Chair appoints the gentleman from Michigan [Mr. FORDNEY] and the gentleman from Illinois [Mr. HENRY T. RAINEY].

Mr. HENRY T. RAINEY. I ask the gentleman from Arkansas [Mr. OLDFIELD] to act in my place.

The committee again divided; and the tellers reported—ayes 86, noes 27.

Accordingly the motion was agreed to.

The CHAIRMAN. The Clerk will read.

Mr. LONGWORTH. Mr. Chairman, is it not in order for the gentleman from Illinois [Mr. HENRY T. RAINEY] to offer an amendment?

The CHAIRMAN. The gentleman from Illinois is recognized to offer an amendment.

Mr. HENRY T. RAINEY. I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HENRY T. RAINEY: Page 2, line 9, strike out "3 cents per pound" and insert "one-half of 1 cent per pound; shelled, 1 cent per pound."

Mr. HENRY T. RAINEY. Mr. Chairman, a parliamentary inquiry. Have I the right to debate that amendment?

The CHAIRMAN. Debate upon this paragraph and all amendments thereto have been closed.

Mr. HENRY T. RAINEY. I ask unanimous consent to proceed for five minutes.

Mr. FORDNEY. The gentleman from Illinois is the ranking Democratic member of the Committee on Ways and Means. I ask that he be given five minutes.

The CHAIRMAN. The gentleman from Michigan asks unanimous consent that the gentleman from Illinois [Mr. HENRY T. RAINEY] be permitted to debate his amendment for five minutes, notwithstanding the order of the committee. Is there objection?

There was no objection.

Mr. HENRY T. RAINEY. Mr. Chairman, the amendment I propose restores the Payne-Aldrich rate, one-half of 1 cent per pound, and on shelled peanuts 1 cent per pound.

This paragraph of the bill, which gentlemen on the majority side admit is for the purpose of obtaining southern votes for the bill, has the effect of raising the tariff 600 per cent over the old Payne-Aldrich rate and 700 per cent over the rate in existing law, and this is the bait which the majority side of this House, for political purposes, hold out to Members from Southern States in their effort to entice them away from the Democratic Party and from the propositions for which they have heretofore stood. This is a peanut bill in every sense of the term. [Laughter.] I want to show how this kind of politics will affect the State of California when it goes through. Ninety per cent of the unshelled peanuts which are imported come from Japan, and are absorbed in California and on the Pacific coast. Of course, this item, so far as it pertains to peanuts, operates as a complete embargo. A 700 per cent increase to consumers in the price of this commodity is what is here proposed. This is an important food commodity. This product is manufactured into oil, into peanut butter, and sold on the market for various food purposes. You propose this increase in order to be able to go to your constituents and say that the solid South is crumbling on these questions. In order to entice some of the Members from that part of the country away from us, you place upon your own constituencies this enormous burden. I am wondering if you can go home and defend your action before your constituents.

And now I want to say to my colleagues from Southern States that already in Canada they are talking about embargoes against the importation of goods from the United States.

We place an embargo on their wheat, we place an embargo on their feeding cattle by this bill, we place an embargo on their breeding stock. How can they retaliate? There is no easier way than to retaliate by placing an embargo on peanuts. Peanuts raised in the South are exported to Canada. Ten million bushels of peanuts, almost the entire output of the South for exportation purposes, goes each year to Canada. Now, when Canada retaliates, as she will, the easiest way to do it will be to impose an embargo upon peanuts from the South, and my friends from the South, in whose judgment I have so much confidence, and for whom I entertain an affectionate regard, will find themselves two years from now trying to explain the situation to their peanut-growing constituencies.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

6. Potatoes, 25 cents per bushel of 60 pounds.

Mr. HENRY T. RAINEY. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 10, strike out the paragraph.

Mr. HENRY T. RAINEY. Mr. Chairman, this rate is the Payne-Aldrich rate on potatoes that come in and interfere with New England grown potatoes and Michigan-grown potatoes coming in from Canada. A while ago we increased the tariff on wheat 5 cents a bushel over the Payne-Aldrich rate, the explanation made by the chairman of the committee being that it was done in order to overcome the difference in exchange, which is greater now than it was when the Payne-Aldrich rates were adopted.

Now, if the gentleman's position was tenable at that time when he argued that matter, if it is tenable as to wheat, why

is it not tenable as to potatoes, and why does not some gentleman on the other side from the potato-growing sections get up here and insist that they ought to have the same increase over the Payne-Aldrich rate that the wheat growers of the Northwest got over the Payne-Aldrich rates?

I can not defeat this bill; I know that; but I propose to discuss the paragraphs as we reach them and show what a badly balanced bill it is, and to show that it was made without any consideration, that it has been without any hearings. Nobody has asked for rates on beans or potatoes. I can not defeat this bill, but I am going to do what I can to defeat the party that is responsible for it two years from now. I will put the facts in the RECORD as we proceed with the bill. I understand the rules, and I can not be prevented from doing that.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph and amendments thereto close in five minutes.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan.

The motion was agreed to.

Mr. HERSEY. Mr. Chairman, this is an emergency measure to meet a national crisis. It provides, among other things, that after the day of its passage and for a period of 10 months thereafter certain high tariffs, which are set forth in detail in the bill, shall be imposed upon wheat, flour, corn, beans, peanuts, potatoes, onions, rice, lemons, oils, cattle, sheep, mutton, cotton, and wool when imported from any foreign country into the United States.

THE PURPOSE OF THE BILL.

The main purpose of the bill is to provide protection to the American farmer for his products, although the Ways and Means Committee claim that for the 10 months it will yield about $130,000,000 revenue to the Government.

THE UNDERWOOD BILL A NATIONAL DISASTER.

The Democratic Underwood free trade bill placed all these articles upon the free list, and for 10 months following the enactment of this bill, in 1913, the producers of this Nation faced bankruptcy by reason of the vast importations of pauper-labor-made goods from foreign countries and the dumping upon our shores and borders the agricultural products of other lands. Then the Great War came and temporarily gave us high protection and saved our markets until after the war.

OUR FARMS AND INDUSTRIES ARE NOW ABOUT TO BE DESTROYED BY FOREIGN IMPORTATIONS.

It is now over two years since the armistice, and the committee reporting this bill say:

Information has been received by the committee from many sources of the serious condition confronting agriculturists in general on account of the rapid decline in value of farm products.

Prevailing prices in many instances are far below the farmers' production costs. Your committee has been advised that in many instances the borrowed money secured by live stock far exceeds the value of such live stock in the Chicago markets.

The present serious conditions are attributed in a large degree to importations from abroad. During the month of October, 1919, imports of wheat amounted to 564,756 bushels, and in October of this year imports were 9,802,103 bushels. It is reported that since December 3, 56,000,000 bushels of foreign wheat has been received at two Lake Superior ports.

In the month of October, 1919, 1,044,719 pounds of mutton and lamb were imported, compared with 27,024,972 pounds in October, 1920.

There is approximately 600,000,000 pounds of wool in storage in the United States, not including the spring clip, which begins two months hence. This quantity of wool alone is adequate to supply the wool consumption of the United States for a period of one year.

The potato market of New England is flooded with importations from Canada.

The peanut industry of the South reports that it faces destruction on account of increased importations. During a 10-months' period ending October, 1919, 23,138,696 pounds were imported, compared with 110,788,209 during the corresponding 10 months of this year.

The importations of onions during the past 10 months show an increase of some 300 per cent over the corresponding period of last year.

The committee was furnished information concerning one consignment of lambs to the market which, after deducting freight, commissions, and other charges, netted the raisers but 33 cents per head.

Conditions are steadily growing worse, and unless remedial legislation is enacted at an early date the inevitable result will be the abandonment of many farms and the slaughtering of the live stock thereon and irreparable injury to the agricultural resources of the country.

The Tariff Commission has presented figures showing the freshet of imports poured into this country during the four months of July, August, September, and October.

According to the commission's report, which is compiled from the official figures of the Department of Commerce, we imported during the four months in question over 12,000,000 bushels of wheat, 222,000 barrels of wheat flour, 5,317,000 bushels of corn, 43,000,000 pounds of cotton, 44,435,000 pounds of wool, 84,000,000 pounds of fresh beef, veal, mutton, and lamb, 142,000 head of cattle, 95,000 head of sheep, 147,000,000 pounds of hides, and 129,000,000 pounds of oil cake.

All the above items mentioned by the Tariff Commission are on the free list and their importation has not lowered the high cost of living to the consumer.

Congressman GREEN of Iowa, a member of the Ways and Means Committee, further reports that the depreciation in the value of our crops last year and this amounts to five billions of dollars.

Before the war our imports for the year ending June 30, 1914, amounted to $1,906,000,000. For the year ending June 30, 1920, they amounted to the enormous sum of $5,238,000,000.

The gentleman from Michigan, Mr. FORDNEY, chairman of the Ways and Means Committee, says that the annual import of wool from New Zealand and Australia alone amounts to 700,000,000 pounds, and that unless restricted by this bill Canada will at once send us 200,000,000 bushels of wheat.

THE FARMER MUST HAVE A FAIR RETURN FOR HIS LABOR.

Secretary of Agriculture Meredith in a recent report says:

The farmer must have, under ordinary conditions, a reasonable prospect of a fair return for his labor and the use of his capital. The science, the art, and the business of agriculture can not thrive unless he is suitably and profitably paid for the products of his farm; unless he receives compensation sufficient to enable him to continue to produce and to maintain for himself and his family satisfactory standards of living.

The matter is of such tremendous importance to our entire population that it should be recognized everywhere as a national problem and dealt with as such. Everything possible must be done to prevent or, at least, to lessen the effect of the recurrence of conditions under which large numbers of farmers conduct their operations at a loss.

JAPAN IS PREPARED TO DESTROY THE COTTON INDUSTRY OF THE SOUTH.

Japan is making a desperate attempt to capture the markets of the United States. A late issue of the Wolfeboro (N. H.) Granite State News says:

Japan has hit upon a policy with respect to cotton manufacture which may well cause anxiety in the minds of our own cotton manufacturers who are not afflicted with war order astigmatism. Japanese investors are beginning to realize that the burden of expense in transporting raw cotton from China to Japan and carrying back the finished yarn or woven fabrics to China is coming to be too heavy to meet the competition of Chinese mills. Therefore they are investing their money in the construction of mills in China with a view to escaping these transportation charges and at the same time availing themselves of Chinese labor, the cheapest in the world.

A Texas cotton expert recently employed by the Chinese Government to report on cotton-growing possibilities in that country declares that China can readily raise twice as much cotton, of excellent quality, as can the State of Texas, where the average runs from 3,000,000 to 5,000,000 bales. And they can do it at one-tenth the labor cost. With Japan taking advantage of this cheaper raw material and far cheaper mill labor, American operators have good reason to anticipate competition of the most vicious sort right in our home market unless steps are taken to ward it off. This prospect alone will strengthen the adherence of cotton manufacturers, both North and South, to the Republican Party and its policy of protection to home industries.

In one of the articles on Japan contributed by Mr. S. S. McClure to the New York Evening Mail the writer states—

that he saw girls 10 years old working at filling match boxes and earning 5 cents a day! At this rate of wages it was found cheaper to employ hand labor than to fill the boxes by machinery. In the same article Mr. McClure tells of the enormous increase of female workers of all ages in the Japanese factories. Additional workers are recruited from the ranks of women and girls at the rate of 200,000 a year, and their wages range from 5 cents to 20 cents a day of 14 to 16 hours.

In view of these conditions it is easy to see how Japan is rapidly increasing her exportation of manufactured articles to the United States, and how it has become necessary to ship to Japan many millions of American gold with which to pay for the excess of our imports from over our exports to that country.

CANADA IS PREPARED TO DESTROY THE POTATO INDUSTRY OF THE NORTH.

The potato crop of the United States for this season is 421,000,000 bushels. My home county contributed 16,000,000 bushels. There are 3,000 miles of the northern border of the United States lying alongside of Canada with the same kind of crops, climate, and soil on both sides of the line. Canada has cheaper farm labor than the United States. Her immigration laws are very liberal, and she takes advantage of this to obtain cheap labor upon her farms.

A dollar of our money in Canada is worth $1.16. The Canadian farmer brings his produce to our market, takes back our money, and has this advantage at least over the United States. He is to-day flooding our markets with all kinds of agricultural products, and this emergency bill is earnestly demanded by the American farmers along the Canadian border to save their markets.

THE GRANGE DEMANDS THIS EMERGENCY LEGISLATION.

The Maine State Grange, now in session, has passed unanimously the following resolution:

Whereas the potato growers of our State are facing the most serious situation in their history owing to the large crop in our own country, which has forced the price down to a point less than one-half the cost of production; and

Whereas the situation is still further aggravated by large shipments of foreign potatoes which come in duty free and at a low rate of freight: be it

Resolved, That this Maine State Grange, as a representative body of the 60,000 members in our State, believes the principle of the American market for the American farmer is only a square deal to our members, and we still further believe this question, on account of its far-reaching importance, far transcends any consideration of partisan politics, being one which concerns the very existence of the industry of agriculture.

We appreciate the fact that a renewal of the rates in the Payne-Aldrich bill would be entirely inadequate, owing to the advantage the foreign shipper has in the difference in exchange and his low rate of freight. An absolute embargo is the only solution. To this end be it

Resolved, That we urge our Senators and Representatives in Congress to use every endeavor to have an immediate embargo placed on all foreign shipments of potatoes for a period of one year; be it further

Resolved, That we communicate this action of the Maine State Grange, now held at Lewiston, Me., to our Senators and Congressmen in Washington.

CANADA HAS NO MARKET FOR ITS POTATOES BUT THE UNITED STATES.

The St. John Standard, a leading newspaper of Canada, said a few days ago:

The embargo on Canadian potatoes, proposed in the United States House of Representatives by Hon. IRA G. HERSEY, of Houlton, Representative from the fourth congressional district of Maine, and agreed to by the leaders of both parties in Congress, will be a heavy blow to the agricultural interests of New Brunswick. Mr. W. W. Boyce, Fredericton, one of the leading shippers of farm produce in the Province, informs the Standard that the placing of the embargo, which gives every evidence of becoming effective very soon, will cause a very heavy loss to farmers, and in many cases their ruination. He says it will put the potato business out of existence, as there is no market for our potatoes except in the States. There was a time, he says, when the most of the New Brunswick potatoes went to Ontario, but that Province is now self-sustaining and there is no market left except in the United States. It is his opinion that there are in storage to-day in this Province more marketable potatoes than were shipped out last year.

When informed that cattle, live stock of all winds, and grain were to be added to the embargo list, Mr. Boyce gasped for breath, and expressed the opinion that those engaged in handling produce of the farm were hit as hard as the farmers.

"What does it all mean to New Brunswick?" he was asked.

"It means," he replied, "there will be another exodus of New Brunswick farmers to Maine, similar to that which took place some dozen years ago, to take up farms where they can enjoy the benefit of American markets."

Also the following dispatch from Ottawa under date of December 18, 1920, will be of interest at this time:

CANADIANS SEE BLOW IN NEW UNITED STATES TARIFF—PROPOSED REPUBLICAN LEGISLATION WIDELY COMMENTED ON—RUSH GRAIN OVER BORDER.

[Special dispatch to the Star.]

OTTAWA, *December 18.*

The proposal of the newly elected Republican administration at Washington to rush into effect a tariff of protective duties on agricultural products is being widely commented on throughout Canada. Particularly has it drawn comments from the United Farmers of Ontario, who held a big convention at Toronto this week and are planning at the next Dominion election to elect a farmers' government for the whole of Canada.

While they have so far issued nothing official, members of the association claim it will hit the live-stock business of the Canadian West on the head. One of the prominent members said:

"It will mean decreased production, because Canadian farmers will have to limit their output to the demands of the Canadian market. If the United States tariff is made high enough to prohibit shipment of our cattle across the line, it will hurt our live-stock business. I fear it may mean excluding Canadians from the greatest live-stock market in the world at Chicago."

With respect to the proposed boost in the tariff on wheat, wheat shippers are rushing their product across the line. A marked indication of what is going on prior to the expected Washington boost in tariff becoming effective comes from Brockville, Canada, in this announcement: "It is stated by the Grand Trunk that 22,000 cars have been handled in the past 10 days here, which constitutes a Brockville record."

GERMANY, DENMARK, AND OTHER COUNTRIES OF EUROPE PREPARE TO DUMP FARM PRODUCTS ON OUR MARKETS.

Germany is shipping large quantities of potatoes to England and is looking for a market soon upon this side of the water. The New York Produce News, under date of December 10, 1920, has the following to say about foreign importations from Europe of potatoes:

POTATOES FROM DENMARK.

NEW YORK, *December 10.*

A cargo of Danish potatoes is on its way here on the steamship *Palladin*, which left Copenhagen November 28. The boat is due some time next week. It has been impossible to ascertain how many bags there are on this boat as the importers are unwilling to give any information. One firm says it has 5,000 bags on consignment in this shipment, and it is known that there are other lots, probably equally as large, coming to other firms.

If there is any possible chance of making a profit on Danish potatoes this season a large quantity will probably be sent to this country. Denmark has a big crop and is anxious to ship to the United States. A letter received this morning from one of the large exporting firms gives assurance that the condition and quality of the Danish potatoes will be much superior to ordinary seasons. This firm says the stock will be shipped in better condition then last year, as the shippers have gained much experience in packing, loading, and ventilation.

This firm's potatoes will be shipped in heavy blue striped bags and screened down to 1⅞ Danish inches. The inspection at loading point will be much more severe than usual, and this shipper promises that stock from that country will be superior to past seasons. He says there is no reason why the potatoes should not reach here in good condition.

DEFEATED FREE TRADERS WILL OPPOSE THIS BILL WHICH IS DESIGNED TO SAVE THE FARMER.

This House will overwhelmingly pass this emergency bill. It is not possible, of course, to enact an embargo at this time. This bill will go to the Senate, where it will meet with violent opposition from the Democrats, who will filibuster and delay the measure, especially those Democrats who have been rebuked and defeated by the people in the last election.

I note the opposition in the House comes largely from those Members who were defeated in the late election by the people, who do not favor giving our markets to the foreigner at the expense of the American farmer and producer.

A PRESIDENTIAL VETO OF THIS BILL WILL BE A SEVERE BLOW TO THE PRODUCER.

There is also a feeling here at the Capitol that this measure will receive a veto at the White House. If such a disaster is visited upon our people, then the present crop of agricultural products, cotton and wool, must be sold at a loss, and this will greatly lessen production and bring us a very small crop from our farms for the coming season.

The farmer will under these circumstances restrict his operations to producing just sufficient for his own use. The consumer will be at the mercy of the foreign importer, who will raise his prices as soon as he has destroyed the market for the American producer. There will be no inducement for the unemployed in the cities to go to the farms, and ruin must come to the country until relieved by future legislation after the 4th of next March.

THE PEOPLE DEMANDED A HIGH TARIFF AT LAST ELECTION.

The whole Nation is interested in a high tariff and absolute protection to the American market. The people of nearly every State indorsed the position of President-elect HARDING, whose views upon the tariff during the last campaign were expressed as follows:

Let me say to you men that I want to bring to you the readjustment after the World War which will maintain for the millions of American wage earners the high standard of pay which is theirs now. I caution you men that that can never happen under the policy of a party which believes in opening the doors of America to foreign-made products.

And if I am elected President, as I expect to be, I am going to stand for the policy that furnishes American markets first for American products.

We can not maintain American production at home if we buy our goods abroad, and that applies to farm products as well as to all others. If we are to build up a self-sustaining agriculture here at home the farmer must be protected from unfair competition from those countries where agriculture is still being exploited and where the standards of living on the farm are much lower than here. We have asked for higher American standards; let us maintain them.

A long list of our farm products will require a Republican protective tariff policy. There is an increasing menace to our production of a number of farm products in the opening of those countries which can produce under intensive methods with labor cheaper than our own.

If we buy abroad we will slacken production at home, and slackened production means diminished employment and growing idleness and all attending disappointments. I want to cheapen the cost of living as much as anyone in all the land, but I do not wish it cheapened by the processes of unemployment and lowered standards of American labor.

So long as America can produce the foods we need I am in favor of buying from America first. It is this very preference which impels development and improvement.

American markets can not be surrendered to foreign producers, however kindly we may feel toward our allies.

THE "SOLID SOUTH" IS NOW FOR PROTECTION.

The operation of the Underwood free-trade tariff has resulted in demolishing forever the fallacy of the Democratic Party that free trade can benefit the American people. Everywhere, in the North and West, Democrats forsook their party at the last election and voted the Republican ticket to obtain protection to their farms, shops, and manufactories. Even the "solid South," known in the past as the great stronghold of free trade, has of late found it necessary to demand a high protective tariff to save its farms, manufactories, and markets.

The Financial American in a recent issue quotes a prominent Democrat as follows:

Mr. S. Davies Warfield, chairman of the board of directors of the Seaboard Air Line Railway Co. and president of the Continental Trust Co., of Baltimore, says:

"I am a Democrat; I was brought up in the free-trade school, but the time has come when the Democratic Party, if it wishes to live, must adjust its doctrines to changing conditions. The day has passed for a tariff for revenue only. We must have a tariff for the benefit of our industries—we will call it 'benefit' if you do not like the word 'protection.' * * * The Democratic Party can give the South—call it what you may, high tariff or protection—that which, in my opinion, is essential to its more rapid advancement and to the fulfillment of its greatest hopes."

Senator SMITH, Democrat, of South Carolina, in a recent speech in the Senate said:

It is not very greatly to the credit of America that in spite of her monopoly of the production of the raw material of cotton, two-thirds of the raw materials converted into the finished product abroad and sold in disastrous competition with the production of our mills in every country in the world.

Representative MARTIN, Democrat, from Louisiana, is quoted as saying:

We of the South who have interests that must perish unless an adequate tariff policy is maintained, have learned from the hard lesson of experience to appreciate this fact. And yet, because of the peculiar conditions prevailing there, the South as a whole has been slow to embrace a policy which must of necessity be the handmaiden of any economic development.

DEBATE UPON THIS BILL HAS GIVEN US MANY HIGH-TARIFF DEMOCRATS.

This debate has disclosed the utter inability of the Democratic Party to longer hold the "solid South" for free trade. Scores of Democrats have broken away from their party and announced themselves for high protection. Texas, a great agricultural State, has forced its Representatives in Congress to change their policy of obstructing Republican tariff legislation. I have only this opportunity to quote from this debate a few statements of those who have come to indorse the Republican doctrine of protection to American interests against the world.

TEXAS NO LONGER FOR FREE TRADE.

The gentleman from Texas [Mr. BLANTON], Democrat, in the course of this debate said:

Mr. Chairman, I offer no apology for supporting this bill. Every item of duty in it is levied upon foreign products annually imported into the United States in competition with the products of our farms and ranches. It is to save our farmers and stock raisers from bankruptcy that this bill is designed. It is true that it does not go far enough, but as far as it does go it is all right.

* * * * * * *

Time has proven that free raw material is not a fundamental of true democracy. It has been a fatal policy and constitutes one of our gravest mistakes. It has almost bankrupted some of our southern producers who by law have been forced to purchase everything they have to buy in a protected market and then sell all of their raised products in a free one, where the whole world, dissimilar as it is, competes on an equal footing. The illusive, seductive doctrine of permitting raw materials from every foreign country of the world to enter the United States absolutely free of duty has taken away from our home producers their home market and is largely responsible for our southern planters now being forced to sell their cotton, which means their living for a whole year, for less than they paid out to have it picked and ginned; for the Chamber of Commerce in Ranger, Tex., now offering some of the splendid farms of Eastland County rent free to any farmers who will agree to cultivate them next year; for our warehouses now bulging out with both the spring and fall clips of domestic wool which can not now be sold for its cost of production; for the crippling of our great peanut industry; for stagnating our important stock-raising and dairy interests; and for swiftly depopulating our farms and ranches. Our farmers and stockmen of the United States, sturdy producers who yearly feed and clothe our 105,000,000 people, are now with their backs to the wall facing a most serious crisis.

In Mexico, South America, Australia, Europe, Asia, and Africa there exists an entirely different state of conditions, a different standard of living, a different standard of working hours, a different standard of wages, a different standard of necessities, morals, intelligence, hopes, ambitions, and aspirations. Mexican peons are content to work for a miserable existence. Chinese and Japanese laborers are perfectly satisfied to work from 10 to 14 hours each day for less than 20 cents' pay, to live on rice, to go almost naked, and to let the future take care of itself. Must our intelligent, ambitious, deserving men and women on the farms and ranches of the United States be longer placed on the same level by being forced to compete directly with the peons and slaves of the universe? I am one loyal Democrat who is not in favor of it. * * *

* * * Will any sensible statesman contend that when hundreds of millions of pounds of farm products are permitted to be imported from foreign countries absolutely free and dumped into the markets of the United States, where when sold at a profit they are sold at prices far less than the cost of production in this country, that they do not affect and lower the price of every product of every farm in the United States?

Ask our farmers what they are getting for their cotton. You will find that they can not sell it for what they have paid out to have it picked and ginned. Ask them if they want us to permit this 345,314,126 pounds of foreign cotton to be imported into the United States absolutely free of duty to compete with their products. Ask our sheep and mohair men, whose wool has gone down from 72 to 15 cents per pound, if they want us to continue to permit 427,578,038 pounds of foreign wool to be imported into the United States each year absolutely free of duty, and for us to continue to permit 64,623,776 pounds of foreign mutton and lamb to be imported here in four months duty free, as was done in July, August, September, and October, 1920.

I am afraid that it has been the clamoring of these millions of city consumers, whose votes are very much desired, which has caused free raw materials to be written into Democratic platforms. Much too long have we Democrats permitted rest-needing politicians to entwine into our platforms and policies some city-vote-catching slogan to the detriment of our producers.

LOUISIANA STANDS FOR HIGH PROTECTION.

The gentleman from Louisiana [Mr. LAZARO], Democrat, representing a Democratic constituency, has favored Republican protection in this debate. He said:

Mr. LAZARO. Mr. Chairman, I shall vote for this farmers' emergency tariff bill on the ground that it is better to get half a loaf than none at all. I would like to see the bill contain more duty on certain articles, say, rice, for instance. I would also like to see the bill include some other articles, for instance, sugar, and others. But the Committee on Ways and Means tell us that this is the only farmers' emergency tariff bill they can submit and pass at this time. However, they promise us that they will begin hearings soon, with the view of bringing in a permanent and scientific tariff bill for consideration in the near future.

The last war has demonstrated to all the necessity of our country having its own vital industries at home and of not depending on foreign countries in time of emergency. The only way to have our industries going at home in time of emergency is to protect and develop them in time of peace.

Protection should be given our agricultural products in proportion to the protection given the manufactured products. The producers of the agricultural sections can no longer survive under a policy that compels them to buy in a protected market and sell in a free market. In other words, this Nation can not prosper as a whole and permanently half protected and half free. There is a general awakening throughout the agricultural sections of the United States on the importance of revising our tariff laws, and keen interest is being taken in our treaty relations with foreign countries affecting commerce and trade. Our farmers can no longer compete with those of foreign countries, for instance, in Asia, where they wear very little clothing and live on practically nothing, without sinking to their level or go broke.

Labor is organized, capital is organized, industry is organized, and the farmers are unorganized. Farmers are leaving the farm to migrate to the cities because they can no longer afford to pay for the present high cost of labor, implements, and fertilizers to raise corn, cotton, rice, cane, peanuts, and other commodities at the prices they are selling for. We must equalize the cost of production in this country with that of foreign countries, so far as may be consistent with the public welfare, such schedules to be so placed as to fairly distribute the burdens and benefits among all industries, without discriminating against any section, class, or product, to the end that there may be maintained American standards of living in every line of effort.

It should be plain to any thinking man that free trade can never be successfully approached until all the people of the world shall have developed to an equal degree. Not until their education, methods of living, morals, and ideals become the same could we begin to think of free trade, and when that is reached there will always remain the great natural difference of soil and climate and the nearness to the great markets of the world. Let me call the attention of my southern friends who are interested in the cotton industry and whose constituents are sacrificing their cotton seed for almost nothing to the fact that we have imported during the last fiscal year 539,326,000 pounds of oil from foreign lands, as follows:

	Pounds.
Coconut oil	269,226,000
Cottonseed oil	24,164,000
Palm oil	50,162,000
Soy-bean oil	195,326,000
Total	538,326,000

to which we must add 33,906,000 gallons of Chinese nuts, peanuts, etc., in the crude state. This should appeal to the peanut growers' Representatives also.

We imported, mostly from Egypt, 690,000 bales of cotton, valued at $159,918,000, during the last fiscal year. This was principally long staple, which competes with our long-staple varieties, produced by very high-priced labor, as against the cheap labor of Egypt and India.

Then, too, let us consider for a moment the rice industry. Our people were appealed to to produce more. They have bought land and implements at high prices; they have bored wells for irrigation; and they have paid labor high to make the largest crop they ever produced, and to-day not only that rice is selling away below the cost of production but there are practically no markets. And yet rice is being imported from Asiatic countries, where they produce it for practically nothing.

As a foundation to any stability of values in the live-stock industry we must have protection against cattle raising in South America and the mutton raisers of Australia and New Zealand. Due to cheap land, cheap labor, tropical climate, luxuriant grass, and the fact that they have a larger percentage of calves and no winter season in South America, meat can be produced in those countries for much less per pound than in the United States. All of the big American packers have plants in South America, some of them larger than anything they have in the United States. As matters now stand, they can put us out of business with cheap foreign meat, or put the price up on the consumer, as they choose.

While we wish to assist other countries all we can, our first duty is to America. If something is not done immediately for the relief of the farmers to enable them to meet their obligations and plant a crop next year, there will be the shortest food crop in the history of the country in 1921. This will not only cause nonemployment, hunger, and suffering, but higher prices to their consumers. Let me also call their attention to the fact that when the purchasing power of the farmers is destroyed their manufactures will be paralyzed. They should also understand that it is not the price of our raw agricultural products that cause the high cost of living. The high cost of living during normal times is mainly due to a faulty system of distribution and marketing, which lets in too many middlemen, who profit at the expense of both the producers and the consumers. [Applause.]

FLORIDA NOT AFRAID OF PROTECTION.

The gentleman from Florida [Mr. CLARK], long a distinguished Democrat, cut loose from his party in this debate and said:

The people of my district are Democrats, but they are not free-trade Democrats. [Applause.] When it comes to placing a duty upon the raw material in which the farmer is interested then the question is raised that we are about to be seduced by a Republican tariff bill. [Applause on the Republican side.] The truth has been—and this is one of the causes of the condition in which the Democratic Party finds itself to-day—the truth has been that we have been verging too closely onto the doctrine of free trade. [Applause on the Republican side.]

I am for building up this Nation. Building up the South, the North, the East, and the West, all of it, because I am an American citizen, and I believe in an American policy, and an American policy does not advocate hothouse institutions. I do not believe in that; but let me tell you this: You can not levy a duty—it is an economic principle that you can not get away from—you can not levy a duty upon any article imported into this country the like of which is produced here except you incidentally protect the domestic article. [Applause.] And yet I am not afraid of protection. If it comes, let it come. [Laughter and applause.]

THE COUNTRY MUST RETURN TO HIGH PROTECTION TO RECOVER ITS OLD-TIME PROSPERITY.

While the Democratic Party to-day is divided upon a tariff between free trade and protection the Republican Party is a unit for the tariff that built up this Nation and made this country the grandest under the stars. The hour has come when politics and sectionalism must be forgotten and Congress must unite regardless of party to save the markets of this Nation from the pauper labor of Europe. We can in this land of ours, from the frozen North to the tropical South, and from the cold Atlantic to the peaceful and warm Pacific, produce all kinds of products and goods grown or manufactured in any land in the world much cheaper and better than can be bought from

the importer. Time has demonstrated that free trade is not even for the benefit of the consumer.

As soon as free-trade importations have destroyed our markets the foreign importer has us at his mercy and puts up his price. When American labor has been ruined and our farms and shops abandoned the Nation will be in the hands of foreigners. Such a disaster now faces us unless we can return to the Government of our fathers and stand for America first. Old free-trade ideas have gone. Partisan lines have melted away, and we are rapidly becoming a united people, all imbued with the idea that there is no North, no South, no East, no West, but one country, with one object, one purpose, and one destiny, and that is the glory and grandeur of America.

A HIGH TARIFF THE OPPORTUNITY OF THE SOUTH.

Albert Green Duncan, speaking to the South Carolina Cotton Manufacturers' Association at Greenville, S. C., October 19, 1920, said:

The Mason and Dixon line is but a historical memory. Highways of steel and improved roads for the interchange of commerce have wiped it out, never to return. The South's commerce is American commerce; its industry is American industry; its farm products are essential to the people not only of the South but of the whole country, and the same policy of protecting wheat and wool of the North and West should protect the cotton seed and cotton goods of the South. Southern factories as well as northern factories should sell to America first, and the same protective policy which has made this country as a whole one of the richest and most prosperous of any nation on earth should have the support of all citizens no matter what section of our common country they call their home land.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

7. Onions, 40 cents per bushel of 57 pounds.

Mr. GARRETT. Mr. Chairman, I move to strike out the last word.

Mr. Chairman and gentlemen of the House, I am not gravely concerned as to what happens to this bill in this body, nor am I worried about the manner in which I shall vote upon it. I have entire confidence in the intelligence of that constituency which has honored me, and I know that they will ascertain the fact that this bill will not do that which the proponents insist that it will do.

But I am somewhat concerned, Mr. Chairman, about the attitude which gentlemen on the Democratic side of this Chamber shall assume on this bill. I thought during last session of the present Congress that our Republican friends had lost something of their cunning, but I am prepared now to believe that I was mistaken. I do not recall within my experience in this Congress a more ingenious political move than the presenting of this bill under the conditions here presented and at the time it is presented. [Laughter and applause.] These gentlemen know full well that in the next Congress they are to be called upon to deal with the tariff question under conditions, as pointed out by the gentleman from Ohio [Mr. LONGWORTH] in his very able speech yesterday, differing entirely from any that has prevailed before in this Republic. They realize, of course, that there are to be schisms and divisions in their own party which will seriously trouble them if they undertake to place upon the people of this country—as a large element of that party will desire to do—a tariff which upon many things will be absolutely prohibitive. They have adroitly and ingeniously seized on the conditions now existing in this country in an endeavor to place Democrats on record in favor of a tariff which they themselves say is absolutely prohibitive and cause Democrats to turn their backs upon every principle of taxation for which their party has stood throughout its history. [Applause.] I can not do that. Mr. Chairman, this bill represents a theory of taxation and of government against which my party as a party has always stood.

Again, can gentlemen say, "We will vote for it as an emergency proposition," and then deny that if it shall be voted for to cure an emergency it will not be necessary to vote for it to prevent an emergency? Gentlemen upon the Republican side are not embarrassed. They believe in the principle of protection.

Here is the seriousness of this situation: This bill in effect is a relatively unimportant bill. It is not going to do the thing that gentlemen assume or claim to assume it is going to do. It is not going to bring the relief that is promised. What it is going to do is to place many Democrats in a position where in the next Congress, when the Republicans bring forth a measure that will be based in its compensatory duties upon duties laid down here——

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GARRETT. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. GARRETT. Its effect will be to place Democrats who vote for it now in a position where they can not complain when a bill is brought in in the next Congress that will take these rates as a basis and will fix the compensatory duties upon the manufactured products upon the basis fixed in this bill. That is a serious proposition, Mr. Chairman, because if Democrats now divide and many place themselves in the embarrassing situation of voting for this bill, there will not then be a strong, vigorous minority party to exercise that function which a minority party ought to exercise, of criticizing, of examining, and to the extent of their ability restraining the excesses which every one of us here knows will be a tendency on the part of many of those who believe in the principle of protection. This is not a matter alone of individual effort. It is also a matter of maintaining a cohesive, a vigorous, a critical minority, to the end that we shall be able consistently to take under careful scrutiny the great tariff measures that are to come in the next Congress.

Mr. MOORE of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. MOORE of Virginia. Adverting to a suggestion that the gentleman made at the outset, does he think there is the slightest possibility that this bill will ever become a law in view of the fact that the tariff bills that have been passed heretofore during the last several months have all failed of enactment, and likewise the antidumping bill that was passed in this House a good many months ago?

Mr. GARRETT. I do not believe it will. I do not believe it is seriously thought by its proponents that it will become a law. I can not escape that conclusion.

The gentleman from Iowa [Mr. GREEN] said that before they would bring it in they desired to have, as nearly as they could, the assurance that they would be enabled to pass it over the veto of the President, if it should ever reach the President. It is designed, sir, to split the Democratic Party. It is designed to get rid of the embarrassing condition which will confront the Republican Party in the next Congress. It may succeed—I do not know—but I at least hope that there will be Democratic seed left in the House and in the country. [Applause on the Democratic side.]

Mr. FORDNEY. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in five minutes.

Mr. HENRY T. RAINEY. I desire five minutes.

Mr. CLARK of Florida. Mr. Chairman, I want to have five minutes.

Mr. FORDNEY. I will make the motion 10 minutes.

Mr. CLARK of Florida. Mr. Chairman, I desire to talk on the bill.

Mr. FORDNEY. I suggest the gentleman have his time on some other paragraph.

The CHAIRMAN. The question is on the motion of the gentleman from Michigan that all debate on this paragraph and all amendments thereto close in 10 minutes.

The motion was agreed to.

Mr. HENRY T. RAINEY. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HENRY T. RAINEY: Page 2, line 11, strike out the paragraph.

Mr. HENRY T. RAINEY. Mr. Chairman, this is the paragraph having reference to onions. It is proposed here to restore the Payne-Aldrich rates and no more than that. Under the present Underwood rates, the low rates of the Underwood bill, the production of onions in the United States has doubled. If tariffs are for the purpose of increasing production and building up an industry, how could a tariff which has doubled the output of an industry in the United States be considered as other than the proper rate to impose? Again, if the Payne-Aldrich rates are proper for onions, why were they not proper for wheat and for these other items in which the rate has been raised beyond the Payne-Aldrich rate, upon the theory, the untenable theory, that there is a difference in exchange? I know this paragraph will be adopted just as it is, but I want to say that I regret the attitude of some of my Democratic friends on this side. For a long time they have fought for the taxing principles for which the Democratic Party stands, and now that we have become a creditor nation, now that we can not exist

as a creditor nation under the protective tariff system, we find them one by one, under the seductive influence of peanut subsidies and other proposed subsidies, dropping away on this bill from the party to which they owe their allegiance.

What they do will not affect economic results. I ought not to say what I have just said, because their responsibility is to their constituencies. I simply regret that in view of the sense of responsibility to their constituencies they can not stay with Democratic platforms and Democratic theories. I know that the time is coming when you can not run this Government with a protective tariff system. I know that you have got to encourage imports, if these raw materials for foodstuffs are to be exported. If we are to continue as an exporting nation, we must be paid for our exports, and we can not be paid for our exports unless we encourage imports; and by this bill we propose to discourage imports just as much as we can. Two years from now, if any section of the country, upon these economic issues, leaves us, no matter where it is, we will make good the loss in other sections of the country, because if we are to continue as a creditor nation, if we are to collect the debts they owe us abroad, if we are to continue selling abroad, we must encourage imports, we must encourage barter, and we must import in the future more than we export, and more and more our exportations must be confined largely to the raw materials of which this bill treats and to which it relates.

Mr. CLARK of Florida. Mr. Chairman [applause], I was elected to Congress 16 years ago, and one of the planks in the platform upon which I made my initial race for Congress was the proposition that I should advocate, if I came to this body, a duty on Egyptian or long-staple cotton. [Applause.] I have been elected to Congress nine times upon that proposition. The people of my district are Democrats, but they are not free-trade Democrats. [Applause.] And these gentlemen who have sought to lecture me and talk about my being seduced and other Members from the South being seduced in this bill can not put their fingers upon a single line in a single national Democratic platform that ever declared for free trade, and I have not heard these gentlemen complain very much about the duties on manufactured articles; but when it comes to placing a duty upon the raw material in which the farmer is interested then the question is raised that we are about to be seduced by a Republican tariff bill. [Applause on the Republican side.] The truth has been—and this is one of the causes of the condition in which the Democratic Party finds itself to-day—the truth has been that we have been verging too closely onto the doctrine of free trade. [Applause on the Republican side.] This is not a free-trade country, and I do not belong to a free-trade party, and I said 10 years ago on the floor of this House that whenever the Democratic Party did declare for free trade that I parted company with it. [Applause.] It has not done it yet, and I do not think it will do it, because I can not believe the Democratic Party is willing to hang onto a leadership that makes the speeches that I have heard here this afternoon. [Applause on the Republican side.] The South will take care of itself. These gentlemen need not be lecturing us upon the lines we will pursue. We have held the banner of the Democratic Party aloft through all of its troubles and all of its trials, and she has had a greater trial in the past than she had in this year of 1920. I am for building up this Nation. [Applause.] I am for building up the South, the North, the East, and the West, all of it, because I am an American citizen, and I believe in an American policy, and an American policy does not advocate hothouse institutions. I do not believe in that; but let me tell you this: You can not levy a duty—it is an economic principle that you can not get away from—you can not levy a duty upon any article imported into this country the like of which is produced here except you incidentally protect the domestic article. [Applause.] And yet I am not afraid of protection. If it comes, let it come. [Laughter and applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. CLARK of Florida. Give me two minutes more—I ask unanimous consent.

The CHAIRMAN. The gentleman from Florida asks unanimous consent to proceed for two minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. CLARK of Florida. I am going to vote for this bill and I am as good a Democrat as there is in this House, I do not care whether he comes from Illinois, Tennessee, or anywhere else. Peanuts are produced in my district in large numbers. [Laughter.] Sea-island cotton is grown there in large quantities, and various others of these articles are grown there, and it is going to benefit the farmer, and I am voting for this bill, not because I think it is going to do very much of itself but it is going to get our friends over here in the habit of doing something for the farmer when they go to create their bill. [Applause.] And I want them to get in the habit of trying to help the farmer. Now, let me say, my friends, that my friend from Tennessee said that this bill was very ingenious and seducing and was going to get all of us into serious trouble, and all that sort of thing. Why, these fellows have got all the people they want to pass any tariff bill they please in the next Congress and we can not prevent them from passing anything they want to pass, so why should they resort to subterfuge or why should they practice ingenuity to beguile a few of us from the path of Democratic virtue.

Mr. BENSON. Mr. Chairman, I suggest that the gentleman from Florida has forgotten everything that Maryland, on the division line between the North and South, stood for. [Laughter.]

Mr. CLARK of Florida. Maryland stood for the Republican Party in the last election [laughter and applause] and Florida did not.

The CHAIRMAN. The time of the gentleman has again expired. The question is on the amendment of the gentleman from Illinois to strike out the paragraph.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

8. Rice, cleaned, 2 cents per pound; uncleaned rice, or rice free of the outer hull and still having the inner cuticle on, 1½ cents per pound; rice flour, and rice meal and rice broken which will pass through a No. 12 wire sieve of a kind prescribed by the Secretary of the Treasury, one-fourth of 1 cent per pound; paddy, or rice having the outer hull on, three-fourths of 1 cent per pound.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 2, line 12, strike out all of lines 12, 13, 14, 15, 16, 17, and 18.

Mr. HENRY T. RAINEY. Mr. Chairman, this paragraph in this bill increases the present rate 100 per cent. Why, I do not know. Under the Underwood rate the industry of growing rice in this country——

Mr. LAZARO. Will the gentleman yield right there?

Mr. HENRY T. RAINEY. Yes.

Mr. LAZARO. The gentleman is mistaken. Broken rice is the same in the Underwood bill as in the old Republican bill, one-quarter of a cent.

Mr. HENRY T. RAINEY. The other items were much less.

Mr. LAZARO. I know; but I want the record to be accurate.

Mr. HENRY T. RAINEY. The effect of the whole paragraph is to double the Underwood rate. I do not know what the demand for broken rice is.

Mr. LAZARO. It is the same as in the old tariff bill, one-quarter of a cent a pound.

Mr. HENRY T. RAINEY. No hearings were held on this item of this bill. We are absolutely without information. No rice grower in the country has appeared before the committee asking for this increase on the whole rice of 100 per cent. It is done without information; it is done without any request ever being made for that purpose from any section of this country. There is no evidence before the committee as to the visible supply of this important foodstuff in this country. It is one of the items which the North really does not stand for, but it is put in here for the purpose of obtaining support in other sections of the country which have not always supported the theories of tariff revision presented by the other side.

Now, I agree with the gentleman from Florida [Mr. CLARK] as to his democracy. I have served with him here in the House of Representatives during the entire period of his service, and no man has a higher regard for his ability and his integrity and his honesty of purpose than I. I only regret that conditions are such in his district that he is compelled to support this measure. I do not remember how he voted on the Payne-Aldrich bill. I do not know how he will vote on the bill which they propose to bring during the special session which is to follow this session. But I take it from the argument he presents that it will be necessary for him, if the products of his district are amply protected from the protective standpoint, to vote for any bill hereafter which contains that kind of protection. I regret that my friend feels this way about it. I regret that conditions in his district are such that he is compelled to take that position. I regret that upon this great question I can not from my viewpoint fight with him shoulder to shoulder. He would be a powerful ally of the principle of taxation for which I stand and for which I think heretofore the Democratic Party has stood. It is an easy answer to make to any man who stands for the Democratic position of a tariff for revenue only to say to him, "I am a Democrat, but do not stand for free trade." What Democrat ever stood for free trade in this country? What

nation in the world ever stood for free trade? What nation in the world ever adopted a free-trade policy? I know of none. Every nation imposes tariffs; tariffs for revenue, tariffs upon noncompetitive articles. One nation which is referred to as a free-trade nation raises more money per year out of tariffs than we ever raised by a protective tariff.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. LAZARO. Mr. Chairman——

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Michigan moves that all debate on this paragraph and all amendments thereto close in five minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. McFADDEN rose.

Mr. LAZARO. Mr. Chairman, I addressed the Chair first.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. McFADDEN. Mr. Chairman and gentlemen of the committee, when I heard of this bill being reported out by the Committee on Ways and Means the other night, two nights ago, when the chairman of the committee came into this House and asked leave to print his report, I asked him whether it would be possible to include in this emergency bill the products of the dairy farmers of New York, Pennsylvania, and New England. I was told that there would be no opportunity; that this was a revenue bill, and it was not possible to protect the great farming interests in my State in this particular. I have been trying this afternoon to get an opportunity to present such an amendment, notwithstanding that fact, but the opportunity has not been presented, and I am now taking this opportunity at this time to speak for 87,000 farmers in the State of Pennsylvania, New York, and New England, who claim an equal right with the farmers from the South and the West to protection of the products of their farms, dairy products.

There is coming into this country from abroad, chiefly from Denmark, 30 times the amount of butter that came in during the year 1917. There are other milk products that are coming in here, and the great creameries and condensories and milk plants of the State of Pennsylvania are being deprived of their market. It is just as serious a proposition as that which confronts the farmers from the South or the West or any other part of the United States, and to-day I want to suggest to the members of the House committee an amendment which should be placed in this bill, which is as follows: "A tariff duty upon butter of 10 cents per pound; cheese, 8 cents per pound; milk, 6 cents per gallon; cream, 20 per cent ad valorem; condensed milk, 4 cents per pound; evaporated milk, 3 cents per pound; milk powder, 5 cents per pound."

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. McFADDEN. Yes.

Mr. BUTLER. Is the gentleman going to offer his amendment?

Mr. McFADDEN. I understand from the chairman that the parliamentary situation is such that it can not be offered.

Mr. BUTLER. No objection will be made to it.

Mr. LONGWORTH. I will state that I will object to that or any other amendment.

Mr. McFADDEN. That answers your question. I am in receipt of the following communication from the Dairymen's League, an organization of farmers in the East, largely from New York, Pennsylvania, and New England, which is as follows:

> We urge that milk and all dairy products be included in the temporary tariff bill.

That is signed by R. D. Cooper, president.

I am going to read also an additional telegram which came to me this morning from the same source:

> We suggest a tariff duty on butter of 10 cents per pound; cheese, 8 cents per pound; milk, 6 cents per gallon; cream, 20 per cent ad valorem; condensed milk, 4 cents per pound; evaporated milk, 3 cents per pound; milk powder, 5 cents per pound.

That is the same resolution as that which I would inject into this bill if it were possible to do so. I realize as a matter of fact that this is not a tariff bill. It is simply the furnishing by this House of a measure that will slumber in the Finance Committee of another body. There is no more chance of this measure passing at this session of Congress than anything. I am of the opinion that unless the Senate Finance Committee does protect the great dairy interests of New York, Pennsylvania, and New England, the Senate will defeat this measure. They have an equal right, and I believe there are men in the Senate and on the Finance Committee of the Senate who are fair enough to include this amendment of mine in any bill that may be reported out protecting farmers of the West and South——

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. LAZARO. Mr. Chairman, in view of the fact that I represent the largest rice-producing district in this country, I ask unanimous consent to proceed for five minutes, notwithstanding the rule.

The CHAIRMAN. The gentleman from Louisiana asks unanimous consent to proceed for five minutes, notwithstanding the rule. Is there objection?

There was no objection.

Mr. LAZARO. Mr. Chairman, the distinguished gentleman from Illinois [Mr. HENRY T. RAINEY] says that he can not understand why we should ask for this increased rate on rice. I want to say to the gentleman that I have the honor to represent the largest rice-producing district in the United States. We were appealed to to increase our production. Our people have gone to work and bought more land at a high price. They have bought implements and fertilizers at high prices. They have bored deep wells for the purpose of irrigation, and this year they have made the largest rice crop they ever produced in the history of the country. Now, not only is rice quoted below the cost of production, but we have practically no market for our rice. Not only that, but Asiatic rice is being imported, and unless something is done to protect our farmers the majority of them will go into bankruptcy.

I stated this morning that I had always contended that agricultural products should receive protection in proportion to manufactured products. I have always been consistent on that. I voted against this reduction in the Underwood tariff bill, and I know that I was right, because following the passage of that bill the importations of rice jumped up to about four times what they were before, and those importations have increased very much since. I repeat that our people are entitled to this protection, and the gentleman's amendment should be defeated. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois [Mr. HENRY T. RAINEY].

The question being taken, the amendment was rejected.

The Clerk read as follows:

> 10. Oils: Peanut, 26 cents per gallon; cottonseed, coconut, and soya bean, 20 cents per gallon.

Mr. HENRY T. RAINEY. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Illinois moves to strike out the paragraph.

Mr. HENRY T. RAINEY. Mr. Chairman, I want to call attention to the fact that this tariff proposes these very high rates on peanut oil, which, of course, comes from the peanuts produced in one section of this country; upon cottonseed oil, coconut oil, and soya-bean oil.

There are other vegetable oils, many of which can take the places of these oils on the market.

In this badly balanced bill no provision is made for almond oil, or Chinese nut oil, or cod-liver oil, or fish oils of various kinds, or for flaxseed oil, or linseed oil, or lemon oil, or olive oil, or rapeseed oil, and a number of other oils to which I might call attention.

Mr. FORDNEY. Will the gentleman yield?

Mr. HENRY T. RAINEY. Certainly.

Mr. FORDNEY. I will say to the gentleman that the oils he has just mentioned do not come in competition with cottonseed oil, for the reason that they are not used in the manufacture of soap, as are the oils that are mentioned in this bill.

Mr. HENRY T. RAINEY. No; the oils which I have mentioned are not produced in a certain section of this country, and that is the reason you do not include them; but they can come in here and be sold on the market and become substitutes for the oils that are produced here, and some of them can be used in the manufacture of soap. If you want to make a well-balanced bill, if you really want to protect cottonseed oil, the way to do it is to include these other oils; because if substitutes can be imported under the old rates, then the rates you impose will absolutely fail of their purpose, even as a political argument.

The CHAIRMAN. The question is on the amendment of the gentleman from Illinois [Mr. HENRY T. RAINEY] to strike out the paragraph.

The question being taken, the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I have an amendment to the paragraph.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 21, after paragraph 10, add a new paragraph as follows:
10½. Oil cake, 1½ cents per pound.

Mr. LONGWORTH. I raise the point of order that the amendment is out of order.

The CHAIRMAN. The gentleman from Ohio makes the point of order that the amendment is not in order.

Mr. BLANTON. Will the Chair hear me on the point of order?

The CHAIRMAN. The Chair will hear the gentleman very briefly.

Mr. BLANTON. Clearly, Mr. Chairman, this comes within the provision of the rule. It is germane to the item. It is right in connection with the subject of oil, in the same paragraph where cotton seed is mentioned. Oil cake is a product of cotton seed and has some oil in it. Clearly it comes within the rule.

The CHAIRMAN. The Chair will state that the rule as interpreted by the Speaker and by Chairmen of the Committee of the Whole in the past precludes an amendment which introduces a new subject matter into the bill. The Chair thinks that the amendment of the gentleman from Texas introduces new subject matter, and therefore the Chair sustains the point of order.

Mr. MILLER. Mr. Chairman, I move an amendment to paragraph 10, line 20, page 2, to strike out the figures "26" cents per gallon on peanut oil and to substitute ".10"; and in line 21, cottonseed, cocoanut and soya bean oil, to strike out "20" and substitute "6."

The CHAIRMAN. The gentleman from Washington offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MILLER: Page 2, line 20, strike out "26" and insert in lieu thereof "10," and line 21, strike out "20" and insert in lieu thereof "6."

Mr. MILLER. Now, Mr. Chairman, I believe there is at present 6 cents a gallon on peanut oil.

Mr. FORDNEY. And no duty at all on the other three.

Mr. MILLER. We are presented with this spectacle, that without a hearing, without a word of testimony before the Ways and Means Committee, that committee arbitrarily placed a duty on these oils, and one of the greatest industries on the Pacific coast, in the importation of oils, without a hearing will be absolutely crushed. I have the honor to represent the city that is the center of the oil-importing industry, and we have invested millions of dollars in that industry.

Mr. CRISP. Will the gentleman yield?

Mr. MILLER. Certainly.

Mr. CRISP. From what country comes the importation of these oils?

Mr. MILLER. Mainly from Manchuria.

Mr. CRISP. Japan and China.

Mr. MILLER. Yes; there is nothing new about that, the gentleman must certainly know that.

Mr. HENRY T. RAINEY. Will the gentleman read in his time the protest of the Foreign Commerce Association of the Pacific coast?

Mr. MILLER. Yes. Mr. Chairman, I desire to read in my time certain telegrams from the Seattle Chamber of Commerce, the Exporters' Association of Seattle, and others. I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to extend his remarks in the RECORD. Is there objection?

Mr. BLACK. Reserving the right to object, how many telegrams does the gentleman intend to insert?

Mr. MILLER. I have six.

The CHAIRMAN. Is there objection to the request of the gentleman from Washington?

There was no objection.

The telegrams are as follows:

SEATTLE, WASH., *December 21.*

Congressman JOHN F. MILLER,
Washington:

Representative delegation importers has appeared before this chamber to emphasize importance of vegetable-oil traffic to commerce and industry of Pacific coast and entire country and to protest against proposed prohibitive duty in emergency tariff bill on soya, peanut, and other vegetable oils. We respectfully join in appeal that Pacific coast importers be given hearing and full opportunity to present vital facts before action is taken on this item. Washington lime manufacturers need protection against Canadian competition.

SEATTLE CHAMBER OF COMMERCE.

—

SEATTLE, WASH., *December 21.*

Hon. JOHN F. MILLER,
Representative, Washington, D. C.:

Understand proposed placing prohibitive tariff on imported rice, beans, peanuts, and similar foodstuffs and vegetable oils. We respectfully protest any summary action in this regard and request you use your influence with committee in charge, defer action until all interests can be heard. If reported correctly, proposed tariffs on peanut, soya bean, and other vegetable oils, also peanuts, rice, beans, etc., will not operate to secure expected revenue, as will rather act to prevent any importation these articles. Restriction of importation will also act to curtail our ability to export, thus working great hardship on labor through closing of factories; also, if imports and exports curtailed, our merchant marine will materially suffer by being deprived of tonnage necessary for its successful operation. We also strongly consider restriction importation will act as bar to reducing present high cost of living to great body consumers. The use of imported oils in the paint and varnish trade has materially reduced cost of manufacture. View large amount building likely develop, consider it detrimental to best interests country. Practically prohibit use these oils this trade. View above mentioned facts, we feel account large interests vitally affected by proposed action that in any event we entitled to full hearing prior to any legislation as extensive in its results as that proposed.

IMPORTERS' AND EXPORTERS' ASSOCIATION OF SEATTLE.

—

SEATTLE, WASH., *December 21.*

JOHN F. MILLER, M. C.,
Washington, D. C.

MY DEAR MR. MILLER: Today's press dispatches report introduction for action to-morrow special tariff bill providing, in part, prohibitive duties on rice, beans, peanuts, soya-bean oil, and peanut oil. Such drastic measure will, in my opinion, based on personal experience as a custom-house broker during operation of Dingley tariff of 1897, entirely eliminate such trade to this coast, except inconsequential shipments for local Japanese and Chinese consumption. The attitude of my firm can hardly be considered as selfish when the question involves one where Seattle's fine terminals and storage facilities are likely to be empty. To-day six American ocean-going steamers are tied up in Smiths cove for lack of either outward or inward cargoes, and the question of whether special tariff legislation is going to improve certain difficult conditions prevailing at this time is too doubtful and important to pass without exhaustive hearings from both sides to show that the cottonseed people of the South and the rice, beans, and peanut people are not making a reasonable profit. The northwest corner of the United States is so sparsely populated that our future depends upon water-borne trade, and I trust that you will be able to use your good influences along the lines suggested to you by to-day's telegram from the Pacific Coast Foreign Commerce Association.

B. ROY ANDERSON.

—

SEATTLE, WASH., *December 21, 1920.*

JOHN F. MILLER, M. C.,
Washington, D. C.:

Proposed tariff on oriental products exciting much protest along Pacific coast. Conditions apparently warrant careful consideration, and trust you will arrange proper hearings on subject.

CHINA CLUB OF SEATTLE,
CLANCEY M. LEWIS, *President.*

—

SEATTLE, WASH., *December 21, 1920.*

Hon. JOHN F. MILLER,
House of Representatives, Washington, D. C.:

We understand some action is to be taken to-morrow on Fordney tariff bill. We respectfully protest against what we consider a prohibitory duty proposed on rice, peanuts, beans, soya-bean oil, and peanut oil, and other imported foodstuffs. Such prohibitory duty will primarily increase cost of living, as all these commodities directly affect the average man's food. Such prohibitory duty will destroy enormous investment in ships, docks, warehouses, tanks, refineries, and affiliated interests. Our import oil industry particularly deserves fair treatment. This new industry, wrested from Germany during the war, employs thousands in transportation, manufacturing, selling, etc., and is a tremendous influence in reducing cost of living. Proposed duties would wipe out, with tremendous losses. Such prohibitory duty will also seriously hinder our entire export trade, because in order to balance trade we must import if we also export. There are a number of American steamships now idle in Seattle harbor for want of inbound cargo. Such prohibitory tariff will tie up still more. We respectfully urge you to cooperate in securing an equitable adjustment of tariff which will not entirely annihilate Pacific coast foreign traders and allied industries. We urge you to use your influence to postpone definite action of committee until Pacific coast interests can be given full hearing.

FOREIGN COMMERCE ASSOCIATION OF THE PACIFIC COAST.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph and amendments thereto close in three minutes.

The CHAIRMAN. The gentleman from Michigan moves that all debate on the paragraph and amendments thereto close in three minutes.

The motion was agreed to.

Mr. FORDNEY. Mr. Chairman, I want to say to the gentleman from Seattle that the people of Seattle are much interested in the exclusion of the Japanese, but the products this gentleman is now asking to be imported are products produced by the Japanese abroad and come in competition with the products of American labor. A year ago 500,000 tons of vegetable oils came into this country from Japan and China through the ports of San Francisco and Seattle. I have been covered up by telegrams, and the Seattle Chamber of Commerce sent a man here to see me to induce me to withdraw my objection to these oils coming into this country so that the docks of Seattle and the men who have money invested in those docks can make money out of the foreign importations coming into the country to destroy American capital and American labor. [Applause.] There is nothing to the proposition beyond that.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

11. Cattle, 30 per cent ad valorem.

Mr. HENRY T. RAINEY. Mr. Chairman, I move to strike out the paragraph.

Mr. Chairman, the way to protect the cattle industry in this country, if there is a way by imposing tariffs, is to put a prohibitive tariff on the importation of beef. It is not the intention of those who stand for this bill on the other side of the House to interfere in the least with the profits of the Chicago packers. Cattle are not brought into this country for consumption purposes. It is proposed that carcasses of cattle coming here from the great plants of the Chicago packers in the Argentine and other section of the world may continue to come. Frozen carcasses imported come into competition with cattle produced in this country in the markets, and if there is any influence exercised here by importations to keep down the price of cattle on the ranges of the West, this is the influence which does it. But they have dealt tenderly with the packers and their unconscionable profits and they have left out of this bill the frozen carcasses of beef which the packers want to put on this American market, and the Republican Party does not propose to object to it.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. HENRY T. RAINEY. Yes.

Mr. MOORE of Virginia. Is it not a fact that the American packers are largely operating in Argentina and Canada?

Mr. HENRY T. RAINEY. Yes.

Mr. MOORE of Virginia. Is it not a fact that they are importing frozen beef and veal into this country?

Mr. HENRY T. RAINEY. Yes; and mutton also.

Mr. MOORE of Virginia. Is it not a fact that the omission of frozen beef and veal from this bill is in deference to the American packing interests?

Mr. HENRY T. RAINEY. Absolutely, and I thank the gentleman for his contribution to my speech. We have brought in 100,000 less cattle this year than in the 10 months of last year. We do not bring in over 350,000 from all sections of the world outside of the United States. We bring in forty or fifty thousand from Mexico and the rest of the 350,000 comes from Canada.

We do not bring in fat cattle ready for the market. We bring in feeders.

Mr. BENSON. Mr. Chairman, will the gentleman yield?

Mr. HENRY T. RAINEY. Not now. I have not the time. We bring in feeders from Canada and feeders from Mexico to consume the corn in the corn belt of this country and to help keep up the price of corn on American farms, and those feeders go to markets in Chicago and Kansas City and East St. Louis. A small number of cattle we bring in are brought in for breeding purposes, to improve our herds. None of those come from Mexico. They come from Canada, where, in some breeds, they have better cattle than we have here. They come in to improve our herds, and the contention is the argument used before our committee—and there were hearings on the subject of cattle and of sheep—that we want legislation to preserve the breeding cattle of the country. How can we preserve the breeding cattle of this country by this legislation, which keeps breeding cattle out? How we are going to add to the number of breeding cattle in this country by imposing a prohibitive tariff, which affects feeders principally, but which keeps out principally breeding cattle, is more than I can understand. Perhaps these gentleman who stand for this bill can furnish the argument that will sustain such a position as that.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. FORDNEY. Mr. Chairman, I move that all debate upon this paragraph and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The CHAIRMAN. The question will first be taken upon the amendment of the gentleman from Illinois [Mr. HENRY T. RAINEY].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas [Mr. BLANTON].

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 22, after the word "valorem," strike out the period and insert a semicolon and the following: "Cattle hides, 3 cents per pound; fresh beef and veal, 5 cents per pound; frozen beef and veal in cold storage at the time this bill shall become a law, 5 cents."

Mr. LONGWORTH. Mr. Chairman, I make the point of order that the amendment of the gentleman violates paragraph 3 of Rule XXI, introducing new subject matter.

The CHAIRMAN. The amendment offered by the gentleman from Texas seeks to introduce hides, fresh beef and veal, and frozen beef and veal, and the Chair thinks it is an effort to introduce a new subject matter, which would be in violation of paragraph 3 of Rule XXI.

Mr. BLANTON. Mr. Chairman, will the Chair hear me for a minute?

The CHAIRMAN. Certainly.

Mr. BLANTON. Are not beef and veal and hides all part of the term "cattle"?

The CHAIRMAN. The Chair thinks that hides are different from cattle, and a proposal to insert hides in the bill is a proposal to insert an item on a different subject than that provided in the bill. The Chair, therefore, sustains the point of order.

Mr. MANSFIELD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. MANSFIELD: Page 2, line 22, after the words "ad valorem," strike out the period and insert a semicolon and the words "frozen beef, 2½ cents per pound."

Mr. LONGWORTH. Mr. Chairman, I make the same point of order.

The CHAIRMAN. The Chair sustains the point of order, and the Clerk will read.

The Clerk read as follows:

13. Fresh mutton and lamb, 2½ cents per pound.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 2, line 25, after the word "lamb," strike out the figures "2½" and insert "5"; and after the word "pound," strike out the period, insert a semicolon, and add the following: "Imported fresh mutton and lamb in cold storage at the time this bill shall become a law, 5 cents."

Mr. LONGWORTH. Mr. Chairman, I make the point of order against the amendment.

The CHAIRMAN. The Chair will hear the gentleman. The Chair thinks the amendment is possibly not in the best form, but the Chair does not think that it is not in order.

Mr. GREEN of Iowa. Mr. Chairman, I call the attention of the Chair to the fact that this amendment undertakes to place a tax on cold-storage mutton, whereas this bill is entirely concerned with tariff duties. Surely that half of the amendment can not be in order.

Mr. LONGWORTH. Mr. Chairman, it seems to me that this would come under the ruling of the Chair as applied to the first amendment offered to wheat, making a different method of administration.

Mr. GARRETT. Mr. Chairman, I ask unanimous consent that the amendment may be again reported.

The CHAIRMAN. Without objection, the amendment will again be reported.

The Clerk again reported the amendment offered by Mr. BLANTON.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the words "per pound" be added at the end of the amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to modify his amendment in the manner indicated. Is there objection?

Mr. WHEELER. Mr. Chairman, I object.

Mr. BLANTON. Then, Mr. Chairman, I ask unanimous consent to withdraw it altogether.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

Mr. HUDSPETH. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HUDSPETH: Page 2, line 25, after the word "lamb," strike out the figures "2½" and insert the figure "3."

Mr. BLANTON. Mr. Chairman, I offer a substitute for the amendment offered by my colleague.

The CHAIRMAN. The gentleman from Texas [Mr. BLANTON] offers a substitute, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON as a substitute to the amendment offered by Mr. HUDSPETH: Page 2, line 25, after the word "lamb," strike out "2½" and insert "5," and after the word "pound" strike out the period, insert a semicolon, and add the following: "imported fresh mutton and lamb in cold storage at the time this bill shall become a law, 5 cents per pound."

Mr. LONGWORTH. Mr. Chairman, I make the point of order against the substitute.

The CHAIRMAN. The Chair sustains the point of order on the ground that the amendment offered by the gentleman from Texas is not a substitute.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto be now closed, and I ask that the amendment be voted down.

The question was taken, and the motion was agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. HUDSPETH].

The question was taken, and the Chair announced the noes seemed to have it.

Mr. BLANTON. Mr. Chairman, let us have a division and see how many Republicans will go back on their doctrine.

The question was taken; and there were—ayes 27, noes 42.

Mr. BENSON. Mr. Chairman, I make the point of no quorum.

The CHAIRMAN. If the gentleman will rise in his place the Chair will recognize him. The gentleman from Maryland makes the point of order there is no quorum present. The Chair will count. [After counting.] One hundred and thirty-four gentlemen are present, a quorum, so the amendment was rejected.

Mr. JONES of Texas. Mr. Chairman, my colleague [Mr. YOUNG of Texas] did not have time before he left here, and I desire on his behalf to ask unanimous consent that he may extend and revise his remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. DEMPSEY. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HAUGEN. I make the same request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. LAYTON. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. FLOOD. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

14. Cotton having a staple of 1⅛ inches or more in length, 7 cents per pound.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I would like to have the attention of the committee, and I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed for 10 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HUMPHREYS. Mr. Chairman, I want to call the attention of the chairman and of the committee seriously to this proposition. You propose to levy a duty of 7 cents a pound on cotton 1⅛ inches in length. Out of a crop this year estimated to be 13,000,000 bales, in round figures, there will be probably sixty, or at the outside seventy-five, thousand bales of cotton 1⅛ inches in length. This provision runs counter both to the Republican doctrine, as announced by Mr. LONGWORTH yesterday, and to the Democratic doctrine, as announced by Mr. GARNER to-day.

Mr. OVERSTREET. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. OVERSTREET. You said there were only how many bales?

Mr. HUMPHREYS. About 60,000 or 75,000 bales of 1⅛-inch cotton raised in the United States this year.

Mr. OVERSTREET. That would give protection to that much, would it not?

Mr. HUMPHREYS. Out of 13,000,000 bales of cotton produced, 60,000 bales, or possibly 75,000 bales, will be produced this year of 1⅛-inch staple, or about one-half of 1 per cent of our crop. This is, then, a tariff on a noncompeting product, which, I understand, is contrary to the Republican doctrine of protection. I know of no man who can speak more authoritatively of the Republican doctrine of protection than the gentleman from Ohio [Mr. LONGWORTH].

In his address yesterday he said, among other things:

It is true that it would be possible to raise very large additional revenues from the customs if we adopted the principle of imposing duties on noncompeting articles like tea and coffee, as Great Britain does, but that would be in violation of the protective principle as I understand it.

And so forth.

As only one-half of 1 per cent of the estimated cotton crop this year will be protected by a duty on cotton of 1⅛-inch staple, I think this provision comes clearly within his category of "noncompeting articles."

If the committee had in mind when it inserted this item its theory of protection, instead of limiting the duty to cotton of a staple length of 1⅛ they should have left out all limitation whatever.

If this were done it might raise a very substantial revenue or it might keep out cotton that does actually come in competition with one American industry, which, from the Republican viewpoint, is desirable. The cotton, for instance, that is imported from China is of a very short staple, perhaps one-half inch or five-eighths of an inch. It is a peculiar character of cotton—coarse, and of great resiliency—and it is used as a substitute for wool. In fact, I am told that some of our enterprising New England manufacturers make wool mattresses out of cotton imported from China. That will come in free under this bill.

There is also cotton raised in South America that has a staple of an inch, or an inch and three-sixteenths, and of the same general character as this China cotton. It, too, comes in direct competition with the wool of this country. Now, if you want to have a protective measure you ought to include cotton of that staple in this bill.

As you have written it, it amounts to nothing. Seven hundred thousand bales of cotton—about as much as the State of Mississippi will produce this year—has been imported into this country during the past 10 months, and of that number of bales possibly 200,000, probably less, will measure an inch and three-eighths, and the rest will measure much less. As to the Egyptian cotton, cotton raised in the Lower Valley of the Nile, called Sakallaredis, some of it is an inch and three-eighths and some of it is an inch and five-eighths, but there is not much of that imported. There was imported from Egypt, all told, 485,000 bales, out of our total from every shore of 700,000. The crop of the Upper Valley of the Nile runs an inch and three-sixteenths to an inch and a quarter. That will come in free under this bill.

I am one of those Democrats who believe that there ought not to be many imports coming into this country without payment of duty. I do not believe in a big free list. I think that any article that comes into this country in such quantities as that, 700,000 bales, valued at some eighty-five or ninety million dollars, ought to be halted at the customhouse and required to pay a duty. We are importing cotton from SouthAmerica and some little from Mexico and from China and some from India. Why should it be permitted to come in free? This provision can not be defended as a revenue matter, because it permits 500,000 bales to enter free, and it can not be defended as a protection matter.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. GREEN of Iowa. The Egyptian cotton is long-staple cotton.

Mr. HUMPHREYS. But very little of it that comes into this country, possibly 200,000 bales out of 700,000, is 1⅛ inches, and this provision limits the duty to "cotton having a staple of 1⅛ inches and over."

Mr. FORDNEY. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. FORDNEY. The production of long-staple cotton has grown to be a great industry in this country, has it not?

Mr. HUMPHREYS. Yes.

Mr. FORDNEY. The sea-Island cotton and the Egyptian cotton is used in this country for the manufacture of certain things because of the long staple. It is used in automobile tires and mercerized cotton. If it is imported, that cotton comes into competition with that which is raised in this country.

Mr. HUMPHREYS. But this will keep it out only when it has a staple of 1⅛ inches, and a very small part of our long-staple cotton has a staple of 1⅛ inches.

Mr. FORDNEY. The imported is as long as that, and that takes the place of your long-staple cotton which is under 1⅛ inches.

Mr. HUMPHREYS. There is very little of that length imported. For instance, in August there were 23,000 bales imported, and of that amount only 12,000 bales came from Egypt. In September 20,000 bales were imported, and only 2,400 of them came from Egypt. In October 13,000 bales were imported, and only 1,200 bales came from Egypt. In November 22,000 plus, and only 2,900 from Egypt.

Mr. GREEN of Iowa. All the long-staple cotton does not come from Egypt.

Mr. HUMPHREYS. No; and not all the cotton that comes from Egypt is an inch and three-eighths. A little of it comes from Peru. Sixty-three thousand bales altogether came from Peru, but it is not of an inch and three-eighths. Most of the Peruvian cotton is from an inch and three-sixteenths to an inch and a quarter. You let that come in free.

Mr. FORDNEY. The imported long-staple cotton that we want to put a duty on is from about 40 to 50 per cent of the total imports, and 275,000,000 pounds came in last year.

Mr. HUMPHREYS. What is long-staple cotton? The bill says "having a staple of 1⅜ inches or longer." This is not the proper definition of long-staple cotton. When cotton has a staple of 1⅛ inches it is long staple; so that when the gentleman says that we imported 275,000,000 pounds last year of long-staple cotton he is accurate, but only a small part of that was 1⅜-inch cotton. The gentleman from Florida [Mr. CLARK] would not call 1⅛ inches long staple, because he is thinking only of sea-island cotton, but the total crop of sea-island cotton this year, I am told by the Department of Agriculture, will probably not be more than 4,000 or 5,000 bales. It is suggested that this tariff may encourage larger production of sea-island cotton in this country, but let us remember that this is merely a temporary measure, intended to meet an existing emergency, and expires by its own terms 10 months after its approval. So, out of the 700,000 bales you are permitting at least 500,000 bales still to come in and pay no duty. Now, why should cotton or anything else come into this country in such quantities without paying its toll?

Mr. FORDNEY. There has never been a duty on cotton, because we were always exporters of short-staple cotton, but not of long-staple cotton.

Mr. HUMPHREYS. You propose to protect it now, and gentlemen on this side propose to raise revenue by it.

Mr. FORDNEY. We have never exported long-staple cotton, but we have exported 60 per cent of our total production of short-staple cotton.

Mr. HUMPHREYS. I saw 2,000 bales of as fine long-staple cotton as I ever laid eyes on consigned to Liverpool from my county the other day.

Mr. OVERSTREET. What was the length of it?

Mr. HUMPHREYS. It was what they call commercial quarters, one and three-sixteenths full, and some of it an inch and a quarter full, strict middling and good middling cotton.

I am not laboring under the delusion that this duty is going to increase the price of cotton. Some gentlemen think it may, by keeping out long-staple cotton from abroad, enable producers of that staple here to sell their cotton, which they can not do now.

The point I am trying to make is that, as written in the bill, it is not in accordance with the Republican theory of protection, and as it fails to levy any duty on the great bulk of imported cotton it does not measure up to the Democratic requirement of a tariff for revenue.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. COLLIER. I ask unanimous consent that my colleague may proceed for five minutes more.

The CHAIRMAN. The gentleman from Mississippi [Mr. COLLIER] asks unanimous consent that the time of his colleague be extended five minutes. Is there objection?

There was no objection.

Mr. HUMPHREYS. I know the chairman of the committee [Mr. FORDNEY] wants to close debate, and my friend from Arizona [Mr. HAYDEN] has an amendment which he wishes to offer, so I do not want to take up too much of the time; but I do want the House to understand seriously that this provision in the bill will accomplish nothing. It does not protect anybody, because out of the 13,000,000 bales produced in this country only 60,000 or 75,000 are of 1⅜-inch staple; and it will not raise any revenue, because it admits the great mass of the cotton that is imported into the country which is of less than the required length of staple free.

Mr. CLARK of Florida. I should like to state to the gentleman that in 1918 there were imported 92,359,000 pounds; in 1919, 125,000,000 pounds; and in 1920, 275,000,000 pounds of long-staple cotton, 1⅜ inches and over, which was brought into this country in competition with our long-staple cotton.

Mr. HUMPHREYS. Oh, no. The gentleman is correct in saying that much long-staple cotton was imported, but only a small part of it was an inch and three-eighths. Anything that is over an inch and one-eighth is listed as long-staple cotton, but all of it ought to be required to pay a revenue tariff, in my opinion, regardless of length; but whether you say protection or whether you say revenue, the result is just the same. You can choose either horn of the dilemma. But in neither instance does your bill as it is written meet the situation.

Mr. CLARK of Florida. Does not the gentleman think 7 cents a pound will give us rather liberal protection?

Mr. HUMPHREYS. If your cotton is an inch and three-eighths, but not otherwise.

Mr. CLARK of Florida. Yes.

Mr. HUMPHREYS. But it will not affect cotton of shorter staple than that.

Mr. CLARK of Florida. No.

Mr. HUMPHREYS. And only one-half of 1 per cent of the American crop this year is one and three-eighths or longer.

Mr. OVERSTREET. Has the gentleman offered an amendment?

Mr. HUMPHREYS. No. I withdraw the pro forma amendment.

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Michigan moves that all debate on this paragraph and all amendments thereto close in five minutes.

The motion was agreed to.

Mr. WALSH was recognized.

Mr. HAYDEN. Mr. Chairman, I offer the amendment which I send to the Clerk's desk.

The CHAIRMAN. Has the gentleman a perfecting amendment?

Mr. HAYDEN. Yes.

The CHAIRMAN. The Clerk will report the perfecting amendment.

Mr. WALSH. I understand that I have been recognized, Mr. Chairman.

The CHAIRMAN. Yes; but the Chair thinks an amendment to perfect the text has precedence over a motion to strike out the paragraph.

Mr. WALSH. It will have precedence when it comes to voting on it, but I do not understand that the gentleman has first right to the floor.

Mr. WINGO. Mr. Chairman, the gentleman who offers a perfecting amendment is entitled to preference, and the gentleman from Arizona has offered a perfecting amendment.

The CHAIRMAN. The Chair thinks that having recognized the gentleman from Massachusetts to offer his amendment, the gentleman from Massachusetts is entitled to have five minutes in which to debate that amendment. The Chair regrets that that will have the effect of depriving the gentleman from Arizona of the right to debate his amendment.

Mr. WINGO. I make the point of order, Mr. Chairman, that the gentleman from Arizona has a right to demand the floor on his amendment.

Mr. WALSH. I ask unanimous consent to withdraw my amendment, and will yield to the gentleman from Arizona.

The CHAIRMAN. The gentleman from Massachusetts withdraws his amendment, and the Chair recognizes the gentleman from Arizona. The Clerk will report the amendment of the gentleman from Arizona.

The Clerk read as follows:

Amendment by Mr. HAYDEN: Page 3, line 1, strike out "three-eighths" and insert in lieu thereof "one-eighth."

Mr. LONGWORTH. Mr. Chairman, I raise a point of order against that. The gentleman undertakes by his amendment to include an entirely different article from the one mentioned.

The CHAIRMAN. The Chair will hear the gentleman from Ohio on the point of order.

Mr. LONGWORTH. It is true the amendment applies to cotton, but there are various kinds of cotton used for entirely different purposes. The paragraph undertakes to deal with one species of cotton, and one only, used for an entirely different purpose than the one that the gentleman seeks to include. Long-staple cotton has a peculiar use. Short-staple cotton has a great variety of uses which the long-staple cotton has not. I submit that this is in effect a different item, a different subject matter than the one provided for in the bill and that the value may be entirely different and the rate of duty might be very greatly changed by the inclusion of such an amendment.

Mr. HAYDEN. Mr. Chairman, I desire to be heard on the point of order. The gentleman from Ohio [Mr. LONGWORTH] is correct in his statement that the value and the uses of long-staple cotton are entirely different from short-staple cotton and that this paragraph deals solely with long-staple cotton. The question therefore is, What is long-staple cotton? The authority best qualified to answer is the Bureau of Crop Estimates of the Department of Agriculture, which has for years in its reports divided American-grown cotton into two classes: Cotton less than 1⅛ inches in length is classified by that bureau as short staple. All cotton 1⅛ inches or more in length is defined as long staple.

The figures which I have obtained from the bureau show that for 1919 short-staple cotton comprised 91.2 per cent of the American crop, and that cotton having a staple 1⅛ inches or longer amounted to only 8.8 per cent of the total production that year. If for no other reason, this bill should conform to the existing Government standard for long-staple cotton and

thus avoid much practical difficulty for the Customs Service. Since my amendment includes nothing but a mere matter of description, it is obviously not subject to the point of order.

Mr. GREEN of Iowa. Mr. Chairman, in drawing this provision, on inquiring of the officials of the Treasury Department we found that there seemed to be no definite standard for long-staple or sea-island cotton. The term "sea-island cotton" was not definite enough to include all long-staple cotton. At first we intended to use the words "sea-island cotton" or "long-staple cotton," but we were informed that if we did so the words would be so indefinite that it was doubtful if the duty could be enforced. So we were obliged to specify a certain length. The gentleman is correct as to the Bureau of Markets classification of long and short staple cotton, but its classification does not agree with what I found in the encyclopedias and many works on cotton. In any event, the classification we were trying to get at was a different one. We were trying to put a tariff on the imported long-staple cotton that comes in competition with sea-island cotton that is grown in the eastern part of the Southern States. The cotton to which the duty applies comes principally from Egypt, some of it from the West Indies, and a little from other countries. It constitutes about one-half of our imports of cotton. There is some upland cotton in this country that grows to a length exceeding one and a quarter inches.

SEVERAL MEMBERS. Where?

Mr. GREEN of Iowa. Well, I got my information from the gentleman from Mississippi [Mr. COLLIER], who lives in a cotton-growing district and who knows something about it, and from standard works on cotton. The real long-staple cotton is a different variety, which differs from the short staple not only in length of fiber but in many other particulars.

Mr. HUMPHREYS. The whole bill applies to cotton in excess of an inch and three-eighths.

Mr. GREEN of Iowa. The object of the provision was to make a classification which would determine the duty on the foreign cotton.

The CHAIRMAN. The Chair overrules the point of order.

Mr. HAYDEN. Mr. Chairman, upon the merits of my amendment let me say that paragraph 14, which provides for a duty of 7 cents a pound on cotton having a staple of 1⅛ inches or more can not be justified either as protection or as a revenue legislation. If it is designed as a protective tariff on long-staple cotton it fails miserably, because but about 1 per cent of the cotton produced in the United States has a staple of 1⅛ inches or more. The statistics compiled by the Bureau of Crop Estimates show that 98½ per cent of the cotton grown in this country has a staple less than 1⅛ inches in length, so I am conservative in making that statement.

Those who believe in a tariff for revenue only can not support this paragraph as written, because almost half of the cotton imported from Egypt and practically all of the cotton which comes from Peru will escape the payment of any duty. As the gentleman from Mississippi [Mr. HUMPHREYS] has pointed out, the cotton from upper Egypt does not have a staple as long as 1⅛ inches. Peruvian cotton varies in staple from 1⅛ to 1¼ inches, so it will come in duty free. The following figures furnished me by the Department of Commerce show the total imports of cotton into the United States for the 12 months ending July, 1920:

Countries of production.	Pounds.
Nicaragua	422
Panama	9,840
Mexico	32,671,216
British West Indies	26,126
Dominican Republic	99,824
Haiti	5,156,430
Argentina	42,570
Bolivia	267,071
Brazil	1,490,768
Ecuador	6,667
Peru	31,713,093
Venezuela	18,879
China	28,592,540
British India	7,178,898
Dutch East Indies	330,466
Japan	56
Egypt	242,501,962
Total	350,106,828

If all of this 350,000,000 pounds of cotton had been taxed at the rate of 7 cents a pound, $24,500,000 in revenue would have been derived therefrom. Importations of cotton broke all records last year, and it is hardly to be expected that the same dumping process will be continued. The normal importation of long-staple cotton from Egypt is about 200,000 bales or 100,000,000 pounds. If my amendment is adopted, about $7,000,000 of much-needed revenue will be collected from that source if this bill becomes a law.

The gentleman from Michigan [Mr. FORDNEY] prints as a part of his report on this bill a table prepared by the Government actuary which shows that revenue to the extent of $130,395,586.50 will be collected at the customhouses if this bill becomes a law. The actuary made the figures in his estimate close enough to include a 50-cent piece, yet nowhere in his table is any mention made of a single dollar of revenue to be derived from this duty on "cotton having a staple of 1⅛ inches or more in length." Perhaps the majority of the Committee on Ways and Means deceived themselves into believing that this provision of the bill will give the growers of long-staple cotton some relief, but they could not fool the actuary. He knew what he was doing when he made up the table that I hold in my hand, which shows no estimated revenue from this proposed duty of 7 cents a pound on imported cotton.

Mr. GARRETT. Will the gentleman yield?

Mr. HAYDEN. I yield to my friend from Tennessee.

Mr. GARRETT. Has the gentleman considered his amendment in connection with section 15?

Mr. HAYDEN. I have.

Mr. GARRETT. What does the gentleman think will be the effect under section 15?

Mr. HAYDEN. I shall consider that question when we come to it.

Mr. GARRETT. Is it not a fact that if the amendment prevails it will be a wholly unnecessary thing as far as protection is concerned, and the effect will be to increase to the consumer the cost of clothing manufactured in this country?

Mr. HAYDEN. Compensatory duties have heretofore been the means of extending so much unjustifiable protection to woolen manufacturers that I am opposed to that kind of tariff legislation on any commodity. The inherent difficulty of estimating whether long-staple cotton is the material of chief value in a manufactured product containing mixed cotton is bound to lead either to fraud or favoritism. I shall therefore vote to strike out of the bill paragraph 15, which levies a tariff of 7 cents a pound, in addition to the rates of duty imposed by existing law, on manufactures of which long-staple cotton is the principal component material. Let us avoid all such complications and permit each industry to stand on its own foundation.

Mr. Chairman, it is quite evident that I will not have another opportunity to speak on this paragraph of the bill, so I shall discuss in advance the other amendments which I shall offer to it. The first provides for a duty of 30 cents a pound on long-staple cotton, which is the same rate as provided for washed wool in paragraph 16 of this section. Obviously, that is a protective duty and will equalize the cost of production between Egypt and the United States. The Chamber of Commerce of Phoenix, Ariz., recently compiled statistics to show that the average cost of producing a pound of cotton in the Salt River Valley this year was 72 cents. Another set of figures prepared by W. H. Sexton, an expert statistician, for C. G. Jones, E. W. Hudson, and a few other experienced cotton growers of Tempe, Ariz., show that their average cost of production was 52 cents a pound for the present crop.

I have no accurate figures on the cost of producing cotton in Egypt, but I am reliably informed that prior to 1914 agricultural labor was paid 20 cents a day in that country, and that the daily wage of the fellaheen (who may be compared with the Mexican for efficiency) is not more than 40 to 50 cents at the present time. Comparing such wages with the minimum of $3.50 paid for common day labor in Arizona, it is evident that cotton can be produced in Egypt for about one-half of our costs, notwithstanding the fact that the land values and rents are about equal.

If my amendment for a duty of 30 cents per pound is defeated, I shall offer an amendment making the duty 15 cents, the same as is provided in this bill for unwashed wool. Unwashed wool can be compared to seed cotton, which is never imported; but lint cotton is on a parity with scoured wool, for which section 16 extends protection to the extent of 45 cents a pound. I am told that the cost of cleaning Pima cotton prior to spinning is negligible, so that I can safely make this statement.

In case my second amendment is rejected, I shall then offer an amendment making the duty on long-staple cotton 25 per cent ad valorem, which is strictly a tariff for revenue only. The price of Egyptian cotton before the World War was about 20 cents per pound, and it is reasonable to suppose that it will not be worth more than 40 cents per pound in the future. An ad valorem duty of 25 per cent will mean an average tax of 10 cents a pound on a class of cotton which is principally used in the manufacture of fancy dress goods, fine thread, and cord tires for automobiles. I know of no better way to obtain an equitable customs duty than by the imposition of such a tax, which will produce about $10,000,000 annually.

I have demonstrated that section 14 in its present form will produce very little revenue and is practically useless for even incidental protection. It now costs 4 cents a pound in the seed, or at least 15 cents per pound of lint, to pick Pima cotton with Mexican labor in my State. A duty of 7 cents will not equal half the expense of picking and will offer no encouragement to farmers who saw consigned cotton from Arizona sell at $1.26 a pound less than a year ago. If the majority who are in control of the House have any real desire to benefit the producers of long-staple cotton in the United States, they will abandon this camouflage provision and accept my amendment.

The CHAIRMAN. The time of the gentleman from Arizona has expired. The question is on the amendment offered by the gentleman from Arizona.

The question was taken; and on a division (demanded by Mr. HUMPHREYS) there were—ayes 34, noes 42.

So the amendment was rejected.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HAYDEN: Page 3, line 2, strike out "7 cents" and insert "30 cents."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arizona.

The amendment was rejected.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Page 3, line 2, strike out "7 cents" and insert "15 cents."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arizona.

The question was taken; and on a division (demanded by Mr. OVERSTREET) there were—ayes 3, noes 44.

So the amendment was rejected.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HAYDEN: Page 3, line 2, strike out "7 cents per pound" and insert "25 per cent ad valorem."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arizona.

The amendment was rejected.

The Clerk read as follows:

15. Manufactures of which cotton of the kind provided for in paragraph 14 is the component material of chief value, 7 cents per pound, in addition to the rates of duty imposed thereon by existing law.

Mr. WALSH. Mr. Chairman, I move to strike out the section.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. WALSH: Page 3, lines 3 to 6, inclusive, strike out the paragraph.

Mr. WALSH. Mr. Chairman, I make this motion because I do not believe this is the time to undertake to revise or amend in any way the cotton schedule for emergency purposes. As many of you well know, the cotton industry in New England is practically at a standstill to-day. In my home city there are 25,000 employees idle. A smaller number are working only part of the time. It is my opinion, and I am advised that it is the opinion of gentlemen who are familiar with conditions there, who are interested in this great manufacturing industry, that to undertake to put this rate of duty on Egyptian cotton at this particular time will but further add to the stagnation which now exists in that industry.

Mr. BENSON rose.

Mr. WALSH. Mr. Chairman, I decline to yield to the gentleman from Maryland. As has well been pointed out by the gentleman from Mississippi [Mr. HUMPHREYS], the long-staple cotton to which this applies is confined principally to Egyptian cotton, which is used in the New England mills for making the finest grades of goods—the mercerized goods, the very fine yarns, and thread. It is also used in the manufacture of automobile-tire fabrics and other similar uses. You would get a duty of 7 cents a pound, under the paragraph which has just been passed, in some grades of cloth made in 21-yard lots, and in other grades a much less quantity; but in using that long-staple cotton it is used with other grades of cotton, and it would be extremely difficult to ascertain just what duty was payable upon manufactured products which have this long staple in them. Furthermore, this committee has advertised hearings, as I understand it, which will be held in January, and about the 26th or 27th it is proposed to undertake a revision of the cotton schedule. As the chairman of the committee knows, and as the other senior members of that committee know, the cotton schedule is rather a scientific proposition. I believe this might well wait until they take up this cotton schedule.

It would be better to take it up and carefully study the question at that time, rather than to put it into this emergency measure.

Unfortunately, my ideas of the methods of passing tariff legislation are not in harmony with the ideas that control on the majority side. I do not think we should undertake tariff legislation by piecemeal, but that we should, before this, have undertaken a general revision. We have a committee of experienced men, for the most part, but this particular thing, I am advised and believe, will postpone the resumption of operations in a great many of those large manufacturing plants in New England that get their supply of other grades of cotton from the southern cotton fields, particularly Mississippi. I think this paragraph should be stricken out.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The question is on the amendment offered by the gentleman from Massachusetts.

The question was taken; and on a division (demanded by Mr. HAYDEN) there were—ayes 42, noes 53.

So the amendment was rejected.

Mr. MADDEN. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The question is on the motion of the gentleman from Illinois that the committee do now rise.

The question was taken; and on a division (demanded by Mr. MADDEN) there were—ayes 33, noes 76.

So the motion was rejected.

The Clerk read as follows:

16. Wool, commonly known as clothing wool, including hair of the camel, angora goat, and alpaca, but not such wools as are commonly known as carpet wools: Unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound. Unwashed wools shall be considered such as shall have been shorn from the animals without any cleaning; washed wools shall be considered such as have been washed with water only on the animal's back or on the skin; wools washed in any other manner than on the animal's back or on the skin shall be considered as scoured wool. On wool and hair provided for in this paragraph, which is sorted or increased in value by the rejection of any part of the original fleece, the duty shall be twice the duty to which it would otherwise be subject, but not more than 45 cents per pound.

Mr. HENRY T. RAINEY. Mr. Chairman, I move to strike out the paragraph. Schedule K always is the test of whether a bill is a protective tariff bill or a bill drawn from the Democratic standpoint of a tariff for revenue only. In the old days when Mr. Whitman and the Arlington Mills and the Wool Growers' Association of the West combined in order to impose upon the country high tariffs, Schedule K was announced by the experts, who present the protection side of this question always, as the very keystone of the arch. Destroy Schedule K and protection can no longer live as a policy in the United States. This was the theory upon which the Payne-Aldrich bill was constructed, and this was the theory which was rejected overwhelmingly by the people of the United States in the congressional elections two years later. If under the Payne tariff bill a rate of 11 and 12 cents per pound on wool was a proper rate in order to maintain the very keystone of the arch of protection and make a high protective tariff bill, then what shall be denominated a section which increases the tariff on raw wool, on wool in the grease, and these other varieties from 50 per cent to 200 per cent over the Payne rates? If there is any doubt as to whether this is a protective tariff bill—and I think all Democrats will agree with me that the Democratic Party stands against protection—if a rate of from 50 to 200 per cent less than this is ideal and the very keystone of the arch of a protective tariff bill, then what do these rates mean? Under this analysis this bill can not stand a Democratic test. You gentlemen on the other side will vote for it, of course, every one of you, but with the changed position we occupy now among the nations of the world your constituencies, I predict, will not stand for a high protective tariff two years from now or four years from now. You can not do it and expect your industries to live. It is a plain economic principle. Hereafter the demand for the destruction of protection will come not from the Democrats of the solid South, but I predict that the demand for the destruction of a theory, of an economic principle which makes imports more difficult, which abandons our foreign markets, will come from the sections in the East and from the great consuming centers of this country, from the financial institutions of the country.

And the time will come then for you gentlemen who sit on the other side to determine whether you will stand for a discredited principle, a principle which is discredited and destroyed by the leaders of finance in this country with whom heretofore you have considered yourself to be in line, or the principle for which you now stand.

Mr. WHEELER. Will the gentleman yield?

Mr. HENRY T. RAINEY. I predict as surely as the sun will rise to-morrow—I am unable to yield; I regret that I can not—I predict as surely as the sun will rise to-morrow the protective tariff for which you stand on this occasion in this bill will be denounced a year from now, perhaps two weeks from now, by influential constituencies in the eastern portions of this country. [Applause on the Democratic side.] We may approach a time when there will be a realignment of parties, but so far as I am concerned, no matter whether that realignment occurs or not, I propose to stand for the principles for which my party has always stood and against this principle announced in this section which builds up a keystone for the arch of protection stronger and bigger than ever was created by any tariff bill passed by any nation in the history of the world.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FORDNEY. Mr. Chairman, I move to strike out the last word. Mr. Chairman, as I have said, this bill is intended only as a relief measure, an immediate relief measure. I hope at the extra session of Congress, which will undoubtedly be called very shortly after the 4th of March, to see the Congress substitute for this bill a relief measure to remain in effect while we are preparing and passing a scientific revision of our tariff laws—as I say, it is my hope that very shortly after the beginning of the extra session of Congress that the Congress will adopt as a relief measure to prevent great importations of foreign goods coming into this country before we can prepare a tariff bill, either the Payne or the Dingley tariff law as such relief measure. [Applause on the Republican side.] Mr. Chairman, there are in this country 48,000,000 sheep. Only a short time ago, a few years ago, we had 60,000,000 sheep in this country. We consumed more than 500,000,000 pounds of wool annually for clothing for people of the United States. Therefore we must import—on the basis of our present number of sheep—into this country full one-half of the wool consumed by our people. During the war we learned a lesson that we should not soon forget and that is that we were lacking in many essential articles, both food articles, clothing, and war essentials.

There is exported from New Zealand and Australia annually in round numbers 700,000,000 pounds of wool, or three times as much as we need to import. The estimate of the Treasury Department is that under the provisions of this bill for a 12 months' period this bill will yield on wool $83,400,000 of revenue and $11,250,000 of revenue on manufactured woolens. Goodness knows we need the revenue badly; and if this bill will give relief to the people of this country who are raising sheep, an agricultural product of such great necessity for us all, we should at this moment, if possible, give that industry the immediate relief asked for. As I have stated, and I wish to repeat, the woolen men who appeared before our committee, the stock growers of the West, stated that all the sheep on the western ranges are to-day mortgaged for more money than they will sell for on the market. The sheep industry and the cattle industry is in a most chaotic condition financially. The committee, in fixing the rates on wool and other items in this bill, have taken into consideration the distressed condition of those people producing those articles. It is not claimed that this bill is scientific, but it is the best we could agree upon in the short time, having been urged by the people who came here to do something quickly in order to save many men engaged in this industry from bankruptcy. We have done that, and I hope that the committee will stand by the Ways and Means Committee in the rates fixed by this bill. We want to pass the bill to-night. There are many gentlemen here who are very anxious that the bill be passed and sent to the Senate as quickly as possible, that the Senate may take it up to-night, to-morrow, or the next day, or as soon as possible, and pass it, and if possible give the relief sought.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BLACK. Mr. Chairman, I desire to offer a perfecting amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BLACK: Page 3, at the beginning of line 10, strike out the figures "15" and insert the figure "8"; after the word "washed," in the same line, strike out the figures "30" and insert the figures "15"; and at the beginning of line 11, strike out the figures "45" and insert the figures "20."

Mr. BLACK. Mr. Chairman, the Payne-Aldrich bill classified clothing wools into three classes—class 1, class 2, and class 3. There was levied on class 1, 11 cents a pound; there was levied on class 2, 12 cents a pound; and on class 3, 4 cents a pound where the value of the wool was under 12 cents and 7 cents a pound where it exceeded 12 cents, and yet we have brought in here and advocated by Democrats as a revenue bill a tariff on clothing wool which proposes as its lowest rate 15 cents a pound, as its next rate 30 cents a pound, and as its highest rate 45 cents a pound.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BLACK. No; I can not yield. I have such a short time, and I do not desire to ask for an extension. Now, the gentleman from Michigan quotes figures from the Treasury Department as to the prospective revenue that will be yielded on the measure if this schedule becomes a law.

I was not willing to accept these figures as a guide for my judgment, and so, since the House met to-day, I called up the Statistical Bureau of the Department of Commerce and secured figures as to the amount of wool imported into the United States during the first three quarters of this year, 1920, unwashed, washed, and scoured wool.

Now, according to the figures which I have thus obtained, if the imports of wool for next year should continue at this full rate, even under the prohibitive duties provided in this bill, the amount of the revenue would be less than $45,000,000. The gentleman from Michigan in his speech said it was estimated it would be $82,000,000. I can not figure that it would be anything like that much, even if every pound of it continues to come in under these exorbitant schedules.

Mr. CARTER. Which it would not.

Mr. BLACK. The gentleman from Oklahoma is correct. It would not. I do not see how any Member could possibly figure that there would be any considerable importations of wool under these prohibitive rates.

They were not made to raise revenue but to keep out imports; at least that is my opinion. And that is just the reason why I can not support the bill unless its rates are modified and placed on a revenue basis. Recently the farmers of Kansas and other Western States have been demanding an embargo on the importation of wheat from Canada, and prior to the election certain Republican politicians made a great show of sympathy with the idea.

What are our figures as to our trade with Canada, anyway? Is Canada sending us more goods than we are selling them? Not at all. The balance of trade is largely in our favor. For example, in the first nine calendar months of this year the exports of the United States to Canada amounted to $754,536,265, and imports from the same country were $417,631,824. The trade balance is therefore running in our favor with Canada at the rate of nearly $450,000,000 per year.

Exchange rates are against the Canadians and increase the cost of what they buy from us, but they continue to buy, and, next to Great Britain, Canada is our best customer.

What good would our foreign trade do us if we could not collect our pay, and how would we collect our pay except by our exchange of commodities? It would, indeed, be a great stroke of legislative wisdom for us to put an embargo on Canadian wheat when Canada is one of our best customers.

I can not think of a policy which would be more shortsighted. What would be the use of developing foreign trade if we are going to kill it off in that way?

What I have just said as to the unwisdom of an embargo on wheat I think would apply with equal force to an embargo on wool, either by a straight embargo law or by the more indirect means of prohibitive tariff rates.

One of the best tariff speeches that it has been my privilege to read was the one delivered by Senator ROBERT L. OWEN, of Oklahoma, June 15, 1909. In that speech, discussing this very question of prohibitive rates, he said:

It is plain that we can not pursue a policy by which our exports would be paid in gold and not paid in the goods and credits and properties of foreign countries.

It can, therefore, be taken as true that our exports are paid for by imports, and that when we limit our imports we limit our exports and our national commerce. This economic law is as fixed as the law of gravitation.

And then that able and fearless Democrat, Hon. CLAUDE KITCHIN, of North Carolina, said very recently:

Remember, if a prohibitive tariff or embargo is good in times of emergency it is good in normal times to prevent future emergencies. Can we afford to educate our farmers that high tariffs are his salvation, now and hereafter? The products of our farmers in the United States are in large part exported. How can their exports be paid for by foreigners except by imports? An embargo or prohibitive tariff cuts off the means of paying for our agricultural exports.

Therefore, Mr. Chairman, to sum up this whole situation, if any gentleman who advocates the enactment of this bill can show me how the farmers of the United States can be prosperous without a good, healthy foreign trade and how this foreign trade can be carried on without an exchange of commodities, then I will look with more favor on his bill.

Of course, no such showing can or will be made. Therefore I will vote against the bill, because I believe to do so will not only be best for our farming interests, but for the entire country as well.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. FORDNEY. Mr. Chairman, I move that the debate on this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Michigan moves that the debate on this paragraph and all amendments thereto close in five minutes.

Mr. DICKINSON of Missouri rose.

Mr. FORDNEY. Does the gentleman want five minutes?

Mr. DICKINSON of Missouri. I want to offer an amendment striking out the last two words. I want just a minute.

Mr. GREEN of Iowa rose.

Mr. FORDNEY. Make it 10 minutes, Mr. Chairman. The gentleman from Massachusetts [Mr. OLNEY] also desires to speak.

The CHAIRMAN. Does the gentleman from Iowa [Mr. GREEN] want time?

Mr. GREEN of Iowa. The gentleman from Michigan will allow me four minutes.

The CHAIRMAN. The gentleman from Michigan [Mr. FORDNEY] moves that the debate on this paragraph and all amendments thereto close in 10 minutes. The question is on agreeing to that motion.

The motion was agreed to.

Mr. OLNEY. Mr. Chairman, I sent up an amendment to the Clerk's desk a moment ago.

The CHAIRMAN. The gentleman from Massachusetts offers an amendment, which the Clerk will report. Without objection the amendment of the gentleman from Massachusetts will be read for information.

The Clerk read as follows:

Amendment offered by Mr. OLNEY: Page 3, line 21, after the word "pound," insert "*Provided*, That all wool in transit on the enactment of this bill shall be admitted to the ports of the United States at the present rates of duty."

Mr. LONGWORTH. Mr. Chairman, I reserve a point of order on that.

Mr. OLNEY. I think, Mr. Chairman, that this amendment is germane to the paragraph, since the presiding officer practically so decided some moments ago on the amendment of the gentleman from Minnesota, holding that his amendment was germane.

I am speaking from the standpoint of perhaps as ardent and consistent a protectionist as there is in the House, and yet I can not vote for this bill, because I think it is a delusion, a makeshift, and uneconomical. Speaking as a wool merchant in Boston, I think the passage of this bill and its adoption into law would doubtless tremendously stimulate the prices of wools that are now stored in warehouses in Boston, perhaps at a rate of 30 per cent in advance of the present prices. But I do not believe that the passage of this bill will stimulate business as a whole.

To be sure, according to to-day's statistics, there are 48,615,000 sheep in the United States, whose product in grease wool amounts to about 300,000,000 pounds, or about 125,000,000 pounds in a scoured state. If you will look at the report you will notice that there is approximately 600,000,000 pounds of wool in storage in this country at the present time. But bear in mind that nearly 100,000,000 pounds of this large total quantity is still owned by the United States Government and is practically useless, so far as manufacturing purposes are concerned, because it consists largely of tag ends and the undesirable wools which find no market even at public auction.

I do not believe for an instant that the passage of a high protective bill now would stimulate the machinery of New England, the textile mills, where to-day 40 per cent of the employees are out of work or the mills are running on part time, because, after all, the law of supply and demand is preeminent now as ever, and you and I are not buying clothes; we are using our old clothing, with the frayed cuffs and the worn collars, and that condition of affairs will continue to exist until the demand for clothing comes back to us. The same is true of the leather industry and the boot and shoe manufactories of New England, where business is absolutely flat to-day, although there is practically no importation of boots and shoes into this country.

Mr. HUDSPETH. Mr. Chairman, will the gentleman yield?

Mr. OLNEY. Certainly.

Mr. HUDSPETH. I would like to ask my friend from Massachusetts what is the price of Texas wool in the United States to-day?

Mr. OLNEY. I am practically out of the market to-day.

Mr. HUDSPETH. There is practically no market for it.

Mr. OLNEY. That is correct. There is practically no market for it.

Mr. HUDSPETH. Then with the crop coming in next spring there will be 900,000,000 pounds on hand by the 1st of May. When will there be a market for it?

Mr. OLNEY. Just as soon as our mills start up, stimulated by the demand for clothing; and you must understand that the 900,000,000 pounds you speak of, when it comes into a scoured condition, represents about 70 per cent shrinkage, so that that would be about 30 per cent of scoured wool, or 300,000,000 pounds.

Mr. HUDSPETH. We use, do we not, each year 525,000,000 pounds?

Mr. OLNEY. Yes. We consume about twice as much wool as we raise, but I tell you the manufacturing industries of this country can not do without Australian and South American wools and wools used for felting and knitting purposes, and they will buy such wools despite a high tariff.

The object of my amendment is perhaps a moral obligation that we owe to these wool merchants who in good faith, prior to this date, have purchased wool in Australia and far-away points. Mr. Chairman, I would like to have action taken on my amendment, which in effect provides that wools in transit, upon the ocean, for instance, be admitted to the ports of the United States at the now prevailing rate of duty in case, of course, this bill is enacted into law during this session of Congress.

The CHAIRMAN. The Chair will state to the gentleman from Massachusetts that his amendment was read for information and that it will have to be reoffered again.

Mr. DICKINSON of Missouri. Mr. Chairman, I move to strike out the last two words of the section, and I do this merely for the purpose of asking unanimous consent to extend my remarks on this bill.

The CHAIRMAN. The gentleman from Missouri asks unanimous consent to extend his remarks in the RECORD on the bill now under consideration. Is there objection?

There was no objection.

The CHAIRMAN. The pro forma amendment is withdrawn. The Chair recognizes the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, I take it that the debate is on the amendment offered by the gentleman from Massachusetts [Mr. OLNEY], and I understand there are four minutes remaining.

The CHAIRMAN. That is correct.

Mr. GREEN of Iowa. I hope this amendment will not prevail. As has already been stated by the gentleman from Texas [Mr. BLACK] and the gentleman from Massachusetts [Mr. OLNEY], we have here in the country now at least 600,000,000 pounds of wool in storage, subject to an annual consumption of about 525,000,000 pounds. In addition to the amount already in storage there will be the spring clip of about 300,000,000 pounds, so that altogether we have right in sight at this time wool enough to last this country for a year and a half. Besides this there are large cargoes afloat consigned to this country. Wool has piled up and accumulated in Australia and New Zealand during the war because of the lack of shipping facilities, and they desire to dump that wool upon this country. The result has been, as the gentleman from Texas [Mr. BLACK] has stated, that there is practically no market for wool. It can not be sold at any price, except some fine grades for which there is a special demand.

Now, the demand for clothing, which will set the mills going, will come when the retailer puts down his price to correspond with the value of the wool as it is in the market. When that is done trade will be resumed, the mills will begin operation, and the consumption of wool will increase. But in the meantime, if we did not import another pound of wool——

Mr. OLNEY. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. OLNEY. Does not the gentleman think his figure of 600,000,000 pounds is an overestimate, when about 300,000,000 pounds of that is wool in the grease, and on a scoured basis you will get only about 100,000,000 pounds, and therefore there are only about 400,000,000 pounds of wool ready to manufacture?

Mr. GREEN of Iowa. I understand that the estimate of our annual consumption is on wool in the grease, and that is the reason why I make the estimate on storage in the same manner.

Mr. OLNEY. May I ask the gentleman another question?

Mr. GREEN of Iowa. Yes.

Mr. OLNEY. Does not the gentleman think my amendment is reasonable, since it does not apply to wool which is to fol-

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low in the consecutive months of February, March, and April, but only concerns wool in transit and wool on the ocean coming to this country?

Mr. GREEN of Iowa. No; I think not; because these gentlemen will get the benefit of this rate when the wool is landed here. It will prevent more wool from coming in competition with the wool that they have bought and shipped in. It will also, I expect, somewhat increase the price of wool in this country, although that price will not be anything like the price predicted by the gentleman from Illinois [Mr. HENRY T. RAINEY]. These importers already have the benefit of the low rate of exchange. They will suffer no loss, although they may not make all the profit they expected.

Mr. LAYTON. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. LAYTON. With all this surplus of wool and surplus of cotton and surplus of corn and beef and pork, why does not the consuming public get these things cheaper?

Mr. GREEN of Iowa. The gentleman will have to ask the wholesaler and retailer about that.

Mr. LAYTON. That is what we had better legislate on.

Mr. GREEN of Iowa. The retailer is trying to work off his stocks which he has on hand at the old price. If woolen goods and clothing were priced to compare with wool there would be no complaint about the price of woolen goods. Inevitably they must come down. This bill will not, as the gentleman from Illinois [Mr. HENRY T. RAINEY] says, tend to keep prices up. For more than a year the manufacturer will be using wool that was bought at prices ruinously low.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The question being taken, the amendment was rejected.

The CHAIRMAN. The Clerk will now report the amendment offered by the gentleman from Massachusetts [Mr. OLNEY].

The Clerk read as follows:

Amendment offered by Mr. OLNEY: Page 3, line 21, after the word "pound," insert "*Provided*, That all wools in transit on the enactment of this bill shall be admitted to the ports of the United States at the now prevailing rates of duty."

Mr. LONGWORTH. I withdraw my reservation of the point of order.

The CHAIRMAN. The point of order is withdrawn. The question is on the amendment of the gentleman from Massachusetts [Mr. OLNEY].

The question being taken, the amendment was rejected.

The CHAIRMAN. The question now recurs on the motion of the gentleman from Illinois [Mr. HENRY T. RAINEY] to strike out the paragraph.

The question being taken, the motion was rejected.

The Clerk read as follows:

17. Wool and hair of the kind provided for in paragraph 16, when advanced in any manner or by any process of manufacture beyond the washed or scoured condition, and manufactures of which wool or hair of the kind provided for in paragraph 16 is the component material of chief value, 45 cents per pound in addition to the rates of duty imposed thereon by existing law.

Mr. HENRY T. RAINEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HENRY T. RAINEY: Page 3, line 22, strike out the paragraph.

Mr. HENRY T. RAINEY. Mr. Chairman, we are approaching the close of the consideration of this bill. In my presentation of my views I have not attempted to delay the passage of this bill. I know it can be passed in this House and will be passed. If I wished to delay matters I could demand the reading of the engrossed copy of the bill, which would necessarily put it over until to-morrow. But a number of gentlemen on both sides expect to take the 9.40 train to-night for their homes, and I have not interposed my remarks as the consideration of this bill has progressed for the purpose of delay. I hope the bill will be concluded to-night. I know there is nothing I can do that will change it in any particular. I would if I could. I do not want to disturb the plans of those gentlemen who expect to go home to-night to enjoy their Christmas vacations. This bill violates from my viewpoint every economic principle that can be possibly applied to a bill of this character.

Mr. LONGWORTH. Will the gentleman yield?

Mr. HENRY T. RAINEY. I have only five minutes, but I will yield to the gentleman.

Mr. LONGWORTH. I observe that the only paragraph the gentleman from Illinois failed to criticize in the bill was the paragraph on lemons. Was that because the candidate in his party for the Presidency in several speeches made in California advocated a duty on lemons not only sufficient to equalize the cost of production but the freight rate to New York?

Mr. HENRY T. RAINEY. I will say to the gentleman that the paragraph on lemons is just as objectionable and indefensible as any paragraph of the bill.

Mr. LONGWORTH. Then why did not the gentleman move to strike it out?

Mr. HENRY T. RAINEY. It is just as bad as the rest.

Mr. LONGWORTH. Did the gentleman have the Democratic candidate's speeches in mind——

Mr. HENRY T. RAINEY. I do not care to yield to the gentleman for a speech; I do not agree with the gentleman's views, and I would not have any respect for my opinions on the tariff if I did.

Mr. LONGWORTH. The gentleman confirms me in the belief that I am right.

Mr. HENRY T. RAINEY. I lost the gentleman's remark; I did not hear it, or I would reply to it in terms. I want to say that the gentleman from Ohio representing as he does a consuming constituency may have some difficulty in the future in defending his position on this bill. The gentleman from Ohio prevented amendments all the way through by raising points of order. The gentleman from Ohio is as responsible as any man on that side for the increasing amounts his constituents will have to pay for flour and other necessaries of life if this bill becomes a law.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HENRY T. RAINEY. Mr. Chairman, I ask for five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to proceed for five minutes. Is there objection?

There was no objection.

Mr. HENRY T. RAINEY. Under the Underwood tariff bill we have reached out for the markets of the world. Under the Underwood tariff bill to-day in far off India our great steel industries have attained the ascendancy over the industries of England herself. We are advised that in the dark continent of Africa American trade under the Underwood tariff bill has assumed the ascendancy.

I do not expect the worsted manufacturers in New England to agree to any proposition which means the extension of the industries of the United States. To-day we can go to any section of the world and we can proudly proclaim: Here are the products of the industries of my country, here they send their goods. And these representatives of the old New England school propose to stop that sort of thing, to destroy the proud position we occupy to-day among the commercial nations of the world. [Applause.]

To-day on the seas of the world our merchant navy ranks almost supreme. To-day on the seas of the world over 2,000 ships carry the American flag sailing over 62 ocean lanes, carrying our surplus of manufactures and bringing back to this country the exports of other sections of the world. If our importations are to cease, if our exportations are to cease, then the magnificent merchant navy built up by the party that has been in control for the last eight years must rot in our ports.

This badly balanced bill, if it should become a law, will ruin the industries it seeks to aid. These products sell at a lower price than in the immediate past, but they are not selling for lower prices than they did under the old Payne-Aldrich bill. Gradually we are going back from the Democratic days of high prices to the old Republican days of low prices for farm products, and every Republican victory is reflected in lower and lower prices. One more Republican victory and the farming industry will sink to the old Republican level. We are going back from the Democratic period of high prices for cattle to the old Republican days of low prices for cattle. We are going back from the Democratic days of $2 a bushel for corn to the old Republican days of 50 cents a bushel for corn. These products commenced to drop just the day after the election in Maine, and on that same day stocks commenced to go up. We do not know where we are going, but we know that we are on our way in farming sections back to the grand old Republican days of low prices for farm products. [Applause.]

Mr. FORDNEY. Mr. Chairman, I move that all debate on this paragraph and all amendments thereto close in five minutes.

The motion was agreed to.

The CHAIRMAN. The gentleman from Ohio [Mr. FESS] is recognized.

Mr. FESS. Mr. Chairman, I do not think I can say what I want to say in five minutes. I have been waiting here all

afternoon, listening to members of the committee repeat the same thing constantly.

Mr. MADDEN. Mr. Chairman, I ask unanimous consent that the gentleman may proceed for 10 minutes, notwithstanding the order of the committee.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that the gentleman from Ohio be permitted to proceed for 10 minutes, notwithstanding the order of the committee. Is there objection?

There was no objection.

Mr. FESS. Mr. Chairman, I have listened to this debate with more than ordinary interest and have noted that the bill has been assailed from very many angles. I have had a good deal of sympathy with much of the opposition that has been uttered. However, it strikes me as I have listened to the arguments, pro and con, that there is an emergency and that the emergency ought, if possible, to be met in some way. I do not believe, of course, that this is a scientific effort at tariff legislation. No one would even intimate such a thing. There are but 16 items covered by this emergency bill, and as I recall the last tariff measure covered something like 657 items. This simply picks out the items of production on the farm that have suffered from conditions produced under the stress of war. If there is any justification for the passage of the bill at all, it must be upon the basis upon which the committee has placed it. I appreciate the situation that has been portrayed here.

War has been over for two years. Up to the time of the closing of the war all of the world was enlisted in production to meet war needs. We were straining every nerve, not only in America but in every country, to produce to the maximum. The cry went out that we must have the food and the materials in order to win the war, and there was scarcely an idle person anywhere in any nation on the globe. When the war ended, ours was the only country that had ready money. War-ridden Europe was without money and credit, and other countries in Europe that were not belligerent and even some countries that were belligerents, like New Zealand and Australia, began bending their energies to produce for the war demands; but when the war ended they found themselves stocked up with such a supply as they had never had before, and for two years we have witnessed the inability of war-torn Europe to buy the world's production, and yet the price was on a war basis and ours the only country able to pay cash.

The result was that all the world made America a dumping ground for the sake of getting our money. Australia flooded our markets with the excess products that she could not sell in Europe, but could sell in America, for our ready cash. The same thing was true of South America and in all of the countries of the Old World not belligerent. The result was inevitable that quantities of rice and quantities of wool and quantities of corn and of wheat and of potatoes and of cattle and of other agricultural products, especially those included in the classes named in this bill, something like 16 in number, came to our country unhindered. What is the situation? We have got them here at prices below the cost of our own production. They have come from Europe, Japan, Australia, New Zealand, and South America, and they have received war prices for them and the result is that American production is to-day without a market—glutted. I realize as much as any Member on either side of the aisle that this glutting of the market and the falling of prices are inevitable. I know as you know that industry everywhere is slowing down. Production on a war scale can not continue, liquidation of war conditions must come. Prices must come down even though at great loss to the producer. The farmer, the basic producer, suffered more poignantly than anybody else, and this legislation is designed to give him some relief. If we do not lay an embargo—and I do not think people would want to do that—then let us put the barrier of an import duty up against further floods of importation, higher than it now is—and many of these articles are on the free list—and then if Europe, selling to America, competes with American producers, let her pay a duty to help run the expenses of the Government. That is the philosophy of this bill.

As a scientific measure, I repeat, it has absolutely no defense. It is not an embargo, for still the markets are open. But as remedial legislation to protect further our products from importations from Europe at cheap labor cost, it is a measure that will win my support as a temporary relief until a tariff measure can be brought in. I would not support it as legislation of a permanent character, as it has no scientific basis. Notwithstanding its temporary character, I do not object to the committee refusing to admit these proposed amendments, for if you did in one article you would have to do it in every other article. The committee has selected the articles which have depreciated 50 per cent in value, and as temporary relief, as an emergency measure, I am voting for it. But, Mr. Chairman, my vote on this measure must not be taken as a justification for hasty and ill-digested legislation to heal the injury of war conditions under which we are now suffering.

There is no way by which we can prevent injury inevitable from the manner in which the war was conducted. In building the war machine we invited profiteering, both in capital and labor, and thereby unreasonably increased the cost level of production. As has often been stated, this was done by the Government greatly increasing the scale of war workers, shortening the day's work, overtime pay, enlarging the force to do the same work, and many other steps, all designed to push up the cost of production. The farmer had to meet this Government competition. He was compelled to pay abnormally high prices for all he needed on the farm, including labor. In this way he was in the same situation as the manufacturer, only the latter, if doing Government work, had the Government as his market. The end of the war cut off this market. Prices began to topple from their dizzy heights. The farmer is always the last to benefit in rising prices and the first to suffer in falling prices.

We are in the process of readjustment, known in the business world as liquidation. It is the stage of returning to normal, where the laws of trade operate upon economic lines, where the law of supply and demand again is permitted to operate without the interference of Government, either to retard or to artificially stimulate. Everybody should assist in getting away from the war basis of abnormal cost of production. We can not reduce the cost of living and at the same time keep up the abnormal cost of production. In this process of liquidation all classes will suffer the evil effects of overstimulus of war, because the Nation will find an overproduction without a corresponding ability for consumption.

Banks, responding to this war stimulus, overloaned; hence loans upon goods, safe when made, are now greater than the value of securities upon which loans are made. Industrial values of all sorts, like the motor properties, have fallen precipitately. One after another class of securities have and are still passing their dividends, because raw material purchased at war-inflated prices cost more than the finished article will now command in the market; hence an inevitable loss.

This is precisely the situation of the farmer, only he will suffer more poignantly because less able to bridge over. This is especially true of the small farmer, the tenant, and the stock raisers. It is a most unfortunate situation. While this suffering is inevitable, its causes are well known, and its results need not be more than temporary, if we do not make the blunder of attempting to continue a war scale. While it is claimed that the fall in prices will amount to between two and five billions of dollars' loss, it is a change in price rather than value and must be, as I see it, marked off as so much loss, due to the method of financing the war. It can not be cured by psychologic remedies. Most of our basic industries are solvent. Our fiscal institutions are sound. We have the largest production in foodstuffs. In the seven cereals our product this year is nearly 6,000,000,000 bushels greater than the average of the five-year period immediately preceding this year. The real trouble is in the augmented costs due to war financing.

The transportation system is now rapidly getting on a sound basis, so that from that source—the most important—we need have little fear.

Upon every hand we note a marked increase in labor efficiency, which is one of the most hopeful symptoms of the future. Our wealth is intact and only awaits the application of sound business principles again. In my opinion, we should guard against the clamor for unwise legislation at such a period. It can at best be merely palliative and will only defer the day of accounting if we refuse to see the real situation.

Only recently a Congressman expressed his belief that we should have a debased currency to match the inflated price. His contention was that a debt made in war time was so inflated that it was just that it should be paid in inflated money. Of course, this is the argument for the greenback dollar. It was at the bottom of the 16-to-1 silver contention back in ninety-six. It is the basis of populism. It is the doctrine that always thrives in times of depression. This proposal is serious, because under such clamor this Congress is not different from other Congresses. Men will follow what they think their people back home want. This is especially true in parts of the West and is growing with leaps and bounds in the South, which has come to look to the Government for all sorts of paternal nostrums to cure our shortcomings.

There are many proposals for relief. Some of them go to fundamentals, and these should be favorably considered.

At the close of the last session the House passed a bill permitting farmers' cooperative associations for the purpose of marketing. It recognized the principle of collective bargain-

ing. This will soon become a law. I voted for the law both in the Rules Committee and in the House, but not until it was amended so as to cure the class-legislation feature, which I had consistently opposed.

Another proposal demanded from various interests is to lay an embargo upon certain imports, such as wool, corn, wheat, live stock, and so forth. This proposal is based upon the tremendous importation of goods from foreign countries; wool from Australia and South America, wheat from Canada, and so forth, which largely destroys the home market for American products. The proposal is too drastic, and is indefensible upon grounds of sound economy. It is vastly better to revise the Underwood bill as soon as possible, which can not be done until after March 4. We may be justified, in view of Wilson's assured veto of such revision, to enact a temporary tariff measure of remedial character, such as is now before us, especially if it can be agreed upon by both Republicans and Democrats. This will allow tariff revision to await the special session, when Republicans have full control. Embargoes will cut off all imports and in a large degree will prevent our exports. In a degree a temporary tariff measure such as the measure now before us will have that effect. This measure is limited both in number of articles and in time—its operation ceases in 10 months.

The immediate clamor from the cotton sections and the West for a revival of Government agencies, such as the War Finance Corporation, I regarded as both unnecessary and unwise. If the Federal Reserve System will ever break down it will be because it is a Government institution which will become responsive to the clamor for Government relief of various unfortunate situations which appeal for aid through Government loans. We recently had the spectacle of Congress directing the responsible head of the Treasury Department, who advises against the revival of an agency of war whose creation was of doubtful wisdom and whose discontinuance had been ordered because demanded by sound economics, to revive this war agency notwithstanding.

This was done by a Republican Congress after a pledge to the country that we would put "less government in business and more business in government." Such legislation is unwise primarily, because we are laying the foundation for a clamor against the Government to give relief that is not within its province. The revival will not do what is promised by its proponents. While little more than a psychologic effect is expected, our professions here are not limited to that. We are holding out to the distressed farmer a relief which the law is offered to insure.

We are by such legislation inviting attack upon the Government when promised relief is not forthcoming. This feeds antigovernment sentiment in America. It is an unsound practice to proceed in legislation upon the basis that it will do no harm even if it does no good. That is deception, and will only increase the unrest which the legislation is designed to relieve. Such legislation is questionable just now, since it is proposed to further our export trade by a plan of Government credit, instead of permitting the unhindered operation of the Edge law enacted in the last session and under which exports are to be handled by extension of credit without calling upon the Government.

Whatever else this country demands, it will not tolerate further Government loans to Europe, unless better securities than we now have are supplied. We have already loaned $9,660,000,000, and have deferred interest on the same for three years. By that time these loans will amout to $11,000,000,000. If we include what Europe owes for goods already delivered, it will be $14,000,000,000. Europe wants us to cancel these loans as our part of the European war obligation in their fight to make the "world safe for democracy." This note is sounded in official circles of every European country. Britain does not hesitate to tell us her payment depends upon the payment of her loans to other European countries. Our people will gladly give to relieve suffering Europe, but our Government will certainly refuse further loans until Europe shows a disposition to go to work. These countries will take necessary steps when nothing else is left them. Nothing will more greatly stimulate them to work than the certainty that Government loans are ended.

We passed the Edge law, under which exports may be financed by private interests. Under this law the American Bankers' Corporation, with a capital of $100,000,000, is undertaking to do what is proposed by the revival of the War Finance Corporation. In October our exports amounted to the enormous sum of $752,000,000, the largest of any month of the last three years, except last March. I can but think it unwise to revive Government war agencies in peace time. Especially do I believe it unsound for the Government to enlarge upon business participation to enlarge credit at the very moment we are suffering from inflation of credit. It is also unsound to enter upon class legislation to appease a sectional clamor such as we now hear from the cotton producers and some of our wheat and corn growers. If we do it for one, we will be called upon to do it for others. If foreign credits are to be increased, it must be done outside of Government obligations. Only last week we adopted a proposal which will permit the Government's obligations to be enlarged $1,000,000,000, at the very hour we are battling with the problem of reducing these obligations.

Congress should treat the matter of war liquidation as a business proposition. It must be carried on under the laws of business. Any attempt at Government financing will involve possibilities fraught with danger. Labor will be justified in demanding Government subsidies to keep up wages to tide over. Where relief is demanded on behalf of the public it should be taken. Investors will demand security upon investments; capital will go into hiding in self-defense; business will become prostrate; revenues will slow down; taxes will continue to be of greater burden and more difficult to pay.

Fiat remedies will be proposed and we will again face the age-old demand for the production of wealth without work by Government decree. Laws encouraging production should not be withheld. Laws protecting the produce from foreign competition are to be encouraged. But Government operation is not advisable. Too much Government interference with legitimate enterprise we pledged to prevent. Government financing of further foreign loans must not be undertaken. Especially war agencies must not be continued in time of peace, much less must we not revive those already dismantled. This is our most recent pledge, supported by the most emphatic verdict in the most stupendous majority ever delivered. If we ignore our pledges, the people will as readily turn away from the party now in control as they did toward it in the last election. The farmer has a right to demand all other elements to share in the losses incident to the war.

Liquidation must come. War levels can not be permanent. All classes should assist in readjustment. Where relief by law can be lent it should not be withheld. But the remedy must not be worse than the disease, and the public must not be deceived by promises that can not be kept. No mere palliative can be substituted for sound business principles. This is no time for quack remedies.

The Clerk read as follows:

SEC. 2. The rates of duty imposed by section 1 (except under paragraphs 15 and 17) in the case of articles on which a rate of duty is imposed by existing law, shall be in lieu of such rate of duty during the 10 months' period referred to in section 1.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

SEC. 4. The duties imposed by this act shall be levied, collected, and paid on the same basis, in the same manner, and subject to the same provisions of law, including penalties, as the duties imposed by such act in 1913.

Mr. FORDNEY. Mr. Chairman, I move that the committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and Mr. WALSH, Speaker pro tempore, having resumed the chair, Mr. ANDERSON, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 15275, had directed him to report the same back without amendment, with the recommendation that the bill do pass.

SENATE JOINT RESOLUTION AND BILL SIGNED.

The SPEAKER announced his signature to enrolled bill and joint resolution of the following titles:

S. J. Res. 212. Joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes; and

S. 4565. An act extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921.

ENROLLED BILL SIGNED.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that they had examined and found truly enrolled bill of the following title, when the Speaker signed the same:

H. R. 7930. An act to provide for the treatment in hospital of diseased alien seamen.

PENSION APPROPRIATION BILL.

Mr. CANNON. Mr. Speaker, by direction of the Committee on Appropriations I report the pension appropriation bill.

The SPEAKER pro tempore. The gentleman from Illinois presents a privileged report. The Clerk will report the title of the bill.

The Clerk read as follows:

A bill (H. R. 15344) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes.

The SPEAKER pro tempore. Ordered printed and referred to the Committee of the Whole House on the state of the Union.

Mr. BLANTON. Mr. Speaker, I reserve all points of order on the pension appropriation bill.

The SPEAKER pro tempore. The gentleman from Texas reserves all points of order on the pension appropriation bill reported by the gentleman from Illinois.

EMERGENCY TARIFF BILL.

Mr. FORDNEY. Mr. Speaker, I move the previous question on the bill to final passage.

The question was taken, and the previous question was ordered.

The SPEAKER pro tempore. The question is on ordering the bill to be engrossed and read the third time.

The bill was ordered to be engrossed and read the third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

Mr. BLANTON. Mr. Speaker, I ask for the yeas and nays.

Mr. COLLIER. Mr. Speaker, I ask for the yeas and nays.

Mr. FISH. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. FISH. Is it in order to move to recommit the bill to the committee?

The SPEAKER pro tempore. The gentleman will send up his motion to recommit.

Mr. BLANTON. A third reading has been had, Mr. Speaker.

The SPEAKER pro tempore. The Chair will state the motion is only in order after the third reading of the bill. The Clerk will report the motion.

The Clerk read as follows:

Mr. FISH moves to recommit the bill to the Committee on Ways and Means with instructions to that committee to report the same back forthwith, incorporating in the bill the temporary duties on dairy products equal at least to the duties in the commodities in the Payne-Aldrich bill.

Mr. LONGWORTH. Mr. Speaker, I make the point of order that the motion is out of order under paragraph 3 of Rule XXI.

The SPEAKER pro tempore. The gentleman from Ohio makes the point of order that the motion is out of order. Does the gentleman from New York desire to be heard on the point of order?

Mr. FORDNEY. That adds an item to the bill, which is not permissible.

Mr. FISH. Mr. Speaker, the gentleman from New York holds that it is permissible under the rules of the House to recommit this bill at this time in order that the committee, which has the power itself to add any items it desires, may do so, although the House itself is unable to do so, and for that reason I had recourse to this procedure of making the motion at this time to recommit the bill.

The SPEAKER pro tempore. The gentleman from Ohio makes the point of order that the motion to recommit is not in order under the rules of the House. The motion of the gentleman from New York seems to direct the committee, if adopted, to include in the bill items which would not appear to be germane to any of the items in the bill nor to the bill itself. It does not specify particular items or rates of duty except by reference to the provisions of measures passed by the Congress, and therefore the Chair feels constrained to sustain the point of order. The question is upon the passage of the bill.

Mr. BLANTON. Mr. Chairman, I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 194, nays 85, answered "present" 6, not voting 146, as follows:

YEAS—194.

Ackerman	Bland, Ind.	Butler	Copley
Anderson	Bland, Va.	Campbell, Kans.	Crago
Andrews, Nebr.	Blanton	Campbell, Pa.	Cramton
Aswell	Boies	Cannon	Crisp
Ayres	Bowers	Caraway	Crowther
Barbour	Britten	Chindblom	Curry, Calif.
Bee	Brooks, Ill.	Clark, Fla.	Dale
Begg	Brooks, Pa.	Classon	Darrow
Benham	Browne	Cooper	Davis, Minn.
Dempsey	Houghton	Miller	Snell
Denison	Hudspeth	Monahan, Wis.	Snyder
Dickinson, Iowa	Hull, Iowa	Mondell	Steagall
Dowell	Humphreys	Moore, Ohio	Steenerson
Drewry	Hutchinson	Mott	Stephens, Ohio
Dunbar	Ireland	Mudd	Strong, Kans.
Dupré	Johnson, S. Dak.	Murphy	Summers, Wash.
Echols	Johnson, Wash.	Nolan	Sweet
Edmonds	Jones, Tex.	O'Connor	Swindall
Elston	Kelley, Mich.	Ogden	Swope
Esch	Kelly, Pa.	Osborne	Taylor, Ark.
Evans, Mont.	Kennedy, Iowa	Padgett	Taylor, Colo.
Evans, Nebr.	Kettner	Park	Taylor, Tenn.
Fairfield	Kiess	Parrish	Temple
Fess	King	Patterson	Thompson
Flood	Kinkaid	Porter	Tillman
Focht	Knutson	Purnell	Timberlake
Fordney	Kraus	Radcliffe	Tincher
Frear	Langley	Raker	Towner
French	Lankford	Ramseyer	Treadway
Fuller, Ill.	Layton	Randall, Calif.	Volstead
Garner	Lazaro	Ransley	Wason
Glynn	Lea, Calif.	Reavis	Watson
Goodykoontz	Lehlbach	Reed, W. Va.	Webster
Green, Iowa	Little	Rhodes	Welling
Hadley	Longworth	Ricketts	Welty
Hardy, Colo.	Luhring	Riddick	Wheeler
Harreld	McArthur	Robsion, Ky.	White, Kans.
Harrison	McKenzie	Rodenberg	White, Me.
Haugen	McKinley	Rose	Williams
Hawley	McLaughlin, Mich.	Sanders, N. Y.	Wilson, Ill.
Hayden	McLaughlin, Nebr.	Schall	Wilson, La.
Hays	McLeod	Scott	Wood, Ind.
Hernandez	McPherson	Sells	Woodyard
Hersey	MacGregor	Shreve	Wright
Hersman	Magee	Sinnott	Yates
Hickey	Mansfield	Slemp	Young, N. Dak.
Hicks	Mapes	Smith, Idaho	Zihlman
Hoch	Martin	Smith, Mich.	
Holland	Michener	Smithwick	

NAYS—83.

Almon	Eagan	McClintic	Rucker
Bankhead	Eagle	McDuffie	Sears
Barkley	Fish	McFadden	Sherwood
Bell	Gallagher	McKeown	Sims
Benson	Garrett	Major	Small
Black	Goodwin, Ark.	Mann, S. C.	Stedman
Bland, Mo.	Gould	Mays	Stoll
Box	Greene, Mass.	Milligan	Sumners, Tex.
Buchanan	Greene, Vt.	Neely	Thomas
Burroughs	Griffin	Nelson, Mo.	Upshaw
Byrnes, S. C.	Hardy, Tex.	Newton, Minn.	Venable
Cantrill	Hastings	Nicholls	Vinson
Carter	Huddleston	Oldfield	Volk
Clark, Mo.	Hull, Tenn.	Oliver	Walsh
Coady	Husted	Olney	Watkins
Collier	Jacoway	Overstreet	Weaver
Cullen	Kincheloe	Phelan	Wingo
Dallinger	Lanham	Pou	Winslow
Davis, Tenn.	Larsen	Quin	Woods, Va.
Dickinson, Mo.	Linthicum	Rainey, H. T.	
Dominick	Luce	Riordan	
Doremus	McAndrews	Rogers	

ANSWERED "PRESENT"—6.

Bacharach	Madden	Moores, Ind.	Reber
Byrns, Tenn.	Minahan, N. J.		

NOT VOTING——146.

Andrews, Md.	Ferris	Kitchin	Robinson, N. C.
Anthony	Fields	Kleczka	Romjue
Ashbrook	Fisher	Kreider	Rouse
Babka	Foster	Lampert	Rowan
Baer	Freeman	Lee, Ga.	Rowe
Blackmon	Fuller, Mass.	Lesher	Rubey
Booher	Gallivan	Lonergan	Sabath
Brand	Gandy	Lufkin	Sanders, Ind.
Briggs	Ganly	McCulloch	Sanders, La.
Brinson	Gard	McGlennon	Sanford
Brumbaugh	Godwin, N. C.	McKinley	Scully
Burdick	Goldfogle	McLane	Siegel
Burke	Good	MacCrate	Sinclair
Caldwell	Goodall	Maher	Sisson
Candler	Graham, Ill.	Mann, Ill.	Smith, Ill.
Carew	Graham, Pa.	Mason	Smith, N. Y.
Carss	Griest	Mead	Steele
Casey	Hamill	Merritt	Stephens, Miss.
Christopherson	Hamilton	Montague	Stevenson
Cleary	Hill	Moon	Stiness
Cole	Hoey	Mooney	Strong, Pa.
Connally	Howard	Moore, Va.	Sullivan
Costello	Hulings	Morin	Tague
Currie, Mich.	Igoe	Nelson, Wis.	Tilson
Davey	James, Mich.	Newton, Mo.	Tinkham
Dent	James, Va.	O'Connell	Valle
Dewalt	Jefferis	Paige	Vare
Donovan	Johnson, Ky.	Parker	Vestal
Dooling	Johnson, Miss.	Peli	Voigt
Doughton	Johnston, N. Y.	Perlman	Walters
Drane	Jones, Pa.	Peters	Ward
Dunn	Juul	Rainey, Ala.	Whaley
Dyer	Kahn	Rainey, J. W.	Wilson, Pa.
Elliott	Kearns	Ramsey	Wise
Ellsworth	Keller	Randall, Wis.	Young, Tex.
Emerson	Kendall	Rayburn	
Evans, Nev.	Kennedy, R. I.	Reed, N. Y.	

So the bill was passed.

The Clerk announced the following pairs:

On the vote:

Mr. KEARNS (for) with Mr. KELLER (against).

Mr. ANTHONY (for) with Mr. TAGUE (against).

Mr. LEE of Georgia (for) with Mr. GALLIVAN (against).
Mr. NELSON of Wisconsin (for) with Mr. LUFKIN (against).
Mr. GRAHAM of Illinois (for) with Mr. JOHNSON of Mississippi (against).
Mr. ELLIOTT (for) with Mr. MOORES of Indiana (against).
Mr. CURRIE of Michigan (for) with Mr. CAREW (against).
Mr. VESTAL (for) with Mr. ROBINSON of North Carolina (against).
Mr. JAMES of Michigan (for) with Mr. SULLIVAN (against).
Mr. KENNEDY of Rhode Island (for) with Mr. MINAHAN of New Jersey (against).
Mr. GRIEST (for) with Mr. STEELE (against).
Mr. CARSS (for) with Mr. YOUNG of Texas (against).
Mr. VAILE (for) with Mr. CLEARY (against).
Mr. FOSTER (for) with Mr. STEVENSON (against).
Mr. VOIGT (for) with Mr. FISHER (against).
Mr. LAMPERT (for) with Mr. RAYBURN (against).
Mr. MORIN (for) with Mr. O'CONNELL (against).
Mr. HAMILTON (for) with Mr. PELL (against).
Mr. DUNN (for) with Mr. SIEGEL (against).
Mr. EMERSON (for) with Mr. STEPHENS of Mississippi (against).
Mr. EVANS of Nevada (for) with PERLMAN (against).
Mr. KREIDER (for) with Mr. GARD (against).
Mr. ASHBROOK (for) with Mr. SMITH of New York (against).
Mr. PARKER (for) with Mr. WARD (against).
Mr. BRIGGS (for) with Mr. GODWIN of North Carolina (against).
Mr. BURKE (for) with Mr. CONNALLY (against).
Mr. KAHN (for) with Mr. ROWAN (against).
Mr. SMITH of Illinois (for) with Mr. MADDEN (against).
Mr. MONTAGUE (for) with Mr. DOOLING (against).
Mr. MOORE of Virginia (for) with Mr. MCKINIRY (against).
Until further notice:
Mr. GOOD with Mr. BYRNS of Tennessee.
Mr. STRONG of Pennsylvania with Mr. DRANE.
Mr. NEWTON of Missouri with Mr. IGOE.
Mr. TINKHAM with Mr. KITCHIN.
Mr. JONES of Pennsylvania with Mr. CASEY.
Mr. GRAHAM of Pennsylvania with Mr. DEWALT.
Mr. KLECZKA with Mr. HARRISON.
Mr. JUUL with Mr. HOEY.
Mr. WALTERS with Mr. BABKA.
Mr. ANDREWS of Maryland with Mr. WISE.
Mr. PAIGE with Mr. GANDY.
Mr. REED of New York with Mr. SCULLY.
Mr. MANN of Illinois with Mr. SISSON.
Mr. FREEMAN with Mr. MAHER.
Mr. SANDERS of Indiana with Mr. BRAND.
Mr. CHRISTOPHERSON with Mr. MEAD.
Mr. FULLER of Massachusetts with Mr. DAVEY.
Mr. MASON with Mr. HOWARD.
Mr. RAMSEY with Mr. WHALEY.
Mr. MERRITT with Mr. BLACKMON.
Mr. COSTELLO with Mr. HAMILL.
Mr. MCCULLOCH with Mr. WILSON of Pennsylvania.
Mr. TILSON with Mr. FERRIS.
Mr. JEFFERIS with Mr. BRUMBAUGH.
Mr. GOODALL with Mr. SABATH.
Mr. VARE with Mr. LESHER.
Mr. KENDALL with Mr. DOUGHTON.
Mr. BURDICK with Mr. FIELDS.
Mr. HULINGS with Mr. MOONEY.
Mr. PETERS with Mr. GANLY.
Mr. SINCLAIR with Mr. MOON.
Mr. HILL with Mr. LONERGAN.
Mr. SANFORD with Mr. MCLANE.
Mr. DYER with Mr. MCGLENNON.
Mr. MACCRATE with Mr. DONOVAN.
Mr. COLE with Mr. JOHNSON of Kentucky.
Mr. STINESS with Mr. RUBEY.
Mr. ELLSWORTH with Mr. GOLDFOGLE.
Mr. RANDALL of Wisconsin with Mr. JOHN W. RAINEY.
Mr. ROWE with Mr. ROMJUE.
Mr. BAER with Mr. RAINEY of Alabama.

Mr. MADDEN. Mr. Speaker, I should like to know how my colleague, Mr. SMITH of Illinois, is recorded, if he voted.

The SPEAKER pro tempore. He is not recorded.

Mr. MADDEN. I voted "nay." I am paired with the gentleman from Illinois, Mr. SMITH. If he were present, he would have voted "yea." I withdraw my vote and answere "present."

The result of the vote was announced as above recorded.

On motion of Mr. FORDNEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

LEAVE TO EXTEND REMARKS.

Mr. OVERSTREET. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on this bill.

The SPEAKER. The gentleman from Georgia [Mr. OVERSTREET] asks unanimous consent to extend his remarks in the RECORD on this bill. Is there objection?

There was no objection.

By unanimous consent similar leave to extend remarks upon the bill was granted—
To Mr. TAYLOR of Colorado.
To Mr. NEWTON of Minnesota.
To Mr. TIMBERLAKE.
To Mr. MOTT.
To Mr. KINCHELOE.
To Mr. MONDELL.
To Mr. THOMPSON of Ohio.
To Mr. SWINDALL.
To Mr. JOHNSON of Washington.
To Mr. FAIRFIELD.
To Mr. CHINDBLOM.
To Mr. MCFADDEN.
To Mr. FISH.

ORDER OF BUSINESS FOR MONDAY NEXT.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that on Monday next immediately after the reading of the Journal and the disposition of matters on the Speaker's table it may be in order to take up and consider bills on the Private Calendar unobjected to.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that on next Monday after the approval of the Journal and the disposition of business on the Speaker's table it may be in order to take up business on the Private Calendar and consider bills unobjected to. Is there objection?

Mr. CANNON. I object.

ADJOURNMENT.

Mr. FORDNEY. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 8 o'clock and 55 minutes p. m.) the House adjourned until Thursday, December 23, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

258. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of City Waterway, Tacoma Harbor, Wash.; to the Committee on Rivers and Harbors.

259. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Arkansas River from Little Rock to the mouth; to the Committee on Rivers and Harbors.

260. A letter from the Secretary of War, transmitting a third report from the Chief of Engineers in connection with river and harbor contracts that have become inequitable and unjust; to the Committee on Rivers and Harbors.

261. A letter from president of the Board of Commissioners of the District of Columbia, transmitting report showing for the first four months of the fiscal year 1921 average number of employees receiving increased compensation; to the Committee on Appropriations.

262. A letter from the secretary of the Smithsonian Institute, transmitting statement of salaries paid to professors and instructors in educational institutions; to the Committee on the Library.

263. A letter from the Acting Secretary of the Treasury, transmitting statement showing status of claims filed under an act providing for the relief of contractors and subcontractors for the post offices, etc., under the supervision of the Treasury Department; to the Committee on Expenditures in the Post Office Department.

264. A letter from the Secretary of the Interior, transmitting original papers relating to the pension case of Malinda Kiniston, included in Private No. 70, Sixty-sixth Congress; to the Committee on Invalid Pensions.

266. A letter from the Secretary of the Interior, transmitting the original papers relating to the pension case of Catherine Osborne, included in H. R. 12530, Sixty-sixth Congress; to the Committee on Invalid Pensions.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (S. 3031) to appropriate $1,189.35 for the relief of Southern Iron & Metal Co., Jacksonville, Fla., for salvage material, consisting of submarine cable purchased from the War Department; Committee on War Claims discharged, and referred to the Committee on Claims.

A bill (H. R. 15125) to reimburse the State of Montana for expenses incurred by it in suppressing forest fires on Government land during the year 1919; Committee on War Claims discharged, and referred to the Committee on Claims.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, private bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the Committee of the Whole House, as follows:

Mr. CANNON, from the Committee on Appropriations, to which was referred the bill (H. R. 15344) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes, reported the same without amendment, accompanied by a report (No. 1144), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. EDMONDS, from the Committee on Claims, to which was referred the bill (S. 3031) to appropriate $1,189.35 for the relief of Southern Iron & Metal Co., Jacksonville, Fla., for salvage material consisting of submarine cable purchased from the War Department, reported the same without amendment, accompanied by a report (No. 1145), which said bill and report were referred to the Private Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MONTAGUE: A bill (H. R. 15321) to amend section 1, paragraph 1, of an act for the retirement of employees in the classified civil service, and for other purposes, approved May 22, 1920; to the Committee on Reform in the Civil Service.

By Mr. HICKS: A bill (H. R. 15322) to establish a new base pay for surfman in the Coast Guard and to fix the value of commuted rations; to the Committee on Interstate and Foreign Commerce.

By Mr. MADDEN: A bill (H. R. 15323) to amend an act entitled "An act to reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis," approved June 5, 1920; to the Committee on the Post Office and Post Roads.

By Mr. McLAUGHLIN of Nebraska: A bill (H. R. 15324) to repeal the amendment approved April 14, 1920, to section 14, subdivision d, of the act approved December 23, 1913, known as the Federal reserve act; to the Committee on Banking and Currency.

By Mr. VINSON: A bill (H. R. 15325) to regulate the hours of duty of the officers and members of the fire department of the Panama Canal; to the Committee on Interstate and Foreign Commerce.

By Mr. BLAND of Virginia: A bill (H. R. 15326) for the examination and survey of Lewis River, Chincoteague Island, Accomac County, Va.; to the Committee on Rivers and Harbors.

By Mr. SNELL: A bill (H. R. 15327) to provide, through cooperation between the Federal Government, the States, and owners of timberlands, for adequate protection against forest fires, for reforestation of denuded lands, for obtaining essential information in regard to timber and timberlands, for extension of the national forests, and for other purposes all essential to continuous forest production on lands entirely suitable therefor; to the Committee on Agriculture.

By Mr. SNYDER: A bill (H. R. 15328) transferring all jurisdiction or control heretofore vested or exercised by the Federal Government over the Indians of the State of New York to that State, with the exception of certain annuities; to the Committee on Indian Affairs.

Also, a bill (H. R. 15329) authorizing the Chippewa Indians of Minnesota to submit claims to the Court of Claims, and for other purposes; to the Committee on Indian Affairs.

Also, a bill (H. R. 15330) to authorize the disposition of the tribal trust funds of the Chippewa Indians in Minnesota; to the Committee on Indian Affairs.

Also, a bill (H. R. 15331) to provide for an Assistant Secretary of the Interior to be stationed at Muskogee, Okla., and for other purposes; to the Committee on Indian Affairs.

By Mr. HICKS: A bill (H. R. 15343) to increase compensation under the war-risk insurance act; to the Committee on Interstate and Foreign Commerce.

By Mr. CANNON: A bill (H. R. 15344) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. EMERSON: Joint resolution (H. J. Res. 427) to pay John Sietcinski, brother of Alexander Sietcinski, for loss of his life; to the Committee on Claims.

By Mr. BLAND of Virginia: Resolution (H. Res. 626) directing the Federal Trade Commission to inquire into the existing price of fertilizers; to the Committee on Interstate and Foreign Commerce.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. STEELE: A bill (H. R. 15332) granting a pension to Hannah Koch; to the Committee on Invalid Pensions.

By Mr. ROSE: A bill (H. R. 15333) granting a pension to Abraham Byers; to the Committee on Invalid Pensions.

By Mr. RAMSEY: A bill (H. R. 15334) granting an increase of pension to Charles Burrows; to the Committee on Invalid Pensions.

By Mr. MERRITT: A bill (H. R. 15335) granting an increase of pension to James H. Scollin; to the Committee on Invalid Pensions.

By Mr. MAJOR: A bill (H. R. 15336) for the relief of William Eller; to the Committee on Military Affairs.

By Mr. LANGLEY: A bill (H. R. 15337) granting a pension to Martha E. Hoover; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 15338) granting a pension to James B. Mulford; to the Committee on Invalid Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 15339) granting an increase of pension to Emily Swank; to the Committee on Invalid Pensions.

By Mr. JAMES of Michigan: A bill (H. R. 15340) granting reimbursement to Allan B. Be Dell; to the Committee on War Claims.

By Mr. DUNBAR: A bill (H. R. 15341) granting an increase of pension to Mary Fronan; to the Committee on Invalid Pensions.

By Mr. DENISON: A bill (H. R. 15342) granting a pension to Eliza P. Pickett; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4678. By Mr. GALLIVAN: Petition of the Current Topics Club, of Dorchester, Mass., opposing irrigation privileges in the national parks; to the Select Committee on Water Power.

4679. By Mr. HADLEY: Petition of residents of Whatcom County, Wash., urging the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4680. By Mr. KENNEDY of Rhode Island: Resolution of the Young Irish American Club, of Pawtucket, R. I., urging recognition of the Irish republic; to the Committee on Foreign Affairs.

4681. Also, resolutions of the Providence (R. I.) Chamber of Commerce in opposition to the proposed Great Lakes-St. Lawrence tidewater project; to the Committee on Rivers and Harbors.

4682. By Mr. KIESS: Evidence in support of House bill 14564, granting a pension to Hiram Willson; to the Committee on Invalid Pensions.

4683. By Mr. NEWTON of Minnesota: Petition of Hector Baxter on behalf of the Episcopalians of the diocese of Minnesota, urging the advancing to a vote of House bill 13334, entitled "A bill to prohibit for the purpose of canning and export from Alaska, fishing of salmon in the Yukon River, its tributaries and adjacent waters"; to the Committee on the Territories.

4684. Also, petition of Mrs. C. A. Schmid on behalf of sundry women voters of Minneapolis, Minn., opposing passage of Sheppard-Towner maternity bill; to the Committee on Ways and Means.

4685. By Mr. O'CONNELL: Petition of the Dry Goods Economist, of New York, N. Y., favoring the passage of House bill

7204, which provides for the Federal incorporation for American companies in China; to the Committee on Foreign Affairs.

4686. Also, petition of the National Board of Farm Organizations, protesting against antistrike legislation; to the Committee on the Judiciary.

4687. By Mr. STINESS: Petition of the Chamber of Commerce of Providence, R. I., opposing the proposed Great Lakes-St. Lawrence tidewater project; to the Committee on Rivers and Harbors.

4688. Also, petition of the Rhode Island Women's Club, favoring the passage of the Sheppard-Towner bills which provide for the protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4689. By Mr. TEMPLE: Petition of Local Union No. 3825, United Mine Workers of America, of Meadow Lands, Pa., in support of joint resolution for amnesty and repeal of espionage law; to the Committee on the Judiciary.

4690. By Mr. YOUNG of North Dakota: Petition of commissioners of the city of Fargo, N. Dak., favoring the passage of legislation vesting exclusive authority in the mining, marketing, and fixing of prices of coal; to the Committee on Interstate and Foreign Commerce.

4691. Also, petition of several voters from the second congressional district of North Dakota, requesting Congressman YOUNG to support bill abolishing speculation in foodstuffs; to the Committee on Agriculture.

SENATE.

THURSDAY, *December 23, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we have come to the season of the year which is central in Christian civilization, bearing to us a message, a message from the Father full of compassion and grace. As we enter upon the Christmas season we pray that we may be enabled to catch the spirit of this season and hear the message that Thou dost send to us, and have our hearts responsive to this message, that we may have a new consecration of ourselves to the God whom we have learned through the Son to call our Father in Heaven.

We thank Thee for all the cherished and blessed memories of Christmas time, and pray that they may be brought to us anew to-day. May the heart of Christian civilization rejoice in its welcome to the Christ. "Thanks be to God for His unspeakable gift." We ask Thy blessing. For Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., December 23, 1920.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CHARLES CURTIS, a Senator from the State of Kansas, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. CURTIS thereupon took the chair as Presiding Officer.

THE JOURNAL.

On request of Mr. LODGE, and by unanimous consent, the reading of the Journal of the proceedings of Monday last was dispensed with and the Journal was approved.

ADJOURNMENT TO MONDAY.

Mr. LODGE. I move that when the Senate adjourns to-day it be to meet on Monday next at 12 o'clock.

The motion was agreed to.

CALL OF THE ROLL.

Mr. HARRISON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Fletcher	Henderson	Lenroot
Beckham	France	Hitchcock	Lodge
Borah	Frelinghuysen	Johnson, Calif.	McCumber
Brandegee	Gay	Jones, Wash.	McKellar
Calder	Gerry	Kellogg	McLean
Capper	Glass	Kendrick	McNary
Culberson	Gronna	Kenyon	Myers
Curtis	Hale	Keyes	Nelson
Dial	Harris	King	New
Edge	Harrison	Knox	Norris
Elkins	Heflin	La Follette	Nugent
Page	Ransdell	Smoot	Townsend
Phipps	Reed	Sterling	Wadsworth
Poindexter	Sheppard	Sutherland	Watson
Pomerene	Smith, Ga.	Thomas	

Mr. HEFLIN. Mr. President, my colleague [Mr. UNDERWOOD] is unavoidably absent on account of a death in his family. He has a general pair with the junior Senator from Ohio [Mr. HARDING].

Mr. KENDRICK. My colleague [Mr. WARREN] is absent on official business.

Mr. HARRISON. I announce the unavoidable absence of the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from South Dakota [Mr. JOHNSON]. Both Senators are absent on account of illness.

The PRESIDING OFFICER. Fifty-nine Senators have answered to the roll call. There is a quorum present.

REPORTS ON CONSUMPTION OF AMERICAN COTTON (S. DOC. NO. 348).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and ordered to be printed and, with the accompanying papers, referred to the Committee on Agriculture and Forestry:

To the Senate:

I transmit herewith a report by the Acting Secretary of State covering information received by the Department of State in response to the instructions sent by that department to consular officers of the United States in foreign countries where American cotton is consumed, in pursuance of the Senate resolution of May 4, 1920, "to ascertain as near as possible what quantity of American cotton will be needed during the present year by the countries in which they are located," and "to make suggestions as to means by which markets for American cotton may be enlarged and extended."

It is regretted that reports have not yet been received from some of the posts instructed; but these will be transmitted to the Senate as they arrive. Meanwhile, the Acting Secretary of State furnishes some information regarding conditions at these posts which it is thought may be of interest to the Senate as responsive to the resolution.

WOODROW WILSON.

THE WHITE HOUSE,
Washington, 20 December, 1920.

WORLD'S DAIRY CONGRESS OF 1922 (S. DOC. NO. 347).

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, which was read and, with the accompanying papers, ordered to be printed and referred to the Committee on Agriculture and Forestry:

To the Senate and House of Representatives:

I transmit herewith a report by the Acting Secretary of State, with an accompanying copy of a letter from the Secretary of Agriculture, favoring legislation by the Congress that will give governmental sanction to the World's Dairy Congress, which it is contemplated to hold in the United States in 1922, and will enable the Government of the United States officially to invite participation of foreign Governments therein.

I invite the attention of the Congress to the commercial and scientific value which the Secretary of Agriculture thinks would accrue to the important dairy industry of the United States by holding the proposed congress, and I ask for the matter the favorable consideration of the Congress.

It will be observed that no appropriation is asked for at this time, but that if the holding of the proposed congress be authorized by the Congress of the United States, it may be that the dairy organizations of the United States may, if found necessary, ask the Congress for a small appropriation in addition to the $100,000 which they themselves purpose to raise.

WOODROW WILSON.

THE WHITE HOUSE,
23 December, 1920.

COLOMBIAN TREATY.

Mr. THOMAS. Mr. President, I wish to give notice that on Monday, the 3d of January next, at the close of the routine morning business I shall submit to the Senate some observations upon the proposed treaty between the United States and Colombia.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills and joint resolution:

S. 1. An act authorizing the cutting of timber by corporations organized in one State and conducting operations in another;

S. 2977. An act to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories ap-

proved March 3, 1877, as amended by an act to repeal timber-culture laws, and for other purposes, approved March 3, 1891; and

S. J. Res. 227. Joint resolution extending the time within which the special committee appointed to investigate the advisability of establishing certain naval, aviation, and submarine bases in the United States is required to make its report to Congress.

The message also announced that the House had passed the following bills and joint resolution, in which the concurrence of the Senate was requested:

H. R. 15275. An act imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes;

H. R. 12045. An act to provide for the conveyance of lots on the low grounds of Washington, District of Columbia;

H. R. 12161. An act to amend an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L., 1134);

H. R. 10920. An act declaring Platte River to be a nonnavigable stream;

H. R. 14122. An act to authorize the sale of a portion of the Copper Harbor Range Lighthouse Reservation, Mich., to Houghton and Keweenaw Counties, Mich.;

H. R. 9389. An act to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919; and

H. J. Res. 346. Joint resolution extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which it requested the concurrence of the Senate:

A bill (S. 46) for the protection of the water supply of the town of Sunnyside, Utah; and

A bill (S. 2964) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assinniboine Military Reservation in Montana.

The message further announced that the House had passed with amendments the bill (S. 2188) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901, in which the concurrence of the Senate was requested.

The message further announced that the House agrees to the amendments of the Senate to the bill (H. R. 7930) to provide for the treatment in hospital of diseased alien seamen.

The message also announced that the House had passed a concurrent resolution (H. Con. Res. 68) for printing statistics of imports and duties, 1908–1918, as a House document for the use of the House and the Senate, in which it requested the concurrence of the Senate.

The message further announced that the House had passed a concurrent resolution (H. Con. Res. 69) for printing Summary of Tariff Information, 1920, as a House document for the use of the House and the Senate, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills and joint resolution, and they were thereupon signed by the Acting President pro tempore:

S. 4565. An act extending the time for the doing of annual assessment work on mining claims for the year 1920 to and including July 1, 1921;

H. R. 7930. An act to provide for the treatment in hospital of diseased alien seamen; and

S. J. Res. 212. Joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

PERSONAL EXPLANATION—THE DYE INDUSTRY.

Mr. THOMAS. Mr. President, I ask the indulgence of the Senate for a few moments regarding an editorial in the New York Times of the 21st instant and a communication to it from Dr. Charles H. Herty, to both of which my attention was called in a letter received yesterday signed by John Franklin Crowell. The fact that both the communication and the editorial refer to me personally, and evoked this inquiry, must be my explanation to the Senate for trespassing upon its time. The letter which inclosed one of these documents is brief, and I shall read it:

Your reputation for fairness and public spirit and attitude on business questions, from which your position in the dyestuffs bill seems to some to be a departure, leads me to ask whether your actual position is correctly represented in the inclosed clipping. While I have no thought of financial interest in the Longworth bill, it seems to me to be in line with public interest and deserving of support. I am equally sure that you must have some good reason for your position, and I would appreciate being advised.

The editorial bears the caption "The Threatened Dyestuff Industry," and I can read it in less time than in attempting to state its purport.

THE THREATENED DYESTUFF INDUSTRY.

Like the American merchant marine, the dye and dyestuff industries were an incident and achievement of the War with Germany; in other words, if there had been no war there would now be no American ocean ships to carry American cargoes to every port in the world, and there would be no valuable dyestuff industry, indispensable to manufacturers and employing a great army of workmen. No American would propose the scrapping of the merchant marine or tolerate it. Why should the dyestuff industry be scrapped or sacrificed? Any mistake in legislation dealing with this American industry that grew out of the exigencies of the war would cause rejoicing in Germany. The Germans alone would benefit by it. They would profit enormously if our new industry were neglected and allowed to languish, ultimately to perish.

It should not be forgotten that during the war the Germans turned dye factories into poison-gas factories and were very near to winning the war in the drive of March-April, 1918, by gassing the allied troops. Two years ago, when American hospitals were filled with soldiers suffering tortures from the effects of the enemy's poison gas—hundreds of soldiers had been asphyxiated and died on the field—the American dyestuff industries were struggling toward prosperity without the aid of German dyes, and public opinion demanded that they should be made self-sustaining, so that they could stand alone and be independent. A good deal of capital has since been invested on the justifiable assumption that Congress would assist with necessary legislation after the war when Germany endeavored to recapture her dye and dyestuff trade.

At the first session of the present Congress Mr. LONGWORTH, of Ohio, introduced in the House a bill to safeguard the industry for a limited period and to enable consumers to obtain dyes which American producers are not yet able to furnish. The measure was described as "a bill to regulate the importation of coal-tar products and to promote the establishment of the manufacture thereof." American textile concerns were to be supplied with imported dyes through a commission which would issue licenses upon application. The commission, consisting of representatives of leading manufacturers' associations, was to allow only importations actually needed.

I might say, Mr. President, that that commission is still functioning and excluding all dyes that are not a prime essential to American industries.

In England a licensing bill has passed the House of Commons and will become a law. In the interval since ratification of the peace treaty the Germans have "dumped" dyes and dyestuffs valued at £5,000,000 into England, and the home industry would be ruined without legislative help.

England placed an embargo upon all German dyes very shortly after the armistice, and so did France; but both were soon compelled to repeal those drastic provisions in order to secure a sufficient supply for their textile industries.

In this country the home industry will collapse unless legislation on the lines of the Longworth bill is provided. The Longworth measure has already passed the House. In the Senate two Senators, THOMAS, of Colorado, and MOSES, of New Hampshire, prevented passage, and unless their obstruction is overcome by the plain logic of the situation or by closure in an extremity the American dyestuff industry is doomed. If it deserves support and assistance—and there should be no cavilling about the wisdom of sustaining and encouraging the industry—the Longworth bill can be amended to perfect it. Before the peace treaty is ratified or peace with Germany made in any way the protecting law should be on the statute book.

This editorial, Mr. President, was evidently inspired by the communication from Dr. Charles H. Herty. Dr. Herty is the editor of a chemical journal representing the chemical industry. He was formerly a professor in two of the universities of the South, that of Georgia and of North Carolina. He was then a tariff-for-revenue man, but has since been converted to the extreme doctrine of protection. Macaulay said that there is no zeal like the zeal of an apostate and no hatred like the hatred of a renegade. I am not disposed to apply this aphorism in all its harshness to this gentleman, notwithstanding the fact that his zeal for an embargo on dyestuffs imports would fully warrant my doing so.

The doctor went on a mission to France and Germany last winter partly to secure dyestuffs, which he did not secure, and partly to ascertain the condition of the industry over there. He went to Ludwigshafen, where the Badische factories are located; he saw smoke coming from 12 out of 14 chimneys; he never stopped to inquire further but hastened to the seacoast, took the first ship sailing to America, and breathlessly informed the committee because of that situation that the German dyestuff industries had been resurrected, were running full blast, and would soon deluge this country with their merchandise. Before our committee he went so far as to say that our one protection would be to require Germany to scrap and dismantle all her dye and chemical establishments.

I refer to these matters as indicating the extremes of view which this gentleman indulges and which may palliate the making of the absolutely unfounded statements of his communica-

tion upon which the Times, which is a very fair and reliable publication, particularly as regards its editorial statements of fact, bases this editorial. I am sure it was made on secondhand information, else its conclusion that without the drastic provisions of the Longworth bill the industry is doomed, for that is both silly and absurd.

I shall not read all of this letter, Mr. President, but shall ask leave at this time to insert it in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, permission to do so is granted.

The letter referred to is as follows:

THE DYE BILL—CONDITIONS OF THE INDUSTRY IN GERMANY AND HERE.

To the Editor of the New York Times:

Two years ago, when our hospitals were filled with American soldiers wounded by the poison gases made in German dye factories, when our textile, leather, paper, and other industries were smarting under the experience of servility to a foreign nation for supplies of needed dyes, the thought of the Nation was clear as to the necessity of a complete self-sustained American dye industry.

That thought reflected itself upon the Congress of the United States and found expression more than a year ago in the passage by the House of Representatives of the Longworth bill, a measure adequately protecting for a limited time our rapidly growing dye industry and at the same time insuring ample means for consumers to obtain those dyes which American producers are not yet in position to furnish.

During the intervening year a remarkable situation has developed. Two pictures have been painted which should be exhibited before all thoughtful Americans.

In Germany, despite the protestations of poverty and consequent inability to meet reparation payments, the unification of the great German dye plants, effected in 1916 and originally planned to continue until 1966, has now been extended to the year 2000. For the enlarged operation of these plants new capital is being called and eagerly subscribed by German citizens. Badische, Bayer, and Hoechst are each adding 90,000,000 marks, Berlin Anilin 30,000,000 marks.

An entirely new factor now enters. The world's destiny is more closely bound up in the utilization of nitrogen than in that of any other chemical element. This element when properly harnessed affects food supply, dominates war material, and enters largely into dye manufacture. It is the one raw material of which Germany has an unlimited supply, as it constitutes four-fifths of the atmosphere. For its utilization under the Haber process but little power is required. Prof. Haber, who worked out the details of this process, is the same Prof. Haber who was the head and front of Germany's war gas program. The future operation of the Haber process on a greatly increased scale is now under a special organization controlled by the dye cartel or trust, the present capitalization of the nitrogen organization being fixed at 500,000,000 marks. To-day the American representative of this organization is endeavoring to sell nitrite of soda at very low prices from "that portion of nitrite of soda as produced by the Badische Anilin and Soda Fabrik of Germany through their atmospheric nitrogen development which has been allotted for consumption in the United States." A letter from this agent further states: "We have instructions from Germany to find out the prospects of nitrite of soda consumption in the United States over the year 1921."

That is the picture which, more than any other, bears directly upon the future peace of the world.

Look now at the other picture painted by our own hands.

The Longworth bill went to the Senate more than a year ago, extended hearings were held, a skeptical Senate was convinced, and the bill, indorsed by Republicans and Democrats alike, was favorably reported last spring, though the importers of German dyes and a small group of textile interests opposed it at every step. It has been impossible to gain a vote on the measure. Why? Because two Senators, one a Republican and one a Democrat, Senators MOSES and THOMAS, have conducted a determined filibuster, under the Senate rules, against the measure and are still determined to continue that filibuster.

* * * * * * *

Mr. THOMAS. Dr. Herty says that Badische, Bayer, and Hoechst, who are German manufacturers of dyestuffs and chemicals, have each added 90,000,000 marks to their capital. This is one of his sinister indications of returning German dye prosperity; but, Mr. President, when we consider that the mark is now worth less than 2 cents, when before the war it was worth nearly 25 cents, it will at once be seen that this capital, though prodigious in figures, is actually very small as regards actual value. And it is far less than the water which has recently been injected into the American dye combinations to which I shall shortly refer.

The doctor then refers to the manufacture of nitrates in Germany, which I think the farmers of this country now need about as badly as they have ever needed fertilizer. What a calamity cheap nitrates would now be to agriculture. Dr. Herty, after singing his usual hymn of praise to the Longworth bill, in behalf of which hearings were had which he says converted or convinced a skeptical Senate, refers to the fact that the bill failed to reach a vote because of the opposition of Senators THOMAS and MOSES. Then, he adds:

As a result of this inaction, this uncertainty as to the future, the continued growth of the American dye industry has been seriously set back. Contemplated developments have been postponed; research staffs are being curtailed; chemists whose work had accomplished such brilliant results during the past four years are now seeking employment; capital has become shy; the enthusiasm of the many prospective chemists now filling our university laboratories is becoming chilled—all because two Members of the Senate are obdurate.

The American picture has been blotched. For its restoration only one means remains—the adoption of a closure rule on this bill by the Senate. No matter how great the hesitancy may be regarding the adoption of a closure rule, the situation demands it. Arguments on the merits of the bill are no longer needed. The case has been made out. Bring the measure to a vote. Vital interests are too deeply at stake for two Members of the Senate to block a nation's will.

CHARLES H. HERTY.

NEW YORK, *December 17, 1920.*

Mr. President, I shall not now inflict another argument upon the Senate regarding this measure, but I will confine myself so far as I can to the charge made and particularly to the editorial in the Times which falsely, although perhaps ignorantly, declares that without the immediate enactment of this particular bill the dye industry is doomed. I may say, however, that as a prelude to this editorial the New York Times on the 7th day of December, 1920, published an article purporting to be a dispatch from Berlin dated the 6th day of December, entitled:

German dye firms prepare to sweep world. Public shares confidence and offers capital.

Then follows a remarkable statement which the uninitiated would construe as meaning that the commercial and industrial activities of the German people and the capitalists of Germany, especially as to this particular industry, were being devoted and all of their energies, all of their time, and all of their money were being consecrated to the rehabilitation of this particular business, and that the alarm was being sounded to the American manufacturer of pending destructive German competition; yet in the next column of the paper—and I have made the clipping together—appeared another dispatch of the same date from Berne, Switzerland, headed:

Germany starving, observers assert. Find children in shocking state from underfeeding, and people perishing of cold. Foerster fears anarchy. Unless effective aid comes quickly no one can foretell the consequences.

In the same paper, on the same page, and in adjacent columns, the New York Times informed the people of the United States, first, that Germany is resuming her antewar prosperous industrial condition; and, second, that her people are starving to death and must have help at once if a great human calamity is to be averted. There is no need to comment upon such a contradiction.

Now, Mr. President, a few words regarding the condition of the dye industry. Before the close of my remarks at the last session I obtained possession of and introduced a contract between the Levinsteins and the Du Ponts under which, like the Pope of old, they divided the world into two great divisions, the eastern half, so far as the dye trade was concerned, to be occupied by the Levinsteins and the western half by the Du Ponts. Shortly prior to, and, I think, on the last day of the session, or late at night on the next to the last day, a Senator from this floor referred to my criticisms of the document, and said that it was merely designed to give to each information concerning a particular trade which might be used for the benefit of all; in other words, that it did not create or tend to create a monopoly simply because there were industries outside the pale of its influence, and, of course, in these days nothing is a monopoly which is not the equivalent of a complete industrial despotism.

The matter referred to is as follows:

[New York Times, Tuesday, December 7, 1920.]

GERMAN DYE FIRMS PREPARE TO SWEEP WORLD; PUBLIC SHARES CONFIDENCE AND OFFERS CAPITAL.

BERLIN, *December 6.*

All big concerns in Germany are going to fortify themselves with large amounts of new capital so as to face the fight for the world's markets.

The most conspicuous feature of the German money market of late has been the fact that of the three chief dye-making firms, Messrs. Friedrich Bayer, Badische Anilin und Soda Fabrik, and the Meister Lucius concern in each calling for 90,000,000 marks of fresh capital. The Anilin Fabrikation Co., another member of the trust which lately announced a dividend of 18 per cent, is calling for an additional 30,000,000 marks. There is, I am told, a rush for these shares, as the public has confidence in the ability of the dye companies, and the latter are equally sure of their future.

A member of the board of directors of a well-known company, which during the last year multiplied its previous year's profits by six-fold, told me the other day that the Dye Trust was so certain of the superiority of its productions that it has no reason to suppose any restrictions will bar its activities in the world's best markets. Dye Trust agents who have been in England, he said, returned greatly encouraged, and from most other countries reports are altogether satisfactory.

Another big concern, that of Messrs. Franz Rasquin & Co., of Muelheim, announced net profits just over 3,000,000 marks, as against 600,000 marks last year, and it increased its dividends from 30 to 40 per cent. The firm's report states that it "has large orders in hand at good prices."

In order to speed up the dye business the trust is unloading its interests in the Merzburg and Opau Chemical Manure Works onto a new company with 500,000,000 marks capital, and the trust arrangement, made in August, 1916, to expire in December, 1965, has been extended so as to remain in force. The capital of the trust, formed of seven companies, will be 962,800,000 marks. Four of the chief firms of the trust employ nearly 1,000 research experts.

Regarding foreign trade, the trust is pressing its export department to obtain relief from export restrictions, and the Government is doing all it can in its own way. I learn that reports, even from such places

as Venezuela and China, are very satisfactory. In Venezuela German dyes are pushing out American products, while China took, in the three months of April, May, and June, half the amount of the aniline dyes that England imported in six months. Holland is another market in which German dye firms are doing exceedingly well. During the first half of the present year Holland imported from Germany nearly 18,500,000 florins worth of all kinds of dyestuffs, which at the present rate of exchange means about 380,000,000 marks. Of that amount aniline and tar dyes accounted for 4,500,000 florins, against 180,000 florins for the first half of last year.

It is a curious fact that some German dye firms are running on coal from the United States. German dye-firm agents who have been to the United States report an extremely cool reception, and it is recognized that there will still be a fight for the trade there.

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GERMANY STARVING, OBSERVERS ASSERT—FIND CHILDREN IN SHOCKING STATE FROM UNDERFEEDING AND PEOPLE PERISHING OF COLD—FOERSTER FEARS ANARCHY—UNLESS EFFECTIVE AID COMES QUICKLY NO ONE CAN FORETELL THE CONSEQUENCES, HE SAYS.

BERNE, SWITZERLAND, *December 6.*

For some time past persons of all nationalities returning from Germany have been warning the world with ever increasing vehemence that the great majority of the German people are too underfed to endure the coming winter, even if they could keep their homes warmed, whereas, on the contrary, their homes are mostly unheated. To-day Prof. F. W. Foerster, well known not only as a man of science, but on account of the moderation and courage of his attitude during the war, warns the civilized world through the medium of the Neus Zuercher Zeitung that unless help on a large scale can be given to Germany immediately disaster must overtake her and Europe.

"Besides holding solemn conferences, eminent financiers of all countries absolutely must meet to discuss the desperateness of the food conditions in central Europe," he says. "Before their proposals can be acted upon experienced organizers throughout the civilized world must collaborate to undertake relief measures on a large scale in order temporarily to check the underfeeding in German towns and cities. The impending starvation of millions of people during the winter cold is heartrending, and there could indeed be no finer way of celebrating the first consolidation of the League of Nations in Geneva than by taking extensive measures to help central Europe.

"Should Germany continue to suffer so acutely from underfeeding she will develop into a terrible powder magazine, threatening all Europe, as will appear every day more clearly."

Dr. Foerster contends that it is useless to expect Germany to rehabilitate Europe by her labor because she is fast becoming, if she hasn't already become, too nervously and mentally exhausted and too physically weak to do so, even with the best will in the world. Again, he insists on what observers have said that her mental exhaustion and hopelessness expose her to every kind of mental epidemic, such as bolshevism, and cause the German people to listen to wild utterances to which in normal circumstances they would be far too sensible to pay any attention.

British and American Quakers have done much for German women and children, but while grateful for their efforts, Dr. Foerster says these are merely a drop in the ocean. Neutral medical men who have visited various parts of Germany lately bear out Dr. Foerster, and one doctor narrates, without surprise, that an American lady belonging to an American Quaker commission sent to Berlin fainted in a dispensary at sight of the state of Berlin children who had been brought in wrapped in newspapers and in an indescribable condition owing to underfeeding. The condition of new born and older children is so distressing that a Berlin physician has gone the length of seriously addressing parents and telling them that in the present circumstances it is their duty not to bring children into such a world.

Dr. Foerster asks the public not to accuse him of propaganda, and few who know his attitude during the war would be inclined to do so.

Mr. THOMAS. I made the statement then, and I repeat it now, that the real purpose behind this measure—which is not needed at all—is to effectuate a great single consolidated interest here, representing not only this particular branch of chemical development, but the entire chemical industry of the United States. I also made the assertion that the vast capital of the Du Ponts, derived from their various activities, gave them the ability to absorb other industries practically without limitation; and that statement has been verified by the fact that during the vacation of this body the Du Pont Co. has acquired absolute control of the General Motors Co. Of course, that is not an industry connected directly with the subject of my remarks, but it indicates that the income of this vast industrial enterprise is so huge that its beneficiaries may at will absorb any business that may be in the market through a transfer of its corporate shares.

I also then emphasized the very prosperous condition of the dye industry, as represented by the Du Ponts and their competitors. I now call attention, as confirmatory of that statement, to an advertisement of the Du Pont Co. which appears in the Color Trade Journal for December. It consists of a beautiful and attractive lithograph or steel engraving or picture of what is called "the heart of the American dyestuffs industry, the Deepwater works of the Du Pont Co. at Deepwater, N. J.," with a statement in the form of an advertisement, wherein this company commits itself:

Building for permanence and not to meet a war-time emergency, our vast Deepwater plant is the visible pledge of the Du Pont Co. to America that her dyestuffs needs will be met, no matter what the situation without her borders.

Let us contemplate that for a moment. It "will be met, no matter what the situation without her borders." Yet Herty and the Times declare that the industry is doomed if we do not speedily place an embargo upon the importation of German dyes and increase the duties now prevailing and which the dye manufacturers themselves were permitted to write in 1916.

From the research laboratory, through every phase of manufacture back to the checking laboratory, adequate facilities, involving a tremendous investment, are provided for large-scale production of the essential dyestuffs required by the textile manufacturers and other dyestuffs-consuming industries.

That is the Du Pont statement to the people; but there are other announcements in the same periodical upon this subject which are very illuminating.

I turn next to the advertisement of the United States Color & Chemical Co., on the next page, presenting pictures of nine different establishments belonging to it, and from their appearance certainly in a state of high efficiency. The text of the advertisement is equally illuminating.

Mr. McLEAN. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Connecticut?

Mr. THOMAS. I do.

Mr. McLEAN. I do not wish to curtail the interesting remarks of the Senator from Colorado, but I have here two reports from the Committee on Banking and Currency that ought to be acted on to-day.

Mr. THOMAS. Mr. President, I shall take but a very little time. I should not have asked the indulgence of the Senate but for the personal nature of the communication and editorial to which I have called attention.

Mr. McLEAN. If it is the Senator's purpose to close by 1 o'clock I shall not interrupt him further at this time.

Mr. THOMAS. I shall occupy only a very few moments, I hope, beyond what I have already taken.

There are other advertisements of other equally prosperous institutions engaged in this business, evidently oblivious of the doom which hangs over them because of the unpatriotic and reprehensible conduct of two Senators of the United States.

Another combination, this of dye manufacturers themselves, during the interval between our adjournment and our reassembling, is that of the Barrett Co. The Barrett Co. was prosecuted in 1913, or shortly afterwards, and successfully so, for a violation of the antitrust law. It seems, however, to have recovered from that knockout blow, if it was one, and is now one of five large corporations which have consolidated to form the Allied Chemical & Dye Corporation. The president of the Barrett Co. announced in the Barrett Trail for October that—

All of the merging companies will be run as independent entities. So that as far as the Barrett Co. is concerned there is contemplated no change of any kind in its manner of conducting its business or in its personnel.

The Allied Chemical & Dye Corporation made a statement during the last week of September, 1920, scarcely 60 days ago, giving the assets, liabilities, and income of the consolidated companies—the Barrett Co., the National Aniline & Chemical Co., the Solvay Process Co., the Semet-Solvay Co., and the General Chemical Co.

Here is the financial statement of this suffering, this doomed corporation:

The income account covered the first six months of 1920, during which time the net income before depreciation and taxes was $22,381,649. After reserve and taxes the net income available for dividends was $12,825,241. Total assets on December 31, 1919, amounted to $223,941,660, and current assets, $94,175,790. Current liabilities on the same date amounted to $29,161,845.

Does this showing resemble that of a tottering and practically doomed enterprise?

The proportion of outstanding stocks of the consolidating companies is given:

Barrett Co., preferred, 93.78 per cent; common, 95.14 per cent.

National Aniline Co., preferred, 90.35 per cent; common, 98.18 per cent.

Solvay Process Co., 99.82 per cent.

Semet-Solvay Co., 97.01 per cent.

General Chemical Co., preferred, 92.71 per cent; common, 95.83 per cent.

And these, Mr. President, have followed the usual course. This capitalization has been used as the basis for an added capitalization, a watered capitalization, a fictitious capitalization; and when it comes to die because of the obstructive tactics of two Senators it will have the consolation that in its career it never missed a single opportunity offered by the practices of this commercial world for the dropsical increase of a capital stock as the basis of prices for its products to the consumers of this country.

Of the other companies involved in the merger, the National Aniline & Chemical Co., organized in 1917, represents an amalgamation of a large number of other interests. It has capital stock, authorized and outstanding, of 395,900 shares common stock of no par value, but of the stated value of $5 per share,

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and $23,000,000 7 per cent cumulative preferred. A large part of the common stock is owned by the General Chemical Co., and so forth.

The Solvay Process Co.'s authorized capitalization is $36,000,000; outstanding, $22,500,000.

The Semet-Solvay Co., authorized, $20,000,000; outstanding, $16,000,000.

The General Chemical Co., authorized $20,000,000 common and $20,000,000 6 per cent cumulative preferred. Outstanding May 15, 1920, $19,000,000 common, $16,000,000 preferred, par of $100.

Mr. President, I have said sufficient for my purpose. I have shown facts and figures supplied by some of these institutions themselves. The claim that this bill is essential to their continued existence is utterly and incredibly false. It can have but one purpose—to force the hand of this Congress during its short session by the imposition of a cloture upon the Senate, to the end that the monopoly shall be made absolutely complete and, of course, upon the unselfish and patriotic plea that it is essential as a war industry to the protection of the Republic in the event hostilities shall again occur between this and some other nation.

Let me now refer for a moment to some figures showing our imports and exports of dyestuffs. I read from the same journal.

For the month of September our domestic exports to all countries of aniline dyes—I will not refer to the dyes which are not produced from coal-tar derivatives—were $2,299,516. Those are the figures of our exports. Our imports of alizarin dyes amounted to $3,054; colors or dyes not elsewhere specified, $314,659. This is the dyestuff import trade that is "overwhelming" the American industry. At that rate, Mr. President, the total annual imports will not exceed $2,000,000 or $2,500,000. But here is something equally assuring in this journal entitled:

United States foreign trade for 1919 and 1920 in finished coal-tar colors and indigo. (Prepared by the Division of Statistics, Bureau of Foreign and Domestic Commerce.)

From this it appears that our imports of dyes in 1919, including all sorts of dyes, totaled $3,169,276.

Coming to the growth of exports, on page 197, we have this information: First, that Switzerland is now the chief source of coal-tar colors and dyes and of synthetic indigo imported into the United States in the calendar years 1918 and 1919.

Exports of aniline dyes—

Exports, mind you—

amounted to $10,183,948 in the fiscal year 1919, but increased to $17,130,397 in 1920, a gain of 68 per cent in the last year.

The high tide of German importation of dyes to this country scarcely exceeded $15,000,000 per annum. This industry, this American industry, controls very largely the export trade in dyes. It is so powerful in its activities and so prosperous at present—and I am glad of it—that the only need for foreign dyes manifested in our trade reports is embodied in the figures, less than two and a quarter millions a year; and, of course, constituting dyes which do not enter into competition with domestic dyes and which the American trade must have, else the War Trade Board, which sits clothed with power and majesty just below the War, State, and Navy Department Building, issues its permits, according to its own discretion, or refuses them, which is more likely the case, for the importation of dyes which are absolutely needed, which up to this time have not been manufactured here.

But let us proceed:

With the return to peace it is evident that whatever the demand for dyes made in Germany may be, that country will never regain its lost supremacy in the world trade in dyestuffs.

Mr. REED. Is that an editorial?

Mr. THOMAS. This is the report of the United States foreign trade for 1919 and 1920 in finished coal-tar colors and indigo, prepared by the Division of Statistics, Bureau of Foreign and Domestic Commerce, but published in a periodical which is devoted to the passage of this bill.

I continue reading:

The United States was first to establish a domestic industry sufficient to meet the demands of the home market. This was done on private initiative and capital.

That is the way it ought to have been done.

The British Government has established a definite policy, backing it financially, to develop this industry and maintain it so that England will not again be dependent on outside sources for its colors and dyes. Although the British production is constantly increasing, it has not been able to overtake the increasing demand. A recent estimate gives the total output as equal to about 80 per cent of the dyes actually consumed in the United Kingdom.

The United Kingdom seems to be doing pretty well.

France, Italy, and Japan are producing some dyestuffs, but due to lack of raw materials and to other difficulties incident to establishing the manufacture these countries can not yet supply their own textile factories with the quantity and variety of colors needed. Germany, it is now conceded, will not be the strenuous competitor she was formerly in the foreign trade. Switzerland is the only country, other than the United States, now making aniline colors sufficient to meet its own requirements and to export on a large scale, and the Swiss are dependent on other countries for the raw materials.

Let me say here that the United States is exporting some coal-tar intermediates, derived from American coal, to Germany, because they are needed by the German chemical industries and can not be secured from their domestic supply.

This article continues:

The United States has abundant coal to supply the raw materials for making aniline dyes. Private capital has been supplied as fast as it could be utilized in establishing scores of factories and in training skilled operatives and chemists for actual and experimental work on a large scale. There has been an increasing tendency since 1916 to centralize or consolidate domestic enterprises, in order to cut overhead expense, utilize all by-products, and reduce the price of finished dyes. This has not only increased production but has developed a foreign trade, as shown by the wide distribution of American aniline dyes exported in the calendar years 1918 and 1919. The value of the exports for these years is shown in the table on the following page.

Mr. President, I ask leave to print as a part of my remarks the article from which I have just read, and the title of which I have given. It covers only two pages of this document; and also the report I read concerning the Barrett Co.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

UNITED STATES FOREIGN TRADE FOR 1919 AND 1920 IN FINISHED COAL-TAR COLORS AND INDIGO.

[Prepared by the Division of Statistics, Bureau of Foreign and Domestic Commerce.]

The domestic coal-tar color industry, reborn of the war, continues to thrive in times of peace as evidenced by a comparison of the foreign trade during the fiscal year ended June 30, 1920, with that of 1919.

Imports of alizarin and alizarin dyes increased from 11,797 pounds, valued at $13,286 in 1919, to 257,841 pounds, worth $103,266 in 1920. Receipts of other finished coal-tar colors and dyes rose from 1,934,021 pounds, valued at $2,753,116, to 2,785,904 pounds at $3,775,216, or an increase of 44 per cent in the quantity and 37 per cent in value during the same period.

SWITZERLAND THE CHIEF SOURCE OF COAL-TAR COLORS—INDIGO TRADE.

Switzerland has the place formerly held by Germany as the leading source of the coal-tar colors imported into the United States, the receipts rising from 1,243,135 pounds, valued at $2,047,043 in 1919, to 1,454,811 pounds, worth $2,500,933 in 1920, followed by imports from the United Kingdom of 616,720 pounds, invoiced at $609,238 in 1919, and 558,166 pounds at $567,258 in 1920, with smaller amounts from Germany and other countries during the same year.

Imports of natural indigo declined from 996,069 pounds, worth $1,242,885 in 1919, to 126,539 pounds, valued at $165,332 in 1920; but the imports of synthetic indigo increased approximately 70 per cent in quantity and value, from 594,107 pounds, invoiced at $308,582 in 1919, to 1,014,100 pounds, valued at $530,285, in the year just ended. This was to be expected, as synthetic indigo is superior commercially to the vegetable product, the color being more even, and the cost of production prior to the war less than that of the natural indigo. As the bulk of the laboratory product was made in Germany, when imports were cut off by the war the trade in the natural product revived, but apparently will not be able to hold its place under peace conditions in competition with the synthetic indigo, more especially as the latter is now being produced on a commercial scale in the United States and countries other than Germany.

The fiscal year figures are more readily comparable in the following tabular form:

Articles, and countries from which imported.	1919		1920	
	Pounds.	Value.	Pounds.	Value.
Alizarin and alizarin dyes	11,797	$13,286	257,841	$103,233
Colors or dyes, n. e. s.	1,934,021	2,753,116	2,785,904	3,775,213
Imported from—				
Germany	18,518	15,644	430,197	334,955
Switzerland	1,243,135	2,047,043	1,454,811	2,500,933
United Kingdom	616,720	609,238	558,166	567,258
Other countries	55,648	81,191	342,730	372,070
Indigo:				
Natural	996,069	1,242,885	126,539	165,332
Synthetic	594,107	308,582	1,014,100	530,285

IMPORTS BY COUNTRIES FOR 1918 AND 1919.

As the statistical tables have been changed from fiscal to calendar years, the latest figures available showing the imports of coal-tar colors and of indigo into the United States by separate countries, are for the calendar years 1918 and 1919. Figures for these years are as follows:

Articles and countries.	1918		1919	
	Pounds.	Value.	Pounds.	Value.
Alizarin and alizarin dyes:				
France			18	$250
Switzerland	440	$572	220	2,517
United Kingdom—England	4,310	3,739	23,417	21,084
Canada	1	2	215	414
China	500	7,629	5	15
Japan	15,141	58,948		
Total	20,392	70,890	23,875	24,280

Articles and countries.	1918		1919	
	Pounds.	Value.	Pounds.	Value.
Colors or dyes n. e. s.:				
Austria-Hungary			1,775	$1,725
Belgium			36,908	63,119
France		$76,506	11,746	20,853
Germany			143,031	83,563
Netherlands			7,895	7,412
Norway			97,519	120,160
Spain		11,543		
Switzerland		1,762,688	1,284,199	2,176,463
United Kingdom—				
England		561,699	609,703	664,548
Scotland		345	1,000	859
Canada		32,424	17,369	18,766
Cuba		322		
China		8,790		
British India		14,020		
Japan		1,102	4,192	11,808
Total		2,469,439	2,215,397	3,169,276
Indigo:				
Natural—				
Switzerland	25,762	38,719	15,796	29,857
United Kingdom—England	264,975	463,510	10,584	16,647
Costa Rica			23,270	22,900
Honduras	1,674	2,386	10,609	11,336
Nicaragua	2,967	4,334	150	240
Panama			30	41
Salvador	234,452	299,554	60,940	67,262
Chile	1,964	2,455		
British India	1,138,176	1,284,434	99,597	99,901
British Straits Settlements	16,560	13,248		
Other British East Indies	15,212	16,640		
Dutch East Indies	45,332	60,087		
Russia in Asia			6,498	11,931
Total	1,747,074	2,194,367	227,474	260,115
Synthetic—				
France			87,570	36,607
Switzerland	770,212	410,421	726,440	388,067
United Kingdom—England	6,817	5,587	1,468	1,970
Salvador			8,400	5,729
Total	777,029	416,008	823,878	432,373

In the calendar year 1919, of a total of 23,875 pounds of imported alizarin and alizarin dyes, 23,417 pounds came from England, the first of the allied countries to produce them on a commercial scale. The production, however, has at no time since 1914 been equal to the world-wide demand. Experimental work in American laboratories has resulted in a recent announcement by one of the largest factories that it is in a position to begin marketing a number of alizarin colors.

SWISS DYES AND SYNTHETIC INDIGO—SOURCES OF NATURAL INDIGO.

Switzerland, though hampered by a lack of intermediates and other raw materials, has been the chief source of coal-tar colors and dyes and of synthetic indigo imported into the United States in the calendar years 1918 and 1919. Swiss colors imported in 1918 were valued at $1,762,688, in contrast of $561,699 from England, out of a total of $2,469,439 from all countries; and $2,176,463 in 1919, against $664,548 from England, out of a total of $3,169,276.

The natural indigo is grown chiefly in China, British India, and the East Indies. The imports shown from England and Switzerland are derived from the Orient. In 1918 the total receipts of this vegetable color amounted to 1,747,074 pounds, valued at $2,194,367, of which 1,138,176 pounds, valued at $1,284,434, came from British India; 264,975 pounds, at $463,510, from England; 234,542 pounds, at $299,554, from Salvador; and less amounts from other countries. In 1919 total imports dropped to 227,474 pounds, worth $260,115, the bulk of it coming from British India and Salvador. Natural indigo can be readily grown in the subtropical countries of the Western Hemisphere, but, owing to the higher cost of labor, it can not compete commercially with that from the Orient. Prior to the revolution it was produced on a somewhat extensive scale in the Carolinas.

GROWTH IN EXPORTS OF COAL-TAR DYES.

Exports of aniline dyes amounted to $10,183,948 in the fiscal year 1919, but increased to $17,130,397 in 1920, a gain of 68 per cent in the last year.

With the return to peace it is evident that whatever the demand for dyes made in Germany may be, that country will never regain its lost supremacy in the world trade in dyestuffs. The United States was first to establish a domestic industry sufficient to meet the demands of the home market. This was done on private initiative and capital. The British Government has established a definite policy, backing it financially, to develop this industry and maintain it so that England will not again be dependent on outside sources for its colors and dyes. Although the British production is constantly increasing, it has not been able to overtake the increasing demand. A recent estimate gives the total output as equal to about 80 per cent of the dyes actually consumed in the United Kingdom. France, Italy, and Japan are producing some dyestuffs, but due to lack of raw materials and to other difficulties incident to establishing the manufacture, these countries can not yet supply their own textile factories with the quantity and variety of colors needed. Germany, it is now conceded, will not be the strenuous competitor she was formerly in the foreign trade. Switzerland is the only country, other than the United States, now making aniline colors sufficient to meet its own requirements and to export on a large scale, and the Swiss are dependent on other countries for the raw materials.

The United States has abundant coal to supply the raw materials for making aniline dyes. Private capital has been supplied as fast as it could be utilized in establishing scores of factories and in training skilled operatives and chemists for actual and experimental work on a large scale. There has been an increasing tendency since 1916 to centralize or consolidate the domestic enterprises, in order to cut overhead expense, utilize all by-products, and reduce the price of finished dyes. This has not only increased production, but has developed the foreign trade, as shown by the wide distribution of American aniline dyes exported in the calendar years 1918 and 1919. The value of the exports for these years is shown in the table which follows.

NEW STATISTICAL CLASSIFICATION OF FINISHED DYESTUFFS.

Soon after the war cut off the supply of imported dyestuffs, on which so many American industries were dependent, it was found that no detailed figures showing the variety and quantity of each color needed were available, as the statistical classification of imports included dyes and colors in a group for which total value only was given. In order to develop a domestic industry the urgent call for adequate statistical information led the Bureau of Foreign and Domestic Commerce to collect and compile in detail from the original import declarations for the fiscal year 1914 the desired data, which were published in Special Agents Series No. 121, Artificial Dyestuffs Used in the United States.

Since then there has been a constantly increasing demand for an expanded classification of the official export and import schedules to make available more specific data in relation to our foreign trade in coal-tar colors. After conferences with experts and others interested in the dye manufacture and trade a revision of these schedules has been made, to be effective after January 1, 1921. The new import classification is as follows:

Alizarin and derivatives:
- Alizarin—
  - Natural.
  - Synthetic.
- Colors or color lakes obtained, derived, or manufactured from alizarin.
- Dyes obtained, derived, or manufactured from alizarin.

Anthracene and carbazole derivatives:
- Colors or lakes obtained, derived, or manufactured from anthracene or carbazole.
- Dyes obtained, derived, or manufactured from anthracene or carbazole.

Other color lakes.

All other colors, dyes, or stains, whether soluble or not in water, color acids, and color bases.

Indigo and indigoids:
- Indigo—
  - Natural.
  - Synthetic.
- Dyes obtained from indigo.
- Indigoids, whether or not obtained from indigo.

In exports color lakes will be classed separately.

FAVORABLE MARKETS FOR AMERICAN PRODUCTS.

Aniline dyes were not shown separately in the statistical classification prior to July 1, 1917, and for the six months ended December 30 of that year the exports totaled $3,502,218. The shipments in 1918 amounted to $8,629,611 and to $10,724,071 in 1919. The Orient offers unlimited opportunities for the exploitation of American-made colors, Japan, British India, and China being the heaviest buyers during the past two years. Shipments to Japan declined from $2,576,801 in 1918 to $2,151,191 in 1919, but those to British India increased from $1,004,022 to $1,562,244, to China from $549,605 to $1,609,060, and to Hongkong from $97,393 to $228,788, with considerable gains for other Far Eastern countries. Canada affords the best market for dyes in the western world, taking $836,445 worth of aniline colors in 1918 and $1,015,334 worth in 1919. Exports to European countries aggregated $1,401,732 in 1918 and $1,560,211 in 1919, the principal markets in order of value being Spain, England, Italy, Portugal, and France. Australia took these products to the value of $35,035 in 1918 and $130,985 in 1919. Aniline dyes exported to South America were valued at $1,719,408 in 1918 and at $1,651,872 in 1919, Brazil, Argentina, Chile, and Peru being the leading countries of destination.

The world-wide shortage of dyestuffs and the growing demand for both quantity and variety of such materials offer every opportunity to extend the foreign market for American colors.

Articles and countries.	1918	1919
Belgium		$90
Denmark		6,334
Finland		13,565
France	$6,345	127,059
Germany		150
Greece	22,139	51,530
Iceland and Faroe Islands		870
Italy	274,903	269,130
Malta, Gozo, etc		700
Netherlands		26,284
Norway		13,663
Portugal	176,769	70,296
Russia in Europe		8,579
Spain	518,895	537,383
Sweden		22,694
Switzerland	22,500	193
United Kingdom:		
England	378,831	413,709
Ireland	1,350	
Bermuda		33
British Honduras	23	
Canada	836,445	1,015,334
Costa Rica	125	974
Guatemala	316	1,057
Honduras		200
Nicaragua	1,841	1,526
Panama	1,415	328
Salvador	1,920	1,856
Mexico	289,327	467,506
Newfoundland and Labrador	762	6,869
Barbados	38	375
Jamaica	20	547
Trinidad and Tobago	116	2,931
Cuba	21,622	28,334
Dominican Republic	209	1,643

Articles and countries.	1918	1919
utch West Indies	$1,440	$3
Haiti	2	156
Argentina	458,419	468,459
Bolivia	14,268	25,444
Brazil	953,407	773,449
Chile	103,778	124,242
Colombia	16,070	35,247
Ecuador	18,064	31,530
Dutch Guiana		32
Peru	70,463	136,813
Uruguay	31,947	42,747
Venezuela	52,992	13,909
China	549,605	1,609,060
Kwantung, leased territory		1,948
Chosen		532
British India	1,004,022	1,562,244
British Straits Settlements	1,347	7,446
Other British East Indies		81
Dutch East Indies	19,199	137,265
French East Indies		48,168
Hongkong	97,393	223,758
Japan	2,576,801	2,151,191
Russia in Asia		1,471
Siam		9,169
Turkey in Asia		650
Australia	85,035	130,985
New Zealand	3,549	5,074
Other British Oceania	200	
French Oceania	12	109
Philippine Islands	11,694	41,796
British West Africa		3,088
British South Africa	2,941	33,153
Canary Islands		132
Egypt		6,197
French Africa	92	2,037
Morocco	960	959
Total	8,629,611	10,724,071

MEMORANDUM ON THE BARRETT CO. (OF NEW JERSEY), (DECEMBER 22, 1920).

The company was incorporated February 6, 1903, in New Jersey, under perpetual charter, as the American Coal Products Co.; name changed to The Barrett Co. on February 1, 1916.

General office, 17 Battery Place, New York.

Plants number about 40 in all, the principal ones being located at New York, St. Louis, Detroit, Nashville, New Orleans, Johnstown (Pa.), Latrobe, Chicago, Cleveland, Birmingham, Salt Lake City, Youngstown, Bethlehem, Elizabeth, Boston, Pittsburgh, Minneapolis, Peoria, Milwaukee, Bangor, Toledo, Columbus, Buffalo, Baltimore, Washington, and Richmond.

Products include roofing and building papers of all kinds, roofing and paving pitch, tarvia, carbolic acid, benzol, naphtha, and all coal-tar products.

Capital stock: Authorized, $25,000,000 common and $12,500,000 of 7 per cent cumulative preferred; outstanding as of December 31, 1919, $16,443,100 common and $7,811,400 preferred; par, $100.

Officers: Eversley Childs, chairman; W. H. Childs, president; T. M. Rianhard, vice president and general manager; W. N. McIlravy; R. P. Perry, and John C. Runkle, vice presidents; E. J. Steer, secretary and treasurer; and F. M. Stearns, assistant secretary and assistant treasurer.

The original corporation (the American Coal Products Co.) and the Barrett Manufacturing Co. and subsidiaries, were charged with violation of the Sherman antitrust law on March 3, 1913, and on the following day a decree was entered in the Federal district court under which the National Coal Tar Co., Union Coal Tar Chemical Co., W. H. Rankin Co., and New York Coal Tar Chemical Co., all subsidiaries of the Barrett Co., were ordered dissolved and their charters surrendered; the Barrett Co. was also required to eliminate certain restrictive conditions in some of its contracts for tar and further required to operate the following of its active subsidiaries as departments: Warren Chemical & Manufacturing Co., Commonwealth Roofing Co., Warren-Ehret Co., Eastern Granite Roofing Co., United Roofing & Manufacturing Co. The Barrett Manufacturing Co. owned 70 per cent of the stock of the H. F. Watson Co., of Erie, Pa., and under the court's decree was required to dispose of 25 per cent of the stock of this company.

The Barrett Co. of New Jersey was formerly principally a holding company, conducting its operations through subsidiary companies, of which the Barrett Co. of West Virginia was the principal one. However, on September 16, 1918, the subsidiary companies were consolidated and the assets of the West Virginia company transferred to the Barrett Co. of New Jersey. (Moody's Manual of Railroads and Corporation Securities, 1920, p. 2284.) It is said to own a controlling interest in the Société Anonyme de Materiaux pour Toitures et Routes, and to be associated with Paix & Co. in building a new plant at Courchelette, in northeastern France. (Drug and Chemical Markets, July 7, 1920, p. 12.)

The Barrett Co. is one of five large corporations which have consolidated to form the Allied Chemical and Dye Corporation. The president of the Barrett Co. announced in The Barrett Trail for October that "all of the merging companies will be run as independent entities. So that as far as the Barrett Co. is concerned, there is contemplated no change of any kind in its manner of conducting its business or in its personnel."

The Allied Chemical and Dye Corporation made a statement during the last week in September, 1920, giving the assets, liabilities, and income of the consolidated companies. The Barrett Co., National Aniline & Chemical Co., the Solvay Process Co., the Semet-Solvay Co., and the General Chemical Co. The income account covered the first six months of 1920, during which time the net income, before depreciation and taxes, was $22,381,649. After reserve and taxes the net income available for dividends was $12,825,241. Total assets on December 31, 1919, amounted to $223,941,660 and current assets $94,175,790. Current liabilities on the same date amounted to $29,161,845. Among assets, patents, processes, formulae, and good will were valued at $21,981,845. The bonded indebtedness was $9,493,074. The Guaranty Trust Co. was appointed depository for the consolidation. (Drug and Chemical Markets, Sept. 29, 1920.)

A further statement was made during the first week of December, 1920, by the committee in charge of the consolidation, to the effect that the consolidation has become operative and the plan will be carried into effect as of January 1, 1921. Temporary stock certificates for the new stock, both preferred and common, will be ready for distribution about January 6. The proportion of outstanding stocks of the consolidating companies now under control of the committee is as follows: Barrett Co. preferred, 93.78 per cent, and common, 95.14 per cent; National Aniline and Chemical preferred, 90.35 per cent, and common, 98.18 per cent; Solvay Process, 99.82 per cent; Semet-Solvay, 97.01 per cent; General Chemical preferred, 92.71 per cent, and common, 95.83 per cent. (Drug and Chemical Markets, Dec. 8, 1920, p. 1225.)

Of the other companies involved in the merger:

The National Aniline & Chemical Co., Inc., organized in 1917, represents an amalgamation of a number of interests engaged in the manufacture of aniline oil and salts, coal tar, colors, intermediates, and dyestuffs. The company was formed for the purpose of unifying and coordinating the dyestuffs industry, and its various factories cover the business process of manufacture from the raw material to the finished products. Capital stock: Authorized and outstanding, 395,900 shares common, of no par value, but of the "stated" value of $5 per share, and $23,524,700 7 per cent cumulative preferred, par $100. A large part of the common stock is owned by the General Chemical Co., the Barrett Co., and the Semet-Solvay Co. (Moody's Manual, 1920, p. 2782.)

The Solvay Process Co. was incorporated in 1881 to manufacture soda and its by-products. It is engaged in the manufacture of alkali and its by-products, and through its allied companies, the Semet-Solvay Co. and Solvay Collieries Co., is also engaged in the operation of by-product coke plants. Capital stock: Authorized, $36,000,000; outstanding, $22,500,000; par $100. (Moody's Manual, 1920, p. 1625.)

The Semet-Solvay Co., incorporated in 1916, manufactures iron, steel, coke, copper, lumber, gas acids, explosives, chemicals, etc., and does construction work. Capital stock: Authorized, $20,000,000; outstanding, $16,978,886; par $100. (Moody's Manual, 1920, p. 1573.)

The General Chemical Co., organized in 1899, is a consolidation of a number of companies engaged in the manufacture of heavy chemicals, sulphuric acid, grocery specialties, and baking powder. It controls several corporations through stock ownership and has a large interest in the National Aniline & Chemical Co. (Inc.). Capital stock: Authorized, $20,000,000 common and $20,000,000 6 per cent cumulative preferred; outstanding May 15, 1920, $19,822,900 common and $16,333,300 preferred; par $100. (Moody's Manual, 1920, p. 646.)

Mr. THOMAS. Now, Mr. President, just another word: There is no doubt of the power of the Senate to take up this measure and apply the cloture rule. I am not complaining. I have been fighting for a cloture rule ever since I have been here, and I am not complaining. I have simply made use of machinery I have found here which I have not been able thus far to remove, and have utilized for the performance of a duty to myself, to the Congress, and to the people of the United States. With one exception I am opposed to embargoes absolutely, although I shall have some amendments to the embargo bill which passed the House yesterday when it comes over. I am in favor of a temporary embargo on the indiscriminate immigration now flooding this country with hundreds of thousands of immigrants per month, most of them undesirable.

If we really want to stem the tide of depressing conditions, and particularly to aid those American workmen who are to-day out of employment, we should prohibit immigration into the United States for the next year. They are not only taking the bread out of the mouths of and competing with the workmen of this country still engaged in gainful pursuits, but they are threatening the very fabric of our civilization. Of course, I do not mean this statement to apply to all those who are coming, nor to the many good naturalized citizens we have in this country. But when I reflect that the great steamship companies, both of the United States and of the Old World, in their eagerness and greed for gain, are rounding up and crowding immigrants of all nationalities into every nook and corner of every steamship plying between the two continents, and dumping them upon our shores at the rate of millions per annum; when I further reflect that the Commissioner of Immigration warns us that 12,000,000 of these people, no matter how disreputable, will come as soon as they can secure accommodations, I say, Mr. President, that if we are to embargo anything, we should begin there, and I propose to give the Senate an opportunity to vote upon that sort of an embargo when the bill which has just passed the House comes before this body for consideration.

PETITIONS AND MEMORIALS.

Mr. LODGE presented a memorial of the Amos Lodge, No. 27, I. O. B. B., of Boston, Mass., remonstrating against the immigration of undesirable aliens, which was referred to the Committee on Immigration.

Mr. NELSON presented a petition of the city council of Duluth, Minn., praying for the enactment of legislation for governmental supervision of the coal industry through the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

He also presented a petition of the board of directors, the St. Paul (Minn.) Association, of St. Paul, Minn., favoring the so-called "truth in fabric" bill, which was referred to the Committee on Interstate Commerce.

Mr. CAPPER presented a petition of the Franklin County Wool Growers' Association, of Ottawa, Kans., favoring the Capper-French "truth in fabric" bill, also praying for the enactment of legislation placing a tariff on wool, which was referred to the Committee on Finance.

He also presented a petition of the Farmers' Union, of Flush, Kans., praying for the passage of the Capper antigrain-gambling measure, which was referred to the Committee on Agriculture and Forestry.

Mr. LENROOT. Mr. President, I present resolutions passed by a number of farm organizations meeting in St. Louis on the 16th day of this month, protesting against the Senate amendment to the Capper bill and also protesting against the Poindexter antistrike bill. I ask unanimous consent that these resolutions may be printed in the RECORD.

Mr. SMOOT. Will not the Senator let the resolutions be referred to the proper committee and have them noted in the RECORD?

Mr. LENROOT. I would, except that one of the bills is on the calendar and the other has passed, so that neither is before a committee.

The PRESIDING OFFICER. Is there objection to printing them in the RECORD?

There being no objection, the resolutions were ordered to lie on the table and to be printed in the RECORD, as follows:

NATIONAL BOARD OF FARM ORGANIZATIONS,
Washington, D. C., December 20, 1920.

To the MEMBERS OF THE UNITED STATES SENATE AND THE HOUSE OF REPRESENTATIVES:

Representatives of farmers' cooperative self-help organizations from 17 States, meeting in St. Louis, Mo., December 16, 17, and 18, unanimously protested the amended form of the Capper-Volstead bill as adopted by the Senate December 15. The conference also unanimously voiced its opposition to the Poindexter antistrike bill passed by the Senate last Thursday.

Copies of telegrams on the Capper-Volstead and antistrike measures are included below.

Respectfully, yours,

CHAS. A. LYMAN, *Secretary.*

[Copy of telegram.]

ST. LOUIS, MO., *December 16, 1920.*

Senator KNUTE NELSON,
Chairman Judiciary Committee, Washington, D. C.:

Farmers meeting here this week, representing several billion dollars' annual cooperative business, earnestly protest amended form Capper-Volstead bill as adopted by Senate yesterday. As lawyer of high standing, do you not agree with us that proviso added by your committee to Volstead bill as passed by House practically nullifies measure? We ask that bill be changed in conference to conform to Volstead bill. Please answer.

(Signed) CHAS. S. BARRETT, *Chairman.*

[Copy of telegram.]

WASHINGTON, D. C., *December 17, 1920.*

CHARLES S. BARRETT,
St. Louis, Mo.:

Telegram received. Will consider the matter referred to in conference.

(Signed) KNUTE NELSON.

POINDEXTER ANTISTRIKE BILL.

We are opposed to the Poindexter antistrike bill adopted by the United States Senate on Thursday.

We deprecate strikes and realize their harmful immediate effects, yet we realize that there are circumstances which under existing conditions make united protest the only means for the self-preservation of the workers.

We believe the bill will cause far greater harm than good, and will cause strikes rather than prevent them. Legislation along similar lines enacted in other lands has been abandoned or has become a dead letter. Public opinion will not sustain them.

We say that in these unsettled times Congress should seek to remove the cause of strikes rather than to make strikes a felony. Our position on the strike question is in line with the position taken by various members of the General Board of Farm Organizations, who last February joined in the publicly declared statement that "the right to cease work, individually or collectively, for adequate reasons is unassailable."

We believe that the propaganda upon the strike question circulated within the past few months, especially among farmers, has been entirely misleading, and that the views as expressed above will be agreed to by an overwhelming majority of American farmers when the question is thoroughly analyzed.

We regret that such prominence has been given in the hearings to the opinions of certain persons claiming to express the view of agricultural organizations, when, in reality, their connection, if any, with such organization is nominal, to say the least.

We indorse the statement made by the secretary of the National Board of Farm Organizations at the hearing on the Poindexter antistrike bill last spring, who, concluding his protest, said:

"Provide some certain means of giving justice to all legitimate demands whether of farmers or labor; strike some real blows at excess profits of the great profiteering corporations; put some stability into the public's investment in Liberty bonds; enact some constructive legislation at this session of Congress that will give the people confidence that they have a government that is as willing to protect human lives and happiness as it is to protect dollars—then it will be time enough to take up the question of antistrike legislation, and not till then."

We ask the secretary of the conference to send copies of this resolution to every Member of the United States Senate and the House of Representatives, with the request to defeat by influence and vote this bill or similar measures.

Mr. MYERS presented a petition of the Helena Commercial Club, of Helena, Mont., favoring an embargo on wool and agricultural products, which was referred to the Committee on Finance.

He also presented a petition of the Interstate Conference for the Investigation of Vivisection, praying for the enactment of legislation to regulate, in the District of Columbia and Territories of the United States, the practice of vivisection of animals, which was referred to the Committee on the Judiciary.

Mr. SMITH of Georgia. Mr. President, I present to the Senate a letter from the Chamber of Commerce of the city of Macon, Ga., and also resolutions passed by the Macon Wholesale Grocers, in which they call attention to the increase of rates being made by certain railroads for transportation of freight, and complain that those rates go into effect now without waiting for approval by the Interstate Commerce Commission. In presenting the matter, I merely wish to say that the Senate placed upon the railroad bill a provision that increases should not go into effect except after approval by the Interstate Commerce Commission, and it was lost in conference.

I ask that the resolutions may be printed in the RECORD.

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. I shall have to object to printing the resolutions in the RECORD.

The PRESIDING OFFICER. Objection is made. They will be noted in the RECORD and referred to the Committee on Interstate Commerce.

Mr. SMITH of Georgia. I do not wish especially to have them printed in the RECORD, and I had not intended to ask that they be printed in the RECORD, but the Senator just now consented to the Senator from Wisconsin [Mr. LENROOT] having some resolutions printed in the RECORD, and therefore I thought I ought to ask that these be printed.

Mr. SMOOT. I want to say frankly that one of the bills referred to in the resolutions presented by the Senator from Wisconsin [Mr. LENROOT] had passed the Senate and the other is on the calendar.

Mr. LENROOT. I would not have made the request had the matter been pending before any committee.

Mr. SMITH of Georgia. This matter is not pending before any committee, and I really thought that the facts set out in the resolutions, which are brief, might well be printed in the RECORD in order that they might be seen.

Mr. SMOOT. I think the Senator made just as clear a statement of it as is possible.

Mr. SMITH of Georgia. I also present a resolution adopted by Carpenters' Local Union, No. 1927, of Atlanta, Ga., objecting to oriental immigration, which I move be referred to the Committee on Immigration.

The motion was agreed to.

Mr. TOWNSEND presented a resolution of the Chamber of Commerce, Lansing, Mich.; a resolution of the Chamber of Commerce of Traverse, Mich.; a resolution of the Chamber of Commerce, Ann Arbor, Mich.; and a resolution of the Western Michigan Development Bureau, of Glen Haven, Mich., praying that the people of the State of Michigan be afforded opportunity to secure legislation enabling the State to purchase and preserve Camp Custer as a State property, which were referred to the Committee on Military Affairs.

He also presented a resolution of the Grand Rapids Real Estate Board, Grand Rapids, Mich., urging immediate passage by Congress of an amendment to the Federal tax laws, which was referred to the Committee on Finance.

He also presented a resolution adopted by the Travelers' Protective Association of America, St. Louis, Mo., asking for more stringent immigration laws, which was referred to the Committee on Immigration.

He also presented a resolution adopted by the Travelers' Protective Association of America, St. Louis, Mo., asking for a comprehensive plan by Congress for the improvement of harbors and inland waterways, which was referred to the Committee on Commerce.

He also presented a resolution of the Mason County Farm Bureau, Scottsville, Mich., asking an import duty on all foreign-grown beans, which was referred to the Committee on Finance.

He also presented a resolution adopted at a meeting of the Joint Association of Postal Employees of Staten Island, N. Y., asking an increase in the salaries of post-office employees, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the Travelers' Protective Association of America, St. Louis, Mo., asking for an amendment to the income tax law, which was referred to the Committee on Finance.

He also (for Mr. NEWBERRY) presented a memorial from radio station 8–AB, Port Huron, Mich., and also a memorial from the Detroit radio station, Detroit, Mich., remonstrating against legislation proposing to regulate amateur wireless, which were referred to the Committee on Naval Affairs.

He also (for Mr. NEWBERRY) presented a memorial from the Highland Park Woman's Club, Highland Park, Mich., and also a petition from members of the University Club, Harbor Springs, Mich., praying for the enactment of legislation providing for the protection of maternity and infancy, which were laid on the table.

He also (for Mr. NEWBERRY) presented a memorial from the Twentieth Century Club, Detroit, Mich., remonstrating against the enactment of legislation commercializing the national parks, which was referred to the Committee on Commerce.

He also (for Mr. NEWBERRY) presented a resolution adopted by the Grand Rapids Real Estate Board, Grand Rapids, Mich., praying for the enactment of legislation to amend the Federal tax laws, which was referred to the Committee on Finance.

Mr. GRONNA presented a petition of sachems, chiefs, and warriors of the Onondaga Nation and of the Tonawanda Band of the Seneca Nation of Indians in the State of New York, praying for an amendment of House bill No. 288, exempting them from its provisions, which was referred to the Committee on Indian Affairs.

He also presented a resolution of the members of the commission of the city of Fargo, N. Dak., praying for the passage of a bill relative to the mining, marketing, and fixing of the prices of coal, which was referred to the Committee on Education and Labor.

Mr. GRONNA. Mr. President, I have received and I present resolutions from a great number of American Legion posts in my State. As they are all very much in the same form, I will ask to have only one of them printed. It is very brief. Then I will ask to have them all noted in the RECORD and referred to the Committee on Finance.

The PRESIDING OFFICER. Is there objection?

Mr. SMOOT. I must object to having them printed. I would like to have them noted in the RECORD.

Mr. GRONNA. I shall read one of them. It is very brief. I realize that the Senator from Utah may take me off the floor if he chooses.

Mr. SMOOT. I shall not object to the reading after the morning business is closed.

Mr. GRONNA. The Senator may object now, if he cares to do so.

Mr. SMOOT. I object at this time.

Mr. GRONNA. Then, Mr. President, I shall avail myself of an opportunity to take time this afternoon to read as many of them as I may see fit.

Mr. KENDRICK. I present on behalf of my colleague the senior Senator from Wyoming [Mr. WARREN], who is absent on official business, a telegram received from Hon. W. A. Drake, of Fort Collins, Colo., asking for immediate legislation upon meat and meat products.

Also a letter from Mr. G. L. Chesney, of Evanston, Wyo., asking for an embargo on wool, and the immediate enactment of tariff legislation on the same product.

I move that the two communications be referred to the Committee on Finance.

The motion was agreed to.

Mr. KENDRICK. I also present a resolution adopted by the Sheridan Commercial Club, of Sheridan, Wyo., protesting against commercializing the waters of the national parks, which I ask may lie on the table.

The PRESIDING OFFICER. It will be so ordered.

AMENDMENT OF PORTO RICAN ACT.

Mr. POINDEXTER. From the Committee on Pacific Islands and Porto Rico I report back favorably without amendment the bill (H. R. 11769) to amend an act entitled "An act to provide a civil government for Porto Rico, and for other purposes," approved March 2, 1917. I ask that the report of the House committee (Rept. No. 674), which accompanies the bill, be printed as the report of the Senate committee.

The PRESIDING OFFICER. Without objection, it is so ordered.

FARM LOAN BONDS.

Mr. McLEAN. From the Committee on Banking and Currency I report back favorably without amendment the bill (S. 4664) to amend the first paragraph of section 20 of the act of Congress approved July 17, 1916, known as the Federal farm loan act, as amended by the act of Congress approved April 20, 1920.

The Federal Farm Loan Board wants to issue a new series of bonds, and under the law as it is to-day the duration of those bonds is limited to five years, whereas the mortgages or farm loans back of the bonds run for a much longer period, and there would seem to be every reason why the board should be permitted to issue a 10-year bond. The bonds would be more desirable. Your committee were unanimously of the opinion that the resolution should pass, and as the board wishes to print the bonds at once I hope there will be no objection to its immediate consideration.

The PRESIDING OFFICER. The Senator from Connecticut asks unanimous consent for the present consideration of the bill.

Mr. JONES of Washington. Mr. President, I have no objection to the bill. If it can be passed without discussion I shall not object to its consideration now, but it seems to me we ought to dispose of the routine morning business, and then I would have no objection to the bill coming up if it is to be discussed. If there is no discussion——

Mr. McLEAN. I will say to the Senator that if there is any objection——

Mr. JONES of Washington. I have no objection.

There being no objection, the bill was considered as in Committee of the Whole, and it was read, as follows:

Be it enacted, etc., That the first paragraph of section 20 of the act of Congress approved July 17, 1916, as amended by the act of Congress approved April 20, 1920, be amended to read as follows:

"SEC. 20. That bonds provided for in this act shall be issued in denominations of $40, $100, $500, $1,000, and such larger denominations as the Federal Farm Loan Board may authorize; they shall run for specified minimum and maximum periods, subject to payment and retirement, at the option of the land bank, at any time after the minimum period specified in the bonds, which shall not be longer than 10 years from the date of their issue. They shall have interest coupons attached, payable semiannually, and shall be issued in series of not less than $50,000, the amount and terms to be fixed by the Federal Farm Loan Board. They shall bear a rate of interest not to exceed 5 per cent per annum."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FORCED SALE OF BONDS.

Mr. McLEAN. From the Committee on Banking and Currency I report back favorably without amendment the bill (S. 4683) to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, and I ask for its immediate consideration.

I explained the bill to the Senate on Monday last. Under the proviso in section 11 of the Federal reserve act as it is to-day all notes, drafts, or bills of exchange discounted for any member bank in excess of the amount permitted under such section must be secured by not less than the like face amount of bonds and notes of the United States issued since April 24, 1917, or certificates of indebtedness of the United States: "*Provided further*, That the provisions of this subsection shall not be operative after December 31, 1920."

There is something like $600,000,000 of United States bonds held by the banks that are not fully paid up by the owners, and unless the time is extended for another year the banks will be obliged to call these loans, and the owners will have to force the bonds upon the market. There would seem to be no reason why this time should not be extended. I ask unanimous consent for the present consideration of the bill.

The PRESIDING OFFICER. Is there objection?

There being no objection, the bill was considered as in Committee of the Whole, and it was read as follows:

Be it enacted, etc., That section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, be further amended by striking out the words "December 31, 1920" at the end thereof and inserting in lieu thereof the following: "December 31, 1921."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

NEWARK BAY BRIDGE, NEW JERSEY.

Mr. CALDER. From the Committee on Commerce I report back favorably with amendments the bill (S. 4515) reviving, confirming, and renewing the authority of the Central Railroad Co. of New Jersey to construct a bridge across the navigable waters of the Newark Bay, in the State of New Jersey, and I submit a report (No. 673) thereon.

Mr. FRELINGHUYSEN. I ask unanimous consent for the present consideration of the bill.

There being no objection, the bill was considered as in Committee of the Whole.

The amendments were, on page 1, strike out the title of the bill down to and including the word "construct," and insert "to extend the time for the construction of," and on the same page, on line 3, after the words "That the," strike out the balance of the line, and on page 2, strike out all of lines 1, 2, 3,

4, 5, and 6 and insert in lieu thereof the following: "times for commencing and completing the construction of a bridge authorized by act of Congress approved August 8, 1919, to be built by the Central Railroad Co. of New Jersey, across the Newark Bay between the city of Elizabeth and the city of Bayonne, N. J., are hereby extended two and five years, respectively, from the date of approval of this act," so as to make the bill read:

Be it enacted, etc., That the times for commencing and completing the construction of a bridge authorized by act of Congress approved August 8, 1919, to be built by the Central Railroad Co. of New Jersey, across the Newark Bay between the city of Elizabeth and the city of Bayonne, N. J., are hereby extended two and five years, respectively, from the date of approval of this act.

SEC. 2. That the right to alter, amend, or repeal this act is hereby expressly reserved.

The amendments were agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The committee reports in favor of striking out the preamble. If there be no objection, the preamble will be stricken out.

The title was amended so as to read: "A bill to extend the time for the construction of a bridge across the navigable waters of Newark Bay, N. J."

LILLIE K. TITLOW.

Mr. CALDER, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution 401, submitted by Mr. LODGE on the 13th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Lillie K. Titlow, widow of Samuel C. Titlow, late a policeman in the Capitol, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

ZELDA R. FORE.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably with an amendment Senate resolution 402, which was submitted by Mr. LODGE on the 13th instant, and I ask for its present consideration.

There being no objection, the Senate proceeded to the consideration of the resolution. The amendment was, in line 3, to strike out the word "Velba" and insert the word "Zelda," so as to make the resolution read:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Zelda R. Fore, widow of James L. Fore, late a policeman in the Capitol, under the Sergeant at Arms, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

The amendment was agreed to.

The resolution as amended was agreed to.

MARY NEAL.

Mr. CALDER, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which committee was referred Senate resolution 403, submitted by Mr. LODGE on the 13th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Mary Neal, widow of Thomas Neal, late a laborer in charge of private passage in the Capitol, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

CAROLINE B. GASTON.

Mr. CALDER, from the Committee to Audit and Control the Contingent Expenses of the Senate, to which was referred Senate resolution 404, submitted by Mr. LODGE on the 13th instant, reported it favorably without amendment, and it was considered by unanimous consent and agreed to, as follows:

Resolved, That the Secretary of the Senate be, and he hereby is, authorized and directed to pay from the miscellaneous items of the contingent fund of the Senate to Caroline B. Gaston, widow of Alanson D. Gaston, late a messenger in the Capitol, under the Sergeant at Arms, a sum equal to six months' salary at the rate he was receiving by law at the time of his death, said sum to be considered as including funeral expenses and all other allowances.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. LODGE:

A bill (S. 4697) granting a pension to Mary D. Jenness; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 4698) granting a pension to Emma B. Rutherford (with accompanying paper); to the Committee on Pensions.

By Mr. JOHNSON of California:

A bill (S. 4699) to place Albert Hamilton on the retired list of the United States Navy; to the Committee on Naval Affairs.

By Mr. SUTHERLAND:

A bill (S. 4700) for the relief of Hiram Metcalf; to the Committee on Military Affairs.

By Mr. McNARY:

A bill (S. 4701) granting a pension to James C. Foree; to the Committee on Pensions;

A bill (S. 4702) to provide for the incorporation of certain companies engaged in foreign trade; to the Committee on the Judiciary; and

A bill (S. 4703) to provide for the establishment and maintenance of a forest experiment station in the Pacific Northwest; to the Committee on Agriculture and Forestry.

By Mr. CAPPER:

A bill (S. 4704) granting a pension to James Reynolds (with accompanying papers); to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 4705) to repeal certain provisions of an act entitled "An act to provide revenue, and for other purposes," approved February 24, 1919; to the Committee on Finance; and

A bill (S. 4706) granting an increase of pension to Mertina Andrew (with accompanying papers); to the Committee on Pensions.

By Mr. KNOX (for Mr. PENROSE):

A bill (S. 4707) to authorize the provision of accommodations for the United States courts in the Federal building at Sunbury, Pa., and to increase the limit of cost for said building accordingly; to the Committee on Public Buildings and Grounds.

By Mr. JOHNSON of California:

A bill (S. 4708) to provide compensation for seamen injured and the dependents of seamen killed in the course of employment, to create a Federal seamens' insurance fund, and for other purposes; to the Committee on Commerce.

By Mr. STERLING:

A bill (S. 4709) to prohibit the prosecution of claims against the United States by former Government employees; to the Committee on the Judiciary.

By Mr. SMOOT:

A bill (S. 4710) to authorize the Commissioner of the General Land Office to dispose of certain trust funds in his possession; to the Committee on Public Lands.

By Mr. JONES of Washington:

A bill (S. 4711) requiring all ships sailing under a foreign flag and entering the ports of the United States or clearing therefrom to have a permit from the United States Shipping Board; and

A bill (S. 4712) to transfer from the Department of Commerce to the Department of Labor the duty and power to enforce so much of the navigation laws and laws governing the Steamboat-Inspection Service as relate to persons employed in seafaring occupations, and for other purposes; to the Committee on Commerce.

A bill (S. 4713) to amend an act entitled "An act to conserve the gold supply of the United States; to permit the settlement in silver of trade balances adverse to the United States; to provide silver for subsidiary coinage and for commercial use; to assist foreign Governments at war with the enemies of the United States; and for the above purposes to stabilize the price and encourage the production of silver," approved April 23, 1918; to the Committee on Mines and Mining.

By Mr. LENROOT:

A bill (S. 4714) for the relief of Mrs. Benjamin Gauthier; to the Committee on Indian Affairs.

A bill (S. 4715) for the relief of Hannah J. Roberts; to the Committee on Claims.

By Mr. CALDER:

A bill (S. 4716) for the relief of Margaret Nolan; and

A bill (S. 4717) for the relief of the owner of the boat *Gaylord*; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 4718) for the relief of Sam E. Harwell (with accompanying papers); to the Committee on Claims.

By Mr. DIAL:

A bill (S. 4719) conferring jurisdiction upon the United States District Court for the Eastern District of South Carolina to hear and determine the claim of the owners of the Danish steamship *Flynderborg* against the United States, and for other purposes.

The PRESIDING OFFICER. The bill will be referred to the Committee on Claims.

Mr. KING. I think the bill should go to the Judiciary Committee.

The PRESIDING OFFICER. In the other House the bill was referred to the Committee on Claims.

Mr. KING. It relates to the jurisdiction of the courts.

The PRESIDING OFFICER. The bill will be referred to the Committee on the Judiciary.

By Mr. KENYON:

A bill (S. 4720) to repeal section 7 of the act of October 7, 1917, entitled "An act making appropriation to supply urgent deficiencies in appropriations for the fiscal year ending June 30, 1918, and for other purposes"; to the Committee on Appropriations.

Mr. CALDER. I introduce a bill amending the Federal reserve act so as to permit the national banks of the country to lend 50 per cent of their savings deposits on real estate mortgages. I ask that the bill be referred to the Committee on Banking and Currency.

The bill (S. 4721) to amend the act approved December 23, 1913, known as the Federal reserve act, and to amend section 5236 of the Revised Statutes, was read twice by its title and referred to the Committee on Banking and Currency.

By Mr. TOWNSEND:

A bill (S. 4722) granting an increase of pension to Caleb B. Gaffney (with accompanying paper); to the Committee on Pensions.

By Mr. WADSWORTH (for Mr. WARREN):

A joint resolution (S. J. Res. 229) authorizing the Secretary of War to investigate the claims of private parties to the Mariveles Quarry within the limits of a United States military reservation in the Philippine Islands, and to permit the working thereof by the persons entitled thereto, provided military necessities permit; to the Committee on Military Affairs.

By Mr. DIAL:

A joint resolution (S. J. Res. 230) to use alien property funds until same shall be distributed according to law; to the Committee on Finance.

CHANGE OF PRESIDENTIAL TERM, ETC.

Mr. ASHURST. I introduce a joint resolution, which I ask may be read at length, and after it is read I should like to take about three minutes to make a brief explanation of it.

The joint resolution (S. J. Res. 228) proposing an amendment to the Constitution of the United States was read the first time by its title and the second time at length, as follows:

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled (two-thirds of each House concurring therein), That the following amendment to the Constitution be, and hereby is, proposed to the States, to become valid as a part of the Constitution when ratified by the legislatures of the several States as provided by the Constitution:

"SECTION 1. The terms of the President and Vice President of the United States shall commence on the third Monday in January following the election of presidential and vice presidential electors.

"SEC. 2. The presidential and vice presidential electors, composing the Electoral College, shall assemble in the States by which they are appointed and cast their votes for President and Vice President on the second Monday in December following their appointment, and the vote so cast, duly certified, shall be filed with the President of the Senate before the first Monday in January next thereafter, and the Congress shall meet in joint session on the second Monday in January following and open and count the same: *Provided*, That Congress may alter all the dates fixed in this section, in its discretion.

"SEC. 3. The terms of Senators and Representatives shall commence on the first Monday in January following their election.

"SEC. 4. There shall be held two regular sessions of Congress, convening on the first Monday of January each year.

"SEC. 5. This amendment shall not take effect until after the 4th day of March of the year 1925."

Mr. ASHURST. Mr. President, no other country permits so long a time to elapse between an election and the installation of the new servants as does the United States. In a democratic republic as soon as possible the will of the people as expressed at the polls should be carried into effect.

Under the present system four months elapse before the new Congress and the new President are inaugurated.

My proposed amendment to the Constitution simply provides that the electors chosen in November and composing the Electoral College shall meet in their respective States on the second Monday in December and there cast their votes; that the new Congress elected in the previous November shall meet on the first Monday in January; that the messengers shall bring the returns from the various States to the President of the Senate and file them before the first Monday in January; that on the second Monday in January the new Congress, sitting in joint session, shall canvass the electoral vote and declare the result; and that on the third Monday in January the President and Vice President shall be inaugurated.

In most of the States the governor is inaugurated in January; the new legislature meets in January. Moreover, under the present system a repudiated House of Representatives would have the power in certain cases to choose a President. This should be changed.

This is not a new subject. I am not entitled to any credit for novelty of ideas respecting the same. I have simply reintroduced a joint resolution which was reported from the Judiciary Committee in 1914. This joint resolution was before the Senate Committee on the Judiciary and was discussed for months. A comprehensive statement favoring the resolution was prepared in February, 1914, signed by the following members of the Committee on the Judiciary: Senators JOHN K. SHIELDS, KNUTE NELSON, now the chairman of the Judiciary Committee, ALBERT B. CUMMINS, W. E. Chilton, DUNCAN U. FLETCHER, and one HENRY F. ASHURST.

This, therefore, is not a new matter which I have suddenly presented to the country and the Senate. I ask unanimous consent that at this time I may include in the RECORD, as a part of my remarks, the views which those members of the Committee on the Judiciary held on this subject in 1914.

The PRESIDING OFFICER. Without objection, it is so ordered.

The report referred to is as follows:

[Senate Report 212, part 2, Sixty-third Congress, second session.]

The minority recommends that the resolution, omitting formal parts, be amended so as to read as follows:

"ARTICLE XVIII.

"SECTION 1. The terms of the President and Vice President of the United States shall commence on the third Monday in January following the election of presidential and vice presidential electors.

"SEC. 2. The presidential and vice presidential electors, composing the Electoral College, shall assemble in the States by which they are appointed and cast their votes for President and Vice President on the second Monday in December following their appointment, and the vote so cast, duly certified, shall be filed with the President of the Senate before the first Monday in January next thereafter, and the Congress shall meet in joint session on the second Monday in January following and open and count the same: *Provided*, That Congress may alter all the dates fixed in this section in its discretion.

"SEC. 3. The terms of Senators and Representatives shall commence on the first Monday in January following their election.

"SEC. 4. There shall be held two regular sessions of Congress, convening on the first Monday of January each year.

"SEC. 5. The terms of said officers who may be in office at the time of the adoption of this amendment are hereby changed to conform herewith."

The amendments of the resolution recommended are the substitution in the first section of the "third" Monday instead of the "second" Monday in January for the commencement of the terms of the President and Vice President; the substitution of the "second" Monday for the "first" Monday in December for the meeting of electors for President and Vice President; and provisions that the vote shall be filed with the President of the Senate before the first Monday in January, and that Congress shall meet on the second Monday thereafter and open and count the vote, and authorizing Congress to change these dates; and the addition of section 4, providing for a change in the terms of the President and Vice President and Senators and Representatives in office when the constitutional amendment is adopted and becomes effective, so that they will expire with the commencement of the terms of their successors, under the proposed amendment to the Constitution.

The Constitution, Article II, section 1, ordains that the President and Vice President shall hold office for the term of four years, but does not provide when the terms shall commence. The only recognition of the 4th of March succeeding the day of a presidential election as the day of the commencement of the terms of the President and Vice President is the provision in the twelfth amendment to the Constitution, effective September 25, 1804, that "if the House of Representatives shall not choose a President whenever the right of choice shall devolve upon them, before the 4th day of March next following, then the Vice President shall act as President, as in the case of the death or other constitutional disability of the President."

This would probably be construed to be a provision that the term of the President expired on the 4th of March after a presidential election—that a vacancy then exists—in which event the then Vice President succeeded to the office.

The time when the presidential electors should be elected, and the date on which they shall meet and give their vote is, by Article II, section 1, of the Constitution, left to the discretion of Congress, with the restriction that the day of voting shall be the same throughout the United States. An act was passed February 3, 1887, requiring them to meet and give their vote on the second Monday in January next after their appointment, in such place in each State as the legislature thereof shall direct; which vote, duly certified, to be delivered to the President of the Senate before the first Wednesday in February, and be canvassed by Congress, in joint session, on the second Wednesday in February thereafter.

The Constitution, while providing that Representatives shall hold their offices for two years (Art. I, sec. 2) and Senators for six years (Art. I, sec. 3), does not provide when the terms shall commence.

The commencement of the terms of the first President and Vice President, and of the Senators and Representatives composing the first Congress, was fixed by a resolution of Congress adopted September 13, 1788, providing "that the first Wednesday in March next (which happened to be the 4th day of March) be the time for commencing proceedings under the Constitution."

Congress has provided (act of Mar. 1, 1792, Rev. Stat., sec. 152) that the terms of the President and Vice President shall commence on the 4th day of March next succeeding the day on which the votes of the electors have been given, but there seems to be no statute enacted since the adoption of the Constitution fixing the commencement of the terms of Senators and Representatives.

The Constitution is proposed to be amended by the resolution as follows:

1. The terms of the President and Vice President, by the first section, are made to commence on the third Monday in January instead of the 4th day of March succeeding the election of electors.

2. The electors are required, by the second section, to meet and cast their vote on the second Monday in December succeeding their appointment; the vote to be filed with the President of the Senate before the first Monday in January thereafter, and the Congress to meet, in joint session, to open and count the same on the second Monday in January succeeding. The Congress, however, is authorized to change these dates.

The provisions of this section are entirely new, the present Constitution having left these matters entirely to the discretion of Congress, and are for the purpose of preventing confusion in putting the first section into effect.

3. The terms of Senators and Representatives are, by the third section, made to commence on the first Monday in January following their election.

This provision is new, and although there is no provision in the present Constitution fixing when the terms of Senators and Representatives shall commence, yet those providing that their terms shall be six and two years entitle those now in office and hereafter to be elected, to hold for two years after the 4th of March succeeding their election, the day when the first Senators and Representatives were qualified under the Constitution, and their terms can not be changed without a constitutional provision.

4. The fourth section merely changes the second paragraph of section 4 of Article I of the Constitution, in effect, so as to provide that Congress shall meet each year, commencing on the first Monday of January instead of the first Monday in December.

5. The provisions of section 5 are temporary, and for the purpose merely of putting into effect the material provisions by shortening the terms of the President and Vice President, and Senators and Representatives, to the extent of the periods between the dates fixed by the resolution for the commencement of the terms of these officers hereafter and the 4th of March succeeding said dates.

Under the present law Congress does not convene in regular session until 13 months after the election of its Members. There was some reason for such a provision at the time of the formation of our Government, as it then took a long time to ascertain the results of elections, and to reach the Capitol from remote parts of the country. But there is no excuse whatever now, since the most distant States of the Union are within a few days' travel of Washington City.

Senators heretofore have been elected by the legislatures of the States in January, and sometimes not until February or March. But since the adoption of the seventeenth amendment to the Constitution, by which Senators are to be elected by the people, probably at the November election, it becomes very opportune for Congress to convene in January following. The convening of Congress on the first Monday of December, as at present, is very inopportune, as adjournment for the Christmas holidays is always taken and many Members go to their homes, returning late, which precludes any real work until January.

The reasons for the adoption of the proposed amendment are these:

First. Congress should at the earliest practicable time enact the principles of the majority of the people, as expressed in the election of each Congress. That is why the Constitution requires the election of a new Congress every two years. If it is not to reflect the sentiment of the people these frequent elections have no meaning or purpose. Any evasion of this is subversive of the fundamental principle of our Government, that the majority shall rule. No other nation in the world has its legislative body convene so long after the expression of the people upon governmental questions.

During the campaign preceding a congressional election the great questions that divide the political parties are thoroughly discussed for the purpose of determining the policy of the Government and of having the sentiments of the majority crystallized into legislation. It seems trifling with the rights of the people when their mandates can not be obeyed within a reasonable time. It is unfair to an administration that the legislation which it thinks so essential to the prosperity of the country should be so long deferred. It is true an extraordinary session may be called early, but such sessions are limited generally to one or two subjects, which of necessity make enormous waste of the time of each House, waiting for the other to consider and pass the measures.

Second. As the law is at the present time, the second regular session does not convene until after the election of the succeeding Congress. As an election often changes the political complexion of a Congress, under the present law many times we have the injustice of a Congress that has been disapproved by the people enacting laws for the people opposed to their last expression. Such a condition does violence to the rights of the majority. A Member of the House of Representatives can barely get started in his work until the time arrives for the nominating convention of his district. He has accomplished nothing, and hence has made no record upon which to go before his party or his people. This is an injustice both to the Members and to the people. The record of a Representative should be completed before he asks an indorsement of his course.

Third. Under the present system a contest over a seat in the House of Representatives is seldom ever decided until more than half the term, and in many instances until a period of 22 months of the term, has expired. For all that time the occupant of the seat draws the salary, and when his opponent is seated he also draws the salary for the full term; thus the Government pays for the representation from that district twice. But that is not the worst feature of the situation; during all of that time the district is being misrepresented, at least politically, in Congress.

By Congress meeting the first Monday in January succeeding the elections, contested-election cases can be disposed of at least during the first six months of the Congress.

Fourth. The President and Vice President should enter upon the performance of their duties as soon as the new Congress can count the electoral votes. The newly elected governors of our States are inducted into office as soon as the new legislatures of the States canvass the votes and declare their election. It is the old Congress which now counts the electoral votes. It is dangerous to permit the defeated party to retain control of the machinery by which such important officers are declared elected.

In the event that no candidate for President receives a majority of the electoral votes, the Constitution provides that the House of Representatives shall elect the President, the representation from each State having one vote. At the present time it is the old Congress that elects the President under such contingency, and thereby it becomes possible for a political party repudiated by the people to elect a President who was defeated at the election. Under the present provision of the Constitution, in the event the House fails to choose a President before the 4th of March, then the Vice President then in office becomes President for four years. This affords a great temptation, by mere delay, to defeat the will of the people, and if it is ever exercised it will likely produce a revolution.

It is true that January weather would likely be inclement for an inaugural parade, but that is a reason too insignificant to constitute an argument against a constitutional amendment which promises so much for good government. Nearly all the governors of the States are inaugurated in January. The pomp and ceremony which usually attend the coronation of monarchs are at least not necessary to a republic.

For these reasons we favor the adoption of the resolution, amended as herein suggested.

JNO. K. SHIELDS.
HENRY F. ASHURST.
KNUTE NELSON.
ALBERT B. CUMMINS.
W. E. CHILTON.
DUNCAN U. FLETCHER.

The PRESIDING OFFICER. The joint resolution will be referred to the Committee on the Judiciary.

EXCLUSION OF ALIENS.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, which was referred to the Committee on Immigration and ordered to be printed.

COLUMBIA POLYTECHNIC INSTITUTE FOR THE BLIND.

Mr. SHEPPARD submitted an amendment proposing to appropriate $2,000 to aid the Columbia Polytechnic Institute for the Blind, at 1808 H Street NW., Washington, D. C., intended to be proposed by him to the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, which was referred to the Committee on Appropriations.

EMERGENCY SUGAR TARIFF.

Mr. GAY. Mr. President, I submit an amendment intended to be proposed by me to the so-called emergency tariff bill, which I ask may be referred to the Committee on Finance. I also ask that the proposed amendment may be printed in the RECORD.

There being no objection, the amendment intended to be proposed by Mr. GAY to the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, was referred to the Committee on Finance and ordered to be printed in the RECORD, as follows:

On page 4, after line 3, insert the following paragraph:

"18. Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by the polariscope not above 75°, 2.13 cents per pound, and for every additional degree shown by the polariscope test seventy-eight one-thousandths of 1 cent per pound additional, and fractions of a degree in proportion; molasses, testing not above 40°, 45 per cent ad valorem; testing above 40° and not above 56°, 6¾ cents per gallon; testing above 56°, 13½ cents per gallon. Sugar draining and sugar sweeping shall be subject to duty as molasses or sugar, as the case may be, according to polariscopic test.

"That the duties in this paragraph herein imposed are in addition to the rates of duty imposed on such sugars by existing laws, and shall in no manner affect or impair such existing laws.

"*Provided*, That if the imposition of the duties herein shall have the effect of increasing the price in the ports of the United States of duty paid 96° centrifugal sugar produced in and imported from Cuba beyond 8 cents per pound or shall increase the price in the ports of the United States of similar sugars paying full duty beyond 8.76 cents per pound, or shall increase the price in the ports of the United States of sugars that have gone through a process of refining or sugars fit for direct human consumption beyond 10 cents per pound, then the emergency duty herein named shall be automatically decreased, so as to prevent the prices of such sugars advancing beyond the respective prices herein named."

In section 2, page 4, line 5, insert a comma after figure "15," strike out "and," and insert after figure "17" "and 18."

Mr. GAY. Mr. President, the emergency tariff bill which is now before the Senate is designed to relieve the distressing situation existing in all the agricultural sections of the country.

The chairman of the Committee on Ways and Means, Mr. FORDNEY, admits that the bill, which was reported out of his committee and passed by the House, was hastily drawn, and has stated that later a more scientific tariff bill will be presented for the consideration of Congress.

Mr. President, I favor relieving the distress which the producers of other commodities are now suffering by including their commodities in the proposed emergency tariff legislation. I can not believe that any fair-minded Member of Congress can refuse to assist those engaged in the agricultural activities where it is shown that they are now in dire distress through no fault of their own.

The sugar producers of Louisiana, like the wool growers of the West and the wheat farmers, are in many instances being obliged to sell their product at a price far below the cost of production.

Sugar being one of the most important food products, the sugar planters of Louisiana, encouraged by the belief that the Government wished to foster such an industry, planted the usual acreage in sugar cane. They paid high wages to their employees and high prices for every commodity which they had to use, so that when the harvest season came the crop produced was the most expensive ever known. Under these conditions, and with the rapid decline in sugar prices within the last six weeks or two months, the sugar planters find themselves facing bankruptcy, and it is doubtful if even the remedy proposed in my amendment can save many of them.

We of Louisiana have never wanted to see sugar soar to prices which it attained during the past summer. The Louisiana producer has not been the beneficiary. He has adhered to the prices established by the Government; and I know of no case of profiteering among the sugar producers of the State.

Unfortunately, the speculator and the middleman got control of large quantities of sugar, both domestic and foreign, and boosted the prices beyond the dreams of the most greedy, and thus brought unjust criticism on the sugar producer of Louisiana and made enemies for the industry everywhere. It is unfortunate that such profiteers could not have been successfully prosecuted.

If the woolgrower, if the wheat farmer, if any other producer in America is entitled to consideration by Congress, then surely the sugar planters of Louisiana are entitled to the same consideration, and in this emergency should receive the same treatment from Congress, regardless of the fact that sugar has been used as a political football. I can not believe that fair-minded men will discriminate against it.

The amendment intended to be proposed by me provides that the price of 96 test sugar or raw sugar which comes into this country shall at no time exceed 8 cents. By providing a sliding scale for the tariff this price can be maintained for the period covered by the bill, and will at least have the effect of permitting the sugar producers to continue in business for another year, which without this legislation it is doubtful if many will be able to do.

SALE OR LEASE OF TERMINAL FACILITIES.

Mr. JONES of Washington submitted the following resolution (S. Res. 409), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of War be, and he is hereby, directed to inform the Senate what steps, if any, are being taken or have been taken to lease or sell any of the docks, piers, warehouses, or other terminal facilities constructed or acquired by the Government of the United States for the use of and used by the War Department during the war; and if any such facilities have been leased or it is proposed to lease or sell the same, advise the Senate the terms or proposed terms of such leases or sales and the law authorizing such action.

CREDITS TO GOVERNMENT OF POLAND.

Mr. SMOOT submitted the following resolution (S. Res. 410), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of War be, and he is hereby, requested to inform the Senate as to the character, extent, and amounts of credits which have been granted by the War Department to the Government of Poland, the character of securities and interest received thereon in exchange for such credits, and whether commissions, if any, have been received by any American citizens for services in connection with the granting of such credits.

WATER SUPPLY OF SUNNYSIDE, UTAH.

The PRESIDING OFFICER laid before the Senate the amendment of the House to the bill (S. 46) for the protection of the water supply of the town of Sunnyside, Utah, which was, on page 2, line 16, after the word "purposes," to insert " : *Provided*, That deposits of coal or other minerals in the lands reserved by this act may be leased or otherwise disposed of by the Secretary of the Interior under laws applicable to such deposits, if and when he shall find that same may be mined and removed without injury to the municipal water supply of Sunnyside, Utah."

Mr. KING. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

FORT ASSINNIBOINE MILITARY RESERVATION.

The PRESIDING OFFICER laid before the Senate the amendment of the House to the bill (S. 2964) providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assinniboine Military Reservation in Montana, which was, on page 2, line 11, after the word "thereafter," to insert "in the discretion of the Secretary of the Interior."

Mr. MYERS. I move that the Senate concur in the amendment of the House.

The motion was agreed to.

AMENDMENT OF SUNDRY CIVIL ACT OF 1902.

The PRESIDING OFFICER laid before the Senate the amendments of the House to the bill (S. 2188) to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133), which were, on page 2, line 8, after the word "period," to insert "not exceeding three years," and on page 2, line 16, after the word "lands," to insert "not irrigated and reclaimed."

Mr. SMOOT. I move that the Senate concur in the amendments of the House.

The motion was agreed to.

STATISTICS OF IMPORTS AND DUTIES.

The concurrent resolution, H. Con. Res. 68, was read and referred to the Committee on Printing, as follows:

Resolved by the House of Representatives (the Senate concurring), That statistics of imports and duties from 1908 to 1918, inclusive, prepared for the use of the Committee on Ways and Means, be printed as a House document, and that 4,250 additional copies be printed, of which 2,500 shall be for the use of the House, 1,000 for the Senate, 500 for the Committee on Ways and Means of the House, and 250 for the Committee on Finance of the Senate.

SUMMARY OF TARIFF INFORMATION.

The concurrent resolution, H. Con. Res. 69, was read and referred to the Committee on Printing, as follows:

Resolved by the House of Representatives (the Senate concurring), That the summary of tariff information, 1920, prepared for the use of the Ways and Means Committee, be printed as a House document, and that 7,500 additional copies be printed, of which 4,000 shall be for the use of the House, 2,000 for the Senate, 1,000 for the Committee on Ways and Means of the House, and 500 for the Committee on Finance of the Senate.

EMERGENCY TARIFF.

The PRESIDING OFFICER. The Chair lays before the Senate a bill from the House of Representatives.

The bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, was read the first time by its title.

Mr. HARRISON. I object to the second reading of the bill.

The PRESIDING OFFICER. The bill having been read the first time, it will remain on the table.

HOUSE BILLS AND JOINT RESOLUTION REFERRED.

H. R. 12045. An act to provide for the conveyance of lots on the low grounds of Washington, D. C.; to the Committee on the District of Columbia.

H. R. 12161. An act to amend an act entitled "An act to codify, revise, and amend the penal laws of the United States," approved March 4, 1909 (35 Stat. L., 1134); to the Committee on the Judiciary.

H. R. 10920. An act declaring Platte River to be a nonnavigable stream; to the Committee on Commerce.

H. R. 14122. An act to authorize the sale of a portion of the Copper Harbor Range Lighthouse Reservation, Mich., to Houghton and Keweenaw Counties, Mich.; to the Committee on Commerce.

H. J. Res. 346. Joint resolution extending the time for payment of purchase money on homestead entries in the former Standing Rock Indian Reservation, in the States of North and South Dakota; to the Committee on Public Lands.

The bill (H. R. 9389) to consolidate, codify, revise, and reenact the general and permanent laws of the United States in force March 4, 1919, was read twice by its title.

The PRESIDING OFFICER. The bill will be referred to the Committee on the Revision of the Laws without printing.

THE DEPARTMENT OF AGRICULTURE.

Mr. KING. Mr. President, several days ago I called attention to the fact that Senate resolution No. 327, asking for certain information from the Secretary of Agriculture, had just been responded to, and there was an implied criticism in my observation of the tardiness of the Secretary in responding to the resolution. Upon examination I discover that the Secretary quite promptly responded to the resolution, but I was not advised of that fact until the day that I called attention to the resolution and asked that the reply be referred to the Committee on Appropriations. In justice to the Agricultural Department I desire to submit that explanation.

The PRESIDING OFFICER (at 1 o'clock and 30 minutes p. m.). The morning business is closed.

BONUS FOR EX-SOLDIERS IN WORLD WAR.

Mr. GRONNA. Mr. President, a few moments ago I made an attempt to have printed in the RECORD one brief resolution adopted by some of the heroes who participated in the late war. The senior Senator from Utah [Mr. SMOOT] saw fit to

object. I asked to have that resolution printed in the RECORD and then to have a number of others noted in the RECORD.

Mr. President, I shall take only a minute or two to read one of these resolutions, although I have a great number of them; but I want to say that I think some of the Members of this body become unduly alarmed over the expense to the Government of printing important communications. I know of no more important legislation than the legislation suggested by these soldiers. Are we to take the position now, Mr. President, since they were so victorious on the battle fields of France and Flanders, that we shall deny them the right even to be heard in the legislative halls of our country?

Mr. President, it seems to me that the least thing we can do to honor those heroes is to permit them to speak, and to speak through their representatives, if they so desire.

Mr. President, these boys stood ready at a moment's call to sacrifice their all upon the field of battle. They asked no questions at the time war was declared. They asked for no conditions whatever, but they stood ready to serve, and they served faithfully and well. Thousands of them have not returned, and other thousands who have returned came back maimed and crippled; and I hope those who were fortunate enough not to be injured will have the right to speak even to the Members of this great body.

Mr. President, I have received, and I present now in regular order to this distinguished body, resolutions from the American Legion posts at Crosby, Cando, Hope, Tuttle, Carrington, Grand Forks, Washburn, Hatton, Bismarck, Lisbon, Loma, Edgeley, Litchville, Fullerton, Portland, Fargo, Jamestown, Bowman, Donnybrook, Pembina, Oakes, Alexander, and Devils Lake, N. Dak. As I attempted to say a moment ago, they are very much alike in form, and I shall read only one of them. It is addressed to me, and is dated Devils Lake, N. Dak., November 17, 1920:

DEAR SIR: The following resolution was passed unanimously by the Tim Running Post, No. 24, of the American Legion, at Devils Lake, N. Dak., at the regular meeting of November 15, 1920:

"Whereas the American Legion, through the national convention, national officers, various departments, and local posts, have during the past year passed resolutions approving of the various plans for a soldier bonus; and

"Whereas the national legislative committee of the American Legion have worked out and submitted to and approved of by practically the entire membership of the American Legion a form of bonus known as the American Legion fourfold optional plan of a Federal bonus; and

"Whereas this fourfold plan has already passed the House of Representatives in Congress: Now, therefore, be it

"*Resolved*, That Tim Running Post, No. 24, petition the Senators of North Dakota to support the early passage through the United States Senate of this measure."

EVERETT A. DUELL,
Post Commander.
F. P. MANN, Jr.,
Post Adjutant.

I ask, Mr. President, that the names of the officers in each one of these petitions be noted in the RECORD.

The PRESIDING OFFICER (Mr. WATSON in the chair). Without objection, it is so ordered.

Mr. GRONNA. The American Legion posts from all these cities and towns have unanimously adopted resolutions indorsing this measure.

I am also in receipt of a telegram from the American Legion post at Minot indorsing the Fordney bill providing for adjusted compensation to soldiers. I ask that that may be printed in the RECORD. It is a very brief telegram.

The PRESIDING OFFICER. Without objection, it is so ordered.

The telegram is as follows:

MINOT, N. DAK., *December 17.*

Senator A. J. GRONNA,
Senate Chamber, Washington, D. C.:

Five hundred members William Carroll Post, Minot, American Legion, unanimously indorse Fordney bill for adjusted compensation, and earnestly and respectfully ask your support for passage of this measure during the present session of Congress.

ARCHIE D. MCCANNEL,
Post Commander.

Mr. GRONNA. Mr. President, we should immediately consider the requests of these brave heroes. They were called to arms at a moment's notice. They did not hesitate, but they went and performed their duties in a most creditable manner; thousands of them left good positions and others left their business to suffer. It is now for us to decide what shall be done with the requests of these World War heroes. Shall we turn a deaf ear to their requests or shall we proceed to consider the question in the same spirit that they performed their work?

So far as I am personally concerned my vote shall be cast, if I have the opportunity, for the enactment of legislation such as is outlined in these resolutions. It is the least we can do to recognize the patriotic services of these young men; and if perchance there happens to be some one not in need of any financial aid, it is not compulsory upon him to receive it. But there are thousands and hundreds of thousands of the young men who do need it, and for that reason I favor the legislation suggested in these resolutions.

Mr. President, I realize that there is opposition to this legislation. Let us consider where the opposition comes from.

I have here a printed pamphlet under the heading of the chamber of commerce of the great city of New York:

At a special meeting of the Chamber of Commerce of the city of New York, held April 21, 1920, the following preamble and resolutions, presented by its committee on a national budget, was unanimously adopted.

If there is no objection, Mr. President, in order to save time, I ask that these resolutions may be printed as a part of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

The resolutions are as follows:

CHAMBER OF COMMERCE OF THE STATE OF NEW YORK.

At a special meeting of the Chamber of Commerce of the State of New York held April 21, 1920, the following preamble and resolutions, presented by its committee on a national budget, was unanimously adopted:

BONUSES FOR SOLDIERS AND SAILORS.

"*To the Chamber of Commerce:*

"Whereas the grand total for Government expenditures this year, including the amount to be paid to the railroads, the amount of special appropriation bills of this session of Congress, and the amount to provide for deficiencies, was originally estimated at $6,000,000,000; it is now estimated that these appropriations will be reduced by about $1,500,000,000, leaving a total of $4,500,000,000 to be derived from taxation; in addition to these appropriations the Government's present floating debt is about $3,000,000,000; and

"Whereas it is estimated that the proposed legislation for the proposed blanket bonuses for veterans of the World's War will require about $2,000,000,000, which brings the total amount to be derived from the taxation for the year 1921 up to $6,500,000,000; and

"Whereas the estimated Federal revenue for 1920–21 being only about $4,600,000,000, the revenue necessary to pay the proposed blanket bonuses must be obtained by one of the following methods:

"(a) A retroactive excise tax on war profits;
"(b) A revival of the rates levied for the year 1918;
"(c) A heavy tax on luxuries;
"(d) A general sales tax;
"(e) Another bond issue; and

"Whereas any one of these methods of raising additional revenue would mean an increase in the tax burden upon the business of the country, a burden that is already stifling enterprise, which, in whatever form it may take, will add to and protract the present inflation; and

"Whereas the origin of a proposal for blanket bonuses for ex-soldiers seems to have been largely political and inconsistent with the avowed principles of the American Legion, and is contrary to the spirit of patriotism which animated the American Expeditionary Force, the proposal is neither just nor expedient. There exists no convincing evidence that the veterans of the World War are willing to become beneficiaries of a public expenditure which will inevitably bring serious economic consequences and will endanger the public welfare; and

"Whereas the country recognizes its duty—that full provision should be made for the rehabilitation of the disabled men and that there should be a generous provision for the dependents of those who died in the service: Therefore be it

"*Resolved*, That the Chamber of Commerce of the State of New York approves of generous provision for veterans of the World War who were disabled and for the dependents of those who died in the service, but that on economic and ethical grounds it is opposed to the proposal for a blanket bonus for all veterans, regardless of the actual needs of the individual due to his service; and be it further

"*Resolved*, That the Chamber of Commerce of the State of New York regards with grave concern the apparent breakdown of the Federal Board of Vocational Education and the Bureau of War Risk Insurance, the two instrumentalities created by Congress for the protection of the disabled soldiers and sailors of the United States and the dependents of those who died in the service, and invites the attention of Congress to this serious situation.

"Respectfully submitted.

"CHARLES D. FREEMAN, *Chairman.*
"LEONOR F. LOREE,
"JOHN T. PRATT,
"HOWARD C. SMITH,
"Of the Special Committee on a National Budget."

ALFRED E. MARLING,
President.

Attest:

CHARLES T. GWYNNE,
Secretary.

NEW YORK, *April 22, 1920.*

Mr. GRONNA presented a resolution of the Tim Running Post, No. 24, American Legion, of Devils Lake, N. Dak., signed by Everett A. Duell, post commander, and F. P. Mann, jr., post adjutant; a resolution of the Ernest De Nault Robertson Post, No. 14, American Legion, of Jamestown, N. Dak., signed by F. L. Robertson, post adjutant; a resolution of William Perry Makee Post, No. 75, American Legion, of Crosby, N. Dak., signed by W. E. Wadnans, post commander, and Earl O. Carlson, post adjutant; a resolution of the Hal Parker Post, American Legion, of Cando, N. Dak., signed by Vine D. Lord, post commander, and James S. Wiggins, post adjutant; a resolution of Forest E. Williams Post, No. 94, American Legion, of Alexander, N. Dak., signed by L. B. Randolph, post commander, and B. M. Smith, post adjutant; a resolution of the Howard Bean Post, American Legion, of Oakes, N. Dak., signed by

Earl Bellinger, post commander, and E. F. Bassingwaite, post adjutant; a resolution of the Pembina Post, American Legion, of Pembina, N. Dak., signed by Harry H. Miller, post commander, and George D. Peterson, post adjutant; a resolution of the Clarence McCormack Post, No. 195, American Legion, of Donnybrook, N. Dak., signed by George N. Constans, post commander, and F. J. Robinson, post adjutant; a resolution of the Earle V. Jefferson Post, No. 18, American Legion, of Hope, N. Dak., signed by J. A. Cyrus, post commander, and H. R. Cockle, post adjutant; a resolution of the Gilbert C. Grafton Post, No. 2, American Legion, of Fargo, N. Dak., signed by William T. Kroll, post adjutant; a resolution of the Charles M. Root Post, No. 93, American Legion, of Portland, N. Dak., signed by J. A. Grinde, post commander, and Elmer I. Knutson, post adjutant; a resolution of the M. J. McElvain Post, No. 152, American Legion, of Fullerton, N. Dak., signed by John R. Ulmer, post commander, and Theodore Ulmer, post adjutant; a resolution of the Martin Jacobson Post, American Legion, of Litchville, N. Dak., signed by Carl A. Platou, post commander, and T. J. Kinneberg, post adjutant; a resolution of the Henry Parthie Post, No. 146, American Legion, of Edgeley, N. Dak., signed by Otis Washburn, post commander, and Carl H. Huckeby, post adjutant; a resolution of the Southwest Cavalier County Post, American Legion, of Loma, N. Dak., signed by Oscar Lufgren, post commander, and C. H. Ginley, post adjutant; a resolution of the Florence Kimball Post, No. 7, American Legion, of Lisbon, N. Dak., signed by W. G. Curtis, post commander, and Fred Hanna, post adjutant; a resolution of the Lloyd Spetz Post, No. 1, American Legion, of Bismarck, N. Dak., signed by W. C. Paulson, post commander, and P. G. Harrington, post adjutant; a resolution of the Carrol O. Flesche Post, No. 70, American Legion, of Hatton, N. Dak., signed by M. S. Haakenson, post commander, and D. L. Wambheim, post adjutant; a resolution of the Victor B. Wallin Post, No. 12, American Legion, of Washburn, N. Dak., signed by H. E. Wahl, post commander, and A. H. Nygaard, post adjutant; a resolution of Grand Forks Post, No. 6, American Legion, of Grand Forks, N. Dak., signed by L. L. Eckman, post commander, and Philip R. Bangs, post adjutant; a resolution of the Louis Instead Post, American Legion, of Tuttle, N. Dak., signed by L. T. Buck, post commander, and Ernest W. Atwood, post adjutant; and a resolution of the John Raymond O'Hara Post, American Legion, of Carrington, N. Dak., signed by J. R. MacKenzie, post commander, and H. O. Hagen, post adjutant, praying for the passage of H. R. 14157, known as the American Legion fivefold optional plan of compensation for ex-service men, which were referred to the Committee on Military Affairs.

He also presented a resolution of the Frank Gordhamer Post of the American Legion, of Bowman, N. Dak., signed by Leo D. Bartelme, post commander, D. G. Hogaboom, vice post commander, M. S. Byrne, post adjutant, C. A. Sampson, post finance officer, M. B. Goldstein, post historian, Carl Lee, post chaplain, and Frank C. James, post master at arms, praying for the passage of legislation giving to all ex-service men and women options to choose the form of compensation most suitable to their needs, which was referred to the Committee on Military Affairs.

BUILDING CONDITIONS AND COAL SITUATION.

Mr. CALDER. Mr. President, on Tuesday of last week I filed with the Senate a report of a special committee appointed in April of this year to inquire into the housing shortage of the country and into matters of transportation, thrift, and finance as they pertain to housing. This report was made after a survey of the country, the committee visiting many of the important cities, except those on the Pacific coast.

I offered the resolution which authorized the appointment of this committee because of the fact that the Federal Government itself is especially responsible for the housing shortage. It seemed to me that it was fitting that we should have accurate information before a serious attempt was made to legislate on the subject.

Senators may recall that, in a discussion with the late Senator Gallinger, of New Hampshire, late in 1917, when a bill was pending in the Senate appropriating a hundred million dollars for Government housing in important industrial centers where there was a lack of living accommodations for men and women employed in Government service, I insisted that the attitude of the Treasury Department and the Federal Reserve Board in discouraging construction would in the end bring about a shortage of housing which it would take years to overcome. I protested that the building of homes was, next to the production of food, the most essential of all the country's enterprises, and that it would be much better to stop less essential work and permit the housing business to continue wherever labor, capital, and material could be obtained without interference with the business of carrying on the war. As I recall it, no other Member of this body offered protest. We were so absorbed in the war that we overlooked many other essential matters.

When the war was over there was almost at once a disposition to again begin active construction work, but we were unable to proceed because of the fact that the whole building industry had been disrupted; we found that transportation was inadequate and material directed to other channels; and that labor, through war conditions, had changed the whole system of business, while the wages of labor in the building trade had doubled and its efficiency materially decreased. Our transportation facilities were disorganized by Government operation and mismanagement. Railroad service for construction materials had failed, although recently it has been somewhat improved.

To-day we have freight rates on building materials more than double what they were before the war, and with all probability that the high rates will remain in effect. Our lowest coal prices to-day are two and one-half times what they were in prewar times, and in some cases from six to ten times the prewar price. The Government has fixed the wages of men employed by the railroads and in the mines. We can not hope for any material reduction in transportation or fuel unless there is some reduction in wages. It is true that the railroads are being operated now much more efficiently than a few months ago, but if these high wage rates continue, we can not expect any noticeable reductions in transportation rates.

We are facing an entirely new business situation. Wages are higher; other costs are higher. And while there ought to be a substantial reduction in the prices of every commodity, building construction prices will never come back to where they were before, so we must face the situation with that in mind.

The present tax laws are a large element in contributing to the situation. In the cities the increased cost of necessary local improvements has doubled the taxes. The need for additional revenue has caused the enactment by the several States of income-tax laws. The cost of the war, the need for revenue to pay interest and for the amortization of our debt, and the increased cost of government will keep taxes out of proportion to the prewar rate for a good many years. The Secretary of the Treasury, in his recent annual statement, estimated the yearly cost of running the Government at four billion, and stated that in his judgment it would be impossible for a number of years to decrease this amount.

High taxes have been particularly burdensome on the building industry. In fact, some individuals of large incomes who formerly loaned a large part of their capital on real estate mortgages claim that these mortgages, after paying taxes, net less than 2 per cent income, and that other investments can be found which will give 5 and 6 per cent; this, naturally, results in a shortage of money for housing development.

There is no doubt that there exists a serious shortage of houses, not only in the great cities, but in the smaller towns as well, and in fact even in the villages, and this applies to every part of the country. Wherever the committee has held hearings, people have traveled hundreds of miles to testify as to unfavorable building conditions in their respective communities. They have complained of money shortage; they have complained of building material costs and lack of transportation for building materials. Some sober, level-headed business men have urged that the committee refrain from making any recommendations to relieve the situation, insisting that the law of supply and demand would take care of the situation. I pointed out to them that there was a demand, even a shortage, and that there is an ample supply of raw materials and labor, but still that there is no active movement in the building of homes. Many of the State legislatures have enacted laws which they felt would furnish some relief. In Massachusetts, for instance, a bill was passed which had the purpose of controlling rentals. In that Commonwealth other measures were enacted giving municipalities the right to bond themselves to the extent of 1 per cent of their assessed real estate, this money to be used by the city for home building. In New York and New Jersey rent laws were passed and laws exempting from taxation, for a period of years, new buildings erected strictly for housing purposes. Other restrictive measures of local character have also been passed. But most of these laws have tended to further increase the housing shortage by discouraging building.

It is interesting to note that we are not the only country which is troubled with this same problem. In France the situation has become so bad that the Government, in response to public demand, has actually offered to builders 50 per cent of the cost of construction if they would only get busy and con-

struct homes for the people. In England the Government is attempting to arrange for the construction of 500,000 workingmen's houses. These are all to be built by the Government itself and rented at a price that will hardly pay the interest on the cost of construction, with the result that some day England will face a condition, in attempting to pay its housing bonds, that will, unless extraordinary steps are taken to prevent it, undermine her whole business and social fabric.

The committee's activities have been directed with the idea in mind of extending facilities to private initiative rather than subsidies, and rather than elaborating governmental organization for construction. The total housing construction in this country during the past four years was less than in the year 1916 alone, or in fact in any other one of the immediate prewar years. The construction of houses is like every other business, based entirely upon the profit in the venture, and men will build houses again when they can see an opportunity for gain. There will be protests against legislation that will tend to encourage men to make profits, but after all unless the producer can make profits the shortage of houses will continue; in fact it will become even more embarrassing than it is to-day.

When the committee began its inquiry into the subject, it was anxious to find some means by which the Federal legislation could help restore building activity without directly involving the Government in construction or subsidy. The Nation has had enough of governmental operation and control of business. The committee has found this sentiment existing everywhere it went, but it has also found a feeling that the Government, having stopped building, must furnish facilities to restore the industry to its normal activity. And so the committee has recommended the establishment of a construction bureau in the Department of Commerce which may be a clearing house for all building activities and a place where information can be obtained concerning building materials, where study can be made of all sorts of new building methods tending to decrease costs, and where uniformity of standard materials may be worked out. In other words, the bureau will be helpful in furnishing information of every character to stimulate building, reduce its cost, and be a means of encouraging generally the building of homes for all the people of the country. The creation of this bureau has been strongly urged by practical men engaged in the building industry throughout the country, and if initiated under the proper auspices, will, I am sure, prove exceedingly helpful.

In the committee's inquiry into financing building it discovered, among other things, that in the country west of the Allegheny Mountains the banking methods were different from those in the East. In the Eastern States we have a system of mutual savings banks where 50 per cent of the deposits are loaned back to the people for building construction, mostly homes, in the immediate neighborhood where the money is deposited. As an evidence of the extent of the business done in this way, it is interesting to note that in New York State these savings banks have deposits totaling $2,398,328,940, and have approximately $1,227,117,575 loaned back on bond and mortgages on real estate. A like condition exists in the New England States and in other Eastern States, but there are none of these mutual banks in the western country. The State and national banks, however, have savings departments where money is deposited at large interest rates, and these deposits are loaned on short-term securities, little or no part being used for financing homes.

Our committee has been informed that there is upward of $2,000,000,000 of savings deposits in the national banks of the country, and I have introduced a bill to-day which provided that 50 per cent of the savings deposits in these banks may be loaned on mortgages on real estate. In my judgment, this will not in any degree affect the stability of these banks. These deposits may be drawn on demand, but under the statutes 90 days' notice may be required in case of an emergency. In my own judgment, it will do much to safeguard these banks, although the deposits will not be as liquid as they are to-day; in the long run, however, they will be more secure, for there is no investment safer than first mortgages on homes.

The committee's investigations have convinced me that under our present Federal taxation system the issuance by the States of bonds for public improvements have been unduly encouraged. These are issued tax-exempt, and wherever public interest can be secured for an improvement of any character in a State or any of its subdivisions it is easy to get money in this manner. Not only are the funds of the country being drawn from industry in this manner, but vast sums have been wasted through the carrying on of public improvements that could have been deferred until business conditions are stabilized.

Mr. McLEAN. Mr. President, does the Senator object to an interruption?

Mr. CALDER. No, Mr. President.

Mr. McLEAN. Has the Senator any estimate of the total investment in nontaxable securities?

Mr. CALDER. I have a statement here.

Mr. McLEAN. I think it is something more than sixteen billion.

Mr. CALDER. My estimate was that it was a little less than fifteen. Men of large incomes are drawing their money out of active industry and investing it in these tax-exempt securities in order to avoid the payment of taxes. These tax-exempt securities have increased in the last five years from $3,000,000,000 to over $14,000,000,000. High taxes and exempt securities have not only led States to bond themselves to such an extent that they will some day find it difficult to meet their obligations, but have also retarded the Nation's business generally. They have resulted in taking from the mortgage field almost completely the private investor. The interest rate on mortgages is fixed by law in nearly every State, and individuals of large means who formerly invested a considerable portion of their wealth in mortgage investments find to-day, because of high taxes, their net profits in many cases not more than one-third of what they received before the income-tax law went into effect. I am informed that the Marshall Field estate in Chicago and the estate of Hetty Green, both of whom formerly loaned heavily on real estate, find their incomes from this source less than 2 per cent, and they are diverting their capital funds to more lucrative investments. The supply of mortgage money is so restricted that to-day the home owner is compelled to rely largely on savings banks and insurance companies in the East and building and loan associations in the West. I have introduced a bill exempting from taxation the income on mortgages when in the hands of individuals, provided that no individual shall own more than $40,000 worth of exempt mortgages.

Mr. KENYON. Mr. President, I would like to ask the Senator if any of the States have laws similar to that. Do the States exempt in many instances, where the money goes into homes?

Mr. CALDER. I do not know of any State that does, I will say, Mr. President. In New York State we have an income tax, graduated from 1 to 3 per cent, but in that State the income on mortgages is not tax exempt. I will say to the Senator from Iowa that this is not a very large item of the Federal tax except in the case of a lender or of an institution with a very large income, where the income runs into the millions or hundreds of thousands, when the income tax gets up to 50 or 60 or 65 per cent. The fact that two-thirds of the income from the mortgage investment is taken in taxation practically takes the mortgage paper out of the market.

I consider the adoption of this measure very necessary unless our whole revenue system is changed, the excess-profits tax repealed, and the maximum income tax fixed at not to exceed 30 per cent of the income. It is the common belief that these high taxes are taken entirely from the rich, and while on the surface of things that appears to be so, in the end the taxes are passed on to the consumer. I know there is a well-grounded opinion that it would be unwise to further extend our tax-exempt field, but the Government itself is responsible for the present building conditions as well as for the present tax-exempt securities, and it would be much better to provide for a small tax exemption for mortgages and thereby obtain sufficient means to revive the housing industry rather than later in response to public demand adopt a Government construction program of a socialistic nature which would mean the expenditure of several billion dollars from the Public Treasury. When the present revenue laws are revised not only should the high rates be lowered, but I would provide that further issues of State and municipal bonds should at least be subject to normal income-tax rates. This would check the movement of large issues of tax-exempt bonds. This, I am sure, would be welcomed by those who are trying to safeguard the interests of the different communities of the country. However, until the issuance of tax-exempt securities has been effectively checked the real estate mortgages should be made a more attractive investment unless we are prepared to face the consequences of an increasing housing shortage.

In the committee's report we have recommended legislation providing for exemption for the next five years of the profits on the sale of new buildings erected for dwelling purposes, provided these profits are reinvested in new buildings. Legislation of this character was enacted at the last session of Congress in order to encourage the building of ships engaged in the foreign trade. This is very unusual, but in my opinion should be extended to cover housing also, as such legislation is justifiable in the emergency that exists to-day.

The committee has also urged the creation of a home loan banking system in line with our farm loan bank. Under the bill proposed there would be established in each Federal reserve

district banks to be organized with a capital of not less than a hundred thousand dollars, stock to be subscribed by building and loan associations in that district. The purpose of these banks is to permit the discounting of mortgages held by building and loan associations. No Government funds or subsidy are contemplated, because the building and loan associations already have ample assets. The committee believes that legislation of this kind could be so safeguarded as to avoid any possible loss on the part of the Government or of any individual, and that vast sums could be obtained through the sale of bonds to conservative investors. The objection to this bill is based entirely on the fact that it would create more tax-exempt securities. There is some justification for this objection, but these building and loan associations of the country have to-day loaned on bonds and mortgages over $2,200,000,000, and there are no organizations in the country that have contributed more toward obtaining homes for our people than have these building and loan associations. They are organized under State laws, and in the main conducted by men located in the immediate community where they are operating, and the amount of their losses has been negligible. In fact, I am of the opinion that in the present business depression the securities held by these associations have universally maintained their value and there have been few losses. At least 95 per cent of these organizations are in favor of the legislation I have referred to. The suggestion has come to the committee—and we are disposed to consider it—that perhaps the bonds issued under this act might be made subject to the normal tax. The suggestion has also come to the committee that under this home loan banking system corporations other than building and loan associations might also organize for loaning money to build homes. The committee may determine to recommend this being done.

I have talked to-day about the financing of building. This, in my judgment, is one of the important things in connection with the revival of building activity, but there are other questions involved, and I have already referred to them in some degree. Labor is a big problem. The testimony before our committee indicates, when one considers the cost to the manufacturer of materials which go into houses, that 75 per cent of it is for labor.

There is no question that labor has been inefficient since the war. This is apparent to everyone and not even denied by labor itself. It was brought about by the allocation of many skilled men to war work, and was encouraged by the cost-plus system of contracting, where it made no difference to the employer whether labor did a day's work or not or whether it received more or less. Wages have doubled and efficiency has lessened to such an extent that when averaged up one finds that it cost three or four times as much for the labor to build a house this year as it did in 1916. I think it fair, however, to labor to say that in recent months its efficiency has materially increased. Labor insists that the high wages paid them during the past 15 months shall be maintained, and they have a right to insist upon this unless living costs are reduced. There is evidence that we are approaching a period when living costs will be reduced. When that time comes labor must do its part.

There is another very important matter that the committee discovered in its investigation of the building situation, and that is the lack of apprentices. Labor in the past has sought to check the number of apprentices, contending that if the number was unlimited it would in the end afford less opportunity for journeymen to obtain employment. This situation no longer exists, for in most cities of the country we find little disposition on the part of the young men to learn the building trades. They are to-day more interested in engaging in lines of endeavor where no manual labor is required. There never was greater opportunity for the young men of America to learn trades in which employment is steady and unlimited. This is true in nearly all building trades. I have already called it to the attention of the Senate and I have called it to the attention of the governors of a number of States, so that some steps may be undertaken to establish trade schools, where young men may be encouraged to equip themselves to take advantage of existing opportunities.

The future of the country is involved in this matter of skilled labor. I have been an observer of building activities for years; the country has been depending largely upon men coming here from abroad to furnish the workmen in our building industry. The immigrants from the Scandinavian countries, Germany, and the British Isles have formed a large part of our building tradesmen, but now very few trained workmen are coming from these countries; and with little disposition on the part of American-born young men to learn the trades, unless there is a revival of interest we will be a country of mediocre workmen in another generation.

I think it fair to say in behalf of the American Federation of Labor that when their representatives have appeared before this committee they have been willing always to cooperate in all matters to encourage building of homes. They have appointed a committee to adjust jurisdictional strikes, and much good has been done in ending labor difficulties through this instrumentality.

The PRESIDING OFFICER. The Senator from New York will kindly suspend while the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. The bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production; and for other purposes.

Mr. CALDER. Mr. President, we have a situation in the city of New York where a committee of our legislature, presided over by Senator Lockwood, with Samuel Untermyer as counsel, has rendered unusual public service in unearthing building conditions that have shocked the country. They have found combinations between labor and capital, or, I should say, not exactly between labor and capital, but on the part of some labor leaders who, through dealing with some men of the building industry, have been able to obtain for certain labor leaders tremendous sums of money, and have given some members of the building industry unusual advantage in being able to obtain labor to complete their contracts within a given time. Many men have been indicted in New York in connection with this matter. Some have been convicted and others I am sure will be.

Our committee has authority from the Senate to appoint counsel, for the purpose of taking up the subject from a nation-wide standpoint. I feel confident that when we have concluded our inquiry in this line we will have cleaned up the situation to some degree and benefits will come to the building business of the country, and more particularly to the housing industry, and that prices will be lower, at least to some degree, as a result of this very same matter.

I repeat that, in my opinion, private initiative should be encouraged. We have relied upon our American citizenry to solve its problems in the past. There never was a time when the country needed the best-directed efforts as much as it does to-day, and Congress can perform no greater service than that of enacting legislation which will encourage private citizens to settle their own problems, rather than legislation which will make the private citizen dependent upon the Government.

May I call the attention of the Senate to a situation that has caused considerable trouble during the past six months? That is the issuance of priority orders by the Interstate Commerce Commission for the transportation of coal. These were issued with the best of intentions, but did much harm, particularly to the building industry. While the movement of fuel is important, the Interstate Commerce Commission acted, it seemed to the committee, many times without full information. It was most unwise and most damaging to industry to have ex parte orders issued for the movement of coal, without opportunity to men in other lines to present their side of the case to the commission. The committee would direct the attention of the Senate Committee on Interstate Commerce to this matter, with a view to amendment of the transportation act, in order to check the issuance of ill-advised ex parte orders. These priority orders have forced men who had to have various building materials at once to pay two and three times the regular price for them. These priority orders have retarded business and discouraged building immensely during the past year. I believe, however, that transportation facilities have now improved to such an extent that the priority orders will be unnecessary during the coming year.

In discussing the effect of the housing shortage on public health and morals, I wish to refer to a recent conference held by the health commissioners of the country at Detroit, called by Dr. Copeland, health commissioner of the city of New York, at the suggestion of the committee. All cities with a population of 200,000 or over were represented. The report of the conference indicates that in every city of the Nation there is abnormal overcrowding. It was brought out that as a result of the overcrowding infant mortality in the congested centers has increased 50 per cent. There is also a large increase in the number of tuberculosis cases in the cities. This conference of

health commissioners strongly urged that every effort should be made by the States and Federal Government to revive housing activity, and pointed out that if something is not done to bring this about the health of the Nation will be menaced.

The Senate undoubtedly recalls the recent figures of the Census Bureau, which show that for the first time a majority of our people live in cities, while formerly a majority lived in the rural districts. It seems to be the trend of the times for people to gather in the cities, and no act of ours here can change that drift. Since these people are in the cities, they must be sheltered. I wish to urge upon the Senate that greater interest be displayed here in the human welfare, so that something may be done to relieve the deplorable living conditions.

Many Members of the Senate believe these conditions will in the end take care of themselves. France believed likewise until she was compelled to pass housing laws, which mean Government building and paternalism. England thought so until she had to provide for the building of 500,000 homes for her workingmen. New York thought so until the people demanded the passing of rent laws. Massachusetts thought so until the legislature found it necessary to enact similar laws. So we hesitate and put off until we may have to take action, which is damaging to the future of our country. Would it not be better to act now than to wait and have the people of America rise up in discontent and demand that the Government itself go into the building business?

I can not take my seat without saying a word on the coal situation. This every Senator knows about. Our railroad difficulties and our labor difficulties have had much to do with our fuel problem. Coal profiteering on the part of the mine operators has encouraged the miners to ask for more pay. When they see the mine operators charging $15 a ton for their product, it is natural that the miner should demand a part of their profits. Bituminous coal which before the war sold at the mine for $1.50, is now $3.50 to $15, and anthracite, which formerly sold at the mine for $3.50, has brought recently from $8 to $20.

Fuel is a basic necessity. National development depends upon an ever-increasing supply of power. Heat is as necessary for production, in fact, for human existence, as is air or water; its use must be continued from day to day and can not be deferred or interrupted.

Our investigation into the coal situation has convinced me that the private interests now in control of the production and distribution of coal, in spite of efforts by some, are actually unable to prevent a continuance or a repetition of the present deplorable situation, and that it is the duty of the Government to take such reasonable and practical steps as it may to remedy the evil. We must have fuel and shelter, and something must be done to supply the dire necessities to the people. Men have contended that this business, too, will take care of itself, and considerable reference has been made to the operation of the railroads under Government control. It is a recognized fact that the coal business, if properly conducted, could easily supply fuel to the people at a price they could afford to pay. The committee has felt disposed, before it actually urges the establishment of complete Government control, or even the licensing system, to recommend that all coal operators, wholesalers, jobbers, and retailers be compelled by statute to file at regular and frequent periods with some Federal agency reports on the total tonnage produced or handled, the size and quality thereof, the amount of tonnage contracted for, the amount sold on contract and at spot sale, to whom, together with the prices made or received under such contracts or sales.

Mr. FRELINGHUYSEN. Will the Senator suffer an interruption?

Mr. CALDER. Certainly.

Mr. FRELINGHUYSEN. Is the Senator familiar with the bill which was presented by the subcommittee of the Committee on Interstate Commerce to the full committee, which carries out practically all the recommendations in the preliminary report of the committee of which the Senator is the head?

Mr. CALDER. I have not minutely examined the bill to which the Senator refers, but from a hasty examination of it it would seem in large part to agree with my conclusions on the matter.

I wish to compliment the Senator upon his bill. It is a step in the right direction. I wish to say to him, too, that I arrived at my conclusions in the matter without ever having read his bill or having the slightest knowledge that he and I were of the same opinion as to the remedy.

Mr. FRELINGHUYSEN. I hope to have the Senator's support if the bill is reported out by the Committee on Interstate Commerce.

Mr. CALDER. I will say to the Senator from New Jersey again that in the main I agree with his proposition. I would go a little further than the Senator does, and I purpose to confer with him about the whole situation before introducing the bill I have in mind.

Let me say further to the Senator that he is a member of the great Committee on Interstate Commerce, and a very prominent member of the committee. I trust that he will urge his committee at the very earliest date to take up consideration of his bill, and the bill which I shall introduce, upon which I am hopeful his committee will agree.

Mr. McLEAN. Can the Senator from New York give us from his investigation any information with regard to the activities of the Department of Justice or the Federal Trade Commission in trying to enforce the laws against extortion and in the production and sale of coal?

Mr. CALDER. I know there has been some activity on the part of the Department of Justice, but not in my judgment as great as could easily have been. I believe that there is plenty of evidence obtainable that would have warranted the Department of Justice in prosecuting, under the Lever Act, some of the men interested in the coal business in the country. I know some suits have been begun, but I know of none that have terminated successfully. I know also, I will say to the Senator from Connecticut, that the Federal Trade Commission has attempted to obtain from the coal operators of the country detailed information along the line asked for by the senior Senator from New Jersey [Mr. FRELINGHUYSEN] and as recommended by our report; that is, complete information as to costs, selling prices, production, and all similar matters; but when the Federal Trade Commission sought to collect such information the coal operators of the country began suit against the commission, and have been able, so far, to restrain them by order of the court from gathering the information. So I think it is hardly fair to say that the Federal Trade Commission has not made some effort to get information which, if obtained and published to the whole country, would, I am sure, be very helpful.

Mr. President, we are not sure that the remedy proposed will be adequate, but believe it should be tried before the Government goes into business itself. It would afford opportunity for the public to know the exact cost of production, the price coal was sold for, and to whom. It would also afford opportunity for coal to be traced to its final destination and in all probability would bring the relief desired. The committee makes this recommendation now and is to inquire further into the situation.

During the past few days revelations have been made as to the actual cost of the production of bituminous coal—we have that information in our possession, obtained from some of the operators—as to the great production this year, and as to the fact that the railroads have carried more tonnage during the months of July, August, September, and October than ever before in their history; and yet Interstate Commerce Commissioner Aitchison, when asked by me in his appearance before our committee, "Has it ever been suggested that coal was being held for higher prices or speculation?" answered:

> I have not any doubt of it. There has been the greatest crossing of orders, double-crossing of orders, and double-crossing of consignees and those that have had contracts for the last 90 days that I have ever known about in my business experience. That is abundantly established. We have moved coal. It has been moved and delivered in such quantities that there ought not to be any occasion for panic. But there has been the excuse of car shortage and the excuse of labor trouble. The result has been that certain unscrupulous mine owners, I have no doubt, and perhaps certain brokers who have contracts with the railroads, with construction companies of one kind or another, with industries, with wholesalers and with retailers of coal that have deliberately withheld the fulfilling of their contracts in order that they might have coal for the market.

That was the statement of a member of the Interstate Commerce Commission appearing as a witness before our committee. Coal has been so difficult to obtain that the Government itself has been obliged to pay commissions ranging as high as 50 cents per ton, one gentleman alone receiving many thousands of dollars simply for acting as an agent for the War Department in connection with such purchases.

I will call the attention of my colleagues particularly to the remarks which I now propose to make, because they affect some coal purchased by the War Department.

Mr. POMERENE. Who was the man to whom the Senator has referred?

Mr. CALDER. The one who made the $75,000 fee?

Mr. POMERENE. Yes.

Mr. CALDER. He was Col. Wentz, president of the National Coal Operators' Association. It appears that he was invited by the War Department to purchase for them not exceeding 275,000

tons of coal, and merely for acting as the agent for the War Department he was to be paid $137,000. The evidence before the committee indicated that he had already procured for the Government while acting as its agent 150,000 tons of coal, involving a commission or agency fee to him of $75,000.

Mr. POMERENE and Mr. EDGE addressed the Chair.

The PRESIDING OFFICER (Mr. WADSWORTH in the chair). Does the Senator from New York yield; and if so, to whom?

Mr. CALDER. I yield to the Senator from Ohio.

Mr. POMERENE. Am I correctly advised that this gentleman was himself at the head of a certain corporation which was selling coal at probably $4 a ton or thereabouts to private parties; that he went out and bought coal for the War Department at $11 a ton and got a commission of 50 cents per ton thereon? I was so informed this morning, though I was not present at the time he testified. Is that correct?

Mr. CALDER. It is substantially correct, but the evidence before the committee indicated that Col. Wentz's mine in West Virginia, the Stonega mine, was selling coal for $3.50 per ton, or perhaps $3.75 a ton, and that, acting as the agent for the Government, he sold coal to the War Department at $11 a ton. I inquired of Col. Wentz if he sold any of his $3.50 coal to the Government. He said he did not, but that he sold other people's coal to the Government at $11 per ton, out of which he made a commission or an agency fee of 50 cents.

Mr. POMERENE. Has the Senator individually, or has his committee, been able to reconcile that course of conduct with the principles of common honesty which ought to regulate the relations which exist between a man who is dealing with the Government and the Government?

Mr. CALDER. Mr. President, I was quite shocked at the disclosure, and stated at the hearing that the American people never would agree that a transaction was perfectly legitimate whereby a coal operator who sold coal for $3.50 a ton to his private customers should, while representing the Government, obtain coal for it at $11 a ton. His answer was that he had no coal to sell at that time, but that the Government had sent him out to buy coal in the market for it, and that he did buy some coal for the Government at as high a price as $11 a ton.

Mr. KENYON. May I ask the Senator from Ohio a question?

Mr. POMERENE. I yield, with the permission of the Senator from New York.

Mr. KENYON. Being a member of the committee which made this investigation, I am interested in the inquiry of the Senator from Ohio. Does he think that it is the duty of the committee to reconcile with the principles of common honesty the operations of many of the coal operators in this country? If he does, I wish to retire from the committee.

Mr. POMERENE. Mr. President, I am very frank to say that when I asked the question, with all the respect that I have for the great ability of the committee, I did not believe they would be able to do it. I simply desire to observe—and I am assuming when I make the statement that the facts are fully before the committee, and I base my statement upon that assumption—that I think the facts should be referred to the Department of Justice, if this man is a civilian, for their investigation; and if he was in the War Department it ought to be referred to that department, with a view to court-martialing him.

Mr. CALDER. The Senator from Ohio is referring to and, of course, has in mind Col. Wentz. Col. Wentz is not now in the service; he is not a Regular Army officer, but is the president of the National Coal Association. He has not been in the service for some time, nor did he arrange for this agency fee while he was in the Army. Col. Wentz is a coal operator, and is also a wholesale coal dealer. Not as an operator selling coal at $3.50 a ton, but as a wholesale coal dealer, selling coal at the market price, he arranged this matter for the War Department, as he says, at its request. I have no reason to doubt him. He said at the request of the War Department he went out and bought the coal at prices not exceeding $11 a ton, receiving a fee of 50 cents for doing that for the War Department.

Mr. McCUMBER. Mr. President, does not the difference between $3.50 and $11 per ton represent the average extent to which the Government was held up during the war on all articles purchased by it?

Mr. CALDER. I think that may be true; but the war is over and high prices ought to cease.

Mr. McCUMBER. Yes; but I was merely trying to ascertain whether that was about the extent to which the Government was robbed during the war in connection with all articles purchased by it, at the same time it was paying ninety-odd dollars for a hinge and $45 for a lock for a door.

Mr. EDGE. Mr. President——

Mr. CALDER. I yield.

Mr. EDGE. With the permission of the Senator from New York, I think it is only fair to state that, as I recall the testimony before the committee yesterday, Col. Wentz testified that he advised the War Department that they should not buy coal at that time, but the War Department—and I think the evidence was the Secretary of War or the purchasing agent; I am not sure which and can not state positively—insisted that he go into the market at that time and buy the amount of coal that he was deputized to buy, and it was necessary, in order to carry out that order, to pay from $6.90 to $11 per ton. I think that is correct, is it not?

Mr. CALDER. That statement was made by Col. Wentz.

Mr. POMERENE. May I ask a question for further information?

Mr. CALDER. I yield.

Mr. POMERENE. Did the committee go into the question of the immediate necessities of the Government at that time?

Mr. EDGE. I did not catch the question.

Mr. POMERENE. Did the committee go into the question of what were the immediate necessities of the Government at that time?

Mr. EDGE. No; not in detail. It was at the end of the day's session. This information, however, must be followed up by the committee in many respects. The particular coal purchases, as I recall, were made in September and October of this year for the coming winter's use.

Mr. POMERENE. Mr. President, I have such infinite confidence in the personal integrity and the high character of the Secretary of War that I do not believe he would enter into any contract unless he thought that it was absolutely necessary. I have no doubt that, whatever his views may have been at the time, they were based upon what he thought was sufficient evidence; but I am directing my attention to the coal dealer, who will sell his own coal at $3.50 to the private consumer or the industrial consumer, and when it comes to selling coal to the Federal Government for its operations charges $11 per ton. That course can not be defended.

Mr. EDGE. Mr. President, I am quite sure that no member of the committee is offering any immunity for the coal dealers. If Senators have followed up our investigation and the reports we have already submitted they will realize that it is not necessary even to discuss such a question. The Senator from Ohio, I think, has not entirely understood the testimony as I recall it. The same purchasing agent for the Government, Col. Wentz, did not sell his coal for $11, as I recall his testimony.

Mr. CALDER. That is correct.

Mr. EDGE. He sold his coal for $3.50 and above, but I do not recall that he ever sold it for as high as $11.

Mr. POMERENE. I think inadvertently I used the word "sell." I understood from what the chairman of the committee said that the gentleman referred to went out and bought the coal from other producers and sold it and got a commission of 50 cents.

Mr. EDGE. Yes; but Col. Wentz stated very positively to the committee that he did that upon positive orders of the War Department and against his own advice.

Mr. CALDER. Mr. President, the committee now knows the cost of bituminous coal at the mines of the respective producers; it knows the names of the producers and the amounts at which they have sold their coal; it knows something of the activities of one of the great coal associations which during the past three years has spent nearly a million dollars, has collected from its members nearly a million and a quarter, and is now collecting at the rate of nearly a half million dollars annually. This association during the past summer has been trying to ally itself with wholesalers and retailers and anthracite producers, in order to present a united front to influence the making and administration of the Federal laws. It has assisted in drafting some of the priority car-service orders of the Interstate Commerce Commission which have relieved its members of contractual obligations. It is ever ready to supply voluminous information upon the questions which are to the interest of its membership, but seems reluctant to supply simple and essential information which may be to their disadvantage. Its membership have dictated to the United States Geological Survey as to the form in which the basic figures should be compiled. It has spent in lawyers' fees alone during the past nine months over $100,000. Its officers have held forth to this committee promising assurances of reductions in prices of bituminous coal since last July. Nevertheless, profiteering has continued and propaganda has been issued shifting responsibility to others; indeed, this association is so powerful that its president has been

sought by the War Department as a procurer of bituminous coal at a commission of 50 cents a ton.

According to the final figures furnished the committee, during the period from July to November the War Department purchased some 900,000 tons of bituminous coal at figures as high as $13 at the mine. The average cost of mining this coal was probably about $3. The average price to the War Department of this coal at the mine was about $7 per ton, so that the department paid about $3,600,000 over the cost of producing the coal.

Mr. McLEAN. Mr. President——

Mr. CALDER. I yield to the Senator from Connecticut.

Mr. McLEAN. In my section of the country in the early autumn of this year the operators had sold large quantities of coal at contract price, say, $10 or $11 a ton delivered there, and the purchasers could not get the coal. They were told by the operators that they did not have it, but that they could go to what they called the independents and buy all the coal they wanted for from $18 to $20 a ton.

I had quite a correspondence with the Department of Justice and the Federal Trade Commission in regard to the matter, and I could not get any satisfaction at all. It seems to me that the law ought to be so amended that the Federal Trade Commission, in cooperation with the Department of Justice, can get at a situation like that and punish them, and if the Federal Trade Commission have not power enough it seems to me it would be a good plan to give them additional power. If all they have are gums without teeth, we had better put some teeth into the gums without establishing any new board.

Mr. CALDER. I am quite in accord with the Senator's views. I know something about the conditions in his State. I heard a good deal about them from the Senator himself during the summer. The trouble was this: Those who had contracts to deliver coal to the citizens of the Senator's State complained that they could get no cars; but the Senator's constituents could always go out and get the coal if they paid the price, while the coal operator or wholesaler who had a contract with the Senator's constituents was selling in Baltimore or Philadelphia or New York or some other place, at the spot price, the contract coal which should have gone to his people.

Mr. McLEAN. It appeared to us that there was collusion between the regular operators and the independents, as they were called. Has the Senator investigated that subject?

Mr. CALDER. Mr. President, we have not gotten down to it. This is one of the most important things I ever tackled; and I want to say to my friend the Senator that the ramifications of this coal business, one "passing the buck" to the other, and, as Mr. Aitchison said before us, the crossing and double-crossing of the coal industry during the past summer, have been about the worst examples of defying the public and of giving improper information that have ever come to my knowledge.

Mr. McLEAN. Did the Senator's investigation go into the quality of the coal? I am getting complaints frequently that the coal that is being delivered in New England now is about 25 per cent slate.

Mr. CALDER. I will say to the Senator that we have had many complaints, and we have investigated some of them.

Mr. EDGE and Mr. FRELINGHUYSEN addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. CALDER. I yield first to the junior Senator from New Jersey.

Mr. EDGE. Is not the query of the Senator from Connecticut partially answered, at least, by a realization of the fact that under the priority orders many of these independents were able to secure orders for cars to transport their coal, and, as I understand from the testimony before the committee, I think yesterday or the day before, the Interstate Commerce Commission is compelled by the present law to allocate certain cars to the smaller mines in certain proportions, and through that the independents were able to get a sufficient supply of coal in the retailers' hands to keep up these prices in the way he speaks of? There is not any question in the world, in my judgment, that there must be legislation giving the Federal Trade Commission considerably more power, if that is the board to handle the subject; and there must be some board, perhaps the Interstate Commerce Commission, in such a position that common sense and ordinary business judgment can be used rather than these automatic rules or laws, whatever they may be.

Mr. FRELINGHUYSEN. Mr. President——

Mr. CALDER. I yield to the senior Senator from New Jersey.

Mr. FRELINGHUYSEN. I understand that the preliminary report of the Senator's committee provided for the standardization of coal, did it not, the classification of coal through an inspection? Did it not recommend that?

Mr. CALDER. I do not think we went into that very fully.

Mr. FRELINGHUYSEN. I will state, if it did not, that the bill which was presented to the Interstate Commerce Commission contemplated placing in a bureau of the Government or in the Geological Survey the inspection and standardization of coal by Government authorities.

Mr. POMERENE. Mr. President, if the Senator will permit me——

Mr. CALDER. With pleasure.

Mr. POMERENE. The Senator from Connecticut [Mr. McLEAN] has referred to the exorbitant prices which were charged to consumers in the State of Connecticut. I may say that even in my own State, when the production of coal was certainly costing, including a reasonable profit, not to exceed $4 per ton f. o. b. cars at the mine, it was retailing to the domestic consumer at eight and nine and ten and eleven dollars. The Senator from New York has just referred to the price that was paid by the War Department. I state these facts preliminary to this question:

Has not the committee found that in very many instances these exorbitant charges were being made as against domestic consumers and industrial consumers, as well as the War Department, at a time when Col. Wentz was contracting his coal, as he claims, at $3.50 and $4 per ton f. o. b. cars at the mine?

Mr. CALDER. Yes, sir. I will say to the Senator that in the great industrial centers in the East these industries, the public utilities, and the coal dealers, having contracts for their year's supply, were unable to obtain enough coal for their immediate needs, and were obtaining some, but were required to go out during certain months of the year when they had contracts for $3.50 and $4 a ton and pay as high as $12, $14, and $15 to get enough coal for their immediate needs.

Mr. POMERENE. Mr. President, the Senator from New York in the early part of his remarks on this subject made the statement that these difficulties were in part labor, in part strikes, and in part transportation. I think he is right about that; but, save during the time when this outlaw strike of the switchmen was in progress, it was my observation, after a considerable investigation, that the men who could not get transportation when they were paying a low price for coal could nearly always get transportation when they paid a high price for coal. Now, there may be some way of explaining that consistently with the high principles of common honesty, but I do not expect this committee to answer that question. I desire to call attention to another matter, if the Senator will permit me.

There has been a good deal of talk about the troubles growing out of the shipment of coal for the uplake region, and this has to some extent affected the price of coal in my section of the country. Will the Senator permit me to explain briefly?

Mr. CALDER. Certainly.

Mr. POMERENE. Ordinarily the shipment of coal up the Lakes begins at the opening of navigation, and there is a constant stream of these coal boats going up the Lakes laden with coal and coming down laden with iron. They always desire to have this coal taken up by the Lake route, because it is much cheaper than by the railroad route; but this switchmen's strike in the spring largely interfered with these shipments up the Lakes. Then an order was made by the Interstate Commerce Commission directing that a vast deal of the coal mined in Ohio, western Pennsylvania, and perhaps in West Virginia should be taken up to the Lake ports in order that it might be sent up by the Lake route, their intention being to supply the Ohio consumers and others in that vicinity later in the season, and they made an order to that effect, so that coal was sent up to the Lakes which ordinarily was not shipped up there. I say "ordinarily not shipped," for the reason that some of our coal in Ohio is too soft for storage purposes, and when it is stored and gets wet it heats, and we have spontaneous combustion; so that it is the harder variety of coal that is ordinarily shipped up the Lakes. Under this order a good deal of this soft coal, too soft for storage, was sent up the Lake routes, and in Ohio during the summer you could not get coal at any reasonable price for domestic purposes; and it further resulted in this situation: Many of these mines had contracted their coal to private industries at, let me say—I am not speaking accurately—$4 per ton at the mouth of the mine, and under this order to ship it uplakes these operators got $5 a ton and over for the coal that went uplakes, when it was all under contract to sell to these private industries at $4 or less.

After this plan had been in operation for some time I was waited upon by a committee from the Chambers of Commerce of Akron and Canton. They had been in conference with the chamber of commerce in Cleveland, and later on they had some hearings, as a result of which the situation was to some extent remedied; but even in August, notwithstanding the experience which we had two years ago, there were from ten to eleven thousand cars of loaded coal on the sidetracks in Cleveland, which was the equivalent of about four days' shipping capacity of all the boats on the Lakes, and another 6,000 cars were en route between the mines and the Lakes for lake shipment. The result was that here were these cars standing idle for a period of nearly four days on the tracks in Cleveland, and the domestic consumer could not get coal, and under a proper regulation of this situation these cars could have been sent to the mines, reloaded, and sent to these various industrial centers where they needed coal for domestic purposes. I think those facts ought to be known, and we ought to have the benefit of them in our investigation of the subject.

Mr. CALDER. Mr. President, the information given by the Senator from Ohio [Mr. POMERENE] to some degree was already known by the committee. These priority orders were issued and taken advantage of undoubtedly by some coal operators, and they worked just as the Senator has told us they did. The industries of his State, the household consumers, and the public utilities having contracts had their coal diverted under these priority orders, and they were compelled, despite the fact that they were covered by their contracts, to go out into the open market and buy spot coal, and were compelled to pay one, two, or three dollars, often five or six or ten dollars, higher for coal for their immediate needs.

Mr. McLEAN. Mr. President, does the Senator know whether the production of coal is running equal to the consumption now?

Mr. CALDER. Mr. President, testimony before the committee yesterday indicated that the production of coal for this coal year, that is, the year beginning April 1 of this year and ending April 1 of next year, will be greater than in any year in the history of the country, and that the facilities are here for increasing that production at least 150,000,000 tons.

Mr. McLEAN. Then what is the real reason why we can not get coal in our section of the country? The situation is very serious there now. I had a communication from the city of Middletown last week telling me that they can not get coal at any price.

Mr. CALDER. Mr. President, I think it is fair to say that the bituminous situation in the eastern part of the country has been somewhat relieved, but the anthracite situation is still very bad. We have had some hearings in New York on that, and the junior Senator from New Jersey [Mr. EDGE] came to me this morning and said he thought that we ought to direct our attention to relieving the anthracite situation in the East. He pointed out to me some letters he had, and I received some this morning from up-State counties in New York, which show that people are without fuel.

Mr. McLEAN. They consume both kinds, largely, in Connecticut, but a large percentage of the domestic consumption is of anthracite coal, and we can not get it at any price.

Mr. CALDER. Mr. President, I will say to the Senator from Connecticut that we have formed some acquaintance with this subject in the last few days. We have been told by these gentlemen that if there is anyone with a specific complaint they will take care of it. If the Senator will forward his letters to our office, we will pass them along and try to help the immediate needs of his people.

Mr. McLEAN. I would like to discover an instrumentality which can assist us in procuring some coal.

Mr. CALDER. We will try to help.

Mr. McLEAN. I assure the Senator that he will be blessed, or cursed, with a large number of appeals for coal.

Mr. EDGE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from New Jersey?

Mr. CALDER. I yield.

Mr. EDGE. As a member of that committee, following the very generous suggestion of the chairman of the committee, I am quite willing to join with him in helping in any possible way to secure that relief, but I think he should have his remarks clearly understood to refer, as possibly they did, to bituminous coal, soft coal. I think the situation so far as the soft-coal supply is concerned, according to the evidence before us, is such that there should be absolutely no difficulty in any part of the country to-day to have soft coal delivered at what would seem to be a fair price, and as a member of the committee I join with him and will be very glad to have concrete evidence sent to us, so that we can follow it up, if it refers to the soft coal, where difficulty is encountered in having delivery or where the price seems to be out of proportion to the cost that has been established by the investigation of the committee.

The question of anthracite coal, however, is quite different, and there are very many more complexing situations in connection with it which have come to the committee, and I must say that up to the present moment the solution is not in sight so far as I have been able to find.

Mr. CALDER. The committee is thankful at last that it has actual and specific information as to selling prices and as to purchasers, and with this definite information it is to be hoped that pressure may be brought to bring prices of coal to a reasonable level.

The outstanding fact of the committee's investigations seems to be that the coal interests themselves have taken the matters in hand during the past season, have influenced the issuance of priority car-service orders and other Federal action, and that the public has lost, while those engaged in the coal industry have made extraordinary profits. Many of the bituminous coal operators have set a most unfortunate moral example to the industry of the country during a period in which there should have been moral reconstruction as well as physical reconstruction.

NATIONAL POLICY OF ECONOMY.

Mr. FRELINGHUYSEN. Mr. President, in the recent election the voters of the country swept out of office a great number of Democrats, many of whom have been faithful public servants. Even Tennessee, Arizona, Oklahoma, Maryland, and Missouri added their protest against present conditions. It is, however, no time for elation on the part of the Republicans, to whom the people have so overwhelmingly turned. It is rather a time for caution. Our responsibility is grave. Our task is serious. We must put the country on a sound financial basis. Our foreign policy must be thoroughly American. Above all we must return to constitutional government and cast aside any and all autocratic practices, many of which doubtless were advisable or perhaps necessary during the war. If we practice economy, if we avoid entangling alliances, and if we are guided by the Constitution I have no question but that we shall deserve to remain in power and will remain a long time. If, however, we spend too much time in elation, abuse our power, and fail to perform that which the people expect, they will turn on us as they have on the Democratic Party. With the lessons of 1912 fresh in our minds I have no fear of division in our ranks. And I have no doubt of constructive results at the hands of the party of Abraham Lincoln, McKinley, Roosevelt, and Harding.

Let us look into some of our problems and their remedies. When war was declared in 1917 we had in the executive departments in Washington a total of 32,000 employees. A year and a half later, at the time of the signing of the armistice, we had 117,000 employees. In a year the Republican Congress, though the executive branch was still Democratic, cut this number to 87,000. After two years of actual if not technical peace we still have 55,000 more employees in Washington than when the war began. Within the next six months we should further greatly reduce the total, and by the end of the present fiscal year we should, if it is at all possible, return to the prewar basis.

The Bureau of War Risk to-day has on its rolls in the National Capital 6,313 employees, as compared to 15,000 a year ago and 17,000 18 months ago. During the fiscal year it is costing the Government $125,000,000 for the payment of military and naval insurance, $10,324,000 for salaries and expenses, and $46,000,000 for the taking over of hospitals. Meanwhile the bureau is giving out the information that it has received gross applications numbering 4,655,916 and amounting in risk to $40,414,715,500. These are stupendous figures and would greatly impress us with the usefulness of the bureau did we not stop to examine them. The facts are that only 300,000 who have been honorably discharged from the service are still paying voluntarily on $1,740,000,000 of the original war risks included in the $40,414,715,500, and 200,000 now in the service are involuntarily paying on $990,000,000 on the risks in the grand total applied for. Ninety per cent of our soldiers, sailors, and marines who in the first instance took out war-risk policies provided by the Government were not sufficiently interested in them to keep up their payments and were therefore dropped. Five per cent of these have been influenced by the bureau as the result of large expenditure of money and energy to convert their policies to life insurance handled by the Government which would otherwise be handled by private companies outside of the Government. Thus, the Government, as it has a right to do under the law, to-day holds in risks of this kind 237,411 policies amounting to $749,145,000 in risk. Of this total $125,503,000 is in ordinary life policies, $233,146,000 in 20-year endowment policies, $270,863,000 in 20-year payment life policies, $48,359,500 in 30-year endowment policies, $41,010,000

in endowment policies paid up at the age of 62, and $30,252,000 in 30-year payment life insurance policies.

If such a large proportion of men have abandoned Government insurance, is it not fair to conclude that the bureau is a failure? Certainly the Government should not go into the insurance business at a loss, any more than the railroad, the telephone, or the telegraph business. The insurance should, however, be continued for those who care to keep it up; but I can see no reason why the War Risk should not be abolished and all of its functions turned over to the Pension Office. The good of the bureau thus would be retained and much expense done away with. Then, in accord with Republican policy throughout two generations, we should continue to assist those disabled in the service and their dependents. Many millions would be saved for the taxpayers and at the same time a policy would be continued which has always been proven fair and beneficial. At least one-half of the present cost—ten millions—would be saved.

Other bureaus in Washington are swelled out of all proportion to what they should be. One of these is the Bureau of Loans and Currency in the Treasury Department. In 1917 this bureau employed 40 people. It now has 2,000 on the pay roll. By simplification of method most of these could be done away with. All of the auditors for the various departments should be centered under one head, as is contemplated in the budget bill. They now employ 2,402 clerks. In the War Department auditing 1,057 are engaged, some of them on claims for horses stolen or bales of cotton burned during the War of 1812. The Bureau of Engraving and Printing has 7,213 clerks at work on activities growing out of the war, which should be rapidly completed. In the State Department 120 clerks are issuing passports, due entirely to the ludicrous fact that we are still legally at war with the long since defunct German Empire. The Public Health Service, placed upon a military basis, has here 2,000 clerks who stumble over each other in their efforts to keep up the friction of the technical conflict in which we are still engaged. The Adjutant General has about 3,000 clerks employed in the largest filing job in the world, but it is not to be expected that this will last forever. The work should be completed, the vast array of clerks discharged, and the number brought to the limit before the war. With the completion of the census 2,000 more clerks should, of course, disappear. Several bureaus overlap in their activities. Thus the Bureau of Mines and the Bureau of Standards are making the same investigation of heat treatment in improving the quality of steel. Thus also the Bureau of Education, the Woman's Bureau, the Children's Bureau, the Public Health Service, the Census Office, and the Department of Agriculture overlap in many instances. These facts and figures are only a part of the evidence of the crying need for the strictest sort of economy in order to bring us back to a businesslike conduct of the Government.

One of the evidences of waste and extravagance is provided by what is known as the Reclassification Commission, which has had for its noble purpose the rearrangement on a more equitable basis of the salaries of Government clerks. On this commission the President named two former Representatives of his own party in Congress—Mr. Keating, of Colorado, and Mr. Hamlin, of Missouri—and one Republican, Mr. Cooper, of Wisconsin, who has since been reelected. These estimable gentlemen spent $75,000 of the people's money and made a directory classification, which has failed in Chicago and every other municipality where tried. No great business enterprise would think of establishing a wooden standard of classification and remuneration for every place in its employ. Yet from the Reclassification Commission we have a voluminous report, which has all the appearance of presenting the details of a Chinese civil service.

No Member of either branch of Congress has more sympathy for the just grievances of the underpaid Government clerk than I have. When I see a man in charge of the sale of our public timberlands, and with many millions of dollars intrusted to his hands, receiving $1,800 per annum, and when I see the Assistant Chief of the Division of Bookkeeping and Warrants in the Treasury Department, with all of his first-hand knowledge of Government accounts, gathered through years of faithful service, receiving $2,500 a year, I know that something is wrong. Whatever rearrangement is made should be upon a plan that will make for increased efficiency and more business activity in the departments. Certainly something should be done to remedy flagrant inequalities and inadequacies in Government salaries.

It seems to me that a practicable idea would be to separate the clerks into several grades. For each of these grades there would be a stated salary. Thus, a person doing janitorial work in each of the departments or commissions would receive the same stipend. And so each class of clerical work could be conveniently graded. And thus, also, with scientific investigators, the most capable of whom should receive $3,500 per annum. Each grade should be so comprehensive for its class of work that about 15 of them would cover the entire Government service. Each should have possibility of promotion to a figure $500 above that at appointment. If Congress, under the necessity of economy, felt the need of effecting only one grade at a time it could do so without prejudice to the others. The entire plan would be comprehensive and flexible and do justice to the Government service.

Some glaring anomalies of our Government departments from a business point of view are well known. In the Treasury Department, which should have to do solely with our fiscal affairs, we find the Coast Guard, the Public Health Service, the Supervising Architect's Office, and the Bureau of War Risk Insurance. In the Department of Agriculture we find the Bureau of Public Roads, while the Reclamation Service is in the Department of the Interior. Outside of executive departments we find 40 boards, commissions, offices, and bureaus which have no supervision except from Congress. In other words, a good deal of the executive functioning of the Government is illogically and wastefully organized. All of the agencies for the internal physical improvement of the country, such as the river and harbor work, the construction and maintenance of public buildings and grounds, reclamation projects, public roads, inland waterways, and water power, should be part of a new department of public works. The Children's Bureau, the Public Health Service, the Bureau of Education, and kindred activities should be brought together in a department of social welfare.

I know of no more outrageous violation of business principles in the conduct of the Government than the extraordinary extravagance and waste practiced in the United States Shipping Board. In that remarkably inefficient organization 7,800 employees remain of those who assisted in throwing away two billions of the people's money. Where it all went an investigation is seeking to discover. At enormous expense the United States built up during and immediately following the war a merchant marine which is given by Lloyd's for June 30, 1920, at 16,049,000 tons, as compared with 4,330,000 tons in 1914. A tragedy lies in the fact that while we have been bungling and bickering about means to promote our commercial fleets Great Britain is regaining her shipping lost during the submarine warfare to such an extent that to-day her deadweight tonnage is estimated at 20,582,000, as compared with 20,523,000 in 1914. This Congress has already laid down broad lines along which the efficiency of our merchant marine may be improved. It has provided that all our ships under Government operation be turned over eventually to private ownership; that none shall be sold to an alien or operated under a foreign flag. It has granted special concessions to those who operate to certain ports and thereby extend our markets, and it has provided that some shall be kept in special condition for transport use in time of war. It should become one of the chief aims of our Republican administration to immediately turn over to private ownership all Government-owned vessels, to make America first in the number of ships and the tonnage of her merchant marine, and one of its first acts should be to rescue or sell the *Leviathan*, resting and rusting in New York Harbor, and many other ships, a condition not prevalent in England.

Unless we have a selling organization in the ports of the world all this immense investment which we have in the merchant marine will go for naught. We should have, as England has, in every mart of the world, either through the consuls or the ministers or the legations, agencies to promote the carrying in American ships of the cargoes that are sent out from those ports.

Let us consider briefly the opportunity we have presented us to expand our world trade and the advantage that can accrue to the United States in making our governmental departments more efficient for that purpose.

To understand the full import of our trade possibilities we must compare our foreign commerce with that of Great Britain. At the end of the calendar year ending December 30, 1913, our imports amounted to $1,792,596,480, and those of Great Britain to $3,741,047,607. During the same period our exports totaled $2,484,018,292, and those of Great Britain $3,089,353,116. For the year 1919 our exports were $7,920,425,990 and those of Great Britain, $4,688,311,525. Our imports were $3,904,364,932 and Britain's $7,913,689,206. The great preponderance in England's imports over exports in 1919 was due to heavy drafts of raw materials to feed her manufactures after the armistice and her inability to turn them into finished products for exportation in time to be reported before the close of the year. During the first eight months of 1920 our imports were $3,995,178,060, as

compared with $6,560,876,138 for Great Britain, and during the same period our exports were $5,478,306,718, as compared with $5,143,549,831 for Great Britain. If we consider only Britain's domestic exports and not those passing through the country, we find that we exceed the export commerce of Great Britain in 1919 by nearly $4,000,000,000. On the other hand, Europe's temporarily accentuated dearth of food has been our gain. The percentage of agricultural products in our exports for the calendar year 1919 was 52.4 and for the first 10 months of 1920 was 42.9. Our manufactured products constituted 44.9 per cent of the total exports of 1919 and 51.3 per cent of those of the first 10 months of 1920. England's exports are almost entirely manufactures. Hence thanksgiving for our grand export total should give way to serious consideration of the problem of stimulating our manufactures by securing new foreign markets for them.

It is true that New York has replaced London as the banking center of the world and that we have supplanted England as the first trading nation of the earth. Our ocean carriers have grown in three short years so that now we are within striking distance of her tonnage. We are the greatest producing nation on the globe. By training 4,800,000 men and sending 2,000,000 troops across the sea to win every battle in which they were engaged and turn the tide, we have made Washington the capital of the world. Our wealth, which before the war exceeded the combined opulence of the British and German Empires, has gone on by leaps and bounds. The Romanoff, Hapsburg, and Hohenzollern dynasties, which overawed weak nations for centuries, have disappeared and ideas of republican government are permeating the world.

Yet this seeming great prosperity and progress have grown out of abnormal world conditions. With the return of the peoples everywhere to normalcy, it becomes imperative that we repeal unwise tariff laws and rescind unwholesome fiscal practices. The people must realize the necessity of work. As we promised in the campaign, we must have more business in the conduct of the Government and less government in the conduct of business. We must stop governmental leaks, hold to rigid economy, and adopt not only a scientific tariff law, but a scientific method of securing foreign trade.

It would be the height of folly not to protect the progress we have thus far made, our commerce, our wealth, and our institutions with a navy adequate to meet in time of emergency any great enemy. National ambitions have not been lessened by the World War. Jealousies prompted by trade rivalry may lead to conflict unless our force is sufficient to compel respect and maintain peace.

When other nations are developing their building programs it would be suicidal for us to permit our Navy to become second rate. We have been informed by Representative BRITTEN, of Illinois, in the CONGRESSIONAL RECORD of June 1 last, that by 1923 we shall have a sea force greater than the combined fleets of the British Empire. Our Naval Intelligence, he says, has brought forth figures to show that we have 33 battleships and battle cruisers built and building, while Great Britain has 35 ships of the same character. We are said to have a total tonnage of 1,118,650 as compared with 884,000 for England, an advantage of 8,638 tons per ship. In main batteries we are supposed to have 340 guns to 314 for the British. Our guns will average 14½ inches in caliber as compared to 13⅝ inches for theirs. In a broadside we hurl 548,400 pounds as against 452,000 pounds. In the secondary battery our guns will number 494 to Britain's 526. But ours have 5.4 inches caliber while hers have 4.9 inches. It is stated that we throw 40,158 pounds of projectiles as compared to 32,080 pounds. It is presented as fact that in 1923 in one volley from all our guns we shall throw 588,638 pounds of steel as aginst Britain's 484,080 pounds. We are to have 322 destroyers to 350 for Britain, but ours are to be superior in speed and more up to date, so the story goes. In submarines we are to be equal, and in that field American ingenuity is to throw the weight on our side.

Mr. President, in that connection I desire to insert in the RECORD the figures from Naval Intelligence to prove the statements I have made.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

Comparison of United States and British Navies capital ships launched 1905 to 1920, inclusive, and ships building or authorized, 1920.

GREAT BRITAIN.

No.	Year and name.	Type.	Normal displacement.	Speed.	Main battery.	Secondary battery	Weight of one main broadside.	Weight of secondary broadside.	Total weight of broadside.
				Knots.			*Pounds.*	*Pounds.*	*Pounds.*
	1909.								
1	Neptune	Battleship	20,200	21.00	10 12-inch	20 4-inch	8,500	500	9,000
	1910.								
2	Colossus	Battleship	20,600	21.00	10 12-inch	16 4-inch	8,500	400	8,900
3	Hercules	do	20,600	21.00	do	do	8,500	400	8,900
4	Orion	do	22,500	21.00	10 13.5-inch	do	12,500	400	12,900
5	Lion	Battle cruiser	26,350	28.00	8 13.5-inch	do	10,000	400	10,400
	1911.								
6	Thunderer	Battleship	22,500	21.00	10 13.5-inch	16 4-inch	12,500	400	12,900
7	Monarch	do	22,500	21.00	do	do	12,500	400	12,900
8	Conqueror	do	22,500	21.00	do	do	12,500	400	12,900
9	King George V	do	25,000	21.00	do	20 4-inch	14,000	500	14,500
10	Centurian	do	25,000	21.00	do	do	14,000	500	14,500
11	New Zealand	Battle cruiser	18,750	26.00	8 12-inch	do	6,800	500	7,300
12	Princess Royal	do	26,350	28.00	8 13.5-inch	16 4-inch	10,000	400	10,400
13	Australia	do	18,800	26.00	8 12-inch	14 4-inch	6,800	350	7,150
	1912.								
14	Ajax	Battleship	25,000	21.00	10 13.5-inch	20 4-inch	14,000	500	14,500
15	Marlborough	do	25,000	21.00	do	12 5-inch	14,000	1,200	15,200
16	Iron Duke	do	25,000	21.00	do	do	14,000	1,200	15,200
	1913.								
17	Agincourt	Battleship	27,500	22.00	14 12-inch	20 6-inch	11,900	2,000	13,900
18	Erin	do	23,000	21.00	10 13.5-inch	16 6-inch	14,000	1,600	15,600
19	Canada	do	28,000	22.75	10 14-inch	12 6-inch	14,000	1,200	15,200
20	Benbow	do	25,000	21.00	10 13.5-inch	do	14,000	1,200	15,200
21	Emperor of India	do	25,000	21.00	do	do	14,000	1,200	15,200
22	Warspite	do	27,500	25.00	8 15-inch	do	15,600	1,200	16,800
23	Queen Elizabeth	do	27,500	25.00	do	do	15,600	1,200	16,800
24	Tiger	Battle cruiser	28,500	28.00	8 13.5-inch	do	10,000	1,200	11,200
	1914.								
25	Valiant	Battleship	27,500	25.00	8 15-inch	12 6-inch	15,600	1,200	16,800
26	Barham	do	27,500	25.00	do	do	15,600	1,200	16,800
27	Royal Oak	do	25,750	23.00	do	14 6-inch	15,600	1,400	17,000
	1915.								
28	Revenge	Battleship	25,750	23.00	8 15-inch	14 6-inch	15,600	1,400	17,000
29	Royal Sovereign	do	25,750	23.00	do	do	15,600	1,400	17,000
30	Malaya	do	27,500	25.00	do	12 6-inch	15,600	1,200	16,800
	1916.								
31	Resolution	Battleship	25,750	23.00	8 15-inch	14 6-inch	15,600	1,400	17,000
32	Ramillies	do	25,750	23.00	do	do	15,600	1,400	17,000
33	Repulse	Battle cruiser	26,500	31.00	6 15-inch	17 4-inch	11,700	425	12,125
34	Renown	do	26,500	31.00	do	do	11,700	425	12,125
	1918.								
35	Hood	Battle cruiser	41,200	31.00	8 15-inch	12 5.5-inch	15,600	1,380	16,980

The term "broadside" as used here signifies one discharge from all guns and not from the guns of one side only.
The year given is the year in which the ships were launched.

Comparison of United States and British Navies capital ships launched 1905 to 1920, inclusive, and ships building or authorized, 1920—Continued.

UNITED STATES.

No.	Year and name.	Type.	Normal displacement.	Speed.	Main battery.	Secondary battery.	Weight of one main broadside.	Weight of secondary broadside.	Total weight of broadside.
	1908.			*Knots.*			*Pounds.*	*Pounds.*	*Pounds.*
1	North Dakota	Battleship	20,000	21.01	10 12-inch, 45 caliber.	14 5-inch, 51 caliber.	8,700	1,080	9,780
	1909.								
2	Delaware	Battleship	20,000	21.56	10 12-inch, 45 caliber.	16 5-inch, 51 caliber.	8,700	1,080	9,780
3	Utah	do	21,825	21.04	do	do	8,700	1,008	9,708
	1910.								
4	Florida	Battleship	21,825	22.08	10 12-inch, 45 caliber.	16 5-inch, 51 caliber.	8,700	1,008	9,708
	1911.								
5	Arkansas	Battleship	26,000	21.05	12 12-inch, 50 caliber.	16 5-inch, 51 caliber.	10,440	1,008	11,448
6	Wyoming	do	26,000	21.22	do	do	10,440	1,008	11,448
	1912.								
7	New York	Battleship	27,000	21.47	10 14-inch, 45 caliber.	16 6-inch, 51 caliber.	14,000	1,008	15,008
8	Texas	do	27,000	21.05	do	do	14,000	1,008	15,008
	1914.								
9	Nevada	Battleship	27,500	20.53	10 14-inch, 45 caliber.	12 5-inch, 51 caliber.	14,000	756	14,756
10	Oklahoma	do	27,500	20.58	do	do	14,000	756	14,756
	1915.								
11	Arizona	Battleship	31,400	21.00	12 14-inch, 45 caliber.	14 5-inch, 51 caliber.	16,800	882	17,682
12	Pennsylvania	do	31,400	21.05	do	do	16,800	882	17,682
	1917.								
13	Mississippi	Battleship	32,000	21.00	12 14-inch, 50 caliber.	14 5-inch, 51 caliber.	16,800	882	17,682
14	Idaho	do	32,000	21.00	do	do	16,800	882	17,682
15	New Mexico	do	32,000	21.08	do	do	16,800	882	17,682
	1919.								
16	California	Battleship	32,300	21.00	12 14-inch, 50 caliber.	14 5-inch, 51 caliber.	16,800	882	17,682
17	Tennessee	do	32,300	21.00	do	do	16,800	882	17,682
	1920.								
18	Maryland	Battleship	32,600	21.00	8 16-inch, 45 caliber.	14 5-inch, 51 caliber.	16,800	882	17,682
	NOT YET LAUNCHED—AUTHORIZED 1916.								
19	Colorado	Battleship	32,600	21.00	8 16-inch, 45 caliber.	14 5-inch, 51 caliber.	16,800	882	17,682
20	Washington	do	32,600	21.00	do	do	16,800	882	17,682
21	West Virginia	do	32,600	21.00	do	do	16,800	882	17,682
22	Constellation	Battle cruiser	43,500	33.25	8 16-inch, 50 caliber.	16 6-inch, 53 caliber.	16,800	1,728	18,528
23	Lexington	do	43,500	33.25	do	do	16,800	1,728	18,528
24	Ranger	do	43,500	33.25	do	do	16,800	1,728	18,528
25	Saratoga	do	43,500	33.25	do	do	16,800	1,728	18,528
26	Indiana	Battleship	43,200	23.00	12 16-inch, 50 caliber.	do	25,200	1,728	26,928
27	Montana	do	43,200	23.00	do	do	25,200	1,728	26,928
28	South Dakota	do	43,200	23.00	do	do	25,200	1,728	26,928
29	Constitution	Battle cruiser	43,500	33.25	8 16-inch, 50 caliber.	do	16,800	1,728	18,528
30	Iowa	Battleship	33,200	23.00	12 16-inch, 50 caliber.	do	25,200	1,728	26,928
31	Massachusetts	do	43,200	23.00	do	do	25,200	1,728	26,928
32	North Carolina	do	43,200	23.00	do	do	25,200	1,728	26,928
33	United States	Battle cruiser	43,500	33.25	8 16-inch, 50 caliber.	do	16,800	1,728	18,528

	United States.		Great Britain.		United States over Great Britain.			
	Total.	Average per ship.	Total.	Average per ship.	Total.	Per cent.	Average per ship.	Per cent.
Number of ships	33		85					
Tonnage	1,118,650	33,898½	884,100	25,260	234,550	26.5	8,638	34.2
Speed, knots, average		23.64		23.68				
Main battery:								
Size—								
12-inch guns	64		60					
13½-inch guns			144					
14-inch guns	124		10					
15-inch guns			100					
16-inch guns	152							
Guns	340	10.3	314	8.97	26			
Size per gun, inches		14.5		13½				
Weight, in pounds, of 1 main broadside	548,400	16,618	452,000	12,914	96,400	21.3	3,704	28.7
Secondary battery:								
Size—								
4-inch guns			276					
5-inch guns	302							
5½-inch guns			12					
6-inch guns	192		238					
Guns	494	14.9	526	15.0				
Size per gun, inches		5.4		4.9				
Weight, in pounds, of 1 secondary broadside	40,158	1,216½	32,080	916½	8,078	25.2	300	33.7
Combined weight, in pounds, of 1 broadside	588,638	17,837½	484,080	13,831	104,558	21.6	4,006	29.0

Mr. FRELINGHUYSEN. If only approximately correct, these figures are astounding. They would tend to prove that we have revolutionized the naval power of the world. But if these ships are not properly manned by efficiently trained men the figures I have related mean nothing. What we need is sea power enough to protect all that we are, all that we have, and all that we do. Yet the figures I have quoted indicate an enormous burden upon the people, not only of our own country but of England as well. During the past fiscal year our naval appropriations amounted to $438,000,000. I am in favor of proposals by this Government to both Britain and Japan that their naval forces and ours be disarmed pro rata.

At this time I wish to say to the Senate that I not only want disarmament of sea power but I want disarmament of air power as well. If we are to enter into an agreement to disarm, every effective agency for war should be disarmed.

Let me point out to the Senate that, while there seems to be a halting at the present time in England's naval program, I understand that her naval program for the coming year greatly exceeds any that we contemplate.

Mr. KNOX. Mr. President——

The PRESIDING OFFICER. Does the Senator from New Jersey yield to the Senator from Pennsylvania?

Mr. FRELINGHUYSEN. I yield.

Mr. KNOX. I desire to ask the Senator from New Jersey what will it profit if we proceed to disarm in the sense that we cease to build battleships, and cease to operate arsenals, and cease to manufacture artillery, if we permit Germany to go on with her great productive capacity for chemical armament, which the last war has demonstrated to be the efficient armament of the future?

Mr. FRELINGHUYSEN. The Senator from Pennsylvania well knows my views upon that question. Under the camouflage

of a peace industry there lies the greatest propelling force for war. When a government may not make a pound of powder or a tank of chemical gas unless she has a thoroughly established dye industry, I think it is the height of folly to allow the destruction in this country of an industry of that character.

We can not lessen our armament unless they do likewise. Our future safety on both Atlantic and Pacific demand this. War with either of them is unthinkable. With England we are one in language and law. With Japan we are participants in a harmonious relationship, which has existed since Perry landed there in 1854. Yet for us to disarm without them would be nothing less than foolhardy. Let negotiations be opened to the end that the three great possible rivals of the future may by disarming set an example to the other nations of the world.

As a people we are faced with a tremendous responsibility. We must husband our resources. We must be content with nothing less than to be the greatest Nation of all time, not in dominion or merely in wealth but in service to mankind. This service, however, does not consist in yielding our sovereignty, but in developing this Nation to the utmost so as to reveal to an even greater extent what liberty may do under republican institutions. We have just concluded in this country two great moral reforms. By one we have suppressed the liquor traffic and by the other we have admitted that the intelligence and character of women are needed at the ballot box no less than those of men. I doubt if the earnest men and women who brought about those reforms will be content with anything short of another triumph. I think they will now turn to the elimination of the greatest blot on our American civilization at the present time—the prevalence of ignorance as indicated by our statistics of illiteracy. From the time when in 1635 the Dutch in New Amsterdam provided for elementary schools at public expense and Harvard College was founded in 1636 we have gone on building until we have thought that we had provided for universal free education. But the 8,000,000 of those who can not read and write the English language, augmented by the million who came to our shores every year until the World War from other countries, gave us reason to pause. That war brought out the astonishing fact that 24.5 per cent of our enlisted men could not read a newspaper or write to those at home. Vast numbers of immigrants from southern Europe and from Russia and Poland have come here with antigovernment ideas and without any knowledge of our language or the spirit of our institutions, and we have had in consequence May Day outrages, I. W. W. depredations, and the killing and maiming of the innocent by bomb throwers who have had no other thought than insult to our form of government.

The new Republican administration must face this problem and meet it with practical and permanent remedy. It can not admit to the country those who will not assimilate our customs and who are hostile not only to our Government but to every form of government. The States have made great progress in education. During the past generation public schools have multiplied until now there is scarcely a place where free education can not be had. There are, however, some States which have not kept pace with the educational movement. I fear that some of them under one form or another are seeking Federal help, which, translated, means help from other States. It should not be necessary to offer any State a bounty to stamp out illiteracy. As for the Federal Government, we must remember that the public school is our melting pot. It is the crucible in which we assimilate foreign-born children and the children of the foreign born.

If we admit aliens faster than they can be assimilated, we jeopardize our own institutions. We must therefore devise ways and means whereby we will not admit immigrants faster than they can be assimilated. While we now exclude anarchists, it may become necessary to be more watchful and to make certain that we are not admitting those who, while they are not anarchists, do not believe in our form of government. We have a right to change our Government, but no altruistic spirit should lead us to admit those who are bent on changing our form at the first opportunity. I recognize that there is agitation in favor of vast Federal contributions to education. The Federal Government can not afford, however, to meet expenses which the States should meet. It is not only bad economically but fundamentally. We have promised the people a return to constitutional government and we should be true to our promise. Encroachment on State rights should stop. There is much we can do in our field; that is, in the field of immigration. We must be more careful than ever that undesirables be excluded, and we must consider the subject not only from the political aspect but also from the economic and intellectual. We must be just to ourselves, to capital, to labor, and to the schools. Too great a task can not and should not be placed on the schools. It is simply suicidal to admit immigrants faster than the schools can assimilate them, and the subject of assimilation should receive most careful study.

Some of the cities in my State can not get enough teachers and sufficient school facilities to take care of the increasing population. When we realize that that condition exists practically all over the country, we can readily appreciate that it is one of the important problems that must be considered, as well as the question of immigration.

I feel quite sure that many are very anxious to have unskilled labor without limit enter the country. Such unskilled labor may cause a reduction in wages and also a reduction in the cost of living, but if we can not assimilate them, and if many of them, as I suspect, have no regard for any government, they will ultimately, instead of proving an asset, prove a menace.

The subject must be studied carefully and should not be put lightly aside. Self-preservation is the first law of nature, and we should look to the self-preservation of our children, as well as to that of the present generation. We do not want the country to totter 20 years from now, even though at the present moment the cause of such tottering might appear to be beneficial to capital and incidentally reduce the cost of living of all. Better to let the cost of living stay a little higher than to introduce poison.

The farmers of the country, having seen their land values and the market figures of their wheat and other produce go to unprecedented figures, are dissatisfied with falling prices and want something done to put a stop to the decline. I have hearty sympathy with the cultivator of the soil who wrested his crop out of toil and worry and at high costs and then sees himself facing loss. But the farmer is suffering a decline in price as likewise are the manufacturer and other producers of raw and finished material. He must not ask Congress to keep up his prices and demand that the price of the articles he has had to buy be brought down. Nor should he in his discouragement at the falling prices for foodstuffs seek to do away with boards of trade and cotton exchanges because of a belief that they are entirely the cause of his distress. Yet these exchanges should, through regulation, be confined to the useful functions of distribution and exchange and not as agencies to exploit the product of the farmers' toil by gambling in futures and cornering the market for foodstuffs. The farmer must be protected against these uneconomic practices.

Everything must be done to stimulate the farming industry and encourage our farmers to continue production. Much has been done in this direction. They have the parcels post, rural free delivery, farm loan banks, better roads, and telephones. Life on the farm is much more livable than formerly. Our American farmers have enjoyed during the period since the World War in 1914 a greater prosperity than ever before. But they have had a serious setback. By wise governmental policies this temporary setback can be overcome. We must at all hazards maintain healthy prosperity, but not by keeping up fictitious prices created during a time of greatest demand and during a saturnalia of inflation. We should protect farmers and their standard of living by a tariff which will keep out foreign products grown under cheaper conditions, and this should be done at once. And then we should work out a national policy of benefit to the farmers generally, north and south. When the McKinley administration came into power in 1897, Secretary of Agriculture Wilson conceived the idea of bringing from abroad everything grown there and cultivating it here so that we might in any emergency be self-sustaining. As the result of that policy we have our navel oranges; our beet-sugar industry, producing a billion pounds annually; our rice industry, producing enormous quantities annually in Louisiana and Texas; and our date industry in the Southwest.

What the farmers now need is to be guided further in every improvement possible in the raising of their crops, to be assisted in marketing, to be protected from foreign competition in our own market, and to make it easier for them to finance themselves. We already have the farm loan bank. This should be supplemented by the home loan bank and by long and short term credits through extension of the warehouse act, so that they may be enabled to realize sooner on their crop by being able to borrow further after warehousing their product, their paper being consolidated through a general system provided but not supported by the Government. Dairy and other farming of a certain kind, such as found in New Jersey, should be standardized, such as the citrus-fruit industry in California. Cooperative marketing like that of the dairy farmers of New York State should be encouraged. This

enables them to do away with the middle man to an extent which redounds to their benefit. Waste in production and marketing should be eliminated. Last year $3,000,000 was lost by the apple shippers of the Northwest in transit on the railroads. Preventable losses in cotton marketing are estimated at $50,000,000 a year and in sweet-potato growing at $25,000,000 a year. National standards for farm products, based upon national standards of weights and measures, supplemented by Government inspection, should be adopted. The facilities for supplying the farmers everywhere with reliable market information should be extended to the utmost. What we need now more than anything else in the relation between the Department of Agriculture and the farmer is the purpose of utilizing all energy to the end of production of the highest quality as well as the utmost quantity. Our farmers must be enabled to produce at even less cost and to sell in the highest market obtainable. They should become as efficient in soil chemistry as the Germans were before the conflict.

We have another even greater problem to solve, which should not be beyond American ingenuity or the constructive genius of the Republican Party. The Department of Labor should be reorganized and socialism eliminated. The powers of the adjustment service should be extended. Encouragement should be given to the Woman's Bureau, which has for its purpose the betterment of working conditions among women in industry to the end, among other advantages, that women and men may have equal pay for equal work. It is useless to deny that we are in the midst of an at least temporarily serious industrial depression, and it will be necessary to encourage and possibly extend the United States Employment Service.

Two million wage earners are out of employment. To help offset this condition, we must enact a tariff law which will cover the difference between the cost of production here and abroad, which will not only stimulate our manufacturers but protect our labor and its standards, not forgetting to enact laws which will prevent the destruction of those industries which have been wrested from Germany and established during the war and which were nonexistent prior to the war, among which are the dye industry, the laboratory glass and surgical instrument industries. The dye industry is vitally essential from an economic standpoint, but absolutely necessary from the standpoint of national preparedness. The man or men who place obstacles in the way of supporting it and encourage domination by Germany in this field have learned no lesson of the great sacrifices we have made by being scientifically unprepared. I know of nothing more shortsighted than the present tendency on the part of many manufacturers to utilize the dull period in business to make war on the labor unions under the guise of a movement for the "open shop," wherein it means a shop closed to union organization. Labor unions have done much to bring about better hours and wages and better working conditions. Wage earners have the same right to organize for their own good as manufacturers and business men generally have to organize for their own benefit. The great body of our workmen deprecate such criminal measures as have been practiced by the I. W. W. and the Western Federation of Miners and such crooked methods as adopted by the building-trade leaders in New York City. Such menaces must be prevented, and labor unions must help to wash their hands of them. But the Republican Party when entering upon the full power of conducting the Government should remind our manufacturers that they must not judge our entire American labor movement by the hot-heads and radicals, and should likewise remind our wage earners that American business is not to be judged by the reactionaries who would entirely suppress the right of labor to organize. There is, however, a limit to which even labor organization should be allowed to go. If through the power of combination any set of men should prevent the people from having fuel or transportation; if, in order to enforce demands which an impartial tribunal created by the Government believes unfair, they imperil the safety and existence of the people at large and make starvation and freezing imminent, then the full power of the Government should be exercised to prevent them, or the Government is a failure.

There is a middle ground or method by which we may harness the vast energies of American labor and the productive might of American capital to the task of making America supreme among all the nations of the world in productive capacity. When we find that method we shall be fully prepared to lead the greatest commercial revival in history, soon to follow upon the present period of liquidation, for the energies of the earth have been quickened by war and those energies will be turned to commerce, as they always have after the period of readjustment following every war we have had. The principle of collective bargaining should be acknowledged in interstate commerce, but unions should live up to their agreements when made. The fallacy that labor creates value and that labor is therefore entitled to the full return on the value it creates, which is the basis of most of our socialistic propaganda, should be met with education as to the real part which both labor and capital play in industry and as to the worth of initiative in our institutions. The Department of Labor should not be conducted as an adjunct of the American Federation of Labor nor as a vehicle for the views of those who favor nonunion labor entirely. It should be administered for the benefit of all our wage earners everywhere, and the Republican Party should make it its policy to so utilize it that in the four years to come it will actually better working conditions and at the same time assist in the upbuilding of the prosperity and efficiency of American industry.

While our total indebtedness is $24,330,889,731, our Liberty and Victory bond war debt on June 30 last amounted to $19,581,201,450. Less the $9,445,006,855 we loaned to our foreign allies, and nevertheless owe the American people, because we borrowed it from them, we owe $10,136,194,595. By act of Congress provision was made for payment into a sinking fund of an amount equal to the sum of 2½ per cent of the total Liberty and Victory loans, less an amount equal to the par of the obligation of foreign Governments held by the United States on July 1. By this $235,000,000 will be paid each year and in 25 years the debt will be wiped out. This refunding provision should be so extended as to include the entire war debt.

I can not understand the methods of the Treasury Department which have permitted approximately $1,000,000,000, due under the corporation assessment of 1917, to go uncollected and even unadjudicated to the present moment. Many of the corporations from whom this money is due will probably not be disposed to question the claim of the Government against them provided it is proven most of the arrears are the result of mistakes in making the returns. Solely through laxity and delay they have not been brought into the Treasury. Steps should be taken to enforce payment so that the statute of limitations will not relieve corporations which owe the money of paying it at all. Certainly not the least of the burdens of the war upon the American people has been incompetency.

While 500 employees of the Government in Washington have been engaged in this particular task of collection, the plain truth is that our Federal methods have not kept pace with those of private enterprise, and the salaries paid by the Government for the same sort of technical services have fallen far behind those our great corporations are in the habit of paying. Yet, I am ready to admit that the Treasury Department can not hope to compete in this respect. We can meet the problem only by a system of employing and training the best in the world of accounting, drawing them to our offices here for a few years for the sake of the certificate of experience in and approval of the Government, which would enable them to gain even larger compensation in private activity than they otherwise would receive. This is true of technical service not only in the Treasury but in all of our executive departments.

We should, it seems to me, remedy our entire present fiscal arrangements by taking the tax from small incomes, removing the surplus-profits tax and surtaxes, and at the same time by gaining more revenue by a protective tariff and by a tax on manufacturers' sales. For rendering less complicated our entire fiscal affairs the enactment of the budget system is vital.

Our Post Office Department should be overhauled and made more efficient by taking the parcel-post business from the main offices in the large cities and conducting it through warehouses or other space rented for the purpose. This is really an express business and is delaying the delivery of the regular letter mail in these offices.

For the protection of the banks and other senders of valuable mail the carrying of mail by aerial route should be stopped unless special stamps are provided and it is so designated by the sender. Congress stipulated that this be done, but the Postmaster General so construed the statute as to do the opposite of what was intended.

The Department of Commerce should become an aggressive, reliable, and efficient instrumentality for the development of trade. That is what it was intended to be, but instead it has become, so far as our foreign commerce is concerned, an adjunct of our Consular Service. It should issue exhaustive monographs on the foreign sources of markets for our goods. There should be quick general reports on this subject. It should be made the chief factor in the American trade boom of the next 10 years, which is bound to follow the present period of liquidation caused by the lack of a protective tariff, overproduction, inflation, overexpansion of credits, and overspeculation. The executive force of the department is now permeated with the

Democratic theory of tariff for revenue only. Instead, it should help to give confidence to our business world, and while we protect our producers the Department of Justice should impartially and rigorously see to it that those engaged in interstate commerce who profiteer upon the people by means of exorbitant and unreasonable prices should be apprehended and dealt with not only by adequate fine but imprisonment.

Whatever tends to the upbuilding of this America in which we live should be encouraged. My motto is "America first," and with that thought in mind I have never been able to understand why American ships should not have preference in the Panama Canal. I am not unmindful of the fact that there are other nations and that the United States is but a part of a world. We can play our part in it without entangling ourselves in the affairs of others. We can be honorable and charitable without incurring obligations which may prevent us from doing what we think is just when we are called upon for performance. We can now point out, even though we are not a member of the League of Nations, and I trust never will be a member of a league of nations political in character, that there can not be any stability in Europe until Germany is told what she owes. It is most unfortunate that any official of the United States in any way gave approval to a document which imposes economic slavery. It needs no genius to see that a nation which is not told what she owes but which is given to understand that the exactions from her will be dependent upon her ability to pay will quickly comprehend that the more she works the more she will pay, and the less she works the less she will pay. Why should any people work hard if the fruits of their labor will be taken from them, and if they can not see an end to their obligations?

I hold no brief for Germany or for France, but as a business man I can readily see that it is just as essential for a nation as it is for an individual to know what are his assets and liabilities. If France is to put her house in order, it is just as essential for her to know what are her assets as it is for Germany to know what are her liabilities. How can France ever return to a stable basis so long as she lives on hopes rather than on facts? How can Germany be expected to return to work until she is told how much of the product of her work will be taken from her? So long as there hangs over her the fear that all of the product will be taken from her, so long will the people argue, "What is the use of work?" Give Germany a goal to work for, and if it is within reason she probably will work for it. Let France know what she can count upon, and she can quickly make a budget which will be in accord with her needs and in harmony with sound business. I hope, therefore, that in the very near future some way will be found of pointing out in a friendly way and as a sound business proposition to both France and Germany the necessity that the former should know as soon as possible what she will receive from Germany and that Germany will know as soon as possible what she must pay.

As for the League of Nations, if I understand the recent election, it was rejected by the people of the United States, and if we are true to the people we can not enter it.

We read much in the newspapers about an association of nations, and, indeed, one may be formed, but I am very skeptical that any association of nations can be created which we can enter without losing our independence, our influence, and our sovereignty. I am extremely doubtful whether we can enter a partnership with other nations whose principles of government are antithetical to our own. To do so and preserve our own form of government will challenge the wisdom of the greatest statesmen of the age. Will an association of nations induce Europe to disarm if we do? It is useless to enter into a game of diplomacy wherein the cards are stacked against us. Will such an association of nations prevent the members from taking commercial and financial advantage of us when they have a majority of votes? Will an association of nations prevent the members from transferring their debts to the taxpayers of this country? Will an association of nations, controlled by the great powers, lift the yoke of slavery from subject peoples, or will we unwittingly become slaveholders again?

I must be convinced that such an association of nations can be shaped without impairing our form of government. I have given much thought to the subject and feel that we can not join such an association, for the following reasons:

We hold that all governments derive their just powers from the consent of the governed. I do not desire to see the United States enter into any league with foreign powers which would even tend to withhold from them the eventual accomplishment of that right. We also consider it self-evident that church and state should be separated, each performing its function for the good of all when apart and both suffering when either seeks to control the other. We have enjoyed the blessings of this separation so long that we hardly give it a second thought. Yet this principle does not prevail in the States which are members of the league now assembled at Geneva. We stated in the Declaration of Independence, we provided in our Constitution, we fought through four long years, because we believed that all men are created equal in opportunity and under the law. Why should we minimize that principle by allegiance to a league which does not guarantee it? We hold that a republican form of government, based upon equality of representation and universal suffrage for all men and women, without restriction as to wealth, creed, or color, based upon a system of checks and balances between the legislative, judicial, and executive branches so that no man or set of men may obtain and keep arbitrary power, is the best form of government in the world.

The present League of Nations does not even mention these principles. It sets forth in no glorious preamble to an immortal document that these God-given principles are for all men for all time. Yet our fathers died for these principles. They left the Old World and founded this Nation in the new in order that those principles might be established and preserved. They held them dearer than peace, dearer than life without them, and so they fought and died for them. We have been told that the league will assure permanent peace, as though that in itself were to be sought for above every other good. I do not believe this, and I am of the opinion that it will do the opposite. But even if it were true, I should be as bitterly opposed to it, unless it assured a peace which would perpetuate everywhere the ideals upon which America was founded.

It may be that some day we shall have a federation of the world, wherein every people shall express itself in a republic after every king and empire has passed away. That may be centuries hence.

In the meantime America should stand alone, if need be, and stand eternally for the principles upon which our Government is founded, stand as a beacon to the peoples of the earth to show what those who follow those principles may become. Liberty can not, must not, be compromised. A majority of 7,000,000 in this land has declared that it must not.

Mr. President, the new Republican administration of President HARDING, supported by a majority of 22 in the Senate and 170 in the House, and upheld by such an enormous popular majority, has before it a task unequaled in our generation and perhaps in the history of the Government. So well-nigh unanimous has been the voice of the electorate that it may be said without fear of serious contradiction that the Republican Party has received a mandate not only to reconstruct the executive departments and our entire governmental administration upon a more businesslike and efficient basis, but to so revise the laws as to make them harmonize with the foreign and domestic needs of a country which has grown tired of arbitrary impediments to commerce and to the free expression of its intelligence, and, above all, a mandate to maintain our position as the first Nation of the world.

SETTLEMENT OF WAR LOANS.

Mr. McKELLAR. Mr. President, on December 10 I introduced a joint resolution with reference to our debts from foreign countries. The joint resolution is as follows:

Joint resolution (S. J. Res. 221) instructing the Secretary of the Treasury as to settlement of war loans.

Resolved, etc., That the Secretary of the Treasury be, and is hereby, directed and instructed at the earliest practicable moment to secure from the several foreign governments, namely, Belgium, Cuba, Czechoslovakia, France, Great Britain, Greece, Italy, Liberia, Rumania, and Serbia, to which Governments moneys were loaned by the United States under and by virtue of the several war emergency acts of the Congress passed in the years 1917 and 1918, long-time interest-bearing bonds of such Governments for the moneys loaned under the said acts, the interest on such bonds to be paid semiannually at a rate not less than 5 per cent; that in making settlements with the several foreign Governments the Secretary of the Treasury is hereby authorized and directed to take interest-bearing bonds for past-due interest on said loans and the future interest up to November 15, 1921, such bonds to be of like tenor and effect as the bonds for the principal loaned to said Governments, and the interest thereon to be paid semiannually in like manner; that said bonds thus taken on account of past-due interest and interest up to November 15, 1921, shall be set aside and kept separate and apart, and may be used as a fund with which to pay any sums that Congress may hereafter determine, should it at any time so determine, shall be paid to soldiers, sailors, and marines in the late War with Germany; that no steps be taken at the present time in reference to any sums loaned to Russia; and that on and after November 21, 1921, interest on all of said indebtednesses shall be collected, as and when the same falls due, it being the sense of the Congress that by said date, four or more years having thus passed since said loans were made, enough time will have elapsed for said Governments to have readjusted their financial obligations, and that in equity and good conscience they should begin paying regularly interest on said loans advanced to them by the United States for the protection and defense and sustenance of their Governments and their peoples.

These debts as shown by the last report of the Secretary of the Treasury are as follows:

Countries:	Credits established, net.
Belgium	$349,214,467.89
Cuba	10,000,000.00
Czechoslovakia	67,329,041.10
France	3,147,974,777.24
Great Britain	4,277,000,000.00
Greece	48,236,629.05
Italy	1,666,260,179.72
Liberia	5,000,000.00
Roumania	25,000,000.00
Russia	187,729,750.00
Serbia	26,780,465.56
	9,710,525,310.56

Of the foregoing advances there have been repaid up to November 15, 1920, by—

British Government	$80,181,641.56
French Government	31,449,357.55
Roumanian Government	1,794,180.48
Serbian Government	605,326.34
Cuban Government	500,000.00
Belgian Government	10,000.00

Leaving a balance due the United States of $9,595,984,804.69.

The Secretary in his report, on pages 53 and following, describes in some detail the status of these loans. Among other things, he says:

For these advances the Treasury holds obligations in the form of certificates of indebtedness to the United States, payable as to principal and interest, without deduction for taxes of the debtor Government, in gold coin of the United States of the present standard of weight and fineness at the Subtreasury of the United States in New York or at the Treasury of the United States in Washington. Certain of them, at the option of the holder, are payable in the money of the debtor country, some at a fixed rate, and others at the buying rate for cable transfers of the currency of the debtor country in the New York market at noon on the day of demand as determined by the Federal reserve bank of New York. The certificates of indebtedness are signed in the name of the respective debtor Governments by representatives of such Governments designated to the Treasury by the Department of State as being authorized to sign them in the name and on behalf of the respective Governments.

The earlier certificates were payable at fixed dates of maturity, all of which are now past, so that they are now held as demand obligations. They bore interest at various rates of interest from 3 per cent per annum upward. Those subsequently taken are payable on demand and bear interest at the rate of 5 per cent. By arrangement with the respective Governments substantially all the obligations have since May 15, 1918, borne interest at the rate of 5 per cent. The certificates of indebtedness are receivable in payment for bonds of the debtor Government or else are convertible into bonds in conformity with the provisions of the various Liberty bond acts in effect at the respective dates of the certificates of indebtedness.

As to interest collections the report further says:

To and including November, 1918, the dates for the collection of interest from foreign Governments were May 15 and November 15. In the spring of 1919 the respective Governments were informed that it would be convenient for the Treasury to receive semiannual payments of interest on April 15 and on October 15 on approximately two-thirds of their respective obligations, and on May 15 and November 15 on the remainder. The full amount of interest due up to April 15, 1919, or May 15, 1919, was, except in the case of Russia, paid in cash on all these loans. To the extent that such interest was not paid from other resources of the foreign Governments concerned it was paid from the proceeds of loans made by the United States Government. All interest on the debts of Cuba and Greece was paid as it became due.

The following is an itemized statement showing the amount of interest heretofore paid by each of the foreign Governments on advances made to it by the United States Treasury:

Belgium	$10,907,281.55
Cuba	1,136,865.47
Czechoslovakia Republic	354,178.09
France	128,140,816.48
Great Britain	233,357,185.50
Greece	409,153.34
Italy	57,598,852.62
Liberia	161.10
Roumania	263,313.74
Russia	4,595,564.15
Serbia	636,059.14
Total	437,349,431.18

The amount paid on Russian obligations represents the interest up to November 15, 1917, in full, together with a partial payment of $1,865,925.08 on account of the interest which became due May 15, 1918, and partial payments of $1,399,877.43 on account of the interest which became due November 15, 1918. That paid by the Governments of Greece and Cuba includes interest paid up to October 15, 1920, and November 15, 1920, respectiveiy. The amount paid by the French Government includes interest amounting to $1,810,441.50 to July 31, 1919, on an obligation dated January 28, 1919, and also interest accrued after April 15, 1919, on $19,302,357.55 principal subsequently repaid by the French Government in connection with the adjustment of accounts. The sum paid by the British Government includes $2,244,778.59 interest accrued after May 15, 1919, on $80,181,641.56 principal subsequently repaid by the British Government in connection with the adjustment of accounts, and that paid by Roumania includes a partial payment of $154,409.63 on account of interest accrued to October 15, 1919.

The Secretary of the Treasury holds a special fund of $1,808,506, which is equal to the unpaid balance of the interest which became due on Russian obligations on May 15, 1918. It is believed that ultimately this can be applied in discharge of this balance. A similar fund of $335,095.07 is held, which it is believed will be applicable upon the unpaid balance of the interest which became due November 15, 1918, on the Russian account. The interest accrued and remaining unpaid on Russian obligations, after deducting these special funds, for the half year ending November 15, 1918, is $2,994,025.10, and for the half years ending April 15, 1919, and May 15, 1919, is $4,101,107.50.

The interest due and unpaid is as follows:

The interest accrued and remaining unpaid on obligations of foreign Governments purchased by the Treasury under the Liberty bond acts for the half years ending, respectively, October 15, 1919, and November 15, 1919, April 15, 1920, and May 15, 1920, and October 15, 1920, and November 15, 1920, is as follows:

Countries.	Oct. 15 and Nov. 15, 1919.	Apr. 15 and May 15, 1920.	Oct. 15 and Nov. 15, 1920.	Total.
Belgium	$8,330,832.65	$8,468,375.00	$8,539,887.75	$25,339,095.40
Czechoslovakia	1,164,422.14	1,354,134.64	1,478,333.35	3,996,890.13
France	65,669,500.12	72,218,078.80	73,637,124.10	211,524,703.02
Great Britain	104,741,907.05	104,920,458.96	104,920,458.96	314,582,824.97
Italy	39,050,152.83	40,442,845.74	40,765,715.11	120,258,713.68
Liberia	328.69	640.16	650.00	1,618.85
Rumania	382,818.09	625,000.00	597,302.95	1,605,121.04
Russia	4,713,366.30	4,685,999.25	4,693,243.75	14,092,609.30
Serbia	669,258.13	669,511.64	659,230.96	1,998,000.73
	224,722,586.00	233,385,044.19	235,291,946.93	693,399,577.12
Add balance (in excess of special funds above mentioned) of interest accrued and remaining unpaid on Russian obligations for half year ending Nov. 15, 1918, and half years ending Apr. 15, 1919, and May 15, 1919				7,095,132.60
Total				700,494,709.72

The figures that the Secretary of the Treasury gives us in his report are clear enough. We learn how much each Government owes, how much has been repaid, and how much interest is due, but the remainder of the report is very confusing. It is not a clear report. An examination of the several acts of Congress under which these loans were made makes it clear that it was the intent of Congress that interest-bearing bonds, running not longer than the bonds of the United States, should be taken as evidence of the several loans in return for same, but the Secretary reports on page 56 that the Secretary of the Treasury took certificates convertible into bonds "if requested by the Secretary of the Treasury of the United States."

My own interpretation of the several acts of Congress under which these loans were authorized is that it was the duty of the Secretary of the Treasury, and is his duty now, to convert these certificates into long-time bonds. It is true that the Secretary says that he is opposed to canceling the debts, but his statement on this subject is somewhat vague and indefinite, and at the end of it he tells what the "reasonable and proper course" would be, but gives no reason why he has not carried out this "reasonable and proper course." I quote from his conclusion on this subject:

The indebtedness incurred by the United States to make the foreign loans is not cared for by the sinking fund. Congress contemplated that foreign repayments would provide for that part of our debt. Of late there has been no little discussion as to how this foreign debt should be treated. Some advance the proposal that it should be canceled. This is a favorite plan of some Europeans and some Americans. The suggestion is based first on one ground and then on another. At one time it is based on sentiment or on considerations of generosity. By some it is based on the contention that it will promote peace. It apparently is assumed that antagonisms will be set up if the nations of Europe are asked to repay the loans which they sought and so gladly received. At another time it is based on consideration for present producing interests. Voices are heard representing that it will ruin the trade of America if Europe is to send us her commodities for what she owes us. Apparently these advocates contend that international trade will be profitable provided only we give to the world what we produce, declining to receive any commodities in return. I imagine neither of these suggestions will be received with favor by the American taxpayers. They will realize that if the debts are canceled they must pay taxes to meet the interest and to redeem the principal of $10,000,000,000. Another suggestion is that the demand notes now held by the Government shall be funded into bonds bearing a higher rate of interest which the debtor nations will consent to exchange for the outstanding bonds, and that a direct relation be set up between those who consent to receive such bonds in this country and the foreign debtors, although it is proposed that this Government guarantee the bonds. No evidence is furnished that debtor nations would be willing to assent to the creation of a bonded debt with a higher rate of interest with obligation for the immediate payment of interest; and there is nothing in existing law which warrants such a transaction. They should not be charged interest at a rate exceeding the cost to our Government of the money borrowed from our people to lend to them. The advances made by the United States to the Allies began only at the time of our entry into the war. For substantially a year we had no considerable military forces in Europe and we were lending the money needed to supply the part purchased from our people of the materials necessary for the armies of the Allies, who were holding the Germans in the meantime. If in April, 1917, we had had a vast Army in Europe there would have been no considerable loans to the Allies for purchases of war material in this country, since our own armies would have needed all the munitions this country could have produced. In the circumstances we must deal with the debts of the allied governments in a spirit of fairness. The suggestion that we should throw them upon the market appears to me to be as fatuous and impracticable as either of the other suggestions.

Mr. KING. Mr. President, does the report of the Secretary of the Treasury indicate that no bonds from these debtor nations have been turned over by them to our Government?

Mr. McKELLAR. They have given us certificates of indebtedness, now all past due, according to the report.

Mr. KING. Why has he not converted those certificates into bonds, as the law under which the loans were made seems to contemplate?

Mr. McKELLAR. That is the purpose of my remarks, and if the Senator will just wait a moment I think he will see fully my view about it.

PRESENT CONDITION OF DEBTS UNBUSINESSLIKE.

Mr. President, it is wholly unbusinesslike for these debts to remain in their present nebulous state. We should have a definite understanding with our friends to whom we loaned this money. We should require the payment of the current interest as and when it falls due at the earliest date possible. Apparently interest was paid until 1919 and then discontinued. I say apparently, because the report of the Secretary is indefinite on this subject. It does not say whether payments were discontinued at the request of our Government or at the requests of the debtor Governments, or whether payments were just discontinued without discussion at all. It does not say that our Government tried to collect and could not. The American people should know why these interest payments were made up until 1919, after the war was over, and then suddenly discontinued.

Mr. SMOOT. I think I can tell the Senator how those payments have been made. There has been no payment made by any foreign country other than through the settlement of balances of trade between the two countries. No foreign country has sent to us gold to pay us on their obligations, but the payments, the Senator will find in the Secretary's report, are payments of debts that were due America in the settlement of the balances of trade between the two countries. That is why some countries have not paid a thing, and others have.

Mr. McKELLAR. I assume that is correct, although the report of the Secretary does not say so, and I think it should say so; and I think the Secretary should furnish us with definite information about the matter.

Mr. KING. I think also, supplementing what my colleague has said, some interest was paid out of loans which we made them. They never paid any interest directly, but they utilized some of the loans which were made to credit their interest account.

Mr. McKELLAR. That may be possible, but it is not disclosed by the report of the Secretary.

There is now due on the principal more than nine and a half billions of dollars. There is likewise more than seven hundred million dollars of past due interest, according to this report of the Secretary. Why the payments of interest were discontinued is a most important matter.

THESE DEBTS SHOULD NOT BE CANCELED.

It has been suggested by some that these debts should be canceled by our Government. I have no sympathy with such a view. I do not believe that any of these foreign Governments would suggest such a proposition. By reason of these loans and our own active participation in the war Great Britain has not only preserved herself and retained her vast commerce, her vast navy, her merchant marine, but has also added untold territory and wealth to her domains. The same is relatively true of France and Italy. In addition, all these nations have the obligations of Germany and Austria for tremendous sums in reparation. In a smaller way this applies to all the other nations involved, except prehaps Cuba and Liberia. Czechoslovakia sprang up after the war, Minerva-like, as a full-grown nation, and all because of America's participation in the war and America's financing of her Government after the war. Belgium and Rumania were restored, largely increased in territory and indemnified. I take it that not one of these Governments would for a moment refuse to give long-term bonds for their principal and would gladly pay the interest to the Nation that furnished so large a part of the money to defend and protect them if the United States definitely told them to do so.

But it is said that we ought to cancel this debt because of what France did for us in the Revolutionary War. I acknowledge that debt to the limit, but our Government has more than paid it back. She has paid it back a thousandfold, because by the use of her money and her men she has preserved and enlarged the French Republic and saved its Government from destruction by Germany. I am reliably informed that while our Army was in France fighting for the preservation of her Government and her people we were charged for everything taken, injured, or damaged; that large rentals were charged for all our depots and warehouses; that rentals were charged for all of our camps; that if fruit trees or other trees were destroyed or injured in battle we were charged for the damages. It has been charged that we actually paid rent for the very trenches which were used by our boys in defending France, and that she charged our soldiers one price for all goods sold them and her soldiers and her people a less price; but I am constrained to believe this is not true. It surely can not be true. Under these circumstances surely there is not even a sentimental reason why we should cancel this debt of honor that France owes us. I say these things not in condemnation of France, but in justice to America. In other words, France, having treated our aid in the war as purely a business matter, it would be unbecoming in us, as I look at it, to treat it in any other way. Indeed, we are precluded from treating it in any other way if we maintain our self-respect. In order to carry on the war we taxed our people to the limit. On the other hand, France taxed her people very lightly, comparatively speaking. For these reasons it seems to me that nothing but a maudlin sentimentality would suggest the cancellation of these debts. The French people are not taxed as heavily as the American people are to-day. Our own people are standing a burden of taxation greater than taxation in France because of this war. She, too, is spending tremendous sums on her army and navy; she has received back Alsace and Lorraine. She has received tremendous reparation obligations from Germany, and there is no reason why she should not also pay these debts that she owes us.

Again, it is said that we ought to cancel this debt due us by Great Britain because of the great expense that the war has been to Great Britain; that she bore the financial burden of the war up until the time we went into it; that we are kinspeople, and that we ought to contribute the sum that England owes us, being the sum of four and a quarter billion dollars, for the help of our kinsmen. However, Great Britain did not treat us exactly this way. Naturally, she did everything possible to get us into the war. She was intensely desirous of having our aid. At the same time, after we declared war she charged us a very large price and wanted to charge us a much larger price for every soldier that she transported across the ocean in her defense. She charged us high rates for every ton of freight carried to maintain our armies. In other words, she treated us in a business way, and her ships made enormous profits out of our participation in the war. When our troops landed in England we likewise had to pay for camps and fields. While the war was on she was greatly interested in our building up a merchant marine so that we could supply our armies and hers with American goods, but as soon as the war was over she went into a trade war with us and a rate war, and that trade and rate war has been going on ever since, and it is perfectly plain that she intends, if possible, to compel our merchant marine, as a world carrying merchant marine, to leave the seas. I am reliably informed that to-day the most active kind of rate war is going on between our merchant marine and England's, and all the time that this is going on England is being aided, in part, by the $200,000,000 in annual interest that she is withholding upon these debts. At the same time she is adding tremendously to her merchant marine and to her navy.

Another reason why the loan of Great Britain especially should be collected and the interest promptly paid is the attitude of Great Britain on the subject of oil. It must be remembered that it was American oil that gave the English Navy such a tremendous advantage in the war with Germany. England could not have maintained herself without this oil supply. The United States has provided no restrictions upon her acquiring oil in the United States. Her nationals are permitted to buy such oil fields as they desire on equal terms with Americans. Now, what is England's attitude toward us? It is directly the contrary. She debars foreigners from owning or operating oil-producing properties in the British Isles, colonies, and protectorates. She denies foreigners' participation, ownership, and control of petroleum companies. She denies to British oil companies the right of selling their properties to foreign owned or controlled companies. She prohibits the transfers of British oil companies' stock to other than British subjects or nationals. She controls the tremendous oil fields of Persia and will not permit Americans to purchase oil lands there. Since the armistice she has denied to American vessels the right to obtain oil from British stations.

By the recent San Remo agreement she and France divided the oil interests of Mesopotamia, she to get 75 per cent and France to get 25 per cent. America is excluded. When we remember that naval vessels propelled by the use of oil are 3 or 4 knots per hour faster than the coal-propelled vessels, and when we remember that naval vessels and merchant marine can take

supplies of oil anywhere on the seas, it is easy to see what this policy of England means. And yet we are aiding Great Britain in all of these designs by releasing her, temporarily at least, from the payment of $200,000,000 per year interest that she owes us.

Under these circumstances, as it seems to me, it would be idiocy on our part to cancel these very just debts. I say these things not in criticism of Great Britain but in justice to America. Great Britain is treating the matter as a business matter. She is treating her relations with America as business relations. She is doing everything possible to obtain and control the world's trade. She does not want America as a rival on the seas. On the other hand, every thoughtful American must know that our merchant marine must be built up if we are to retain our place as a world power and if we are to distribute our products in the markets of the world. It is a matter of business, not a matter of sentiment, and these enormous loans by us to Great Britain should not be dealt with in the manner in which apparently our Government is dealing with them.

INTEREST ON THESE LOANS.

The next question is, Should the interest be paid? The Secretary of the Treasury in his report says:

> The reasonable and proper course is to proceed under the terms of existing law which authorized the Secretary of the Treasury to fund the demand notes into obligations with a distant maturity at a rate of interest at least equivalent to that borne by our own bonds, *coupled with authority for the time being to defer interest payments.*

The italics are mine.

The Secretary of the Treasury needs no new authority to fund this indebtedness into long-time bonds. He was directed to do that in the four acts of Congress which authorized these loans. He should not have the authority to defer interest payments. The interest payments should be made as and when due. In order that no injustice may be done, the resolution that I have introduced provides that the past due interest and future interest up until November 15, 1921, be funded into bonds and that thereafter interest shall be paid in advance when due. If a settlement fixing an earlier date than November 15, 1921, can be had, it should be done by all means. This is giving the several Governments ample time in which to make their arrangements to pay this interest. This interest will amount, annually, to not less than $500,000,000. The Secretary of the Treasury should not be given authority to defer these payments. The law requires him to collect them. Apparently he has made no effort to collect interest on these obligations. If he has made such efforts, he does not say so in his report. It is not within his powers to disregard the law and make an appeal to Congress to change it to accord to his views or to give him power to suspend it at will. I do not understand why these long-term bonds have not been secured before. I surely do not understand why the Secretary of the Treasury has failed to collect interest on the loans. He does not state by what arrangements it was suspended, if any, or whether it was just a clear case of default. That information should be given to Congress.

Mr. President, our tax burdens are heavy. We need this $500,000,000 per year. If it were collected, we could raise the exemptions on incomes from $1,000 on single persons and $2,000 on married persons to $3,000 on single persons and $4,000 on married persons, and have a surplus of $300,000,000, or we could reduce the excess-profits tax nearly one-half, or we could remove all of the petty annoying sales taxes and other small taxes that are trying upon the people and still have a surplus.

Again, it is claimed that these nations are not able to pay the interest. I call attention to the fact that after the war was over the United States sold surplus war supplies to Belgium, in round numbers, $27,000,000; to Czechoslovakia, $20,000,000; Esthonia, $12,000,000; France, $400,000,000; Latvia, $2,500,000; Lithuania, $4,000,000; Poland, $57,000,000; Rumania, $12,000,000; Russia, $406,000; Serbs, Croats, and Slovenes, $25,000,000; in all, $563,000,000. Interest has been very generally paid on these sums, according to the Secretary's report. But on the war loans it has been suspended, indicating apparently that there is some belief on their part that it will not be collected.

That England is able to pay the interest on her obligations there can be no doubt. It has not been long since she advanced $50,000,000 to Argentina, of course, with a view of better commercial and trade relations with Argentina; and I have been informed that she has advanced Germany large sums with a like view. She is spending an enormous sum in building and maintaining her merchant marine and building and maintaining her navy, and surely under such circumstances there can be no question about her ability and willingness to pay. For the fiscal year ending March 31, 1920, she spent on her navy $765,586,080 and on her army the stupendous sum of $1,968,300,000, and yet she ignores her debt of $200,000,000 per year to us.

The Senator from New Jersey [Mr. FRELINGHUYSEN] was talking a while ago about disarming. I noticed in the papers yesterday that Lloyd-George was talking about disarmament. These figures do not sound much like disarmament. Seven hundred and sixty-five million dollars for a navy. That is half as much again as America spent on her Navy during the present year. Talk about our outstripping England in naval building by 1923! How can it be thought of for a moment in view of these figures? Seven hundred and sixty-five million dollars for her navy last year and about $2,000,000,000 for her army. It is a subterfuge when they talk about disarmament, when the appropriations reach the enormous sums that are here shown.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Utah?

Mr. McKELLAR. In just a moment I will yield to the Senator.

It is a most surprising thing that a great nation like England has defaulted on her interest for loans that have been made to protect her empire. It is almost unbelievable that she had let her interest go by default. The same is relatively true of France. In any event, an annual income from this source of $500,000,000 would lessen the tax burdens of the American people to a very great extent.

I now yield to the Senator from Utah.

Mr. KING. I think it is due to Great Britain to state that she has signified her desire to reduce her armament and also to reduce her army. But the Senator must keep in mind the fact that since the armistice Great Britain and France both have been compelled to maintain very large armies. I am not justifying Great Britain's conduct by any means; but the Senator will remember that she has been compelled upon a number of fronts to maintain a very large military force. France and England to-day are maintaining military forces in Germany, in Silesia, and in other parts where, under the Versailles treaty, the obligation would rest upon them or upon the Allies so to do.

I think the Senator's figures with respect to the amount expended by Great Britain for her navy for one year are rather excessive.

Mr. McKELLAR. I got them from the RECORD. I had them verified by the librarian. The figures of $765,000,000 for a navy in her last fiscal year are verified by me by sending to the library and having the figures verified there from figures in the possession of the library. There can not be any doubt about that amount having been expended.

That does not look to me like disarmament; and I will say that any nation that can spend $765,000,000 for her navy just after the war through which England has gone is able to pay the interest on her debts due us for the protection of her empire.

Mr. KING. If the Senator will pardon me, I think that a portion of that amount was to meet obligations theretofore incurred rather than to aid in the construction of new vessels. I think the Senator will find upon investigation that the amount actually devoted to new vessels, either of the capital-ship type or even down to the smallest type, will not amount to the sum which the Senator states.

Mr. McKELLAR. I give the figures as contained in the law passed by Parliament; that is, I am informed by experts at the library that that is true. They show the actual appropriations and exactly how they were to be expended. I do not know but $765,000,000 for a navy in peace time is a very considerable sum, and no nation ought to plead poverty that has the money to spend that much upon a navy.

Mr. SHEPPARD. Mr. President——

Mr. McKELLAR. I yield to the Senator from Texas.

Mr. SHEPPARD. Is the British fiscal year the same as our fiscal year or does it correspond with the calendar year?

Mr. McKELLAR. The British fiscal year ends on March 31 and ours ends on June 30. That is the difference in the fiscal years.

Mr. President, I go one step further. On pages 44, 45, and 46 of his report the Secretary of the Treasury sets out for the information of Congress sources of about $2,000,000,000 in additional taxation, composed largely of increases on income tax, corporation tax, and various other kinds of taxes. Evidently it was in the mind of the Secretary that because of decreased business and the accompanying decreased incomes that the Government would not derive as much taxes the next year as it is deriving now, and he therefore suggests these sources of increasing our taxation. Our taxation should not be increased a dollar, and it will not be necessary to increase it if we collect this interest on our foreign notes, even though we do not collect as much from excess profits and incomes. We should

cut down the expenses of Government and decrease the taxes, rather than increase them. We should make every edge cut, so to speak. We should trim every appropriation bill. It is monstrous to talk about increasing the present burdensome rate of taxation. It is a pity that the Secretary did not devote more time to informing Congress how we could collect the money due us rather than seeking out additional sources of taxation.

Mr. President, although our taxes are burdensome in the extreme, the fiscal agent of the Government now comes along and hands us a list showing how we can raise $2,000,000,000 more from the people. Hardly a passing thought is given to the question of how we can collect the $500,000,000 that is due us. If we had the current interest paid to us as and when due, of course, even if our Republican friends are more extravagant than we have been, we should still have the money with which to pay without increasing the taxes.

Mr. SMOOT. It will be impossible for the Republican administration to be more extravagant than the Democratic administration has been.

Mr. McKELLAR. It may be impossible. I hope they will cut down the appropriations, but I say that it is more likely, unless these honest debts are paid, they will have to increase the taxes, even as the Republican majority are now undertaking to increase our taxes. Of course, an increase in the tariff means an addition to the burden of taxation borne by the American people. It is just another form of taxation; it is just another source of taxation that the Secretary of the Treasury omitted, and will probably result in an addition of $500,000,000, or even more than that. But why do that, when we have this money honestly and justly and fairly due us?

Mr. President, I do not know how far the propaganda in favor of canceling the foreign debt or canceling the interest on that debt is going. Much has been said about a bonus to our soldiers. The Secretary of the Treasury said it is impossible to pay a cash bonus at this time. I do not know what our Republican friends are going to do about that. I do not know whether they are going to pay soldiers a cash bonus or not. As they are in charge of the Government, they can do so if they will or not do so, just as they see fit.

Mr. SHEPPARD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Tennessee yield to the Senator from Texas?

Mr. McKELLAR. I yield.

Mr. SHEPPARD. Will the Senator tell us who it is who has suggested the cancellation of the debts of foreign countries to the United States?

Mr. McKELLAR. The Secretary of the Treasury in his report states it has been suggested that it ought to be done, and there exists the remarkable situation where no one is trying to collect the debt, which makes it seem that some such course is extremely probable.

PAST DUE INTEREST TO SOLDIERS.

Mr. President, the House of Representatives has passed a bill giving to the soldiers of the late war a bonus amounting, it is estimated, to something like a billion and a half dollars. The Secretary of the Treasury has stated that it will be impossible for the Treasury to furnish this amount; that if we issue bonds for the amount, it will be difficult to sell them; that the finances of the country will be very much endangered if we undertook to pay this very considerable sum in cash to our former soldiers. This bonus bill has not been reported in the Senate yet, but it will unquestionably be reported, and no doubt it will be reported favorably, and no doubt it will pass this body and become the law—either that bill or some bill of like character.

In the resolution which I have offered the Secretary of the Treasury is directed to fund into interest-bearing bonds the past due interest, due from foreign governments, as of date November 15, 1921. At that time the past due interest will amount to something like $1,200,000,000. There is no reason why these bonds for the past due interest should not be taken and delivered to these soldiers in proper proportion. If this were done it would relieve the Treasury of the immense burden which would be placed upon it by directing a cash bonus. The taxpayers of the country would not object if this portion of the indebtedness due us by foreign governments should be paid to the soldiers. It would be very fair that this portion of such indebtedness be paid to the soldiers directly in view of the fact that these soldiers defended and protected the very governments which issued the bonds. It may be that our Government would have to guarantee these bonds; but at all events, to my mind it is the fairest and best method at this time of paying the soldiers a bonus. I take it that the foreign governments will be, indeed, glad to know that a portion of their bonds were to be used in this way. It would relieve the Government. It would relieve the taxpayers, and be the least objectionable way of paying a very just debt.

In addition to the foregoing if the soldiers themselves throughout the country are interested in the collection in part of these foreign debts there is not likely to arise any sentiment in this country that will cause the cancellation of these just obligations. Insidious propaganda has been started looking to the cancellation of this indebtedness. The soldiers of the country having an interest in the bonds would not countenance this propaganda. If we are to pay a bonus, and I think it is generally agreed by a great many of our people that we should pay a bonus, this seems to be the least burdensome way of paying it, and in addition, it is manifestly a fair way to pay it; it being remembered that we get no reparations and no indemnities from any of the Central Powers.

Mr. KING. Mr. President, I should like to say in reply to one observation which was made by the Senator from Tennessee, that if there is any propaganda looking to the cancellation of the debts due by our allies and other nations to the United States I have not learned of it. I have not received a single letter or suggestion from any source favoring that proposition, nor have I seen any publications which advocated such a course. I do not believe that there is any sentiment in the United States in favor of canceling the debts which our allies owe the United States, and I do not think that those nations desire it.

If the Secretary of the Treasury has made an observation upon that matter I think it grows out of rumor, and perhaps some irrelevant and impertinent statements made by thoughtless or hysterical persons, whose utterances are of but slight consequence. I do not think that we need have any apprehension in regard to appeals being made by European nations to cancel the obligations which they owe the United States.

Mr. McKELLAR. Then, if I understand the Senator, he thinks that these debts ought not to be canceled and that we ought to collect interest at the earliest possible moment?

Mr. KING. I agree most heartily with the Senator that we should collect the amounts due as soon as our allies can pay them. However, we can not close our eyes to the chaotic situation in Europe and to the financial collapse of many of our debtors. Europe is practically bankrupt, and we have been urged to legislate to enable the people of Europe to purchase our surplus products. The war finance bill which we passed a day or so ago recognized the distress of Europe and sought to provide a means by which our products could be sold in Europe. It would be absolutely impossible for us to collect anything from Russia, with Lenin and Trotski and the soviet government in control; indeed, they have repudiated the obligations of Russia to the United States. I have no doubt that when in Russia a government representing the people is established and begins to function, Russia will promptly acknowledge her obligations to the United States and will take steps to meet them at the earliest date possible.

Mr. McKELLAR. I will say to the Senator that in the resolution that I have offered, which I trust he will read with care to-morrow, the debt due from Russia is specifically excepted from any action at this time. I understand that situation; but the debt of Russia amounts only to the pitiful sum, comparatively speaking, of $187,000,000, which is not very much in comparison with the $10,000,000,000 due us from the other countries.

I think the Senator will agree with me that any nation that is able to appropriate for her army practically $2,000,000,000 in one year and for her navy $765,000,000 in one year should be able to pay interest on her debts.

Mr. KING. There is no question in regard to that, but this much must be said: That France, Great Britain, and Italy have undertaken largely the liquidation of the postwar problems in Europe. We have not done so; we have practically withdrawn from Europe; we refused our assent to the Versailles treaty and our allies were compelled to assume the burdens and responsibilities of enforcing the provisions of that treaty. There were problems of tremendous importance that had to be solved and burdens that had to be borne in connection with the liquidation of the war, and Great Britain and France have largely borne those burdens. Speaking for myself, I feel that our country and the world are under obligations to Great Britain and France for what they have done in attempting to stabilize Europe since the armistice and to bring peace and order to the distracted and suffering people of European nations.

Mr. McKELLAR. Mr. President——

Mr. KING. One further observation and I will yield. The Senator also knows that Czechoslovakia, to which he refers, the Jugo-Slav Nation, Poland, and other nations which have been

erected since the armistice, are having the utmost difficulty to maintain themselves. It seems quite certain that within the next six months Poland will be subjected to such pressure that, unless she receives support from the allied nations, she will scarcely be able to maintain herself against the assaults of the bolsheviki. Already the bolshevists are massing their forces upon the western front of Russia for the purpose of assailing not only Poland, but Esthonia and Latvia and perhaps other nations which have been established. Armenia has been overwhelmed by the Turks and bolsheviki and other conquests will be attempted. Turkey is still militant and is fighting Greece and menacing France and England in Asia Minor. Greece will be pressed by the nationalist régime in Anatolia and will have difficulty in maintaining her new boundaries. The United States can not collect at this time the sums due from Europe. We will have to be patient with our debtors for a while; but if any nation can pay, it should pay. It is only fair that all of our debtors should, and all of them ought to, place their obligations in the form of bonds bearing a fair rate of interest. We should see to it that Europe's debt to the United States be properly represented and properly protected and that payment be made as soon as possible consistent with just and humane principles and policies.

Mr. McKELLAR. Mr. President, I will call the attention of the Senator to the fact that Poland does not owe us any of the debts referred to, and that Czechoslovakia owes us only the comparatively small amount of fifty-odd million dollars, the interest on which is small and the payment of which would impose practically no burden upon her at all. The trouble is that apparently since 1919, for some reason that has not been explained by the Secretary—I hope he will explain it, for there must be some explanation—foreign nations have apparently quit paying interest. I do not understand why they should quit paying the interest on their loans unless it be that some of them expect to put these debts in a hodgepodge and let America pay her part of them. That has been suggested time and again by public men, but I for one do not want that understanding to go abroad. I want the European nations to know that while we have been generous in lending them the money, and while we have been generous in waiting until they got on their feet, so to speak, that we have no intention whatsoever of canceling their debts. It would not be fair to the American people. The tax burdens of this country now are larger than those of France. France did not raise by taxation much of the money expended by her during the war; she raised it by bonds. She has glided over the duty of imposing heavy tax burdens upon her people. There is no reason why she could not pay these debts, and for these reasons I have introduced this resolution. I think it is timely. I think the American people ought to have this matter arranged for them; and surely if ever there was a time when we needed the money it is at a time when the Secretary of the Treasury points out that a tremendous increase must be made in the tax burdens unless we get this money.

EMERGENCY TARIFF.

Mr. SMOOT rose.

Mr. HARRISON. I imagine that the Senator is going to make a motion to adjourn.

Mr. SMOOT. I rose for that purpose.

Mr. HARRISON. I desire to ask the Senator a question before he makes the motion to adjourn. The adjournment will be until Monday, will it not?

Mr. SMOOT. It will. That order has already been made.

Mr. HARRISON. Can the Senator tell the Senate what is the plan on Monday? Is it to have a real session or to adjourn soon after the Senate convenes?

The reason why I ask is because there are a good many Senators away on both sides—I know a good many on this side—and there are several who are here to-day who want to go home to spend Christmas. Is it the intention of the Senator and those on his side of the Chamber to try to transact any business on Monday?

Mr. SMOOT. Mr. President, we are going to have the emergency tariff bill referred to the committee, and to make that absolutely sure I hope there will be a quorum of Senators here. I will say to the Senator that there is nothing especial to go on with upon Monday, with the exception of the reference of that bill to the committee.

Mr. HARRISON. It is the intention, then, to try to refer it to the committee?

Mr. SMOOT. To the Finance Committee, so that they can go on with hearings on the bill if they desire to hold them.

Mr. HARRISON. Can the Senator tell us whether the Committee on Finance intends to hold hearings on that bill?

Mr. SMOOT. My opinion is that they will not hold hearings on it; but of course the committee will meet, and Senators on that committee will have ample time to discuss the bill.

Mr. HARRISON. Now may I ask the Senator whether on Monday, the 27th, when we convene, it is the intention of the Senator and others on his side of the Chamber to ask the Senate, when it adjourns, to adjourn over until the following Thursday?

Mr. SMOOT. Either to that day or Wednesday.

Mr. HARRISON. Will the Senator allow me to make the suggestion that we can get unanimous consent through now that when we adjourn on Monday we shall adjourn until the following Wednesday or Thursday?

Mr. SMOOT. I should not care about having that done now, Mr. President.

Mr. HARRISON. Would the Senator object if I should ask unanimous consent to that effect now?

Mr. SMOOT. Yes; I should object, Mr. President. I want the Senator to take my word that that is what we intend to do unless something unforeseen happens.

Now, Mr. President, I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 35 minutes p. m.) the Senate adjourned until Monday, December 27, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 23, 1920.*

The House met at 12 o'clock noon, and was called to order by Mr. WALSH, Speaker pro tempore.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

God of the ages out of whose all-inclusive love come a thousand blessings day by day to Thy children. The swift flight of time has brought us once more to the anniversary of Thine own best gift to the world, heralded by an angelic host singing "Glory to God in the highest, and on earth peace, good will toward men." It arouses all that is best, purest, and most generous in the hearts of men, illustrated by a hundred charitable societies which make glad the hearts of millions. It fills the home with love, peace, and happiness in gifts received and distributed. We pray that the Christ child may be born in millions of hearts to-day that greed, bickering, and wars may pass away. A peace pact, formed spontaneously out of the hearts of thinking men, that disarmament may set in and relieve millions of the burdens of taxation and make every home throughout the world happier and life safer, and peace crown all the world through the teachings and sublime character of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, Mr. BLAND of Missouri was granted leave of absence, indefinitely, on account of sickness and business.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES.

A message in writing from the President of the United States, by Mr. Sharkey, one of his secretaries, who also informed the House of Representatives that the President had approved and signed bills of the following titles:

On December 21, 1920:

H. R. 12887. An act establishing the liability of hotel proprietors and innkeepers in the District of Columbia.

On December 22, 1920:

H. R. 13264. An act to provide for the award of a medal of merit to the personnel of the merchant marine of the United States of America.

REREFERENCE OF A BILL.

Mr. VOLSTEAD. Mr. Speaker, I ask unanimous consent that the bill H. R. 4296 be rereferred from the Committee on the Territories to the Committee on the Judiciary.

Mr. CLARK of Missouri. What is it about?

Mr. VOLSTEAD. It is a bill to amend the national prohibition act.

Mr. MANN of Illinois. In what respect?

Mr. VOLSTEAD. Making it applicable to the Philippine Islands.

Mr. GARNER. Why should it not go to the Committee on the Territories?

Mr. VOLSTEAD. Because it amends the prohibition act.
Mr. GARNER. It has to do with the Philippine Islands.
Mr. VOLSTEAD. That is true.
Mr. CAMPBELL of Kansas. Does not the Committee on Insular Affairs deal with those questions?
Mr. MANN of Illinois. It should go to the Committee on Insular Affairs.
Mr. CAMPBELL of Kansas. If it does not go to the Committee on the Territories, it should go to the Committee on Insular Affairs.
Mr. MANN of Illinois. That is where it belongs.
Mr. VOLSTEAD. It is an amendment of the code.
Mr. MANN of Illinois. All laws relating to the Philippines are amendments of statutes of some sort.
Mr. GARNER. Let me suggest to the gentleman that he interview the chairmen of the Committee on the Territories and the Committee on Insular Affairs.
Mr. VOLSTEAD. I have seen the chairman of the Committee on the Territories.
Mr. CLARK of Missouri. Mr. Speaker, I am perfectly willing for it to go to the Committee on Insular Affairs, but I am not willing that it should take the course suggested by the gentleman from Minnesota.
The SPEAKER pro tempore. The gentleman from Missouri objects.

EXTENSION OF REMARKS.

Mr. GARNER. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting a statement by former Secretary McAdoo touching the financial situation.
The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent to extend his remarks in the RECORD by inserting a statement by ex-Secretary McAdoo touching the financial situation. Is there objection?
Mr. MANN of Illinois. Reserving the right to object, is all the hot air to go in the RECORD hereafter?
Mr. GARNER. Well, this gentleman has had something to do with the finances of the country for the last four years, and I think his suggestions touching the financial condition of the country are of some value.
Mr. MANN of Illinois. I regret to say that he had more to do with it than was good for the country.
The SPEAKER pro tempore. Is there objection?
Mr. FESS. Reserving the right to object, may I ask the gentleman whether that was not put in the RECORD by the gentleman from Illinois [Mr. HENRY T. RAINEY]?
Mr. GARNER. If it was, I will not insert it again.
The SPEAKER pro tempore. Is there objection?
There was no objection.
Mr. WELLING. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on the tariff bill passed yesterday.
The SPEAKER pro tempore. The gentleman from Utah asks unanimous consent to extend his remarks in the RECORD.
There was no objection.

LEAVE TO ADDRESS THE HOUSE.

Mr. SEARS. Mr. Speaker, I ask unanimous consent that, immediately after the reading of the Journal on Monday next and the disposition of business on the Speaker's table, I may have leave to address the House for 10 minutes on the last census and the reapportionment by Congress based thereon.
The SPEAKER pro tempore. The gentleman from Florida asks unanimous consent that on Monday next, immediately after the reading of the Journal and the disposition of business on the Speaker's table, he may have leave to address the House for 10 minutes on the last census and the reapportionment made thereon. Is there objection?
Mr. MONDELL. Mr. Speaker, I trust that the gentleman will not press that request. There has been quite a bit of criticism in the House of late for fixing specific dates for addresses. I think beyond question the gentleman can get his time on Monday. I do not think there will be any difficulty about it at all.
Mr. SEARS. Mr. Speaker, I withdraw the request.

PENSION APPROPRIATION BILL.

Mr. CANNON. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 15344) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes, and pending that I ask unanimous consent that the general debate be limited to two hours.
The SPEAKER pro tempore. The gentleman from Illinois moves that the House resolve itself into Committee of the Whole House on the state of the Union for the consideration of the pension appropriation bill, H. R. 15344, and pending that he asks unanimous consent that general debate be limited to two hours. Is there objection?
Mr. WINGO. Reserving the right to object, can the gentleman give us any information as to what is the program of the House to-day? Is it intended to adjourn immediately after the passage of this bill?
Mr. CANNON. I have no knowledge about that. I suppose the suggestion of a want of a quorum after this bill is passed might bring an adjournment.
Mr. WINGO. There is no objection to this bill, but a good many Members were delayed yesterday, and if it is understood that the House will adjourn after the passage of the appropriation bill it would be some accommodation to them.
Mr. MANN of Illinois. I think my colleague desires, if he can, to have opportunity to pass an invalid pension omnibus bill, which would naturally come up to-morrow.
Mr. WINGO. The gentleman understands there is another bill which has the right of way, which will provoke a great deal of discussion. If there is an understanding that that will not be taken up and that to-day will be confined to these appropriation bills, I have no objection.
Mr. MANN of Illinois. That will not come up to-day.
Mr. MONDELL. My expectation is that we will dispose of the pension bill, and that a unanimous-consent request may be made then to pass an omnibus pension bill. We do not contemplate any other business to-day.
Mr. WINGO. Then we are to confine ourselves to-day to matters about which there is no controversy?
Mr. MONDELL. Entirely.
The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none, and it is so ordered. The question is on the motion of the gentleman from Illinois that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 15344) making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes.
The motion was agreed to.
Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the pension appropriation bill, with Mr. MCARTHUR in the chair.
The Clerk reported the title of the bill.
Mr. CANNON. Mr. Chairman, I ask unanimous consent to dispense with the first reading of the bill.
The CHAIRMAN. Is there objection?
There was no objection.
Mr. CANNON. Mr. Chairman, gentlemen can obtain a copy of this bill with the report at the desk. The report fully explains the bill and contains other information that will be interesting to the House and prove a labor saver to the individual Member who has not given attention to the matter.
This bill calls for appropriations amounting to $265,000,000, a reduction of $14,000,000 from the appropriations for the present fiscal year.
The decrease is not an item of economy for which the committee claims any credit. It is due to the decrease in the number of pensioners.
Death has taken 35,000 of the veterans of the Civil War in the last year, and more than 120,000 in the last five years.
The committee has no pride in presenting this decreased appropriation for pensions.
It is still a large appropriation, but it represents one of the most sacred obligations of the Government—one we can not ignore if we would, and one we would not ignore if we could.
It represents the debt of gratitude the people owe to their defenders, and they will willingly pay that obligation, now as in the past, and in the future as in the present.
This bill does not represent the full extent of our obligation to the defenders of the Nation. It carries the pensions for those who were in wars prior to the great World War.
But a small number of men engaged in the war with Germany are cared for in this bill. The obligation to the millions who were enrolled in the Army and Navy in that war will be met by other appropriation bills, for compensation for death and disability, for medical and hospital services, for vocational education, for maintenance of soldiers' homes, and for administration of these agencies.
These appropriations will be larger than those in this bill, and the total appropriations to meet the obligations to the defenders of the country will amount to $575,485,490.
It is a large amount this Congress is called upon to appropriate to care for the men who surrendered their places and opportunities in civil life to sacrifice health and life for the

common welfare, but we can not and dare not talk of economy in meeting such an obligation.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. BLANTON. There is just one item in the bill about which I desire to ask the gentleman. The last clause of the bill provides that during the next fiscal year the Government may expend $500,000 for examining surgeons.

Mr. CANNON. That becomes necessary because of the fact that the Fuller bill increased the pensions of those who are entirely helpless. The $500,000 is to meet such expenditure, for the pay of surgeons for full investigation of the various claims. I may say to the gentleman that so long after the Civil War, those who survive in the main are entirely helpless.

Mr. BLANTON. That is the very reason I asked the question. We assume that the present survivors are practically helpless. That being the case, why is it necessary to have such a tremendous overhead on this item of examining surgeons when possibly their action will be taken for granted?

Mr. CANNON. Nothing is taken for granted by the Pension Office and never has been heretofore. The strictest examination is made. These veterans surviving from past wars, prior to the World War, are dying very rapidly. They are scattered all over the country and are making applications, and after the most careful estimates these appropriations to pay the overhead charges are made, not only as a matter of justice to the claimants but as a matter of protection to the Government itself.

Mr. BLANTON. Does the gentleman know how much overhead charge there is for every dollar that actually goes to the service men who are receiving rehabilitation to-day?

Mr. CANNON. The sundry civil appropriation bill and possibly the legislative bill will carry those appropriations. This bill does not.

Mr. BLANTON. I was raising the question because I was in hopes that the gentleman's party was going to relieve the Government of most of this unnecessary overhead which seems to be connected with every expenditure of every fund that the Government appropriates. I understand now that we have numerous men on the pay roll drawing salaries from the Government compared with the service men who are receiving rehabilitation in this country.

Mr. CANNON. I fancy the gentleman is laboring under a mistake, but let that be as it may. There are large expenses that will have to be borne on account of the Lehlbach bill, though there is no appropriation in this bill for that.

Mr. BLANTON. The Lehlbach bill?

Mr. CANNON. Oh, yes; for annuities, retirement in civil life. I would not speak disrespectfully of the civil employees, but this bill is to provide for those who defended and preserved the Government by their service, and while the Pension Office, possibly under the law and the order of the President, will take care of the annuities of those who retire, and so forth, the gentleman can get information touching that point from another source. I did not want to undertake providing for the civil pensioners in this bill.

Mr. BLANTON. I am not now objecting to what our war survivors receive.

Mr. CANNON. And we have not done so. The sundry civil appropriation bill no doubt will take care of that.

Mr. BLANTON. It is the question of the overhead that I am fighting.

Mr. CANNON. If the gentleman desires to make a motion to reduce this amount, which has been arrived at after careful inquiry from the Pension Office, well and good. The pension officials said that this amount was necessary for the protection of the Government on the one hand and the relief of those who are entitled to the increased pay, who are totally disabled, on the other hand.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. DOWELL. The overhead charges referred to by the gentleman from Texas on account of the vast number of employees in the War Risk Insurance Bureau have been created by agents of his own party, not by agents of the Republican Party.

Mr. BLANTON. But they are paid for by money that we appropriate.

Mr. CANNON. I just want time enough to say that this bill does not carry anything for such overhead charges or otherwise. The sundry civil appropriation bill and possibly the legislative bill will report the appropriations that may be necessary to care for that, as well as appropriations that may be necessary to care for the annuities to civil pensioners—for that is what it amounts to—people who never were in the Army. However, this House after full discussion, the Senate agreeing, enacted that law. I did not want in this bill to mix, if I may be allowed the expression, the sheep, from my standpoint, with the goats—and I do not want to be understood that I am speaking disrespectfully at all of the civil employees.

Mr. TINCHER. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. TINCHER. On the item which the gentleman from Texas [Mr. BLANTON] mentioned, is it not the rule that the examining surgeons, who are rendering service in the department for which the gentleman is appropriating, are not overcharging the Government and are not being overpaid?

Mr. CANNON. In my judgment they are not being overpaid.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Yes.

Mr. CHINDBLOM. I simply desire to call attention to the fact that the Acting Commissioner of the Pension Department states in his letter, which is in the report, which any Member may procure, that during the first five months of the present fiscal year the number of claims requiring medical examination amounted to 72,120. Does not the gentleman from Illinois, after his long experience in this House, hold vigorously and tenaciously to the view that before complaint is made here about an appropriation carried by the report of a committee to a bill thoroughly investigated some elements of fact should be stated upon which the complaint might be based?

Mr. CANNON. Well, that is a matter for each Member to settle for himself. Full information is given in the report. The committee, both the subcommittee and the full committee, approved this bill and ordered its report. In my judgment, the Democratic Commissioner of Pensions, who is responsible for this estimate, after inquiry made his case. The hearings can be had, and the report fully explained the bill, and while I am perfectly willing to answer any questions I can, gentlemen can get the information in less time than I can give it to them, because it is in black and white.

Mr. BLANTON. Will the gentleman yield again?

Mr. CANNON. I will.

Mr. BLANTON. It seems to me that the position of my friend [Mr. CHINDBLOM] is that whenever one of the department heads comes before a committee and says thus and so, that I want $500,000 for this and it is necessary, that the membership of the House should vote the people's money out of the Treasury to carry out that program and accept that statement without any question at all, and that they must vote for large sums to carry out the wishes of the department heads whether it is necessary or not.

Mr. CANNON. I have a very high respect for the gentleman and approve of his industry, and at times his courage in protecting the Treasury, but once in awhile I think he goes off a little bit half cocked. [Laughter.] I will say—and it meets my approval at times, but there is no necessity for it on this occasion. The matter has been thoroughly investigated, and we believe that the debt that we owe to the men on the Union side in the Civil War, who are dying by the wholesale and becoming helpless, shall not be halted when they make good their claims under the Fuller bill. The War with Spain is cared for. The Pension Office administers that law, and I may say in passing I voted for that law, but for between 50 and 60 years the Union soldiers of the Civil War had to trace their disability from service and injuries, wounds, disease contracted in the line of duty, and yet for the War with Spain, for the first time in the history of the Government, we provide a service pension for those who were engaged in that war. One of them or many of them might be attacked by disease or disability not contracted in the line of duty, and yet under that law the gentleman voted, and I voted, that they get a service pension, not for injuries received in that war or diseases contracted in that war but for injuries that may be received to-day not at all connected with the war. Oh, the committee has finally investigated and reported this bill, and it is for the House to approve the bill on the one hand or amend it on the other if the majority desires to do so.

Mr. HASTINGS. Will the gentleman yield?

Mr. CANNON. Certainly, I will yield for a question.

Mr. HASTINGS. I was going to ask as a matter of information, and I make my inquiry of the gentleman knowing he is very familiar with it, these surgeons who are provided for are located conveniently throughout the country, are they not?

Mr. CANNON. Yes; and many in the office.

Mr. HASTINGS. But they are located all over the United States?

Mr. CANNON. Oh, yes.

Mr. HASTINGS. And convenient for an examination of these applicants who are provided for under the Fuller bill?

Mr. CANNON. In most instances you may say that as a general rule that is the case.

Mr. HASTINGS. And the Fuller bill is the occasion for the increased appropriation in this item?

Mr. CANNON. In part.

Mr. SMITH of Idaho. Is it not also true that these surgeons only receive a fee of $2 for examining these men, and if they were not soldiers they might charge $10 or more for such examination?

Mr. CANNON. However that may be, I do not know. I am not fully up in the charges by surgeons. Travel pay is provided for, and in many instances there is something for travel pay. After all, I do not think the experts are being paid an unduly high price. Now, if there are no further questions, I have taken all the time that I desire, and will yield to the gentleman from California [Mr. OSBORNE]——

Mr. McANDREWS. Mr. BANKHEAD would like to have about 10 minutes and the gentleman from Texas [Mr. JONES] about 5 minutes, and those are the only requests for time I have.

Mr. CANNON. Then I will yield to the gentleman from California later, and the minority may yield time now.

Mr. McANDREWS. I desire to yield some time and these gentlemen desire to get through. As I understand, the gentleman from California wants to get in an hour, if possible, and wants some of our time. The only requests for time I have now are for 10 minutes to the gentleman from Alabama and 5 minutes to the gentleman from Texas.

Mr. CANNON. Then I reserve the balance of my time. The gentleman is entitled to an hour in his own right.

Mr. HASTINGS. It has not been provided.

Mr. McANDREWS. I will yield 10 minutes to the gentleman from Alabama [Mr. BANKHEAD].

The CHAIRMAN. The gentleman from Alabama [Mr. BANKHEAD] is recognized for 10 minutes.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, there is a matter that does not relate to this pension bill which I think is a matter of sufficient importance to the ex-service men of the country to call to the attention of members of the committee, and particularly to any such members of the Committee on Military Affairs as may be present. It will be recalled that we made provision that to every man who was discharged from the service there was issued certain equipment, including overcoat, service uniform, and certain other articles of standard equipment. Now, under the national defense act of 1916—and I would like to have the attention of the gentleman from Illinois [Mr. McKENZIE] to this proposition—under the provisions of section 125 of the national defense act it was provided that the men who were discharged from the service would only be allowed to wear their uniforms on occasions of ceremony, but Congress evidently intended by the act which was passed on February 28, 1919, to extend that privilege to the ex-service men, because in that act (H. R. 13336, 65th Cong., Feb. 28, 1919) it provided:

That any person who served in the United States Army, Navy, or Marine Corps in the present war may, upon honorable discharge and return to civil life, permanently retain one complete suit of outer uniform clothing, including the overcoat, and such articles of personal apparel and equipment as may be authorized, respectively, by the Secretary of War or the Secretary of the Navy, and may wear such uniform clothing after such discharge: *Provided*, That the uniform above referred to shall include some distinctive mark or insignia to be prescribed, respectively, by the Secretary of War or the Secretary of the Navy, such mark or insignia to be issued, respectively, by the War Department or Navy Department to all enlisted personnel so discharged.

Under this law ex-service men could wear the uniform at any time or place they desired.

Now, in the naval appropriation act which was approved June 4, 1920, section 8 undertakes to repeal the act of February 28, 1919, and to reinforce the provisions of the original section 125 of the national defense act of 1916. Under that, as now construed by the War Department and the Department of Justice, orders have been issued by the Department of Justice to make arrests of all men not now in the service who are found wearing the uniform of the United States, whether they were honorably discharged from the service or not, and a number have been arrested, as I see by the Birmingham papers, of my State.

I find upon investigation of the RECORD this morning that the naval bill, so far as that feature of it was concerned, was passed without any discussion. The effect of this section 8 of the naval appropriation act is to reinstate the provision that these ex-service men, honorably discharged from the service and furnished with this uniform and equipment, are prohibited from wearing them except on occasions of ceremony. While as a matter of fact technically section 8 of the naval bill did not repeal section 125 of the national defense act, because it refers to the act as having been approved February 28, 1918, whereas the act, as a matter of fact, was approved February 28, 1919, so that technically it was not repealed, yet by construction of the Department of Justice and the Judge Advocate General of the War Department it is repealed, and strict orders have been issued for the prosecution of all men wearing this uniform.

Now, that might appear like a rather trivial matter to bring to the attention of the committee or to the attention of the Committee on Military Affairs; but in these times, with winter coming on, and considering the high price of clothing, affecting possibly 4,000,000 of our young men in this country, it is not in its real analysis a matter of inconsequence; and it seems to me, on mature and full consideration, that this attempted repeal of the right given these men to wear the uniform which the Government issued to them should be remedied by the necessary legislation.

That is the reason why I desire especially the attention of the gentleman from Illinois [Mr. McKENZIE], because he is on the Committee on Military Affairs. I do not know what reason actuated the Committee on Naval Affairs in inserting that provision in the naval appropriation act, because it was a measure that affected matters not exclusively within their jurisdiction.

I assume that possibly it was predicated upon the fact that some people may have worn the uniform as a disguise, or in order to conceal their real identity and give them some apparent evidence of respectability for the purpose of imposing on the law of the country, or upon the people of different communities. But even if that were true, it seems to me that as a matter of justice and of humanity, if you please, to the great multitude of ex-service men to whom the Government has issued these uniforms, remedial legislation should be enacted that would give them the right to wear that uniform with such distinctive marks as might be designated—and the Secretary of War did designate a red chevron to be worn on the sleeve between the elbow and the shoulder—in order that during the rigors of the coming winter these men might have the right to wear these uniforms when they saw fit.

Mr. MONDELL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Alabama yield to the gentleman from Wyoming?

Mr. BANKHEAD. I will be glad to.

Mr. MONDELL. I am very much interested in what the gentleman says. I agree with him fully that if the departments are interpreting the law as the gentleman asserts, there should be legislation on the subject.

Mr. BANKHEAD. I can assure the gentleman that there is no question about that interpretation, because I called up the Department of Justice and the office of Gen. Kreger, the Acting Judge Advocate of the War Department, and both branches of the Government are giving the interpretation to this act that I have just suggested to the committee, and in pursuance of those instructions arrests in certain parts of the country are now being made. You gentlemen will hear from your respective districts within a few days, if you have not already heard, that arrests are now being made. Some eight or nine men, according to the Birmingham Age-Herald that I received this morning, have been arrested by orders of the district attorney because they are wearing the uniform issued to them by the Government of the United States.

Mr. MONDELL. Surely Congress never intended that they should be denied the right to wear the uniform which Congress provided they should retain.

Mr. BANKHEAD. Section 8 of the naval act, which I have referred to, reads:

That section 125 of the act entitled "An act for making further and more effectual provisions for the national defense, and for other purposes," approved June 3, 1916—

That is the one that limits the wearing of the uniform to occasions of ceremony—

shall hereafter be in full force and effect as originally enacted, notwithstanding anything contained in the act entitled "An act permitting any person who has served in the United States Army, Navy, or Marine Corps in the present war to retain his uniform and personal equipment and to wear the same under certain conditions," approved February 28, 1918—

The act was approved February 28, 1919, as a matter of fact—

Provided, That the words "or the Secretary of the Navy" shall be inserted immediately after the words "the Secretary of War," wherever those words appear in section 125 of the act approved June 3, 1916, hereinbefore referred to.

There is the authority, I will state to the gentleman, that the Department of Justice and the Judge Advocate General of the Army are acting upon, contending that although there is a clerical misprision or inadvertence in the repealer here with reference to the year, yet by legislative intent and construction

Congress doubtless intended by the passage of this act to place that restriction upon the wearing of the uniform. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. McANDREWS. Mr. Chairman, I yield five minutes to the gentleman from Texas [Mr. JONES].

The CHAIRMAN. The gentleman from Texas is recognized for five minutes.

Mr. JONES of Texas. Mr. Chairman and gentlemen, a few days ago the gentleman from Massachusetts [Mr. LUCE] raised the point of order that the measure reviving the activities of the War Finance Corporation was out of order because of the fact that it might raise revenue; that while that was not its primary purpose, still it might do so, and that it was therefore obnoxious to that provision in the Constitution requiring all bills raising revenue to originate in the House of Representatives. I realize that it is now an academic question inasmuch as the measure has already been enacted by the House, but it is a question that will probably be raised frequently in the future; and inasmuch as somebody has suggested that the House acted as it did because of the fact that the agricultural interests were concerned, and did not take time to consider the question on its merits, I think it may not be amiss to read an excerpt from a decision from the United States Supreme Court. In the case of the Twin City Bank *v.* Nebeker (167 U. S., 196) a question was presented which I think is identical in substance with the one that was before the House at that time.

It seems that under the act of June 3, 1864, provision was made that national banks of this country might issue circulating notes by depositing certain bonds with the Treasury Department. The preparing of forms and dies and the actual printing necessarily cost some money. In order to take care of that cost the Senate of the United States placed on the bill an amendment which taxed the national banks issuing those notes a sum to cover the expense of the dies and the forms and the printing of the notes. In order to be sure that there should be a sufficient amount thus collected in the form of a tax they made the tax more than was necessary to cover the actual expense, providing at the same time that any excess of tax should be covered into the Treasury of the United States. One of the banks of this country tried to avoid the payment of the tax, claiming as their excuse for not wanting to pay it that the amendment was placed on the bill in the Senate of the United States, that it was a revenue measure, and that all bills raising revenue, under Article I, section 7 of the Constitution, must originate in the House of Representatives.

Frequently it is the case that the kernel of an article can be stated in a single sentence. The Supreme Court of the United States, Justice Harlan rendering the opinion, decided that specific case, and I will read the deciding sentence of the case.

Mr. Justice Story has well said that the practical construction of the Constitution and the history of the origin of the constitutional provision in question proves that revenue bills are those that levy taxes in the strict sense of the word, and are not bills for other purposes which may incidentally create revenue.

The tax was sustained by the court on the ground stated.

In this particular measure a tax was levied to pay certain expenses. The main and primary purpose of the bill was to provide for the issuing of circulating notes. There was a provision in the measure that there should be a tax, which tax more than covered the expense of issuing the notes and the forms and dies that were used in printing the same. The provision was that the excess should be paid into the Treasury of the United States, and that was done. That presented a direct issue, the same one which was raised the other day, and I think this fully justifies the House in its decision. I just wanted to call attention to that case. [Applause.]

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. CANNON. Does the gentleman desire some more time?

Mr. JONES of Texas. No.

Mr. CANNON. I yield 30 minutes to the gentleman from California [Mr. OSBORNE].

Mr. OSBORNE. Mr. Chairman, I am strongly in favor of the bill that is before the House. I believe that proper care in the way of pensions for those who serve their country in war is one of the most important matters that Congress has to deal with. I believe that the future success of our country, when it shall unfortunately be thrown into war, will be greatly influenced by the manner in which we treat the soldiers of America. Our country has in all its history been thoughtful and tender of those who have bared their breasts to the storms of war, who have taken their lives in their hands for their country, and it is well that this should be so. It is not, however, my intention to speak upon the subject of this bill further than I have already done.

During the summer just past a number of Members of this House and certain Members of the Senate made a trip to the Orient, and it was of so interesting a nature that it has occurred to me that it might be of some value to Congress that something be said about this trip. I will omit any reference to the earlier part of the journey across the ocean and take up the subject of our experiences and observations in China.

Going to China, to one who has never been in the Orient, is like dropping off the earth into an entirely different world. The ways of the people and all the conditions over there are so different to those that we are accustomed to that everything in regard to it was to me most interesting. It is a most wonderful country. The Chinese figure their population at 440,000,000 in a country perhaps one-third larger than continental United States. Although one may know that China is a vast country, yet it is a surprise to realize its extent by traveling over it. We went into the interior of China, traveling by railways about 2,500 miles. We entered at Shanghai, which is some 600 or 700 miles north of the southern boundary of China, and which is about on a line with New Orleans. The farthest point north that we reached in our journey was Mukden, in Manchuria, which is on the parallel of New York, and there are still some hundreds of miles farther north.

THE GREAT YANGTZE RIVER.

On the 5th of August, 1920, just a month after sailing from San Francisco, the *Great Northern* was approaching the mouth of the greatest river of Asia, navigable for 2,000 miles, the Yangtze. Like the Mississippi, it has a vast delta, and discolors the ocean with its silt for a great distance, probably 50 miles or more. The first glimpse of Asia is in the form of a large group of islands, known as the Chusan Islands, to the south and east of the river's mouth. The islands are rocky, not large, and most of them show but little vegetation. The first signs of approaching land consist of numerous Chinese fishing boats, with square sails made of matting stretched out on bamboo poles. These boats are about the size of those in the fishing trade off the southern California coast, and in lieu of the gasoline engines with which our boats are equipped each has a big pair of eyes painted on the bow, so that the craft may look out for and avoid approaching danger, and also to enable it to observe and locate the schools of fish. These painted eyes are said to be very efficacious, and no Chinese fisherman would sail on a craft that was so poorly equipped that it had no eyes. It would invite disaster and be very bad luck.

The Yangtze is so wide at the mouth—26 miles—that the shores can not be seen on either side, and several miles must be traveled up the river before the faint dark lines are seen that indicate land. Many ships are met going out to sea, those flying the Japanese flag being more numerous than the American, British, and all others combined. As the river narrows one can see that the delta lands, as would be anticipated, are extremely fertile and intensively cultivated. The deep green of tall, vigorous crops extends in every direction as far as the eye can reach, with many villages well built in the Chinese fashion.

THE CITY OF SHANGHAI.

The city of Shanghai is not on the Yangtze proper, but on the Whangpoo River, a much narrower stream, which empties into the Yangtze 13 miles below the city. The Whangpoo bears an enormous commerce, and is crowded with craft of every description, from the ocean liners to odd-looking barges, and hundreds of sampans.

After a brief stop at the quarantine station, where health officers came aboard to see whether there were any cases of contagious disease on our ship, we proceeded to the Standard Oil Dock, 4 miles below the city. There all passengers, with their luggage, were transferred to a small steamer, and, accompanied by a welcoming committee, proceeded to a landing at a busy point on the Bund, which is the name given to the city's beautiful parklike front on the Whangpoo. Back of the park is a wide cement-paved street, faced by very fine buildings, which are the homes of the great Asiatic banking institutions, large corporations, popular clubs, and so forth. The buildings are not skyscrapers, but are from three to five or six stories in height, built more in the European than the American style of architecture, and very stylish and attractive.

We were greatly surprised at the enthusiastic and spontaneous character of our reception. There were thousands of Chinese people gathered, possibly from curiosity, and representatives of the municipality and of the Province, beside the American consular officers, committees of patriotic Chinese organizations, and so forth. It was an awfully hot day, and a

correspondingly hot task to get located in the waiting automobiles to be taken to the hotels. Our smiling Chinese hosts, fine large men, most of whom spoke excellent English, helped us the best they could. But with the crowds of people, the men stripped to the waist and the smaller children stripped to the soles of their feet, the swarms of jinrikishas, and the loud shouting in Chinese, which seems a necessary accompaniment of any important undertaking in China, it made the transfer a very hot job.

We went direct to the foreign office of the Province—that of Kiangsu—where we were formally received by the civil governor, the military governor, the commissioner of foreign affairs, and the other officers of the Province. It is one of the peculiarities of China that each of the Provinces has a foreign office, in addition to that of the central government. Such a reception in China always includes refreshments on a very generous scale, and this was far from being an exception. These include tea and cakes of all sorts and usually soda water, lemonade "silent" water (distilled), and sometimes wine and liquors. The bad character of the water throughout China affords an excuse if not a reason for drinking other potables. The water in general use for bathing, etc., is not considered safe to drink, and at the rooms in hotels there is always a bottle of drinking water, called "chow" water. Typhus and typhoid fevers and cholera are the diseases most common and most feared.

As soon as our reception was over, about 6.30, we went to the hotel and registered and endeavored to "settle down" and get ready for a great dinner. Our luggage was in one big pile—about a carload of it—in the basement of the hotel, and I risk nothing in saying that it was another hot job getting it out. The cellar was like a damp furnace and was stuffed with shouting, half-naked coolies, who would pack your pieces of luggage to your room after you had been so successful as to retrieve them from the dreadful pack. It was an hour to test the courage of the bravest men and the patience of the gentlest women. The hour finally passed, however.

By the time that we had cleaned up and cooled off the hour for dinner had arrived—9.30 p. m. They permitted us to dress informally, but it was a very swell affair. It was presided over by a former minister of foreign affairs, and one of the speakers was the first President of the Chinese Republic, Dr. Sun Yat Sen. He spoke nearly an hour and made some startling statements, one to the effect that he had brought on the war between the north and south of China for the purpose of frustrating Japanese designs. Another was C. T. Wang, one of the two Chinese commissioners to the peace conference at Paris, who, with Dr. Wellington Koo, now Chinese minister at Washington, refused to sign the treaty because of the Shantung concession to Japan. He is a very capable and logical man, quite young and prepossessing, and everybody predicts that he will cut a large figure in China in the future. There were 300 or 400 people at the dinner, including members of the fine American colony, prominent Chinese in official and business life, as well as our own party.

We remained in Shanghai until Monday, August 9, and had a very full program. It is an active business city, considerably Europeanized. There are thousands of small Chinese shops, but there are also great Chinese stores of all sorts—jewelry stores as large as those of our most important American cities, silk and embroidery shops, and very large and well-stocked department stores. One such is a one-priced store, at which you may buy or not, without the customary haggling that is the rule generally in China. Usually it is absolutely necessary to haggle, as the seller invariably asks two or three times and perhaps ten times what he expects to get.

The streets of Shanghai are most animated and the scenes astonishing to an American who sees them for the first time. Pretty nearly everything is done by human power. It is true that there are street car lines with small crowded cars and a good many automobiles, but the great bulk of street transportation is by jinrikishas, the power for which is a lithe coolie, who gets between the thills and trots off with his "fare" at a surprising speed. They rarely cease from a steady trot, and then only in climbing a hill or in case of an interruption of traffic by congestion or otherwise. The vehicle is somewhat like a grown-up baby carriage, and on smooth asphalt-lined pavements like those of Shanghai is a decidedly comfortable means of conveyance. There is a carriage top, which may be up or down, as the passenger may prefer, but in the glaring sun and intense heat experienced in China one almost invariably insists on having the top up. The rikisha man is usually stripped to the waist and his legs and feet are bare. As he steadily and patiently trots along the perspiration stands out on his brown body and arms, and often his head and face. At first one has some compunctions about riding behind these human ponies at the low fares that govern them by municipal law, but as their occupation is their only way of earning a living one concludes that it is a poor way of displaying sympathy to curtail their employment. Shanghai swarms with them by the thousand, and there they are the principal means of locomotion, while in some cities they are the only means.

But the propulsion of rikishas is only one of the many uses to which human power is put on the streets of Shanghai and other Chinese cities. Wheelbarrows with side seats are used for cheaper human transport. All freight and transport business on the streets is done by men. Thousands of men carry huge loads suspended from the two ends of a strong bamboo pole, or one big load in the middle of a bamboo, with two stout, half-naked coolies at each end. Then there are the enormous wheelbarrows, with large wooden wheels, on which a single man will carry an incredible load. Sometimes he will have a helper, often a little boy, who, with a rope over his shoulder attached to the barrow, will tug away and do his share in towing. The next larger means of transport is a big two-wheeled cart, with two men working around the cart and the load, and from four to six others tugging away at separate ropes. They proceed with a mournful sort of cry or song and move a quantity of heavy goods or rocks sufficient to make a good big truck load. I do not remember to have seen a single auto truck or one drawn by horses in Shanghai. When one considers the fact that this is a great commercial city, handling a vast volume of commodities of every description it will be realized what is done there by human power and strength alone.

The policing of Shanghai is largely done by tall, hairy-faced Sikhs, wearing red turbans and a khakilike uniform. They carry a stick about 2½ feet long, which they handle something like kings are supposed to handle a scepter when in position as traffic officers, resting it on the right hip and pointing out at an angle of about 40 degrees. They are extremely businesslike and stand for no nonsense. When they wave their sticks or their hands traffic either stops or proceeds, as may have been indicated. There was always one of these tall, unemotional chaps in front of the hotel to look out for the hotel guests coming and going in autos or rickshas. When a man would come out of the hotel looking as though he wanted a conveyance the ricksha men would come rushing from the opposite side of the street with their machines like a school of fish after a crippled minnow. It was the duty of these Sikhs to keep them in order, and I saw them on two occasions cuff ricksha men who rushed in too swiftly, and no gentle cuffs, either. Unlike an American cabman, they put up no argument.

With two or three exceptions like this, I saw no violence of any sort in China. With all the crowding on the streets, occupied by countless thousands, I never saw a man strike another, and I saw only one case of a heated argument, and that was between two ricksha men in Peking. There was much talk, but that was all. In America one would have thought that there was going to be a "scrap," but the bystanders evidently knew better and were apathetic.

The River Whangpoo, which constitutes the harbor of Shanghai, with its hundreds of quaint craft and its beautiful bund, is sufficiently interesting to engage more extended description. There is everything, from the stately liners from Europe and America to the humble fishing craft and boats carrying fruit and vegetables, with their square matting sails, and a large population on the water.

While there is a large variety of fruit in China, due to warnings from all people of experience, we did not eat much of it. We were cautioned not to eat any fruit or vegetables uncooked, as there was danger of dysentery or cholera. I did, however, test nearly everything once. Fine and even brilliantly skinned apples were quite dry and punky inside. The peaches were better, but not up to ours at home. Pears are very fair. Watermelons, some red and some yellow inside, taste very well, but are especially dangerous to Americans in hot weather.

Our second day, Friday, August 6, was given to entertainments more or less formal. In the morning our Chinese friends took us to the spacious grounds of their athletic association, where we saw some remarkable athletic work in Chinese boxing, sword and spear contests, and so forth. After that we went to a Chinese cotton mill, where they recently put in American machinery and were having great success. We took luncheon with the American Chamber of Commerce, a splendid body of business men, who told us of some of their difficulties in establishing and conducting American business enterprises in China. In the early evening we were the guests of 21 associations, mostly Chinese public welfare organizations, at a luncheon. There were several hundred people present, ladies and gentlemen, in a large Chinese restaurant.

On Saturday, August 7, the *Great Northern* sailed back for America and took about half of our party, who could not wait

for the *Madawaska*, which would not sail from Yokohama until September 10.

On Sunday, August 8, a very hot day, we rested in the forenoon, and in the afternoon took rickshas to the house of Mr. Tong, a former minister of the treasury, who talked to us about China's finances and the consortium, to which he was opposed. Mr. C. T. Wang, the able young man that I have heretofore referred to, was one of those present.

A GREAT DAY IN HANGCHOW.

Monday morning, August 9, ended our stay in Shanghai, which was marked by great cordiality, not only upon the part of our countrymen, 3,500 of whom live there, but especially on the part of the Chinese of all classes, large delegations of whom saw us off at the station with a Chinese band and a company of Chinese soldiers.

At 7.30 a. m. we took a special train, furnished by the Chinese Government, for Hangchow, four hours' travel to the southwest. The cars were compartment cars, built on the European model, with a corridor running along one side of the car. The seats can be made into berths for sleeping at night and are quite comfortable. The attendance, also Chinese, was excellent.

This trip to Hangchow, being our first penetration of the interior of China, was most interesting. All this section is delta soil and extremely fertile. It is a great silk-producing country, and mulberry trees are grown very extensively, as well as sugar cane, tea, cotton, and wheat. Rice is the principal product. The cultivation is most intensive and everything under such cultivation responds vigorously. I never saw such growth anywhere before. Not a rod of ground is left uncultivated, except the graves of the dead, which are marked by mounds of earth scattered about the fields. Chinese regard the graves as sacred and will not have them violated or the ground used for any purpose, although they frequently cultivate between the graves even when quite close together. These graves I observed all over China, and they seem to cover more ground in the north than in the south. Very few animals were in evidence, showing that all parts of cultivation are done by men and women alone.

Hangchow is a city of over 700,000 population, and we were told that it is more essentially a Chinese city than many others; that is, has fewer foreign residents. We were not at all prepared for the enthusiastic reception that we received. It appeared that in honor of the Americans, whom they regard as the great friends of China, they had made the day a holiday, and I believe that it is no exaggeration to say that there were 150,000 of them at the railway station when we arrived. There was a sea of brown faces and half-naked bodies, eager, apparently, to catch a glimpse of those Americans whose country had done so much for China in refusing to assent to the Shantung award, and in other ways. They were not noisy, but their eagerness made a vivid impression on the party.

Bands of music, a body of Chinese soldiers, and Chinese officials met us on the platform. The provincial officials, which are something like our State officers, cut quite a figure in China. There is a civil governor and a military governor of each Province, and I have no doubt that the military governor should go first, so far as real power is concerned. The Provinces have always exercised a stiff "State's rights" power, even under the Empire, but under the Republic they are still more assertive. The military governor of a Province who can get together a large army and manage to feed and pay it has a substantial strength that will not bend to the wishes of the Republic, which practically has no army of its own. This Province of Chekiang has a population of 17,000,000 people.

When we got off the train we were conducted to waiting rickshas, over 100 of them, each decorated with a little American and Chinese flag. There was a great bustle of getting into them, but we were soon trotting off through the dense crowds of people and through very narrow streets, not more than 10 or 12 feet wide, with hundreds of shops on each side, all open in front and Chinese smelling. That is a peculiar smell—a little close and as though something had been burned—but you get it all over China. Sometimes there is a little paving in the street and sometimes not. These stores are of all sorts, but mostly of food. The baker will have some odd-looking confections on a wooden or metal tray, none too clean looking, and the fact that there is a good deal of dust and many flies around does not seem to disturb him or his customers. Our procession passed through miles of these streets—it was a very hot day—and then we came to a beautiful lake, called Westlake. There we transferred to a fleet of wide, flat-bottomed pleasure boats, with canopies, and were rowed across the lake. On the other side we found as many sedan chairs as would accommodate the party. This was a new experience. Each chair had three bearers and they would spell each other. They were pretty cunning. I got out to walk up a hill to ease up on them, and the bearers went ahead and I saw them no more. So I walked in the hot, tropical sun about a mile and got thoroughly heated up. Our route was about 3 miles up a canyon to a celebrated Buddhist temple. Near the temple the canyon exposes some bald rock faces, and on these large numbers of the figure of Buddha have been carved, some of them hundreds of years ago, with a good deal of skill.

In the temple were 500 figures carved in wood and covered with gold leaf, they being the disciples of Buddha. Each one of the 500 is different in expression and appearance and indicates a different character from the others. They are said to be several hundred years old and they certainly indicate great artistic skill. They are two or three times larger than life size. This temple and all the surroundings are very beautiful and impressive. It is said to be much more than 1,000 years old.

We returned to the lake in the chairs and crossed again on the boats and were taken in rickshas to a large silk mill, where 1,700 people were employed. We saw the whole interesting process, one feature of which is to take the threads from the cocoon. The cocoons are placed in pans of boiling water, and Chinese girls deftly fish them out and unwind the thread from the cocoon and wind it on a spindle.

That evening we were the guests at dinner of the Silk Guild, there being many silk mills in Hangchow. They entertained us with music on many ancient Chinese stringed instruments. The president of the guild made the speech of welcome and I responded for the congressional party. We reached our train about midnight, pretty tired, but with the consciousness that we had, despite the heat and bustle, spent a wonderful day with the hospitable people.

Our train passed through Shanghai in the night and proceeded to the ancient city of Nanking, where we arrived at 11 in the morning of Thursday, August 10. During the night we were frequently awakened at various stations at small cities by the Chinese bands playing American airs, and, looking out of the window, would see the welcoming committees of our hospitable Chinese friends, in formal dress, with the invariable body of infantry soldiers at present arms. It did not matter that the tired guests were all in their beds and the lucky ones asleep or that the hour was midnight or 2 or 3 o'clock in the morning—they were there doing their part just the same.

NANKING AND THE MING TOMBS.

When we arrived at Nanking, which is about 200 miles northwest of Shanghai, there was an immense concourse of people at the station, including the provincial officials, the committees, the troops, the bands, and 3,000 or 4,000 students with banners. After introductions and the exchange of cards, which is rather formal and a little tedious with the temperature a trifle under 100° in the shade, we were taken in waiting autos through the principal streets, landing at the governor's yamen, or capitol building, for luncheon. We made a stop at the Drum Tower, which is a fortress and observation point on a hill and several hundred years old. It is mentioned by Marco Polo, who saw it in his explorations of China more than 500 years ago. The streets of the city, and especially those about the station, were thronged with people to see the Americans. As I mentioned, the Yamen is not a single building, but a large collection of buildings, generally of a single story, but some of them quite spacious and all generally artistic in their design and attractive in their coloring. This description applies to temples and palaces throughout China. When we speak of a fine church or capitol in America it usually refers to a single noble building, or at most to a few buildings. But in China a yamen, a temple, or a palace, particularly the latter, is a large collection, a network, or a labyrinth of buildings. There is a great gateway in front, perhaps 40 or 50 feet wide and 20 feet or more high, of imposing appearance, and usually a high wall around the entire grounds, although there may be a still higher and thicker wall around the entire city.

There is an ancient wall about Nanking, for instance, 70 feet high and 30 feet wide at the base, 20 miles around, much of it still intact. You enter the great gate of the yamen and see a handsome building in front, which you think must be the building, with smaller ones on either side, usually offsetting each other. You pass through the first one and see that there is a still larger one beyond and a number of others at the side. This experience continues until you finally reach the heart of the yamen, the temple or the palace, where probably there is a large and beautiful audience hall.

At the governor's yamen we had a reception from the civil and the military governor and afterwards a luncheon. They endeavored here and everywhere to furnish us as nearly as possible American food, though at dinners bird's-nest soup and

boiled sharks' fins would often creep in. The soup is all right, made from a gelatinous substance that is gathered from the rocks and looks like a bird's nest, but is not. How it gets on the rocks I do not know. The sharks' fins are boiled until they are soft, and they are esteemed a great delicacy by Chinese; but after two or three trials I passed them up, not because they are unpleasant tasting, but because they do not have much taste of any kind.

We found a very fine lot of American educators and missionaries in Nanking, and indeed all over China. They have a national teachers' college with ample grounds, and at 4 p. m. we visited the students in a huge temporary assembly room on the campus constructed especially for the occasion of poles and matting. Its magnitude may be judged by the fact that it was about 300 feet long, about 150 feet wide, and the top 40 feet high, and there were not less than 4,000 students present, who are preparing to teach all over China, when we entered. Not a single nail was employed in the building. There were some young women, but mostly young men. Nearly all these with banners were at the railway station when we arrived. Their earnestness and eagerness and their enthusiasm for America and their evident belief that our country was China's friend, and capable of all things, was most pathetic and thrilling. This feeling regarding America was manifest all over China. The president of the training college made a fine address of welcome, briefly stating what is being done, and one of our Congressmen responded. They sang a hymn or two splendidly, and we all felt on leaving that a really great and valuable work is being done there.

Although Nanking is quite a large city, it has no good European or American hotels, so the good people improvised the dormitories of the Nanking University into a temporary hotel for our benefit. It being vacation, the students were not there, and we had their rooms. They had sent to Shanghai and obtained 100 little iron beds and mosquito bars and little flat mattresses and pillows about an inch thick, and made of corn husks, I think. We had to divide time with the ladies for the single wash room, and for the first time I shaved without a mirror, and there were some other little experiences that I will not mention. But they did so much for us, with such good humor and kind intentions that I ought not to refer to it at all, except as one of the episodes of the journey. And it was awfully hot, too. Among other things which they brought up from Shanghai were automobiles for the party, there being only 30 in the city.

That night the members of the provincial assembly, which would be comparable to our State legislatures, entertained us at dinner in the hall of the house of representatives, it being the same room in which Sun Yat Sen was inaugurated as the first President of the Republic of China. A very good speech was made by the speaker of the assembly, which was translated into English. The reply of one of our party was translated back into Chinese. These translations doubled the time required and made the speech making after a while something of a terror to everybody but the speakers. I tried to remember this the few times that I spoke. These festivals rarely broke up before 11 or 12 o'clock, and when they did, everyone but the speakers was literally "hanging over the ropes."

After a breakfast in one of the lecture rooms of the college, our party got off for the Ming Tombs, which are a few miles outside the city walls. These tombs are very impressive, because of their great age, their enormous dimensions, and their ornamentation and peculiarity of construction. There are really but three tombs at Nanking, but these are the tombs of the first Emperor of the Ming Dynasty, Hung Hu, and his two successors. The first of these tombs dates from 1393 A. D. The approach to the tombs after passing out of the great wall of the city is by an avenue which leads straight to the tomb entrance. For about a mile the avenue is lined, or guarded apparently, with colossal images cut out of solid granite, of men and various kinds of beasts, commencing with a couple of towers, not unlike Cleopatra's Needle. They are in pairs, each pair of men and beasts being opposite each other, and 300 feet or more from the next couple. As they face each other they are only about 10 or 12 feet apart. The carving is not especially perfect on the horses and the lions, or lion dogs, but is better on the elephants and camels. The horses' legs are thick and clumsy, and their whole contour looks a little jaded, like draft horses after a hard day's work. Another curious feature is that the pairs of animals are alternately kneeling and standing. For instance, one pair of elephants facing each other and kneeling, and the next pair, also elephants, erect. The same with the camels, one pair on their knees, the next pair standing. The men are all erect. They are all colossal in stature, have long beards, heavy swords, rich clothing, and carry a baton in one hand. Then there are some nondescript animals, unlike anything now existing or that probably ever did exist. There are animals part lion and part exaggerated bulldog. These stretch down along the imperial highway nearly to the great entrance to the tombs. Like the palaces and temples, there are several large buildings to be passed through before reaching the tomb proper.

These buildings are as much as 800 to 1,000 feet apart, with broad stone or marble walks leading from one to the other. Each building is reached by flights of stone steps, in the center of which is a marble passage about 8 feet wide, not of steps but of an incline at the same angle as the steps. This marble center was the pathway of royalty, and in imperial days might not be used by common people. It is seen at the entrance to all imperial palaces and places where the Emperor was accustomed to worship. This marble centerpiece is always most elaborately carved, as deep as 2 inches, with a great variety of elaborate designs, the most frequent and notable of which is that of the dragon, which is always writhing in and out of the other designs. As this carving is very old, the marble is worn down some, and the figures are not as distinct as they were when made, but they can be made out very readily.

Returning to the stone images of the men and animals, I was told that their probable meaning was that these magnificent creatures were servants of the great monarch who occupies the tomb, and their purpose was to impress the people with the greatness of the dynasty, which was served by such magnificent statesmen and animals. I repeat the story for what it may be worth. It sounds rather reasonable.

After passing all these preliminary temples and constructions, the tomb itself is in a big hill, perhaps 1,200 feet long and 400 or 500 feet high, which looks like a symmetrical foothill to a high mountain immediately behind it. The hill may be artificial, and I suspect that it is. It is faced by a strong, high wall. Inside this hill lie the remains of the great Hung Hu and his two immediate successors. The hill has never been penetrated, and it is not known what it may contain besides the bones of the dead monarchs, but it is thought that there may be great riches. Although the tombs are not disturbed, there seems to be no great reverence for them. Chinese run up and down on the sculptured marble centerpieces—the imperial highway—on a superstition that it will bring good luck. They also set tables in the temples and served our party with cooling drinks, hot tea, and cakes. This was done everywhere in temples.

Quite near the tombs is a Government agricultural experiment station, of which an American has charge, and he showed us what interesting things were being done along agricultural lines.

After that we returned to the city, attended a chamber of commerce bazaar, and visited the Temple of Confucius. This is an elaborate and beautiful temple of many artistic buildings, such as I have described. It appeared rather neglected, with dust gathering on the images, a condition that marks most of the temples in China.

Our last visit was to a place of intense interest—the examination halls, where under the centuries-old system of classical examinations young men were placed in narrow stone or brick cells for three days and nights, during which time and under which conditions they prepared their examination papers, upon which all their future would depend. There were 27,000 of these cells—some say 30,000—and at stated intervals these were filled with young men to undergo the examinations. They were locked in and not permitted to communicate with each other or with anyone else. The cells, thousands of which remain intact, although a great many have been destroyed, are all alike, about 2½ feet by 4 feet square and less than 6 feet high. I went into one and tried it, and I was a close fit. There was a place in the wall to put a board for a seat and one higher up for another board for a table. Just how they closed the front I could not tell. But they did shut them in, and there was a watch tower in the center overlooking the entire examination halls to see that none of the students should get out or communicate with each other or with anyone else. To remain in those cells for three days and nights must have been a severe test upon the nerves of the students, and on top of that to prepare a thesis and examination papers a difficult task. It is said that only 2,000 or 3,000 out of the 27,000 to 30,000 entrants were accustomed to pass, and that many went insane and occasionally one died in his narrow cell. I can well believe it, as three minutes was enough for me, with the front part of the cell wide open and no examination to worry about. I had to tramp through the weeds to reach the cell, as none of them are in use now, or have been since the institution of the Republic nine years ago.

Before leaving Nanking I should say that it is a city of great historical importance, running back 2,500 years, or to the time of the establishment of the Roman Republic. At various times it has been the capital of China, and its name denotes "the southern capital." It was the scene of much fighting during the revolution, and it was bombarded both by the imperialists and the revolutionists. The city was captured by the Taiping rebels in 1853 and by the British Navy in 1842.

Late in the afternoon we left Nanking, crossed the Yangtze River on a ferryboat, and boarded a new special train, which was to take us through to Peking. It was an excellent train, somewhat better than that which we left. The Yangtze is a noble river, and at this point much reminds one of the Mississippi in its lower reaches. Its muddy waters are of the same color.

THE SACRED MOUNTAIN OF TAI-SHAN.

The morning of Thursday, August 12, found us at the small town of Tai-an, which is the nearest point to the sacred mountain of Tai-Shan. The summit of the mountain, which is referred to several times in the writings of Confucius, is said to have been a favorite resort of the great philosopher for contemplation. For several hundred years it has been the object of the pilgrimages of hundreds of the disciples of Confucius and others. There are several temples on the top of the mountain, which is about 5,000 feet above sea level and 4,500 above the railway station of Tai-an. This is in the celebrated Province of Shantung, where Confucius was born, lived, and was buried. The distance is said to be 13 miles from the station to the top of the mountain, but I should judge it to be somewhat less.

The method of conveyance and the character of the road traveled are most surprising. Rickshas can not go over the road, and wagons and autos still less so. So there is nothing to it but to be carried by men in so-called sedan chairs or litters. When we reached the station at 9 in the morning of August 12 we found just outside 60 or 70 of these chairs—enough for our party and the Chinese officials accompanying us—and fully three or four times as many sturdy Chinese bearers. The chairs were of very crude and simple construction—the seat being made of netted rope—and a top covering of thin cloth on a frame to protect the passengers from the sun, which was extremely hot. The seat would have been very uncomfortable if blankets were not used to cover the ropes.

We went out in a long procession through the narrow streets of the town, lined on each side with the characteristic Chinese shops, our feet hanging down to a sort of stirrup, which is long enough to accommodate both feet. The chairs were more primitive than those in which we rode at Hangchow, and when they were let down to the ground we also were let down flat to mother earth. After passing through the city wall, we proceeded across a plain about 3 miles and then commenced the ascent of the mountain. At first this was gradual, following up a brisk mountain stream. Soon we entered a canyon, which was precisely like many such that I have traversed in California, the stream marking the bottom of the canyon. The trail or road was a wide one, in excellent repair, and as it grew steeper we commenced to make the raises by steps, formed of rock, mostly granite. These steps at first came in flights of 3, 4, or 5, but they increased rapidly in number as the mountain became steeper, until there would be 10 or 15 at a time, then a level place for a way, and then another flight of steps. These granite steps were from 10 to 15 feet long and about 6 inches high. At first you had a sense of insecurity while being carried up these steps, but the bearers would shift their straps over one instead of both bare shoulders and the passenger would be borne sideways; and the bearers are very sure-footed. They and their forebears are said to have been in this business for generations.

Cedar trees line the way for considerable distances, and the stream that I have mentioned exposed the formations, which consisted of granitic schists with inclusions of quartz, and diorite. On many of the canyon walls large faces of granite had been smoothed off and inscriptions sculptured upon them in Chinese characters. I was told that these inscriptions, which were made by pious persons of means, sometimes exalted the wisdom and virtue of Confucius and sometimes described and lauded some conspicuous beauty of nature close by, such as the bald canyon wall itself or some fair view, or the loveliness of the mountain stream. There were many small shrines and inscriptions along the way and quite a number of places where pilgrims and bearers might obtain refreshments of tea and coarse bread. At a tea house of better character, about halfway, we all had luncheon. A number of the party turned back here and returned to Tai-an, the heat and discomfort being too great for them.

One of the sights along this holy way, and a distressing sight it is, is the beggars—men, women, and children, with all manner of human afflictions. They expose their diseased and deformed bodies and limbs in the most horrible way in order to excite compassion. Beggars you see all over China, and they even have beggars' guilds that regulate the industry. If a merchant in a city refuses to give anything, they discipline him by keeping great numbers of their guild in front of his place of business until his customers will no longer go there, thus ruining his business.

As we approached nearer the top of the mountain the grade became steeper and the steps almost continuous. For the last half mile before reaching a great entrance gate they are absolutely continuous. Altogether the raise equals 4,500 feet vertically and there are 7,500 stone steps. When it is considered that this highway has been in constant use from a time several hundred years before the time of Christ it is astonishing that the trail is so good as it is. Thousands of devout pilgrims have gone over these rocks on their hands and knees, and the stairs show the wear from these and from the thousands of bare feet that have climbed them. For the last 400 or 500 feet at the top on each side of the trail great chains attached to iron posts of evident age—they being considerably decomposed by rust—were doubtless placed there to enable pilgrims to assist themselves by pulling themselves up with their hands. The granite steps are much more worn along the outer edges next to the chains than elsewhere, significantly showing that the chains have been thus used to such an extent that the bodies of pilgrims have perceptibly worn down the solid granite.

After passing the great gate at the head of the pass the holy way continues and there is still quite a raise before reaching the top of the mountain and a group of temples there devoted to Confucius. Here we had luncheon in one of the temple buildings.

The view from this point is very beautiful, and Confucius was quite right in selecting such a place for solitude and reflection. On one side the mountain drops off very abruptly several thousand feet and an inspiring view is had of the wide and fertile valley below and the Yellow River in the distance, probably 15 miles away. It reminded me greatly of that sightly drive in the mountains above San Bernardino, approaching Squirrel Inn, on the way to Little Bear Lake, and known as "The Rim of the World."

It took us over five hours to go up the Sacred Mountain, but our bearers made the return down trip in three hours. They would fairly trot down those great flights of steps, which they so laboriously climbed in the earlier part of the day.

ENTHUSIASTIC RECEPTION AT TSINANFU, CAPITAL OF THE PROVINCE OF SHANTUNG.

At 9 a. m. of Friday, August 13, we reached Tsinanfu, capital of the Province of Shantung, and found a particularly enthusiastic greeting from provincial officials, students, soldiers, and thousands of people. The city has about 300,000 population, and being in Shantung, the Province taken over by Japan as successor of Germany, the people are very much stirred up over the situation in which they find themselves. As the American Senate refused to ratify the clause of the peace treaty which approved the award of Shantung to Japan, the people seemed to entertain a pathetic feeling of gratitude to America, which they lavished upon the visible Members of the American Congress. There is a large Japanese barracks directly opposite the railway station, with a considerable contingent of Japanese troops, but they modestly remained out of sight throughout the stay of the American party in Tsinanfu, and altogether I saw but two Japanese officers on the street and no Japanese soldiers at all. During our entire stay in China the Japanese took no part in the receptions of or entertainment to the party, but reserved their attentions for the time when we should have passed out of Chinese into Japanese controlled territory, that being the railway station at Mukden, Manchuria, when we crossed the station plantform from Chinese soil to Japanese-controlled soil on the other side.

The student movement was particularly noticeable at this capital, although it is a strong patriotic movement everywhere in China. We were expected to arrive at Tsinanfu at 11 p. m., but we laid at Tai-an station until 7 in the morning. The Students' Union and the girls of the normal school, to the number of 3,000 or 4,000, remained at the station in expectation that the train might yet arrive until 3 or 4 o'clock in the morning. They then went to their homes and were back again before our train arrived, which was about 9 o'clock in the morning. We went all over the city and visited a garden attached to the

municipal buildings, a sort of park, and afterwards the Shantung Christian University, a very fine institution of learning, supported by the various denominations and ably conducted by a cultured Englishman. We made a hurried examination of the museum of the university, which was large and most interesting.

From the university we were taken to the governor's yamen, where we were formally received by the military governor, Tien, and the civil governor, Chu. Afterwards we had tiffin in the palace. Then we went to a military compound, at the invitation of Gen. Ma Liang, who figured prominently in the very recent military struggles about Pekin. Gen. Ma looks like a soldier, and has had much to do with installing in his army a system of military athletics of a very vigorous character. About 50 or 60 men participated, all commissioned officers. There was a peculiar kind of boxing, which employs the feet as well as the hands; wrestling, something like the Cornish kind, but with a jiujitsu addition, which compels the vanquished to flop or have his arm twisted off; fights between men with swords against spears and with short knives against both. Then a man with a sledge hammer broke a slab of hard rock, 7 or 8 inches thick, which rested on a man's back, and others broke heavy pottery on men's heads. It was a wonderful exhibition of skill and endurance. Gen. Ma is said to be a devoted Mohammedan, and he was on the losing side in the recent struggle about Pekin.

Then we had the inevitable tea at the Girls' Normal School, where we were guests, not only of the students but of the chamber of commerce and half a dozen other local organizations.

We then went to Ta Ming Lake, which is a lotus-covered lake many acres in extent, perhaps 100. The flowers were in blossom, and with the elephant-ear leaves the water, which was shallow, was very little in evidence. These great lotus lakes are seen very often in public parks, about palaces, and elsewhere in China.

We boarded wide, flat-bottomed boats, with a canvas top to keep off the sun, and were poled through water channels to a garden with many attractive pleasure buildings on the opposite side. Here another luncheon was spread. We were often given a half dozen of these luncheons a day besides the regular three meals, tea and cakes being the principal feature, but with soda water and lemonade always, and sometimes with other palatable drinks.

That evening the governors had us at dinner, the place selected being the largest Chinese theater, and a play, with acrobatic performances and other forms of entertainment, was given during the dinner. It was after 11 when the party returned to the train, thoroughly tired after a fearfully hot and most strenuous but interesting day.

The capital of Shantung will always be remembered for its patriotism to China, its affection for America, and for its generous hospitality. The civil governor, in his address at tiffin, wanted the United States "to adopt a definite policy toward China."

During the night we proceeded northward, and at about 9.30 a. m. arrived at Tientsin, a city of nearly a million and a half of people. We were met by the usual hospitable officials, bands, bodies of soldiers, and by Col. Morrow, of the Fifteenth United States Infantry, and officers of his staff, their regiment being stationed at Tientsin. We stayed only a short time, as we would pass this city again after our visit to Peking, and would give it a short visit again.

There had been considerable lack of rainfall in northern China, and the crops did not look so well as they did in the southern part. It was said that this will result in great suffering and hunger this winter.

There was a constant repetition of the evidences of good feeling the Chinese entertained toward this great country.

As an illustration, they had taught the military bands, of which there are a great many in the country, to play what they supposed to be American airs. We had Senator HARRIS, of Georgia, along with us, and curiously enough two of the airs which the band seemed to like best were "John Brown's Body Lies Amouldering in the Grave" and "Marching Through Georgia." We told Senator HARRIS that this must be a special tribute to him. [Laughter.]

At every station we came to would be the military governor of the Province, the civil governor of the Province——

The CHAIRMAN. The time of the gentleman has expired.

Mr. OSBORNE. Mr. Chairman, I have not started yet. [Applause.]

Mr. EAGAN. Does the gentleman want some more time?

Mr. OSBORNE. I would like some more time.

Mr. EAGAN. How much time does the gentleman want?

Mr. OSBORNE. I would like half an hour.

The CHAIRMAN. The gentleman from Illinois [Mr. MCANDREWS] has 45 minutes remaining.

Mr. EAGAN. I will yield the gentleman 30 additional minutes.

The CHAIRMAN. The gentleman is recognized for 30 additional minutes.

Mr. OSBORNE. As I was saying, at every station there would be all of these polite officials with a band of music and a company of soldiers who would present arms and officers who would salute, polite people with cards that they wanted to exchange. On one side there would be a place where they served tea and mineral waters and all that sort of thing. They would have those places open whether we stopped or not. I waked up at 11 o'clock, 12 o'clock, 1 o'clock, and one morning at 3 o'clock in the morning hearing the band play "Marching through Georgia." There was the military company and the band and the polite officials when we did not stop at all, and they were staying up until 3 o'clock in the morning to do that courtesy while the party was passing. Very often some of the speeches of these Chinese officials would be very touching, indeed. They would state the very great respect they had for our Government, how the American Government had refused to accept the award that was given during the Boxer troubles when, in fact, that award of some million dollars is being used to send their Chinese students to our educational institutions in this country. There are several hundred here now and they are sending every year several hundred students. They would tell us about that, entertaining the idea that our great country was a country where justice and righteousness prevailed and where we did justice to every man and every nation. They were particularly impressed with the justice of our country toward China itself. They said with their dealings with foreign countries that the United States was the only country that had not taken advantage of them and had not taken from them some of their country, and that that fact endeared our country to them. Often reference was made to the Shantung matter. They were very much interested in the passing of the German title of Shantung to Japan. The fact that one of the branches of this Government had refused to approve the Shantung award seemed to strike them most favorably, and they thought that they had friends in the United States, and in some way they hoped that they could get us to help them out of their troubles. Now, while I am sure I have time I will say one thing. I think it would be great wisdom on the part of our Government to maintain with China that wonderful feeling of friendship which it now entertains for us. It is not limited entirely to political considerations. They want to buy our stuff. There was a great boycott on in China of Japanese goods which pretty nearly paralyzed Japan, because China is their great near-by mart, and I saw one illustration of that. I thought I had it in my pocket, but I have not, and that is a box of matches which were made in Japan. There had been placed on the outside covers, the bottom and top, a label reading "New York cigarettes," they being cigarette matches. One covering had partly come off and showed the Japanese label. The Japanese had labeled the box "New York cigarettes," which gives you an idea of the state of their minds on the boycott. The Chinese want to trade with the United States and can not get the stuff. We have some laws that injuriously affect our foreign trade that ought to be changed. Americans in that country were bringing our attention to it all the time.

Mr. FOCHT. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from California yield to the gentleman from Pennsylvania?

Mr. OSBORNE. I do.

Mr. FOCHT. I would like to inquire what impression our Christianity has made upon them over there—whether they are still simply idol worshippers—and as to the administration of the laws under the Republic, whether they have prohibition there, and woman suffrage; and if so, how those laws are enforced?

Mr. OSBORNE. The Christian religion is making considerable inroads, but it is small compared with the enormous population. But the missionaries are treated well by the people, and they are making considerable progress. They do not have prohibition or woman suffrage, although they were for a long time in recent years governed by a woman—the Empress Dowager. The Government of the Republic of China is a structurally weak Government. The Government of China was weak as an empire. Their whole atmosphere for several thousand years has tended to that result. One is impressed with the idea that the general belief tends to the doctrine, resist not evil. It is a sort of Quakerlike state of mind that they are in. Their Government is not strong because it is divided up into many Provinces, and the Provinces have a sort of exaggerated "State rights" idea and practice.

Mr. HICKS. Mr. Chairman, will the gentleman yield?

Mr. OSBORNE. Certainly.

Mr. HICKS. What does the gentleman mean by a "Quaker-like" attitude of mind?

Mr. OSBORNE. Nonresistant. That is the impression made upon me.

Mr. FOCHT. That is the Confucian religion, is it not?

Mr. OSBORNE. Yes; that is the result of it. The Confucian religion is a code of ethics, however, rather than a religion.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. OSBORNE. Yes.

Mr. McKENZIE. Did you have any conversation with any of these people in those countries in regard to the proposition of sending our missionaries over there to convert them to the Christian religion, which, of course, means that we will all go to heaven and be in the same place hereafter, and at the same time not permit those people to live with us on this earth? What do you think about the consistency of that? Have you had any conversations with them in regard to it?

Mr. OSBORNE. I had no conversations with them on the subject. However, I will say this, that during all the time I was in China—and while I was there I talked with hundreds of Chinese, with the President of China, governors of Provinces, legislators, and others—and I never heard a complaint from them about the exclusion by this Government of the Chinese coolies; not one single complaint. I believe that they recognize that the laws of the United States excluding Chinese coolies is justifiable.

A WEEK IN PEKING, THE ANCIENT CAPITAL OF CHINA.

We arrived at Peking at 2.30 p. m. of Saturday, August 14, and the entire congressional party were conducted to the Grand Hotel de Peking, where rooms had been reserved for us. This is said to be about the best hotel in the Orient, and it seemed very pleasant to have a good-sized, comfortable room with a regular bath. A middle-aged, dignified Chinaman in a long white robe, a superior kind of nightgown, with two or three younger subordinates, was always on duty in the hallway, subject to call by the bell. This white robe is something like a dress suit in America—it is worn only by gentlemen in full dress and by servants and waiters. There is another garment much in use in the Orient that was new to me. That is the white mess jacket. It is worn with white trousers, is made like the usual dress coat, but it is minus the swallowtails or any other sort, and stops at the hips like an Eton jacket. I first met it in the Philippines, but it is quite generally used throughout the Orient, and looks like it might be very comfortable. The hotel is about five or six stories high, is built of brick, and quite modern in construction. The lobby is very ample, and there are 8 or 10 little stands where Chinese dealers sell curios, silks, and so forth.

We all went in rickshas to the American Legation, where we were given a reception by the United States minister to China, Mr. C. R. Crane. There we met many Americans, some connected with the legation, but more in business or in missionary and educational work. The legation consists of a number of buildings in a walled inclosure, with quite large grounds—not so large as the British, the French, German, and many other legations, all being in the same neighborhood and adjoining each other. In fact, a high wall incloses all the foreign legations and embassies, and this wall, about 25 feet high and 20 feet thick, was the scene of desperate fighting during the Boxer rebellions in 1900, when the German ambassador was killed and the Japanese ambassador wounded.

From the minister's residence we went to Central Park, which was illuminated in honor of the congressional party by the College Clubs of North China, and a buffet supper was served. There was an immense concourse of people, and while our party was seated—it was in the open air under the trees—the great body of people stood. There was a speech of welcome by Dr. Tsur, a very able college president, responded to by Representative HARDY of Texas. Then came wonderful juggling and acrobatics and a funny shadow play something like Punch and Judy.

THE GREAT WALL OF CHINA.

The following morning, Sunday, August 15, we all got up early for a trip to the great wall of China. It was a beautiful, clear morning, though hot. We went by special train due west of Pekin, traveling three hours, but I do not think that the distance is more than 50 miles. We had two very fine private cars, one of which is the personal car of the President of China, Hsu Shih Chang, and the other was the imperial car of the late Empress Dowager. The latter was the more elaborately furnished and decorated car. Yellow—the imperial color—was used in great profusion. The abundant draperies were all in yellow silk, and the chairs were upholstered in that color. There were two or three drawing or sleeping rooms and the balance of the car was thrown into one large and very handsome salon.

To reach the great wall we crossed a wide and fertile valley for 30 or 40 miles, toward a mountain range, and passed many towns and large villages. Soon we entered the foothills, and through winding canyons plunged directly into the mountains, until we reached a station called Nankou. Like all railway stations in China, and also in Japan, even in small places like Nankou there is a long and substantial platform of stone, built up to nearly or altogether the level of the car platform. The Chinese officials had provided a sufficient number of sedan chairs, bearers, donkeys, and drivers to accommodate the party. Amidst a good deal of shouting and talk, without which it does not seem to be the proper thing to start any sort of man-power enterprise in China, some got into the sedan chairs, among them myself, and the younger folks mounted the donkeys, about the size of a burro, and we were off for the great wall, about a mile and a half away. We followed the railroad track a little way, our bearers crossing a railroad bridge on the sleepers where a misstep would have been most disagreeable, and then we branched off into a canyon, between steep, high hills, almost mountains, on a rough, rocky trail. Pack trains of donkeys loaded with loose hay, which takes lots of room on a trail, driven by Chinese coolies with wide-brimmed conical hats, were going in the same direction as ourselves, and made the task of our bearers more difficult, by pushing by with their room-consuming loads, and crowding them off the trail.

We came at last to a great gateway built of stone and brick, 30 or 40 feet high and 60 or 80 feet long. This is called the "Gate of Banishment," and I presume that its name indicates its purpose. The great wall itself is about 500 or 600 feet farther on, with another gate, not so large and striking as the first—this first gate being an "apron" to the real gate—the usual cautious form of entrance. This is in the bottom of the valley or canyon, and through this gate pass the many caravans of camels and horses, laden with goods from the Far East, Mongolia, and Thibet, for the market of Peking. This also was a favorite point of attack upon the wall itself in past centuries of savage tribes from those same distant provinces. They were not always successfully resisted, and the Mongols once captured China and placed a dynasty of their own upon the imperial throne. The people inside the wall were peaceful and industrious agriculturally; those outside were savage and hungry barbarians, to whom the rich and productive fields of the Chinese were an overpowering invitation to ravage and loot. These conditions were those that caused the building of the great wall 2,000 years ago.

From the view which I had at the highest mountain point that I reached I could imagine how the rich garden of China spread out before the eyes of those hungry savages must have looked to them from still greater mountain heights. Looking toward Peking, the view may be compared to that which may be obtained from Mount Lowe or Mount Wilson over the San Gabriel and the Los Angeles Valleys. There is the same fertility and richness of appearance, although, of course, the crops are not the same. The Asiatic savage, however, saw a far more extensive area of productiveness than can be seen from Mount Lowe.

The great wall itself is most impressive, and it is in a remarkable condition of preservation. Of course, it has not been used for defensive purposes for many years. The Chinese themselves invented gunpowder, and that did away with the value of the wall as to its original object. But it is surprising to see how little the main wall is decayed. The top was originally castellated with spaces between the castellations, probably to afford the defenders an opportunity to fire their arrows or spears through the spaces at the enemy and then to dodge behind the castellations themselves. These castellations have largely fallen down, like the chimneys in an earthquake country; but the solid walls themselves are very little breached and stand as firmly as though they had been built a few years ago instead of 20 centuries. One evident reason for this is the engineering skill that devised the walls and located them on the crests of the ridges dividing water sheds, so that no water could get under the foundations and undermine them.

From the "Gate of Banishment" in the valley where we intercepted the wall, it ran up the crest of the ridges in both directions to the tops of the mountains and as far as we could see. The wall does not run exactly straight, but necessarily takes a winding course to keep at the top of the ridges, but its general course at this place is north and south. I got up on the wall—which is not difficult, as there is a sort of inclined runway to the top—and walked a considerable distance on it. Bastions, or watch towers, on the top, which probably sheltered the defending soldiers, occur about every 500 feet, and, while

they are not so well preserved as the wall itself, their arches are still intact, and the structures are in a fair state of preservation. The wall at the top at its narrowest parts is 20 feet wide, and it gradually widens toward each bastion to 30 feet and then narrows again and widens toward the next bastion. The filling between the outside walls appears to be rock and earth, with a pavement on top of brick of large size and an earthen color.

One looks at this immense construction with astonishment and awe. When we reflect upon its immensity, and that every mile of its length was a marvelously big project in itself, that it averages about 30 feet in height, almost perpendicular, and that on the low side it is often 50 feet in height, that it was constructed about 200 years before the birth of Christ, when facilities for heavy construction and the handling of great weights were presumptively very inferior to those of the present day, that the great wall is 2,000 miles in length, and that most of it is in rugged and almost inaccessible mountain ranges, we can but be astounded and filled with wonder as to the means and manner in which this incredible work was done and under what genius of engineering.

I took pains to measure the great blocks of granite that constitute the outer facing of the great wall. They are 5 feet in length, 18 inches in thickness, and 3 feet wide. In the distance they look like bricks, and in the mile or so of the wall that I could see there were thousands of these great slabs. How vast a number there must be in the 2,000 miles of length! How did they cut these great blocks from the quarries, and how transport them up the rugged mountain heights and put them in their proper places in the wall?

Where the wall runs steeply up the mountains, the top is frequently built in the form of steps. I noticed that the wall was much higher on one side than on the other where the hill abruptly fell away on the low side, the top maintaining a consistent grade.

Little Chinese boys on top of the wall had their pockets full of arrowheads of metal, which they claimed to have found around the wall, presumably fired in battles in bygone centuries. Some of our party, despite the great heat, made long trips on the wall, and were pretty red and hot when they got back.

Without mishap of any sort we returned to Peking.

SIGHT-SEEING IN PEKING.

Of all the cities of China Peking is the most oriental and most interesting. There is the atmosphere that comes from reading oriental books. Such street scenes as are described in the Bible might well happen here, like that of the beggar and Lazarus. But above all, it is the land of the Arabian Nights. Aladdin and his wonderful lamp would be easily located here, while a Haroun al Raschid undoubtedly would find many wonderful things in his nightly strolls about the narrow streets of the city. Doubtless there are many times Forty Thieves prowling about the city, and if concealed in big jars waiting for the most convenient time to commence their nefarious operations, there is many a gentle Chinese maiden who would not hesitate to fill the jars with hot oil and thus put an end to the 40 careers and the plot to despoil the house and its virtuous owners.

Mr. DENISON. Mr. Chairman, right there will the gentleman yield?

Mr. OSBORNE. Yes.

Mr. DENISON. Did the party discover any of those thieves behind the counter there as we have them in this country?

Mr. OSBORNE. There were not so many behind the counters in China as we have become accustomed to here at home. [Laughter.]

While we were in Peking a drama of unusual interest was in progress. Shortly before and while we were in the southern part of China several battles had been fought in the neighborhood of Peking and Tientsin, between the troops of the Anfuites, the party then in power in the Chinese Government, and their opponents who claimed that the Anfuite officials were in collusion with the Japanese in despoiling China. The Anfuites were defeated, and their leaders, some of them members of the ministry or cabinet, and other high officials, were at their wits ends to save their lives or at least not be taken prisoners. The American, British, and other foreign legations declined to receive them in asylum, believing that they could not legally do so; but the Japanese ambassador did receive them in the Japanese Embassy buildings—nine of them—and they were cooped up there, but a short distance from our hotel, while we were in Peking. Pictures of the culprits—who but a few days previously were all-powerful in China—ordering their arrest and offering rewards therefor were plastered about the city, some of them close to the Japanese Embassy, and Chinese soldiers were on duty close enough to the gate to see that they did not escape.

Our week in Peking was a most active one, as there are so many interesting things to see, and our Chinese and American friends desired us to see as many of them as possible. On Monday, August 16, we were taken to the legation to see an inspection of the legation guard of marines. It looked pretty good to see a smart body of American marines, with the American flag at their head, going through their evolutions on a smooth parade ground in this distant part of the world. Minister Crane and the legation staff were present. After the parade we inspected the barracks—all inside the American compound—and found them airy and comfortable and spick and span. The men stand at "attention" when visitors go through their barracks, but that did not prevent me from speaking to several of them.

We then went up on the wall that encircles all the foreign legations, and walked along the wall about a mile. It is about 20 feet high and pretty nearly that width at the top. There is considerable vegetable growth on the top except in front of the American legation where it is kept clear of all weeds.

Our autos met us when we came down from the wall, and we were taken to a wonderful structure and attendant buildings in the middle of a great park called—

"THE TEMPLE OF HEAVEN."

At the first gate to the park we were stopped by the guards who evidently expected us to all get out and walk through the park. It was very hot and on request we continued in the machines through a great park of very old arbor vitæ trees.

The most notable building in this temple is the central one, that in which the Emperor was accustomed to offer prayers for good crops at least once a year. A Chinese friend translated the meaning of its name for me as "The Praying for Good Year Place." In case of severe drought it was also the custom of the Emperor to repair to this beautiful temple, with all possible pomp and ceremony, and pray for rain. As rain usually comes after long drought, his prayers were nearly always favorably answered. So the natives had great faith in his efficacy, and it is said this year, when there is quite a drought in the north of China, many of the suffering farmer folk mourn the fact that there is no Emperor to pray for rain.

The two features that constitute this temple one of the most beautiful structures that I have ever seen are its wonderful coloring and its exquisite symmetry. Perhaps it should be stated the other way, but as one approaches the temple and obtains the first glimpse of it through the archway of an intervening structure, this marvelous coloring first attracts the eye, and the architectural symmetry is only observed after passing through the arch. I have an insufficient knowledge of the details of architecture to properly describe it, and can only say that it was so charming and pleasing to the eye that I could not see in what respect it might be improved. It is not a large building, but its proportions are extremely pleasing. The coloring of the outside of the temple, which is very ornate, is a blending or combination of lapis lazuli blue and gold.

The building is approached by three marble terraces or stages, which are circular and extend completely around the building. Each terrace has a marble fence, it might be called, or balustrade, exquisitely carved, and the terraces are about 5 or 6 feet above each other. The main approach is by a wide marble walk, the central 4 or 5 feet of which is elaborately carved with dragons and other objects, and which runs at an incline on reaching the steps. This central marble pathway was reserved for the Emperor, and none but royalty were permitted to walk on it.

The inside of the "Praying Place" is as beautiful as the outside. The general effect of the coloring is similar and very harmonious, but there are a greater number of colors used.

The temple is pagoda-shaped—round—and the interior is even more beautiful than the exterior. I noticed in the color scheme gold, blue, green, red, and purple in various tints. There is an immense amount of carving of most elaborate designs, upon which this coloring is lavished. There are 15 tall pillars, of great height and size, colored a dark red, ornamented with gold, the interior four pillars being of immense size. There was a throne in the center on a raised platform, where the Emperor prayed, reached by nine marble steps. Red and gold figured more extensively about the dais of the throne. At the foot of the steps was a circular piece of marble, which was called "The center of the world," everything being presumed to radiate from this point on the world's surface. Another curious fact is that the Temple of Heaven is on a straight line and exactly opposite the Emperor's throne in the Imperial Palace in the Forbidden City, 3 or 4 miles away, on the opposite side of the city. An avenue runs directly through the city, from one end to the other. The Chinese are remarkable in their conception and execution of great plans of construction, of which the Temple

of Heaven and its relation to the imperial palaces of the Forbidden City is a conspicuous example. I was greatly impressed with the beauty and grandeur of the Temple of Heaven and wish that I could give you a more adequate description of it than is conveyed in this imperfect sketch.

With others of the party I had tiffin, which is the oriental for luncheon, at the legation with the first secretary—Mr. Ruddock—and his wife.

In the evening we all dined with the Chinese minister of foreign affairs at the foreign office, a very fine affair, attended by the principal officers of the Chinese Government and their wives and daughters and by the American colony.

Tuesday, August 17, was spent in sightseeing. We visited the Llama Temple, which is an ancient and very beautiful temple; Coal Hill, which is an artificial hill in the imperial gardens in the Forbidden City, originally built to hide a supply of coal when the city was threatened with a siege a long time ago. Now it is crowned with a beautiful temple, colored a peacock green and yellow. We also went to Baihia, the imperial garden, in one of the many buildings of which we attended a reception given to the party by the President of China, Hsu-Shih-Chang. The President is about 65 years old; weighs about 180 pounds; has a very gray mustache, a kindly face, and is somewhat bent. He wore a Chinese costume with a sort of black silk blouse or short coat. After being introduced, I talked a little with the President through an interpreter. His wife, a little woman plainly dressed and but little younger than the President, and their two young daughters were also present, and we were all introduced to them.

I shall not attempt to describe all these wonderful and beautiful temples, but I will briefly speak of two, the Temple of Confucius and the Llama Temple.

THE TEMPLE OF CONFUCIUS

is a very stately edifice, but of marked simplicity. In the central hall are the tables and tablets of Confucius, which have been the objects of worship of thousands of pilgrims. In one courtyard of this temple are 10 celebrated stone drums, bearing poetical inscriptions commemorative of the hunting expeditions of one King Shun, who reigned from 827 to 781 B. C., and in another is a series of stone tables on which are inscribed the names of men who attained the highest literary degree for the last five centuries.

THE LLAMA TEMPLE.

This temple, situated in the Tartar city, is in a well-preserved condition, although it shows signs of age. Some of the monks or "Llamas" were in attendance. They dress in picturesque costumes and are presumed to lead the lives of hermits, spending their time in meditation and worship.

One evening we were given a regular Chinese dinner, with bird's-nest soup, shark's fins, and all the Chinese delicacies, followed by a Chinese theater party. It was very hot and we sat in a garden in the open air, the stage only being under cover and inclosed. The stage was hung with very rich and gorgeous curtains, but there was no scenery. There were at all times three or four and sometimes more attendants on the stage assisting the actors in one way and another with their costumes and properties, but they are not supposed to be seen. The most vigorous and exciting military struggles may be in progress, accompanied by the full strength of the orchestra in producing piercing and blood-curdling sounds, and the attendants go about in the most matter-of-fact way in the performance of their duties. All this is quite surprising to an occidental theater goer. The play that we saw was historical, and the principal actor, Mei San Fang, a man who took a woman's part, was said to be the most popular and high-priced artist in China. He took the woman's part admirably. The villain was a most ferocious villain, and everyone could tell at once that he was a villain all right, as his face was painted black. Thus no room is left for doubt as to the villain's real character. Similarly, the good man in the play is painted white, and there you are.

The hosts at this Chinese dinner and theater party were very influential Chinese gentlemen, and included Dr. W. W. Yen, Mr. Chow Tsu-chi, Admiral Tsai Ting-Kan, Dr. Wang Chung-hui, and Admiral Hsu Chen-ping.

THE SUMMER PALACE.

On Wednesday, August 18, our party visited the beautiful summer palace, erected under such unfortunate conditions by the late Empress Dowager. This summer palace, the extensive grounds of which embrace a beautiful lake 2 or 3 miles long and a mile wide, was destroyed by the British under Lord Elgin in 1860, to punish the Chinese for imprisoning Sir Henry Parkes, who had gone to Peking to negotiate a peace treaty. I saw the foundations of the destroyed palace building which are not on precisely the same site as those erected by the Dowager Empress. These are on the side of a range of hills overlooking the lake, and in a much more imposing position.

The summer palace is 11 or 12 miles outside Peking, in a northwest direction, reached by a good macadamized road, suitable for automobiles. We passed through several large villages or small towns, with the usual swarming activity of small, open-front shops, and the streets filled with transportation traffic, for the most part handled by man power, either borne on men's shoulders, suspended from bamboo poles, or on high wheelbarrows or two-wheeled carts. We passed the foundations of the old summer palace, acres in extent, which were all that were left by Lord Elgin in his work of destruction, which are situated on the plain before reaching the present summer palace, or palaces, on the hills, for there are a large number of beautiful buildings. We entered the palace grounds, which were never opened to the public until 1914, through a large and beautiful "pailou," or gate, with three arches and a marvelously carved and colored structure above the panels. There is a roof, or more properly there are several roofs, on the ridges of which are a number of miniature images of wild animals, lions, tigers, and so forth, and a large hen with the figure of a man on her back. These same figures are very frequently seen on the roofs of palaces and other public buildings in China, and I learned at the Rockefeller Foundation, where they are erecting buildings in the Chinese style and where the ridges of the buildings are ornamented with these same figures, their story and significance. It appears that many centuries ago there was a very wicked Emperor in China who delighted in oppressing his people. He was never so well pleased as when he had devised and put into execution some new method of torture or murder. His soldiers were taught to belabor the people with their swords, to loot their houses, to mistreat their women, to maim and wound the children, and even to massacre the populations of whole towns and villages. This oppression finally became so bad that the people revolted and drove the wicked Emperor from his imperial city into the forest, where he lived for many years. But even that did not cure him of his wickedness and his desire to inflict pain. In the forest his only neighbors were the animals—the wolves, the tigers, and the lions—and he found ways to be cruel to them. He would through his cunning find their homes and capture their baby lions and tigers and wolves and carry them off and torture them, so that their cries would be most distressing to their parents, and finally he would kill them. This went on for some time, until the animals could bear it no longer. So they all got together and drove the wicked Emperor out of the forest, he being unfit to occupy it with them.

It is doubtful if he would have succeeded in getting out at all had he not in his flight, closely pursued by the animals, encountered a large and swift hen. He quickly got on her back and rode off, the animals keeping up their pursuit. It is to commemorate this event that the procession appears on the ridges of the roofs of the palaces in China, and I presume that it was intended to remind succeeding emperors that they must not be wicked and oppressive to their people, under penalty of being driven out of the country on the back of a hen. Whether the wicked Emperor really succeeded in getting away and saving his life through the kindly efforts of the hen I was not told. It will always be a question with me, as I would think that the lions, the tigers, and the wolves, being so swift, could catch a hen, no matter how big she was or how fast she could run. But on the roofs of China she is always well in the lead and apparently about to jump off the roof, she being close to the edge, with the wicked Emperor on her back.

But now that we have passed through the wonderful gate let us look around at the Summer Palace. First we went to a landing at the lake, where three or four houseboats were ready for our party, and were rowed or poled through acres of lotus plants with thousands of blossoms into the open lake and across to a temple directly opposite and about a mile away from the Summer Palace proper. The buildings, which are very beautiful, are situated on a fine hill, which rises quite abruptly from the lake. This is called "The Hill of Longevity," or "The Hill of Long Life." This is only one of a series of hills that extend around the lake. Temples and pagodas are frequent on these hills, usually erected in sightly places. One of these is the "Jade Fountain," where there are numerous springs of pure water. Why it is called "Jade" I do not know.

The lake itself is a fine body of water and is the center of the attractions of the Summer Palace. There is a little island out from the shore, to which a beautiful camel-back bridge is built, called "The Bridge of Seventeen Arches," its construction being of white marble.

There is also a marble ship, to which we recrossed the lake and which we visited. Many functions are given on this ship,

which has two decks but which has never floated. In fact, it is not only firmly attached to the shore, but it has a firm rock foundation in the bottom of the lake, which, by the way, is called "The Kun-Ming Lake." The palaces are roofed with yellow and green tiles. The emerald green of the hills and valleys, the beauty of the lake, the artistic and unique architecture of the palaces, the marble boat, and the bridges all combine to make the Summer Palace one of the beauty places of the earth. The Dowager Empress evolved a marvelous combination of nature and art, at a vast expenditure of national funds—said to be not less than $50,000,000 or $60,000,000—but in doing so she betrayed her country into the hands of its enemies. This vast sum of money was placed at her disposal for the purpose of building up the navy of China and to make it equal to modern requirements. Instead she used it to build the Summer Palace. In a short time war broke out between China and Japan—China without a navy, Japan with a very good one. The result was not long in doubt, and China lost a great war, partly, if not altogether, because of the pride and folly of a foolish woman.

TWENTY-SEVEN YEARS' WORK.

On our return from the Summer Palace we visited the Tsing Hua College, which has 700 or 800 Chinese students, who are preparing to become teachers or professional or business men. The college grounds and some of the buildings were once the palace of a Chinese prince. It was vacation time, but several of the students were there, and they were a bright lot of young men and women.

I met there Dr. Chauncey Goodrich, who has lived in China over 50 years as a missionary, teacher, and translator. Dr. Goodrich, with assistants, made a complete translation of the Bible—Old and New Testament—from English into Chinese. The work, which was completed two years ago, took 27 years. The result is now in printed form. Our party had a delightful visit with Dr. Goodrich, who is a mild, modest, scholarly man, a native of Boston, whence he came to China when a young man. We also met his good wife, who has been his constant companion in his great work.

THE TRAGEDY OF OUR JOURNEY.

A feeling of great depression rested on the congressional party all this day. In the morning we were shocked beyond measure to learn that Ida May Vare, one of the daughters of Congressman VARE, of Pennsylvania, who with her sister Beatrice had been ill with tonsillitis since our arrival in Peking, had passed away at 4 in the morning. Both girls had had a severe fever, which had been very persistent, and Mr. VARE was greatly worried, and had had the best physicians in Peking in consultation. We did not look for a fatal ending, however. We had solemn funeral services in the American Legation at 6 in the afternoon, the casket being covered with floral pieces.

OPIUM IN CHINA.

This evening our congressional party received a delegation of the International Anti-Opium Society at our hotel—the Grand Hotel de Peking. It appears that while it was supposed a few years ago that opium traffic in China had been stamped out, it has been renewed through dealers from Japan, and that it is again getting a strong foothold throughout the country. The situation was intelligently presented by British and American gentleman and Admiral Wu of the Chinese Navy.

THE ROCKEFELLER FOUNDATION SCHOOL.

On the morning of Thursday, August 19, we visited the Rockefeller Foundation Medical School, many of the buildings of which are in course of construction. Chinese architecture is being used with wonderful effect. The tiling of the roofs is green instead of the yellow which is the attractive and distinguishing color of all imperial buildings. The green roofs, so extensive in number and area, can be seen from all high points. The school will doubtless be the best medical school in China, and can not fail to do much good in studying and combating the peculiar diseases of the Orient. Dr. H. S. Hamilton, a capable American, is in charge. Seven million dollars is being expended on the site and buildings.

THE FORBIDDEN CITY.

From the foundation we were taken to the Forbidden City, from which until recent years all common people were excluded. The high wall is still around the Forbidden City, and it can be entered only at the gates, where soldiers are stationed. The tiled roofs of all the buildings are of the imperial yellow. There are literally hundreds of fine buildings in this great inclosure, with marble walks from one to another. We visited the throne room, probably the most magnificent of all. In this throne room it was the custom of the Emperor to receive in audience ambassadors from foreign countries and other very distinguished visitors. It is a wonderful room, magnificent and symmetrical in proportions and brilliant and harmonious in coloring. The roof is supported by great numbers of pillars, 40 or 50 feet in height, all colored a deep red. The throne itself is intact, much gold and blue appearing in the colors. All through the Forbidden City are great numbers of miniature landscape gardens.

One of the great sights in the Forbidden City is the National Museum, and our congressional party was specially favored by being permitted to visit it. The exhibits are in three buildings and consist of collections of Chinese antiques made through many generations by the Emperors of the Manchu dynasty. They are closely guarded because of their great value, which is estimated at not less than $30,000,000. The collection consists of the finest and rarest specimens of porcelain, cloisonné, jade, bronze, and other valuable antiques, including the property of former Emperors of China brought to Peking from the palaces at Mukden and Jehol. Our visit of a couple of hours was much too brief.

The Chamber of Commerce of Peking was our host at a luncheon given at a palace known as the Chun Hsin Tuin. I was designated to respond to the address of welcome, which was made by the president of the Peking chamber in Chinese and translated. My response also was translated into Chinese. I made the subject of commerce between the two nations my theme.

While at the throne room the palace now occupied by the boy Emperor was pointed out to us, only a few feet away. The lad is now 13 years of age and is being educated by excellent tutors. The Chinese are a curious people—a Republic which carefully brings up and educates one who may in the future get into power and punish its leaders. He lives isolated and must be a lonely little chap.

This evening the legislators only were invited to dinner by the American minister, Mr. C. R. Crane, at the legation. He gave us much information on current events in China, which of late have been very exciting. We were much interested in the narrative of the military attaché of the legation, who had just returned from the rescue of an American missionary from a noted bandit chief in a western Province of China.

Friday, August 20, was our last full day in Peking, and our good Chinese hosts had thoughtfully left it free from engagements. Thus we could devote the day to whatever each individual might desire. Some went shopping, purchasing souvenirs for the folks at home; some devoted the day to farewell calls on the American officials and other friends in Peking.

DEPARTURE FROM PEKING.

On Saturday morning, August 21, all were up early about the Grand Hotel. It was the first cool morning that we had experienced since leaving San Francisco.

We were soon at the Chienmen Station, which is near the great gate to the city of the same name. Many of our Chinese hosts were assembled there to see us off. An excellent special train was ready, the same that we had used since leaving Nanking. The good-byes were soon said, and we were rolling out of one of the most interesting cities of the world. Here history goes back so far that they refer to centuries as we at home refer to decades. With us the time of Christ, less than 2,000 years ago, seems very remote. In China the records for 4,000 or 5,000 years are quite definite and authentic, and it is not uncommon to see in temples, palaces, and museums pictures and objects that date back several hundred years before the Christian era. To an American it gives a sense of world age never before fully realized.

It is about four hours' travel between Peking and Tientsin, through a rich agricultural country. This year there has been a lack of rain, and the crops are very short. Only three or four weeks ago there was much fighting in this territory between the Anfu faction, then in control of the Peking government, and their opponents, headed by Gen. Chang Tso Lin, military governor of the Province of Chihli. This general has had wonderful success. It is said that but a few years ago he was a bandit, with but 15 followers. He now has a large army, variously estimated at from 200,000 to 500,000 men, and has developed not only a capacity for leadership but a sense of justice and good sense quite remarkable in a man of such cloudy beginnings. He is now regarded as the chief military hope of China. Curiously enough, he is a man of frail physique and in poor health. His recent return to Mukden after his successful campaign against the Anfuites was celebrated in that ancient capital with a procession and reception as grand as those formerly given to emperors.

ELEVEN BUSY HOURS IN TIENTSIN.

We arrived at Tientsin a little before noon. The governor and officials of the provincial government, and Col. Morrow, commander of the Fifteenth United States Infantry, stationed

here, met us at one station and escorted us to the East Station. We were taken to the American-British-Chinese Club, in a fine building formerly occupied by a wealthy German club, and entertained at luncheon by the American Chamber of Commerce of Tientsin. In every large city in the Orient we found American merchants and business men highly respected and a splendid body of men, pioneers in American commerce, devoted to and enthusiastic for their own country, and doing it credit in every way. At Tientsin this was particularly noticeable. Tientsin is a great commercial and manufacturing city, and one of the seaport gates to China. It has a population of a million and a half and is noticeably cosmopolitan, due to the presence of garrisons of troops of several nationalities. This arrangement was made with China after the Boxer troubles of 1900, when the foreign legations at Peking were attacked by the Boxers and the German ambassador killed and the Japanese ambassador wounded. Tientsin is so close to Peking that troops stationed there would be immediately available in the event of future Boxer or other troubles endangering the foreign legations. So land was set aside at Tientsin for American, British, French, and German troops, and I think Italian also. We have the Fifteenth Infantry there. So Tientsin has military officers of all these nationalities present at all times—except the Germans, of course. Their embassies and clubhouses are vacant all over the Orient, where they were very strong up to 1914. They have paid dearly all over the world for their wicked folly and ambition for world conquest.

At 4 p. m. we had a reception and tea with the A B C Club, the officials of the provincial assembly and government, and other Chinese local organizations.

At 6.30 we were taken to the palace of one of the most distinguished citizens of China and a former President of the Chinese Republic, Mr. Li Yuan Hung. We spent an hour and a half about the extensive houses and grounds, were received by the former President and his wife and children, one a fine appearing young man, the others nice, modest girls. Mr. Li (pronounced Lee) is very highly regarded and impressed our people most favorably. It is said that he is likely to be called to the presidency again. He is very wealthy, engaged in coal mining.

From ex-President Li's home we were taken to a large café called the Empire, where we were his guests at dinner. It was a very elaborate affair. Mr. Li made a speech in Chinese, which was translated. It was full of good sense and good feeling toward America. Mr. SMALL responded. We finished just in time to get our train, which left at 11 p. m. During the afternoon we had an extensive drive about the city with Col. Morrow, who showed us the residences of his officers outside the city in undesirable houses difficult to rent, and thus available for the officers, as their pay is not sufficient to permit them to live in good houses in the city.

A SUNDAY AT THE SEASHORE.

On Sunday morning, August 22, our train drew into the station at Peitaiho (pronounced Petey-ho). From the train windows we could see the waters of the grand old Pacific Ocean, which we had missed for some time, or, rather, the Gulf of Chihli, which opens on the Pacific. Peitaiho is nearly opposite Fort Arthur, about 100 miles east. It is a really beautiful seaside resort where many wealthy people of Peking and Tientsin have their summer homes. At the train to meet and welcome us were as usual the company of soldiers at attention, the provincial officials, the chief magistrate, a number of American residents, and about 100 little boys in khaki from various schools in the neighborhood, all about 12 years old. I was asked to give the boys a talk, which I did. They were in line like a company of soldiers. I told them that we had come from a country far across the sea, where we had many school children like them. That we were greatly pleased that they had taken the trouble to get up early in the morning and come down to the railway station to make the Americans welcome. That we hoped they would give earnest attention to their studies in school, so that they should learn to become good and useful men. That in a few years they and other children like them throughout China would be called to the duties and responsibilities of the men of to-day, and I hoped that they would be so well educated both in books and in morals and religion that they would assist in making their great country even better and stronger than it is to-day. My talk was translated to them, and they seemed to understand it, partially at least. Their teachers, all Chinese, thanked me.

We were taken in a long procession in jinrikishas up a bluff to the residence of an American dentist, Dr. Nye, from Boston, who has lived out there a great many years. Here, overlooking the beach and the sea, we made our headquarters for the day. Most of the people went bathing. There is some surf with rafts for swimmers a little way out.

About 4 o'clock we attended a meeting of teachers and missionaries from all over China—mostly Chinese—in a temple open on all sides. There were several hundred present. They had a choir that sang familiar hymns in Chinese, very sweetly, too. It was impressive to see how intensely expectant they were of something wonderful coming out of America to save their country from the dangers that threaten it. This feeling was manifest all over China. Representative HARDY of Texas made them an excellent and eloquent address.

Later, at 6 p. m., again in jinrikishas, we were taken a couple of miles to the estate of a Chinese gentleman of wealth, formerly a Minister of the Interior, Chu Chi Chuen. It is on a high table-land, overlooking and sloping toward the ocean, and Mr. Chu has laid it out most artistically, like a park, with many winding roads. There are several hundred acres in the estate. Mr. Chu, before the light supper in the open air which he had provided, made an address of welcome, and I was called on to respond. I said that I had learned that he, while Minister of the Interior, had taken great interest in the extension of good roads in China. That I had observed that while China was well provided with canals and waterways it was lacking in good roads.

That I hesitated to make a suggestion as to the administration of a country which had endured for more than 4,000 years. But if I were to do so it would be that the construction of good roads and railways were most desirable. My own country had been very active in building good roads during the past 10 or 15 years, and with most excellent results. It enabled the farmer to get his products into the city markets at greatly reduced cost, and at once not only increased the net remuneration to the farmer, but at even a lower price for the product, and reduced the cost to the consumer. That I had been informed that in former times nonaction in road building had been a policy of the Government, on the theory that good roads would facilitate the entrance into the country of foreign armies. While this might be true, on the other side good roads made it possible for armies of defense to rapidly approach the frontiers of the nation, there to meet the enemy before the invaders should have penetrated the country. If this were true, I thought the policy of His Excellency to build as many good roads as possible was the more desirable and statesmanlike one.

A DAY IN MUKDEN, MANCHURIA.

Leaving Peitaiho in the evening we soon passed Shanhaikuan on the shores of the Gulf of Chihli, which is the point which marks the beginning or eastern end of the great wall. The wall commences at the water's edge and thence winds its way westward and southward 2,000 miles. It being night, we could only see the bright electric lights of the town.

In the morning we found our train passing northerly over the plains of Manchuria, which are not so thickly populated or so intensively cultivated as the lands of China proper. Still there are nearly 20,000,000 people in the Province, or an average of 51 people to the square mile, while the United States has but 35. The people are of larger stature than are those of the Provinces south, and they appear to have more horses and cattle to assist them in cultivating the soil. They use the same big two-wheeled carts, many wooden plows, and other heavy and antiquated agricultural implements. The soil seems rich and looks much like that of Kansas and Nebraska, and is well watered. In fact, it has some of the finest agricultural land in the world. They raise wheat, millet, sorghum and maize, tobacco, sugar beets, and fruits. Their largest crop, however, has given our farmers in America some trouble of late years, and that is beans. They raise enormous quantities of them, and I saw great stocks of beans in bags at warehouses at the railway stations and being conveyed thereto. Manchuria can raise beans enough to supply the world, and we will certainly have to raise the tariff bars a little if our American farmers are to continue to raise beans and sell them in the American markets.

Before reaching Mukden at 10 o'clock we passed through a part of the battle field of the great Battle of Mukden, fought between the Russian and the Japanese armies, under Gens. Kuropatkin and Oyama, respectively, a little more than 15 years ago. We came in from the south, and the battle, which was fought over a front of nearly 50 miles, swung north of the city, where it was terminated in favor of the Japanese. This was the last and the decisive battle of the Russo-Japanese War. The armies numbered over 300,000 on each side, or over 600,000 in all, of whom 10,000 were killed on the Russian side and 8,000 on that of the Japanese. This was in the Battle of Mukden alone; but in the campaign about Mukden, lasting three weeks, the Russians lost 97,000 men and the Japanese about half that number.

We pulled into the Mukden railway station at 10 a. m. There are large and convenient station buildings and platforms and a good hotel, all of brick. The railway platform marks the dividing line between Chinese and Japanese jurisdiction, and all we had to do was to walk across the platform to be in Japanese territory. We had been traveling on Chinese Government railways to this point, and on the opposite side of the platform stood the special train of the South Manchurian Railway Co., a Japanese Government railway, for the occupancy of the congressional party, and our luggage was soon transferred to the waiting train and from the jurisdiction of one Government to that of another.

Speaking of railways, this South Manchurian Railway, on which we traveled to the southern extremity of Manchuria and then passing through the entire length of Korea from Antung, at the north, to Fusan, at the south, was the best-built and best-equipped railway that I saw in the Orient. I can say for the Chinese railways, over which we traveled for about 2,500 miles, that they have excellent and substantial roadbeds, ballasted with crushed rock, over which the trains run very smoothly. One feature was especially noticeable. The trains are started without the sudden jerk and yank that so frequently shock us on American railways. Some of our American railway engineers could take a profitable lesson from those of China and Japan in that respect. I do not remember to have experienced a spine-dislocating train jerk either in China or Japan.

The equipment of the Chinese railways is not quite so good as that of the South Manchuria. The train on which we rode would compare favorably for comfort and elegance with any on the best railways in America.

Although we at once transferred our luggage to the apartments that had been assigned us on the Japanese side of the platform, our Chinese hosts, some of whom had been with us from the time of our arrival at Shanghai, three weeks previously, did not release us until 4 in the afternoon. The Japanese welcoming committee, officers of the Imperial Diet of Japan, which corresponds to our Congress, scrupulously refrained from mixing in with the Chinese plans. Local Chinese officials welcomed the party to Mukden, which appears to be a city of from 100,000 to 200,000. I was pleased to find that their plans would take us out to the Imperial Manchu Tombs, a few miles out of the city. Having seen the magnificent Ming Tombs at Nanking, I desired to see these.

The city, like most Chinese cities, is surrounded by a high brick wall, about 30 feet high, 16 feet wide at the top, and 26 feet thick at the base. It is 4 miles in circumference and has eight towered gateways. We took a ride about the city in automobiles, and visited the Manchu Palace buildings, which are surrounded by an inside wall. Here the Manchu throne room is still intact, though the buildings generally are in bad repair. Mukden was established in 1260, and was the Manchu capital before they captured China. In 1628 they made it the capital of China, which it remained for 19 years, when the capital was transferred to Peking.

We were taken outside the city walls 4 miles north to the Peiling Tombs. The road in some places was pretty bad, although repairs had been made on it for our special benefit. Every 100 feet or so a Chinese soldier was on duty and would salute as we passed. This road, we were told, was a favorite place with bandits for their operations, and we were shown one clump of trees, as the road emerged from under a railway bridge, where bandits frequently "stood up" travelers. One young Chinese in my machine told me that some years, like this year, the crops were very small, and the people likely to starve. After stating the distressing situation, he turned and appealed to me, "What else can they do but be bandits?"

A magnificent gate opened the way through the wall of the inclosure to the Manchu Tombs. That meant that further locomotion must be on foot. It was a hot day, but the inclosure has many large trees several hundred years old, and the shade was very grateful. Right in the middle of the inclosure, which probably is from a half to three-quarters of a mile square, or perhaps the length might be a mile, the Chinese had constructed a great square tent of matting, within which they had set long tables on which they served a luncheon.

Right in front of this tent was a wide paved avenue more than 100 feet, leading to the entrance to the tomb, on each side of which were replicas of the great stone animals, such as I have heretofore described at the Ming Imperial Tombs at Nanking. There were the elephants, the horses with their big legs, the lion dogs, the camels, and all. They are not, however, so large as those at Nanking, nor so many of them.

There are many beautiful and picturesque buildings inside the inclosure besides the mausoleum itself.

After luncheon we walked about the grounds, and in due time we returned to the city and bade good-by to our Chinese friends, who had been our faithful and devoted guides for so long. Particularly did we regret to part with Dr. Wang Chung-hui, of the Chinese foreign office. At 4 o'clock he and the others left on our special train for the return trip to Peking, and we were received by the Japanese welcoming committee, which at this point included the secretaries of the House of Peers and the House of Representatives of the Imperial Diet, and other Japanese officials.

Thus ended the most interesting visit to and tour of the Republic of China of the congressional party. It extended from August 5, the date of our arrival at Shanghai, to August 23, when at 9 p. m. we left Mukden—19 eventful days. We traveled about 2,500 miles by rail in the interior of the country, the farthest point south being Hangchow, at about the latitude of New Orleans, the farthest point north being Mukden, about the latitude of New York. The farthest point west reached was Nankou, at the great wall, about 50 miles west of Peking.

We were everywhere treated with the utmost consideration by all classes of people. America seemed to be known everywhere, by the poor as well as by those better situated, and that their opinion of our country was most exalted was universally manifest. That America would in some mysterious way right all the wrongs of the world, and particularly those of China, to which the great Republic had always been a friend, was evidently the thought of educated as well as uneducated Chinese. The tenacity of this belief was most pathetic. As the congressional party were the only Americans in sight, we stood with them for the moment as the representatives of a most beneficent and powerful Nation, their friend, and we received many attentions that we would gladly have foregone if we could without wounding their feelings. We were careful on many occasions to disavow any official character to our visit and any significance beyond our personal desire to see their country and to observe its industry and its institutions. That made no difference in the disposition of their hospitality, and they filled every hour with plans for gratifying our desire for information, or with carefully worked out programs of unique entertainment. To say that they were successful up to the limit of our physical strength would be a most conservative statement.

The Chinese are a truly wonderful people, with many national virtues; that is, virtues that characterize them as a people. I shall not attempt an analysis of the Chinese character here, as this is a simple record of personal observations. I will only say that I left China with regret and with a higher opinion of the country and its people than I entertained prior to this visit.

THE TRIP THROUGH SOUTH MANCHURIA AND KOREA.

After bidding good-by to our good Chinese hosts at Mukden the congressional party at once became the guests of officials of the other great power of the Orient—a power which is regarded with considerable distrust if not apprehension by our late hosts of China. A heavy rain set in shortly after the return from the Manchu Tombs. Our Japanese hosts extended a formal welcome at an elaborate banquet at the Yamato Hotel at Mukden.

At 11 p. m. of August 23 we rolled out of the great Mukden station, headed southerly for our trip through South Manchuria and Korea. If you look at your map you will see that Korea lies directly south of Manchuria, and that it is a considerable distance—several hundred miles—from Mukden to Fusan, at the lower or southern end of the Korean Peninsula.

It rained nearly all night, and in the morning we were rolling along through beautiful green hills and valleys, highly cultivated. About 8 o'clock we reached a broad river, which we crossed on a long steel bridge, which I recognized as one that I had often seen pictures of during the Russo-Japanese War, as the bridge across the Yalu River. It was near this point that the great Battle of the Yalu was fought, which also was a victory for the Japanese. The city of Antung, the point of crossing on the Manchurian side, is a large and flourishing city. After crossing the river we were in Korea, that unfortunate country which is the scene of much agitation upon the part of Korean patriots, and of severe repressive measures upon the part of the Japanese military authorities, who have charge of the country. The visit of the American congressional party seems to have been adopted by the Korean patriots as one which might be taken advantage of for making representation to the American Congressmen to show the injustice of the occupation of their country by the Japanese and the severity and injustices of Japanese rule.

Each Congressman received printed communications on the subject long before reaching Korea. In fact, the first com-

munications came at Honolulu, while others were presented at Manila. At Shanghai, where is located the provisional government of Korea, with a president and cabinet ministry, we received many communications of this character. At Peking a request was presented for a formal appearance of representatives of Korea before the party. As we were in no respect an official body, and had no right directly or indirectly to represent the American Congress, we thought it improver to receive them as a body and formally. But we informed them that as individuals we would be glad to have them call upon us. I did receive an hour's visit from a member of the ministry of the provisional government, and his secretary, both able men, and the latter speaking excellent English and acting as interpreter. They explained the entire situation to me from the Korean standpoint. Their wrongs are real and of a most desperate character. But I confess that I am unable to see how they can be remedied. Japan has taken Korea as a part of the Japanese Empire, and it is now as fixedly a part of it as California, Arizona, and New Mexico are a part of the United States. Many of the Koreans are pretty desperate, however, and when I pointed out the hopelessness of the situation to my Korean visitors they said, "Yes; we know of nothing that can be done, except to protest. We can not do otherwise. We will protest until we are all killed."

While our party was in Peking reports were published in the newspapers that cholera was raging in Korea, and was particularly bad at Seoul. Other reports were to the effect that Korean agitators were threatening to do something desperate while the congressional party was in Korea to make trouble between the Japanese and American Governments. It was even intimated that they might try to bomb the party or the train. Some of the Chinese papers commented on these reports to the effect that the Japanese authorities did not desire the congressional party to pass through Korea and were spreading these reports to scare us off. Whatever may have been the facts, the reports made no impression whatever on the party. We knew that there was some cholera, as there is nearly everywhere in the Orient. But we felt sure that the Koreans would not do us the slightest harm. In fact, we knew that, like the Chinese, they regard the United States as their only possible hope. We thought so little of these reports that we never even had a meeting on the subject.

Undoubtedly the Japanese authorities were very desirous that nothing should happen to us in Korea, but whether they really believed that Koreans might do us harm for the purpose of making trouble for the Japanese Government I have not fully determined. At all events, they took a good deal of pains to make sure that we should see as few Koreans as possible. None were permitted to come near the railway stations, and soldiers were in evidence on every hand. Evidently general military orders were out that they should not come within a certain distance of the stations. Thus at every station there were crowds standing to see the train pass, but at a distance of 400 or 500 feet away; sometimes more. Often these crowds would shout and cheer, but evidently they were in approval and not disapproval of our party and our country. At one place a body of several hundred students, with banners on high poles, had regular yell leaders and cheered for a long time while the train stood at the station and until we had proceeded beyond sight and hearing.

Korea is a country of great beauty of landscape, and in many ways reminds one of California. There are not the broad valleys, like the San Joaquin and the Sacramento, the valleys being smaller; more like the Santa Clara valleys—north and south—hills and all being green and fertile. Then there are the higher mountain ranges in the distance, not so high and imposing as the Sierras, but more like the Coast Range. The people wear curious headdresses of plaited straw, black, round, and tall, but not quite so tall as a gentleman's high silk hat. The elderly men and people of consequence are more given to wearing these headdresses, and also long gownlike coats, generally white, that come down below the knees. They give the impression of men of great gravity on dress parade in their nightgowns. The women also dress their hair very high and with peculiar headdress. These headdresses all have some significance, but I did not learn just what it was. They have the appearance of excellent people, and those that we met were generally bright, intellectually; but in Korea, for the reasons that I have stated, we did not meet many. We traveled all day—Tuesday, August 24—through this beautiful country, for which nature has done so much, stopping frequently at well-built stations, at which uniformed soldiers or police were in attendance, with the constant spectacle of crowds of Korean people—men, women, and children—standing off at a distance and looking wistfully at the train. While they occasionally shouted and cheered, more generally they stood in silence, and we could only guess what may have been in their thoughts. But it seemed to me a silent and impressive protest to the foreign occupation of their country, more expressive than words. I doubt if our party would have been so deeply impressed if the Koreans had been permitted to throng the stations and besiege us with verbal and written petitions and protests.

It was after dark when we reached the first station in Seoul—pronounced Soul or Sole—or Keijo, as it is called by the Japanese. Our train was held in this station about half an hour. Then we went on to the main station, where we were received by representatives of the Japanese local authorities. We noticed a good many soldiers about the station and along the streets on our way to the hotel, but everything was as quiet as Sunday at home. The stores were all closed, and there were no crowds on the street.

We afterwards learned that there had been a great deal of excitement among the Koreans about the coming of the congressional party for two or three days; that the Korean shopkeepers had agreed with each other to close their shops while we were in the city—the Koreans said in honor of our coming—the Japanese said in protest against our coming. Several thousand Koreans had assembled about the main station hours before the arrival of our train, but shortly before its arrival the Japanese military forces had compelled them to leave the neighborhood of the station, and all the streets through which the party would pass while en route to the Chosen Hotel, and that we were held at the first station until this order should be carried out. This accounted for the Sabbathlike calm encountered and the absence of anyone on the streets excepting the soldiers, who fairly swarmed along the line.

We found the Chosen Hotel an excellent hostelry, one of the best in the Orient, owned by the South Manchurian Railway Co., or, going further back, by the Japanese Government. It is but fair to say that whatever the Japanese Government undertakes, it does well. There is no doubt that it has instituted great improvements in Korea, well calculated to benefit living conditions. These include better streets and highways in both city and country; far better sanitary conditions, better mail facilities, and better railways. Admiral Saito, the governor general, is admittedly a mild, humane man. The Japanese wonder why the Koreans are not satisfied and call all protestants malcontents and agitators, and they feel justified in treating all so designated with marked severity. These very excellent improvements, however, are made from Korean money, received from taxes upon the Koreans and their industries. Doubtless the Koreans feel that however imperfect may have been their methods of government and administration, it was their own, and they would prefer to correct their own errors or let them go uncorrected than to have it done by a foreign power. The Koreans have a very ancient history and civilization that dates back to 12 centuries before Christ—over 3,000 years. The Hermit Kingdom, as it is called, has had many vicissitudes, the first 1,100 years recognizing a suzerainty to China, then becoming a nation upon its own account. They had many wars from the outside, but always succeeded in maintaining their identity as a nation. The geographical position of Koren is a strategical one, particularly to Japan, and the respective rights of China and Japan was the cause of the Sino-Japanese War in 1894. Japan won, but Russia and Germany prevented Japan from reaping what she considered the fruits of her victory, and this led to the Russo-Japanese War in 1905. Japan, being successful, established a protectorate over Korea, ostensibly in order to protect herself from future aggressions upon the part of Russia. Finally, a few years later, Japan abandoned the protectorate, and by a rescript of the Emperor formally annexed Korea to the Empire. The Koreans as a whole have resented the annexation, and in a serious demonstration at Seoul in 1919 in favor of national independence the Japanese military authorities repressed the uprising by force, and many Koreans were killed. These events have left a very sore feeling in Korea, and I am sure that they give the Japanese much anxiety. This is the situation under which the American congressional party found themselves in Seoul, the capital of the country.

On Wednesday morning, August 25, we enjoyed an auto ride about this most interesting city. The Japanese have really done wonders in the way of public works in Seoul and have made good, wide, and clean streets. Mountain ranges 40 or 50 miles from the city look much like the Sierra Madres from Los Angeles. We visited the former imperial gardens, now a public park, and took tea in an ornate building overlooking a lotus pond and the park, which were very picturesque and attractive, with many outspreading, grand old trees.

We then went to the palace and throne room of the late kings of Korea. While, of course, it is no longer in use, the Japanese have kept it up in all its former magnificence. The throne

room is a large one, where royalty was accustomed to receive distinguished people in audience. I would think it 125 feet wide, 250 feet or more long, and 40 feet high. The sculpturing and coloring are very beautiful, gold, pinks, and grays being most noticeable. There are 18 great pillars to the roof of dark ox-blood red. I noted many very large and beautiful screens. Prince Li (Lee) lives at this palace.

At 1 o'clock we were given a reception and tiffin at the hotel by the International Friendly Society of Seoul, which consisted of Japanese, European, and American ladies and gentlemen. At luncheon it was announced that we would receive calls from Japanese and Koreans in the hotel parlor, but no Koreans appeared, or not more than two or three.

Mr. RANDALL of California. Will the gentleman yield?

Mr. OSBORNE. I will.

Mr. RANDALL of California. There has been some publication in this country of a statement relating to an experience Mr. HERSMAN had in Seoul. Will the gentleman give us some account of that?

Mr. OSBORNE. Yes; but no doubt Mr. HERSMAN could tell it better than I. The Koreans had arranged a reception for the party.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. ANDREWS of Nebraska. Mr. Chairman, I yield to the gentleman from California 10 minutes more.

Mr. OSBORNE. At 5 o'clock we had a reception and tea as guests of Baron Admiral Saito, governor general of Korea, at the official residence. The admiral is a very benevolent-looking gentleman, rather stout, of about 60. He speaks good English, and I had a talk with him. He had been to Washington many years ago. I later heard of the Hersman episode, and again went to him and told him that I had been told that he had one of our colleagues in jail and that I hoped that he would have him released as soon as possible, as he was not at all dangerous. He laughed, but made no reply, and I am not sure that he then knew the facts. My own information at that time was incorrect, as Mr. HERSMAN was not really in jail and perhaps not in actual or even constructive arrest.

The Hersman episode made quite a stir at Seoul and throughout Japan. It came about in this way: The Koreans had planned a reception to the congressional party, to take place at the Y. M. C. A. auditorium at 3.30 p. m. of the day we were in Seoul (August 25). On this morning, I am informed, the Japanese authorities consented to this reception and stated that they had no objection to it whatever. Later in the forenoon, however, the Japanese recalled their consent and ordered that the reception be not given. Mr. SMALL, our chairman, announced that the Koreans would call on us at the hotel instead. I received a copy of the program of proposed exercises, which seem to have been innocent enough.

The program reads as follows:

PROGRAM.

"America"	The Seoul Band.
Introductory remarks	The chairman.
Address, Welcome	Hon. Yi Sang Chai.
Presentation of souvenir	
Response	The guests.
"Auld Lang Syne"	The Seoul Band.

This was all, and it seems scarcely grave enough to constitute an international episode. To this was attached about 140 names, under the heading "Reception committee." The first 10 names will give an idea of the entire list. They are as follows:

Ahn, Kook Sun, director Korean Economic Association.
Byen, Yung Chin, secretary Korean Labor Mutual Aid Association.
Byen, Yungman, lawyer.
Ahai, Ki Dco, secretary People's Society.
Chang, Choon Chai, director Korean Trading Co.
Chang, Do Bin, editor Seoul Magazine.
Chang, Duk Choon, editor Dong-a Daily.
Chang Do, lawyer.
Chang Duk Soo, editor in chief Dong-a Daily.
Chang, Tait Sang, capitalist.

Going through the list, this seems to be a fair sample of the occupations of the signers. There were teachers, preachers, physicians, business men, farmers, and other respectable occupations represented.

Notwithstanding the reception had been called off, many Koreans did not receive the notice, and the Y. M. C. A. auditorium was well filled when the hour arrived.

My colleague, Hon. HUGH S. HERSMAN, of California, although he was aware that the reception had been called off, thought he would drop into the Y. M. C. A. and see how the Koreans looked. Accordingly he rode down the street and walked into the hall. He was cordially received and was asked to make a little talk. This he did. He said that we had been in China and he had been glad to meet the people there. He was now in Korea, and was glad to see the people and look into their eyes. We were going to Japan, and he would be glad to see the people there also. His friendly greetings and best wishes went to the people of Korea. This was the substance of his talk, which was received with applause. When he sat down an elderly Korean made a response, whereupon the audience applauded vigorously. Thereupon a body of Japanese soldiers, or police officers, rushed into the room, placed everybody under arrest, and began to beat up the Koreans. Against this Mr. HERSMAN protested, but without avail. Several Koreans were badly beaten up. Then the officers wished to remove him from the room, but he refused to go unless all the Koreans were released. At first the officers would not do this, and he remained for more than an hour, when the Japanese released the Koreans, and Mr. HERSMAN came away with Mr. Miller, the American consul general at Seoul, and Congressman PORTER, who had just come in.

Mr. HERSMAN undoubtedly thought it was all right to drop into a Y. M. C. A. headquarters anywhere. Whether it was wise for him to go there in the circumstances is a subject for individual opinion; but that he did the courageous and manly thing, like a regular American, after he got into the row, is certain.

At 8 p. m. we took our departure for the south. The Hersman episode appeared to have doubled the show of officers and soldiers on the streets as we rode to the station, but we saw few if any Koreans. Although we spent but three days in Korea, it was sufficiently interesting and strenuous to mark it on our memories for a long time.

CROSSING THE TSUSHIMA STRAITS.

The following morning at 7 o'clock, Thursday, August 26, we reached Fusan, a city of about 65,000 population, at the southeastern extremity of Korea, in a rather sharp rainstorm. The mayor of the city and other officials met us, and were very kind and polite. Fusan is the southern gateway for the commerce of Korea, and is quite a busy city. The railway station would do credit to any city of similar size. It is close to the docks, of which there are two long ones besides many other accommodations for smaller vessels. The entrance to the harbor looks much like the Golden Gate at San Francisco.

We were soon transferred to the Japanese steamship *Shiragi Maru*, of about 3,500 tons burden, and quickly started out into the harbor to cross the Tsushima Straits, 112 miles wide, to Japan proper. The bay is lined with beautiful green-covered hills, almost mountains. There are two or three small islands just outside the entrance. About 30 or 40 miles out was a large island, reminding me much of Santa Catalina, but far greener in color.

It was in the waters of the Tsushima Straits that the great naval battle was fought between Admiral Togo and the Russian Admiral Rojentsvenski, in which the fleet of the latter was completely destroyed.

AT SHIMONOSEKI AND ON THE INLAND SEA OF JAPAN.

Late in the afternoon of Thursday, August 26, after crossing the historical Tsushima Straits, we sighted land on the Japanese side and were soon in the excellent harbor of Shimonoseki. We were met several miles out by a considerable convoy of launches gaily covered with large and small American and Japanese flags and full of Japanese and Americans belonging to the welcoming committee, who had come out to welcome our party. There was much waving of hats and handkerchiefs. I thought I discovered a familiar figure well in front of the crowd at the landing, and I asked a Japanese near me if that was not Baron Kanda. It was, and I hailed him before we landed. He had changed but little in the 11 years since I had last seen him. He and Count Terashima, of the House of Peers, and three members of the House of Representatives—Mr. Takezawa, Mr. Higushi, and Mr. Tanaka—had come down from Tokyo as a part of the welcoming committee of the Imperial Diet, equivalent to our Congress, to meet the party. All these are very cultivated gentlemen, and all speak good English. We were taken into the Oriental Hotel, which is close to the dock, and served with refreshments, in the meantime being bombarded by a battery of cameras in the hands of newspaper photographers. The Japanese photographers are very adept. They seldom ask you to pose, but just shoot away at any old time. The entire welcoming committee of the Imperial Diet was as follows:

House of Peers: Prince Yoshihisa Tokugawa, Marquis Masaaki Hachisuka, Count Seiichiro Terashima, Count Nagayoshi Ogasawara, Viscount Tadashiro Inouye. Mr. Toshitake Okubo, Baron Naibu Kanda, Baron Tanetaro Megata, Baron Yoshiro Sakatani, Baron Chuzaburo Shiba, Baron Renpei Kondo, Mr. Tetsukichi Kurachi, Mr. Tsukei Sugawara, Mr. Soroku Ehara, and Mr. Eikichi Kamata.

House of Representatives: Mr. Teijiro Yamamoto, Mr. Toshiro Shimada, Mr. Gohei Matsuura, Mr. Kiroku Hayashi, Mr. Fusujiro Ichinomiya, Mr. Motokichi Takahashi, Mr. Koreshige Tsunoda, Mr.

Taichi Takezawa, Mr. Wachi Seki, Mr. Kotaro Mochizuki, Mr. Takeo Tanaka, Mr. Hideo Higuchi, Mr. Etsujiro Uychara, Mr. Shigemasa Sunada, Mr. Minori Matsuda, and Mr. Kosai Inouye.

Baron Kanda made a very clever speech of welcome and I made the response. I was received like an old friend, Baron Kanda having made special reference to my kindness to the commercial commissioners of Japan in 1909, when I spent more than two months with them.

The harbor and city of Shimonoseki were the scene many years ago of a historical incident well remembered in Japan of interest to Americans. It was at a time when the feeling in Japan against all foreigners, following the opening of the country by Commodore Perry, was still very strong. There were several wooden warships in the Shimonoseki Harbor—American, British, French, and possibly others. The Japanese fired upon them from the adjacent hills without, however, doing much, if any, damage, and their fire was soon suppressed. In punishment of this attack Japan was compelled to pay large indemnities in money to the various countries—several millions to each one. This was at a time when Japan was very poor and the payment was difficult. All the nations received their award, but the United States returned its portion—$3,000,000, I think—on the ground that no actual damage had been sustained, and it was expended in bettering the port of Yokohama. This act of our Government gave America great credit for fairness in Japan, which has not altogether worn off yet.

About 9 o'clock we returned to the *Shiragi Maru*, and during the night traversed the least interesting part of the voyage through the Inland Sea of Japan.

In the morning of Friday, August 27, we were steaming through a most enchanting scene of calm waters, dotted in every direction with islands of emerald green, large and small. Some of the islands rose to heights of 500 to 1,000 feet above the water, and whenever it was possible they were terraced and cultivated to the very top. Not only were they cultivated wherever possible, but to me it seemed that they often accomplished the impossible. Rice was the principal crop, and its very vivid green outlined the cultivated acres, while the terraces looked like successive stairways on the mountain sides, often very close together. Such care to utilize every rod of available soil is noticeable all over Japan.

The Inland Sea is so full of small shipping, generally sailing craft, that it is rare that some of them are not in sight, and often a great many. They are quaint in design, but more have canvas sails than in Chinese waters, where the sails are mainly of matting. There are great numbers of fishing craft, the Japanese waters being very prolific in fish of many varieties and of excellent quality. They fish both with nets and with hook and line.

A DAY ON THE SACRED ISLAND OF MIYAJIMA.

After winding our way among these enchanting islands until about 10 o'clock, we stopped for the day at the "sacred island" of Miyajima (pronounced mee-adj-ee-mah) and the little town and summer resort of the same name, one of the most noted of the many in Japan. Many of these islands have Buddhist and Shinto temples and shrines, and the peculiar gatelike-looking structures, which are often seen in Japanese pictures, called "torii," are often seen on the beaches and along the roadways. I think that "torii" means gate, but they are not real gates in the sense that they open and shut, but they are intended to signify gates, and they have some religious significance as well.

We were transferred from our steamer to a good-sized launch and made the complete circuit of the island, about 10 miles, before landing. It was a most delightful and picturesque trip, notwithstanding much of it was made in a rainstorm. We were well covered, however, and the gentle rain added to the beauty of the scene. While we traveled close to this island we passed dozens of smaller ones, all interesting and beautiful.

A little before noon we landed at the little wharf at Miyajima and walked through the main street parallel with the beach about a mile to the very excellent hotel set in a grove of fine old trees. The street was lined with neat little shops, most of them devoted to the sale of curios, postal cards, pictures, and all sorts of things, but with a sufficient number selling foods, fruits, vegetables, rice cakes, and fish. All the fish were strange to me.

One delightful thing is noticeable all over Japan, that trees are planted, cultivated, and protected in the most careful way, and this must have been done for hundreds of years. Often a tree has stood in the line of an elaborate and costly wall, or perhaps the wall would partially take in the tree. Does the tree come down? Not at all. The wall is built around it, so as to inclose and preserve it, or is partially built around it, as the case may be. This love of trees and the works of nature is most pleasing, and it seems to be a national trait of character. No tree is ever destroyed when it can be preserved.

In the park about the hotel were many deer, quite tame, and so accustomed to being well treated and petted that they would come right up to one to be fed rice cakes, sugar, and dainties.

One of the sacred rules governing Miyajima is that no human being shall be born or shall die on the holy island. This rule is rigidly enforced. Prospective mothers are promptly removed. Death is not so easily controlled. Very sick people are taken away; but I was confidentially told that if the grim reaper stole a march, his victim was not considered legally dead until the remains were well clear of the island.

Along the beach for a couple of miles at regular intervals of about 100 feet were stone structures of pleasing shape that excited my curiosity. They proved to be street or beach lights, but are called "stone lanterns." They are about 4 or 5 feet high and have a little reservoir inside near the top for oil. In the evening we were taken back to the ship by two transfers, first in small launches to a larger one and from the larger launch to the steamer. The town was well illuminated and the hundreds of stone lanterns along the beach were lighted in honor of the Americans. The lights in the town and on the beach, duplicated by the reflections in the water, composed a fairylike scene as we steamed away in the darkness.

IN KOBE AND KYOTO, THE ANCIENT CAPITAL OF JAPAN.

The Inland Sea is about 300 miles long, mainly between the two larger islands of the Japanese Empire, varies in width from 2 or 3 narrow straits to 40 or 50 miles, and laterally extends east and west, or a little northeasterly and southwesterly. The great sea is divided into several smaller seas where the waters widen out, named respectively the Seas of Suo, Iyo, Aki, Huchinada, Bingo, and Harima.

On the morning of Saturday, August 28, we were passing a succession of beautiful green islands. I recall nothing that I have ever seen that in marine scenic beauty quite equals the Inland Sea. The Thousand Islands of the St. Lawrence are something like it, but the Japanese islands are more numerous, and their high cultivation and remarkable verdure give them the preference for beauty. We were in this network of fairy islands until about 2 in the afternoon, when we entered the open waters of the Sea of Harima. A couple of hours before dark we sighted many flourishing-looking towns on the main island to the north of our eastward course, and we saw many towns while we were passing through the small islands. The impression is constant of a very great population.

Kobe, which soon came into view, is one of the great seaports of Japan, and a city of about 700,000 population. It has a fine harbor and a long water front of several miles. Passing in front of the city, one sees great shipbuilding and manufacturing plants, and at the Kobe Shipbuilding Co.'s works some of our American freight ships were built under contract during the World War. The showing of shipping in the harbor from all parts of the world was great. There were large crowds to meet us, and as we were working up to the wharf I recognized Mr. T. Tamura, who was one of the Japanese commercial commissioners of 1909 and is now president of the Kobe Chamber of Commerce.

From the steamer we were taken to a hotel close by, passing through the railway station. There we were entertained and dined and photographed by the newspaper men until time for our train to leave for Kyoto, 47 miles away. At about 8 o'clock we went to the train, one running on regular schedule, on which two cars had been reserved for us. This was our first experience on a strictly Japanese railway. They differ from those of the United States in two respects. They are all of narrow gauge, and as the cars are narrow they run long seats on each side of the car, facing inward, from one end to the other, instead of seats across the car, as with us. In nearly all railway trips in Japan that we made, which I think aggregated 1,000 miles or more, we had special cars and were quite comfortable. Nearly if not all regular trains carry first and second class cars, and some third class, with the station of destination, in Japanese and English, posted on the outside.

All have side seats. I have passed through a good many of them, and when crowded they look something like emigrant cars in our own country. Men and women make themselves comfortable by taking off as many clothes as possible, including shoes and sandals and short socks made like mittens, with a separate section for the big toe. This is necessary in order that the sandal may be securely fastened to the foot, the fastening cord passing between the big toe and the four others, which all go in a group together. Some eat from little paper boxes of boiled rice and other food, which is sold by boys on the railway platforms. Others stretch out and sleep. Often I have

seen the little Japanese women—all in native dress—sit on their feet on the long bench with their backs to the inside of the car and their heads bent way down into their laps, sleeping soundly. With all sorts of odd-looking bundles and containers, the scene is a striking one to an American who has never seen it before. The Japanese eat fish a great deal, and the smell of different kinds of food in the cars is not appetizing. But there is not the bad odor of bodies that one might anticipate, as the Japanese are, as to their persons, a cleanly people and bathe a great deal. They keep their clothes in good order, and it is remarkable to see in the cities, except among the hardest-working coolies, the cleanliness, neatness, and often the richness of the native dress of all classes of people.

Kobe was only a fishing village up to 50 years ago, when it was opened to commerce. The harbor has been made what it is to-day by dredging and other improvements and even greater are contemplated by the prefectural and national governments.

A JAPANESE GARDEN OF EDEN AND AN ADAM AND EVE.

While it was merely a fishing village, it has a history in Japanese folklore running back to the Japanese Garden of Eden and a Japanese Adam and Eve. The gods placed these progenitors of their race on the island of Awaji, along the shore of which we passed, in sight of Kobe. These two, then the only people in the world, met on the seashore. The woman, Izanami, shouted a greeting to Izanagi. But he was displeased with the woman for speaking first and turned around abruptly and walked around the island until they met again. This time she held her peace and he was satisfied. They created the smaller islands of the Inland Sea by plunging their spears into the sea bottom and pulling them up above the surface. They were the parents of the human race.

We made the 47 miles from Kobe to Kyoto in the evening darkness and could not see the towns or country. But the great number of electric lights in every direction spoke of a dense population in the country, while large concentrated areas of light indicated considerable cities. About midway we stopped at Osaka, which is a city of over 2,000,000 population and exceeded only by Tokyo, which has about 3,000,000. I saw a Japanese gentleman dash onto the platform and he made directly for me. He was the third one of the Japanese commissioners, and he had come 300 miles that day to meet and welcome me to Japan.

At 10 o'clock at night we arrived at the Kyoto station, where we were met by the governor of the Province, the mayor of the city, the president of the chamber of commerce, and many other officials and dignitaries. There is on these occasions a general exchange of cards. Mine had long before given out, but all the members had 200 or 300 printed in China, in English on one side and in Chinese on the other. These I used until they were all gone. There were two hotels in Kyoto, between which we were divided—the Miyako, on the hill, and the Kyoto, in the business part of the town. I had a very fine room at the latter, with high ceiling, elegant Japanese furniture, a large trunk room and clothes closet combined, and a good bathroom. The service was excellent and prompt, though it was at first a little disconcerting to ring for a bell boy to take my shoes to be polished and to have a young lady in an elegant Japanese costume tap gently at the door and make three very low bows before receiving the unpolished shoes. I never did get quite used to it, but we were in Kyoto only four days.

SHOOTING THE HODZU RAPIDS.

On the morning of August 29 our Japanese hosts were at the hotel with autos and local committees, to which were added several Japanese ladies to look after the ladies of our party. Some of them had attended women's colleges in America, such as Vassar, Smith, and others.

Kyoto is an interesting and beautiful city. For more than a thousand years it was the seat of government of the mikados and is rich in history. Even now all coronations of Japanese Emperors must take place in the imperial palace at Kyoto, and the present Emperor was crowned there. It is situated on a fairly level plain, with a river running through the city, while it is surrounded by mountain ranges on three sides.

Kyoto manufactures silk and many other beautiful things. It is said to be the best market in Japan for the purchase of kimonas, Damascene jewelry and dolls, with the most skillful makers and artists. Damascene jewelry is said to have been a Kyoto discovery. Yet purchasers need to be prudent and to take reliable Japanese counsel, as they may be deceived. No one should go to Japan without visiting Kyoto.

The morning was a beautiful one, and as our machines, decorated with small American and Japanese flags, passed through the streets we were greeted with many "Banzais" from groups of children. It occurred to me that there could hardly be general ill-will toward the United States in this city, or this would not have occurred. Children naturally absorb the friendliness or aversions from the grown-ups and can not easily be induced to reverse their attitude, and there was a continuous shouting of "Banzai!"—which means "Ten thousand years" of happiness. It is the all-embracing greeting of the Japanese and includes everything that we mean in English when we say "Good luck!" "Happy Days!" "How!" or "Hurrah!" The streets of Japanese cities, and particularly Kyoto, are wide and more modern and sanitary than generally are those of China. This does not mean that there are not many very fine and beautiful streets in Chinese cities, but it refers to the less important streets in the more crowded parts of the cities. The aggregate of business in these smaller streets is immense, because of the vast number of small shops. We passed that imperial palace where the Emperors have their coronation ceremonies. It is in a fine park and has a wall about 10 or 12 feet high around it, covering an area of possibly a mile square. The gates were all boarded up, excepting one, where there was a small military guard.

Soon we were outside the city on a good raised macadam road about 20 feet wide, passing through the greenest imaginable fields, mostly of rice, but including all sorts of crops, among them many sweet potatoes. There is one kind of vegetable quite common that has a tall stalk about 3 feet high and a large elephant-ear leaf. They told me that it was a giant raddish and was very palatable. It looked to me more like a big turnip or yam.

We crossed a few miles of these fertile plains, and after crossing the Hodzu River, a quite considerable stream, we entered the foothills and commenced to climb a mountain. We made the ascent of several miles by a winding and picturesque way, when we again struck the Hodzu River, at an elevation of several hundred feet higher than at the bridge. Here we left the machine and took the boats which were to carry us down through the mountain gorge to the valley below.

The boats were flat-bottomed, quite large, about 22 feet long, 6 or 7 feet wide, coming to a point at the bows. There was a cloth or canvas covering to protect the passengers from the sun, which was quite hot. We had about a half-dozen of these boats, well filled with the members of our own party and of Japanese committeemen and a few Japanese ladies. It was a very gay party as they took their places in the boats, not knowing just what was going to happen. Each boat was manned by three or four sturdy, bare-footed Japanese boatmen, with long bamboo poles, except the steersman who handled a broad-paddled steering oar.

From the landing place we shot out into the swift stream, and were soon plunging down a narrow and steep rock-lined canyon. For most of the way the channel was quite narrow, and the water foamed over the hidden rocks. It evidently required great skill and a knowledge of every yard of the churning river to avoid wrecking the boats and ducking if not drowning the occupants. There was an opportunity for shipwreck in nearly every rod of the several miles of rapids, and occasionally the boats would ship some water, which the passengers would receive in their laps, notwithstanding the skill of the boatmen. That we avoided striking great rocks at a hundred places seemed almost a miracle. Much work has been done in many places in banking up the rocks and straightening the stream. A railroad ran along the banks or walls of the canyon, frequently plunging through a tunnel where there was not sufficient margin of land outside the river for the road.

The water was cool and perfectly clear, and there are plenty of trout in the river. Numerous Japanese fishermen with broad conical straw hats and long bamboo poles were standing on the rocks and fishing in the swift places as we passed. I ate some of the trout and they were excellent.

In the distribution of the Japanese ladies we had a very modest, well-dressed lady in a Japanese costume, and able to speak a little English, Viscountess A—, in the boat in which I rode. As we neared a point where another stream came into the river I heard the boatmen repeat a short phrase in Japanese two or three times. I asked her what the words meant. She thought a moment and said, "It means where two rivers are fading together." Another stream came in at this point which was the subject of their comment.

After several miles of this exciting navigation we drifted into smooth water above a dam that had been built across the river. Here there are extensive and beautiful groves. It is called Arashiyama, and many picnics are had here after shooting the rapids. From here the boatmen tow and pole the boats back to the head of the rapids for other passengers. It must be a laborious work.

We found our machines at Arashiyama, and were soon back in Kyoto at a wonderful exhibit of the Nishyrin Textile Fabrics, where luncheon was spread.

A VISIT TO NARA.

On Monday, August 30, we visited Nara, one of the most interesting and beautiful spots in Japan. It is two hours' ride by rail from Kyoto. It is at quite an elevation, and all the temples and palaces are in a vast park. The hotel was of Japanese architecture, with high ceilings and unstained native woods. Its wide porches overlook a little lake.

Nara, which was the capital of Japan in the eighth century—1,200 years ago—has many objects of interest, but the principal ones are three—the deer park, the giant Buddha, and the great bronze bell in the Temple of Nara.

There are tame deer all over the neighborhood for 2 or 3 miles. We were taken in a procession of rickshas, and people with great trays of thin rice cakes gave handfuls of them to us to feed the deer. They would come right up to the rickshas and nibble the rice cakes from one's fingers. We went to a park where there was a long porch fronting a meadow, where we were seated. We saw two Japanese open a gate several hundred feet away when a great drove of deer—200 or 300—came rushing through like a flock of sheep, all spread over the meadow, to where we were seated. We were above them, so they could not get on the porch, but several went down among them and fed them on the ground.

The next notable sight is the giant bronze Buddha—Daibutsu. It is in a large temple now, although for several centuries it was uncovered, a tidal wave having torn away its former covering. It is a marvelous piece of casting, especially when it is considered that it was done in 749 A. D.—1,171 years ago. Its height is 53½ feet; length of face 16 feet and breadth 9½ feet; mouth, 3 feet 8½ inches in breadth; shoulders, 28 feet 8½ inches in breadth. There are 966 curls on the image, each a foot high and 7½ inches across. The halo forming the background is 83 feet high, 25 feet across, and 5 feet thick. All this is of solid bronze. This is the largest image of Buddha in Japan. I later saw the Kamakura Daibutsu, which is considerably smaller.

The third most notable object in Nara is an enormous bell in the Temple of Nara, which can be rung once for a small fee. Reverent pilgrims and tourists keep it booming very frequently. It is hung in a low belfry, and is rung by pulling a rope that swings a large wooden clapper.

A REGULAR JAPANESE DINNER.

This evening my friend Mr. Natori gave me a regular Japanese dinner. Other guests were the five Japanese members of the Imperial Diet, Baron Kanda, Count Terashima, and Messrs. Higuchi, Tanaka, and Takezawa. We went to quite a celebrated Japanese restaurant that overlooks the River Kamo. They have open-air dining rooms, built out over the river to catch the air, covered at the top but not at the sides. Upon entering all guests take off their shoes or they are taken off by servants, and slippers put on instead. It is easy to see why this is done, as the floors are of polished woods or are covered with the softest of matting, all kept as clean as a dining table. Street shoes would seem to be out of place on them. Cushions laid on the matting took the place of chairs, with a low arm rest to lean on. The food in little dishes is placed on low lacquer or hardwood tables with slightly raised sides and less than a foot high. The Japanese gentlemen, all in native costumes, used chopsticks, but I was given knife, fork, and spoon.

Later I learned to use the chopsticks a little, but I did not try at this dinner. There were all sorts of Japanese dainties—thin slices of raw fish, both red and white, on a plate, with a small cup of a dressing that suggested but was not Worcestershire sauce. First, however, there was a delicious soup in a bowl also containing some pieces of chicken. I will not attempt to describe all the features of the dinner. We were waited on by very prettily dressed Japanese girls in native costumes, who would always bow two or three times when they came in and comfortably settle down on the floor in front of the guest whom they were to serve. Afterwards they proved to be quite artists, some sitting down in a row and playing stringed instruments and others dancing a historical Japanese dance. Although they were geisha girls, it was all as decorous and dignified as anyone could imagine, and although they were very graceful I believe they would be considered too slow and old-fashioned for a turn in an American vaudeville show. Their performance would have been entirely proper at a church festival.

THE IMPERIAL PALACE.

Tuesday morning, August 31, we all visited the Imperial Palace. We passed the armed guard at the outer gate, put on slippers, and went through a great many spacious rooms. The impression that it made on me was that the furnishings, which were not complete, and the ornamentation of screens and paneled paintings were all very plain and simple. The throne room, where the coronations take place, was much the grandest room, very large, with very high ceilings. The carvings and coloring are elaborate and brilliant, but harmonious. There are two thrones in the room, one for the Emperor, very magnificent, and another, 50 or 60 feet to the left, smaller and less brilliant, for the Empress. Few foreigners are permitted to see the inside of the Imperial Palace, and especially the throne room.

A LOCAL KYOTO FEATURE.

There was one local feature about Kyoto that interested me. That was the bull cart. They are quite a common sight, much more so than at any other place that I saw—a single black bull with a ring in his nose, sometimes with a sort of woven straw or wicker umbrella stretching from his head down over his back and sometimes with a rope around his hoofs. I also noticed in the grounds of two or three temples and in the public parks bronze castings of a black bull with a rope around his neck. I tried to find out what significance it had—what meant the rope around his neck. I asked the question of one of the Japanese ladies who could speak some English when we passed one of these bronzes, but she did not seem to understand me, and one of our ladies undertook to interpret my meaning to her in this way: "He asks why the bronze cow has a rope around his neck." I am still in the dark as to the meaning of the symbolism.

A DAY'S RAILWAY RIDE IN INTERIOR JAPAN.

On Thursday, September 2, we left Kyoto. Our two or three special cars were on a regular train. I have seldom enjoyed a more interesting day of railway travel. The day was not very hot, and, while there were occasionally showers and some clouds, generally the opportunities for sightseeing were very good. We passed through great varieties of scenery—immediately out of Kyoto great plains of fertility and a beautiful lake several miles in circumference, with lofty mountains in the background at no great distance. We passed through a canyon that greatly reminded me of the Sacramento River Canyon in the neighborhood of Dunsmuir. Then we passed for many miles along the seashore like that along the coast line north and south of Santa Barbara, with islands off in the distance like Santa Cruz and San Miguel, always excepting the fact that the Japanese landscape shows more verdure and more intensive cultivation. There were miles of Japanese fishing villages. Then later in the afternoon we were for an hour or more in sight of the world-famed mountain of Japan, Fujiyama, although the clouds resting along its sides prevented our seeing it all at the same time. It is a wonderful mountain, quite symmetrical and inspiring. I could see a little but not much snow near its summit. In some ways it suggests Shasta, but it is not so massive as Shasta, and Shasta appears to carry more snow at the summit through the summer than does Fujiyama.

At Yokohama, where we stopped early in the evening, about the first person that I saw on the platform was my venerable friend, Mr. Kahei Otani, president of the Yokohama Chamber of Commerce. He wore a long gray beard in 1909, and it has now become still whiter. There were a great many other Japanese and American officials at the Yokohama station.

It is less than an hour's run from Yokohama to Tokyo, and the electric lights showed that it is almost a city right through. At 8.25 in the evening we arrived at the first Tokyo station. There were great crowds at the station, which the police held back so as to give the Americans and their escorts a passage, but we were held several times in the station for heavy batteries of newspaper photographers. The flashlights were going off like the guns on a battle front—dozens of them at a time. We finally got through and into autos—it had been raining—and were rolled away to the Imperial Hotel, where we had already been assigned.

OFFICIAL INTERCHANGES OF COURTESIES.

On Friday, September 3, our first day in the Japanese capital, the Congressmen, with Senator HARRIS, made their official calls in a body. First they called at the American Embassy, where, although we have a fine piece of ground advantageously located, our representatives are housed rather shabbily, especially in comparison with Great Britain, France, and other European Governments. Ambassador Morris was absent in the United States, and the embassy was in the keeping of Chargé de Affaires Bell.

We then called upon the president of the House of Peers, Prince Tokugawa, and the president of the House of Representatives at their respective offices on the grounds of the Imperial Diet. These calls were cordial on both sides, but formal. Our cards were left at all these places and those of our hosts were returned to our hotel the same day.

We also called on the mayor of the city at the city hall, Viscount Tejiri. The viscount we found hard at work in a room alone, and lightly dressed on account of the heat. I had quite an interesting talk with him about the ways of street improvement, sewers, harbors, water system, and so forth, and found him well informed on those subjects.

The Imperial Diet gave our entire party a cordial welcome in the form of a luncheon at our hotel a little after noon the same day. It was a very large and well-managed affair, with 400 or 500 at the bountiful tables, including most of the distinguished men in civil life in Japan, many Japanese ladies in native costume, and American ladies as well.

The premier, Mr. Hara, a tall man with a fresh complexion and a head of ample gray hair, together with all the cabinet ministers, was present, and my old friend, Baron Shibusawa, who had been made a viscount that very day, was only two seats away from me. I sat at the head table, and my neighbor on the right was Viscount Kaneko, a graduate of Harvard, and on the left was the mayor, Viscount Tejiri, who proved to be a graduate of Yale. I have seldom had a more interesting hour than that with these two very intelligent gentlemen, especially with Viscount Kaneko. For 30 years he was an intimate friend of Col. Roosevelt. He was the counselor of the Japanese representatives at the Portsmouth peace conference, which closed the Russo-Japanese War, and he is now one of the imperial council, who personally counsel the Emperor.

When the speechmaking came on, Prince Tokugawa, who is president of the House of Peers, made the cordial address of welcome in excellent English. He is a rather short, stout gentleman with a full, frank face, and is the head of a great historical family. The response was made by our chairman, Congressman SMALL, of North Carolina.

The House of Peers, by the way, which has functions analogous to those of our own Senate, has over 300 members. The Japanese House of Representatives has 485 members.

Another address in Japanese was made by the president of the House of Representatives, equivalent to our Speaker.

An address was also made by Mr. Hara, the premier, in Japanese, which was interpreted into English. The Emperor had that day conferred titles for distinguished services upon, or had made promotions of, quite a number, and Mr. Hara had declined a title in order to remain a member of the House of Representatives instead of thus being translated to the House of Peers, which includes only the nobility.

This terminated the formal official welcome. The remainder of this day we had for seeing the city, or shopping, or for using in any way that we might desire—a respite that was greatly appreciated.

WE MEET MARQUIS OKUMA.

On Saturday morning, September 4, the ladies welcoming committee, made up of the leading ladies of Japan, gave a delightful quiet entertainment—a kind of garden party—at the residence and surrounding garden or park of Marquis Koroda. This "garden" is really a fine park of about 35 acres, with woods, flowers, watercourses, glens, and all the ingenious and artistic landscape gardening that especially distinguishes the Japanese. These gardens have fewer formal flower beds and fields than ours, their places being taken by great trees, green and flowering, green lawns, and a general suggestion of quiet comfort and seclusion. What we call the crape myrtle grows into a tree here, and it gives the touch of bright color to the deep verdure that creates the effect of richness and harmony of color. A rain came up and we were entertained in the marquis's residence, with music on ancient Japanese instruments played by Japanese ladies.

At 4 o'clock in the afternoon we were received at Waseda, the country home of one of the great men of Japan—Marquis Okuma—author, historian, philanthropist, orator, statesman, founder of Waseda University, at one time premier of the Empire, and one of the most influential of the "elder statesmen." While he was premier a few years ago an anarchist or violent opponent of his policies threw a bomb into his carriage and blew off one of his legs. Even now, however, at 81 years of age, he is erect, vigorous, 6 feet tall, with a fine face indicating strong character. The only indication of a lack of full physical strength is that a personal attendant is required on account of the missing leg, the place of which is only partially supplied by one of wood or cork. This beautiful home and surrounding parklike garden of about 50 acres is situated in the heart of a congested district that formerly belonged to the marquis and was a part of his family estate. I was informed that he desired to found a university, and did so with means obtained from selling a part of this property, all of which was devoted to the founding and conduct of the Waseda University. This university, I understand, has 7,000 or 8,000 students, and is one of the most useful institutions of learning in Japan. The marquis stood up sturdily during the reception and while he was delivering his address to the party. He and Viscount Shibusawa, very different in physical as well as in mental characteristics, but alike devoted to great ideals, seemed to me the two biggest men that I met in Japan. This does not imply that I did not meet other big men, as in my mind I put Hara, Kaneko, Kanda, Tokugawa, Mitsui, and several others high up in my estimate of ability and character.

I was accorded the honor of making the reply to Marquis Okuma. I took note of the points made by Marquis Okuma as his speech was translated and directed my attention specially to those subjects. His address was intended, in the main, to call the attention of the congressional party, in a courteous way, to the misgivings that the Japanese have as to the treatment of their nationals in the United States. It was not as direct as that, but that was, I construed, the thought behind the words. My reply was intended to give an idea of the question from the United States, or California, standpoint and of the difficulties that attended the mixing of races and peoples. The marquis made a suggestion that the United States and Japan should work together in the East for the benefit of the peoples. To this I replied that the Father of his Country, in his Farewell Address, had cautioned the United States against entering into "entangling alliances" with foreign powers, and that ever since this had been the settled policy of the United States, even where the advantages appeared to be very great. Then I told the bear story—of how the hunter got hold of the tail of the bear and dared not let go for fear that the bear would turn and bite him. I intended this as a suggestion of the difficulties that have come to Japan through their getting hold of Korea and China. The interpreter mixed up the story a little in the translation, which was corrected by one of Marquis Okuma's secretaries; but the Japanese were immensely interested in it, and I could see that they were speculating as to its meaning.

After looking over the beautiful grounds it commenced to rain. Our host had had a large tent put up on the grounds in which to serve a luncheon, to which we repaired. Here were small tables with four persons at a table. I was placed at the marquis's table, and our table talk was interpreted back and forth. He told me that he had not said quite all that he would like to have said, and perhaps he would enlarge it somewhat.

This did not end the day's entertainment. We returned to the hotel, put on evening clothes, and attended a dinner given by Baron and Baroness Mitsui at their beautiful family club, a very elaborate structure on their estate maintained for large entertainments.

After the dinner there was a musical entertainment, at which two Japanese young ladies sang some operatic music—one a soprano and the other a contralto—marvelously well. There was not a particle of accent, and their voices were clear, pure, and strong. Baron Mitsui is one of the brothers of the great house of that name, the largest business concern in Japan. They have railways, coal mines, steamship companies, banks, and about everything.

A DAY AND NIGHT AT NIKKO.

In a country that has hundreds of beautiful places, Nikko and its locality is doubtless the most beautiful of all. There is an old saying among the Japanese that "One can not appreciate the word 'beautiful' until one has seen Nikko." It is situated 91 miles from Tokyo by rail. We made the trip on September 6, with enough luggage to enable us to remain overnight. The country en route is very interesting, agriculturally rich, intensively cultivated, and densely populated. Many phases of the rural and village life of Japan can be observed.

Nikko itself is in the foothills of quite a mountain range, and, having an elevation of 2,000 feet, it was cooler and more comfortable than anything we had before experienced in the Orient. It is so comfortable in the summer that the Emperor spends at least a part of the hot months at his palace in Nikko, and he was at the time occupying this palace, which we passed on our way to Lake Chuzenji. There is a wall around the palace, as is the usual Japanese custom.

Nikko, the town, and the neighboring country is one vast and grand park. There are more of the great Cryptomeria trees here than in any other part of Japan that I have seen. They are a truly grand tree, their foliage, their trunks, and their bark being much like those of the Sequoia, our big trees of California. They have the same habit of decaying a little at the extreme top. But they will not at all compare with the big trees in height or size. The age of some of the largest that I saw was known, as they were planted about a temple at the time it was built, which time was known to be about 500 years. The Sequoias are said by scientists to be 3,000 to 5,000 years

old. But the Cryptomerias are mighty fine, all the same, and running out of Nikko there is an avenue which is lined on either side with them for 15 miles.

Nikko is beautiful altogether aside from its temple structures, which are not so numerous as in many other places. But it has one, the most beautiful of all, which is a combined mausoleum and temple. It is not very ancient, either, and was erected by Iye Mitsu, the third Shogun, in honor of his grandfather, Iyeyasu, the first Shogun, and for his own burial place about 300 years ago.

Many years were devoted to its erection and the best artists and artisans in Japan, with 15,000 workmen, were employed on the work for 12 years. More than $10,000,000 in gold was expended on the work, and when the low wages that prevailed in that day is considered, a few sen a day, the enormous amount of work involved may be estimated. The result is a series of temples, one above another on the side of high hills, almost mountains, hardly equaled for the magnificence of their carvings and the beauty of their mural decorations from the brushes of the best artists of Japan. Much fine gold was used in the gilding and gems were crushed to make the colors fast.

There is but one unpainted building in the group, and that is a stable, which is a feature common to Shinto shrines. This building is the object of great interest to visitors, as it has the famous panel on which is carved the original of the "three monkeys"—one with his hands over his eyes, another with his hands over his mouth, and the third with his hands over his ears, the meaning being, "See no evil, speak no evil, listen to no evil."

Another interesting structure is the Red Lacquer Bridge, across the rushing River Doiya. Originally the bridge could only be used by the shogun and a special messenger of the Emperor. Now it is not open to the general public, and I saw no one on it at any time; but priests of the shrines may use it on certain festival occasions.

We took in the great temple and shrines on the second day of our visit to Nikko. The first day we went up the road beside the swift River Daiya as far as the autos could take us. The river tears out the banks very often, and the bed is full of bowlders. In fact, it looks in many places like a California hydraulic mine. At the foot of a high mountain we left the machines and took rickshas for a climb of about 5 miles. Each ricksha had two men—one to pull between the thills and the other to push. I never saw such a fine trail anywhere. It averaged 10 feet wide, with neat stone-lined gutters on the inside and careful arrangements for turning off the water. But there had been a big storm the day before, and even this excellent trail had been torn out in three or four places; but, although it was only a few hours, they already had repaired the breaks.

The scene from the trail was magnificent. We passed several beautiful waterfalls, and when we had nearly reached the top we could look way back and down below into the Valley of the Daiya. And the air! Exactly like that of the California mountains—cool, bracing, and pure. We stopped at one point where there was a waterfall something like the Multonomah Falls on the great Columbia highway at Portland. But, while very beautiful, there was less water than at Multonomah, and they lack several hundred feet of being as high.

A little farther along we came to a wonderful lake called Chuzenji, in the tops of the mountains, 4,500 feet elevation. A good-sized river flows from it that looks like the Truckee, but carries less water. The lake itself is a perfect gem, several miles long, with green mountains rising from its edges. It is full of fish—salmon trout brought from the United States, which thrive wonderfully. There is a hotel and many summer houses. It was nearly dark when our ricksha went down the trail at a trot, the second man with a stout rope acting as a brake.

GARDEN PARTY AT AN ARSENAL PARK.

This afternoon was spent in visiting the wonderfully interesting shops of Tokyo and sightseeing, until 4 o'clock, when a garden party was given at a famous old garden and park adjoining and attached to a great arsenal. The hosts were the Japan Society of America and Japan, which society has a large organization in New York and in some other cities in America. Naturally its membership consists largely of Japanese who have been in America, either as students, merchants, or in other capacities, and Americans who have been in Japan. There were several hundred ladies and gentlemen at this party, both Japanese and American. This is one of those wonderful gardens or parks such as I have heretofore described, with great trees, lawns like meadows, running waters, meandering graveled or stone-paved walks, and every charming effect of artistic landscape gardening. Probably there were close to a thousand people assembled at this garden party, but it would accommodate without crowding several thousand.

THE MAYOR OF TOKYO ENTERTAINS.

The mayor of Tokyo had invited our party to an entertainment this evening at the Hyeno Sei-Koyen, a great café and gardens on the Bund, or banks of the river which runs through the city. In this park are two trees planted by Gen. and Mrs. Grant in 1876. We were received in a large room by the mayor, Viscount Tejiri, and the city officials. Shortly after dark there was a display of quite wonderful fireworks, which were located across the river. The effect of the brilliant and ingenious fireworks was greatly augmented by the reflections on the waters of the river. Additional to jets of multicolored fireballs and rockets, there were set pieces of the Stars and Stripes, the American and Japanese flags crossed, and such words as "Welcome."

After the fireworks we were taken into a large room in the nature of a theater, where an interesting entertainment was given, including Japanese music and dancing. When I speak of dancing it always means that women were the performers, as I do not remember ever to have seen men dancing on the stage in Japan, though I presume that they must dance sometimes. At the side of the drop curtain was a sort of bulletin, announcing what the performance was to be, which read, "Dancing, balancing, and juggles." There was some quite wonderful balancing and "juggles." Altogether the entertainment was unique and most interesting.

SIGHT-SEEING IN TOKYO.

On the following morning, Tuesday, September 7, I went out in a ricksha for a sight-seeing trip through some of the main business streets. This is a good way to see things in a leisurely way, and riding in a ricksha is very comfortable. The ricksha man when he has a passenger is accorded a very fair show on the roadway. He trots along with an American passenger not quite as speedily as he does with a Japanese, as he seems to know that an American will not hurry him up. He emits a sharp "Hi, hi!" to obstructing pedestrians or conductors of other vehicles, and, if light, they usually move out of the way. The rates are moderate, but higher in Japan than in China. The first hour in China is about 50 or 60 cents Mexican; in Japan 1 yen 20 sen the first hour, or 60 cents in American money, and less for the second hour and so on.

Later in the day I took a long ride all over the city with Mr. N——— in his machine. We passed the Emperor's Palace, with an ancient high wall, kept in perfect order, with a wide water moat next to the wall, perhaps 100 feet wide. The mortarless masonry in this and other walls, with irregular-shaped blocks of stone, which has retained its place for centuries, is most remarkable. We passed through narrow crowded business streets, as well as broad avenues and airy and well-kept parks. We drove through the wonderful grounds of some private residences. Among these was that of Viscount Shibusawa, who was down town at his office at the time. His majordomo showed us about the grounds, which are very fine; but his house is quite modest and not nearly so grand as those of many who are not so highly esteemed or wealthy. From a round observatory, open at the sides and large enough to accommodate a goodly company, on a hill which overlooks the industrial portion of Tokyo, he pointed out 20 or 30 high chimneys of great manufacturing plants, all belching forth black smoke, and said: "When Viscount Shibusawa commenced his work in this city there was but one chimney, where you now see all those. It was Viscount Shibusawa who gave the start to all of these great works. He thus gave employment to many thousands, and made this great city what it is to-day. Those smoking chimneys will be his monuments. He has preferred them to a grand house."

AMERICAN COLLEGE ALUMNI GARDEN PARTY.

At 2 o'clock this afternoon our entire party went out into the edge of Tokyo, or just outside the city, to the residence of Mr. Hyashi, who manages the Imperial Hotel, to a garden party given by Japanese alumni of American colleges and universities. Nearly every well-known college was represented among the hosts. Mr. Hyashi has quite a princely estate, much of it devoted to raising crops. He pointed out that no houses but his own could be seen, the trees along the borders hiding houses in the distance. The hosts numbered 200 or 300, and they had erected large tents for all sorts of stunts.

On Wednesday morning, September 8, the forenoon was clear, and we had another opportunity of looking around this interesting city of Tokyo. This is in the richest and most densely populated part of Japan, and while the city alone has a population of nearly 3,000,000 people, the district about Tokyo has about 5,000,000. The city necessarily spreads over a great extent of territory, as the houses are for the most part but two

stories in height. Universally, almost, the roofs of the houses are tiled with a grayish-black tiling. There are many canals running through the city and through the country outside.

THE PAN-PACIFIC UNION.

At 1.30 we all attended a meeting in advocacy of the Pan-Pacific Union, the organizer of which, Alexander Hume Ford, of Honolulu, had been with our party from the time that we were at Honolulu. The meeting was held at the Peers' Club, on the grounds of the Imperial Diet. The object is to organize the nations bordering on the Pacific so far as to foster mutual interests, correct international misunderstandings, and promote peace. There was a remarkable representation of men of influence in their respective countries at this luncheon, from Japan, China, Mexico, and the United States. The addresses all bore upon the subject of peace.

THE Y. M. C. A. IN THE ORIENT.

Throughout both Japan and China we found the Y. M. C. A. very strong and efficient. They are doing a great deal for America, and are served by a splendid force of young men, both native and American. Here in Tokyo they have their own building, well fitted up with gymnasium as well as other equipment, and we were invited to spend an hour there between 4 and 5 o'clock, which we did.

A lady of our party was much pleased to meet here two Japanese ladies who, as girls, had been fellow students with her at Holyoke, Mass. I had a talk with a Japanese gentleman in native costume who is a strong financial pillar of the Y. M. C. A., who had been to Los Angeles several times. He—Mr. Ito—is one of the leading oil producers of Japan, and I found that there is quite a healthy oil development in Japan. He had visited California and other oil-producing States to observe oil methods and conditions.

A BIG COMMERCIAL ORGANIZATION GIVES A JAPANESE THEATRICAL ENTERTAINMENT AND DINNER.

This evening we attended an elaborate entertainment given in honor of the congressional party by one of the large commercial organizations of Tokyo, the Commercial Association of Nishonbashi. Tokyo is divided into districts, and Nishonbashi is one of them. They are larger than wards, and business cards bear the name of the district as part of the address. The Commercial Association is a sort of chamber of commerce. Nishonbashi was evidently an important section, and the entertainment was on a broad and generous scale.

After a reception by the association's officers to our entire party, we were ushered into a theater, which was a part of the Fuquiro restaurant Yamokura, where we found ourselves and where, on a good-sized stage, we were shown some typical Japanese classical dancing, with Japanese music. There was one historical dance, in which the costumes were very rich and the dancing very dignified and decorous. In fact, that will describe most Japanese dancing. This was followed by a dance with a little more action, in fact, I believe it is considered the acme of light-heartedness, in which about a dozen geisha girls participated.

Then followed a Japanese dinner, but with the important modification that the guests sat in chairs at the table, which ran along three sides of a large room. The same geisha girls who had taken part in the dances and many others waited upon the tables from the inside of the quadrangle. The menu was made up of regular Japanese food, including slices of uncooked fish, and served in the Japanese way on little tables placed on the big table. It was a great novelty to the ladies of our party, but there were few who ventured to test the raw fish.

JAPAN'S STATE DEPARTMENT GIVES A LUNCHEON.

On Thursday, September 9, we were to go to Yokohama in response to two invitations, but before going, at 12.30, the Members of Congress only attended a state luncheon, given by Premier Hara at the Japanese foreign office. There was nothing in the foreign office or at the table that was in the least ostentatious or gaudy.

Those present were the premier and all the members of the Japanese ministry, including ministers of war, navy, railways, communications, education, and all the others. They were all middle-aged men of quiet but cordial demeanor, and they, too, left an impression of solidity and ability. The minister of education, Mr. Tokugoro Nakahashi, was one of the Japanese commercial commissioners of 1909.

While it was not at all a cold, chilly party, very sensibly I thought, no speeches were made.

While we were at lunch a noted Japanese artist was engaged in the premier's office in painting favors, which were to be presented to the members of our party as souvenirs. We saw him at work later, and he did it with incredible swiftness and with a few touches of the brush.

After the luncheon the party all left for Yokohama in special cars to meet their engagements there.

The run takes about an hour, and upon our arrival we were taken from the railway station to the city hall, or Kaikwan, as it is called, where a reception and entertainment were given from 4 to 7 o'clock.

The American Association of Yokohama is a live body of men, and we enjoyed an enthusiastic meeting with our own countrymen again, where no interpreting was necessary. There are several hundred bright young American business men in Yokohama of the same superior character that we had found in other oriental cities.

They wished to tell us about some of the difficulties that they labor under in these countries, which could be remedied by legislation. They had four speakers, who presented briefly and concisely four such subjects. We had but one or two speakers, who promised them that we would endeavor to get our laws as they affected our nationals in foreign lands into such shape that they would have a fair chance with their competitors from foreign countries. Congressman HARDY, of Texas, made a ringing patriotic speech.

In the evening our Japanese welcoming committee—Count Terashima, Baron Kanda, Mr. Haguchi, Mr. Tanaka, and Mr. Kakezawa—gave the party another Japanese dinner. As some of our party had something to say about the Japanese immigration question, I explained the subject from the California standpoint as I understood it. I had already done this to some extent in a conversation with Viscount S———, and I was destined to do it more fully on the following day to some of the leading Japanese statesmen.

"THE CALIFORNIA QUESTION."

Saturday, September 10, had been the day fixed for our departure from Yokohama, but the *Madawaska* did not reach Yokohama until the afternoon of this day and had to put on 2,800 tons of coal for the voyage. As it was raining, this was slow work, and we were told that she would not be made ready to sail before Monday. The morning of this day was devoted to formal good-byes.

Our Japanese welcoming committee had been very careful throughout the three weeks of our visit to introduce no subject of conversation that might be the subject of controversy or inharmony, but "the California question," as it was called, was frequently referred to by others, and the opinions of members of the party, even ladies, was often requested, directly or indirectly. In fact, it was evidently uppermost in the minds of a majority of those we met who considered public affairs at all. The Japan Advertiser, the leading English-language newspaper in Tokyo or Japan, published each day three or four columns of editorial extracts from Japanese papers. Nearly all these extracts indicated considerable editorial ability, and some of them were quite fair. Others, however, in discussing "the California question" were very bitter and either badly informed or purposely untruthful in their statements, all to the detriment of the humanity and good faith of the people of California in particular and of the United States in general. As I was from California, notwithstanding I had so many good personal friends among leading Japanese, I was rather frequently referred to in connection with "the California question," and I finally determined that when the appropriate time came I would give the California side of the question to the best of my ability.

Viscount Shibusawa, Viscount Kaneko, Baron Sakatani, and others wanted to have a meeting, or confidential conference, for a "heart to heart" talk on the subject. I opposed anything in the nature of a formal conference, especially a secret one, on the grounds that we had no authority to represent the American Congress or to make any agreements, and that we ought not to. But whether we did or not, any conference of that sort was sure to be misrepresented. For myself, I was willing to talk to anyone, Japanese or otherwise, and tell them exactly what I thought about any phase of the subject, but I would not go into any conference of any sort, secret or otherwise.

Viscount Shibusawa, however, wanted to talk to us about it, and his secretary told me that it was so much on his mind that he would feel better if he could do so. So he invited the Congressmen to take luncheon with him, Viscount Kaneko, Baron Sakatani, and Dr. Sayda on Saturday.

After the luncheon and we had gone to another room, Viscount Shibusawa, whose remarks were translated into English by his secretary, said that he felt grateful to us for affording him an opportunity to lay before us his views on the questions now pending between the United States and Japan.

He then recounted quite accurately the history of oriental immigration into the United States—how in the early days of

the gold discoveries in California labor was scarce and Chinese labor was obtained from China; how for some years such labor was welcome; how later it became unpopular and the Chinese exclusion laws were enacted by the United States; how the "gentlemen's agreement" was made to prevent Japanese immigration; how laws were passed in California making it illegal for citizens of Japan to acquire real estate in that State. Now he was disquieted by reports of the efforts to have enacted still more drastic legislation, which would result in the practical confiscation of the property of Japanese in that State and their expulsion with the loss of their property and even life itself. He hoped that something could be done to avert this threatened drastic legislation.

Mr. SMALL made a brief reply, and Mr. HARDY of Texas suggested that Mr. OSBORNE was a Representative from California—he had heard him on another occasion state the California side of the question, and he thought it would be well if he would now speak on the subject.

I had on two previous occasions—once to Viscount Shibusawa personally and once at a Japanese dinner given by the Imperial Diet welcoming committee—touched on the subject, but not covering all its features. As there were now present some of the leading statesmen of Japan, I determined to speak in entire frankness to them, and to make the viewpoint of California as clear as I was able; not only to them, but to the eastern Congressmen as well.

The substance of my talk was about like this:

I hesitate to comply with the request to speak on what has been referred to as "the California question," as it may appear ungracious in a guest to present views on an important matter in variance with those of his hosts. But the very importance of the subject may overcome the consideration of courtesy, and in this case I believe that perfect frankness and honesty of statement, with a view to a full understanding of the reasons actuating the people of California, is justified.

In the early days of California, as Viscount Shibusawa has stated, labor was scarce, and coolie labor from China was obtained. For a time it was very welcome, as it filled a pressing want. At that time, and for many years thereafter, there was no immigration from Japan. But in a few years the immigration of Chinese was so great that it became alarming. Shipload after shipload of Chinese came at shortening intervals, until it seemed that the Chinese population of California would exceed that of Americans. Then followed the anti-Chinese agitation, resulting finally in the enactment by the American Congress of the Chinese exclusion laws, of the wisdom and justice of which, personally, I entertained no doubt. The immigration of Japanese in appreciable numbers did not commence until about 20 years age, and it attracted no public attention until considerably later than that. When it was proposed to extend the law excluding Chinese laborers to Japanese laborers, Japan had protested, and in lieu of such a law the so-called "'gentlemen's agreement" was entered into, under the terms of which the emigration of Japanese labor to the United States was guaranteed to cease—to be prevented by the Japanese Government. It was the contention of California that the agreement had not been lived up to, especially in recent years; that there had been a marked increase in Japanese population in California was quite obvious. The census recently taken would give the facts relative to this contention in a short time.

As to the treatment accorded to Japanese in California, I am unable to understand the newspaper and other references to ill treatment. The county of Los Angeles, in which I reside, doubtless has a greater number of Japanese residents than any other county in the United States. I have some acquaintance with the leading Japanese, and in my personal experience I have never known of a case of ill treatment. If there were such cases I am sure that they would be brought to my attention by the Japanese themselves. We have in Los Angeles County several thousand Japanese, and I doubt if there is an equal number of Japanese anywhere, not excepting Japan, that are better treated, more prosperous, or more happy.

The question in California is not one of relative superiority of races. Superiority or inferiority of race is not involved or considered. The question is one of difference—radical difference. Japanese are brought up in different environments, different methods of life, different ideals. They do not assimilate with American people, but are what we call "clannish." I do not state that as a fault but as a fact, naturally following the differences that I have mentioned. Immigrants from European countries soon become assimilated with the American people and interested members of the communities in which they live, and the accumulations of their industry go to increase the resources of the community. Not so the Japanese. They associate with each other, and to but a limited extent with their American neighbors. Their hearts and their hopes are in this beautiful country—their native land. When they have accumulated enough money to return with a competence they do return and remove their savings to this land instead of adding it to American resources. So, economically, they are to that extent a drain upon our country.

Neighbors are not desirable neighbors unless they are neighborly, and do the social services to each other that are common to an ideal neighborhood. People whose language and methods of life are foreign and not understandable are not desirable neighbors. In small numbers they are not specially objectionable, but in large numbers they may change the community from a desirable one into one that is positively undesirable, and which Americans seeking places for homes will avoid. It is these indisputable facts that led to the enactment of the California law forbidding Japanese ownership of real estate.

The methods pursued by Japanese in California were about as follows: A Japanese of sufficient means would buy a ranch or farm in the midst of some rich and prosperous agricultural district, generally where fruits are specially prosperous. Soon another Japanese would buy a ranch adjoining and then another and another, until there was a considerable Japanese colony. Japanese stores would appear in the adjoining town or village. The schools would be partially filled with Japanese children, and in many ways the community would take on the appearance of a Japanese community. Adjoining American landowners would be dissatisfied with the conditions and sell out and go elsewhere—and sell at a low figure to other Japanese. Thus the value of real property was affected detrimentally. The further this process went the faster it grew, until some very rich fruit-growing sections of California passed into the ownership of foreigners, who could not even vote on questions of local government. One such community I can name—that of Florin, about 20 miles south of Sacramento—which has become nearly as distinct a Japanese community as though it were situated 20 miles from this city of Tokyo. This is not an isolated case, but it is perhaps the most notable one. California people, observing this process of evolution from American to Japanese communities, see no reason why the same process if unchecked may not operate in a more sweeping way and the entire State come under the same alien control. It is these conditions that brought about the anti-Japanese landowning laws.

When Japan came into the family of nations in the early fifties, her statesmen, fearing that one of the dangers to your country was that it should in some way come under foreign domination, enacted laws that rendered it impossible for Americans and all foreigners to obtain legal title to real estate in Japan. That law, which is a wise one, is in effect to-day, and I nor any other American can legally hold title to an acre of land in Japan. It is true that you have a long-time leasing law, but again wisely your limitations upon its exercise are so stringent that it is nearly impossible for a foreigner to enjoy its advantages. Your nation was entirely within its rights and just discretion in enacting such a law. A nation has the same natural right to say who shall and who shall not own the soil within its boundaries that the head of a family has to say who shall and who shall not come within his family circle. His reasons for so doing are a matter for his own judgment, the validity of which is not to be determined by others. The people of California, which is a sovereign State of the American Union, have the same right in this regard as the people of Japan have. The question is not one of prejudice, but it is economic.

But these laws, regarded by a majority of the people of California as necessary and justifiable, were evaded by some of your countrymen among us in two ways.

First, Japanese who could not hold legal title to land, by forming themselves into a corporation under the corporation laws, could as stockholders in the corporation do so; and hundreds of these incorporations were formed in the State, and purchases of land went on about as before the law was enacted.

Second, Japanese children born in the United States, notwithstanding their parents are not and never will be citizens, become American citizens, under the provisions of the American Constitution. As citizens they can, through the agency of legal guardians, hold property. The California courts have been crowded with applications for guardianship of such infants for the purpose of making purchases of real estate in their name, thus evading the intent of the law.

There is also what is known as the "picture bride" phase of the subject. A young Japanese laborer in the United States, unmarried, desires a wife and family. He sends to some agency in Japan, the exact nature of which I do not know, and informs the agency of his desire. A number of photographs are sent him of young Japanese women who are subject to their order. From these photographs he selects one that best pleases him, and the young woman is shipped from Japan to the United States. He meets her and they are married. Often she works on the farm or in the field like any other laborer. Children born of such marriages, under the constitutional provision that I have mentioned, become citizens of the United States, and may, under legal guardianship, hold real estate; many in California, born in these conditions, do so hold real estate.

I am not fully informed as to the details of the proposed referendum on this subject to be voted upon at the election in November, as it has been presented since my departure from the United States, but I presume that it is intended to fill the gaps through which the present anti-Japanese land-owning law is evaded in the ways that I have described. In the interest of a long-continued friendship between Japan and America, I believe that this law should be made effective and that Japanese immigration should cease. It should not be left open as a cause for irritation.

As to the charge that the legislation proposed will result in confiscation of the property of Japanese, I will say that I would certainly not approve legislation that would have that effect, and no honest men could. But there is a clause in the Constitution of the United States, as there is in the constitution of California, that no resident of the Nation or State can be deprived of property without just compensation and without due process of law. If the proposed California legislation should justify the interpretation which it had been given in Japan, which I greatly doubt, under the constitutional provisions that I have mentioned, the courts would undoubtedly nullify it.

I ask you to remember that our country is not free from very serious problems. Our country is called the "melting pot," upon the theory that all races and all nationalities melt into a homogeneous nationality under our system and come out Americans. Of late we have been learning that this is not altogether true. We have taken into our political system an enormous percentage of foreigners, and many of them do not "melt" and become Americans. They remain an undigested mass in the stomach of our political system, causing many troubles. Many of our statesmen favor an entire cessation of all foreign immigration for a period of years, until we shall at least catch up with our digesting process, instead of going on and taking in new foreign material.

Remember also that in some parts of America we have race questions of the utmost seriousness, which frequently manifest themselves in the ways that we all deeply regret. We do not desire to add other race problems to these that we already have, and think it better to head them off before they have become serious. In this way we believe that we will best serve the cause of peace and friendship between Japan and America.

In thus frankly setting forth the viewpoint of California on this question, as I understand it, I trust that I have not overstepped the lines of courtesy, as I highly value the esteem and friendship of the eminent citizens and statesmen of Japan here assembled.

I was thanked for making the statement that I had made and for its fair tone, but no reply was attempted to be made to the argument in favor of the California view that the statement itself carried. In talking with Viscount Shibusawa, when he called on me at the Imperial Hotel two or three days before, I had gone over this same ground, but not quite so fully. I also made one other suggestion to him, which I did not repeat at this time, as it did not specially apply to the California situa-

tion. Mr. SMALL referred to the same matter in his talk, preceding mine. I said to the viscount:

There is one other matter of which I should speak. We of the United States who have some familiarity with Japan know, or think we know, that you and those who act with you favor peace; that your desires are to build up the commerce and industries of your country, to maintain friendly relations with America and other nations, and to foster the arts of peace, that your country may become strong and your people enjoy the fruits of peace. But we also have the idea that, although the element of which you are a leader control the civil government, there is another strong element in the Government in Japan that has quite different ideals, and that this other element in the final analysis has the greater power and controls the actions of your Government. I refer to the military power. We have the idea that the military powers frequently take vital steps in Japan's relations with foreign powers that you and your friends would not yourselves initiate or favor, and that they commit you to harsh and repugnant foreign policies, and having committed Japan they leave you to explain such actions as best you can; in other words, that your military leaders act independently of the civil government and entirely outside their control.

I then told him how in our Government, in times of peace, Congress, representing the civil authority, always had control of the military powers through the ability to grant or withhold appropriations of money for its support.

The viscount's reply was that the military power in Japan was steadily waning. In olden times it had been very strong, but of late years it had been steadily decreasing. He did not, however, say that I was positively mistaken.

One other thing that I told him was about the "picture brides" in California. In reply I was told that this practice had been stopped since last May, I think.

I made one other talk on this subject at a Japanese dinner, and I have since felt relieved that I unburdened my mind on the subject and in the highest quarters in Japan.

The Japanese gentlemen received my talk without apparent annoyance or resentment, and were very cordial in bidding us good-by.

A VISIT TO KAMAKURA—ANOTHER GIANT BUDDHA.

On the morning of September 12 I went to Kamakura, which is about a two hours' ride by rail from Tokyo, on the seashore. It is a wonderfully picturesque old place, with many ancient shrines and temples, many modern villas of Japanese noblemen, and an imperial summer residence. In the thirteenth and fourteenth centuries this place was the capital of the Empire.

Another of the three giant Buddhas, or Daibutsus, of Japan, and second in size to that at Nara, is located here. This one is 50 feet in height and 3½ feet less than the one at Nara, but appears smaller. It stands in the open air and on a granite pedestal, and with a background of fine old Cryptomeria trees. The eyes, which are each 4 feet across, are said to be of pure gold. The casting was made in 1252, nearly 700 years ago, and it has been visited by millions of pilgrims.

Another of the sights of Kamakura is the great Hachiman Shrine, one of the most imposing in Japan. The site of the present shrine has been occupied as a shrine for centuries, but the present structure is quite modern—only about 100 years old.

WE SAIL FOR HOME.

Word was passed around on Sunday evening to the few left at the Imperial Hotel that the *Madawaska* was to sail from Yokohama at 4 o'clock on the following day, Monday, September 13, and that a special train would take us over to Yokohama, leaving at 10 a. m. The Japanese welcoming committee went with us, and many others were at the station to say good-by and to bid us "bon voyage."

On our arrival at Yokohama we went direct to the *Madawaska*, which was lying at the dock with steam up, to see our luggage aboard and to locate ourselves in our assigned rooms.

Some of our Japanese friends shed tears on saying good-by.

The wharf was crowded with Americans and Japanese as the steamer rather quickly cleared the wharf, turned around, and started out of the harbor—a very busy one, with lots of shipping. Soon we were out in the bay, with many attractive islands to our right and left. It was about dark when we passed out of Tokyo Bay into the open ocean, and our last glimpse shoreward showed the fading lights of several busy towns of a very wonderful and interesting country.

The CHAIRMAN. Does the gentleman from Illinois [Mr. CANNON] desire to allot any further time?

Mr. CANNON. I do not. I think the bill better be read.

The CHAIRMAN. There being no further allotment of time, the Clerk will read.

The Clerk read as follows:

For fees and expenses of examining surgeons, pensions, for services rendered within the fiscal year 1922, $500,000.

Mr. BANKHEAD. Mr. Chairman, I offer the following amendment, which I send to the desk and ask to have read. Before it is reported I desire to state that I realize that the amendment is subject to a point of order, but I will ask the chairman of the committee to withhold the point for a few minutes.

Mr. CANNON. I shall make the point when it is necessary and withhold it.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. BANKHEAD: Page 2, after line 12, add a new section, as follows:

"Section 9 of the act approved June 4, 1920, entitled 'An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes,' is hereby repealed."

Mr. CANNON. Mr. Chairman, I reserve the point of order.

Mr. BANKHEAD. Mr. Chairman, I thank the gentleman for his courtesy. I presented this matter rather extensively to the committee a few moments ago. I think that the question of providing a repeal of the section of the naval appropriation bill that prohibits ex-service men who are honorably discharged from the service from wearing the uniforms issued to them by the Government is a great injustice to those men.

I feel sure that every member of the committee agrees with me that it is a matter of sufficient importance to justify immediate action of some sort by the House of Representatives and the Senate. I realize, of course, that my amendment is obnoxious to the rule with reference to germaneness and new legislation, but I merely desire to offer the amendment for this purpose in order that the committee to which will be referred the bill or resolution I expect to introduce this afternoon on the subject may have pointed out to it the specific legislation that it is necessary to repeal in order to get relief.

Mr. CAMPBELL of Kansas. Mr. Chairman, will the gentleman yield?

Mr. BANKHEAD. Yes.

Mr. CAMPBELL of Kansas. I have not traced the origin of this section in the appropriation bill for the maintenance of the Navy. Was section 8 an amendment offered in the Senate or in the House?

Mr. BANKHEAD. I did not get a copy of the original House bill. I obtained only a copy of the act as it passed and was approved. My impression is that an examination will disclose that the section was not put into the original House bill, but was a Senate amendment.

Mr. CAMPBELL of Kansas. It clearly would have been subject to a point of order in the House.

Mr. BANKHEAD. Yes. I found on examination of the CONGRESSIONAL RECORD of the debate when the House bill was passed that absolutely no reference was made to this section in debate. As it was clearly subject to a point of order, if it had been offered, that convinces me that it must have been offered in the Senate.

Mr. CAMPBELL of Kansas. I agree with the contention of the gentleman, that the law never should have been enacted and should be repealed.

Mr. BANKHEAD. It was certainly the intention of Congress, as far as this House was concerned, to provide that all honorably discharged men could wear the uniform provided they displayed upon their sleeves some distinctive emblem to show they were in that class.

I am very much obliged to my friend, the chairman of the committee, for his indulgence, and I do not feel like pressing him to waive the point of order. I feel that it would be a very grave infraction of the rules, but it might be justified as a matter of expediency if the gentleman upon reflection might see fit to waive the point of order.

Mr. CANNON. Well, after all, this is a pension bill, I will say, and the Committee on Military Affairs or the Committee on Naval Affairs—it was on the naval bill, was it not—having put it on, they had better take it off. In other words, if I should be on the conference committee I would not want to hold this pension bill up in the event it was insisted upon on the other side because it does not belong on this bill.

Mr. BANKHEAD. Well, I want to say I have no possible complaint in reference to the attitude assumed by the chairman of the committee. From his standpoint I think he is thoroughly justified.

The CHAIRMAN. The Chair was unable to hear the gentleman from Illinois. Does he make the point of order or withdraw the reservation?

Mr. CANNON. I think the gentleman had better withdraw his amendment.

The CHAIRMAN. That can only be done by unanimous consent.

Mr. CANNON. I will make it, if it is necessary.

Mr. BANKHEAD. Well, Mr. Chairman, in view of the fact I served the purpose I really had in mind and got in the RECORD the section which is obnoxious, I shall ask leave to withdraw the amendment.

The CHAIRMAN. Is there objection to the gentleman withdrawing the amendment? [After a pause.] The Chair hears none.

Mr. CANNON. Mr. Chairman, I move that the committee do now rise and report the bill with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the committee rose; and Mr. WALSH, Speaker pro tempore, having resumed the chair, Mr. MCARTHUR, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 15334, the pension bill, had directed him to report the same back without amendment with the recommendation that the bill do pass.

Mr. CANNON. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CANNON, a motion to reconsider the vote by which the bill was passed was laid on the table.

PENSIONS.

Mr. FULLER of Illinois. Mr. Speaker, by direction of the Committee on Invalid Pensions, I call up the bill H. R. 15196, an omnibus pension bill, and ask unanimous consent that it be considered in the House as in Committee of the Whole House on the state of the Union.

The SPEAKER pro tempore. The gentleman from Illinois [Mr. FULLER] asks unanimous consent that the bill H. R. 15196, an omnibus pension bill, be now considered in the House as in Committee of the Whole House on the state of the Union. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 15196) granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war.

Mr. FULLER of Illinois. Mr. Speaker, I ask unanimous consent that the first reading of the bill be dispensed with.

Mr. GARRETT. I suppose the gentleman does not mean to dispense with the reading of the bill. I suppose at some time the bill has to be read.

Mr. FULLER of Illinois. I did not catch what the gentleman said.

Mr. GARRETT. There is no first and second reading of a bill being considered in the House. There is to be only one reading. If the gentleman wants to make his remarks before the bill is read, there is no objection.

The SPEAKER pro tempore. The Clerk will read the bill for amendment.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby, authorized and directed to place on the pension roll, subject to the provisions and limitations of the pension laws—

The name of Sarah M. Brown, widow of Philip M. Brown, late of Company D, One hundred and sixteenth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Arnold, widow of James Arnold, late of Company C, One hundred and fiftieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Malvina A. Williams, widow of Russell A. Williams, late of Company F, Twelfth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret J. Cutright, widow of John H. Cutright, late of Company F, One hundred and forty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ella V. Altmeyer, widow of Mathias Altmeyer, late of Company H, Fifteenth Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ottilie Carrol, widow of Charles Carrol, late of Company A, One hundred and sixty-fifth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Matilda Starbuck, widow of William N. Starbuck, late of Company G, One hundred and thirtieth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Florence F. Wellington Washburn, widow of Nathan A. Washburn, late of Company F, Twelfth Regiment Vermont Volunteer Militia Infantry, and pay her a pension at the rate of $30 per month, and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Aurelia E. Wilkins, widow of James H. Wilkins, late of Companies G and A, Fourteenth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Katherine Shurts, widow of John W. Shurts, late of Company G, Eighty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lurinda F. Haines, widow of Eli Haines, late of Company D, Fifty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Jane P. Hoyt, widow of Alonzo A. Hoyt, late of Company C, First Regiment Vermont Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth H. Waugh, widow of William W. Waugh, late of Company G, Fifth Regiment Massachusetts Volunteer Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Susan C. Kendrick, widow of Theron W. Kendrick, late of Company D, Forty-sixth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Catherine Rentfro, widow of Francis M. Rentfro, late of Company K, First Regiment Illinois Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Mahala Goff, widow of Bethuel J. Goff, late of Company C, Eighty-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Henrietta W. Carlisle, widow of Joseph Carlisle, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Harriet A. Wormuth, widow of Alfred D. Wormuth, late of Company F, One hundred and forty-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julia E. Wooster, widow of George B. Wooster, late of Company D, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Cynthia A. Miller, widow of William K. Miller, late of Company H, Thirty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ruth Maxwell, widow of James T. Maxwell, alias James H. Davis, late of Company E, Twelfth Regiment West Virginia Volunteer Infantry, and Company L, Fifth Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Fannie Gilbert, widow of Hiram Gilbert, late of Company C, Thirty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nancy C. Henderson, widow of Wilson Henderson, late of Company A, Ninety-eighth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary E. Tussing, widow of Harmon Tussing, late of Company H, Twenty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clara B. Plessner, widow of Otto R. Plessner, late of Company H, Second Regiment Ohio Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Mary E. Applegate, widow of Edwin R. Applegate, late of Company H, Eleventh Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Pernecia Boozer, widow of John Boozer, late of Company D, One hundred and eleventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lydia Smith, widow of Lewis Smith, late of Company G, Fifteenth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $35 per month.

The name of Rosetta Chaney, widow of William H. Chaney, late of Company K, Forty-ninth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Laura Adams, widow of Hiram Adams, late of Company G, One hundred and thirty-fourth Regiment, and Company B, One hundred and forty-seventh Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month and pay to her the amount of pension accrued to the soldier at his death.

The name of May J. Wode, helpless and dependent daughter of Charles Wode, late of the United States Navy, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Nancy E. Hixson, widow of William Hixson, late of Company C, Thirty-first Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Virginia A. Dixon, widow of Thomas Dixon, late of Companies G and A, Ninth Regiment, and Company K, One hundred and twenty-eighth Regiment, Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Fanny Stewart, widow of George D. Stewart, late of Company B, One hundred and eleventh Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Marinda Maynard, widow of Aldin Maynard, late unassigned, First Regiment Pennsylvania Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Ellen M. Deer, widow of Job Deer, late of Company G, One hundred and thirty-third Regiment, and Company E, One hundred and forty-ninth Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Fanny Stewart, widow of George D. Stewart, late of Company A, Twenty-fifth Regiment Connecticut Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lena Derl, helpless and dependent daughter of Charles Derl, late of Company B, Forty-third Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Louisa Gladwish, widow of John W. Gladwish, late of Company D, Third Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ann Vanfleet, widow of Otis B. Vanfleet, late of Company A, One hundred and second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alice Moore, widow of John H. Moore, late of Company C, One hundred and fiftieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Nettie S. Moore, helpless and dependent daughter of said Alice and John H. Moore, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Alice Moore, the name of said Nettie S. Moore shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Alice Moore.

The name of Adam Perry Kaufman, late of the United States Navy, and pay him a pension at the rate of $50 per month.

The name of Fanny Van Winkle, widow of Jacob Van Winkle, late of Company C, Twenty-first Regiment New Jersey Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Isabell Lowe, helpless and dependent daughter of John Lowe, late of Company A, Eleventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Adelia Doersh, widow of Lorenzo Doersh, late of Company H, One hundred and twenty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of William Doersh, helpless and dependent son of said Adelia and Lorenzo Doersh, the additional pension herein granted shall cease and determine:

Provided further, That in the event of the death of Adelia Doersh, the name of said William Doersh shall be placed on the pension rolls, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Adelia Doersh.

The name of Carrie Hover, widow of Jonathan Hover, late of Company A, One hundred and eighty-third Regiment, and Company A, One hundred and eighty-eighth Regiment, New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ellen J. Johnston, helpless and dependent daughter of Franklin L. Johnston, late of Company H, Seventeenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Francis M. Chronister, former widow of James E. Buckhanon, late of Companies C and G, Fiftieth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clara Estelle Sollers, helpless and dependent daughter of James H. Sollers, late of Company B, Seventy-third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Robert Gardner, late of Company I, Thirteenth Regiment Indiana Volunteer Infantry, and Company H, Twenty-third Regiment Kentucky Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Alice Jewett, helpless and dependent daughter of Charles Jewett, late of Company K, Fifty-fourth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Cyrus J. Wilsey, late of Company K, One hundred and ninety-ninth Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Sarah M. Standish, widow of Newton L. Standish, late of Company E, Tenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Sarah E. Hall, widow of Theodore Hall, late of Company C, One hundred and forty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Nave, widow of Daniel S. Nave, late of Company A, Thirteenth Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month, and pay to her the amount of pension accrued to the soldier at his death.

The name of Annie Baird, widow of Hiram Baird, late of Company B, First Regiment East Tennessee Volunteer National Guard Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Hopper, widow of Thomas Hopper, late of Company F, Sixty-fifth Regiment, and Company F, One hundred and twentieth Regiment, Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Garrett Williamson, helpless and dependent son of James K. P. Williamson, late of Company F, Thirty-ninth Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Mary B. Morgan, widow of William H. Morgan, late of Twenty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Ella B. Flaherty, helpless and dependent daughter of Francis P. Flaherty, late of the United States Navy, and pay her a pension at the rate of $30 per month.

The name of Marion A. McClelland, widow of George W. McClelland, late of Company G, One hundred and fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna Lowe, widow of William A. Lowe, late of Company B, Twenty-second Regiment, Company F, Twenty-seventh Regiment, and Company A, One hundred and forty-fourth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Julia Ann Hopkins, helpless and dependent daughter of Thomas B. Hopkins, late of Company F, Eleventh Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Nellie J. Merriman, widow of Truman A. Merriman, late of Company B, Ninety-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Eva Miller (lunatic), helpless and dependent daughter of Nathan E. Miller, late of Company A, Seventy-fourth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mary A. Smith, widow of Peter C. Smith, late of Company I, One hundred and forty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of William F. Hawley, helpless and dependent son of Francis Hawley, late of Company F, One hundred and forty-first Regiment Pennsylvania Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Eliza J. Gibson, widow of David Gibson, late of Company A, Forty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Lewis, widow of Greenville Lewis, late of the United States Navy, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Andrew J. Legg, late of Company N, ——— Regiment, and Company C, Fifty-first Regiment, Enrolled Greene and Christian Counties Home Guards, Missouri Volunteer Militia, and pay him a pension at the rate of $50 per month.

The name of Cynthia Timberlake, widow of Pleasant Timberlake, late of Company F, Twenty-second Regiment Kentucky Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Clara Mahoney, helpless and dependent daughter of William J. Mahoney, late of Company K, One hundred and twenty-sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Charles Blaker, helpless and dependent son of Charles W. Blaker, late of Company B, Fifth Regiment Pennsylvania Volunteer Cavalry, and pay him a pension at the rate of $20 per month.

The name of Hannah B. Kesler, widow of William Kesler, late of Company B, Second Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Marion B. Patterson, widow of Robert F. Patterson, late of Twenty-ninth Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Catherine F. Edsall, former widow of William H. Edsall, late of Company E, Eleventh Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Emily W. Johnson, widow of Charles W. Johnson, late of Companies G and B, Second Regiment New York Veteran Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Nathaniel Bitner, late of Company D, Veteran Battalion, Second Regiment Potomac Home Brigade Maryland Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Susanna Spencer, widow of Archibald Spencer, alias William Webster, late of Company H, Second Regiment Provisional Enrolled Missouri Volunteer Militia, and pay her a pension at the rate of $30 per month.

The name of Warner M. Ellis, helpless and dependent son of William Ellis, late of Company I, One hundred and thirty-first Regiment Illinois Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Louvisa E. Harrison, widow of Thomas J. Harrison, late of Eighth Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving.

The name of Annie A. Lewis, former widow of George W. H. Allen, late of Company E, First Regiment Rhode Island Volunteer Light Artillery, and Company L, Eleventh Regiment United States Colored Volunteer Heavy Artillery, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of John Seidel, helpless and dependent son of John Seidel, late of Company H, Fourth Regiment New York Volunteer Cavalry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of William H. Knowles, late of Company I, Ninth Regiment Indiana Volunteer Infantry, and Company A, Ninth Regiment Michigan Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Sue N. Inness, widow of William Inness, late of the Thirteenth and Fifteenth Regiments United States Colored Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of John H. Walker, helpless and dependent son of Irvin B. Walker, late of Company D, Forty-eighth Regiment Missouri Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Lucina Heath, helpless and dependent daughter of George C. Heath, late of Company H, Twenty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Sallie J. Pile, widow of George Pile, late of Company H, First Regiment Kentucky Volunteer Cavalry, and Company A, Thirty-second Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah Athens, widow of Edward G. A. Athens, late of Company D, First Regiment Tennessee Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Sarah C. Turner, widow of Loren H. Turner, late of Company F, Ninth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Addie M. Blair, widow of Willard C. Blair, late of Company G, Two hundred and third Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Edmond D. Judkins, late of Company E, Fourth Regiment Tennessee Volunteer Mounted Infantry, and pay him a pension at the rate of $50 per month.

The name of Inez Mabel Chase, widow of Ambrose P. Chase, late of Company A, Twenty-first Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month and pay to her the amount of pension accrued to soldier at the time of his death.

The name of Esther A. Blythman, widow of James Blythman, late of Company I, Twenty-fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Neal, widow of James Neal, late of Company E, First Regiment Alabama Volunteer Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Mary J. Kimball, widow of Lorenzo A. Kimball, late of Company K, Fourth Regiment United States Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Mary A. Hale, widow of James Hale, late of Company H, Eighth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month.

The name of Eliza E. Clink, widow of Adam Clink, late of Company H, Fifty-sixth Regiment Pennsylvania Volunteer Infantry, and Company Fifty-eight, Second Battalion, Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Mary A. Flick, widow of Joseph Flick, late of Company A, Sixth Regiment Pennsylvania Volunteer Heavy Artillery, and pay her a pension at the rate of $30 per month and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Sarah C. Mattox, widow of William Mattox, late of Company F, Forty-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of William A. Benge, helpless and dependent son of Isaac F. Benge, late of Company H, Seventieth Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Elizabeth DuHamel, widow of William J. C. DuHamel, late acting assistant surgeon, United States Army, and pay her a pension at the rate of $35 per month.

The name of Emma Brock, widow of William P. Brock, late of Company B, One hundred and tenth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Alice M. Jones, widow of William M. Jones, late of Company H, First Regiment Vermont Volunteer Cavalry, and Company H, Tenth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Manella A. Eastman, widow of William H. Eastman, late of the Second Independent Battery, Massachusetts Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Charles Geiger, alias Charles Fischer, late of Company I, Second Regiment Maryland Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Alice M. Knox, widow of Walter Knox, late of Company F, Fifth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Marie Schneider, widow of John D. Schneider, alias Daniel Schneider, late of Company G, First Regiment New Jersey Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Ann A. Hall, widow of Christopher Hall, late of Company H, Ninety-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of S. Eliza Faught, widow of James J. Faught, late of Company D, Eighth Regiment Missouri Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Taylor Hall, helpless and dependent son of John Hall, late of Company H, Eighth Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Wilhelmine Roehl, widow of Fritz Roehl, late of Company E, Twenty-first Regiment Iowa Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Edward E. Berry, helpless and dependent son of James T. Berry, late of the United States Navy, and pay him a pension at the rate of $20 per month.

The name of William Bieber, helpless and dependent son of Oscar Bieber, late of Company K, Seventeenth Regiment Massachusetts Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving

The name of Nina R. Benjamin, widow of James H. Benjamin, late of Companies M and I, Twenty-first Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Jennie A. Fisk, known as Adella J. Fiske, former widow of Frederick C. Lawrence, late of Company F, Sixth Regiment New Hampshire Volunteer Infantry, and pay her a pension at the rate of $35 per month.

The name of George F. Phillips, helpless and dependent son of Ruel Phillips, late of Company E, Sixteenth Regiment Maine Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Lucy Esterbrooks, widow of Ashabill P. Esterbrooks, late of Company H, One hundred and forty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Emilyn L. Bennett, widow of Bradford W. Bennett, late of Company H, Tenth Regiment Rhode Island Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Cena M. Maples, widow of William Maples, late of Company M, Second Regiment Tennessee Volunteer Cavalry, and pay her a pension at the rate of $30 per month, and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Clara Larish, helpless and dependent daughter of Andrew S. Larish, late of Company A, Ninetieth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Mary Polo, widow of Andrew Polo, late of Company A, Fourteenth Regiment New York Volunteer Heavy Artillery, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Emma Polo, helpless and dependent daughter of said Mary and Andrew Polo, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary Polo the name of said Emma Polo shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary Polo.

The name of Ella K. Johnson, widow of Henry T. Johnson, late of Company G, Eighth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Francis Ann Sherlaw, widow of Miles Sherlaw, late of Company K, Ninth Regiment Vermont Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ada L. Kinsey, widow of William B. Kinsey, late of One hundred and sixty-first Regiment New York Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Mary V. Benton, widow of John Benton, late of Company C, Two hundred and fifth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Elizabeth Benton, helpless and dependent daughter of said Mary V. and John Benton, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Mary V. Benton, the name of said Elizabeth Benton shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Mary V. Benton.

The name of Hannah Atchison, widow of William D. Atchison, late of the Forty-fifth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Florence J. Atchison, helpless and dependent daughter of said Hannah and William D. Atchison, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Hannah Atchison, the name of said Florence J. Atchison shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Hannah Atchison.

The name of Helen M. Gross, widow of Solomon Gross, late of Company H, One hundred and forty-fifth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Nicholas Brady, helpless and dependent son of Thomas Brady, late of Company B, Twenty-ninth Regiment Massachusetts Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Agnes Fowler, widow of Lyman H. Fowler, late of Company C, Sixteenth Regiment Pennsylvania Volunteer Infantry, and Companies E and I, Sixteenth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Annie L. Marksbury, widow of James W. Marksbury, late of Company G, Thirty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Luella E. Foote, helpless and dependent daughter of Bronson H. Foote, late of Company C, One hundred and sixty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of W. Walter Branyan, helpless and dependent son of Robert H. Branyan, late of Company B, Thirteenth Regiment Pennsylvania Reserve Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Harriet Barnes, widow of Corydon J. Barnes, late of Company A, Fourth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary Hist, widow of Henry Hist, late of Company D, One hundred and twenty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Ellen Smith, widow of Thomas Smith, late of Company C, First Regiment, and Company C, One hundred and ninety-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Martha Short, widow of Eldridge Short, late of Company B, Third Regiment Tennessee Volunteer Mounted Infantry, and pay her a pension at the rate of $30 per month.

The name of Eliza Macomber, widow of Clark Macomber, late of Company B, Twentieth Regiment Michigan Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Mary V. Barlow, widow of James C. Barlow, late of Company C, Fifteenth Regiment Massachusetts Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Lola Beebe, widow of Lewis M. Beebe, late of the band, Forty-sixth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Margaret Gilbow, widow of John Gilbow, late of Company C, One hundred and forty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Harriet E. Sabin, widow of Luther B. Sabin, late of Company I, One hundred and ninth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Daisy M. Tibbott, widow of David Tibbott, late of Company F, Ninety-third Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month, and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Mary E. Taylor, widow of Theodore W. Taylor, late of Company E, Twenty-fourth Regiment New York Volunteer Cavalry, and Company E, First Regiment New York Volunteer Provisional Cavalry, and pay her a pension at the rate of $30 per month, and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Naoma Dobie, widow of Francis T. Dobie, late of Company C, First Battalion, Fifteenth Regiment, United States Infantry, and pay her a pension at the rate of $30 per month.

The name of Addie Martin Blevans, helpless and dependent daughter of John S. Beard, late of Company G, Fifty-third Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Miranda Johnson, helpless and dependent daughter of Thomas W. Johnson, late of Company D, Fifty-eighth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Elbert M. Deffendall, helpless and dependent son of Abram Deffendall, late of Company I, One hundred and forty-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of Mary L. Nevill, helpless and dependent daughter of Thomas Nevill, late of Company K, Twelfth Regiment Kentucky Volunteer Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Catharine Conn, helpless and dependent daughter of Francis M. Conn, late of Company B, First Regiment Indiana Volunteer Cavalry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving, to be paid to duly appointed guardian.

The name of Orpha Conroy, widow of Moses B. Conroy, late of Company H, First Regiment New York Volunteer Light Artillery, and pay her a pension at the rate of $30 per month.

The name of Clara E. Fritcher, widow of Henry Daniel Fritcher, late of Company M, Eighth Regiment New York Volunteer Heavy Artillery, and Company G, Tenth Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Roxie L. Colbert, widow of John L. Colbert, late of Company C, Ninth Regiment Illinois Volunteer Cavalry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Annie Beck, widow of Felix Beck, late of Company G, Twelfth Regiment Pennsylvania Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Elvira M. Anderson, widow of William B. Anderson, late of Sixtieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $40 per month in lieu of that she is now receiving.

The name of Catharine Pentz, widow of David A. Pentz, late of Company H, One hundred and second Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Charles B. Pentz, helpless and dependent son of said Catherine and David A. Pentz, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Catharine Pentz, the name of said Charles B. Pentz shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Catharine Pentz.

The name of Mary A. Chorpenning, widow of Samuel A. Chorpenning, late of Company G, First Battalion, Nineteenth Regiment United States Volunteer Infantry, and Company H, First Battalion, ——— Regiment, Provisional Pennsylvania Volunteer Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Corbly, helpless and dependent daughter of Eli C. Corbly, late of Company G, First Regiment West Virginia Volunteer Infantry, and pay her a pension at the rate of $20 per month, payable to a duly appointed guardian.

The name of John D. Gardner, alias John Darity, late of Company K, Ninety-third Regiment Indiana Volunteer Infantry, and pay him a pension at the rate of $50 per month.

The name of Flora McMann, widow of William A. McMann, late of Company M, Seventh Regiment Michigan Volunteer Cavalry, and Company I, First Regiment Michigan Volunteer Veteran Cavalry, and pay her a pension at the rate of $30 per month.

The name of Isaac N. Bayless, helpless and dependent son of Daniel B. Bayless, late of Company A, First Regiment Tennessee Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Margaret Ann Evans, widow of Zedic R. Evans, late of Company A, Sixty-second Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Minnie M.

Evans, helpless and dependent daughter of said Margaret Ann and Zedic R. Evans, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Margaret Ann Evans, the name of said Minnie M. Evans shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Margaret Ann Evans.

The name of Adaline C. Bellew, widow of James F. Bellew, late of Company G, Thirty-seventh Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Rose Dodge, widow of David E. Dodge, late of Company G, One hundred and sixty-ninth Regiment Pennsylvania Volunteer Drafted Militia Infantry, and pay her a pension at the rate of $30 per month.

The name of Minnie Alldaffer, widow of Joel Alldaffer, late of Company A, One hundred and eighty-seventh Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month, and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Mary E. Harris, widow of Bateson Harris, late of Company G, Forty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Leah F. Ruess, widow of Anthony J. Ruess, late of Company A, One hundred and sixty-fourth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Anna Snyder, widow of John Snyder, late of Company I, One hundred and seventy-eighth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Bridget Hopkins, widow of Patrick Hopkins, late of Company H, Ninetieth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Lizzie Hopkins, helpless and dependent daughter of said Bridget and Patrick Hopkins, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Bridget Hopkins the name of said Lizzie Hopkins shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Bridget Hopkins.

The name of Caroline Bartlett, widow of Eugene Bartlett, late of Company F, Thirty-first Regiment Wisconsin Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Sarah E. Fisk, widow of John W. Fisk, late of Battery A, Fifth Regiment United States Volunteer Artillery, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Lelia Crawford, helpless and dependent daughter of Charles N. Crawford, late of Company E, One hundred and forty-third Regiment New York Volunteer Infantry, and pay her a pension at the rate of $20 per month, payable to duly appointed guardian.

The name of Ella Parsons, helpless and dependent daughter of George W. Parsons, late of Company E, Seventy-sixth Regiment Pennsylvania Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of Amanda J. S. Brockway, widow of Nicholas M. Brockway, late of Company G, Fifty-seventh Regiment Pennsylvania Volunteer Emergency Militia, and pay her a pension at the rate of $30 per month and pay to her the amount of pension accrued to the soldier at the time of his death.

The name of Terrissa N. Hunter, widow of Andrew J. Hunter, late of Company A, One hundred and sixth Regiment Illinois Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Thomas Spearman, helpless and dependent son of John Spearman, late of Company F, Forty-third Regiment Ohio Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Abbie M. Packard, helpless and dependent daughter of Charles Packard, late of Company D, Thirteenth Regiment, and Company K, Thirtieth Regiment, Maine Volunteer Infantry, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving.

The name of Lillie Werntz, helpless and dependent daughter of John S. Werntz, late of Company K, Seventy-first Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $20 per month.

The name of David Conrad Doup, helpless and dependent son of Frederick Doup, late of Company B, Second Regiment Virginia Volunteer Infantry, and pay him a pension at the rate of $20 per month.

The name of Elizabeth Fobes, widow of Daniel A. Fobes, late of Company A, Sixty-fifth Regiment Ohio Volunteer Infantry, and pay her a pension at the rate of $50 per month in lieu of that she is now receiving: *Provided*, That in the event of the death of Charles Fobes, helpless and dependent son of said Elizabeth and Daniel A. Fobes, the additional pension herein granted shall cease and determine: *Provided further*, That in the event of the death of Elizabeth Fobes, the name of said Charles Fobes shall be placed on the pension roll, subject to the provisions and limitations of the pension laws, at the rate of $20 per month from and after the date of death of said Elizabeth Fobes.

The name of Phoebe A. Fairhurst, widow of George H. Fairhurst, late of Company C, Forty-fourth Regiment Indiana Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Maria A. Owens, widow of William J. Owens, late of Company F, One hundred and fifty-second Regiment New York Volunteer Infantry, and pay her a pension at the rate of $30 per month.

The name of Elizabeth Langley, widow of Alonzo D. Langley, late of Company A, Fiftieth Regiment Missouri Volunteer Infantry, and pay her a pension at the rate of $35 per month in lieu of that she is now receiving.

The name of Ferdinand Lambert, helpless and dependent son of Andrew Lambert, late of Company A, First Regiment Ohio Volunteer Heavy Artillery, and pay him a pension at the rate of $20 per month, payable to a duly appointed guardian.

The name of Edmund Hishley, helpless and dependent son of Coonrod Hishley, late of Company A, Second Battalion, District of Columbia Volunteer Militia Infantry, and pay him a pension at the rate of $20 per month in lieu of that he is now receiving.

The name of George W. Bagley, late of the Construction Corps, Quartermaster Teamster Department, United State Volunteers, and pay him a pension at the rate of $50 per month in lieu of that he is now receiving.

The name of Eunice Wright, widow of Watson W. Wright, late of Company A, Ninety-second Regiment Illinois Volunteer Infantry, and the Second Battalion Veteran Reserve Corps, and pay her a pension at the rate of $30 per month.

The name of Bridget Mitchell, widow of Alexander Mitchell, late of Company A, Eighth Regiment New York Volunteer Cavalry, and pay her a pension at the rate of $30 per month.

The name of Emma K. Barrett, widow of William B. Barrett, late of Company B, Seventy-fourth Regiment United States Colored Volunteer Infantry, and pay her a pension at the rate of $30 per month.

This bill is a substitute for the following House bills referred to the Committee on Invalid Pensions:

H. R. 1892. Sarah M. Brown.
H. R. 1935. Mary Arnold.
H. R. 2444. Malvina A. Williams.
H. R. 4559. Margaret J. Cutright.
H. R. 4938. Ella V. Altmeyer.
H. R. 5767. Ottilie Carrol.
H. R. 5901. Matilda Starbuck.
H. R. 6196. Florence F. Wellington Washburn.
H. R. 6276. Aurelia E. Wilkins.
H. R. 6533. Katherine Shurts.
H. R. 6540. Lurinda F. Haines.
H. R. 6702. Jane P. Hoyt.
H. R. 6703. Elizabeth H. Waugh.
H. R. 6847. Susan C. Kendrick.
H. R. 7221. Catherine Rentfro.
H. R. 7565. Mahala Goff.
H. R. 7712. Henrietta W. Carlisle.
H. R. 7810. Harriet A. Wormuth.
H. R. 7903. Julia E. Wooster.
H. R. 7986. Cynthia A. Miller.
H. R. 8476. Ruth Maxwell.
H. R. 8526. Fannie Gilbert.
H. R. 8530. Nancy C. Henderson.
H. R. 8672. Mary E. Tussing.
H. R. 8677. Clara B. Plessner.
H. R. 8802. Mary E. Applegate.
H. R. 8852. Pernecia Boozer.
H. R. 9006. Lydia Smith.
H. R. 9094. Rosetta Chaney.
H. R. 9443. Laura Adams.
H. R. 9405. May J. Wode.
H. R. 9471. Nancy E. Hixson.
H. R. 9640. Virginia A. Dixon.
H. R. 9797. Ella Merrick.
H. R. 9798. Marinda Maynard.
H. R. 9907. Ellen M. Deer.
H. R. 10198. Fanny Stewart.
H. R. 10716. Lena Derl.
H. R. 10901. Louisa Gladwish.
H. R. 10977. Ann Vanfleet.
H. R. 11146. Alice Moore.
H. R. 11271. Adam Perry Kaufman.
H. R. 11461. Fanny Van Winkle.
H. R. 12075. Sarah Isabell Lowe.
H. R. 12079. Adella Doersh.
H. R. 12226. Carrie Hover.
H. R. 12361. Ellen J. Johnston.
H. R. 12406. Francis M. Chronister.
H. R. 12521. Clara Estelle Sollers.
H. R. 12570. Robert Gardner.
H. R. 12574. Alice Jewett.
H. R. 12638. Cyrus J. Wilsey.
H. R. 12665. Sarah M. Standish.
H. R. 12700. Sarah E. Hall.
H. R. 12769. Martha Nave.
H. R. 12837. Annie Baird.
H. R. 12876. Elizabeth Hooper.
H. R. 12912. Garrett Williamson.
H. R. 13092. Mary B. Morgan.
H. R. 13096. Ella B. Flaherty.
H. R. 13182. Marion T. McClelland.
H. R. 13238. Anna Lowe.
H. R. 13252 Julia Ann Hopkins.
H. R. 13302. Nellie J. Merriman.
H. R. 13315. Eva Miller (lunatic).
H. R. 13367. Mary A. Smith.
H. R. 13372. William F. Hawley.
H. R. 13391. Eliza J. Gibson.
H. R. 13409. Mary Lewis.
H. R. 13488. Andrew J. Legg.
H. R. 13565. Cynthia Timberlake.
H. R. 13569. Clara Mahoney.
H. R. 13659. Charles Blaker.
H. R. 13695. Hannah B. Kesler.
H. R. 13709. Marion B. Patterson.
H. R. 13710. Catherine F. Edsall.
H. R. 13730. Emily W. Johnson.
H. R. 13732. Nathaniel Bitner.
H. R. 13736. Susanna Spencer.
H. R. 13741. Warner M. Ellis.
H. R. 13759. Louvisa E. Harrison.
H. R. 13780. Annie A. Lewis.
H. R. 13784. John Seidel.
H. R. 13819. William H. Knowles.
H. R. 13829. Sue N. Inness.
H. R. 13843. John H. Walker.
H. R. 13854. Lucina Heath.
H. R. 13861. Sallie J. Pile.
H. R. 13867. Sarah Athens.
H. R. 13888. Sarah C. Turner.
H. R. 13895. Addie M. Blair.
H. R. 13898. Edmond D. Judkins.
H. R. 13918. Inez Mabel Chase.
H. R. 13920. Esther A. Blythman.
H. R. 13934. Mary Neal.
H. R. 13950. Mary J. Kimball.
H. R. 13953. Mary A. Hale.
H. R. 13970. Eliza E. Clink.
H. R. 14026. Mary A. Flick.
H. R. 14030. Sarah C. Mattox.
H. R. 14031. William A. Benge.
H. R. 14033. Elizabeth DuHamel.
H. R. 14039. Emma Brock.
H. R. 14045. Alice M. Jones.
H. R. 14050 Manella A. Eastman.
H. R. 14051. Charles Geiger, alias Charles Fischer.
H. R. 14080. Alice M. Knox.
H. R. 14083. Marie Schneider.
H. R. 14104. Ann A. Hall.
H. R. 14110. S. Eliza Faught.
H. R. 14115. Taylor Hall.
H. R. 14118. Wilhelmine Roehl.
H. R. 14142. Edward E. Berry.
H. R. 14143. William Bieber.
H. R. 14149. Nina R. Benjamin.
H. R. 14169. Jennie A. Fisk, known as Adella J. Fiske.
H. R. 14181. George F. Phillips.
H. R. 14189. Lucy Esterbrooks.
H. R. 14191. Emilyn L. Bennett.
H. R. 14192. Cena M. Maples.
H. R. 14201. Clara Larish.
H. R. 14205. Mary Polo.
H. R. 14210. Ella K. Johnson.
H. R. 14211. Francis Ann Sherlaw.
H. R. 14215. Ada L. Kinsey.
H. R. 14219. Mary V. Benton.
H. R. 14232. Hannah Atchison.
H. R. 14235. Helen M. Gross.
H. R. 14236. Nicholas Brady.
H. R. 14246. Agnes Fowler.
H. R. 14251. Annie L. Marksbury.
H. R. 14253. Luella E. Foote.
H. R. 14266. W. Walter Branyan.
H. R. 14267. Harriet Barnes.
H. R. 14268. Mary Hist.
H. R. 14269. Ellen Smith.
H. R. 14272. Martha Short.
H. R. 14276. Eliza Macomber.
H. R. 14278. Mary V. Barlow.
H. R. 14288. Lola Beebe.
H. R. 14300. Margaret Gilbow.
H. R. 14305. Harriet E. Sabin.
H. R. 14318. Daisy M. Tibbott.
H. R. 14319. Mary E. Taylor.
H. R. 14320. Naoma Dobie.
H. R. 14323. Addie Martin Blevans.
H. R. 14324. Miranda Johnson.
H. R. 14325. Elbert M. Deffendall.
H. R. 14326. Mary L. Nevill.
H. R. 14327. Catharine Conn.
H. R. 14331. Orpha Conroy.
H. R. 14332. Clara E. Fritcher.
H. R. 14339. Roxie L. Colbert.
H. R. 14349. Annie Beck.
H. R. 14359. Elvira M. Anderson.
H. R. 14372. Catharine Pentz.
H. R. 14380. Mary A. Chorpenning.
H. R. 14397. Elizabeth Corbly.
H. R. 14402. John D. Gardner, alias John Darity.
H. R. 14405. Flora McMann.
H. R. 14435. Isaac N. Bayless.
H. R. 14448. Margaret Ann Evans.
H. R. 14503. Adaline C. Bellew.
H. R. 14504. Rose Dodge.
H. R. 14507. Minnie Alldaffer.
H. R. 14509. Mary E. Harris.
H. R. 14510. Leah F. Ruess.
H. R. 14513. Anna Snyder.
H. R. 14528. Bridget Hopkins.
H. R. 14529. Caroline Bartlett.
H. R. 14530. Sarah E. Fisk.
H. R. 14585. Lelia Crawford.
H. R. 14586. Ella Parsons.
H. R. 14642. Amanda J. S. Brockway.
H. R. 14711. Terrissa N. Hunter.
H. R. 14765. Thomas Spearman.
H. R. 14843. Abbie M. Packard.
H. R. 14877. Lillie Werntz.
H. R. 14962. David Conrad Doup.
H. R. 14963. Elizabeth Fobes.
H. R. 14978. Phoebe A. Fairhurst.
H. R. 14979. Maria A. Owens.
H. R. 14980. Elizabeth Langley.
H. R. 14990. Ferdinand Lambert.
H. R. 15001. Edmund Hishley.
H. R. 15044. George W. Bagley.
H. R. 15051. Eunice Wright.
H. R. 15066. Bridget Mitchell.
H. R. 15071. Emma K. Barrett.

Mr. FULLER of Illinois. Mr. Speaker, I ask unanimous consent to return to page 12. I wish to offer an amendment on page 12.

The SPEAKER pro tempore. The gentleman from Illinois asks unanimous consent to return to page 12 of the bill. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment.

The Clerk read as follows:

Amendment by Mr. FULLER of Illinois: Page 12, line 11, strike out "$30" and insert in lieu thereof "$20."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FULLER of Illinois, a motion to reconsider the vote by which the bill was passed was laid on the table.

EXTENSION OF REMARKS.

Mr. DAVIS of Tennessee. Mr. Speaker——

The SPEAKER pro tempore. For what purpose does the gentleman rise?

Mr. DAVIS of Tennessee. I want to ask leave to extend my remarks upon the tariff bill passed last night.

The SPEAKER pro tempore. The gentleman from Tennessee asks unanimous consent to extend his remarks upon the tariff bill passed yesterday. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that on Monday next immediately after the reading of the Journal and the disposition of matters on the Speaker's table it may be in order to take up bills on the Private Calendar in the House and consider those bills to which at that time objection is not made.

The SPEAKER pro tempore. The gentleman from Wyoming asks unanimous consent that on Monday next, after the reading and approval of the Journal and the disposition of business on the Speaker's table, it shall be in order to take up bills on the Private Calendar in the House and consider those unobjected to. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, I do so for the purpose, if the gentleman will permit me, of propounding a parliamentary inquiry to the Chair concerning the matter.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. Under the unanimous-consent request made by the gentleman from Wyoming, should the calendar be called and all of the cases pending on it be called through the calendar, then would it be in order thereafter for those cases to be recalled even over an objection?

The SPEAKER pro tempore. The Chair would think not under the request for unanimous consent.

Mr. MONDELL. Unquestionably not.

Mr. BLANTON. That was held here at one time, gentlemen will remember, and numerous cases passed over objection. If that were the rule in this House, then I would be forced to object, but if it is only that those cases unobjected to may be called I shall not object.

Mr. MONDELL. That is the request..

Mr. MANN of Illinois. The precedent cited by the gentleman from Texas [Mr. BLANTON] was on a Private Calendar day.

Mr. BLANTON. Yes. That is the distinction.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Wyoming?

There was no objection.

PRESIDENT'S MESSAGE—WORLD DAIRY CONGRESS (S. DOC. NO. 347).

The SPEAKER pro tempore laid before the House a message from the President of the United States, which was read, as follows:

To the Senate and House of Representatives:

I transmit herewith a report by the Acting Secretary of State, with an accompanying copy of a letter from the Secretary of Agriculture favoring legislation by the Congress that will give governmental sanction to the world's dairy congress which it is contemplated to hold in the United States in 1922, and will enable the Government of the United States officially to invite participation of foreign Governments therein.

I invite the attention of the Congress to the commercial and scientific value which the Secretary of Agriculture thinks would accrue to the important dairy industry of the United States by holding the proposed congress, and I ask for the matter the favorable consideration of the Congress.

It will be observed that no appropriation is asked for at this time, but that if the holding of the proposed congress be authorized by the Congress of the United States it may be that the dairy organizations of the United States may, if found necessary, ask the Congress for a small appropriation in addition to the $100,000 which they themselves propose to raise.

WOODROW WILSON.

THE WHITE HOUSE,
23 December, 1920.

The SPEAKER pro tempore. The message and accompanying documents will be referred to the Committee on Agriculture and ordered printed.

Mr. MANN of Illinois. Or the Committee on Foreign Affairs.

Mr. ROGERS. Mr. Speaker, it should be referred to the Committee on Foreign Affairs, I submit.

The SPEAKER pro tempore. The Chair is advised and understands that similar messages involving matters of like import have been referred to the Committee on Agriculture.

Mr. ROGERS. If the Chair will pardon me a moment, I will say that the annual Diplomatic and Consular appropriation bill contains 20 or 30 provisions for international congresses of various kinds, such things as have no possible relationship, so far as subject matter goes, to foreign affairs, or to that committee, but because they call for international meetings they are deemed by this House, I think, to present a question of foreign affairs which ought to be within the jurisdiction of that committee.

The SPEAKER pro tempore. Well, with the consent of the House the Chair will defer the reference of the matter until the Speaker returns.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 2 o'clock and 40 minutes p. m.) the House adjourned, under the order previously made, until Monday, December 27, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV,

267. A letter from the Secretary of War, transmitting recommendation for legislation to make available until expended the appropriation for additional pumping facilities to supply water to the filters, was taken from the Speaker's table and referred to the Committee on the District of Columbia.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CLARK of Florida: A bill (H. R. 15345) to define who are vagrants in the District of Columbia and to prescribe punishment for vagrancy; to the Committee on the District of Columbia.

By Mr. SNYDER: A bill (H. R. 15346) providing for the continuance of the Osage Indian School, Oklahoma, for a period of 10 years from July 1, 1921; to the Committee on Indian Affairs.

By Mr. JONES of Texas: A bill (H. R. 15347) to amend section 7 of the Federal reserve act approved December 23, 1913, as amended; to the Committee on Banking and Currency.

By Mr. LAZARO: A bill (H. R. 15348) providing for a survey of waterway from Lake Charles, La., to the Sabine River, Tex. and La., through the Calcasieu River and the intracoastal waterway from Calcasieu River, La., to Sabine River, Tex. and La.; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLACK: A bill (H. R. 15349) granting a pension to Thomas A. De Berry; to the Committee on Pensions.

By Mr. BOIES: A bill (H. R. 15350) granting a pension to Martin O. Frauendorf; to the Committee on Pensions.

By Mr. CRAMTON: A bill (H. R. 15351) granting a pension to Margaret S. Kibbee; to the Committee on Invalid Pensions.

By Mr. CURRIE of Michigan: A bill (H. R. 15352) granting a pension to Emma L. Williams; to the Committee on Pensions.

By Mr. HOUGHTON: A bill (H. R. 15353) granting a pension to Anna L. Pendleton; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15354) granting a pension to Ella H. Anthony; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15355) granting a pension to Levi S. Seeley; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15356) granting a pension to George Pendergast; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15357) granting an increase of pension to Percy D. Ganung; to the Committee on Invalid Pensions.

By Mr. KNUTSON: A bill (H. R. 15358) granting an increase of pension to Harris Dreebin; to the Committee on Pensions.

By Mr. LANGLEY: A bill (H. R. 15359) granting a pension to Clark P. Hoskins; to the Committee on Pensions.

By Mr. McFADDEN: A bill (H. R. 15360) granting an increase of pension to Albert Johnson; to the Committee on Pensions.

By Mr. McKINLEY: A bill (H. R. 15361) granting an increase of pension to Rhoda Workman; to the Committee on Invalid Pensions.

By Mr. MOTT: A bill (H. R. 15362) granting a pension to Jennie Hall; to the Committee on Invalid Pensions.

By Mr. OLNEY: A bill (H. R. 15363) for the relief of the owner of the schooner *Itasca* and her master and crew; to the Committee on Claims.

By Mr. RADCLIFFE: A bill (H. R. 15364) granting an increase of pension to Julia P. Overacker; to the Committee on Invalid Pensions.

By Mr. RANDALL of California: A bill (H. R. 15365) granting a pension to Emily T. Minkler; to the Committee on Invalid Pensions.

By Mr. REED of West Virginia: A bill (H. R. 15366) granting an increase of pension to George Martin; to the Committee on Pensions.

Also, a bill (H. R. 15367) granting an increase of pension to George R. Robinson; to the Committee on Pensions.

Also, a bill (H. R. 15368) granting a pension to Joseph D. Blackwell; to the Committee on Pensions.

By Mr. RHODES: A bill (H. R. 15369) for the relief of Monroe Gann; to the Committee on Military Affairs.

By Mr. ROBSION of Kentucky: A bill (H. R. 15370) granting an increase of pension to Elizabeth Davis; to the Committee on Invalid Pensions.

By Mr. SLEMP: A bill (H. R. 15371) granting a pension to Andrew J. Shell; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4692. By Mr. BLAND of Missouri: Petition of numerous citizens of Missouri, advocating enactment of Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4693. Also, petition of numerous citizens of Missouri, advocating and urging enactment of Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4694. By Mr. CHINDBLOM: Petition of August G. Wegener and 487 others, protesting against presence and conduct of colored French troops in the occupied German territory; to the Committee on Foreign Affairs.

4695. By Mr. CRAMTON: Petition of Roy B. Lyons, secretary, on behalf of Washington Grange, No. 1655, Washington, Mich., asking for the enactment of the French-Capper fabric bill (H. R. 11641); to the Committee on Interstate and Foreign Commerce.

4696. Also, petition of Mrs. J. M. Dodge, of Cass City, Mich., and others, asking for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4697. Also, petition of John Doepker, of Pigeon, Mich., and others, protesting against the presence of uncivilized colored soldiers of the French Republic in the occupied districts of Germany; to the Committee on Foreign Affairs.

4698. Also, petition of Lapeer Home Circle, of Lapeer, Mich., asking that the water-power act be amended so as not to apply to national parks and monuments, also for the defeat of the Fall's River Basin bill; to the Select Committee on Water Power.

4699. Also, petition of E. H. Scott, of Armada, Mich., and others, for an amendment to the United States Constitution which shall grant and guarantee the rights and privileges of citizenship to the members of the race of American Indians; to the Committee on Indian Affairs.

4700. By Mr. DARROW: Petition of the Philadelphia Bourse, in behalf of simplification in the matter of tax returns by individuals, firms, and corporations; also the Philadelphia Board of Trade, recommending that internal-revenue laws be so framed as to be simple in form and free from complex regulations as to filing reports or making statistical statements; to the Committee on Ways and Means.

4701. By Mr. DOUGHTON: Petition of the Woman's Club of Albemarle, N. C., indorsing the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4702. By Mr. FULLER of Illinois: Petition of the Kankakee Chamber of Commerce, of Kankakee, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4703. Also, petition of 90 ladies of the Dekalb, Ill., Women's Club, favoring the passage of the Sheppard-Towner maternity bills, S. 3259 and H. R. 10925; to the Committee on Interstate and Foreign Commerce.

4704. By Mr. KELLEY of Michigan: Petition of Homer L. Boyle, of Lansing, Mich., requesting legislation authorizing the President to call an international conference to relieve suffering caused by existing famines, etc.; to the Committee on Foreign Affairs.

4705. By Mr. MORIN: Petition of the Neville Island Civic Club, of Coraopolis, Pa., urging the immediate passage of the Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4706. By Mr. TINKHAM: Petition of American citizens of Boston, Mass., against the interference by America in Ireland; to the Committee on Foreign Affairs.

4707. By Mr. YATES: Petition of the Kane County Farm Bureau, by W. B. Richards, farm adviser, urging the passage of the French-Capper truth in fabric bill; to the Committee on Interstate and Foreign Commerce.

4708. Also, petition of the Railway Mail Association of Washington, D. C., by Mr. W. M. Collins, industrial secretary, urging the removal of the pledge of secrecy exacted of the railway postal clerks in connection with compensation and classification for the employees of the Railway Mail Service; to the Committee on the Post Office and Post Roads.

4709. Also, petition of E. B. Leigh, president Chicago Railway Equipment Co., of Chicago; the Haddorff Piano Co., of Rockford, Ill.; and the W. F. Hall Printing Co., all favoring the early passage of House bill 11984, the Nolan Patent Office force and salaries bill; to the Committee on Patents.

4710. Also, petition of the Hollywood Woman's Club, of Hollywood; the Suburban Civics Club, of Oak Park, by Mrs. J. H. Lee; Anna L. Fries, of Chicago; O. H. Call, of Princeton; and E. A. Elnenstrom, of Chicago, all of the State of Illinois, protesting against House bill 12466 and the water power act; to the Select Committee on Water Power.

4711. Also, petition of Hon. William L. Gleason, mayor of the city of Brockton, Mass., and the president of the board of aldermen and of the common council with reference to certain legislation regarding the fixing of the price of coal; to the Committee on Interstate and Foreign Commerce.

4712. Also, petition of A. L. Castle, president of the Channon-Emery Stove Co., of Quincy, Ill., urging the passage of legislation providing 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4713. Also, petition of the Vermilion County League of Women Voters, by Mrs. Charles W. Fleming, of Danville; the Child Welfare Association, of Danville; and the Hollywood Woman's Club, of Hollywood, all of the State of Illinois, favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

MONDAY, *December 27, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we would not be true to the trusts that have been committed to us if we undertook the duties of a new day in our own self-sufficiency or if we did less than invoke Thy blessing upon the labor of our hands and hearts. We look to Thee, the guide of all men, the judge of all men, and yet we have been taught to call Thee our Father and know that Thou hast an infinite interest in all that pertains to the welfare of our children. Grant us such measure of grace to-day as that we may do the things that are pleasing in Thy sight to forward the cause that is nearest to Thy heart, the cause of peace and justice and righteousness in the earth. For Christ's sake. Amen.

NAMING A PRESIDING OFFICER.

The Secretary (George A. Sanderson) read the following communication:

UNITED STATES SENATE,
PRESIDENT PRO TEMPORE,
Washington, D. C., December 27, 1920.

To the Senate:

Being temporarily absent from the Senate, I appoint Hon. CHARLES CURTIS, a Senator from the State of Kansas, to perform the duties of the Chair this legislative day.

ALBERT B. CUMMINS,
President pro tempore.

Mr. CURTIS thereupon took the chair as Presiding Officer.

THE JOURNAL.

The reading clerk proceeded to read the Journal of the proceedings of Thursday last, when, on request of Mr. KING and by unanimous consent, the further reading was dispensed with and the Journal was approved.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills, in which the concurrence of the Senate was requested:

H. R. 15344. An act making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes; and

H. R. 15196. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War, and certain widows and dependent children of the soldiers and sailors of said war.

PROPOSED ADJOURNMENT TO THURSDAY.

Mr. SMOOT. Mr. President, I move that when the Senate adjourns to-day it adjourn until Thursday next.

The PRESIDING OFFICER. Is there objection?

Mr. LENROOT. I shall have to object.

Mr. SMOOT. If there is any objection, I shall not insist upon the motion; I withdraw it.

Mr. HARRISON. I understood that the motion was agreed to.

The PRESIDING OFFICER. There is objection, and the Senator from Utah withdraws the motion.

HOUSE BILLS REFERRED.

H. R. 15344. An act making appropriations for the payment of invalid and other pensions of the United States for the fiscal year ending June 30, 1922, and for other purposes, was read twice by its title and referred to the Committee on Pensions.

H. R. 15196. An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of these soldiers and sailors of said war, was read twice by its title and referred to the Committee on Pensions.

CREDENTIALS.

The PRESIDING OFFICER laid before the Senate a certificate of the governor of the State of Washington, certifying to the election of WESLEY L. JONES as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

STATE OF WASHINGTON,
Office of Governor, Olympia.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, WESLEY L. JONES was duly chosen by the qualified electors of the State of Washington a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

In witness whereof I have hereunto set my hand and caused the seal of the State to be affixed at Olympia this 10th day of December, A. D. 1920, and of our State the thirty-second year.

[SEAL.]

LOUIS F. HART,
Acting Governor of Washington.

By the Acting Governor:

W. J. KINGSLEY,
Assistant Secretary of State.

The PRESIDING OFFICER laid before the Senate a certificate of the governor of the State of Kentucky, certifying to the election of RICHARD P. ERNST as a Senator from that State for the term of six years, beginning March 4, 1921, which was read and ordered to be filed, as follows:

I, Edwin P. Morrow, governor of State of Kentucky, do certify that Roy Speck, William Heyburn, and James H. Polsgrove constitute the board of election commissioners of the Commonwealth of Kentucky, and as such commissioners are duly empowered by the laws of the Commonwealth of Kentucky to execute and deliver the attached certificate of election.

In testimony whereof I have caused to be affixed hereto the seal of the Commonwealth of Kentucky.

[SEAL.]

EDWIN P. MORROW,
Governor of State of Kentucky.

COMMONWEALTH OF KENTUCKY,
Frankfort, Ky., November 22, 1920.

The undersigned, a board for examining returns of an election held on Tuesday, the 2d day of November, 1920, for United States Senator of the State of Kentucky, do certify that Hon. RICHARD P. ERNST received the highest number of votes given for that office, as certified by the secretary of state, and is therefore duly and regularly elected for the term prescribed by the Constitution.

ROY SPECK, *Chairman,*
JAMES M. POLSGROVE, *Member,*
WM. HEYBURN, *Member,*
State Board of Election Commissioners for the Commonwealth of Kentucky.

Attest:

MRS. T. H. VANZANT,
Secretary State Board of Election Commissioners.

PETITIONS.

Mr. NELSON presented a petition of members of the Onondaga Nation and the Tonawanda Band of the Seneca Nation of Indians, of New York, praying for an amendment of House bill 288 exempting them from its provisions, which was referred to the Committee on Indian Affairs.

Mr. KENDRICK presented a letter from the Alfalfa Commercial Club, of Washakie County, Wyo., favoring tariff legislation on wool, which was referred to the Committee on Finance.

He also presented a petition of the Carbon County Wool Growers' Association, of Carbon County, Wyo., favoring the so-called French-Capper truth in fabric bill, which was referred to the Committee on Finance.

Mr. KENDRICK. I present a resolution adopted by the Council of Industry, the Rotary Club, and the Lions Club, of Laramie, Wyo., favoring the Chamberlain highway bill. I move that it be referred to the Committee on Post Offices and Post Roads.

The motion was agreed to.

COURTS IN CONNECTICUT.

Mr. BRANDEGEE. From the Committee on the Judiciary I report back favorably without amendment the bill (S. 4682) to amend section 74 of the Judicial Code as amended, and I ask for its present consideration.

I will state for the information of the Senate that the bill simply provides an additional day for holding the district court in my State at Norwalk, in addition to the regular terms at Hartford and New Haven. In other respects the present law stands exactly as it is. That is the effect of the bill, and I ask that it be read.

The bill was read and considered as in Committee of the Whole, as follows:

Be it enacted, etc., That section 74 of the Judicial Code as amended be amended to read as follows:

"SEC. 74. The State of Connecticut shall constitute one judicial district, to be known as the district of Connecticut. Terms of the district court shall be held at New Haven on the fourth Tuesdays in February and September, at Hartford on the fourth Tuesday in May and the first Tuesday in December, and at Norwalk on the fourth Tuesday in April: *Provided, however,* That suitable rooms and accommodations shall be furnished for the holdings of said court and for the use of the officers of said court at Norwalk free of expense to the Government of the United States."

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BILLS AND JOINT RESOLUTIONS INTRODUCED.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. JONES of Washington:

A bill (S. 4723) granting an increase of pension to David Granger (with accompanying papers); to the Committee on Pensions.

By Mr. KNOX (for Mr. PENROSE):

A bill (S. 4724) for the relief of Cornelius Dugan; to the Committee on Naval Affairs.

By Mr. WADSWORTH:

A bill (S. 4725) authorizing the President to dispose of certain arms and ammunition seized in pursuance of the act approved June 17, 1917, along the Mexican border; and

A bill (S. 4726) authorizing the Secretary of War to lease to the Bush Terminal Railroad Co. and the Long Island Railroad, for restricted use, the tracks of the Government railroad on the Army supply base at South Brooklyn, N. Y.; to the Committee on Military Affairs.

By Mr. HALE:

A bill (S. 4727) granting a pension to Charles F. Smith (with accompanying papers); to the Committee on Pensions.

By Mr. KENDRICK:

A bill (S. 4728) for the relief of J. S. Van Doren (with accompanying papers); to the Committee on Post Offices and Post Roads.

By Mr. McLEAN:

A bill (S. 4729) to amend section 7 of the act approved December 23, 1913, and known as the Federal reserve act, as amended by the act of March 3, 1919; to the Committee on Banking and Currency.

By Mr. RANSDELL:

A bill (S. 4730) granting certain abandoned military reservations to the State of Louisiana; to the Committee on Public Lands.

By Mr. POINDEXTER:

A bill (S. 4731) authorizing the lease of school lands containing deposits of coal, oil, oil shale, or gas by the State of Washington for longer periods than five years; to the Committee on Public Lands.

By Mr. McCUMBER:

A joint resolution (S. J. Res. 231) to extend the time for filing applications for relief under the river and harbor act approved March 2, 1919; to the Committee on Commerce.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 232) permitting Chinese to register under certain provisions and conditions; to the Committee on Immigration.

AMENDMENT TO APPROPRIATION BILL.

Mr. JONES of Washington submitted an amendment intended to be proposed by him to the bill making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, which was referred to the Committee on Appropriations, as follows:

At the proper place insert: "Seattle, Wash., Passport Bureau: For salaries and expenses of maintenance of the passport bureau, $7,500."

SENATE MANUAL.

Mr. KNOX. I report a resolution from the Committee on Rules and ask for its present consideration. It is the usual resolution passed at this time of the year.

The resolution (S. Res. 411) was read, considered by unanimous consent, and agreed to, as follows:

Resolved, That the Committee on Rules be instructed to prepare a new edition of the Senate Manual, and that there be printed 4,500 copies of the same for the use of the committee, of which 300 copies shall be bound in full cowhide and tagged as to contents.

COST OF RAILROAD FUEL.

Mr. NELSON submitted the following resolution (S. Res. 412), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Interstate Commerce Commission is hereby directed to ascertain forthwith and report to the Senate the increased cost of railroad fuel to the railroads of the United States for the current year over the cost of the same to them for the year 1919, and to furnish in detail a statement of the tonnage of railroad fuel this year, its total cost, its average cost per ton, and the average cost per ton of last year's railroad fuel, to the end that the difference in cost between the two years may plainly appear.

EMERGENCY TARIFF.

The PRESIDING OFFICER. The Chair lays before the Senate a bill for a second reading.

The bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, was read the second time by its title.

Mr. HITCHCOCK. Mr. President, the bill is now ready for reference?

The PRESIDING OFFICER. It is.

Mr. HITCHCOCK. I move that the bill be referred to the Committee on Commerce. In support of that motion, I draw attention to the fact that it is a bill whose purpose it is to impose an embargo upon the commerce of imports to the United States from other countries. It is not a bill to raise revenue. Its chief purpose, according to all the discussion, is a bill to regulate the commerce of the United States by erecting tariff barriers against the importation of certain commodities. Under those circumstances it seems to me evident that its proper reference is to the Committee on Commerce and not to the Committee on Finance.

Of course, on the merits of the question I hold very strong views. It seems to me that at this time of all others the country ought not to raise tariff barriers against doing business with any nation in the world. What we need above all other things at this time is to do business with the other countries. We have enormous exportable surpluses in the country. This year our exports will amount to $3,000,000,000 more than our imports.

Our exports can only be paid for in cash or credits or products. It is obvious that they can not be paid for in cash, because we have such a large percentage of the gold of the world that practically speaking no other country in the world can send us any gold. Each of the other countries has impounded all the gold that it has and is clinging desperately to it. There are only two other ways in which the other countries can purchase our products from us. One is by credits and the other is by selling products to us.

We have reached a point where we all realize that credit is approaching exhaustion. During the present year we have sold to the other countries something like $3,000,000,000 on credit, and during 1919 we sold to the other countries $3,000,000,000 on credit. That credit is largely obtained in our banking institutions, and that credit is largely responsible for so exhausting the credit facilities of our banks that our own people have not been able to find adequate credit.

We out in the agricultural regions realize fully the serious need of credit. Our farmers who raise wheat and corn and hogs and cattle have not been able to secure enough credit; and so in the South those who raise cotton and other products have not been able to secure enough credit, and have been compelled to dump their products upon the markets simultaneously, which has resulted in ruinous prices for them.

Now, in this situation, Mr. President, should we erect tariff barriers to prevent the other countries from selling us their products which will go to pay for the things that we ought to export? We have become a creditor Nation to an enormous extent, and we can not afford to erect these tariff barriers against all the rest of the world because we must, if we maintain any degree of prosperity, have a market for our great exportable surplus.

In view of the situation, it seems to me a shocking proposition to bring a bill of this sort into Congress, which proposes to erect great tariff barriers against our best customers and to rush that bill through Congress without a hearing, practically, almost without a meeting of the committees constitued for the purpose of considering such matters.

The bill that passed the House, as is well known, received very inadequate consideration, almost no hearings at all before the great committees. Here in the Senate the machinery is already set to rush the bill through without any hearings whatever, just upon somebody's assumption that the thing to do to bring relief to the agriculturists of the West is to erect tariff barriers against the rest of the world, tariff barriers which must inevitably interfere with the opportunity of the West to sell their products to the rest of the world.

In view of this situation, it seems to me the bill should go to the committee which has in charge the consideration of the commerce of the United States.

Mr. McCUMBER. Mr. President——

Mr. HITCHCOCK. In a moment I will very gladly yield to the Senator.

Mr. McCUMBER. I desire to ask a question upon the subject the Senator is discussing.

Mr. HITCHCOCK. I yield.

Mr. McCUMBER. I desire to ask what products we are sending to Australia in any way to offset the enormous quantity of wool that is coming in from Australia? What are we turning over to Canada in the way of agricultural products to offset the immense quantity of grain that is coming from Canada and which, as the Senator himself has said, we must export? The Senator spoke of the Canadians being our best customers. Certainly he can not say that Australia purchases a great deal from the United States.

Mr. HITCHCOCK. That is a very fair question; it is a question which the committee should consider and consider carefully; but the Senator from North Dakota is well aware that the trade of the world is not arranged on the basis of selling to any particular country an exact balance of what we buy from any particular country.

Mr. McCUMBER. Does the Senator fear that the committee will not give the matter adequate consideration?

Mr. HITCHCOCK. Mr. President, judging by what has already happened and the disposition that has been shown and the reports which are current, I understood that this bill was to be rushed through as an emergency measure and to have little, if any, consideration.

Mr. McCUMBER. I think the Senator is drawing conclusions that are not at all warranted. The matter has not come before the committee. I am certain that it will receive adequate consideration by the committee. I do not think the Senator will seriously contend that being a tariff bill, even though it might stop importations in some instances, still it should go to the Committee on Commerce any more than any other tariff bill should go to that committee.

I desired to allay the Senator's fear that the measure would not have fair consideration, and if the Senator will allow me, I wish to tell him exactly what protection, for instance, there is on wheat under the House proposal, in order that he may see that it would not be a very big economic barrier, when the difference of exchange is taken into consideration.

Wheat from Canada, say from Winnipeg, is at present, or was the other day, selling for $1.85 per bushel in Canadian currency, while it was $1.84 per bushel in Chicago at the same time. The difference between the exchange would average about 15 per cent. The 15 per cent would be equivalent to 27½ cents. Now, subtract the 27½ cents from 30 cents per bushel—which the tariff would average per bushel, as the House measure provides—and it would give the American producer just 3½ cents per bushel protection. We lived through the 30 per cent protection, and we got considerable imports. Even that 3½ cents protection per bushel is more than met by the difference between Canadian No. 1 northern wheat and American No. 1 northern, the Canadian requirement being higher than is the requirement for the same grade in the United States, which

would make an equivalent for milling purposes, I should estimate, of about 7 or 8 cents per bushel. So when we take these matters into consideration, and also the exchange, with the 3 or 4 cents protection, the American farmer would still hardly be on an even basis with the Canadian farmer.

Mr. HITCHCOCK. Mr. President, the Senator from North Dakota and I disagree radically. The idea of protecting the growers of American wheat is either a delusion and a snare or it is a confidence game; it is a gold brick given to them. Our wheat is sold upon the markets of the world, and if we do not meet Canadian wheat in our market we shall meet Canadian wheat in the places to which we export our surplus wheat. It is that export surplus which fixes the price of wheat. This country has raised seven or eight hundred million bushels of wheat—perhaps more—and it has an exportable surplus; it is exporting that surplus, and if the Canadian wheat does not meet our American wheat in Chicago it will meet it in Livorpool or in some other foreign market. The American wheat grower receives absolutely no protection whatever; and protection is not what the American wheat grower needs. What the American wheat grower needs at present is credit, and he needs with it an unfettered trade with the other nations of the world. He needs credit for his products, not only domestic but international. The American wheat grower of intelligence is not going to be deluded by the gold brick which is offered him into believing that this barrier against Canadian wheat is going to enable him to get a better price for his product.

Mr. President, the Senator from North Dakota speaks of Canada. I tell him that Canada is perhaps the very best customer the United States has. To Canada every year we export $800,000,000 worth of products, and from Canada we import only one-half that amount; and yet, while Canada is only able to send to us one-half as much as we export to her, it is proposed to erect barriers against that which she is exporting to us. Such a policy strikes me as suicidal in this emergency.

I realize that there are people who think that the proposed tariff on wheat and corn and sheep and mutton and wool is going to be of some value; but I believe it will do an infinite amount of damage to the United States at this time to begin to erect barriers so as to interfere with trade with the remainder of the world. We have become a great creditor nation; we are almost in the position in which Great Britain has been in the past; and we shall be injured by anything that interferes with our trade. We have not only loaned $10,000,000,000 of Government money belonging to our people to the remainder of the world, upon which they already owe us an enormous balance of seven or eight hundred million dollars of interest, but our bankers and our credit concerns have, as we know, advanced to the rest of the world $3,000,000,000 last year, with another $3,000,000,000 this year, with which to pay for the balance of trade. Now it is proposed to make that task harder and to put a still greater strain upon credit by erecting barriers against receiving their products here to help pay for those things that we ought to sell to them.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska yield to the Senator from North Dakota?

Mr. HITCHCOCK. I yield.

Mr. McCUMBER. Let me see if I understand the Senator accurately. The Senator thinks what we ought to do is to find a market for our surplus of wheat, and that we ought to direct our energies toward marketing the surplus that we now have. Is that correct?

Mr. HITCHCOCK. What I say is that this country should be the last one in the world in this juncture to erect barriers against trade with the other countries——

Mr. McCUMBER. I know the Senator said that.

Mr. HITCHCOCK. Because we have a great exportable surplus. People in other countries of the world are starving for the wheat we are raising here; people in other parts of the world have the utmost need for the surplus cotton that is really rotting in this country at the present time.

Mr. McCUMBER. I understood that is what the Senator said.

Mr. HITCHCOCK. The people of other nations of the world have urgent need for the surpluses which we have in this country, not only of wheat and cotton, but also of wool. Only a little while ago the agents of Poland were over here and seeking to buy wool in this market, which is supposed to be overstocked. They found no means by which they could secure in the United States the credit which was necessary to buy the wool. They went to Great Britain; the British Government gave those Polish representatives the credit, and the wool was purchased in Great Britain and in Australia. We should be busy, in my opinion, in this country providing individual credit to enable foreign nations to trade with us; but at the same time we are providing that credit we should be very careful not to erect any barriers against their paying us in products.

I yield to the Senator.

Mr. McCUMBER. I did not know but that the Senator had finished. If he has not, I will wait until he has concluded.

Mr. HITCHCOCK. I am showing, Mr. President, why I think this bill, whose name, in all honesty, should be "a bill to regulate trade and commerce with other countries," should go to the committee that has to do with and examines into matters affecting trade and commerce, and not to a committee that considers measures proposing to levy taxes. The purpose of the bill is not to raise taxes. The enactment of a bill to raise taxes has been by general agreement postponed until the next session of Congress. This bill has not that purpose; it is an embargo bill; it is devised as an embargo bill. It was concluded not to call it an embargo bill, but, in fact, it is an embargo bill. The report on the bill presented by the chairman of the Ways and Means Committee of the House, as well as the views presented by the minority of that committee, show by their arguments that it is designed to check imports into this country. Therefore, Mr. President, I move that the bill be referred to the proper committee, which is the Committee on Commerce.

Mr. McCUMBER. Mr. President, I think I have quite accurately followed the reasoning of the Senator. He says that foreign countries are starving for our wheat, and he wants to give them credit in order to help us send our wheat to them. He says the farmers in the West and Northwest want to get rid of their surplus, and in order to do so want to find a market for that surplus. That is true; I agree with that.

Mr. HITCHCOCK. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Nebraska?

Mr. McCUMBER. I yield.

Mr. HITCHCOCK. I hope the Senator will not aim to quote me in such an inaccurate way. I said that this country needs, above everything else, the unfettered opportunity to trade with the remainder of the world and that every barrier which is erected against the importation of anything from the other nations of the world makes it difficult for us to sell our products of whatever sort they are to foreign countries.

Mr. McCUMBER. The Senator spoke of the necessity of finding a market and of giving credit in some way to foreign Governments or to their people in order that they may be able to purchase our products. I agree with him upon that. I voted for the bill to revive the activities of the War Finance Corporation for that purpose, and we hope that it may assist us along that line. I think that measure may do some good; but before we can get a living price for our products in foreign markets or anywhere else we have got to be able to sell them abroad; we have got to find customers; and if it is difficult for us to find a customer for the 180,000,000 bushels of surplus wheat which we have on hand to export, is not the difficulty added to if we import into the United States 150,000,000 bushels in addition to that, thus increasing the number of bushels that we must export before we can hold our price up to a living standard? That is the situation with which we are met. Mostly on account of the difference in the exchange, we are receiving the entire Canadian surplus of wheat, which amounts to very close to 200,000,000 bushels. At the same time we are attempting to find a market for our surplus, so that it may be sold.

I have before me a letter from a man in my State who operates a large farm and who, of course, has to hire considerable labor. He tells me that the actual cost of raising his wheat this year was about $2.50 a bushel. The market price is $1.17 a bushel at the place where he lives. Of course, he is desirous of breaking even if possible. We do not object so seriously that the farmer should be made the "goat" in all instances, but we object to bearing so heavily upon him that he can not operate his farm at all. We want a little assistance; we want to close the opening of the top of the barrel while we are attempting to draw off a little of the surplus at the spigot. If all the Canadian grain is to come into the United States—I mean all, of course, that is for export—we have increased our responsibility and our export liability.

Mr. President, the Senator from Nebraska says that the provisions of this bill amount to a prohibition, to an embargo. The House bill, however, does not amount to anything, so far as wheat is concerned, for it would be practically of little or no value to the wheat farmer. I understood that in the House the bill would provide a tariff of 50 cents per bushel, or 25

cents per bushel with the rate of exchange taken into consideration, which would bring it up to about in the neighborhood of 50 cents a bushel. As a matter of fact, as I have shown you, we would receive under the House bill a protection, if you call it a protection, of about 3½ cents per bushel after making allowance for the difference in exchange. The Canadian wheat would come over just exactly the same. It would pay its small duty, and the Canadian farmer could still undersell the American farmer.

In my State, and in the entire northwest section of the country, all the way from eastern Montana to western Minnesota, which takes in the Red River Valley, I do not think we have more than a quarter of an average crop. Senators can easily understand, then, the extreme hardship in those sections of the country. When they have had to hire labor at excessively high wages, when the thrashing bill itself amounted to more than 30 cents a bushel, Senators can see how difficult it is for the farmers even to live through the winter. They are attempting to hold their grain until they can secure somewhat better prices; but with the Canadian crop coming in and supplying the deficiency, the withholding of their grain from market at the present time is giving them no benefit whatever. The price is still low.

Mr. President, while I could not under any circumstances vote for this bill as it comes over from the House, I hope it will be referred to the committee to which it properly belongs, receive proper consideration in the committee, and that at some time after our reassembling in January it may have full and fair consideration before the Senate.

Mr. SMOOT. Mr. President, I disagree with the Senator from Nebraska [Mr. HITCHCOCK] that this is an embargo bill. This bill will not prevent the importation of wheat nor other items mentioned in the bill. It is a revenue bill, pure and simple.

Take the item of wool alone: To-day wool comes into this country free. Under this bill we impose a duty of 15 cents a pound on it. There is no question but a limited amount of wool will come into the country with a rate of duty of 15 cents a pound, and will yield a revenue, so the bill is a revenue measure. I might add other items in the bill as to which exactly the same thing is true. It is not an embargo bill in any sense of the word. There will be revenue derived from it; and as far as referring the bill to the Committee on Commerce is concerned, I do not think the motion is made in good faith.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Mississippi?

Mr. SMOOT. Yes; I yield.

Mr. HARRISON. I notice in this bill that unwashed wool carries a duty of 15 cents a pound.

Mr. SMOOT. Yes.

Mr. HARRISON. What was the tariff on unwashed wool in the Payne-Aldrich bill? I am sure the Senator remembers.

Mr. SMOOT. Eleven cents a pound.

Mr. HARRISON. In this bill washed wool has a duty of 30 cents a pound. What was it in the Payne-Aldrich bill?

Mr. SMOOT. Twenty-two cents.

Mr. HARRISON. And the duty on scoured wool in this bill is 45 cents a pound, with a compensatory duty of 45 cents a pound in addition to existing duties on the manufactures of wool. What was that in the Payne-Aldich bill?

Mr. SMOOT. Thirty-three cents a pound. The duties carried by this bill are in the same proportion, as between wool in the grease, washed wool, and scoured wool, as the duties which the Payne-Aldrich bill provided; but I wish to say to the Senator from Mississippi that a duty of 15 cents a pound will not keep foreign wools out of the United States, but will at least limit their importation.

Mr. HARRISON. I ask these questions merely to show that this bill in every instance carries a larger tariff than was carried in the Payne-Aldrich bill, which the leaders of the Senator's own party condemned, and said was infamous.

Mr. SMOOT. Mr. President, this is a temporary measure. There never was a condition in the United States such as exists to-day with regard to most of the items enumerated in this bill.

Take wool, for instance, to which the Senator has referred. If there were not another pound of wool imported into the United States for two years, if there were not a pound of wool clipped from an American sheep for the next two years, there is enough wool in the United States to run the mills of the country for that time, with the exception of a line of very fine wools that come from Australia.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Missouri?

Mr. SMOOT. Yes; I yield.

Mr. REED. If there is enough wool in this country to last for two years, what good would it do to stop the wool from coming in?

Mr. SMOOT. Mr. President, as long as the foreigner can get American dollars for their wool, there will be enough sent in here to last us for three years, unless there is some kind of a temporary duty imposed upon wool. There is to-day over 20,000,000 pounds of wool on the way to our ports and will arrive just as quickly as the boats can land it here.

Mr. REED. Mr. President, if the Senator will pardon me, if there is two years' supply held in this country now, will the Senator tell us how keeping other wool from coming in at this time is going to help the woolgrower until that two years' supply is used up?

Mr. SMOOT. Why, Mr. President, it certainly will help the woolgrower with regard to next year's crop. It certainly will stabilize the market here to-day, and it certainly will give the American woolgrower a chance to sell his wool in competition with wools that hereafter will come into this country. I want to say to the Senator, too, that if there is a duty placed upon the wools that are coming in here now, the price of those wools will be higher. I do not want to deny it. I want to say frankly that that will be the case.

Mr. REED. So that it will raise the price of wool?

Mr. SMOOT. It certainly will.

Mr. REED. And who will pay that increase?

Mr. SMOOT. Mr. President, if the ultimate consumer pays only the amount of duty that the bill imposes upon wool, he will never feel it. I will take, for instance, the suit of clothes which the Senator has on. How much wool does he think is in it, and what does the 15 cents a pound duty enhance the price of the suit?

Mr. REED. This suit I got before the war, so I think it has some wool in it; but I think any suit of clothes bought now has very little wool in it. There ought to be some put into it.

Mr. SMOOT. So little, I was going to say, that it will amount to nothing. If you want to get at the cost to the consumer, you will have to find it from some other source than the producer of the wool, at the price at which wool is imported into the United States to-day. I saw an account only yesterday of quarter-bloods of South American wool being sold for 9 cents a pound. On that basis there is not a suit of clothes worn by a man in this Chamber the wool in which will cost more than 90 cents.

The Senator from Nebraska is very much worried over the matter of credits in connection with the exportation of wheat, and says the importation ought to offset our exportation of goods. Let us look at the situation just as it is. Why can not Canada finance her exportations of wheat and not have our market to sell in for cash? What country is there, outside of America, that can extend credits to foreign countries to purchase large quantities of wheat? As long as we are allowing Canada to ship her wheat into the United States, and receive our dollars for it, she is not compelled to extend or worry about credit in any foreign country.

The Senator refers to the question of Poland and England in connection with wool transactions. America did not sell her the wool, he says, because of the fact that she did not arrange a credit. England arranged the credit, and yet England owes us to-day more money than was ever paid by Poland for wool in the interest upon her obligations to the United States. How did she arrange the credit for Poland? Just the same as the United States would have had to arrange it. America did not arrange the credit, but England did. If, however, England had paid us the interest she was owing on her obligations to us, perhaps we could have extended credit without increasing our inflated currency.

Mr. President, it is not a question of making a tariff bill for the future; it is a question as to whether we want to save the industries mentioned in the bill from immediate ruin in many cases. No tariff act that can be passed is going to save half of the sheepmen of this country, because they are ruined to-day. Nothing can save them; but if a measure can be passed here that will at least give confidence to the men that have advanced the grower the money, to carry them on from year to year, so that they can sell a part of their product, it ought to be done; and that is all that this bill can do, if it does that.

Mr. President, as far as the motion of the Senator from Nebraska is concerned, to refer the bill to the Committee on Commerce, I take it for granted that there is not a Senator here who thinks this is a proper bill to go to that committee. It is

a bill that should go to the Finance Committee, and I have not any doubt but that it will go there.

Mr. HARRISON. Mr. President, may I ask the Senator a question?

The PRESIDING OFFICER. Does the Senator from Utah yield to the Senator from Mississippi for a question?

Mr. SMOOT. I do.

Mr. HARRISON. The Senator is an expert on this subject. May I ask the Senator if he is in favor of placing frozen meats in this bill?

Mr. SMOOT. Certainly I am in favor of it; and if the Senator would go into the cold-storage plants of the United States, and see the hundreds of thousands of carcasses, if not millions of them, shipped from foreign countries, held in cold storage to-day, I think he would be in favor of it.

Mr. HARRISON. I want to say to the Senator that I am gratified to know that he is, because his party at the other end of the Capitol were not, and they did not place them in this bill, although an amendment was offered to that effect; and I shall be very much in favor of putting such a proposition in the bill.

Mr. SMOOT. I think the Senator from Mississippi will be in favor of putting anything in this bill in order to secure its defeat.

Mr. HARRISON. Yes; I am perfectly open about that proposition. I am very much opposed to the bill.

Mr. GERRY obtained the floor.

Mr. POMERENE. Mr. President, may I ask the Senator from Utah a question?

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Ohio for the purpose of asking a question?

Mr. GERRY. I do.

Mr. POMERENE. The other day the Senator from Utah [Mr. SMOOT] discussed very interestingly and very instructively the high price which he had to pay a few days ago for meat.

Mr. SMOOT. Yes.

Mr. POMERENE. Which was certainly a very exorbitant price. If the Senator had to pay that price for meat, there are a good many who would have to go without meat in this country, who could not afford to pay it. In view of that fact, does the Senator still think that there should be a tariff duty on meats?

Mr. SMOOT. Yes. Mr. President, the question of the cost of meat to the retailer is another proposition. The profits are made in the sale by the retailer to the consumer.

Mr. POINDEXTER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Washington?

Mr. POINDEXTER. Mr. President, I desire to make a point of order that this question is not debatable, and I cite this ruling of the Vice President, to be found on page 173 of Volume II of Gilfry's Precedents of the Senate:

> During the morning hour Mr. NORRIS moved to refer a communication from the Attorney General to the Committee on the Judiciary.
>
> It was a motion to refer a matter to a committee.
>
> The VICE PRESIDENT (Mr. MARSHALL). The Chair holds that during the morning hour the motion is not debatable.

I submit, Mr. President, in support of that that the entire spirit of Rule VII and Rule VIII, covering the consideration of business during the morning hour, is that it shall be disposed of without debate.

Mr. HARRISON. Mr. President, I desire to address myself to the proposition.

The PRESIDING OFFICER. The Chair will listen to the Senator from Mississippi on the point of order for a moment.

Mr. HARRISON. Must a Senator address himself to the point of order, or to the subject?

The PRESIDING OFFICER. To the point of order.

Mr. HARRISON. I understood that the morning business was closed.

The PRESIDING OFFICER. It has not closed. On the point of order raised by the Senator from Washington the Chair will state that during a ruling of the Chair March 28, 1914, the following occurred:

> The VICE PRESIDENT. In this connection the Chair desires to make a statement. The Chair was in error in ruling that the question of the reference of a bill to a committee is not debatable. The Chair was under the impression that the question was one of those questions which, under Rule XXII, are not debatable; but the Chair finds that the question is debatable. Therefore the ruling of the Chair heretofore made in reference to the matter will not stand as a precedent.

Mr. POINDEXTER. I would like to make a parliamentary inquiry. Does that apply to a motion made during the morning hour?

The PRESIDING OFFICER. It does.

Mr. GERRY. Mr. President, I hope that, no matter what committee this bill shall be referred to, full hearings will be held upon it. From the CONGRESSIONAL RECORD I learn that the bill was introduced in the House with practically no hearings, except some statements from wool and cattle men relating to the bad condition of those industries. The Tariff Commission was not heard, and apparently the committee did not call for reports from it.

When the bill came into the House a cloture rule was placed on it, and it was passed with very limited debate, with the result that many Members were only able to express their views on it subsequent to the passage of the bill, by being granted leave to extend their remarks in the RECORD. There is no question but that this bill has been very hurriedly conceived and then rushed through the lower House on the ground that it is an emergency measure.

Mr. President, I do not believe that it is wise in any respect to try to remedy economic conditions by putting through ill-considered measures. They are much more apt to create greater harm than they can ever remedy. In fact, from the debates in the House it has been suggested that this bill was not really offered seriously, for the purpose of relieving an emergency, or even in the belief that it would become a law, but rather the suggestion was made that it was intended for political expediency, and when I read the bill over and consider it—and I have had very little time to do that—I am convinced that there must be some such reason for the introduction of such a measure.

It is impossible to write a tariff bill piecemeal. If this bill is passed, putting a new tariff on wool, putting a new tariff on wheat, putting a new tariff on cotton, cattle, and other products, the result is going to be that other schedules in the existing tariff law will have to be rewritten. Naturally an increase in the tariff on raw materials means a decrease in the tariff on the manufactures of those materials.

Mr. President, to show with what lack of system this bill was considered, some of the rates imposed in it are higher than the rates of the Payne-Aldrich bill, and some are lower. There is a new tax on cattle and none on dairy products. There is a tax on wool, when it has already been stated in this Chamber that there is wool in storage in tremendous quantities, and a tax on the importation of sheep. The result undoubtedly will be that the men who hold the wool now in storage, who are not the farmers, will be able to reap a profit out of this bill; the profiteer will again have an advantage, and the farmer will receive no benefit.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from Utah?

Mr. GERRY. In a moment. I do not believe that this tariff, passed at this time as an emergency measure, will save the sheep of the country, and if the sheep are killed off, as it has been suggested that they will be on account of the high price of food, the result will be that when the farmer wants to buy them back, with this tariff still in existence, he will have to pay more for his ewes. Now I yield to the Senator from Utah.

Mr. SMOOT. I thought the Senator understood that at least 85 per cent of the wool clip of last year is still owned by the woolgrower. It is held by the commission house, and I know some cases where there has been a 25 cent advance on the wool, and in such cases there has been a demand made upon the woolgrower for a return of 10 cents a pound. So whatever advantage comes will come to the woolgrower, and not to the commission man.

Mr. GERRY. I understood that a statement to that effect was made in the House and was contradicted. I do not come from a wool State, and I am unable to argue the question with the Senator from Utah. I have not the information, and I have not had time to look it up. But Members of the House who were familiar with that situation had divergent views upon it.

But it is perfectly apparent, Mr. President, that if the farmer is to be helped in this way, as I said before, there will be a reaction upon the manufacturer; there will be a reaction on the consumer in the cost of his products, and I do not think that there is any bill that has been introduced in this body that would have a worse effect on the people in my part of the country, who are suffering from the depression that has existed ever since the election. They are now suffering from lack of employment, are seeking more than ever a reduction in the high cost of living. The object of a bill of this sort is to place an embargo on certain highly important commodities.

Mr. President, I can not imagine a greater injury that could be done to the thickly populated centers, the manufacturing States, the States where the people earn their living not by the

products of the farm but through manufacture and commerce, than a bill of this sort, whose acknowledged object is to raise the price of all those basic commodities of food and clothing which are absolutely essential in order to sustain life.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Rhode Island yield to the Senator from North Dakota?

Mr. GERRY. Yes; certainly.

Mr. McCUMBER. The Senator speaks of its effect in raising the price of food to the people. The Senator was here the other day, I think, when there was reported to the Senate a bill with an account showing where some nearly 2,000 ewes had been shipped from Montana into the market. The condition was so bad that the ewes had to be shipped, and those ewes were first sent on to Denver, then to Omaha, and finally landed in Chicago, and after deducting the cost of shipping, including feed, the owner of those ewes got 32 cents apiece for them. If the price of the ewes had been raised so that he would have gotten even $1 or $1.50, does the Senator think it would have made any difference in the price he would have to pay for a mutton chop? For instance, if the farmer got for the ewe 32 cents, and the Senator pays 50 cents for a single mutton chop, does the Senator think there is any very close relation between what the farmer got and what the Senator pays in a restaurant as the price of that meat?

Mr. GERRY. I will say to the Senator that I know the chairman of the Ways and Means Committee made that argument in the House when the bill was up for consideration. Naturally there are certain economic laws which govern the cost of living, and those economic laws can be set aside, and they often are set aside, by the profiteer. I personally feel that we should do everything we can to offset these conspiracies to sustain the high cost of living and to make huge profits. These conspiracies are conspiracies in restraint of trade. But I think that when we are going to do that we should not also try to complicate the situation more by putting an embargo on essential commodities, which is bound to basically raise their price.

Mr. McCUMBER. If the 50-cent per chop for mutton did not go down when the farmer got 32 cents for a whole sheep, wool and all, does the Senator think that if the farmer had even gotten a dollar or a dollar and a half for the sheep it would have increased the price of the chop that is served to him?

Mr. GERRY. I think undoubtedly that if the price of sheep continues to fall you will find that your mutton chops will go down too, although it will not probably go down immediately; but I think if you increase the cost of sheep your chances of having your mutton chop decrease in price will be very slim.

Mr. McCUMBER. If ewes are to be sold at such a price that they will not raise any more next year, so that we will depend entirely on importation, it would seem to me that the tendency would be for it to go up another year from now.

Mr. GERRY. Frankly, I will say to the Senator that I do not believe this bill will act in time to prevent the destruction of ewes, on account of the high cost of feed, especially as there is a tariff in this bill covering a great many food products which are fed to cattle and sheep.

But, Mr. President, the whole theory of this form of tariff legislation on certain products is, of course, unsound. It is doubly unsound under present world conditions, where we can only straighten out or help to remedy by barter the situation growing out of the balance of trade. It is impossible to even it up by an importation of gold, because there is not enough gold in Europe to do that, the greater measure of gold being in this country, and it therefore comes back to a question of barter—trade by the interchange of commodities.

When the bill is referred to a committee I hope, as I stated in the beginning of my remarks, that the entire matter will be thrashed out very thoroughly by hearings and that then the Senate will have an opportunity to determine whether they want to take up legislation of this popgun sort.

Mr. JOHNSON of California. Mr. President——

The PRESIDING OFFICER. Does the Senator from Mississippi yield to the Senator from California?

Mr. HARRISON. I yield.

Mr. JOHNSON of California. I have an article that appeared yesterday in the New York World which is extremely enlightening and illuminating, and if the Senator from Mississippi is not in any hurry to proceed I ask that the article may be printed in the RECORD, if the Senator from Utah [Mr. SMOOT] will consent.

Mr. SMOOT. I would rather have the Senator read it.

Mr. HARRISON. I have no objection.

The PRESIDING OFFICER. Without objection, the article will be printed in the RECORD as requested.

Mr. SMOOT. Mr. President, it is a newspaper article and I shall have to object to that request, but the Senator may read the article if he desires.

Mr. HARRISON. If the Senator from Utah will remove himself from the Chamber, we can get through more quickly.

Mr. SMOOT. I do not think the Senator from Mississippi is anxious to get through quickly at all.

Mr. JOHNSON of California. Will the Senator from Mississippi yield while I read the article?

Mr. HARRISON. May I ask the Senator from Utah if at 2 o'clock he proposes to lay aside the unfinished business to carry on the consideration of the tariff legislation? I would like to know what is the intention of the Senator.

Mr. SMOOT. If we have votes enough, we certainly will do it.

Mr. HARRISON. Then I suggest the absence of a quorum to find out if we have votes enough now to do it.

The PRESIDING OFFICER. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gronna	La Follette	Poindexter
Beckham	Hale	Lenroot	Pomerene
Borah	Harrison	McCumber	Ransdell
Brandegee	Henderson	McKellar	Reed
Capper	Hitchcock	McLean	Sheppard
Culberson	Johnson, Calif.	McNary	Smoot
Curtis	Jones, Wash.	Myers	Stanley
Dillingham	Kellogg	Nelson	Sterling
Edge	Kendrick	New	Sutherland
Elkins	Kenyon	Norris	Townsend
Fletcher	Keyes	Nugent	Wadsworth
France	King	Page	Walsh, Mont.
Gerry	Knox	Phipps	

The PRESIDING OFFICER (Mr. JONES of Washington in the chair). Fifty-one Senators have answered to their names. A quorum is present. The question is on the motion of the Senator from Nebraska [Mr. HITCHCOCK], on which the Senator from Mississippi [Mr. HARRISON] is entitled to the floor.

Mr. HARRISON. I yield to the Senator from California [Mr. JOHNSON] that he may read the article to which reference has been made.

The PRESIDING OFFICER. The Senator from California is recognized for that purpose.

AFFAIRS IN THE NEAR EAST.

Mr. JOHNSON of California. Mr. President, I apologize to the Senate for occupying time in the reading of an article, even for a very few moments, but the Senator from Utah [Mr. SMOOT] refuses to depart from his well-established rule. I congratulate him upon that course, which is a somewhat vicarious atonement for the space he occupies in the RECORD.

The article that I desire to submit, illuminating and enlightening upon the Near East policy, is one with which I think all of us should be familiar, and it should be brought to the attention of the country, if it be possible. It is an article that appeared yesterday in the New York World, a hard and fast administration paper and chief advocate of the League of Nations among the newspapers of the country. The article is as follows:

HOW SUBTERFUGE AND INTRIGUE HAVE CAMOUFLAGED THE NEAR EAST POLICY OF EUROPE'S DIPLOMATS.

[By Ferdinand Tuohy.]

"LONDON, *December 1, 1920.*

"Had the late King Alexander not had an encounter with a monkey, the Allies might have held the Balkans and the Near East for years indefinite. That a monkey bite has grievously undermined their authority from Bagdad to Odessa and from Athens to Baku is to one just returned from that part of the world a singularly vivid commentary on the chronic rottenness of the Near East policy pursued by Europe's liberators from armistice onward and crowned at Sevres, where the old and highly breakable china comes from.

"France and England may bury unknown warriors, with none so low as not to do them reverence, but, apparently, they can not or will not fight the germ that laid those warriors low.

"The treaty of Sevres was soaked and saturated in hochpolitik of the most imperialistic nature; that the self-interest and wille zur macht exuded was skillfully camouflaged only makes things worse—has, in fact, put us a rung lower since 1914. It has turned the open power of princes into masquerade, with masks off with midnight arrived, but in one country so far—Russia.

"The particular form of camouflage resorted to in connection with the Near East may, perhaps, be summed up in the verb "to protect." Britain, France, and Italy were all desperately anxious to protect Greece and equally keen that some

one else should protect the one country really needing protection in the vicinity—Armenia. In the scramble to protect Hellas of classical form and beauty I imagine John Bull won—truth to tell, old Bull is a pastmaster at protection, though it is not quite clear at times what precise form his protection takes, whether he is protecting himself from his protege, as in Egypt, or his protege from himself, as in Ireland.

"At Sevres the Allies, of course, looked around for a principle upon which to reconstruct the Balkans and the Near East, a principle leaving that part of the world safe for democracy. France wanted a new Crimean war, Italy wanted every little island she sailed up to in the night, and England wanted some one to do police work for her in the neighborhood.

"As an example of the ruling mentality at Sevres and Constantinople I do not think I am transgressing the bounds of private conversation in relating one item Admiral Bristol, the American high commissioner, told me. He and three others were dispatched to Smyrna to report on what ought to be done with that supremely rich coastal strip. The small four reported to the big four that Smyrna could not be given to Greece on any principle whatever. Smyrna was given to Greece. It was given to Greece because the enlightened way of the world to-day is first to consider what raw material a place produces and, secondly, what human beings. That explains why nobody wants Armenia. In Smyrna you trip over figs and tobacco; in Armenia over the outraged bodies of women and children.

"The British policy won, though not without the bitter enmity of France and Italy being fired—an enmity which had to be cooled ever and anon with fresh offerings to these two champions of local liberty. The British policy was to create a great new Greece and to straddle her, with allied backing—moral, economic, and, if necessary, military—across the Balkan Peninsula and Asia Minor.

"I remember sailing along the coast of this new Greece for three days and three nights last summer from Corfu to Constantinople and pondering that the population of the revitalized colossus was considerably less than that of London. It gave one to think at the time; it set one wondering how long Venizelist Greece would last, surrounded, as she was, east and west and south and north by foes. Turkey had been carved up to satiate her; so, too, Bulgaria; Kemal was at war with her, and Italy hated her with a hate of fifty millions choking down.

"The new Greece was to act as an outpost of Britain and to do Britain's work. As a start off she was sent into Asia Minor against Kemal, a constant menace to the British in Mesopotamia—no menace at all to Constantinople. The Smyrna expedition was financed by interested Salonikan millionaires and by one semi-English millionaire. The six divisions sent across the Aegean cost in the vicinity of half a million dollars a day, and the Allies had to find some of this, since Greece was verging on bankruptcy, but the bulk of the money in this first venture at making things safe locally for democracy came from capitalist kings of the Levant. Everywhere one searches in this sorry story of grab-as-grab-can one encounters the same rabid negation of all the war was ostensibly fought for.

"Even between the Allies themselves mean subterfuge and intrigue were resorted to. Thus, the French, having commanded at Saloniki, and having possessed much Balkan prestige before the war, naturally claimed to be the paramount power, overlording the whole situation. This the British agreed to, and Gen. Franchet d'Esperey was installed as commander in chief of the allied forces. In the same document and, pianissimo, Gen. Milne was granted the military command at Constantinople. The French did not see the catch in this. Constantinople, of course, is the whole country, one might say, the whole Near East, and soon Gen. Milne had completely sidetracked the Frenchman, ever after known as 'Desperate Frankey.'

"Meanwhile the Italians went against everyone, aglow with just one notion—to improve the shining hour by opening up trade with all and sundry. They traded with the bolsheviki in the Black Sea, and they passed in arms and aeroplanes to Kemal up the Meander Valley, that these same arms might be employed against the new and hated Greece. For sheer futility and immorality you could not have beaten the Levant last August. Friends were betrayed and bloody hands grasped with a nonchalance unheard of. One day the British were throwing over their vital war friend Feisul in order to subscribe to Gen. Gouraud's Napoleonic behavior on Napoleonic ground of the long ago, and the next the poor, broken, and tattered Serbs, greatest and least sung of war victims, saw forever their vision of a window by the sea float by in order that Italy might be kept quiet and recompensed for losing the Dodecanese.

"Grab-as-grab-can!

"To the wayfarer with a pen it all seemed like some grim Frankenstein experiment, this bisecting and dissecting of martyred territory by foreign offices and foreign bankers, by men at the telephone and with Rolls Royces at the door. It filled one with great melancholy as you passed through the Dardanelles and saw hillside after hillside of Australian dead—23,000 men, who might have been alive to-day in a land of sun and laughter, and who had died for this!

"It seemed like the deliberate and cold-blooded reestablishment of the order that had dug those graves. French, British, and Italians—they were in it for what they could get out of it, and not to bring peace and good will to these lesser tribes of the Mediterranean. Their fine orations had been so many words on the wind; instead of the Kaiser riding through Jerusalem, it was to be King George or King Victor or King Somebody Else. They had remade the map with a scissors, like the three Emperors cut up Poland long ago. What rhyme or reason was there, for example, in bringing the Greeks right up to the threshold of Constantinople? Thrace may have been Greek before Christ, but so was Marseille. Journeying up to Adrianople, I saw no suggestion of any other land but Turkey. But diplomatists do not have to explain why they do things, although not one in any sanely organized business concern but would get the sack for messing things up as the Entente statesmen have done in southern Europe and in Asia Minor.

"They are now, as I write, going to 'revise the treaty of Sevres in Turkey's favor.'

"This one phrase gives the true measure of the Allies' political honesty and Christian disinterestedness among Moslems and others. Their Greek policy having collapsed through a monkey bite, as a result of the Greeks calling for Constantine, whose return means the end of a pro-Entente Greece, the French, British, and Italians must now somehow arrange things between themselves, so that the unspeakable Turk is replaced in power. Well may Chicherin tilt his chair back in the Kremlin and smile at such prewar groping in a postwar world! An Irishman said to me the other day, 'I am gradually becoming a Sinn Feiner against my will through listening to the English talking about Ireland.' Who will say that millions are not becoming bolshevists against their will through watching the allied statesmen steadily reerecting the international structure which precipitated the war?

"The Allies want some nation in the Near East which will carry their banner while they rake in the shekels. They do not mind much who that person is, murderous Turk or greedy Levantine. As for clearing out of all territory where they don't belong, and are only installed as Prussians would install themselves; as for France giving back to Feisul what is Feisul's and tearing up a purely imaginary mandate, there is no more chance of that than there is of the Italians quitting Upper Cilicia—how they got there is a complete mystery—or of the British departing from Constantinople or from Bagdad. Somehow or other the Allies will find a formula enabling them to stay on * * * rather than abandon their imperialistic and economic designs, they would, one verily believes, permit the Turks to protect the Viennese again, as in a bygone age.

"The French are for a new Turkey, with a view to using a new Turkish Army in the Caucasus against the bolsheviki, and so recovering their $1,500,000,000 debt from Lenin; the British are in favor of a new Turkey because she may settle their troubles in Mesopotamia and lessen the growing enmity toward them in the Mahometan world; the Italians have all along been brazenly in favor of a new Turkey as the one means of keeping Greece from local domination. So up with the Turk and down with poor Hellas! * * * Verily, the Allies, past masters at protecting, are not overkind to their past mistresses!

"If any man desires to behold the great principles of these last years carried from theory into practice, let him proceed to Constantinople and thence describe a circle of a thousand miles diameter. He will look out on a world of all the worst of human passions, of greed, hatred, and intrigue. He will behold a world in chaos, a world of anarchy and strife, in which each one is out for self, and self alone, while hiding his true intentions beneath tall talk; a world in which two eyes never meet two eyes, a world of deceit and grim trading across the corpses of the weak; a world of typhus and killing, while Mr. Lloyd-George and others of his kidney settle it all in between a round of golf and a foreign-office banquet.

"The four States of Transcaucasia—born of Versailles—Armenia, Kurdistan, Azberbaijan, and Georgia—are either nonexistent or have passed to the bolsheviks; Anatolia, from Erzerum to Smyrna, is ruled by a Turkish rebel; Greece is undergoing a complete bouleversement with Italy, across the way, straining to spring at her throat; d'Annunzio is being subsidized by Rome in defiance of all and everybody; Austria and Serbia are slowly dying; and the red terror rules all around from Rumania to Baku.

"In the center of this charming postwar picture stand the Allies, 'revising the treaty of Sevres.' They might, to greater advantage, revise themselves."

Mr. President, I repeat I offer this article because it appears in the leading Democratic newspaper of the Nation, a newspaper which has been hard-and-fast administration and the chief advocate among the newspapers of the land of the League of Nations. I assume, appearing in this particular paper, that the newspaper itself lends verity to what its correspondent says.

In this connection one further word: This great newspaper is conducting to-day something of an agitation respecting disarmament. It has discovered, with all the joy of a youth first seeing a self-evident proposition, that war may be banished from the earth more nearly by disarmament than by any other agency or in any other manner. So it is conducting to-day, in the amazement and the pleasure of its new discovery, this particular campaign for disarmament. In that every man wishes it the utmost success, of course. We are all agreed, I take it, that if there is a real desire among the powers of the earth to prevent war they can prevent it by substantial disarmament; and if the five great nations of the earth, who constituted the five allied and associated powers in the World War, should meet together and decide upon reduction of armament, we would have taken the one great step that could be taken toward the promotion of peace and the prevention of all future wars. We all pray, of course, that that step may ultimately be taken, and we commend to some of those outside of the Chamber who have hysterically endeavored to direct our course during the past couple of years toward a new supergovernment, or who have sought consciously or unconsciously to embroil us in European controversies, quarrels, broils, and war—we commend to them the one great step that may be taken—substantial reduction of the armaments of the nations of the earth, for the prevention of wars in the future.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nebraska [Mr. HITCHCOCK], and the Senator from Mississippi [Mr. HARRISON] is entitled to the floor.

THE MERCHANT MARINE.

Mr. EDGE. Mr. President, will the Senator yield?

Mr. HARRISON. I yield.

Mr. EDGE. I should like to have the privilege of introducing a resolution and speaking very briefly, not more than five minutes, upon the subject matter of the resolution.

The PRESIDING OFFICER. The Chair desires to call the attention of Senators to paragraph numbered 2 under "Morning business":

> It shall not be in order to interrupt a Senator having the floor for the purpose of introducing any memorial, petition, report of a committee, resolution, or bill. It shall be the duty of the Chair to enforce this rule without any point of order hereunder being made by a Senator.

So the Chair will have to hold that the Senator from Mississippi can not yield for that purpose.

Mr. EDGE. If a request for unanimous consent is made and given, does the rule still hold?

The PRESIDING OFFICER. The rules make it the duty of the Chair to enforce the rule.

Mr. HARRISON. I ask unanimous consent that the Senator from New Jersey may be permitted——

The PRESIDING OFFICER. The Chair holds that that can not be done; the Senator can not yield for that purpose.

Mr. HARRISON. Suppose I yield the floor and allow the Senator to proceed?

The PRESIDING OFFICER. If the Senator yields the floor, the Chair will recognize the Senator from New Jersey.

Mr. HARRISON. Then I am not estopped from gaining recognition after that?

The PRESIDING OFFICER. The Senator has a right to speak twice on the same day on the motion.

Mr. HARRISON. I have not spoken yet.

The PRESIDING OFFICER. The Senator from New Jersey is recognized.

Mr. EDGE. Mr. President, I wish to express my appreciation to the Senator from Mississippi for giving me this opportunity. I send to the desk a resolution which I offer and ask to have read.

The PRESIDING OFFICER. The resolution will be read.

The resolution (S. Res. 413) was read, as follows:

> Whereas the reconstruction of many countries after the World War is dependent largely on supplies of all kinds from the United States; and
>
> Whereas such supplies should be, and to a large extent must be, transported in United States merchant ships; and
>
> Whereas approximately $4,000,000,000 of the American people's money, raised from them largely by taxation, has been invested in an American merchant marine; and
>
> Whereas an accounting on this investment now is imperatively advisable, in order that the people through their Congress may frame definite policies and enact legislation for the stimulation and businesslike management of this merchant marine: Therefore be it
>
> *Resolved*, That the United States Shipping Board be, and it hereby is, instructed to submit to the Senate without loss of time a concise report, devoid of arguments, and intelligible to the average citizen, on the following points:
>
> 1. The total amount of moneys appropriated for, and otherwise provided for, the United States Shipping Board and Emergency Fleet Corporation, and the United States Shipping Board as its successor, from September 7, 1916, to and including November 30, 1920.
> 2. The gross profits or losses, as the case may be, for the same period.
> 3. The net profits or losses, as the case may be, for the same period.
> 4. The disposition of any net profits, if any such there have been.
> 5. The amount of capital on which the United States Shipping Board now is conducting its business.
> 6. The number of vessels at present owned by the Shipping Board, giving material of which each is constructed and tonnage of each.
> 7. The number of vessels, if any, at present owned in part by the Shipping Board, giving material of which each is constructed and tonnage.
> 8. Number and description of vessels owned by the Shipping Board now in operation under its sole management, and number and description under charter by the Shipping Board in operation under its sole management.
> 9. Number and individual and aggregate value of vessels owned by the Shipping Board now managed by it in conjunction with private interests.
> 10. Number of vessels owned by the Shipping Board now chartered by it to private interests and operated entirely by private interests.
> 11. Number and individual and aggregate values of vessels owned by the Shipping Board not at present in operation, giving (a) name and description and tonnage of each such vessel; (b) length of time it has not been in operation; (c) reason why it has not been and is not now in operation; (d) place where each such vessel is docked or tied up; (e) expense of daily maintenance of each such vessel; (f) percentage of each vessel's value lost monthly by such idleness; (g) estimated percentage of each such vessel's value lost monthly in depreciation.
> 12. Concise description of the system of accounting by which (a) the profits or losses of the Shipping Board are determined; (b) the loss by depreciation is estimated; (c) the individual profit or loss on each vessel, in operation or idle, is established.
> 13. Copy of any standard form of contract the Shipping Board may have established.
> 14. List of all contracts with private individuals or corporations operating Shipping Board vessels either by themselves entirely or in conjunction with the Shipping Board.
> 15. List of contracts now ready for conclusion with private interests for the operation of Shipping Board vessels, and list of tentative contracts now under consideration for future conclusion.
> 16. Number of persons now employed by the Shipping Board; (a) on shore, and (b) afloat.

Mr. KING. Mr. President, will the Senator add to that resolution two other items—first, the value of the ships now owned by the Government, according to the market price; second, the number of ships sold, the amount received therefor, and the loss on those vessels?

Mr. EDGE. Mr. President, I might add, for the benefit of the Senator from Utah, that I think that particular information is fairly well contained in a reeent report issued by the Shipping Board.

My object in introducing the resolution is, briefly, this: I have tried as far as possible to dissect and analyze the recent report of the Shipping Board. I assume that it is absolutely correct—I have no reason, of course, to think otherwise—and perhaps it is in the usual form in which most of the departmental reports are issued; but I must frankly confess that I have been unable to secure this particular information, which I think of the utmost importance if Congress proposes to legislate in connection with this great responsibility.

I just want to point out, in the three minutes that I am going to consume, some important facts in this connection.

Some of you may perhaps know, but I doubt very much if the country appreciates, that the merchant marine to-day represents an investment of approximately four billions of dollars; and that four billions of dollars, estimating the average rate of interest, means a charge against the taxpayers of this country of almost a quarter of a billion per year, and, brought down to the monthly expense, approximately twenty millions per month and over $650,000 per day. For every day of 24 hours there is charged up, at the average rate of interest, over $650,000; and this is entirely apart from any loss in operation or loss in administration.

We discuss here, and very properly so—we have for years, and we undoubtedly will for many years to come—the Navy of the United States. I wonder if Senators really appreciate that, as proud as we are of the Navy, it does not represent to-day an inventory of three billions of dollars. The merchant marine investment at this moment represents 25 per cent more than the present estimated worth of the entire Navy and all the equipment of the Navy. So it does appeal to me very strongly that if there is any information we can get in order to devise businesslike plans for the future management of the merchant marine, or its disposition, it is our duty to have such information before us.

I was thoroughly and heartily in favor of the bill presented by the present Presiding Officer, the Jones bill, and I hope it

will have an opportunity to be worked out; but I think additional legislation is imperative if the information I get is correct, that prices for ships have not been materially reduced, and that in the case of those ships that have been sold over 12 firms that have paid high prices for them have already gone into the hands of receivers and can not operate them. It simply means that if we have a bad investment we must recognize it as business men and take a loss and write it off; and it is incumbent upon this Senate and this Congress to give very careful business consideration to an investment of that character, as stupendous as it is.

So I am going to ask unanimous consent of the Senate for the present consideration of the resolution in order that we may at least receive information that must be of benefit to every Senator in this body.

The resolution was considered by unanimous consent and agreed to.

EMERGENCY TARIFF.

The PRESIDING OFFICER. The question is on the motion of the Senator from Nebraska [Mr. HITCHCOCK] to refer to the Committee on Commerce the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes.

Mr. McCUMBER. Mr. President, it was rumored some time ago that the minority side of the Chamber intended to indulge in a filibuster to prevent any action upon the bill which is under consideration in the motion for reference. That, of course, they had a right to do under the procedure of the Senate, and I am not objecting at all to the method that they see fit to invoke in order to accomplish the result they desire to accomplish, if they think it can be better accomplished in that way.

My understanding was, of course, that that was to prevent the matter being passed upon until after the holidays. Of course, there is no necessity of any filibuster for that purpose, because it would be impossible for us to dispose of the subject until some time after the holidays; but inasmuch as the Senate is now indulging in the pleasurable pastime of a filibuster, we might as well understand to what extent the Senate feels that it is justified in so doing. In order to test that question, I move to lay the motion on the table.

Mr. HARRISON. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Dakota yield to the Senator from Mississippi for an interruption?

Mr. McCUMBER. For an inquiry.

Mr. HARRISON. The Senator has stated that there is a filibuster on.

Mr. McCUMBER. Yes.

Mr. HARRISON. The Senator has made two speeches. I have been yielding to various Senators, all of whom are on his side, for the past hour. There is no filibuster on. The only desire in the world that this side has, so far as I know, is to give some time for this bill to go to a committee. I had hoped that it would be held on the table until some of the Members who are on certain committees return from their Christmas holidays. It does seem to me that the Senator is all wrong—first, in charging that there is a filibuster, and, secondly, in making a motion to table a proposition when he knows that there are Senators here who desire to speak, after he has spoken twice on it.

If the Senator thinks that is fair, then he may go his way; but I do not think other Senators will think it is just the proper thing to do. He knows that I have been on my feet here, gaining recognition to say something on this bill. I yielded to the Senator from California [Mr. JOHNSON] because a Senator on that side of the Chamber objected to allowing a certain pamphlet to be incorporated in the RECORD. I yielded to the Senator from New Jersey [Mr. EDGE] so that he might have his resolution introduced and agreed to. I have tried to be kind and patient with my colleagues here, and I find now that we are compensated by a motion to table, which shuts off debate, after the Senator himself has spoken twice.

Does the Senator insist on his motion to table?

Mr. McCUMBER. Oh, yes, Mr. President. I have no doubt of the kindly intention of the Senator to give all the time possible to delay the reference.

Mr. HARRISON. The Senator does not take me at my word, then?

Mr. McCUMBER. I insist upon the motion.

Mr. HITCHCOCK. I ask for the yeas and nays.

Mr. HARRISON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HARRISON. A motion to table carries with it the whole proposition, does it not?

The PRESIDING OFFICER. It carries the motion, and that is all.

Mr. HARRISON. It carries the motion where?

The PRESIDING OFFICER. On the table.

Mr. HARRISON. It puts it on the table, so that the whole proposition just lies on the table and does not go to a committee?

Mr. HITCHCOCK. Mr. President, I ask for the yeas and nays on the motion.

Mr. FLETCHER. May I ask the Senator from North Dakota [Mr. McCUMBER] one question?

The PRESIDING OFFICER. The Senator from North Dakota has yielded the floor.

Mr. FLETCHER. I merely wish to ask the Senator a question. The Senator said there was no disposition on the other side to hurry through the consideration of the bill, and indicated that the committee would not make a report on the bill until after the holidays. Did I understand the Senator correctly?

Mr. McCUMBER. Certainly. It would be impossible for us to do it.

Mr. FLETCHER. If the reference is made to the Committee on Finance, no report will be made until after the holidays?

Mr. McCUMBER. No; we could not report it out until after the holidays.

The PRESIDING OFFICER. The Senator from North Dakota [Mr. McCUMBER] moves to lay the motion of the Senator from Nebraska [Mr. HITCHCOCK] on the table, and on that motion the Senator from Nebraska [Mr. HITCHCOCK] asks for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. FLETCHER (when his name was called). I have a general pair with the junior Senator from Delaware [Mr. BALL], which I transfer to the junior Senator from Alabama [Mr. HEFLIN] and vote "nay."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. In his absence I withhold my vote. If permitted to vote, I would vote "yea."

Mr. McCUMBER (when his name was called). I have a general paid with the senior Senator from Colorado [Mr. THOMAS], and in his absence I am compelled to withhold my vote. If permitted to vote, I would vote "yea."

Mr. PHIPPS (when his name was called). On this vote I have been requested to pair with the junior Senator from South Carolina [Mr. DIAL], and I withhold my vote.

Mr. POMERENE (when his name was called). I have a pair with the senior Senator from Iowa [Mr. CUMMINS]. I transfer that pair to the senior Senator from Nevada [Mr. PITTMAN] and vote "yea."

Mr. STERLING (when his name was called). I have a general pair with the Senator from South Carolina [Mr. SMITH]. Not knowing how he would vote, I will withhold my vote. If at liberty to vote, I should vote "yea."

Mr. WALSH of Montana (when his name was called). I have a general pair with the senior Senator from New Jersey [Mr. FRELINGHUYSEN], which I transfer to the Senator from Arkansas [Mr. ROBINSON] and vote "nay."

The roll call was concluded.

Mr. KENDRICK. I have a general pair with the Senator from New Mexico [Mr. FALL], which I transfer to the Senator from California [Mr. PHELAN] and vote "yea."

Mr. EDGE. I am paired with the junior Senator from Oklahoma [Mr. OWEN], and in his absence I withhold my vote.

Mr. KNOX. I have a pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. I am informed that if he were present he would vote in favor of referring the bill to the Committee on Finance. Therefore I feel at liberty to vote, and I vote "yea."

Mr. HENDERSON. I have a general pair with the junior Senator from Illinois [Mr. MCCORMICK]. I transfer that pair to the Senator from Arkansas [Mr. KIRBY] and vote "yea."

Mr. DILLINGHAM. I have a general pair with the Senator from Maryland [Mr. SMITH]. I transfer my pair to the Senator from Oregon [Mr. CHAMBERLAIN] and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New York [Mr. CALDER] with the Senator from Georgia [Mr. HARRIS];

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from Massachusetts [Mr. LODGE] with the Senator from Georgia [Mr. SMITH];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. GAY];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Missouri [Mr. SPENCER] with the Senator from New Mexico [Mr. JONES];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Delaware [Mr. WOLCOTT].

Mr. GERRY. I have been requested to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from South Dakota [Mr. JOHNSON] on account of illness.

The roll call resulted—yeas 33, nays 12, as follows:

YEAS—33.

Ashurst	Gronna	La Follette	Pomerene
Beckham	Hale	Lenroot	Sheppard
Borah	Henderson	McLean	Smoot
Brandegee	Johnson, Calif.	McNary	Sutherland
Capper	Jones, Wash.	Nelson	Townsend
Curtis	Kendrick	New	Wadsworth
Dillingham	Kenyon	Norris	
Elkins	Keyes	Page	
France	Knox	Poindexter	

NAYS—12.

Fletcher	Harrison	McKellar	Reed
Gerry	Hitchcock	Nugent	Stanley
Gore	King	Ransdell	Walsh, Mont.

NOT VOTING—51.

Ball	Harding	Overman	Smith, S. C.
Calder	Harris	Owen	Spencer
Chamberlain	Heflin	Penrose	Sterling
Colt	Johnson, S. Dak.	Phelan	Swanson
Culberson	Jones, N. Mex.	Phipps	Thomas
Cummins	Kellogg	Pittman	Trammell
Dial	Kirby	Robinson	Underwood
Edge	Lodge	Sherman	Walsh, Mass.
Fall	McCormick	Shields	Warren
Fernald	McCumber	Simmons	Watson
Frelinghuysen	Moses	Smith, Ariz.	Williams
Gay	Myers	Smith, Ga.	Wolcott
Glass	Newberry	Smith, Md.	

The PRESIDING OFFICER. On the motion to lay on the table the motion to refer the bill to the Committee on Commerce the yeas are 33, the nays are 12. Senators present and not voting are the Senator from Minnesota [Mr. KELLOGG], the Senator from North Dakota [Mr. MCCUMBER], the Senator from Colorado [Mr. PHIPPS], the Senator from South Dakota [Mr. STERLING], and the Senator from New Jersey [Mr. EDGE]. A quorum is present and the motion prevails.

Mr. HARRISON. Mr. President, I move that the bill be referred to the Interstate Commerce Committee of the Senate, and in speaking to that motion I shall not occupy the Senate long.

Mr. President, I am sure that the Senator from North Dakota [Mr. MCCUMBER] was laboring under a wrong impression when he thought that Senators on this side of the Senate were attempting a filibuster. It is the desire of some of the Members on this side to delay this matter until about Thursday, when certain members of the committee return to the city. These members of the committee went home to spend Christmas with their families, and they went expecting that the other side of the Chamber would be patient with them and not attempt to rush through legislation.

But they were mistaken. They did not give the question that degree of consideration, perhaps, that it deserved. They did not realize that the other side of the Chamber was drunk with political ambition to do that which its party had done 20 years ago; that it had misinterpreted the great vote it received in November of this year; that it was going back to the old days, when the Senator from Wisconsin [Mr. LA FOLLETTE] and Senators from Iowa and other Senators on the other side of the aisle saw fit to criticize their party and point out the dangers which lurk within such tactics.

But this piece of handiwork, handed to us by the body at the other end of the Capitol, is a loaded bombshell. It has been lighted there, and it is the duty of the majority of the Senate, in my opinion, to place its foot upon it and stamp it out before its explosion shall kill out the last ray of hope to the consuming masses of the country.

There never was such an iniquitous piece of legislation, perhaps, in the United States Congress. Talk about tariff—I can not understand how you high protectionists, such as the Senator from Utah [Mr. SMOOT], can stomach such a measure as this.

I am not unmindful of the fact that when the Payne-Aldrich tariff bill was debated in this Chamber, and afterwards condemned by the American people, even your President saying it was the most iniquitous tariff measure ever placed upon the statute books, you did not go as far as are written in the provisions of this bill.

The PRESIDING OFFICER. The Senator from Mississippi will suspend for a moment while the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. The bill (S. 3390) to provide for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen products; and for other purposes.

Mr. HARRISON. In the beginning the Republican Party may have had some slight reason for asking protection on articles imported into this country. The industries in the East, it was said, needed some protection; but they have grown rich now. They no longer need it. That day has long passed. Our exports have increased by leaps and bounds. This last year, I believe, the balance of trade was something like $3,000,000,000 in our favor. We are shipping wares and goods and products as never before to the countries of the world, and yet it is proposed in this measure to raise a tariff wall around the United States and say to those countries to which we are selling those goods, "While we want you to buy our goods, you shall not ship your goods into the United States."

Can any statesman blame Canada for retaliating against us if we place a tariff on wheat that comes from Canada into this country? Can we blame any country for erecting a wall that will bar our goods and wares and products into their land if we prevent theirs coming into ours? What say Senators from New England, whose factories and factory owners have grown rich by making goods and wares and shipping them to Canada and other countries? Are their constituents going to feel pleased over legislation that will take money out of their pockets and restrain them from making goods to furnish to the markets of the world?

Yet opposition heretofore to high protection has come, for the most part, from the representatives of the farming interests of the West and of the South. Those out there believed in some protection, but their farmers did not believe in an exorbitantly high protection nor an embargo. They did not believe in robbing the great masses of the people at the expense of a few. So it was the influence of the western Representatives and Senators and of the southern Representatives and Senators that prevented the avaricious hand of the interests of New England and the East from placing too high rates of taxation into the various schedules.

But they have offered in this bill a sop to the farmers of the West.

There are Representatives in the House whom I love, with whom I served, and whose voices have rung out in behalf of the people, who voted for this iniquitous piece of legislation. Some of them will want a very high protection during the coming Congress, so they can go back to the old days—these high-protection advocates, some of whom have said, "You can not get a tariff too high for me."

Do you know what they are doing in the bill to Senators from the West? This is a piece of gross deception they are handing to those who represent the farming interests, who have sat, like the Senator from Iowa [Mr. KENYON], on the Agricultural Committee and tried to evolve some plan that might help the great farming interests of the country; to Senators like the distinguished Senator from North Dakota [Mr. GRONNA], who has worked day after day trying to do something for the farmers of the country, and under whose leadership was passed in the Senate the bill reviving the War Finance Corporation. Why? It was because he thought the way to help them was to find markets abroad for our products and create a credit in this country to carry them over. If he had proposed, or if any Senator had proposed at that time when we were trying to do something real for the farmer, that the proper way to do it was to place a big tariff wall around the United States so that no other country could ship anything into the country, but continue to allow us to ship our goods and wares and products abroad, the Senate would have been amazed. It is unfair, Senators. It is wrong in principle for us to ask of some other nation to do for us what we are unwilling to do for others.

Yes; they tried to catch us in the South by placing cotton in the bill. Smart? I will hand it to you, Senators. You are very adroit, but you should not have started so soon after the recent election.

Did we hear anything of the tariff in the last campaign? No; it was not heard of. High cost of living was heard of. I

hold in my hand a pamphlet issued by the speakers' bureau of the Republican national committee that says, "Why 25-cent sugar?" Why press down upon the backs of the consuming masses of the country? That is what was given to the people then. The Republicans did not say then that we were going to revise the tariff and revise it so high that there would be a wall preventing goods and wares and products from other countries entering into our borders.

I wish I had the time—but if I should undertake it the distinguished Senator from North Dakota [Mr. McCUMBER] would accuse me of filibustering—that I might read some of the things that were said in this pamphlet. Here is the way the pamphlet wound up. Splendid stuff, fine stuff, the Senator from Utah [Mr. SMOOT] says, to ask, "Why 25-cent sugar?" Here are some of the arguments. It says:

At 25 cents, the lowest price anywhere, the American people have been robbed of $1,080,000,000.

One billion and eighty million dollars!

That is more than enough to pay the entire soldiers' bonus.

Now, Republicans were handing them sop. They wanted to make the soldier believe they were going to give him some kind of a bonus, but our committees have been working for days and days and have not come to any conclusion yet. That is why that was put in there.

This is more than enough to pay the entire soldiers' bonus which is so agitating the people of the Nation and which Congress is trying to find some way to grant.

Why, God bless you, a man with a mind such as that possessed by the Senator from Utah [Mr. SMOOT] could conceive of a good plan in a day. It would not take all this time to get some good plan for the soldiers' bonus.

By one fell act—

The pamphlet says—

the President and his Attorney General enabled the sugar growers of the world to enrich themselves by this fabulous sum of $1,440,000,000.

And it closes by saying:

The poor, plundered citizen, struggling to feed and clothe his family, naturally complains of the high cost of living. But it is better to think than to complain.

And yet in this bill what are Republicans proposing to do? They are not robbing the consuming masses of $1,440,000,000, as they allege on sugar alone, but it goes up into figures that I can not enumerate.

Talk about wheat coming in here from Canada. Yes; some wheat comes in and we ship very little abroad; but does the Senator from North Dakota forget that flour was away up at one time; that the poor people could not get it and could not have biscuits and bread on their tables? The millers of the country may get some benefit by your embargo, because they will take it as an excuse to raise the price of flour, but the farmer will not. And, after all, my friends, we have to look sometimes beyond the wheat grower. We have to look some to the consumers of the country. I can ride through my State and see the fields white with cotton on every hand, plantation after plantation. It is proposed to put a tax on that to help them. But I know it is a delusion and a snare; merely a bid for southern votes.

I would not vote for the proposition if 99 per cent of the people of Mississippi should ask me to do it, because I believe it is wrong in principle. That is why I am against it. It is wrong for a party to say they are trying to help the consumers of the country and lift a load from them, and at the same time try to gouge down their throats a bill that will increase the cost of living in the country.

Six months ago what was the cry in this Chamber? It was, "Let us reduce the high cost of living." The people of the country were hysterical about it. Yet now you are trying to increase the high cost of living to the consumers of the country. The proposition can not be denied. When an embargo is put on wheat, and on corn, and on live stock, and on those various things, it is increasing the burden on the consuming masses.

Mr. President, another peculiar thing about the bill is this: In the House there were no hearings before the Ways and Means Committee. It was forced down. The same tactics seem to be employed here. I do not know whether the Senate committee will have hearings or not. The Senator from North Dakota [Mr. McCUMBER] says that there will be. The Senator from Utah [Mr. SMOOT] looks doubtful about the proposition. May I ask the Senator from Utah whether it is proposed to have any hearings on the bill?

Mr. SMOOT. I do not know what the committee will do. As far as I am concerned, I will say frankly to the Senator from Mississippi that I do not see any necessity for hearings.

Mr. HARRISON. I thought that was the Senator's position, and yet the Senator has stood on the floor of this Chamber, as well as other Senators, and cried out for a tariff commission——

Mr. SMOOT. Oh, no!

Mr. HARRISON. If the Senator has not, I will exclude him from that statement. Other Republicans have cried out for a tariff commission that might go into all the facts and study the questions and recommend to the Congress what to do. And yet they are not willing to ask in this instance any advice or to ask for any data from the Tariff Commission. It may be because of the personnel of it; I do not know; but certainly the committee ought to have some hearings on the proposition.

Mr. SMOOT. Will the Senator yield?

Mr. HARRISON. Certainly.

Mr. SMOOT. As far as I am concerned, when an article comes into this country free of duty, and when the difference in exchange between the money of our country and that of the country from which that same product is to be shipped into our country reaches as high as 30 per cent, referring to England and Australia and South America, and up to 900 per cent with Germany, the American producers are not on an equal footing. Every pound of wool that is allowed shipped into the United States to-day is to the disadvantage of the American grower, because the foreign grower has an advantage of 30 per cent in exchange, and I think that any American farmer or grower of cattle or wool or anything else at least ought to be put on an equal footing with his foreign competitor, and that is what we are trying to do in part in the pending measure.

Mr. HARRISON. Yes; the great trouble with the Senator from Utah is that he sees wool, wool, wool, and would pull it over some of our eyes. [Laughter.]

Mr. SMOOT. That may be easily accomplished, as the Senator from Mississippi says, but I do not think so. I will say to the Senator that I am a protectionist—not a spotted one; I am a reasonable protectionist. I am a protectionist for every industry in the United States no matter where it may be located. I favor placing our industries at least on an equal basis with foreign competitors. The Senator from Mississippi will not say to-day that the woolgrower or the wheat grower of the United States is on an equal footing with the foreign wheat grower and the foreign woolgrower.

Mr. HARRISON. I have never accused the Senator from Utah of being a "spotted" protectionist. I think if there ever was a protectionist all over it is the Senator from Utah.

Mr. SMOOT. That is what I desire to be.

Mr. HARRISON. The Senator from Utah is as strong and as high a protectionist as I know of in the country. I do not like spotted protectionists; neither have I any respect for a peanut protectionist. I have no respect for a Democrat who will vote for protection on something which is grown in his district and at the same time expend his eloquence against the principle of protection. I stand to-day where I have always stood and the way my party has stood against any protection of any kind.

Mr. SMOOT. The Senator is consistent in that position, and I respect him for it, but in his remarks he referred to the fact that I only had wool in sight all the time.

Mr. HARRISON. That was facetious.

Mr. SMOOT. Very well; that is all right. Then I have nothing more to say.

Mr. HARRISON. Yes; that was facetious.

Mr. President, I am coming back to sugar for a moment. The pamphlet from which I have quoted is a remarkable one. Twenty-five cent sugar! Sugar to-day, I think, is around 8 or 9 cents, or something like that.

Mr. SMOOT. It is less than that, I will say to the Senator; and if there is not a change in the price of sugar the Senator from Mississippi will have the satisfaction of seeing half the beet-sugar factories of the West in financial trouble. Let me tell the Senator what has happened. I think the sugar-beet producer is about the only farmer in the United States who this year has had such an advantage as I am about to relate. The beet-sugar factories of the West made a contract with the beet growers for the raising of beets for the year 1920 under which the minimum price of the beets was to be $12 a ton, and for every dollar the sugar sold above $12 a ton the farmer was to receive $1 more per ton for his beets. The fact of the matter now is that the farmers have been paid $12 a ton for their beets while the sugar factories of the intermountain country—I refer to them, I will say, because I know of their situation—still have on hand 95 per cent of all of the sugar manufactured from those beets. The Food Administration said that $10 beets justified $11 sugar, but grant that it means but $10 sugar and see what is happening to the beet-sugar producer. To-day the price of beet sugar is about 7½ cents a pound. The factories have paid $12 a ton for all of their beets; and I wish now to say to the Senator as to the beet-sugar industry of this country—and I think the cane-sugar industry of Louisiana is about in the same position, although I do not know so much about that as I do about the other

industry—that if there is any satisfaction in seeing the beet-sugar factories financially crippled and many ruined, such a condition will shortly occur unless there is an increase in the price of sugar.

Mr. HARRISON. I shall have no satisfaction in seeing that; I shall get no satisfaction out of it.

Mr. SMOOT. I hoped the Senator would not.

Mr. HARRISON. I am merely talking about Republican hypocrisy in crying out against 25-cent sugar in the campaign while now they are trying to impose still greater burdens on the consuming masses.

Mr. SMOOT. The Senator from Mississippi knows the answer to that suggestion. If the President had acted when he ought to have acted in relation to the Cuban sugar, the sugar industries of this country would not be in the shape in which they are to-day. I stated upon the floor of the Senate that I did not wish to see the price of sugar advance in the way it did, and I know that the sugar manufacturers of the United States did not wish to see it do so, but the situation is precisely as I have explained in relation to the contracts which have been made for this year. They now find themselves, I am sorry to say, about where I expected they would, although I never thought that sugar would go from its high price down to 7½ cents per pound wholesale.

I know that if there can be any relief given by way of tariff to save these industries, perhaps it would be well enough to insert sugar in the pending bill; but I am not asking for that, because I know very well that if the bill is changed from the shape in which it has passed the other House it is not going to pass Congress; in fact, I do not believe that the Senator from Mississippi thinks it will pass anyway during this short session.

Mr. HARRISON. I am afraid it will pass. If the Senator from Utah could say that it would not pass, it would prevent a great deal of worry upon the part of certain Members of the Senate.

Mr. SMOOT. Unless there is developed upon the other side a filibuster against the bill, it is going to pass, I will say to the Senator from Mississippi.

Mr. HARRISON. The Senator from Utah, of course, could not speak without taking a fling at the President of the United States on the sugar proposition.

Mr. SMOOT. No.

Mr. HARRISON. I myself know something about the sugar question. I was a member of the Agricultural Committee, and I had several conferences with the Senator from Utah about the matter. We reported a bill out of the Agricultural Committee which gave the President the right to buy the Cuban crop of sugar, and the Senator from Oregon [Mr. MCNARY], the Senator from North Dakota [Mr. GRONNA], and myself, day after day, would rise here and ask that the bill be taken up for consideration. For six weeks, I think it was, the bill was held back and we could not get the legislation passed until it was too late. The Senator from Utah knows that is true.

Mr. SMOOT. Mr. President, I know that the Senator recites the history of the bill; but the Senator also knows that the President had absolute power under then existing law to have purchased the Cuban crop.

Mr. HARRISON. But the President then stated—and the Senator from Utah knows that he did so—that unless the law could be extended for a year he should not feel justified in buying that crop of Cuban sugar. We afterwards gave to him the authority to extend the time.

Mr. SMOOT. The Senator knows that every member but one of the Sugar Equalization Board recommended that the President buy the Cuban sugar crop; and there was only one member of the board who told the President that he thought sugar would be lower in price and not to purchase it, and the President took his advice.

Mr. HARRISON. And he was entirely wrong.

Mr. SMOOT. And it was for that reason the President of the United States did not buy the Cuban sugar crop.

Mr. HARRISON. Yes; and Congress finally came around to the President's way of thinking and passed the law which he said he desired passed, but it took us a long time to do it.

Now, if the Senator is so solicitous about the welfare of the cane and beet sugar producers, as certainly his Republican colleagues in the other House are, why is it that some provision regarding sugar was not put into this bill?

I will tell the reason why they did not put some provision into the bill about sugar, and I do not suppose that there is any question about it. If I lived in Louisiana, I presume, politically I should last about a day, for they would fire me pretty quickly; but the reason why sugar was not placed in the bill was because the Republicans knew they had made a cry in the campaign against 25-cent sugar, and that that cry would rise to face them and they would be accused of blowing hot and cold at the same time. There is more reason for placing sugar in the bill if it is proposed to try to do something for some of the farmers than for placing some other articles in the bill which are embraced in it.

Mr. SMOOT. Of course, the Senator may put whatever construction he desires to place upon the action taken by the other House, but I am quite sure that he is mistaken in that conclusion.

Mr. HARRISON. I hope I am.

Mr. SMOOT. I am quite sure of it. I desire to say to the Senator that there has not been a day since this emergency tariff bill has been under consideration that I have not received almost hundreds of letters from various parts of the United States asking that certain items be included in the bill; but I recognize the fact that there is no need of trying to pass emergency tariff legislation at this short session unless it covers merely commodities produced by industries which as a whole are in a condition of imminent danger.

Mr. President, that is all there is to this whole matter, as I see it, although I am frank to admit to the Senator that there are one or two articles covered by this bill which are not in imminent danger although, perhaps, they are making no money.

Mr. HARRISON. The Senator thinks unless this bill is passed exactly as it came from the House, as I understand, that there will be no legislation on this subject, and, therefore, his position on the committee is going to be against incorporating other commodities, even though the industries producing them may be suffering greater than the industries producing articles already covered by the bill?

Mr. SMOOT. I can not agree to the latter statement, for I do not think there are any other industries that are suffering more than those producing the articles covered by the bill, with one or two exceptions, as I have already stated.

Mr. HARRISON. What are those exceptions?

Mr. SMOOT. I do not wish to go into the question at this time as to exceptions. If when the bill is before the Senate for consideration the question comes up for discussion, then I shall be perfectly willing to express my opinion.

Mr. HARRISON. Take, for instance, corn, which is covered by the bill. Practically an embargo is placed upon corn, and yet there is not as much corn coming into this country as is raised in one county, say, in Illinois. The Senator, however, would leave corn in and not incorporate some other commodity, such as sugar. It may be that that is the reason why the Senator answered as he did my question about frozen meats awhile ago. We talk about cattle and sheep and other live stock, and yet there is nothing in this bill that prevents the five packers, if you please, from bringing all the frozen meats in here that they desire. In the absence of any suggestion from the Senator, I take it that my assertion is right.

Mr. President, this is a nefarious proposition; it is all wrong in principle; and it will place a heavy burden upon the toiling masses. I am against it. I hope that the committee will have full hearings, bring witnesses before it; and if there are some other industries suffering more than those producing the articles covered by the bill I hope the committee will hear their representatives and then, in the end, kill the whole proposal.

If the farmers and the representatives of farmers on this floor vote for this proposed legislation, their mouths are going to be closed in the extra session of Congress; they will then be unable to fight the nefarious high protective provisions as to some other commodities which will be placed in the bill which will be forthcoming at that time. If my friend from Wisconsin [Mr. LENROOT], with whom I served so long in the House, and who employed his splendid talents there for such a long time attempting to lift the burden from the consuming masses, shall vote for this bill, he will never be able to attack the proposed tariff legislation which will come at the next session as his distinguished colleague [Mr. LA FOLLETTE] attacked the Payne-Aldrich tariff bill. If my friend, the junior Senator from Iowa [Mr. KENYON], and his colleague, the senior Senator from Iowa [Mr. CUMMINS], too, should vote for this measure, they will not be able to give to the country the benefit of their magnificent ability in opposing the outrageous provisions that some of the conscienceless high protectionists will place in the bill coming on in the extra session. The junior Senator from Iowa was not here in the Senate when the Payne-Aldrich law was passed.

If he had been here, I have no doubt what would have been his course. He would have followed the course pursued by his distinguished and illustrious predecessor, Mr. Dolliver, than whom a more brilliant and able Senator never served in this body, who fought the iniquitous tariff law and tried to reduce the high protection rates which the Senator from Utah [Mr.

SMOOT], the senior Senator from Wyoming [Mr. WARREN], and the then Senator from Rhode Island, Mr. Aldrich, tried to place in that bill. It would be pitiful, indeed, to see Senators on the other side of the Chamber who have talked for progress, who have stood for progressive legislation, who have voted against the high protectionist and his methods, attack reactionary legislation in all its forms, vote for this bill and thereby estop themselves from making the gallant fight which otherwise they would make in the coming session.

I presume the Senate will vote down my motion to send the bill to the Interstate Commerce Committee, and then, I presume, they are going to send the bill to the Finance Committee; but let me plead with the Senator from Utah, when the bill gets before his committee, to give all those interested a fair hearing. While the Senator from Utah may see wool sometimes and may see live stock at other times, and may see various other articles at other times, that are covered by this bill, let us not forget the consumers of this country who have been so mercilessly and badly treated during the war because of the high costs of living they had to bear. Let us keep them in mind a little bit, and not make the protection too great.

Mr. SMOOT. Mr. President, the Senator does not for a moment think that it is possible to have a complete revision of the tariff during the short session of Congress, or even to add to the commodities covered by the pending bill to any great extent and to secure its passage at this session?

Mr. HARRISON. If the Senator would take my advice—I do not think he will, but if he should—he would table this measure as soon as it gets to the Finance Committee and would say, "Now, boys, let us get from the Tariff Commission a report on all these matters, as we said we were going to do, and let us frame a reasonable and fair tariff measure for presentation at the extra session of Congress."

Mr. SMOOT. I do not think there will be any rates in the proposed new tariff law which the Senator from Iowa and the Senator from Wisconsin will not be able to support.

Mr. HARRISON. Not if they vote for the pending bill.

Mr. SMOOT. Oh, yes; there is quite a difference between the passing of an emergency tariff bill to meet a serious temporary situation that confronts certain producers in this country and passing a bill to remain on the statute books from year to year. I would not vote for some of the rates proposed in the pending measure in a regular tariff bill, I will say frankly to the Senator.

Mr. HARRISON. If I should vote for the pending measure, or any other Senator on this floor should do so—and I hope there will not be one—the Senator from Utah would cite the fact four hundred and ninety thousand times during the consideration of the new tariff bill in the next session. The 41 Representatives who voted for it on the Democratic side over yonder never will hear the last of it.

Mr. BORAH. On either side.

Mr. HARRISON. "On either side" is well put. So, Mr. President, I submit my motion, and, if the Senator will take my advice, it will work in the interest of the people and not a favored few.

Mr. KING. Mr. President, I shall detain the Senate but a moment.

I voted against the motion of the Senator from North Dakota [Mr. MCCUMBER] to table the motion offered by the Senator from Nebraska [Mr. HITCHCOCK]. I thought his motion was premature, untimely, and unfair to the junior Senator from Mississippi [Mr. HARRISON] and other Senators who might desire to discuss the question that was then before the Senate. The question was one which was the subject of legitimate debate, and I deemed it unwise and unfair to cut off opportunity for discussion. But upon the question of reference I intended to and shall vote to refer this bill to the proper and appropriate committee, the Committee on Finance.

During my short period of service in the Senate I have insisted upon the rules of the Senate with respect to committees and their functions and their prerogatives being respected. I am willing to take advantage of situations created or resulting from the rules of this body that will make for the advancement of my party and the country, and I have no regrets in so doing even though it may punish my Republican friends; but when it comes to the question of an observance of the rules of the Senate and of orderly procedure, I do not believe that my party will gain anything or the country derive any benefit by disregarding them. It will be the basis of claims that partisanship or a desire to "play politics" determines and inspires our conduct. In making this observation I am not referring to any particular matter. I am not criticizing those who may believe this measure should be referred to the Commerce Committee. There is much merit in the contention of the Senator from Nebraska [Mr. HITCHCOCK], but it seems very clear to me that it should go to another committee.

I am opposed to this bill being referred to the Committee on Interstate Commerce or to any other committee except the one to which, under the rules of the Senate, it should properly go; and I shall therefore vote to refer the bill to the Committee on Finance.

Mr. HARRISON. Mr. President, I withdraw my motion to send this bill to the Committee on Interstate Commerce. I made it out of deference to my distinguished friend the Senator from North Dakota [Mr. MCCUMBER]. It was the only way in which I could express myself.

Mr. MCCUMBER. Then, I move that the bill be referred to the Committee on Finance.

Mr. HARRISON. On that motion I ask for the yeas and nays.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. HENDERSON (when his name was called). I have a general pair with the junior Senator from Illinois [Mr. MCCORMICK]. In his absence I transfer that pair to the junior Senator from Arkansas [Mr. KIRBY] and vote "yea."

Mr. KENDRICK (when his name was called). Making the same announcement as before as to the transfer of my pair, I vote "yea."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. I am informed that if he were present he would vote "yea." Therefore I am at liberty to vote. I vote "yea."

Mr. MCCUMBER (when his name was called). I have a general pair with the senior Senator from Colorado [Mr. THOMAS], who is absent from the Chamber. In his absence, and being unable to secure a transfer of my pair, I withhold my vote.

Mr. PHIPPS (when his name was called). Again announcing my pair, I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. POMERENE (when his name was called). I have a pair with the senior Senator from Iowa [Mr. CUMMINS]. I am advised that his vote on this motion would be the same as my own. I therefore feel at liberty to vote. I vote "yea."

Mr. SMITH of Georgia (when his name was called). I have a general pair with the senior Senator from Massachusetts [Mr. LODGE], but I am advised that if he were present he would vote as I shall vote. I therefore vote "yea."

Mr. WALSH of Montana (when his name was called). I have a general pair with the senior senator from New Jersey [Mr. FRELINGHUYSEN]. I am advised that if he were present he would vote as I shall vote. I accordingly vote. I vote "yea."

The roll call was concluded.

Mr. KELLOGG. I transfer my pair with the senior Senator from North Carolina [Mr. SIMMONS] to the senior Senator from Massachusetts [Mr. LODGE], and vote "yea."

Mr. STERLING. I have a general pair with the senior Senator from South Carolina [Mr. SMITH]. In his absence I withhold my vote. If at liberty to vote, I should vote "yea."

Mr. FLETCHER. I have a general pair with the Senator from Delaware [Mr. BALL]. I understand that if he were here he would vote as I shall vote. I vote "yea."

Mr. DILLINGHAM. I transfer the general pair I have with the senior Senator from Maryland [Mr. SMITH] to the senior Senator from Oregon [Mr. CHAMBERLAIN], and vote "yea."

Mr. EDGE. I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. In his absence I withhold my vote.

Mr. STERLING. I transfer my pair with the senior Senator from South Carolina [Mr. SMITH] to the junior Senator from Delaware [Mr. BALL], and vote "yea."

Mr. CURTIS. I have been requested to announce the following pairs:

The Senator from New York [Mr. CALDER] with the Senator from Georgia [Mr. HARRIS];

The Senator from Rhode Island [Mr. COLT] with the Senator from Florida [Mr. TRAMMELL];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Ohio [Mr. HARDING] with the Senator from Alabama [Mr. UNDERWOOD];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. GAY];

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS];

The Senator from Illinois [Mr. SHERMAN] with the Senator from Virginia [Mr. GLASS];

The Senator from Missouri [Mr. SPENCER] with the Senator from New Mexico [Mr. JONES];

The Senator from Wyoming [Mr. WARREN] with the Senator from North Carolina [Mr. OVERMAN]; and

The Senator from Indiana [Mr. WATSON] with the Senator from Delaware [Mr. WOLCOTT].

The roll call was concluded; and the result was announced—yeas 47, nays 0, as follows:

YEAS—47.

Ashurst	Gronna	Lenroot	Ransdell
Beckham	Hale	McKellar	Reed
Borah	Henderson	McLean	Sheppard
Brandegee	Johnson, Calif.	McNary	Smith, Ga.
Capper	Jones, Wash.	Myers	Smoot
Culberson	Kellogg	Nelson	Stanley
Curtis	Kendrick	New	Sterling
Dillingham	Kenyon	Norris	Sutherland
Elkins	Keyes	Nugent	Townsend
Fletcher	King	Page	Wadsworth
France	Knox	Poindexter	Walsh, Mont.
Gore	La Follette	Pomerene	

NOT VOTING—49.

Ball	Harding	Overman	Spencer
Calder	Harris	Owen	Swanson
Chamberlain	Harrison	Penrose	Thomas
Colt	Heflin	Phelan	Trammell
Cummins	Hitchcock	Phipps	Underwood
Dial	Johnson, S. Dak.	Pittman	Walsh, Mass.
Edge	Jones, N. Mex.	Robinson	Warren
Fall	Kirby	Sherman	Watson
Fernald	Lodge	Shields	Williams
Frelinghuysen	McCormick	Simmons	Wolcott
Gay	McCumber	Smith, Ariz.	
Gerry	Moses	Smith, Md.	
Glass	Newberry	Smith, S. C.	

The PRESIDING OFFICER. On this motion the yeas are 47, and the nays are none, Messrs. MCCUMBER, PHIPPS, and EDGE being present and not voting. The motion prevails and the bill is referred to the Committee on Finance.

ADJOURNMENT TO THURSDAY.

Mr. CURTIS. I move that the Senate adjourn until Thursday next at 12 o'clock.

Mr. TOWNSEND. Mr. President, ordinarily I should have no objection to this motion being made and carried; but I am reminded of some matters which have occurred in the Senate during the last 10 days, or such a matter, which I think ought to be given some consideration.

I remember a few days ago, when two or three Senators were pressing special bills which they wished to have considered, that the distinguished leader on the Democratic side insisted that one particular bill must be given consideration. He acknowledged that the Republican side, as he said, was responsible for legislation, and that the Democratic membership were not going to put any obstacles in the way, but he gave us due notice that that bill must be considered. The Senator from Maryland [Mr. FRANCE] had a measure which he wished to have given the right of way——

Mr. FLETCHER. Mr. President, I make the point of order that the motion to adjourn is not debatable.

Mr. TOWNSEND. I think it is.

Mr. FLETCHER. No.

Mr. TOWNSEND. It is a motion to adjourn to a day certain.

Mr. FLETCHER. That motion is not debatable either, Mr. President.

The PRESIDING OFFICER. Under the rule, the point of order is well taken. The question is on the motion of the Senator from Kansas [Mr. CURTIS] that the Senate adjourn until Thursday next.

Mr. TOWNSEND. I ask for the yeas and nays on that motion.

The yeas and nays were ordered, and the reading clerk proceeded to call the roll.

Mr. EDGE (when his name was called). Making the same announcement as before, I withhold my vote. If permitted to vote, I would vote "yea."

Mr. FLETCHER (when his name was called). Announcing my pair with the Senator from Delaware [Mr. BALL], I transfer my pair to the junior Senator from Alabama [Mr. HEFLIN] and vote "yea."

Mr. HENDERSON (when his name was called). Making the same announcement of my pair as before and its transfer, I vote "yea."

Mr. KELLOGG (when his name was called). I have a general pair with the senior Senator from North Carolina [Mr. SIMMONS]. In his absence I withhold my vote. If permitted to vote, I would vote "nay."

Mr. KENDRICK (when his name was called). Making the same announcement as to my pair and its transfer, I vote "yea."

Mr. STERLING (when his name was called). Announcing my pair as before, I withhold my vote, not being able to secure a transfer. If at liberty to vote, I would vote "nay."

Mr. WALSH of Montana (when his name was called). I transfer my pair with the Senator from New Jersey [Mr. FRELINGHUYSEN] to the Senator from Arkansas [Mr. ROBINSON] and vote "yea."

The roll call was concluded.

Mr. FLETCHER. I wish to announce that my colleague [Mr. TRAMMELL] is unavoidably absent. He has a general pair with the Senator from Rhode Island [Mr. COLT].

Mr. DILLINGHAM. I again announce my pair with the Senator from Maryland [Mr. SMITH] and withhold my vote.

Mr. POMERENE. A moment ago I announced my pair with the senior Senator from Iowa [Mr. CUMMINS]. I understand there is no objection to my voting on this motion, and I therefore vote "yea."

Mr. SMITH of Georgia. I have a general pair with the senior Senator from Massachusetts [Mr. LODGE], which I transfer to the senior Senator from Tennessee [Mr. SHIELDS], and vote "yea."

The roll call resulted—yeas 29, nays 16, as follows:

YEAS—29.

Beckham	Gerry	Myers	Smith, Ga.
Brandegee	Gronna	New	Smoot
Capper	Harrison	Norris	Sutherland
Culberson	Henderson	Page	Wadsworth
Curtis	Kendrick	Phipps	Walsh, Mont.
Elkins	King	Pomerene	
Fletcher	Knox	Ransdell	
France	McLean	Reed	

NAYS—16.

Borah	Kenyon	McKellar	Poindexter
Hale	Keyes	McNary	Sheppard
Johnson, Calif.	La Follette	Nelson	Stanley
Jones, Wash.	Lenroot	Nugent	Townsend

NOT VOTING—51.

Ashurst	Glass	Moses	Smith, S. C.
Ball	Gore	Newberry	Spencer
Calder	Harding	Overman	Sterling
Chamberlain	Harris	Owen	Swanson
Colt	Heflin	Penrose	Thomas
Cummins	Hitchcock	Phelan	Trammell
Dial	Johnson, S. Dak.	Pittman	Underwood
Dillingham	Jones, N. Mex.	Robinson	Walsh, Mass.
Edge	Kellogg	Sherman	Warren
Fall	Kirby	Shields	Watson
Fernald	Lodge	Simmons	Williams
Frelinghuysen	McCormick	Smith, Ariz.	Wolcott
Gay	McCumber	Smith, Md.	

The PRESIDING OFFICER. On the motion of the Senator from Kansas [Mr. CURTIS] the yeas are 29 and the nays are 16, the following Senators present and not voting: The Senator from New Jersey [Mr. EDGE], the Senator from Minnesota [Mr. KELLOGG], the Senator from South Dakota [Mr. STERLING], and the Senator from Vermont [Mr. DILLINGHAM]. There is a quorum present and the motion prevails.

The Senate thereupon (at 2 o'clock and 52 minutes p. m.) adjourned until Thursday, December 30, 1920, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *December 27, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our Father who art in heaven, hallowed by Thy name. We bless Thee that Thou hast permitted us to pass through another Christmas day with its hallowed associations, sacred memories, and far-flung promises; for Thy love reflected in a thousand warm, sympathetic, generous hearts who fed the hungry, clothed the naked, and gave shelter to the homeless; blessings be upon their devoted heads, and long may their memory live to inspire millions yet unborn. Let Thy blessings descend copiously upon each Member of this House and their respective families, imbue them with heavenly gifts that they may solve the problems confronting them to the good of the Republic. Grant that each American citizen may hold up their hands and wait patiently until we reach the normal that we may be an example to all our sister nations under the divine leadership of the Master. Amen.

The Journal of the proceedings of Thursday, December 23, 1920, was read and approved.

INTERNATIONAL DAIRY CONGRESS.

The SPEAKER. The Chair refers to the Committee on Foreign Affairs the message of the President relative to the international dairy congress, which has been read.

CHANGE OF REFERENCE.

The SPEAKER. The bill (H. R. 12157) to amend the act of Congress approved June 30, 1913, is by mistake upon the Union Calendar instead of the House Calendar. The Chair directs the change from the Union Calendar to the House Calendar.

ORDER OF BUSINESS.

The SPEAKER. To-day, by special order, unobjected bills on the Private Calendar are in order.

Mr. GARNER. Mr. Speaker, may I have just a moment to make an inquiry of the gentleman from Wyoming for the purpose of obtaining information? Quite a number of the secretaries of Members who have gone home for the holidays have asked me to advise them of any major matters that are likely to come up, stating that these Members are within a day's travel of the Capital and would like to come back in case of necessity. I think it would be interesting and would enable me to give definite information if the gentleman from Wyoming will please tell us what he hopes to do the balance of this week.

Mr. MONDELL. I had hoped that the sundry civil appropriation bill would be reported to-day and that it could be taken up to-morrow, but I think there is some doubt about that. But in the event that it is not reported to-day it will be reported to-morrow and taken up the following day, and will probably take the balance of the week in its consideration. Just what we will take up to-morrow if the sundry civil bill is not reported to-day I am not quite certain.

Mr. MADDEN. I want to say that it will not be reported to-day. It will be reported to-morrow.

Mr. GARNER. I understand that the full Committee on Appropriations will not meet until to-morrow.

Mr. MONDELL. I had hoped that we would have an appropriation bill ready for consideration to-morrow morning.

Mr. MANN of Illinois. It can not come up on Wednesday. Does the gentleman from Wyoming expect that the House will be here in session on Friday for the consideration of the sundry civil bill?

Mr. MONDELL. I am not sure that that can be done. I am quite sure that we ought to consider the sundry civil bill on Friday, but whether or not the House will be willing to remain in session I am not so sure. We need to get along with our appropriation bills. It is very important that we should, but I am not certain that the Members of the House will want to remain here on Friday.

Mr. DOWELL. There has been a good deal of complaint about the Private Calendar not being taken care of. Is it not possible that it can be taken care of at this time, and the appropriation bills taken up next week?

Mr. MONDELL. I think we would hardly be justified in spending this week on the Private Calendar.

Mr. DOWELL. But if we have a session on Friday, can we not devote that day to the consideration of the Private Calendar?

Mr. MONDELL. If we have nothing more important to consider to-morrow, I have no objection to continuing the consideration of the Private Calendar to-morrow, if we do not get through with it to-day.

Mr. MANN of Illinois. I am sure that the importance of the Private Calendar is not such as to keep a quorum here on Friday of this week, and I am equally certain that it will not be considered on Friday without a quorum.

Mr. DOWELL. Is it not certain that there is no quorum present at this time?

Mr. MONDELL. Oh, I think there is.

Mr. MANN of Illinois. I assume that there is a quorum present.

Mr. DOWELL. I think we all assume that.

Mr. MONDELL. I hope if we do not finish the consideration of the Private Calendar to-day that we may consider it to-morrow.

Mr. GARNER. Mr. Speaker, I have not yet received any more information than I had in the beginning. If I understand the gentleman from Wyoming, he does not know what he is going to be able to do.

Mr. MONDELL. I do know that we will take up the sundry civil bill as soon as it is reported, and if it is not reported to-day, I hope that it will be reported to-morrow.

Mr. GARNER. If it is reported to-morrow, then you will have to get unanimous consent to suspend the business of Calendar Wednesday——

Mr. MONDELL. I do not think that will be difficult.

Mr. GARNER. Or else the committees will have to be called on Wednesday, and then on Thursday you would take up the sundry civil bill and continue the consideration of it?

Mr. MONDELL. I hope to take up the sundry civil bill on Wednesday.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the amendments of the House to bills of the following titles:

S. 46. An act for the protection of the water supply of the town of Sunnyside, Utah;

S. 2964. An act providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assinniboine Military Reservation in Montana; and

S. 2188. An act to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901.

The message also announced that the Senate had passed bills of the following titles, in which the concurrence of the House of Representatives was requested:

S. 4664. An act to amend the first paragraph of section 20 of the act of Congress approved July 17, 1916, known as the Federal farm loan act, as amended by the act of Congress approved April 20, 1920; and

S. 4683. An act to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919.

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4515. An act to extend the time for the construction of a bridge across the navigable waters of Newark Bay, in the State of New Jersey.

ENROLLED BILL PRESENTED TO THE PRESIDENT FOR HIS APPROVAL.

Mr. RAMSEY, from the Committee on Enrolled Bills, reported that December 23 they had presented to the President of the United States, for his approval, the following bill:

H. R. 7930. An act to provide for the treatment in hospital of diseased alien seamen.

SENATE BILLS REFERRED.

Under clause 2, Rule XXIV, Senate bills of the following titles were taken from the Speaker's table and referred to their appropriate committees as indicated below:

S. 4664. An act to amend the first paragraph of section 20 of the act of Congress approved July 17, 1916, known as the Federal farm loan act, as amended by the act of Congress approved April 20, 1920; to the Committee on Banking and Currency.

S. 4515. An act to extend the time for the construction of a bridge across the navigable waters of Newark Bay, in the State of New Jersey; to the Committee on Interstate and Foreign Commerce.

S. 4683. An act to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919; to the Committee on Banking and Currency.

THE PRIVATE CALENDAR.

Mr. EDMONDS. Mr. Speaker, I ask unanimous consent that the unobjected bills on the Private Calendar be considered in the House as in Committee of the Whole.

Mr. MANN of Illinois. That has already been ordered.

The SPEAKER. That order has already been agreed to.

LEAVE OF ABSENCE.

Mr. PARK. Mr. Speaker, I ask unanimous consent for leave of absence for my colleague [Mr. BRAND] until next Monday.

The SPEAKER. Without objection, that leave will be granted. The Chair will state that it will facilitate the business of the House if personal requests of that kind are transmitted to the desk in writing. The Clerk will report the first bill on the Private Calendar.

MAJ. GEN. CROWDER.

The first business on the Private Calendar was the bill (H. R. 2867) to authorize the President, when Maj. Gen. Crowder retires, to place him on the retired list of the Army as a lieutenant general.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MADDEN. I object, Mr. Speaker.

Mr. RUCKER. Will the gentleman withhold his objection for a moment?

Mr. MADDEN. I object to its consideration to-day.

LEWIS J. BLAIR.

The next business on the Private Calendar was the bill (H. R. 3791) to pay the heirs of Lewis J. Blair, late lieutenant colonel of the Eighty-eighth Regiment Indiana Volunteer Infantry, amount found due him by the Court of Claims.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. I object.

VAN DORN IRON WORKS CO.

The next business on the Private Calendar was the bill (H. R. 9257) for the relief of the Van Dorn Iron Works Co.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

W. LOAIZA & CO.

The next business on the Private Calendar was the bill (H. R. 11067) to refund certain duties paid by W. Loaiza & Co.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I would like to ask the author of the bill a question. As I do not see the gentleman present, I will object.

BENJAMIN O. KERLEE.

The next business on the Private Calendar was the bill (S. 25) for the relief of Benjamin O. Kerlee.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I would like to ask the gentleman a question. What is this bill?

Mr. WALSH. I reserve the right to object.

Mr. EVANS of Montana. The situation is this: This man, Benjamin O. Kerlee, was employed in the Forestry Service out in Montana. He met with an accident. A tree fell on him in the performance of his duty. One of his legs was broken, his ankle broken, and also some of his ribs, and he was otherwise injured. He was taken to a hospital where he stayed for 14 months. For 10 or 12 months the Government carried him on the pay roll as an employee. At the end of the 12 months the Government discharged him as no longer being able to perform the duties as an employee in the Forestry Service. He is now a cripple, with five children, without means, and practically a mendicant in the community in which he lives. This bill is to give him one year's compensation.

Mr. BLANTON. We have a statute already covering just such cases as this, have we not?

Mr. EVANS of Montana. Yes.

Mr. BLANTON. This case does not come within the provisions of the statute in that the accident occurred before the statute was passed?

Mr. EVANS of Montana. No; he met with this accident after the statute was passed. I think the department holds that it paid him the equivalent of one year's compensation when it left him on the pay roll for 10 months.

Mr. BLANTON. Did they not keep him on the pay roll for a year?

Mr. EVANS of Montana. My understanding is for 10 months; but I may be in error. They paid him a compensation equivalent to a year's compensation while he was disabled and in the hospital.

Mr. BLANTON. Really, as a matter of fact, if he had been killed, under the compensation law with respect to employees of the Government—if he had been killed in the line of service his family would not have been entitled to more than a year's salary, would they?

Mr. EVANS of Montana. I presume that is correct.

Mr. BLANTON. He was not killed, but he himself has received practically as much under the law as his family would have received had he been killed.

Mr. EVANS of Montana. That may be so.

Mr. BLANTON. The bill under consideration seeks to pay him the full amount that the statute provides for regardless of what has already been allowed him. Is not that the fact?

Mr. EVANS of Montana. That may be so.

Mr. BLANTON. Does the gentleman think that is good policy—for the Congress to make exception in his case when almost every person that comes within the provision of the statute will probably come in and ask us to do likewise?

Mr. EVANS of Montana. Mr. Speaker, it appears to me that Congress ought to be fairly liberal in taking care of its crippled employees. Here is a man with a wife and five small children starving, crippled, can not get around, has been so for the past three years, and yet we can appropriate a billion dollars for war machines to cripple more people, and I think before we do that we should take care of these cripples at home.

Mr. BLANTON. I want to call the gentleman's attention to the fact that during the war, in Houston, Tex., a regiment of negro soldiers mutinied and ran rampant through the city, shooting everybody that came in their way, running bayonets into the stomachs of young girls, killing poor policemen, leaving their families destitute; all of such cases being of the most extreme cruelty imaginable, there being over a score of them, and these claims have been before Congress for three years, favorably reported by the committee, and nothing has been done with respect to these claims. When we have such claims as that before Congress, I submit that those claims ought to take precedence of a claim where a man has already received compensation.

Mr. EVANS of Montana. I am sure I shall not oppose payment of such claims as you mention.

Mr. McLAUGHLIN of Michigan. Does the gentleman think that objection to this would expedite those claims?

Mr. BLANTON. No; my objection is that we should not make an exception and go beyond the policy prescribed by Congress in the past.

Mr. DOWELL. Mr. Speaker, I call for the regular order.

Mr. BLANTON. I object.

KATIE NORVALL.

The next business on the Private Calendar was the bill (S. 1546) for the relief of Katie Norvall.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, I ask for the reading of the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $1,173.12 as full compensation to Katie Norvall for the death of her husband, G. Norvall, who was drowned while engaged in the performance of his duties as fireman and engineer, as a result of a collision between the navy-yard launch *Highlander* and the ferryboat *Vallejo* near the Mare Island ferry slip, Vallejo, Calif.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, is the amount allowed here one year's compensation?

Mr. EDMONDS. One year's compensation.

Mr. MANN of Illinois. What was this man's title?

Mr. EDMONDS. Well, he was a fireman and engineer.

Mr. MANN of Illinois. What was his salary in the Navy?

Mr. EDMONDS. Three dollars and seventy-six cents a day was the salary.

Mr. JONES of Texas. Reserving the right to object, is this the case that arose after the provisions of the compensation act were passed?

Mr. EDMONDS. Oh, no; this is in 1907, before that. We give exactly what we have given in cases of this kind—one year's pay.

Mr. MANN of Illinois. Well, the compensation act would not apply to a case of this sort. Does not this man's widow get a pension?

Mr. JONES of Texas. I could not hear what the gentleman was saying, and I was trying to ascertain in reference to the case.

Mr. MANN of Illinois. It is a fireman or engineer in the Navy, who lost his life by drowning. Does not the Government make provision in a case of that sort to the dependents?

Mr. EDMONDS. Secretary Daniels in his letter recommended the payment to the widow the same as in the compensation act.

Mr. MANN of Illinois. The Federal compensation act does not apply, I think, to Army and Navy enlisted men or officers.

Mr. EDMONDS. I am not quite sure this man was an enlisted man.

Mr. MANN of Illinois. Well, I do not know whether he was an enlisted man or not. I have no way of knowing, but I should think that is one of the things that would be told.

Mr. EDMONDS. It is not mentioned in the testimony given by the lieutenant of the Navy that the man was an enlisted man, and the Secretary of the Navy recommended the passage of the bill along the lines of the Federal compensation act.

Mr. JONES of Texas. If the gentleman will yield for one further question, does the testimony show whether the man was in the service?

Mr. EDMONDS. He was employed by the Government, but whether he was an enlisted man or not I do not know.

Mr. JONES of Texas. The committee did not find what the nature of the service was?

Mr. EDMONDS. Oh, yes; he was running the engine.

Mr. JONES of Texas. What were his regular duties?

Mr. EDMONDS. This was a small launch, and he ran the engine and did the firing, both.

Mr. BANKHEAD. Mr. Speaker, reserving the right to object, I would like to ask the chairman of the committee if it is the general policy of the committee when claims of this character are introduced, not covered by the Government compensation act, to report favorably any bill that shows the man was in some branch of the Government service and to allow a year's pay?

Mr. EDMONDS. We do not report every bill; no; but we report bills where it shows conclusively that the accident comes through the employment and not through the carelessness of the individual. This was occasioned by a collision between two boats.

Mr. BANKHEAD. That is the general policy of the committee?

Mr. EDMONDS. In the event we find the case worthy, we give the man one year's compensation, if it happened before the compensation act was passed.

Mr. BANKHEAD. That is the case with all——

Mr. EDMONDS. Most of them; we have not done anything with them yet in the Postal Service, but every other service we have.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury of the United States not otherwise appropriated, the sum of $1,173.12 as full compensation to Katie Norvall for the death of her husband, G. Norvall, who was drowned while engaged in the performance of his duties as fireman and engineer, as a result of a collision between the navy-yard launch *Highlander* and the ferryboat *Vallejo* near the Mare Island ferry slip, Vallejo, Calif.

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOSE RAMON CORDOVA.

The next business in order on the Private Calendar was the bill (H. R. 1034) for the relief of Jose Ramon Cordova.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. May we have the bill reported?

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Jose Ramon Cordova, of Cortez, Colo., the sum of $5,000 for injuries by gunshot while serving as deputy marshal in the arrest of renegade Indians at Bluff City, Utah, February 21, 1915.

The committee amendment was read, as follows:

In line 6 strike out "$5,000" and insert "$1,095."

Mr. BLANTON. Mr. Speaker, reserving the right to object in order to ask a question—the chairman is going to insist on the committee amendment?

Mr. TAYLOR of Colorado. I will say yes. This bill and the next one are the same character of bills. It is a year's salary.

Mr. BLANTON. If that is going to be the case, I shall not object.

Mr. TAYLOR of Colorado. That is going to be the case. I may say this man is helpless, crippled for life, by being shot up by the Indians when he was deputy sheriff. This bill and the one following it are a year's salary.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

MRS. JOSEPH C. AKIN.

The next business in order on the Private Calendar was the bill (H. R. 1035) for the relief of the widow of Joseph C. Akin.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I understand the gentleman from Colorado to say that the same committee amendment would be offered to this bill——

Mr. EDMONDS. This does not require amendment; it carries the same amount.

Mr. TAYLOR of Colorado. They are companion bills which grew out of the same transaction.

Mr. BLANTON. It is one year's salary?

Mr. TAYLOR of Colorado. Yes.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Mrs. Joseph C. Akin, of Dolores, Montezuma County, Colo., widow of Joseph C. Akin, who, while in the discharge of his duty as a deputy United States marshal, was killed by a band of renegade Ute Indians while he was attempting to arrest one Tse-Ne-Gat, a Ute Indian charged with murder, on the 21st day of February, 1915, the sum of $1,095, on account of the murder of her said husband while in the regular discharge of his duties in the service of the Government of the United States.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the bill was passed was laid on the table.

EDWARD S. FARROW.

The next business on the Private Calendar was the bill (S. 2259) for the relief of Edward S. Farrow.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, may we have the bill reported?

Mr. MANN of Illinois. Mr. Speaker, I object.

RELIEF OF LEAVENWORTH BRIDGE CO.

The next business on the Private Calendar was the bill (H. R. 12015) for the relief of the Leavenworth Bridge Co., of Leavenworth, Kans.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I object.

V. E. SCHERMERHORN, E. C. CALEY, G. W. CAMPBELL, AND PHILIP HUDSPETH.

The next business on the Private Calendar was the bill (S. 1330) for the relief of V. E. Schermerhorn, E. C. Caley, G. W. Campbell, and Philip Hudspeth.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. I object, Mr. Speaker.

JAMES E. CONNORS.

The next business on the Private Calendar was the bill (H. R. 11410) for the relief of James E. Connors.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, I ask to have the bill read.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to the legal guardian of James E. Connors the sum of $25,000 in compensation for injuries caused by a Navy automobile, resulting in the amputation of his left foot.

Also the following committee amendment was read:

Line 6, strike out "$25,000" and insert in lieu thereof "$2,500."

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, first, the question of one year's compensation can not arise here; but do the gentlemen on the committee think it a proper criterion of measurement to pay a widow $1,000 for the loss of her husband while we pay $2,500 to a boy for the loss of his foot?

Mr. EDMONDS. In one case the compensation was covered by law.

Mr. MANN of Illinois. Oh, no; the gentleman is mistaken. If compensation were covered by law there would be no bill here. In one case the gentlemen measured the compensation by what it would have been if the law applied to that man's case.

Mr. EDMONDS. That is it exactly.

Mr. MANN of Illinois. In the other case, there being no method of compensation, does it not seem as though a measure of common sense, after all, ought to be applied? Of course, we do not endeavor to make full compensation for the loss of anybody's limb or life, in civil life or anywhere else, for that matter. Now, I believe where we provided by law that compensation might be allowed of one year's pay, we ought not to give a greater amount to somebody who did not come within the terms of the law. That has been the rule, and that is the rule that the committee is following now. Ought we, when we step outside of that measurement, give two or three times as much for less injury?

Mr. EDMONDS. How would the gentleman measure the compensation of an eight-year old boy who was not working for anybody and had no compensation?

Mr. MANN of Illinois. Simply because somebody asked for $25,000 I would not divide it by 10 and call that the compensation. I do not think it is fair, inasmuch as the Government is under no legal obligation and probably under no moral obligation to make any compensation. Accidents happen, and the Government does not guarantee people against accidents. If the gentleman himself should get injured in an accident down the street here, as somebody is getting injured every day, the Government would not make compensation. It does not seem to me right, with the two bills just passed and approved, so far as I am concerned, to pay $1,095 in two cases where men were murdered in the discharge of their duty, that here should come along a bill to compensate a boy for an accident in which he loses his foot, and where the Government is under neither moral nor legal obligation and where you propose to pay him more than twice as much.

Mr. EDMONDS. I differ a little bit from the gentleman. I know he looks at these claim bills closely and studies them. But we have passed twice in this session outside bills, where people outside of the employ of the Government have been damaged by accidents. The one was the case of a man in Kansas City who was run over and killed by an automobile, and who got $5,000; the other was that of a young lady down in Texas who was scarred badly by a barbed wire and very much disfigured, and I think she got $3,500, or maybe more, I do not remember the exact amount. In this case this young boy was standing in front of the Brooklyn Navy Yard; the fire alarm rang and the truck rushed out and ran over him. He had to have his limb amputated and he will have to go on one leg for life. If he had redress against a private party, he would probably get $5,000 or $10,000 for the accident. But the committee takes it for granted that if a life is worth $5,000, he is entitled to half of that for the loss of one leg.

Mr. MANN of Illinois. The gentleman's theory is that a man who is injured by Government machinery would be better off were he a private citizen outside of the employ of the Government than to be inside of the Government. The Government will pay more to a man who is not working for it than to a man who is working for it.

Mr. EDMONDS. When a man is working for the Government he accepts to a certain extent the risk of the employment.

Mr. MANN of Illinois. This boy would not have been injured at all if it was not somebody's negligence besides the Government.

Mr. BLANTON. Mr. Speaker, reserving the right to object, in the two cases mentioned by the chairman, one was an automobile truck case, and the evidence in that case showed that the truck driver was in the service, a soldier, and he was running his truck on the wrong side of the street, where pedestrians did not expect that a truck would come along.

The other case was where a little girl was not on the Government field at all, but outside of it, with a wire fence between, and where the operator of a machine lost control of it and it ran through the wire fence and injured her. These are two extreme cases. This is a case where a young boy, a child 8 years old, an infant, was not going about his own business, but through curiosity was attracted by the sound of the blowing of a horn and went to the Brooklyn Navy Yard. If he had had his mother or somebody to take care of him, he would not have been out there in a place of danger. If we are going to allow compensation for this kind of an accident, just as stated by the gentleman from Illinois [Mr. MANN], we can not turn down the thousands of cases that come here year after year asking for compensation for accidents on the outside.

Mr. BEGG. Does not the gentleman know that the testimony shows that the truck driver was careless, and was discharged for being careless and incompetent?

Mr. BLANTON. Yes.

Mr. BEGG. How can the gentleman blame the little boy?

Mr. BLANTON. If the child had had somebody to look after him, if there had not been negligence on the part of the child's parents, he would not have been out there and have caused the discharge of the truck driver.

Mr. BEGG. If there had been somebody there taking care of the child, both of them would have been run over, because there is no evidence whatever that the child was careless.

Mr. BLANTON. If the report of the committee means anything, the report shows that it was curiosity that took the child there. The report shows that the child was attracted out there by the sound of this siren.

Mr. BEGG. Was not that a perfectly logical and natural thing to happen?

Mr. BLANTON. Yes.

Mr. BEGG. Do you not believe that when the operator of a truck is careless and incompetent, even though it is a Government truck, a person injured by that carelessness ought to be compensated for it?

Mr. BLANTON. If you let this claim go through, then every single time that a fire-engine gong rings going down Pennsylvania Avenue, and some little child runs out and gets hurt, Congress will have to respond in damages to the parents. How can you get around it? It establishes a precedent. It is the precedent in this case that I object to.

Mr. BEGG. Will the gentleman yield once more?

Mr. BLANTON. I will.

Mr. BEGG. Suppose a fire engine in your city at home injures a private citizen, and the testimony shows that the injury is caused by the negligence of the driver of the fire engine, can not the injured person hold the city?

Mr. BLANTON. The law says he can not. The Supreme Court of the United States has held that he can not, and the gentleman's Committee on Claims has held that he can not. It is only an exception that they are making now in reporting this bill. The Government is not responsible at all for such a case.

Mr. CARAWAY. Will the gentleman from Texas yield?

Mr. BLANTON. I yield.

Mr. CARAWAY. Is the gentleman from Texas serious in his contention that because this little child happened not to have somebody caring for him he ought to be denied any redress?

Mr. BLANTON. The child is not going to get any redress. We are remunerating the parents for the injury.

Mr. BEGG. Is it the gentleman's contention that under this bill the money would be paid to the parents and not to the guardian of the child?

Mr. BLANTON. In some instances, in my experience around courthouses for 20 years, where you pay money for an injury to a child 8 years old the parents sometimes get the benefit of the money, and not the child.

Mr. CARAWAY. I wonder if that is not the fault of the enforcement of the law in Texas.

Mr. BLANTON. That is the case in Arkansas also.

Mr. CARAWAY. No; the gentleman will speak for his own State. In my State we put people in the penitentiary for stealing from a minor. [Laughter.]

Mr. BLANTON. Yes; you put them in a penitentiary sometimes, and sometimes they get away from you.

Mr. CARAWAY. Yes; and go to Texas. [Laughter.] Congress enacted a law for the government of the District of Columbia, and the gentleman said that if a child rushed out on Pennsylvania Avenue and was run over by a fire truck he would come to Congress. Now, we passed a law which made the District of Columbia liable for injuries caused by the negligence of its employees, and we put it in the power of injured persons in the District of Columbia to sue in the courts of the District of Columbia and collect judgment against it.

Mr. BLANTON. I will reply to the distinguished Senator from Arkansas by asking him a question.

Mr. CARAWAY. I shall be glad to answer it.

Mr. BLANTON. The gentleman helped to pass a statute to compensate Government employees injured in the line of their duty. Is the gentleman willing to pass another statute to make the United States Government responsible for every accident that occurs to a citizen of the United States because, forsooth, he is injured through the negligence of some Government employee?

Mr. CARAWAY. I am willing, indeed, to do that; and I have always thought it was an infamous outrage that the Government should be permitted to destroy life and private property and not compensate those who are damaged.

Mr. BLANTON. Then the gentleman ought to help pass that general statute, because there have been hundreds of such claims during the last 10 years.

Mr. CARAWAY. Let me understand what the gentleman means. Does the gentleman contend that the Government ought to be immune from its own negligence? I ask him that as a matter of common justice.

Mr. BLANTON. That is the law of the land, and the Supreme Court has so held. If the law is wrong the gentleman is a lawmaker and is going to be promoted very soon, and he ought to be in a position to help change the law.

Mr. CARAWAY. The Constitution of the United States forbids the taking of private property for public use without compensation. Under the gentleman's theory, if it takes nothing but life and limb, it ought to go scot free.

Mr. BLANTON. There is much negligence on the part of Government employees. We now have over twice as many Government employees as we had before the war, and there is over twice as much negligence going on all the time. If the Government is going to pay for all the negligence, we might as

well do like Russia, repudiate our honest obligations and say we will not pay any more debts, because we would soon not have any money left to pay Government debts.

Mr. CARAWAY. Because the Government is not getting any work out of the clerks, does the gentleman think that warrants us in denying relief to a child crippled for life by a careless truck driver?

Mr. BLANTON. The gentleman is trying to establish a precedent——

Mr. CARAWAY. The precedent is already established.

Mr. MANN of Illinois. There is no claim here that any Government official was negligent.

Mr. BLANTON. The truck driver was discharged.

Mr. MANN of Illinois. This case has been passed upon by the court. The court says, "It is the opinion of the court that no responsibility for this accident can be placed upon any person or persons," and clearly the court found that there was no negligence on the part of the truck driver.

Mr. BLANTON. Then why was he discharged?

Mr. MANN of Illinois. I know nothing about that.

Mr. BLANTON. I am sure that the gentleman from Illinois recognizes that this is a departure from the policy of this Government.

Mr. MANN of Illinois. This goes further than the paying for negligence.

Mr. BLANTON. It goes further than any other bill ever passed.

Mr. ROSE. If the gentleman will allow me, in the discussion of this case the gentleman from Texas [Mr. BLANTON] referred to the report by the committee, and says he takes for granted that it is true. I happen to be a member of the committee to which the case was referred. We have made a report, and I want to say that we will stand behind that report, because it has been well supported by evidence before the committee. This particular case will not establish a precedent on the part of the Government.

The Committee on Claims takes up every case that comes before it on its merits. While it is true that the Government of the United States is not responsible for the payment of damages for injuries caused by the negligence of employees, it is clear that children rightfully on our streets—notwithstanding the gentleman thinks that the child should not be on the street without a guardian or parent—are entitled to more care and consideration by drivers of automobiles and other conveyances than persons of mature years. If the argument of the gentleman from Texas [Mr. BLANTON] were carried to its logical conclusion, no child or person of tender years would be permitted on our public streets unless accompanied by a parent or guardian.

Mr. BLANTON. This was an 8-year-old child, and he ought to have been accompanied by a nurse, his parents, or a guardian.

Mr. ROSE. A child 8 years old has a right to be upon the street. You compel him to go to school, and if he does not go to school he is taken in charge by the truant officer and punished as the law provides. This particular case has appealed very strongly to the members of the Claims Committee.

I think this child, 8 years of age, for whom relief is sought, who had a perfect right on the street, did exactly what you or I would have done. His attention was attracted and he looked into the grounds from whence an alarm came, and while standing on the pavement was hit by an automobile driven by a careless driver who did not blow the horn or give any sign of approach, resulting in the loss of a foot.

No person saw the accident except two little boys selling papers on the street. The claim was made here for $25,000, but the committee reduced the amount to the sum of $2,500.

Mr. BLANTON. My good friend from Pennsylvania is a distinguished lawyer, and he has left a part of the crucial facts in the case out of his recitation. The driver who came out of the gate, a United States navy yard gate, did not expect that there would be a little child 8 years old on the inside of Government property. He had reason to believe that there would be nobody there.

Mr. ROSE. The boy was not on the Government property. He was outside the gate.

Mr. BLANTON. He ran into the open gate.

Mr. ROSE. No. The right hind wheel hit a stone buffer, and if it had not hit the buffer it would have gone straight out and would not have touched the boy. The sharp turn by the driver was the real cause of the accident.

Mr. BLANTON. Is the gentleman willing to pass a statute making the Government responsible for damages for all injuries of private citizens occasioned by the negligence of Government employees?

Mr. ROSE. By no means.

Mr. BLANTON. That is what this case does, we establish the precedent. It is a departure from the policy that Congress has always pursued.

Mr. KING. Mr. Speaker, I made the suggestion that there be no action brought against this child for obstructing the traffic.

Mr. BLANTON. Over in France there would be a prosecution, for they make such obstruction an offense. I do not think it is a good law.

Mr. ROSE. In almost every State in the Union there is a statute providing that no negligence shall be imputed against a child under 7 years of age. That is the law in Pennsylvania. I do not know what it is in other States.

Mr. BLANTON. This child was 8 years old.

Mr. ROSE. The child was over 7, but in my opinion he was on the street lawfully, and did not contribute to the accident.

Mr. BLANTON. Mr. Speaker, I object.

GEORGE W. WOODALL.

The next business on the Private Calendar was the bill (H. R. 3564) for the relief of George W. Woodall.

The Clerk read the bill, as follows:

Be it enacted, etc., That the sum of $4,000 be, and the same is hereby, appropriated, out of any moneys in the Treasury not otherwise appropriated, to reimburse George W. Woodall for money paid as cash indemnity to the Southern Surety Co., bondsman for Arthur A. Steele, indicted for violation of the white slave traffic act of June 25, 1910, who was afterwards, to wit, on the 14th day of September, 1916, duly tried and convicted in the district court of the United States for the eastern district of Michigan for his offense and sentenced to imprisonment at hard labor in the United States penitentiary at Leavenworth, Kans., for a period of two and one-half years, the said George W. Woodall rendering material aid to the Government in the apprehension and prosecution of the said Arthur A. Steele, said cash indemnity of $4,000 having been deposited by said Woodall with said Southern Surety Co. before the execution of said surety bond and said surety company having paid the same to the proper officers of said court.

The committee amendments were read, as follows:

Page 1, line 3, strike out "$4,000" and insert in lieu thereof "$3,649.02."

Page 2, line 6, strike out "$4,000" and insert in lieu thereof "$3,649.02."

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, I reserve the right to object. As far as I can gather from the report it is akin to a class of cases which we frequently pay, but it seems to me it differentiates in this case, for while the claimant pretends to be helpful to the Government in trying to apprehend the prisoner whose bail he had gone and had him followed the Department of Justice says he did not aid. I understand that although he knew where the prisoner was he did not furnish the information.

Mr. KELLY of Pennsylvania. Mr. Speaker——

Mr. MANN of Illinois. Now, it seems to me the question is whether we will advertise that a person can go bond for a prisoner and then when the prisoner escapes and if he stays escaped the prisoner may recompense the bondsman, and if they succeed in getting the prisoner again the Government will refund the amount of the bond. Just at this time when crime is prevalent, when prisoners everywhere are seeking to get out on bonds, many of which are worthless, I wonder if it is desirable for us to advertise that we will follow such a course.

Mr. KELLY of Pennsylvania. Mr. Speaker, this bill was brought to the committee and the case was thoroughly investigated. The bill provides for the return of the amount of the bond put up by the man who is not a professional bondsman, but a relative of the person accused. There is deducted the amount of the expense that the Government actually sustained in bringing the criminal back to trial. Arthur Steele was charged with violation of the Mann White Slave Act, was arrested and was released on bail of $4,000. His step-father put up the amount of money in cash, $4,000, not as a professional bondsman, but on account of the prisoner's relationship to his wife. The man fled and was apprehended in Kansas City. Mr. Woodall, who furnished the bond, paid the expenses of a patrolman, sent him to Cincinnati, Toledo, and elsewhere to recover the fugitive, and finally discovered he had gone to Kansas City. Steele had been injured and was in the hospital and Woodall understood that the Federal officers had him under surveillance. He concluded that he had no further responsibility because the fugitive was in the custody of the Federal officers and that he could easily be brought back. Woodall now makes claim for the return of this amount he advanced for bail bond. There is an affidavit stating that Woodall believed the Federal officers had the fugitive under their sur-

veillance in Kansas City and that he is entitled to the return of the bond. I believe that is a fair statement of the case.

Mr. BLANTON. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I will.

Mr. BLANTON. In any such case as this when a defendant fails to appear judgment nisi is entered by the court, which the gentleman knows is not a final judgment. After the apprehension of the defendant the court holds such judgment in abeyance as not binding and in many instances where certain facts are brought to his attention he sets the judgment nisi aside and holds it for naught, and where the money has been paid in lieu of the bond the money is returned to the party who pays it. Does any member of the committee know that was not done in this case, that the court might not have entered final judgment with reference to the $4,000 which had been put up in lieu of the bond by the claimant Woodall but had in fact been left to his credit in the court and was sent back by the——

Mr. KELLY of Pennsylvania. The gentleman is entirely mistaken. There is an affidavit by the Southern Surety Co. stating that this $4,000 was paid.

Mr. BLANTON. And never returned?

Mr. KELLY of Pennsylvania. And never returned to the claimant. The prisoner was rearrested and everyone has been made whole save the bondsman.

Mr. BEGG. Will the gentleman yield?

Mr. KELLY of Pennsylvania. I will.

Mr. BEGG. What is this about the post card Mr. Woodall wrote to his wife when the Department of Justice says that the writing of this letter was the only clue that the Department of Justice had in locating the criminal? If Mr. Woodall was bona fide trying to apprehend this man for the Department of Justice, why did not he notify them?

Mr. KELLY of Pennsylvania. That question came to the committee in exactly that form. But Mr. Woodall made an affidavit he had gone to Kansas City and that he found the prisoner in the hands of the Federal officers and under their surveillance and therefore he did not believe it was necessary to notify the Federal officials.

Mr. BEGG. Whose word are we to take, that of the Federal department or Woodall, who wants the money back?

Mr. KELLY of Pennsylvania. The case is before the House for its decision. The committee went into that thoroughly, and has Woodall's affidavit that he had this information and that he hired a patrolman at his own expense to discover the fugitive.

Mr. BEGG. Until they can furnish some other evidence than the affidavit of the man who is interested in the money, I shall be forced to object.

The SPEAKER. Objection is heard.

STEAM LIGHTER "CORNELIA."

The next business in order on the Private Calendar was the bill (S. 1004) for the relief of the owner of the steam lighter *Cornelia*.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, I notice these bills carry an appropriation in section 2.

As I recall it, there have been one or two measures passed when that section was stricken out.

Mr. EDMONDS. I will offer an amendment striking that section out and putting in the regular amendment agreed to on the other bill.

Mr. WALSH. There is not any other to take the place of it, as I recall it.

Mr. EDMONDS. It is to make it conform with the other bills that were passed. It is as follows:

Strike out section 2, lines 9 to 15, inclusive.

In line 8, after the word "appeal," place a colon instead of a period and add the following: "*Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act."

We put it in all the other bills.

Mr. WALSH. That is in place of section 3 that was stricken out. But that amendment was put in the other bill in place of section 3?

Mr. EDMONDS. We were perfectly willing to strike out section 2 and put this in the proper form.

Mr. WALSH. And eliminate section 3?

Mr. EDMONDS. Yes.

Mr. BLANTON. Reserving the right to object, I would like to ask the gentleman a question, namely, if on the passage of such bills as this the gentleman recognizes we are sitting as a court of equity and not a court of law, because the law does not grant relief in these cases?

Mr. EDMONDS. That is very true.

Mr. BLANTON. And there is a principle of equity that he who seeks equity must come into the court of equity with clean hands?

Mr. EDMONDS. I think so. I am not a lawyer, though.

Mr. BLANTON. In this instance does not the chairman of the committee think the *Cornelia*, in seeking damages at the hands of the United States, should at least show that she was not guilty of negligence?

Mr. EDMONDS. I wish to say to the gentleman that there is no appropriation made, and I can not see any harm in letting this case go to court and letting the court decide it. It is impossible for us to decide it. One side contends one thing and one another.

Mr. BLANTON. The gentleman's report shows the *Cornelia* was guilty of negligence. I will call your attention to one paragraph of the report of the Secretary of the Navy to the Senate committee on this very case, which reads as follows:

That there was no negligence on the part of the personnel of either ship, except that the master of the *Cornelia* did not have a regularly stationed lookout in the bow of his vessel.

That was a safeguard that was required——

Mr. EDMONDS. The gentleman must realize that is the statement of one side.

Mr. BLANTON. That is the statement of the Secretary of the Navy of the United States Government after an investigation had been made in this case; that is his report based upon the investigation.

Mr. EDMONDS. That is the statement of one side—the Secretary of the Navy's side.

Mr. BLANTON. Are we going to take the Government side of the proposition or somebody else's side?

Mr. EDMONDS. We are going to allow the court to decide that. It is fair to give a man a day in court in a collision case, if he asks for it.

Mr. BLANTON. I am going to object, Mr. Speaker.

The SPEAKER. Objection is made, and the Clerk will report the next bill.

SCHOONER "HORATIO G. FOSS."

The next business in order on the Private Calendar was the bill (S. 1006) for the relief of the owners of the schooner *Horatio G. Foss*.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Reserving the right to object, I have not had time to go through the report, Mr. Speaker.

Mr. EDMONDS. This is the same thing as the last case.

Mr. BLANTON. It is an identical case?

Mr. EDMONDS. Yes.

Mr. BLANTON. They failed to have a lookout stationed?

Mr. EDMONDS. They say in the darkness this ship was anchored in the regular channel for vessels, and she had no fog signal on her, and, of course, she was in a collision. That is what the Secretary of the Navy says.

Mr. WHITE of Maine. As I understand it, this is simply a case where a vessel anchored in a fog.

Mr. BLANTON. And she anchored knowing that she was in the path?

Mr. WHITE of Maine. Oh, no; she was in a fog, and did not know where she was.

Mr. BLANTON. Was not she in the path of vessels?

Mr. EDMONDS. She was, but she did not know at all where she was anchored.

Mr. BLANTON. When she anchored she knew maritime laws required her to ring a fog bell and to keep other ships that might come along and were in the same predicament from running into her?

Mr. EDMONDS. That is true.

Mr. BLANTON. And she did not do it?

Mr. EDMONDS. That is true.

Mr. BLANTON. Then I object.

The SPEAKER. The gentleman from Texas objects, and the Clerk will report the next bill.

LEGAL REPRESENTATIVES OF DONNELLY AND EGAN.

The next business on the Private Calendar was the bill (H. R. 3977) for the relief of the legal representatives of Donnelly and Egan, deceased.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WALSH. I object.

Mr. FOCHT. I hope the gentleman will withdraw his objection.

Mr. WALSH. I will reserve the right to object.

Mr. FOCHT. In the absence of the gentleman from Pennsylvania [Mr. DARROW] who introduced the bill and the gentleman from New York [Mr. O'CONNOR] who reported it, I ask that the bill go over without prejudice.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

PETER M'KAY.

The next bill on the Private Calendar was the bill (S. 390) for the relief of Peter McKay.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. I ask that the bill be reported, Mr. Speaker.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter McKay, or his legal representatives, the sum of $2,500, as full compensation for permanent injuries received by the said McKay on the 5th day of May, 1904, at Fort Worden, in the State of Washington, by being struck with a large piece of log hurled by the explosion of an excessive blast of powder discharged without warning by employees of the United States Government engaged in clearing lands at said Fort Worden under the direction and control of the United States Government.

Also the following committee amendment was read:

Page 1, line 6, strike out the figures "$2,500" and insert in lieu thereof the figures "$939."

Mr. WALSH. Mr. Speaker, reserving the right to object——

Mr. EDMONDS. Does the gentleman object to the bill?

Mr. WALSH. I reserve the right to object. I want to get a little information. Is this gentleman still living, and has he been unable to work all these years?

Mr. MILLER. He is. He worked for five years as a watchman, at half pay, at Fort Worden. He is now about 69 or 70 years of age and entirely incapacitated, which incapacity resulted from the amputation of his right limb. It will be 17 years the 5th of next May since this accident occurred.

Mr. WALSH. I should like to ask the chairman of the committee how they arrived at the figure of $939? When this bill came in several years ago it was for $5,000. It was introduced in this Congress for $2,500, and now has been further reduced to $939.

Mr. EDMONDS. Mr. McKay's pay is $939 a year.

Mr. WALSH. Is it the rule of the committee that it does not make any difference how badly anybody is hurt, whether he loses a finger or a hand or a foot or an arm or a leg or two legs, that the committee will report out relief based upon the amount of a man's annual pay?

Mr. MILLER. If you are going to make compensation, you have got to make it to all alike, as nearly as I can see.

Mr. WALSH. Irrespective of how badly a person may be injured?

Mr. EDMONDS. If a man is injured so that he is not able to carry on his occupation.

Mr. MANN of Illinois. As I understand it, the committee endeavors to follow the same rule in the cases that are not covered by the compensation act as the law provides in the cases which are covered by the compensation act.

Mr. EDMONDS. That is correct.

Mr. WALSH. That has not been done in this case. I think amputation of the leg below the knee——

Mr. MILLER. Would you not call that pretty nearly total disability? It has resulted in a total disability, this man being a house carpenter. It might not have become so had he been a telegraph operator, or something of that nature.

Mr. WALSH. No. I should not call that total disability.

Mr. MILLER. It would depend a good deal on the trade the man was following. It might be total disability for a house carpenter.

Mr. MANN of Illinois. If a man had a leg amputated, he would get a year's pay under the original compensation law.

Mr. BLANTON. Mr. Speaker, reserving the right to object, I wish to ask if this accident had happened after the passage of the statute granting compensation to a Government employee, would the facts have brought the case within the provisions of that statute?

Mr. EDMONDS. I think so, without question.

Mr. BLANTON. Peter McKay was an employee of the Government in 1904 when this happened?

Mr. MILLER. He was a Government employee when this happened, and the engineer in charge recommends some additional compensation on account of the accident.

Mr. BLANTON. The chairman of the committee in construing cases of this kind during the last four years has intimated that it is unfair to one set of claimants under such a state of facts not to grant them relief when relief is granted to others in the same kind of cases, and I understood he was going to propose a general law indicating the policy of Congress with respect to all claims of this class. What has been done in regard to the reporting of such a bill?

Mr. EDMONDS. I took the advice of a number of prominent attorneys in Philadelphia and New York in regard to that, and they advised me very strongly against it; advised that it was a great deal better for us to take care of these cases in this way than to lay the Government open to claims of persons who intentionally allowed themselves to be injured. They said they were having cases every day in the courts where actions were brought against municipalities on account of people who wanted to be injured to collect damages; that it was a regular profession carried on by some people.

Mr. BLANTON. I am speaking of the policy of making this law retroactive, to go back to take care of other cases that may have happened as far back as 1904.

Mr. EDMONDS. I do not think that is necessary. These cases are being cleaned up pretty well, and I do not think there is any necessity of dating the compensation law back to cover these cases.

Mr. BLANTON. I supposed the gentleman had some reason in his mind for not making the law retroactive.

Mr. EDMONDS. Surely. I would be opposed to making it retroactive.

Mr. BLANTON. And yet the gentleman has gone back on that policy and has reported out a bill for a claim going back to 1904.

Mr. EDMONDS. I am not going back on that policy at all. We are giving the man what the committee thought would be fair compensation under the laws as they were at that time. The gentleman knows very well that up to 1900 a man took the risk of his employment when he obtained employment. It is only in the later years that laws of this kind have come into existence. The result would be, if you were going back to 1870 with your compensation act you would be doing something for a man injured in 1870 that nobody dreamed of doing in 1870.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Peter McKay, or his legal representatives, the sum of $2,500 as full compensation for permanent injuries received by the said McKay on the 5th day of May, 1904, at Fort Worden, in the State of Washington, by being struck with a large piece of log hurled by the explosion of an excessive blast of powder discharged without warning by employees of the United States Government engaged in clearing lands at said Fort Worden under the direction and control of the United States Government.

With the following committee amendment:

Page 1, line 6, strike out "$2,500" and insert in lieu thereof "$939."

The SPEAKER. The question is on the committee amendment.

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

M'CLINTIC-MARSHALL CONSTRUCTION CO.

The next business on the Private Calendar was the bill (H. R. 6092) for the relief of the McClintic-Marshall Construction Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. KELLY of Pennsylvania. I ask unanimous consent that this bill be passed over to-day.

Mr. BLANTON. Before that is done I ask the chairman of the committee to give me five minutes on this bill.

Mr. EDMONDS. The gentleman can reserve the right to object and take five minutes.

Mr. BLANTON. Mr. Speaker, this bill before the House, H. R. 6092, proposes to pay out of the Public Treasury the sum of $714,007.39 to the McClintic-Marshall Construction Co. In favorably reporting this bill for passage the present Committee on Claims makes no mention of the minority report I filed against this claim in the Sixty-fifth Congress or the evidence I then elicited on cross-examination of the witnesses at the hearing requested by me in May, 1918. At that time this claim was covered by H. R. 4015, providing for the payment of $1,000,000 to claimants. After my cross-examination of the claimant's manager, Mr. W. M. Sterrett, and of Judge B. F. Harrah, who investigated the whole matter in Panama, there was no further attempt to pass the bill in the Sixty-fifth Congress, as I then showed that there was absolutely no merit in the claim.

Mr. KELLY of Pennsylvania. The gentleman knows that Congress itself passed an act empowering Gen. Goethals to investigate any amounts due this construction company.

Mr. BLANTON. Yes; and the gentleman will remember that after we entered the war Gen. Goethals agreed for the Government to pay millions of dollars more for steel in the construction of our ships than one of our admirals showed was a reasonable and proper price for us to pay, and the admiral's judgment prevailed. The President, exercising his authority and duty, removed Gen. Goethals from the Shipping Board. At that time I decided that Gen. Goethal's judgment was not such that I could accept it in all cases.

Mr. KELLY of Pennsylvania. This investigation was made by three employees of the Government at the Panama Canal Zone.

Mr. BLANTON. Yes; and Gen. Goethals based his opinion on that report when he did not know a thing about it. If the gentleman will get the testimony and read it he will see how little Judge Harrah and Manager Sterrett knew about the whole transaction. They could not satisfactorily answer half of the questions I asked them. This case has been pending some time, and, Mr. Speaker, I object.

Mr. KELLY of Pennsylvania. The gentleman's objection was to my request that it be passed over to-day. I understand that that brings the bill before the House.

The SPEAKER. Is there objection to its immediate consideration?

Mr. BLANTON. I object. But, Mr. Speaker, my colleagues having granted me the indulgence, I desire to show some of the evidence I elicited on cross-examination as my reason for opposing the passage of this bill. I quote from the hearings of May 3, 1918:

The committee met at 10 o'clock a. m., Hon. HUBERT D. STEPHENS (chairman) presiding.

The CHAIRMAN. We will now take up the McClintic-Marshall case.

Mr. BLANTON. Mr. Chairman, there are a few questions I would like to ask.

The CHAIRMAN. Whom do you desire to interrogate first?

Mr. BLANTON. Mr. Sterrett.

ADDITIONAL STATEMENT OF MR. W. M. STERRETT.

Mr. BLANTON. Your company is not claiming anything more than the terms and provisions of this contract which they signed and executed would warrant, are they?

Mr. STERRETT. You mean claiming any more than was claimed before the committee?

Mr. BLANTON. Let us get our minds away from the committee and get back to the contract. Your company executed a contract with the commission to do certain work on Panama locks, did they not?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Under that contract you were paid all that your contract provided for, were you not?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Under the terms of the contract; and how much more were you paid by the Government?

Mr. STERRETT. I do not think any more.

Mr. BLANTON. Do you not know that your company was paid approximately $300,000 in cash more than the amount that the contract provided for by the Government?

Mr. STERRETT. No, sir.

Mr. BLANTON. Well, that is a fact. If you will investigate it, you will find that is a fact, as shown by the warrants which your company has received and which are now in the Treasurer's office. Then, you are asking for approximately $1,000,000 here now, more or less. If what I have said is true, then you are asking for that much money more that you have now been paid under your contract. Is that the fact?

Mr. STERRETT. I can not answer your question. I do not think that is correct.

Mr. BLANTON. On investigation you will find it is correct.

Mr. STERRETT. What I might say is that the contract was on a weight-price basis. Certain weights were assumed at the start, and on the basis of those assumed weights a lump sum was worked out, but we were paid later on the actual weight.

Mr. BLANTON. Do you not know that the contract provides for a weight basis, and that any weight of parts over and above that basis is to be paid for at the same rate of compensation as provided for in the contract? Do you not know that to be a fact?

Mr. STERRETT. Yes; that is in the contract.

Mr. BLANTON. And do you not know that the contract further provides for a certain percentage of weight over the weight provided for in the contract for which there is to be no extra compensation—weight of the various parts? That is a fact, is it not?

Mr. STERRETT. There is a provision in the contract that we can not vary beyond a certain percentage.

Mr. BLANTON. And that up to a certain percentage there shall be no extra compensation?

Mr. STERRETT. That is true.

Mr. BLANTON. Is it not a fact that under the terms of that contract your company was to finish certain locks at a certain specified time? For instance, the Gatun Lock and the other two locks were to be finished at a certain specified time, were they not?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Is it not a fact that with respect to those locks and the time specified time was of the essence of that contract? You know what is meant by that legal term, do you not—essence of the contract?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Time is of the essence of the contract?

Mr. STERRETT. Yes.

Mr. BLANTON. Time was of the essence of that contract with respect to the completion of those certain locks; is not that the fact?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Do you not know it to be the fact with respect to every single lock that your company was behind to a considerable extent beyond the time specified in the contract? Was not that true in the case of every single one of them?

Mr. STERRETT. With the original contract that is correct.

Mr. BLANTON. So far as every contract is concerned, the original contract and every single supplemental contract, that is true, is it not?

Mr. STERRETT. No, sir.

Mr. BLANTON. That is a logical conclusion. Mr. Sterrett, is it not a fact that this Government, under its contract, acting through the Isthmian Commission, reserved the right to delay any single part or all of this work whenever it deemed it necessary?

Mr. STERRETT. I think there was a provision to that effect.

Mr. BLANTON. There was a specific provision with reference to that matter with only this reserving clause: That for whatever time the Government delayed any matter that time of delay was to be added to your time within which the work was to be completed?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Did not the contract provide that there should be no damages whatever claimed by your company for the delays on the part of the Government in making investigations?

Mr. STERRETT. I can not answer that.

Mr. BLANTON. Are you not sufficiently familiar with your contract to answer that question?

Mr. STERRETT. I do not remember.

Mr. BLANTON. Is it not a fact that this Government in this contract which you signed provided that it should have the right to make any change which its chief engineer deemed necessary at any time? Is it not a fact, and also that you should charge no extra compensation for any such change unless you at the very time that change was proposed, and before the work was done, should make a claim and have it understood and agreed upon by the Government at that time? Did not the contract provide for that?

Mr. STERRETT. That is correct.

Mr. BLANTON. And did not the contract further provide that unless you saw fit to exhaust your remedy provided for in the contract that you waived any claim for damages by reason of any change? Does not the contract specifically provide for that?

Mr. STERRETT. I do not know whether it says we waive it, but we are allowed no claim.

Mr. BLANTON. You make a claim here for certain material which you say is a better class of material than you were obligated to furnish. Is not that the fact?

Mr. STERRETT. No; there was no claim about the class of material. The claim was about the class of workmanship.

Mr. BLANTON. Are you sure that part of your claim does not embrace the charge that you furnished material of a better class than was provided for in the specifications?

Mr. STERRETT. No, sir.

Mr. BLANTON. But you do say that you furnished a better class of workmanship?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Do you not know it to be the fact, Mr. Sterrett, that this contract provides that this Government is to have everything about this transaction first class, of the very best quality possible?

Mr. STERRETT. They are to have first-class workmanship.

Mr. BLANTON. I do not want you to feel that I am antagonistic to you or your company, because whatever in this investigation the facts show the company is entitled to I expect to vote to the very last dollar and cent. I am merely trying to get the facts, and I want you to feel I am not antagonistic to you or your company, but am doing it merely from a sense of duty, and do not want to be in an attitude of trying to confuse you in any way.

Mr. Sterrett, is it not a fact that all along through this work from month to month certain changes did occur that were required, and did not your company at that time make any claim for extra compensation and by supplemental agreements such compensation was agreed to then and there, and they received payment for them from time to time?

Mr. STERRETT. No, sir.

Mr. BLANTON. There was nothing like that occurred? There was never any agreement as to any change in that contract for which you claimed and did receive compensation?

Mr. STERRETT. I do not remember.

Mr. BLANTON. Then I want to ask you why it was the Government paid, and you received, $300,000 more than the contract called for?

Mr. STERRETT. I explained that to you.

Mr. BLANTON. How?

Mr. STERRETT. On account of the weight running more than the original estimates.

Mr. BLANTON. Then you claim, if I understand you correctly, that all of this $300,000 that your company received more than the contract price was for extra weight of material? Do you claim that?

Mr. STERRETT. That is my remembrance of it. Of course, this is a pretty big contract, and there may be some changes I do not remember about, but I do not remember of any change in the contract. I think that is correct.

Mr. BLANTON. If you will study it carefully, you will find that you were incorrect about that. I just merely state that for your benefit. Is it not a fact that on no item which is embraced in your claim under consideration at this time did you at the time claim extra compensation and have it thrashed out at that time? Is not that a fact?

Mr. STERRETT. No; I think that is not correct.

Mr. BLANTON. The contract provides that this company, where it claims extra compensation for any change made, or for any matter in connection with the construction of these locks, before it shall be entitled to any compensation other than that provided in the contract, must at the very time make a charge for extra compensation and damages to the chief engineer and have it thrashed out and agreed upon at that time; otherwise it shall be waived.

Mr. LITTLE. And that is in the contract?

Mr. BLANTON. And that is in the contract.

Mr. LITTLE. Do you claim that he concedes that he let that moment go by?

Mr. BLANTON. He says none of these items were claimed at that time and thrashed out.

Mr. LITTLE. Was there not in their opening statement some explanation of why that was done; and if so, I would like to have him explain that?

Mr. BLANTON. This is a very voluminous contract, but I would like to read certain portions of it into the record, to be taken in connection with this interrogation. This is the main contract that was signed and executed. It provides:

"It is further understood, covenanted, and agreed that the commission may delay the commencement of the erection of any or all of the gates and fixed parts, for the reason that it has not completed the masonry or the fixed ironwork, or for any other reason it may deem sufficient to justify such action; and if at any time the commission shall deem it necessary so to do it may suspend the work of erection on any or all of the gates and fixed parts covered by this contract, in which case the contractor shall, without expense to the commission, properly cover over, secure, and protect such of the work as may be liable to sustain injury from the weather or otherwise. The commission may also direct the order in which the different gates and fixed parts in a given lock shall be erected, and it may require that any gate and the fixed parts necessary for same in any twin flight of locks shall be completely erected on or before a date fixed herein for the erection of any other gate in such twin flight of locks, and in such case the provisions of this contract relative to liquidated damages for delay shall subsist, take effect, and be enforceable in the same manner and to the same extent as if the date thus fixed was originally specified herein."

In that connection, is it not a fact that your company agreed that for every day's delay over and above the time specified in the contract on any of these locks they should respond to this Government in liquidated damages, so much for each day's delay?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. It goes on:

"*Provided*, That in all such cases the contractor shall be granted an extension of time within which to complete the erection of any or all gates so delayed in erection, equal to the period of any delay caused by any such delays in the commencement of erection, suspension of work, or change of dates, but he shall not be entitled to any payment as additional compensation or as damages on account of any such suspension of work, delay in commencement of erection, or change in time or order of erection of gates."

The whole compensation was to be an extension of time in which he was to complete the work.

"ART. III. It is further understood, covenanted, and agreed that all materials and workmanship"—

Both materials and workmanship, mind you—

"used and applied under this contract, in details and finish, shall be first class and of the very best quality."

I want you to catch that, members of the committee, that everything, material, workmanship, everything shall be first class and of the very best quality.

Mr. MERRITT. What does it say right after that?

Mr. BLANTON. I will read all of it. It says:

"And that all materials, both in the form of raw materials and at every stage of manufacture, and all workmanship shall from the beginning to the end of the work be subject to the inspection of the chief engineer of the commission, or his authorized representative, and that the commission's inspectors shall have free access at all time to any works where any raw materials or manufactured parts covered by this contract are located for the purpose of examining such raw materials or manufactured parts, and for the purpose of witnessing any and all processes of manufacture, and they shall have free access at all times to any and all parts of the erecting plant and all other parts of the work on the Isthmus."

There is a whole lot about inspection that you do not care about.

"It is further understood, covenanted, and agreed that the commission's inspectors may at any time reject any or all work or material not in accordance with this contract, and the right to reject any and all defective work or material shall continue until final inspection and acceptance and payment for material and work herein provided for, regardless of any prior inspection, payment, or act of the commission, and such defective or unsatisfactory material or work shall be promptly removed, remedied, or replaced by the contractor without expense to the commission."

Then there is a penalty for the contractor refusing to do that.

"ART. IV. The contractor shall prepare and submit to the commission in duplicate all necessary working drawings"—

and so on. Then it says:

"The approval of such drawings shall be taken as certifying only to the general agreement of the working drawings with the contract plans as to arrangement and sizes of the principal members, but shall not relieve the contractor from full responsibility for the correctness of his shop drawings, for errors in details, such as rivet spacing, clearances, packing of plates, etc., which might interfere with either the strength or appearance of the finished work or with accurate and speedy erection.

"The contractor shall be solely responsible"—

and so on. There are two other clauses:

"The commission, however, reserves the right to make any minor changes it may see fit to make in the original contract drawings, the working plans, and specifications for material and workmanship prior to the final acceptance of any part of the finished material: *Provided, however*, That for any extra expense incurred by the contractor for material furnished or ordered, drawings made, or work executed prior to the time of receiving notice of such change, the contractor shall be reimbursed at reasonable rates to be fixed, in any case, by agreement between the contracting parties."

Notice particularly this clause:

"Any claim for such changes shall be made by the contractor at the time of the change or no allowance will be made or money paid on account of the same. The contractor shall also furnish the commission"—

and so on. That is brought forth in an additional article in this contract specifically:

"ART. X. The contractor agrees to make no claim for compensation for any work, labor, or materials over and above that specified or called for in the contract, specifications, and plans, unless same shall have been agreed upon in writing by the parties to the contract before such work shall have been commenced or the labor or materials furnished."

Mr. BLANTON. I want to give you an opportunity to get yourself right in the record, because I do not want to take advantage of you in your absence when we take the matter up. You stated in answer to my question that all of this $300,000 extra compensation was for extra weight in parts, and that at no time did you make extra claims, and that they have been adjudicated and agreed upon and you have received compensation for them. I want you to get right on that. I have here before me copies of supplemental agreements certified to Mr. J. L. Baity, who is Auditor for the War Department, which are probably familiar to you, and some of them are known as supplemental contract, dated June 15, 1911. This contract was dated June 21, 1910?

Mr. STERRETT. Yes, sir.

Mr. BLANTON. Here is a supplemental contract of June 15, 1911, a year after the original contract. Here is another of December 16, 1911, which is nearly a year and a half after the original contract. Here is a supplemental agreement of February 7, 1912; here is another of June 13, 1912; here is another of January 14, 1913; here is another one of May 20, 1913, nearly three years after the original contract. Do you still maintain before this committee that you did not raise claims and have supplemental agreements and receive certain extra compensation under those? Do you still maintain that before the committee, after I call your attention to these?

Mr. STERRETT. The best I can say is that I have answered as far as I know. I think Judge Harrah can answer that.

Mr. BLANTON. Judge Harrah is supposed to represent the Government, and I am asking you as one of the interested parties whose claim we have up before us for consideration. You are asking us to take a million dollars of the people's money in time of war out of the Treasury and pay you on the contract, and I am interrogating you about that claim.

Mr. STERRETT. All I can tell you with reference to those supplemental agreements is what I have answered.

Mr. BLANTON. I do not believe under the terms of this contract that this company is entitled to one single dollar. I think that when they were paid the $300,000 they were paid more than the contract price, and they were paid every cent that was due them.

The full contract compensation was $5,374,474.82, the compensation provided for in the contract, the amount certified to by J. L. Baity, Auditor for the War Department, who says:

"In compliance with your indorsement of the 23d instant, on letter of Hon. THOMAS L. BLANTON, M. C., of the Committee on Claims, dated April 22, 1918, received at 2 p. m., the 24th instant, and which is returned herewith, requesting statement of total amount paid the McClintic-Marshall Construction Co. by the Isthmian Canal Commission under contract dated June 21, 1910 (W. O. 23444), for constructing lock gates for the Panama Canal, and supplemental contracts thereto, and copies of the contracts and circular, I have the honor to report that the total amount paid the contracting company under said contracts as shown by vouchered payments in this office was $5,753,725.63, from which may be deducted for one shipment lost, which was refunded and later replaced, $77,538.66, leaving net amount paid on this contract of $5,676,186.97."

Now, taking the contract consideration of $5,374,474.82 from the net amount paid on this contract of $5,676,186.97, there is a balance of $301,712.15 over and above the contract consideration that was paid.

Mr. Speaker, I have fought this bill ever since I have been in Congress, and thus far I have been able to keep it from passing. Bills of this character should not be considered on Private Calendar day, when most of the Members are away except those who have private bills to pass.

Let me call the attention of my colleagues to two other bills which in years past have been favorably reported by committees which I have prevented from passing by filing minority reports against them and staying on the floor here and objecting to their consideration. One is that of the Sevier estate for $66,736,387.60. At the first meeting of the Claims Committee in 1919 I prevailed upon the gentleman from Kansas [Mr. LITTLE] not to favorably report this bill, which then was H. R. 12018, but to give me further time to investigate it, which he reluctantly granted. On January 31, 1919, I filed my adverse report with the committee, and on February 7, 1919, every member of the Claims Committee present unanimously adopted my adverse report, which is as follows:

CLAIM OF THE ESTATE OF JOHN SEVIER AGAINST THE UNITED STATES.

Mr. BLANTON, from the Committee on Claims, submitted the following adverse report:

The Committee on Claims, to whom was referred the bill (H. R. 12018) for the relief of the estate of John Sevier, having considered the same, report thereon with a recommendation that it do not pass.

This bill—H. R. 12018—if allowed, would pay to Emmetta Humphreys, as administratrix of the estates of John Sevier, sr., and John Sevier, jr., the enormous sum of $66,736,387.60, being principal sums aggregating $8,447,644, together with 6 per cent interest thereon for over 115 years.

There are really three claims embraced in the above amount, the first and principal one of which is for the value of 174,474 acres of land originally within the boundaries of the State of North Carolina, surveyed and granted to John Sevier, sr., in the years 1784 and 1795, under an act of the General Assembly of the State of North Carolina in 1783.

In 1785 the United States entered into the treaty of Hopewell with the Cherokee Indians by which certain described lands then in North Carolina were set apart to them for hunting grounds.

In February, 1790, the State of North Carolina ceded her western territory, embracing the lands allotted to the Cherokee Indians, to the United States with certain conditions expressed.

In 1791 the United States entered into the treaty of Holston, by which the boundary between the citizens of the United States and the Cherokee Indians was established.

The said surveys and grants of land to John Sevier were included within the boundaries of the said territory theretofore set apart to the Cherokee Indians, and were not made until 1794 and 1795, subsequent to the said treaties of Hopewell and Holston, and subsequent to the cession to the United States by North Carolina of these lands out of which the State of Tennessee was afterwards created.

By the act of February 18, 1841, the State of Tennessee was authorized to settle claims against said lands, but required that all land warrants should be satisfied, either by location of the land within one year or by their presentation for payment at a price of not less than 12½ cents per acre within two years, or the holders of such warrants should be forever barred of all further claim or right.

When this case was submitted to the Court of Claims for a determination of the facts, in the opinion of the court filed February 28, 1910, it found:

"There is no evidence to show whether the claimant's decedents, or their heirs or legal representatives, complied with the terms of the above act; presumably they did not."

And, further, the court found:

"Nor is there any evidence to show that John Sevier, sr., and John Sevier, jr., did not receive the benefit of said lands or the value thereof, as provided by the said act of February 18, 1841, nor does it appear that the United States ever received any benefit therefrom."

Claim No. 2 involved 50,000 acres of land deeded to John Sevier in 1797 by one Cox, attempting to act for the "Tennessee Company," out of lands granted by the State of Georgia to the "Tennessee Company," reciting a consideration paid by Sevier of $5,000, which, with other lands, afterwards became the "Mississippi Territory," out of which the States of Alabama and Mississippi were created.

On April 24, 1802, the State of Georgia ceded to the United States the said "Mississippi Territory," Georgia to be paid $1,250,000 out of the first sales, and, if a balance remained, reserving 5,000,000 acres to satisfy and compensate claims.

On March 3, 1803, Congress passed an act requiring all such land claimants to perform certain acts before March 1, 1804, on penalty of becoming forever barred for nonperformance, and further providing that all claims must be exhibited to the Secretary of State and recorded by January 1, 1804.

In passing upon this claim the Court of Claims, on February 28, 1910, held:

"Whether the claimant's decedent ever complied with the provisions of said act does not appear."

On March 31, 1914, Congress passed an act providing for commissioners to pass upon all claims based upon said "Tennessee Co." lands, to whom John Sevier submitted his deeds from Cox and executed releases to the United States, and said commissioners ruled against said claims, holding that Sevier had failed to show proof of any authority in said Cox to act for said company, and on February 28, 1910, the Court of Claims found:

"That it did not appear that the United States had received any benefit whatever from said land."

The third claim involved 5,000 acres of land granted August 14, 1786, to John Sevier by the General Assembly of the State of Georgia for acting as a commissioner appointed by said assembly, which land was afterwards located and patented to the heirs of John Sevier in 20 patents on June 12, 1828. Said heirs failed to take possession of same, but permitted individuals to hold possession of same adversely until they have lost their title by limitation. The United States is not to blame for such laches. The Court of Claims found:

"It is not shown that the United States at any time received any benefit therefrom."

John Sevier was the first governor of Tennessee, was a man of good judgment and strong political influence, and it is to be presumed that he received the benefit of the warrants involved in claims 1 and 2. When his estate was inventoried even the most insignificant articles of minutest value were itemized, yet no mention was made of such warrants.

There is no merit in this claim; hence it is disallowed.

THOMAS L. BLANTON.

The other claim, Mr. Speaker, is that of Marian B. Patterson for $20,963, favorably reported several times to the House. That you may see how unmeritorious this claim is, I want my colleagues to carefully consider my minority report which, on June 28, 1918, I filed against it. A careful inspection will see that there is no warrant for taking this money out of the people's Treasury.

Mr. BLANTON, from the Committee on Claims, submitted the following minority report:

"Although all of my colleagues on the committee have voted to favorably report House bill 6486 and pay to Marian B. Patterson $20,963 out of the Public Treasury, I regret that my duty as I see it under my oath of office will not permit me to do otherwise than to protest their action, and at the proper time I shall move to strike from the bill its enacting clause. I sincerely believe that if any Member will give this case the same careful study and investigation which I have given to it he will inevitably reach the conclusion I have formed, that the Government is not due one single dollar on this claim, and that it would be a great injustice to the people of the United States to take their money out of the Treasury and put it into Mrs. Patterson's pocket.

"I submit that no evidence whatever of probative force has been filed in this case showing that Gen. Patterson suffered any loss. He was entitled to a salary of $5,000 per annum. He served about nine years, to wit, from sometime in May, 1897, until about July, 1906. During that time he had in his custody funds of the United States from fees collected to the amount of $62,048.46, and the statement of the Government Auditor from the Treasury Department, which I have just procured and will incorporate hereafter, shows that out of said Government funds Gen. Patterson retained for his salary the sum of $42,423.22, and the record further shows that in the beginning of his service, while receiving instruction and in transit, he received for salary the further sum of $1,928.34, and that in addition thereto he drew a draft on the Government for $1,115.70 to cover salary while under instruction prior to January 1, 1898, making a grand total of $45,467.26 received by him as salary for the little over nine years' service. In addition to the above the auditor shows that Gen. Patterson further retained $6,956.80 as compensation due him on agency fees collected; hence altogether he received from the Government as compensation for a little over nine years' service the sum of $52,424.06. And the auditor shows that during this time in Calcutta the purchasing value of the rupee, at its commercial exchange value, upon which basis Gen. Patterson collected the fees and retained his salary, was 100 cents on the dollar, the same as if he had retained his pay in gold dollars. The record further shows that during said time the Government allowed Gen. Patterson the sum of $21,644.76 for contingent expenses, clerk hire, and relief of seamen.

"To get the matter clearly before my colleagues, showing concisely the result of my investigations, and warrant for the above, I now incorporate herein a letter of inquiry sent by me to the Secretary of the Treasury, of date June 15, 1918, the reply of the Secretary signed by Hon. L. S. Rowe, Acting Secretary of the Treasury, dated June 24, 1918; the report of Auditor E. D. Hearne, of date of June 20, 1918; and the communication of Hon. C. S. Hamlin, Acting Secretary of the Treasury, addressed to Hon. EDWARD W. POU, then chairman of the Committee on Claims, of date May 18, 1914:

"MY LETTER TO HON. WM. G. M'ADOO, SECRETARY OF THE TREASURY.

"JUNE 15, 1918.

"Hon. WILLIAM G. MCADOO,
"Secretary of the Treasury, Washington, D. C.

"MY DEAR MR. SECRETARY: H. R. 6486, now pending before the Committee on Claims, of which I am a member, is a bill proposing to pay to Marian B. Patterson $20,963, losses in salary and allowances alleged to have been sustained by her late husband, Gen. R. F. Patterson, from January 1, 1898, to May 28, 1906, while consul general at Calcutta, India.

"I have spent much time during the past three months investigating this claim, and have now reached the conclusion that there is no merit in it.

"On February 17, 1912, Hon. Franklin MacVeagh, in a letter, recommended that Mrs. Patterson be paid $20,000, stating:

"'I believe that reimbursement, to the extent of the amount carried in the pending bill, to his widow, Mrs. Patterson, would be a most deserved, proper, and appropriate recognition of the services of the late Gen. Patterson.'

"He did not state that an examination had been made into the merits of the claim, and that the value of the number of rupees retained by Gen. Patterson and allowed by the department was less than the compensation to which he was entitled, but merely stated that paying $20,000 would be an appropriate recognition of services.

"On August 6, 1912, one John B. Kinnear testified before the committee that he was formerly a clerk in the Treasury Department; during which time he worked in the same room with and sat by the side of a gentleman who made the Patterson settlement, and he, naturally, knew about it. He stated that he felt that the Government ought to refund to Mrs. Patterson $2,164.01, which was made up of various little items charged to Mr. Patterson, being the difference between what the Treasury Department considered the representative value in exchange and the bullion value of the rupee currency in India; that Mr. Patterson had been in the habit of collecting the $2.50 invoice fee in rupees at their bullion value of about 20 cents; but that within a few months after he took charge, in 1898, he was ordered to accept the rupees at their commercial exchange value of about 30 cents, and that he therefore incurred a loss of about 10 cents on a rupee. Whereupon, the following colloquy occurred between witness and Congressman Francis:

"'Mr. KINNEAR. They claim that he collected this money from these men in India and that he collected $3.63 instead of $2.50 in each case, and the difference between the $2.50 and $3.63 during this period amounted to $2,164.01 and it was suspended, to know why it should not be disallowed. Now, under these circumstances, it does not belong to the Government.

"'Mr. FRANCIS. Was it disallowed?

"'Mr. KINNEAR. It was suspended to know why it should not be disallowed.

"'Mr. FRANCIS. But it was never disallowed.

"'Mr. KINNEAR. So far as I know it was not.'

"At the beginning of the testimony, the chairman stated:

"'We have before us Mr. John B. Kinnear, and he is to be heard on H. R. 10676, the subject matter also appearing in H. R. 15141.'

"Now, H. R. 10676 was to pay Mrs. Patterson $2,164.01, while H. R. 15141 was to pay her $20,963. How little Mr. Kinnear actually knew about the matter is shown in the following colloquy between him and the committeemen:

"'Mr. GREEN. Why do you say that the amount of this smaller bill is not included in the larger one, H. R. 15141, which apparently applies to all of the case?

"'Mr. KINNEAR. I do not know that I said that, but I heard some one say it around the table.

"'Mr. MOTT. I think I said that Mrs. Patterson told me they were separate claims.

"'Mr. KINNEAR. As to the larger claim, I would not attempt to explain it unless I had thoroughly examined it and knew what I was talking about.

"'Mr. MAGUIRE. Do you think that you can well adjust one claim without adjusting the other claim?

"'Mr. KINNEAR. I do not know much about this [meaning the larger claim for $20,963].

* * * * * * *

"'Mr. GREEN. Will you make a computation of the amount due under the larger bill, on the basis of 20 cents for the mint value and 32.4 cents for the commercial value?

"'Mr. KINNEAR. Well, I can do so, but it will not work out the figures you have just shown me.'

"And thereafter Mr. Kinnear did file with the committee an unauthenticated, arbitrary, theoretical table computation, showing that the difference in computing the compensation of Gen. Patterson in rupees of the mint value and of the commercial exchange value would amount to $20,963. Any fifth-grade schoolboy could have made a similar computation.

"On the letter of Mr. MacVeagh and this Kinnear table the Committee on Claims has voted to report favorably this claim, my vote being the only opposing one.

"There is not one scintilla of evidence before the committee showing that Gen. Patterson did not receive his full pay during his term of service.

"I desire to call your attention to the report signed by Mr. F. H. Davis, auditor, W. W. S., of date December 10, 1912, addressed to Hon. Sherman Allen, Assistant Secretary of the Treasury, in which he states, 'In very few instances are Mr. Kinnear's figures correct,' and he winds up by stating that 'nothing is due from the United States.' He gives the following table of Gen. Patterson's receipts and disbursements, to wit:

"RECEIPTS

Amount of transcript (fees collected)	$62,048.46
Drafts for salary while under instruction and in transit prior to Jan. 1, 1898	1,115.70
Compensation from agency fees	6,956.80
Compensation and disbursements from July 26, 1897, to Dec. 31, 1897	3,248.50
	73,369.46

"DISBURSEMENTS.

Salary, July 26, 1897, to Mar. 18, 1906	$42,423.22
Salary while receiving instruction and in transit	1,928.34
Compensation from agency fees	6,956.80
Contingent expenses, clerk hire, and relief of seamen	21,044.76
Money paid seamen from item of 'Wages and money paid seamen'	416.34
	73,369.46

"And Mr. Davis then well says:

"'The consul general collects the fees, is their custodian, makes disbursements from them, and is paymaster of them until he deposits the surplus in the Treasury. In the light of all the facts before it, of the laws governing the matter, of the decisions of the courts and of the Comptroller of the Treasury, this office could not have settled these accounts upon any other basis than the rate furnished by the consul general. Every item under this head [referring to Kinnear's statement] is incorrect.

"'The contention in favor of the computations in this column stands upon no firmer basis than the contention of one who, having been paid 100 silver dollars on December 4, should insist that he had received only $49.70 in United States currency, the bullion value of a silver dollar being $0.497 on that day.'

"Now, for my use in opposing the passage of this bill, I would like for you to please advise me if I am not correct in concluding from the above:

"1. That during his tenure of office Gen. Patterson, out of funds in his possession, retained $42,423.22?

"2. If it isn't a fact that he drew a draft on the Government for $1,115.70, covering his salary while under instruction and in transit?

"3. If the above sums retained by him were not retained solely to cover his salary during his tenure and if he did not retain sufficient rupees, at their commercial exchange value, to aggregate the full 100 cents on the dollar purchasing value of United States currency in that country?

"4. If it is not a fact that, in addition to the above amount of salary retained, Gen. Patterson did not also retain $6,956.80 additional fees allowed him from agency fees?

"5. If it isn't a fact that during said time a dollar paid in rupees at its commercial exchange value had just as much purchasing power in Calcutta as an American gold dollar?

"6. If it isn't a fact that had the Government not changed the rule for collection, as it did in 1898, but permitted Gen. Patterson to continue to collect invoice fees in rupees at their mint value, on every $2.50 invoice Gen. Patterson would have made $1.13 clear profit?

"I will thank you to give me the above information at your earliest convenience.

"Very truly, yours,

"THOMAS L. BLANTON."

"LETTER FROM ACTING SECRETARY OF THE TREASURY.

"TREASURY DEPARTMENT,
"OFFICE OF THE SECRETARY,
"*Washington, June 24, 1918.*

"Hon. THOMAS L. BLANTON,
"*House of Representatives.*

"MY DEAR CONGRESSMAN: In reply to your letter of the 15th instant, making certain inquiries in connection with H. R. 6486, of the present Congress, which proposes to pay to Marian B. Patterson the sum of $20,963 for losses in salary and allowances alleged to have been sustained by her late husband, Gen. R. F. Patterson, from January 1, 1898, to May 28, 1906, while consul general at Calcutta, India, I am inclosing herewith copy of a report thereon made by the Auditor for the State and Other Departments, in whose office the accounts rendered to the Treasury Department by Gen. Patterson as consul general at Calcutta were examined and audited.

"I hand you herewith also a copy of the letter dated May 8, 1914, to the Hon. EDWARD W. POU, chairman of the Committee on Claims, from the Hon. C. S. Hamlin, Acting Secretary of the Treasury, in relation to this matter.

"Very truly, yours,

"L. S. ROWE, *Acting Secretary.*"

"REPORT OF AUDITOR E. D. HEARNE.

"TREASURY DEPARTMENT,
"OFFICE OF THE AUDITOR FOR THE STATE
AND OTHER DEPARTMENTS,
"*Washington, D. C., June 20, 1918.*

"Hon. W. G. MCADOO,
"*Secretary of the Treasury.*

"SIR: I have the honor to acknowledge receipt of letter of Hon. THOMAS L. BLANTON, House of Representatives, of the 15th instant, in relation to H. R. 6486, now pending before the Committee on Claims of the House, which proposes to pay Marian B. Patterson $20,963, losses in salary and allowances alleged to have been sustained by her late husband, Gen. R. F. Patterson, from January 1, 1898, to May 28, 1906, while consul general at Calcutta, India, and I quote therefrom as follows:

"'Now, for my use in opposing the passage of this bill, I would like for you to please advise me if I am not correct in concluding from the above:

"'1. That during his tenure of office Gen. Patterson, out of funds in his possession, retained $42,423.22?

"'2. If it isn't a fact that he drew a draft on the Government for $1,115.70 covering his salary while under instruction and in transit?

"'3. If the above sums retained by him were not retained solely to cover his salary during his tenure, and if he did not retain sufficient rupees, at their commercial exchange value, to aggregate the full 100 cents on the dollar purchasing value of United States currency in that country?

"'4. If it is not a fact that, in addition to the above amount of salary retained, Gen. Patterson did not also retain $6,956.80 additional fees allowed him from agency fees?

"'5. If it isn't a fact that during said time a dollar paid in rupees at its commercial exchange value had just as much purchasing power in Calcutta as an American gold dollar?

"'6. If it isn't a fact that had the Government not changed the rule for collection as it did in 1898, but permitted Gen. Patterson to continue to collect invoice fees in rupees at their mint value on every $2.50 invoice, Gen. Patterson would have made $1.13 clear profit?'"

"I have caused Mr. Patterson's accounts, rendered as consul general at Calcutta, to the Treasury Department and settled in this office, to be carefully reexamined for the purpose of furnishing a reply to the questions propounded by Mr. BLANTON, and they are answered as follows:

"1. It is true that during his tenure of office Mr. Patterson retained $42,423.22 out of funds of the United States in his possession and collected by him as fees of his office.

"2. It is true that Mr. Patterson drew a draft upon the Treasury for $1,115.70 covering his salary while under instruction and in transit from May 9, 1897, to July 26, 1897, when he entered upon the duties of his office at Calcutta, and that said draft was paid.

"3. It is true that the above sums were retained by Mr. Patterson solely to cover his salary during his tenure, and that he retained sufficient rupees to aggregate a full 100 cents for each dollar retained under the current rate of exchange between United States currency and the rupee of India.

"4. It is true that, in addition to the above amount of salary retained, Gen. Patterson also retained $6,956.80 additional fees allowed him from agency fees.

"5. I prefface my reply to query No. 5 by citations from findings of the Supreme Court of the United States and of the Circuit Court of Appeals:

"'The Circuit Court of Appeals, first circuit, in case of United States *v.* Beebe & Sons (122 Fed. Rep., 763 and 764), finds that "the bullion value of the rupee at that time (August, 1898), in accordance with the tabulation of the Director of the Mint provided by law, was 19 cents and 9 mills, while its market value at Calcutta and its value then and there as currency was 32 cents 1 mill and one-tenth of a mill, being an appreciation of over 60 per cent. * * * Since January, 1893 * * * it has been practically stable in mercantile transactions at 32 cents 1 mill and one-tenth of a mill. In 1899, by legislation, the British sovereign was made legal tender in India at a ratio of 15 rupees to the sovereign, thus permanently fixing the currency value of the rupee at substantially the figure which it reached in 1898."

"'In the case of United States *v.* Whitridge (197 U. S., 137) the then Assistant Attorney General, the Hon. James C. McReynolds [now associate justice of the United States Supreme Court], stated in his argument before the Supreme Court that "since September 15, 1899, the monetary standard of India has been gold, the standard coin the British sovereign (worth $4.8665) and the rupee, a token coin, current as one-fifteenth part thereof—$0.324." The court, through Mr. Justice Holmes, sustained the contention of the Assistant Attorney General and stated, in part, as follows (p. 145):

"'"Before the date of this export (June 18, 1900), gold was adopted as the standard and the ratio of the rupee fixed at 15 to 1, or 1 shilling and 4 pence, in 1899."'

"With each of his quarterly accounts, from January 1, 1898, to January 1, 1900, Mr. Patterson furnished a joint certificate from himself and the Chartered Bank of India, Australia, and China, that the current rate of exchange between the rupee and United States money was 32 cents.

"Replying to question 5: Fifteen rupees in Calcutta, 20 shillings in London, and $4.8665 in New York mean the same thing, the English pound sterling, and any one of them, at that time, would buy as much in its own sphere of circulation as a pound sterling exchanged into terms of its own currency. The purchasing power of money in one country is not measured by the purchasing power of money in another. The money value or money price of a given commodity can not be uniform in India, Great Britain, and America. But the purchasing power of 3.125 rupees would have been, during Mr. Patterson's tenure of office, probably greater than that of an American gold dollar, because the latter, not being current in India, would have been taken at its bullion value.

"6. The estimated profit of $1.13 upon each $2.50 invoice was based upon the bullion value ($0.211) and the customhouse valuation ($0.306) of the rupee at the time of the Whitney importations at Boston, on July 1, 1897. The bullion value dropped to about 20 cents, and the currency valuation was soon thereafter stabilized at 32 cents and over. Assuming 20 cents and 32 cents to represent the bullion and currency value, respectively, of the rupee for the term of Mr. Patterson's office, the profit upon each $2.50 invoice, the proceeds of which were retained for salary or disbursement, would have been something over $1.50 instead of $1.13. In cases where he would have made remittances of surplus fees the increase would have been accounted for as 'gain by exchange.' But, as his collections after April 15, 1898, were made at the legal rate, there was no occasion after that date for such accounting.

"Respectfully,

E. D. HEARNE, *Auditor.*"

"LETTER OF SECRETARY TO CHAIRMAN POU.

"TREASURY DEPARTMENT,
"*Washington, May 3, 1914.*

"Hon. EDWARD W. POU,
"*Chairman Committee on Claims,*
"*House of Representatives.*

"SIR: Replying to your request of April 21 for an expression of opinion as to the merit of the claim of Mrs. Marian B. Patterson, as set forth in H. R. 206, Private Calendar No. 70, I have the honor to transmit herewith the report of the Auditor for the State and Other Departments upon said bill.

"The auditor states that the claim, as set forth in the accompanying report No. 315, is a simple proposition to pay Mrs. Patterson twenty-odd thousand dollars, being the difference between the bullion value and the legal-tender value of all rupees disbursed by the late Consul General Patterson at his post at Calcutta, for salaries, clerk hire, rent, etc., and reports adversely upon it.

"Several bills covering the same claim have been before Congress in the last few years, but no bill of particulars has ever been furnished until now. The auditor's report shows that the payment of the claim upon the terms of the bill of particulars would be granting a gratuity, and upon these findings the bill can not be recommended favorably by the department.

"On pages 12–15 of the auditor's report, however, there is set forth an item of $2,164.01, which was a recharge made of excessive fees collected between January 1 and April 15, 1898. The circular, directing consular officers to observe the requirements of section 1746, Revised Statutes, as to the collection of consular fees in the coin of the United States or in its representative value in foreign exchange, was issued by the Department of State on March 8, 1898, and was received by Mr. Patterson April 13, and put into operation by him April 15, 1898. The provisions of this circular were put into effect by the auditing offices in the settlement of Mr. Patterson's accounts from January 1 to April 15, 1898, in charging back to him the $2,164.01 of excessive fees collected during that period. The Treasury Department instructions contained in the quarterly bulletins of the Mint Bureau, section 1746, Revised

Statutes, and section 1723, Revised Statutes, made it obligatory upon the auditor to do this and there was no hardship peculiar to Mr. Patterson in this policy, which was followed in the settlement of the accounts of all other consular officers who collected fees in India.

"The circular of March 8, 1898, abolished the practice of valuing the rupee, both for collections and payments, at the bullion rate certified to by the Bureau of the Mint, which practice had been permitted in the Consular Service several years prior to the issuing of the circular. While it was, under the provisions of the statutes and regulations, obligatory upon the accounting officers to make all settlements taken up after the circular was issued according to its provisions, the application of the requirements of this circular to the settlement of the accounts of consuls in India in which the transactions occurred before they received the notice, although in accordance with law, was a surprise to them, and was probably the cause of some financial loss to them. This period of retroactive effect of the circular was from January 1 to April 15, 1898, in the case of consuls in India, and in Mr. Patterson's case involved a recharge, legal but retroactive, of $2,164.01. Whatever of equity may lie in favor of relieving all of the consuls of the recharges against them of the difference between the bullion and legal-tender rates of the rupee used in their disbursements is for the determination of Congress. The amount involved in Mrs. Patterson's case is $2,164.01, and if Congress should decide to grant such relief the further question arises whether such action might create a liability of the United States to the American Surety Co., which paid $5,883.92 to close up Mr. Patterson's accounts on final settlement.

"The department would approve the payment of this $2,164.01 to Mrs. Patterson, provided that this grant to Mrs. Patterson can be made without involving the United States in liability to the American Surety Co.

"I would also point out that it is extremely likely that claims for relief from recharges, made under like circumstances against other consuls in India, may be made, which would seem to call, on equitable considerations, for like treatment.

"I may add that Secretary MacVeagh recommended the payment of this item of $2,164.01 to Mrs. Patterson. Secretary MacVeagh also recommended the favorable consideration of the bill for $20,000, but the department at this time is unable to concur in this recommendation.

"Respectfully, "C. S. HAMLIN,
"*Acting Secretary.*"

"I must again protest against the loose way our Committee on Claims has of approving private claims against the United States Government without a careful hearing of evidence and an investigation of the Government's side of the controversy. In other words, there should be at least a quasi-judicial ascertainment. Our committee did not call a single witness before it. It did not call on the Secretary of the Treasury for any statement whatever as to the account of Gen. Patterson. It gave less than an hour to the investigation before the committee of even the past record of the case before it voted to make a favorable report. In justice to my colleagues, however, I will state that they based their action upon the recommendation made by Mr. MacVeagh, wherein on February 17, 1912, without an investigation of the merits of the case, he said that he thought that the payment of $20,000 to Mrs. Patterson 'would be a most deserved, proper, and appropriate recognition of the services of the late Gen. Patterson.' And not realizing the lack of any probative force or value as evidence, my colleagues did also consider the arbitrary table specially prepared by Mr. Kinnear, which is based upon a false hypothesis and has no application whatever to the real facts of this case.

"Prior to April 15, 1898, the consul general at Calcutta had been in the habit of collecting the $2.50 invoice fee in rupees at their mint or bullion value of about 20 cents, when in fact the commercial exchange value of such rupee was actually worth 32 cents. On January 1, 1898, our Government ordered that in the future the consul general should accept the rupee at its commercial exchange value. This order was brought about through evidence filed with the Government by merchants in Calcutta showing that the $2.50 invoice fee collected in rupees at their bullion value actually amounted to $3.63, for the commercial exchange value of the rupee at 32 cents was equal to that value in gold there in Calcutta. This order was not received by Gen. Patterson until April, 1898, and in his letter of April 15, 1898, to the United States auditor he shows that he had received the order and was complying with its terms, and again in his letter of May 10, 1898, he confirms such statement, and he did comply with such order for years thereafter, until his service ended about July, 1906.

"The reason the Government charged Gen. Patterson with the $2,164.01 in 1898 was because Gen. Patterson had collected from each merchant paying the invoice fee from January 1, 1898, to April 15, 1898, not $2.50 in commercial exchange value but $3.63, and the United States Government was responsible to said merchants for the return of said $1.13 excess on each invoice, and if it had not charged Gen. Patterson with it he would have had a net profit of $1.13 on each invoice, which, during said time between January 1, 1898, and April 15, 1898, amounted to said sum of $2,164.01. As very aptly said by Acting Secretary Hamlin in his communication of May 8, 1914, if we should see fit to pay this amount because of the fact that until April 15, 1898, Gen. Patterson had acted under the old custom, that if we paid it to anybody we ought to pay it to the American Surety Co., who, as surety for Gen. Patterson, paid to the Government a shortage of $5,883.92 after he had been recalled here.

"Moreover, during his service when a previous shortage of $8,626.06 arose in Gen. Patterson's account, it was settled, as shown by the communication from Hon. R. O. Bailey, Assistant Secretary of the Treasury, to Mrs. Patterson, of date August 23, 1912, by a credit of $652.04 allowed Gen. Patterson by the auditor, by the check of Mr. Wanamaker for $5,481.62 (he being a friend of Gen. Patterson), and by a deposit of $2,492.40 made by Gen. Patterson himself.

"To further indicate how loosely we have acted, if any amount were due Gen. Patterson he is now dead, and such amount would lawfully go to all of his legal heirs and not merely to his surviving wife; yet the committee have ignored his other heirs and are attempting to pay over $20,000 to his wife alone.

"I respectfully submit that under the facts of this case Mrs. Patterson is entitled to nothing. I desire to call attention to the very able presentation of this matter in the RECORD made by Hon. JAMES R. MANN in 1914. I hope that when the time comes my colleagues will join me in a motion I shall make to strike the enacting clause from this bill.

"JUNE 28, 1918.

"THOMAS L. BLANTON."

Mr. Speaker, after carefully considering the above facts will any colleague here take the position that there is merit in the above bill? It but further emphasizes the wisdom of not considering such bills in the way this House has of passing them, but they should be taken up in the regular way and carefully gone into by the Members here.

I object to the McClintic-Marshall Construction Co. bill being considered.

LEAVE TO ADDRESS THE HOUSE.

Mr. MANN of Illinois. Mr. Speaker, I ask unanimous consent that on Wednesday next, after the approval of the Journal and the disposition of business on the Speaker's table, the gentleman from Missouri, ex-Speaker CLARK, may be recognized for one hour.

The SPEAKER. The gentleman from Illinois asks unanimous consent that on Wednesday next, after the approval of the Journal and the disposition of business on the Speaker's table, the gentleman from Missouri, ex-Speaker CLARK, be recognized for one hour. Is there objection?

There was no objection.

ALBERT T. HUSO.

The next business on the Private Calendar was the bill (H. R. 12333) for the relief of Albert T. Huso.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Albert T. Huso, of Joice, Worth County, Iowa, $759.41, in full compensation for his claim for loss by burglary March 12, 1913, and October 2, 1913, from his post office at Joice, Iowa.

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, the chairman of the committee remembers the rules and regulations of the Post Office Department, which are reasonable ones, requiring the postmasters to place their valuables in a safe with a combination lock, such as would require force to open it. Does this case come within that regulation.

Mr. EDMONDS. In the March 12, 1913, case the post office was entered by burglars and they worked the combination of the safe.

Mr. BLANTON. The safe was locked?

Mr. EDMONDS. Yes. On October 12 the outer door was locked and the inner door was not locked. The regulation requires the inner door to be locked.

Mr. BLANTON. How did they get the combination?

Mr. EDMONDS. They blew out the outer door, so that the inner door would have been no protection.

The SPEAKER. Is there objection?

There was no objection.

The bill was read for amendment.

Mr. EDMONDS. Mr. Speaker, I offer the following amendment.

The Clerk read as follows:

Amend by striking out the figures in line 6 and substituting "$759.39."

The SPEAKER. The question is on the amendment.

The amendment was agreed to.

Mr. MANN of Illinois. Mr. Speaker, I move to amend, in line 8, by striking out the word "his" and inserting the word "the."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HAUGEN, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LOW PRICE OF FARM PRODUCTS.

Mr. ANDERSON. Mr. Speaker, I ask unanimous consent to proceed out of order for five minutes.

The SPEAKER. The gentleman from Minnesota asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. ANDERSON. Mr. Speaker, I desire to present a petition signed by 6,711 farmers in the Northwest relating to emergency legislation dealing with the present low-priced condition in the farming industries. I ask permission to have the petition read from the Clerk's desk.

Mr. BLANTON. Mr. Speaker, I would like to ask whether the gentleman intends to have printed that whole document in the RECORD.

Mr. ANDERSON. I am not asking to have it printed in the RECORD at all.

The Clerk read as follows:

MINNEAPOLIS, MINN., *December 17, 1920.*

To the honorable the Congress of the United States of America.

GENTLEMEN: The undersigned bona fide farmers and persons intimately dependent upon agriculture in the Northwest hereby respectfully call to your attention the distressing conditions which are afflicting and menacing that industry of this section.

In possession of what should be the very best security, we are deprived by these conditions of the ability to realize upon them except upon a basis which involves the possibility of contagious calamity. We attribute these conditions largely to the disarrangement—

First, of transportation.

Second, of the marketing of grain, cattle, and other farm products.

Both these factors were originally created by the Government and with our cooperation and approval in the emergency of war.

At this time of readjustment the special consideration granted by the Government in reestablishing other interests upon a prewar basis has been denied to the farmer.

In this situation we, as citizens, feel amply justified in our urgent demand for sympathetic attention and efficient activity on the part of your honorable body.

Many plans have been suggested for credit arrangements for our relief. Which of these is best suited must be left to your judgment.

We therefore state the purposes of this petition to be:

1. That your honorable body provide ways and means whereby credit may be accorded proportionate to present need.

2. But particularly that this action be taken at the present session, to the end that returns from the 1920 crop shall be adequate to pay the cost of producing the same, leaving a margin sufficient for living and seed.

We desire still further to emphasize the imperative necessity of prompt action, even upon a temporary basis, in view of the present situation, which, in addition to its factors of emergency and hardship, involves still more onerous and uneconomic conditions if the current crop is not soon fully marketed at compensatory figures.

To the above petition herewith presented by The Minneapolis Daily News are appended the names of 6,711 Northwestern farmers.

PERMISSION TO EXTEND REMARKS IN THE RECORD.

Mr. WINSLOW. Mr. Speaker, I would like to get unanimous consent to be allowed to proceed for two minutes.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts that he be allowed to proceed for two minutes? [After a pause.] The Chair hears none.

Mr. WINSLOW. Mr. Speaker, on the 13th of December Hon. JOHN J. ESCH, chairman of the Committee on Interstate and Foreign Commerce of the House, delivered an address in New York on the transportation bill recently passed. It is altogether the finest and most concise statement and analysis of that bill and its purposes that ever was prepared, and I ask unanimous consent that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none.

WALSTON H. BROWN.

The next business in order on the Private Calendar was the bill (S. 495) for the relief of Walston H. Brown, sole surviving partner of Brown, Hart & Co., and of the Philadelphia & Reading Coal & Iron Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

HENRY A. V. POST.

The next business in order on the Private Calendar was the bill (S. 2300) for the relief of the estate of Henry A. V. Post.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, I object.

JOHN E. MOORE CO.

The next business in order on the Private Calendar was the bill (H. R. 11572) for the relief of the John E. Moore Co.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, may we have it reported?

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the claim of the John E. Moore Co., a corporation organized and existing under the laws of the State of New York, and doing business in the city and State of New York, owner of the tug *E. M. Millard*, against the United States for damages alleged to have been caused by collision between the said tug and the United States Navy scow *No. 58*, in Wallabout Basin, in the navy yard, Brooklyn, N. Y., on the 8th day of August, 1919, may be sued for by the said John E. Moore Co. in the District Court of the United States for the Eastern District of New York, sitting as a court of admiralty and acting under the rules governing said court, and said court shall have jurisdiction to hear and determine such suit and to enter a judgment or decree for the amount of such damages and costs, if any, as shall be found to be due against the United States in favor of the John E. Moore Co., or against the John E. Moore Co. in favor of the United States, upon the same principles and measures of liability as in like cases in admiralty between private parties, and with the same rights of appeal: *Provided*, That such notice of the suit shall be given to the Attorney General of the United States as may be provided by order of the said court, and it shall be the duty of the Attorney General to cause the United States attorney in such district to appear and defend for the United States: *Provided further*, That said suit shall be brought and commenced within four months of the date of the passage of this act.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, was there any negligence reported by the Secretary of the Navy concerning this claimant?

Mr. EDMONDS. This was caused by a collision between a boat that ran into a wreck that was supposed to be properly guarded. The Navy Department thought it was properly guarded. The Secretary says he believes the John E. Moore Co. is entitled to have this claim judicially determined.

Mr. BLANTON. I notice the bill permits the court to render judgment in favor of the United States Government against John E. Moore.

Mr. EDMONDS. Either way.

Mr. BLANTON. That could not be done unless there were proper pleadings in the case, unless the United States Government reconvenes in such an action claiming certain damages.

Mr. EDMONDS. In an admiralty case that would be settled without any question either for one party or the other party. The Secretary thinks they are entitled to a final determination in this case.

Mr. BLANTON. I notice the Secretary of the Navy uses this language:

That all reasonable precautions were taken by the navy-yard authorities to warn approaching vessels of the presence of the sunken scow *No. 58.*

Mr. EDMONDS. But he says, further, that he believes that the John E. Moore Co. is entitled to have the claim judicially determined. In other words, this wreck was lying off there with nobody on it.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

WILLIAM GORDON CORPORATION.

The next business in order on the Private Calendar was the bill (H. R. 12281) for the relief of the William Gordon Corporation.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, will the chairman of the committee give us some information concerning this bill.

Mr. EDMONDS. This bill originates out of the building of the new Interior Department Building. The William Gordon Co. had a contract for the heating appliances. They tried to fulfill the contract and incidentally used a large amount of fuel in connection with the contract in keeping the building warm, but the building delays caused a loss to the Gordon Co. of $10,000. The department stated they thought $8,000 was sufficient to settle it. I have a letter from the Gordon Co. agreeing to take $8,000 to settle the claim.

Mr. BLANTON. Does the Secretary recommend the payment of $8,000.

Mr. EDMONDS. Yes; I can read it:

The department feels that, inasmuch as the contractors were in no way at fault in causing the delay, they have a just claim and should receive consideration.

Mr. BEGG. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. BEGG. How does it happen that John H. Parker, another contractor, got paid for this extension of time and this corporation was not paid?

Mr. EDMONDS. I do not know.

Mr. BEGG. It is in your report.

Mr. EDMONDS. I do not know what the claim was for particularly. It may be some contingency taken care of in the contract. In the Gordon case it was for heating appliances and there was no contingency to look forward to.

Mr. BEGG. As I understand the report this extra $8,000 is additional heat, $4,000——

Mr. EDMONDS. Partially, and partially loss of time and labor. The claim was $10,000 and it was cut to $8,000 and they are willing to accept that.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, I have not been able to find yet when the department recommended the payment of the $8,000.

The gentleman who drew this bill and the committee, I suppose, undertook to cover this by saying that this company should receive $8,000, or so much thereof as may be deemed

necessary to fully compensate. Deemed necessary by whom? The Secretary of the Treasury is not the one to determine whether it is necessary where we make an appropriation. Who is to determine whether we are giving this money to these people upon the basis that they make no profit or whether we include in what we give the profits that they may ask for? Who is to determine that? There is no provision in the bill, and the committee and the department have asked for the direction of Congress on that subject. Getting no direction from Congress on the subject, the department would have no jurisdiction, I assume, to determine the matter—the Department of the Interior or the Department of the Treasury.

Mr. BEGG. Will the gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. BEGG. Does the gentleman know who is responsible for the delay that occasioned this added cost?

Mr. MANN of Illinois. My understanding is—and I will not say it is correct—as is done in all cases where the Government has anything to do with contracts, after the plans and specifications are agreed upon and the contract is made they change them.

Mr. EDMONDS. This contractor depended entirely on the ordinary completion of the work in a reasonable time, and he was delayed without any desire on his part to be delayed. In answer to the gentleman from Illinois [Mr. MANN], the Secretary of the Treasury erected the building.

Mr. MANN of Illinois. The Secretary was directed by the Supervising Architect's Office, but that part of the duties of the Secretary of the Treasury is not at all related to the duty to pay out money on an appropriation made by the Congress.

Mr. EDMONDS. He would be the man to decide how much ought to be paid.

Mr. MANN of Illinois. Here is his letter in which he asks the Congress to decide. I was under the impression, by the way, that the Capitol heating and power plant was the one that furnished the heat for the building.

Mr. BEGG. Will the gentleman yield for another question? Has the committee any itemized statement showing the losses?

Mr. EDMONDS. There was an itemized statement, but I do not seem to have it here. If the gentleman wants to let the bill go over, it will be all right, and I will take it up again.

Mr. BEGG. I will agree to that, so far as I am concerned.

Mr. EDMONDS. I ask that the bill go over without prejudice, Mr. Speaker.

The SPEAKER pro tempore (Mr. SNELL). Without objection, it is so ordered.

RELIEF OF CERTAIN LANDOWNERS, NEW CASTLE COUNTY, DEL.

The next bill on the Private Calendar was the bill (H. R. 11834) for the relief of certain landowners of New Castle County, in the State of Delaware.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. EDMONDS. Mr. Speaker, I am reliably informed that that claim has been settled by the War Department, and I ask that it be passed over until I am informed in regard to it.

The SPEAKER pro tempore. Without objection, it is so ordered.

ANNIE M. LEPLEY.

The next business on the Private Calendar was the bill (H. R. 1321) for the relief of Mrs. Annie M. Lepley, as postmaster at Plymouth, Amador County, Calif., for money, postal money orders, and postage stamps stolen.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, to allow this bill would be a departure from the rule that has been heretofore followed. And, besides, rules and regulations prescribe that certain things must be done by all postmasters if they expect remuneration from the Government when they claim that valuables have been stolen from them. Regulations require that the safe must be kept locked, the combination such that it would require force usually to take things out of the safe.

Mr. RAKER. Will the gentleman yield?

Mr. BLANTON. In just a moment. I have objected to every character of a bill of this kind heretofore. I am informed that this is a poor widow. In Christmas time especially that allegation goes a long ways. I am not going to object to the bill, but every time a man postmaster comes in here wanting a return of his valuables he must come within the rule.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, is this the case in which a part of the claim was allowed by the Post Office Department?

Mr. RAKER. It was in part allowed. There are two parts; one of them is for money orders and one of them is for stamps. If the gentleman will permit, I would like to make just one statement. House bill 6522 is identical with this bill, passed by this House and passed by the Senate. The House 10 minutes ago passed a bill for the relief of Albert T. Huse, which is No. 148 on the calendar, and the facts are as near to the facts in this case as it is possible for two separate lots of facts to be, one occurring in one part of the United States and the other in another. The report of the Postmaster General recites the same statutes and the same law, and makes identically the same comment in both cases. If one had prepared a set of facts at different towns, it would have been almost impossible to make them as similar as those in this case.

Mr. WALSH. This is a similar case to the Huse case?

Mr. RAKER. Yes, sir; as near as I or any other man could make, and the same report, which I hold in my hand, is made in both cases, and quotes the same statutes and makes the same comment, and the House has disposed of the other bill.

Mr. WALSH. I withdraw my objection.

Mr. MANN of Illinois. Reserving the right to object, I do so for the purpose of inquiring whether it is the policy now of the Committee on Claims to repeal that regulation of the department, which has the force of law, requiring the postmasters to lock the inner lock of a safe?

Mr. EDMONDS. It is not our desire to repeal that law at all; but we have had numerous cases in the House where we thought relief was worthy and have passed bills of this kind.

Mr. MANN of Illinois. There is nothing exceptional in this bill and in the bill we passed a while ago. It is just like any case where the postmaster, knowing the regulations but thinking it is too much trouble every day to lock the inner lock and throw the combination off the vault, does not do it. A majority of people who keep safes, probably without much money in them, do not take the trouble to throw the combination. Well, they take their own chances.

The Post Office Department has a very proper regulation. When the postmaster has a vault in his office he must throw the combination and he must lock the inner lock. It takes a little trouble to do it, and a little trouble to open the vault in the morning. The department has notified these people of this rule. They all know it. They gamble on a sure thing. It used to be that they were compelled to stand the loss themselves. Now, if they have sufficient influence or energy to tag around after a Member of Congress, the Government pays the bill.

Mr. EDMONDS. I think the gentleman's statement is absolutely correct. In the eight years that I have been on the committee we have brought out numerous bills similar to this, where the people neglected to lock the inner lock. In most cases, however, there was forcible entry, and we considered that even had the safe been locked it would have made no difference.

Mr. RAKER. In this case the affidavits on file with the department show that the burglars broke a padlock on the building and entered forcibly.

Mr. MANN of Illinois. Oh, well, what is the use? I used to run a post office myself. My office was burglarized, and I made up the loss. I did not ask the Government to do it. Burglars sometimes break open the front door of the building without getting any further. They sometimes break open the outer door of a safe without getting any further. They sometimes get inside, and then have to hurry away. It is true that robbing a Government post office is pretty nearly as safe as walking on a Washington street.

Mr. RAKER. These burglars got away and left their burglar's tools lying on the sidewalk and in the store.

Mr. MANN of Illinois. The probability is that if the inner door of the safe had been locked, they would have left without opening it. They had to hustle away. If they had had to work a minute or two longer to get in, the chances are that the burglar would not have been successful.

Mr. BLANTON. Will the gentleman yield?

Mr. MANN of Illinois. If I have the floor.

Mr. BLANTON. The gentleman from Illinois spoke about claimants tagging around after Members of Congress about their claims. There are two ladies, one who for years has had a claim involving $66,736,387.60 and the other a claim involving $20,963, and because I happened to file minority reports against those claims when I was on the Claims Committee, and because I have fought them from time to time, those two ladies have come into my office on numerous occasions, and, although they were politely requested to please retire and not bother me about their claims, I have had them to insult me because I would not agree to support them. Is there not some way that Members of Congress can protect themselves against lady claimants?

SEVERAL MEMBERS. No! [Laughter.]

Mr. BLANTON. Or must they just promise to vote for them every time they come into the office?

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to credit Mrs. Annie M. Lepley, as postmaster at Plymouth, Amador County, Calif., on her account as postmaster of said place, in the sum of $2,055.83, the same being the amount of certain moneys, money orders, and postage stamps taken and stolen by burglars from the post office at Plymouth, Amador County, Calif., at nighttime, at about 10 minutes past 1 o'clock antemeridian, on March 13, 1915, by unknown persons, and that the said Mrs. Annie M. Lepley be, and she is hereby, relieved and released from payment to the Treasury of the United States of the said sum of $2,055.83, and every part thereof, as such postmaster, and that her account be credited as postmaster with said amount of $2,055.83 by reason of said loss caused by such burglary.

The bill was ordered to a third reading, and was accordingly read the third time, and passed.

By unanimous consent the title was amended to read: "A bill for the relief of Mrs. Annie M. Lepley."

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN ANDERSON.

The next business on the Private Calendar was the bill (H. R. 9675) to reimburse John Anderson, former postmaster at Sandborn, Knox County, Ind., for stamps and funds stolen from the post office.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, I want to ask the chairman if this case comes within the regulations prescribed by the Post Office Department?

Mr. EDMONDS. No; this safe was only locked with the day lock instead of the night lock.

Mr. BLANTON. I object.

Mr. EDMONDS. However, the safe was blown open, so I think it would have made no difference.

Mr. BLANTON. In that case I withdraw the objection.

The SPEAKER pro tempore. Is there objection?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to John Anderson, former postmaster at Sandborn, Knox County, Ind., the sum of $358.90, the same being the amount of moneys and stamps stolen from the post office at Sandborn, Knox County, Ind., on the night of February 18, 1907, by unknown persons.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

By unanimous consent the title was amended so as to read: "A bill for the relief of John Anderson."

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

ARTHUR FROST.

The next business on the Private Calendar was the bill (H. R. 11154) for the relief of Arthur Frost.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, I understand this is a case where the claimant was not an employee of the United States Government?

Mr. EDMONDS. That is correct.

Mr. BLANTON. He was shot in the back, causing physical suffering. The Committee on Claims, although they have no law or rule for it, think in the exercise of their discretion in Christmas time they ought to pay him so much?

Mr. EDMONDS. No; we simply pay the man for the loss of time and medical attendance.

Mr. BLANTON. The report says you pay him for physical suffering.

Mr. EDMONDS. Partially, for loss of time and medical attention.

Mr. BLANTON. It is a departure from the policy heretofore pursued by the committee.

Mr. EDMONDS. The claimant has not asked the committee for anything more than what he has actually lost.

Mr. BLANTON. In what way is the United States Government responsible?

Mr. EDMONDS. In no way at all, any more than in any other case of this sort.

Mr. BLANTON. If a man goes down on the Potomac duck shooting and some fellow shoots him in the back, ought he to come up and ask the Government of the United States to pay him for it?

Mr. EDMONDS. This man was shot by a soldier who was chasing deserters. He fired his gun at the deserters and hit this man.

Mr. BLANTON. He was a member of the military police?

Mr. EDMONDS. He was an enlisted man coming under the War Department. He was chasing these deserters, and in doing so he accidentally shot this man. He was pursuing his work, and this bill is only to reimburse him for the actual loss which he has suffered. He is not asking for a year's pay or anything of that kind, but only for his actual loss.

The SPEAKER pro tempore (Mr. SNELL). Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Arthur Frost, the sum of $960 for damages suffered by reason of being negligently shot and seriously injured by a regularly enlisted soldier of the United States while in pursuit of a deserter and in the legal discharge of his duty as a military policeman.

With the following committee amendment:

Page 1, line 6, after the figures "$960," insert the words "in full."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

Mr. BLANTON was granted leave to revise and extend his remarks.

LENA SCHMIEDER.

The next business on the Private Calendar was the bill (H. R. 8560) for the relief of Lena Schmieder.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Lena Schmieder, out of any money in the Treasury not otherwise appropriated, the sum of $2,000, in compensation for the loss of her husband, Joseph Schmieder, who came to his death on November 13, 1895, while in the employ of the United States Government and as a result of such employment, and for the loss of her second husband, Frank Schmieder, who came to his death on July 5, 1907, while in the employ of the United States Government and as a result of such employment.

With the following committee amendments:

In line 6 strike out "$2,000" and insert "$1,080" in lieu thereof.

In line 9 strike out the comma after the word "employment" and insert a period; and strike out the remainder of line 9 and all of lines 10, 11, and 12.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Reserving the right to object, how did the first husband lose his life?

Mr. RHODES. The first husband's death came about in this way: He was in the employ of the Federal Government doing construction work on the Mississippi River. He was a foreman and his death resulted from the caving in of a bank and earth falling upon him. I call the gentleman's attention to the first communication in the report of the committee, which fixes the amount provided for at an amount equal to what this deceased husband would have earned during the period of 12 months. The Chief of Engineers also states that the case was thoroughly investigated and that there was no question as to the liability of the Government under the act of May 30, 1908. There is no question but the Government ought to have done then what it is doing now.

Mr. MANN of Illinois. Subsequent to what date?

Mr. RHODES. May 30, 1908, when the law was passed making the Government liable.

Mr. MANN of Illinois. This was in 1895.

Mr. RHODES. That is exactly what I have said. It is only to do in this case what the Government has been doing since May 30, 1908.

Mr. MANN of Illinois. Does the gentleman think that injuries in a case that occurred 50 years ago ought to be paid for by the Government?

Mr. RHODES. To answer that question, I would be justified in saying that if the facts in a given case were exactly as the facts are in this case, I think it should be paid. The element of time ought not to control.

Mr. MANN of Illinois. Then we ought to go back and offer to pay one year's compensation to the descendants of every person who has been killed while in the employ of the Government from the time of the Constitution if time is not to be considered. Would the gentleman think that we ought to do that?

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Mr. RHODES. I should say that where there are equities in a case, payment should be made.

Mr. MANN of Illinois. The only equity in this case is that the man lost his life.

Mr. RHODES. In the employment of the Government.

Mr. MANN of Illinois. In the employment of the Government; and now the gentleman says that the element of time ought not to enter into the question. I beg to inquire of the gentleman whether he believes that we ought to provide for every case where a person in the employ of the Government has lost his life?

Mr. RHODES. Certainly not in every case, but in this case, and all cases like this.

Mr. MANN of Illinois. All cases are like this; there is no special element in this case. The man lost his life and probably through his own negligence. He knew of the danger; he is not the only man upon whom a bank of earth has fallen. If we compensated all the Members of the House that banks fell on last November we would pay out a considerable sum of money. [Laughter.]

EMMA H. RIDLEY.

The next business in order on the Private Calendar was the bill (H. R. 5744) for the relief of Emma H. Ridley.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, is this the case where a physician stationed in the Canal Zone during an outbreak of some violent sickness became infected and died?

Mr. EDMONDS. Yes.

Mr. WALSH. And it is proposed to pay his widow a year's salary?

Mr. EDMONDS. Yes.

Mr. WALSH. Is there any provision of existing law which would permit that payment?

Mr. EDMONDS. It probably would come under the Canal Zone employees' compensation act, I presume, if it happened to-day.

Mr. WALSH. He took sick and died down there?

Mr. EDMONDS. In this case this man stayed in his position and contracted the disease which he was there trying to stamp out. We paid some compensation to a man, as a matter of fact, two years' compensation, to a man in Montana, who died from contracting spotted fever. He caught it there in an endeavor to stamp out the fever.

Mr. WALSH. That case in Montana was a little different from this case, was it not?

Mr. EDMONDS. Virtually the same thing. In one case a man went to endeavor to stamp out a disease and the other man stayed in his position.

Mr. WALSH. The disease was pneumonia.

Mr. EDMONDS. Virulent pneumonia.

Mr. WALSH. Not any more so than in the city of Washington?

Mr. EDMONDS. I do not know whether it was or not, but I think it is somewhat different.

Mr. WALSH. I do not think we ought to follow this up as in the case of the spotted fever, and I object.

The SPEAKER. Objection is heard.

J. P. LITTELL.

The next business in order on the Private Calendar was the bill (H. R. 5859) for the relief of J. P. Littell.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. May we have it reported?

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to J. P. Littell, of Estherville, Iowa, the sum of $200 to compensate him for money expended in apprehending Thomas James and Dell Hubbard, convicted of passing counterfeit money.

Mr. BLANTON. Mr. Speaker, reserving the right to object, why should this $200 be paid, I would like to ask the chairman.

Mr. EDMONDS. The reason why it should be paid is that Mr. Littell claims that Deputy Marshall Beach had promised him a reward if he would find these counterfeiters, and he did so.

Mr. BLANTON. And upon the allegation that somebody promised somebody something we have got to pay out the money? Because some employee of the Government assumes responsibility and authority and enters into an agreement, do we have to carry it out whether it is proper or not——

Mr. DICKINSON of Iowa. If the gentleman will permit, I will say it is the policy of the department for suppressing counterfeiting to pay rewards in cases of this kind.

Mr. BLANTON. There must be some authorized governmental authority exercised in offering the reward. We have appropriated thousands of dollars every year since I have been here to pay rewards. But there are certain officials only who have the authority to offer them.

Mr. MANN of Illinois. The department has the authority to pay these rewards; why did not it pay them?

Mr. BLANTON. Because this case did not come within the rule. I object.

The SPEAKER. Objection is heard.

T. L. LOVE.

The next business in order on the Private Calendar was the bill (S. 358) carrying into effect the findings of the Court of Claims in the matter of the claim of T. L. Love, surviving partner of Robert Love & Son.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object—I do object.

The SPEAKER. Objection is heard.

LEO BALSAM.

The next business in order on the Private Calendar was the bill (H. R. 908) for the relief of Leo Balsam.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from New York why it is necessary on this occasion for Congress to pay if it is a just claim?

Mr. SNELL. The only reason is that they have the approval right down the line, but the Comptroller of the Treasury said there were certain technicalities that had not been complied with. Of course, the shoes burned in the gymnasium, and of course the man repairing them could not deliver them to the Government.

Mr. BLANTON. What evidence did the committee have, if the gentleman knows—and I presume he does, because he offered the bill—showing that this shoe repairer repaired these nine hundred and odd pairs of shoes before they were burned?

Mr. SNELL. We have the statement of the contractor himself and the general statement of the man in charge of that work, saying that he believed they had been repaired and that the man had always done the work he agreed upon before.

Mr. BLANTON. And that was the only evidence?

Mr. SNELL. That is the only evidence that you can get.

Mr. BLANTON. Did the contractor himself swear he had repaired them?

Mr. SNELL. Yes, sir.

Mr. BLANTON. That affidavit is in the files?

Mr. SNELL. Yes.

Mr. MANN of Illinois. Were these shoes delivered to the Government?

Mr. SNELL. The shoes were burned in the gymnasium in Plattsburg.

Mr. MANN of Illinois. What gymnasium was that?

Mr. SNELL. The Government gymnasium.

Mr. MANN of Illinois. How did they get there?

Mr. SNELL. That was a place at the post where they were being repaired—at the training camp.

Mr. MANN of Illinois. They were not delivered to the Government in any way after they were repaired?

Mr. SNELL. No. They were burned right there in the gymnasium on November 28. It is proved clear down through the line.

The SPEAKER pro tempore. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The bill was read as follows:

A bill (H. R. 908) for the relief of Leo Balsam.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury of the United States not otherwise appropriated, to Leo Balsam, of Plattsburg, N. Y., the sum of $1,282.50, in full compensation for repair at contract price of 950 pairs of shoes destroyed by fire when the gymnasium at Plattsburg Barracks, New York, was destroyed on November 28, 1917, said payment being due the said Leo Balsam in the opinion of the Acting Judge Advocate General of the Army.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill.

FIRST STATE BANK, OF KERRVILLE, TEX.

The next business on the Private Calendar was the bill (H. R. 7050) for the relief of the First State Bank, of Kerrville, Kerr County, State of Texas, and to refund to the bank moneys which were deducted from its securities following the loss of war savings stamps or certificates mailed by the said Kerrville bank to the Federal reserve bank at Dallas, Tex.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, I would like to ask my colleague what evidence was there presented establishing the fact that this Kerrville bank did mail this amount of stamps?

Mr. HUDSPETH. The gentleman will find in the report the affidavit of the president and vice president of the bank, one of them saying that the First State Bank did deliver to said postmaster an envelope containing 117 war savings certificate stamps and one stating that he saw the said A. B. Burton count the stamps to the number of 117; that they were there and that they were counted. And there is the affidavit of the assistant postmaster that he put them in the bank.

Mr. BLANTON. And they were lost in the mail during transit?

Mr. HUDSPETH. Yes, sir.

Mr. BLANTON. And they have never been heard of?

Mr. HUDSPETH. They never have been heard of.

The SPEAKER pro tempore. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That there is hereby appropriated, out of any moneys in the Treasury not otherwise appropriated, the sum of $494.91, which upon an investigation and reasonable proof to the Secretary of the Treasury, shall be paid by the Secretary of the Treasury to the First State Bank of Kerrville, County of Kerr, State of Texas, this being the amount of damages sustained by said bank growing out of the loss of war savings stamps or certificates which were mailed by the said Kerrville bank to the Federal reserve bank at Dallas, Tex., and which were lost in transit or in some other manner not known to claimant, but which amount, $494.91, upon loss of the same, was deducted from the Kerrville bank's certificate of indebtedness by the Federal reserve bank at Dallas.

Upon the 25th day of September, A. D. 1918, claimant became the fiscal agent of the Federal reserve bank of Dallas, Tex., and subagent under it of the Treasury Department of the United States Government to handle war savings stamps or certificates, and that in pursuance of the agreement by which the Kerrville bank became such agent there was placed in its hands by the reserve bank war savings stamps of a maturity value of $1,000. That thereafter, and until the 1st day of January, 1919, claimant had sold of the war savings stamps the sum of $415 maturity value, leaving $585 maturity value of the said stamps on hand, and that on the 3d day of January, 1919, claimant mailed to the said Federal reserve bank at Dallas, Tex., as per its instructions and in accordance with its instructions as issued in its circular No. W L 86, the remaining war savings stamps, being 117 in number, of a present value of $494.91. That the said stamps were placed in an envelope and sealed in the presence of witnesses, and on the same date a letter was written to the said reserve bank asking that the said certificates be insured and that stamps of the issue of 1919 be sent it. That the said package was sent under a franked sticker sent claimant for such purposes and was not registered, as no instructions had been given to claimant to do so. That the package in the sealed envelope was delivered to the local postmaster, who was made acquainted with its contents. That on the 4th day of June, A. D. 1919, the said Federal reserve bank claiming that it had never received the stamps when the certificate of indebtedness was redeemed by the said claimant, the sum of $494.91 was charged up to the claimant and taken out of the proceeds of the said collateral, and, as claimed by the said reserve bank, the said funds were placed in the Treasury of the United States.

Mr. EDMONDS. Mr. Speaker, I move to strike out all after line 7, on page 2.

The SPEAKER pro tempore. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. EDMONDS: On page 2, line 7, strike out all of the remainder of the section.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

Mr. EDMONDS. Mr. Speaker, I would like to amend the title by striking out all after the word "Texas," on line 2 of the title.

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

Amendment to the title offered by Mr. EDMONDS: Strike out all after the word "Texas" in line 2 of the title.

The SPEAKER pro tempore. The question is on agreeing to the amendment.

The amendment was agreed to.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill as amended was agreed to was laid on the table.

LEONIDAS SAWYER.

The next business on the Private Calendar was the bill (H. R. 5189) for the relief of Leonidas Sawyer.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WALSH. Reserving the right to object, how did the committee arrive at the sum of $3,500 in this case?

Mr. EVANS of Montana. Mr. Speaker, the gentleman from Maine [Mr. WHITE] was going to make an explanation of this bill, but as he is not present I ask that it be passed over. Would the gentleman from Massachusetts object to doing that?

Mr. WALSH. I was going to object to the bill, but I have no objection to the bill being passed over.

Mr. EDMONDS. I ask that the bill be passed over, Mr. Speaker.

The SPEAKER pro tempore. Without objection, it is so ordered.

THE CORNWELL CO.

The next business on the Private Calendar was the bill (H. R. 9337) for the relief of the Cornwell Co.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Mr. Speaker, I ask for the reading of the bill.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed, out of any money in the Treasury not otherwise appropriated, to pay to the Cornwell Co., Saginaw, Mich., successor to the Saginaw Beef Co., the sum of $8,000, which sum is hereby appropriated, being the amount of money collected from the Saginaw Beef Co. by fine imposed by District Judge Sessions at Grand Rapids, Mich., on August 28, 1914.

Such fine was imposed following an indictment returned at Grand Rapids for the same offense as an indictment returned at Chicago against Swift & Co., who were convicted thereon and a fine of $60,000 imposed, but in which case the judgment of the lower court was reversed by the circuit court of appeals for the seventh circuit in December, 1918.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, will the gentleman make a little statement about this bill in explanation of what it is sought to do?

Mr. EDMONDS. In this case it is sought to return a fine imposed on the Saginaw Beef Co. to the Cornwell Co., who was the successor of the Saginaw Beef Co., for the violation of the act to regulate commerce. It appears in the testimony taken before the committee that in certain cases these fines were returned, and in other cases they were not. This happened to be one of the cases where they were not returned.

Mr. WALSH. The gentleman thinks that is a sufficient reason to legislate to return the fine?

Mr. EDMONDS. There does not seem to be any objection on the part of the department in regard to it. They seem to feel it was justifiable to return it.

Mr. WALSH. Why do they not return it?

Mr. EDMONDS. I presume because the money has been turned into the Treasury.

Mr. WALSH. How many other cases are there in which fines have not been returned?

Mr. EDMONDS. I doubt if there would be any more. I do not know of any more cases being presented to Congress.

The report says that the fine was imposed upon a plea of guilty to each of eight counts of an indictment which charged the defendant with accepting and receiving concessions in violation of section 1 of the Elkins Act.

Subsequent to the imposition of the fine the affairs of the Saginaw Beef Co. were wound up and a newly organized corporation, the Cornwell Co., assumed its business and succeeded to the use of its property. Most of the former officers of the Saginaw Beef Co. became officers of the Cornwell Co. Information as to the transfer of assets or property to the Cornwell Co. is not at hand.

The evidence which resulted in the indictment of the Saginaw Beef Co. was gathered by special agents of this bureau and was submitted to Hon. E. J. Bowman, then United States attorney at Grand Rapids, Mich. The same facts were submitted to Hon. George W. Wilkerson, then United States attorney at Chicago, Ill., and upon being presented to the grand jury resulted in the indictment of Swift & Co., in the northern district of Illinois, for the same offense as was alleged in the indictment against the Saginaw Beef Co.

The fine of $60,000 was imposed upon Swift & Co. As stated in the report, in May, 1916, Swift & Co. were convicted and in November, 1916, a fine of $60,000 was imposed upon Swift & Co. by Judge Landis. In December, 1918, the circuit

court of appeals, seventh circuit (255 Fed., 291), reversed the judgment against Swift & Co.

These two cases were similar.

Mr. WALSH. That is all right. One went up on an appeal, and Swift & Co. won out.

Mr. EDMONDS. Yes; and the two cases were similar.

Mr. WALSH. There were different facts in each case. It was not all one offense. I do not know why we should step in here and take the place of the circuit court of appeals and say that because Swift & Co. won when they appealed we should therefore return $8,000 to these people who did not appeal. I object.

The SPEAKER pro tempore. The gentleman objects. The Clerk will report the next bill.

CERTAIN LIBERTY BOND SUBSCRIBERS.

The next business on the Private Calendar was the bill (H. R. 13542) for the relief of Liberty loan subscribers of the North Penn Bank, of Philadelphia, Pa.; Santa Rosa National Bank, Santa Rosa, Calif.; and Mineral City Bank, Mineral City, Ohio.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WALSH. Reserving the right to object, I notice that the gentleman from Pennsylvania [Mr. EDMONDS] introduced this bill. He is familiar with the circumstances. Will he state what it is intended to cover?

Mr. EDMONDS. This is to relieve certain innocent subscribers to the Liberty bond issues. These are the only three banks in the United States that failed while these subscriptions were being paid to the banks. When this bill is passed the question will be finally settled, unless we have another war.

Mr. BLANTON. Is the gentleman sure of that fact, that there are no other such banks?

Mr. EDMONDS. I asked the Treasury Department that, and told them I wanted them to include all of them in one bill.

Mr. BLANTON. I presume that has reference to national banks. Does the gentleman know how many State institutions and trust companies there were?

Mr. EDMONDS. I would have thought the Treasury Department would have told me if there were.

Mr. BLANTON. Would the Treasury Department have knowledge of failures of State banks and private trust companies all over the United States?

Mr. EDMONDS. Surely, if they were putting out Liberty bonds to those banks. These subscribers went to the banks, not because they went to them ordinarily but because they were notified by the bond committee. The bond committee told them to go to the nearest bank, and I have postal cards showing that the Liberty bond committee in Philadelphia told people to go to the North Penn Bank to subscribe. Most of them were small subscribers. They put up, possibly, $25 or $30 on a $50 bond, or maybe $60 or $70 on a $100 bond, and the bank failed. The court in Philadelphia has just rendered a decision that the bank has no responsibility at all in the matter. That is, it has held that the stockholders are not liable; that this was a side arrangement by which the bank undertook to receive subscriptions, and unfortunately the money was stolen.

Mr. BLANTON. Will the gentleman yield?

Mr. EDMONDS. Yes.

Mr. BLANTON. I guess most of the Members of the House during the war subscribed to Liberty loan bonds, and many of them, if they were in the shape that I was financially, had to write to their home banks and get them to advance the money in order in pay for them. I know I did. In every such instance where the bank failed or where the bank lost the bonds, is the Government going to make good?

Mr. EDMONDS. I do not think so. In the case of the North Penn Bank I know of a man who left his bond at the bank to be registered, and the officers of the bank took it and hypothecated it. That would not be returned to him.

Mr. BLANTON. In a case of that kind should we make that good?

Mr. EDMONDS. No; I would not believe in doing anything of the kind. These are the subscribers to the bonds who went there and left their money in the hands of the bank with the idea of getting their bonds when they were entirely paid for.

Mr. BLANTON. Every person in the United States has the right to choose his own bank. Most people choose them believing that the bank they do business with is solvent and that they are not going to lose anything. Had not we as well remunerate all the depositors for their losses?

Mr. EDMONDS. Oh, the gentleman is carrying that a little too far. He asked the bank to act as his agent.

Mr. BLANTON. We ask the bank to let us pay so much a month. Most banks did that. If the individual had had the cash he would have bought the bond and paid for it.

Mr. EDMONDS. A lot of people were directed to go to this bank. I recollect that the central committee told the people to go to this bank, and I know of one man who made a subscription for $5,000 who was not a depositor.

Mr. BLANTON. I do not think that the bill ought to come up in this way, and I object.

Mr. EDMONDS. I think the gentleman in making his objection makes a mistake, because this will be for the relief of many poor people.

Mr. BLANTON. Does not the gentleman think that this bill ought to come up when more of the membership of the House is present?

Mr. EDMONDS. This is left to the discretion of the Treasury Department, and any credit that may come in from these banks will be credited.

Mr. BLANTON. The gentleman realizes that if there were opposition to the bill here while it is being considered and it was called to attention it would embarrass some of our friends who have other bills to pass to vote against a bill at this time.

Mr. EDMONDS. I would like to get the bill passed unanimously, because I think the honor of the Government is at stake and not that of the bank.

Mr. BLANTON. I do not think so, and I object.

LEMUEL STOKES.

The next bill on the Private Calendar was the bill (H. R. 3522) for the relief of Lemuel Stokes.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Lemuel Stokes, late of Company C, Forty-fifth Regiment United States Colored Infantry, out of any money in the Treasury not otherwise appropriated, the sum of $300, the same being commutation money received from him, he having afterwards enlisted.

With the following committee amendment:

Strike out, in lines 7 and 8 of the bill, the words "with interest at 5 per cent per annum from May 20, 1864, to date of payment."

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I would like to ask the gentleman in charge of the bill where this bill has been all this time—fifty-odd years?

Mr. EVANS of Nebraska. I can not say where the bill has been; but the man to whom the money is to be paid is an ignorant man, unacquainted with any rule that required diligence on his part.

Mr. BLANTON. He may have been ignorant, but his father or his grandfather or his great-grandfather during the last 60 years might not be ignorant. It has been 56 years since this claim developed.

Mr. MOORES of Indiana. I can explain to the gentleman. I know this man well. He is now 89 years old. He was drafted during the Civil War at a time when his wife was extremely ill with typhoid fever.

Mr. BLANTON. The recitation of the facts I have in mind; but are we going to pay interest on this claim for 56 years?

Mr. MOORES of Indiana. No; the committee amendment is to strike out the interest. They are simply going to pay the old man his money back.

Mr. BLANTON. Without any interest?

Mr. MOORES of Indiana. Yes. He served 14 months in the Army after paying commutation to the Government to escape from the draft.

Mr. BLANTON. If the interest is stricken out, I have no objection.

Mr. EVANS of Nebraska. The committee amendment strikes out the interest.

Mr. BLANTON. And the committee will insist on the amendment?

Mr. EVANS of Nebraska. Yes.

Mr. BLANTON. With the Treasury in its present depleted condition, I doubt very much whether the Government could raise the interest on this claim for 56 years. [Laughter.]

The Clerk read the bill for amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FOCHT, a motion to reconsider the vote whereby the bill was passed was laid on the table.

STATE OF RHODE ISLAND.

The next business on the Private Calendar was the bill (H. R. 12890) referring the claim of the State of Rhode Island

for expenses during the War with Spain to the Court of Claims for adjudication.

The Clerk read the bill, as follows:

Be it enacted, etc., That the items of the claim of the State of Rhode Island against the United States for expenses incurred and paid in aiding the United States to raise its Volunteer Army in the War with Spain, which items, either in whole or in part, were rejected by the accounting officers of the Treasury Department, be, and the same are hereby, referred to the Court of Claims for adjudication and report to Congress. And the court is hereby authorized and directed to adjudicate said items of the State's claim upon the certificate of the governor or adjutant general of the State that they were for the reasonable and necessary costs, charges, and expenses incurred, in good faith, by the governor or State for the purposes hereinbefore stated, and with the firm belief upon the part of the governor that the money thus expended would be reimbursed to the State by the United States.

With the following committee amendment:

Strike out all of the bill after line 9 and insert in lieu thereof the following: "In adjudicating the said items of the claim the court is authorized to receive and accept as prima facie evidence of the same the certificate of the governor or adjutant general of the State, that the items were for the reasonable and necessary costs, charges, and expenses incurred in good faith by the State for the purpose of aiding the United States to raise its Volunteer Army in the War with Spain, believing that such expenditures would be reimbursed to the State by the United States."

Mr. MANN of Illinois. Mr. Speaker, I do not know, but perhaps the amendment is in better form than the original bill. This is where the State had a claim against the United States. All States have these claims. They were all placed on an even basis. The accounting officers disallowed some claims. This bill proposes to say that it is not a matter for the accounting officers to determine but a matter for the governor of Rhode Island. He certifies, and that is the end of it. I assume that every other State has the same sort of situation. Shortly we will have bills in here from other States asking that their governors have the right to certify and get money out of the Treasury, regardless of all being on an even footing.

Mr. EVANS of Nebraska. The amendment takes away from the governor the right to certify and requires evidence.

Mr. MANN of Illinois. The amendment reads:

The court is authorized to receive and accept as prima facie evidence of the same the certificate of the governor or adjutant general of the State.

And so forth.

I said that I was not sure but that the amendment might be better than the provision in the bill.

Mr. EVANS of Nebraska. The bill provides that the governor's certificate shall not be taken as conclusive. If the Federal Government appears by the Attorney General and there was evidence that it was not expended, the records would show it.

Mr. MANN of Illinois. I suppose the question here was whether the items were for reasonable and necessary costs, charges, and expenses. Here are some State officers spending a lot of money without authority which was not necessary to be used at all. Officials frequently do that. The accounting officers held them up. Men who spend money without authority unnecessarily are held up by accounting officers. In this case the accounting officers have held up this claim. Of course, the governor or adjutant general of the State certified that these expenses were reasonable and necessary. Now, that is prima facie; nobody can meet that question. If somebody should say they were not necessary, it does not make any difference. We are making them prima facie evidence that they are necessary. That ends it. Of course, I have been here a while and a lot of these claims have been pending. I have seen a whole lot of them paid, some of them I know were not proper to be paid, but I could not prevent it. Whenever a State does anything at all and spends any money and the General Government can in any way be interested in it, why, it wants the General Government to pay the expense out of the Federal Treasury. For that matter citizens of a State are getting so they want all the police powers that ought to be exercised by the State paid for out of the Federal Treasury.

Mr. FOCHT. Will the gentleman yield?

Mr. MANN of Illinois. I yield the floor.

Mr. FOCHT. Is it not a fact that the border States were subject to inestimable losses, running into untold millions, which have never been recovered, and time and again a bill has been presented? So, after all, while they come here for certain amounts, which have been paid, these border States have never been reimbursed for anything like the amount of losses sustained as a consequence of the war.

Mr. MANN of Illinois. This, of course, has nothing to do with the Civil War. If any of these States were invaded during the time of the Spanish-American War, that is news to me, except they were invaded by American troops. Some of them were invaded by American troops during that time and——

Mr. FOCHT. I was referring to the gentleman speaking of the States constantly grabbing for reimbursement for what they suffered during that period of trial and emergency.

Mr. MANN of Illinois. They are still striving at the Treasury. Even the gentleman's State, badly as it was damaged during the war, always looks with hope toward the Federal Treasury.

Mr. FOCHT. Has any State in the Union furnished more money and better men than Pennsylvania?

Mr. MANN of Illinois. Pennsylvania always did her share, and the gentleman can not get me to say she did not.

Mr. FOCHT. Then withdraw any objection to this bill and let Rhode Island have what belongs to her.

Mr. JONES of Texas. Mr. Speaker, I move to strike out the last word. I notice one of the items covered by this bill is a claim for moneys expended for troops which were never mustered into the service of the United States. Does the committee intend this bill shall cover expenses of that kind?

Mr. EVANS of Nebraska. Troops were ordered mobilized. More troops were gotten together than mustered into the Federal service, and the State paid for it, and it was not the fault of the State in having greater things than were asked of it, but it was because at the time the Federal Government did not see fit to take into the Federal service the troops which they requested the State to mobilize.

Mr. JONES of Texas. Does the gentleman find that in cases of this kind it was the custom of the Government to pay these expenses?

Mr. EVANS of Nebraska. The only case I had investigated was the present one.

Mr. JONES of Texas. The gentleman did not investigate as to the other claims?

Mr. EVANS of Nebraska. I did not investigate as to other States.

Mr. JONES of Texas. One of the items here is for the care of sick soldiers belonging to State organizations. Does the gentleman intend that also shall be covered in the bill? It is item No. 4.

Mr. EVANS of Nebraska. This is for care of soldiers included in those organizations.

Mr. JONES of Texas. And then I notice the other item, which seems to cover expenses incurred from the time of the tender of the soldiers to the United States Government until the time they were actually mustered into the service.

Mr. EVANS of Nebraska. That is what it is for.

Mr. JONES of Texas. These are part of the items. The others are items which were not incurred by the United States Government at all. I will state to the gentleman I have heard of several instances during the World War of claims that would be made by some of the States—I think one of them my State—for equipment of certain companies which tried to get into the service of the United States.

It seems to me if a bill were passed and claims of this character were allowed it would form the basis of numerous claims of organizations which were formed in various States of the Union during the last war, many of which were not organized into the service, some of those perhaps were. It would be the basis of claims running into the hundreds of thousands and perhaps millions of dollars. Now, I do not say such claims are unjust. On the other hand, many of them are no doubt just and equitable. But the measure if passed at all should be general and comprehensive in its scope and take in all of the States.

Mr. EVANS of Nebraska. The troops referred to by the gentleman from Texas were gathered together and mobilized and later on the Federal Government for some reason, not the fault of the State, refused to accept the troops, and there was no reason why the State should not be reimbursed. On the other hand, if it was an organization seeking entrance into the Federal service without a proper call from the officers of the Government, then those troops should not be reimbursed or the State.

Mr. JONES of Texas. I will give the gentleman one instance I happen to know about, which was during the time when the Government was undertaking to raise a great Army and everyone was trying to help out the Government. There was some question of just what form of organization would be authorized. Some regiments were organized in my State and a great deal of expense was incurred. These were organized with the expectation that they would be federalized, and I am informed that they were led to think so by the War Department.

Others were simply under discussion as to what would be allowed and what plan would be formed. In the meantime the State militia was organized in some places, and I know that several companies were organized in my State where private funds were expended in some instances, State funds in others, and the money went for the equipment and care of the men dur-

ing training. I know of several companies that were organized at the time when they thought measures were going to be passed.

Mr. PARRISH. Mr. Speaker, I will state in connection with what the gentleman was saying that I have a number of letters from young men in Texas who enlisted in this militia, and they were told at the time they enlisted that the expenses would be refunded them and that the troops would be federalized. These young men claim that they have spent their time and money and that they paid their own expenses while they were in the camp getting ready to be taken into the Federal service. They are demanding of me as a Representative in Congress to know whether or not they are going to be repaid the money they actually expended as well as money for the time they expended under the call of the country.

Mr. JONES of Texas. I thank my colleague and wish to say that I have had similar letters and requests. If a measure of this kind is to be passed, they ought also to be included. But this should be done by a thorough and general investigation. It would open up a field of almost unlimited extent. If we embark upon a proposition of this kind, it will call for general embarkation. It seems to me there ought to be, for the present at least, in view of what the gentleman has stated—namely, that this is the only claim of the kind that has been investigated in connection with the claims—a postponement of this specific measure until opportunity is had for a very thorough investigation; that the committee should go into the details of the claims from the various States and see whether or not they are such as would be proper.

Mr. PARRISH. If the gentleman will yield further, so far as I am concerned, I believe the Federal Government and the Congress of the United States ought to appropriate money to refund the expenses that these men were out of during the time they were responding to the call of their country in the hour of its emergency. I believe also it ought to appropriate money to pay them their usual salary for the service.

Mr. JONES of Texas. I do not know that I am in a position to dispute the gentleman on that. I think there is justice in the position the gentleman takes. And for that very reason I do not believe it is wise to pass claims of the kind that is before us when there are so many claims of similar character outstanding. There ought to be a general measure that would take care of such cases in a general way, so that the States and individuals who have similar claims may come within the purview of that law. There ought not to be a law passed on the investigation of a single claim that only takes care of that claim. A great many other claims along the same lines are as just and as fair. For that reason I am opposed to this bill, which singles out a State and the claims of that State, and upon the certificate of the governor of the State seeks to allow the claims that have been made for equipment, training, and care of soldiers, most of which were never in the service. Especially is this true, since in the knowledge of the Members of the House there are many similar claims not only from the Spanish-American War but also from the great World War. If legislation of this kind is passed by the House, there ought to be a thorough investigation all along the line and a definite policy as to what is just and right in the premises.

Now, the gentleman who presents the bill admits that he only investigated in connection with this claim the single claims of the State of Rhode Island. I submit it has been my experience and the experience of my colleague, and I am satisfied it has been the experience of the other Members of the House, that there are many similar claims all over the United States. For that reason I think it would be unwise to adopt the bill.

The SPEAKER pro tempore. The time of the gentleman from Texas has expired.

Mr. FOCHT. Will the gentleman yield?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. FOCHT. Would you have the committee and the subcommittees send out word through the land that we are ready to consider measures of this kind? The gentleman from Pennsylvania [Mr. WILSON], a member of the War Claims Committee, carefully considered it and brought it here and regards it as a just bill. And, furthermore, we have heard a good deal here to-day about establishing precedents, especially from the State of Texas. Would not this be a good thing for the other gentleman from Texas, who says there are claims in Texas that might be presented; that it would establish a precedent and make it easier for the adjustment of those claims from Texas? Does not the gentleman believe that would be a good thing?

Mr. JONES of Texas. I think this, that the statement of the gentleman shows that no other claims were investigated, and that is not quite enough of an investigation to show that a precedent should be established. I admit that there are many just claims, but it is not necessary to send broadcast an invitation to bring in claims. If the committee goes into it, it will be easy to ascertain from the governors of the States the necessary evidence to determine whether the claims are just; and if upon investigation the committee determines that the claims of not only this State but various other States, or a part of them, are just, it would be easy to pass a general measure under which all of the just claims can be brought, and then the matter can be considered in a comprehensive, just, and fair way. I submit that there are other claims that are just and that ought to be included in this bill and not excluded from it. If there are other just claims, they are excluded from this bill when they ought to be included.

Mr. FOCHT. In other words, you want a blanket bill to cover all the possible claims that may arise?

Mr. JONES of Texas. No, sir; I do not. I want a thorough investigation, and a bill that will cover only such claims as are just and that will exclude all that are unjust, and not show favoritism to any State or any particular class of claims.

Mr. FOCHT. With all due respect to the gentleman's reasoning power and his logic, how is he going to investigate when he knows nothing about it and there have been no claims presented?

Mr. JONES of Texas. As a matter of fact, I am sure the gentleman will not state that he has not heard of claims being made to the War Department, and of letters being written to the Secretary of War in which complaints have been made of these various expenditures in the different States by units that have been attempted to be organized for the purpose of benefiting the Government.

Mr. FOCHT. I have nothing to do with any business except that which comes before the Committee on War Claims, and I can state that as a member of that committee for probably 15 years this is the only claim of this character that has been presented; and as chairman of that committee I will state to the gentleman from Texas that if there are any claims from his State that are presented as completely and clearly as this has been in the report that comes from my good Democratic friend [Mr. WILSON] of Pennsylvania, they will be brought to this floor. We are not running around the country hunting trouble for the United States Government, or hunting people to stick their hands into the Treasury, whether they are entitled to the money or not. It is hard enough to get anything from the Government, as it ought to be, as is well known, and this is an instance of it.

Mr. JONES of Texas. How long has this claim been pending? How long has this measure been here?

Mr. FOCHT. So far as I know this bill was first reported at this session by the gentleman from Pennsylvania [Mr. WILSON] and introduced by the gentleman from Rhode Island [Mr. BURDICK].

Mr. JONES of Texas. When was the claim first made?

Mr. FOCHT. In the Sixty-sixth Congress.

Mr. JONES of Texas. Does the gentleman know the reason for the delay?

Mr. FOCHT. I have no idea at all why it has been delayed 20 years, any more than I have any idea why some other claims from the South which we have passed, 1,200 of them March 4, 1915, were delayed for 50 to 60 years. I do not know why they were not presented before. I voted for them, believing they were just, and to get rid of them.

Mr. JONES of Texas. Does the gentleman think it is wise to take this up?

Mr. FOCHT. Yes; I do.

Mr. JONES of Texas. Does the gentleman think it is wise to take up individual claims arising from the organization of militia, and pass them to the exclusion of others just as meritorious?

Mr. FOCHT. Of course, if the gentleman objects we will have to ask that the bill take the usual parliamentary procedure.

Mr. MANN of Illinois. I move that the further consideration of this bill be postponed until the Private Calender is called again.

Mr. FOCHT. May I ask the gentleman from Illinois if out of courtesy and consideration for the gentleman who introduced the bill [Mr. BURDICK] and the gentleman who reported it [Mr. WILSON of Pennsylvania], and if on account of their absence he will not allow this to go over without prejudice?

Mr. MANN of Illinois. Certainly.

Mr. FOCHT. I ask unanimous consent that the bill go over without prejudice.

The SPEAKER. The gentleman asks unanimous consent that the bill be passed without prejudice. Is there objection?

There was no objection.

W. C. STEWART.

The next business on the Private Calendar was the bill (H. R. 11945) for the relief of W. C. Stewart.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. May we have it reported, Mr. Speaker?

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to W. C. Stewart, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $285, the said W. C. Stewart being an assistant engineer, working under the direction and supervision of the Department of State on the International Boundary Commission between the United States and Mexico, the same being for services rendered as such assistant engineer for the months of March and April, 1915.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. MANN of Illinois. Reserving the right to object, I should like to know more about this bill. I believe it is not the only one.

Mr. VAILE. There are two, this and the next bill, involving the same state of facts. Mr. Stewart, who is named in this bill, was the assistant engineer of the International Boundary Commission employed by the Department of State under the treaty with Mexico. Mr. Corbin, whose claim is involved in the next bill, was the consulting engineer. They were employed at salaries fixed by the Department of State. They rendered these services. They did actual work. Mr. Corbin maintained an office in El Paso, with Mr. Stewart as his assistant, where they assisted in straightening out boundary questions, disputes, and so forth, which arose. They did the ordinary work which comes into an engineer's office. The reason they were not paid was because Mr. John Wesley Gaines was in charge not only of the work of the International Boundary Commission but also of the Commission for Equitable Adjustment of the Waters of the Rio Grande, and the fund which was appropriated by Congress was for both of these services. Mr. Gaines so apportioned that fund that it was short for the employees of the International Boundary Commission. Mr. Corbin at the close of the fiscal year 1915 was about four months' salary short, and at the end of the fiscal year 1916 had not received his salary for a month and a half, or something like that. Mr. Stewart, I believe, was only a month and a half short altogether.

Mr. MANN of Illinois. Here we make an appropriation for certain services. Mr. John Wesley Gaines, by the way, was a Member of this House for many years, appointed on the Mexican Boundary Commission, I think, probably because he had been a Member of Congress and was a good Democrat. For years we were trying to get rid of the Mexican Boundary Commission. They were practically doing nothing while the troubles in Mexico were going on. Now, I understand the gentleman to state that we made an appropriation for the Mexican Boundary Commission and for the diversion of the waters of the Rio Grande, or something of that sort, and because Mr. Gaines, who, I suppose, had the authority to apportion the expenditure of these funds, did not apportion enough to pay these men for doing probably unnecessary work, or not working at all, I do not know which, therefore we must make a special appropriation to pay them out of the Treasury.

Mr. VAILE. If the gentleman's argument depends on the assumption that they were doing unnecessary work or were not working, I am sure the gentleman is very much mistaken. They were engineers, professional men, just like lawyers or doctors employed on a professional salary or retainer.

Mr. MANN of Illinois. I was paying attention to the Mexican Boundary Commission long before the gentleman was.

Mr. VAILE. No doubt, but the gentleman knows that professional men, like engineers and doctors and lawyers, are not supposed to superintend the apportionment of this money.

Mr. MANN of Illinois. I know that they usually know that there is money to pay them or they do not work.

Mr. VAILE. As a matter of fact, Mr. Corbin maintained his office in El Paso for the settlement of these questions during all the last months of 1915, knowing that he had not been paid but relying on his Government which had employed him at a stated salary, relying on the good faith of this Government to pay him.

Mr. MANN of Illinois. I assume that Mr. Corbin knew there was objection to maintaining the Mexican Boundary Commission at great expense, that had been maintained down there when it was a pure sinecure.

Mr. VAILE. It was not a sinecure for him.

Mr. MANN of Illinois. I do not know whether he was working or not. I assume that the gentleman believes that he was or he would not make the statement, but he makes it on the information that he has secured from Mr. Corbin.

Mr. VAILE. Corbin and others.

Mr. MANN of Illinois. Mr. Corbin may be a very good engineer; I do not know or care. He was going ahead like everybody else, knowing that he was working for the Government with no appropriation to pay for it. He was doing the work with the understanding that it was entirely useless. We are not any better off with regard to the Mexican boundary work than we were many years ago. We finally succeeded in abolishing the commission. It remained in existence only because there was an ex-Member of Congress on it. Mr. Corbin was kept at work for a long time after everybody admitted that there was no occasion for this appropriation and the appropriation would not have been made had there not been a former Member of Congress on the commission.

Mr. VAILE. The Government of the United States kept him at work.

Mr. MANN of Illinois. I do not know who appointed him.

Mr. VAILE. He was appointed by Secretary Bryan.

Mr. MANN of Illinois. That does not improve the situation any. [Laughter.] It may have been a political appointment.

A MEMBER. A deserving Democrat.

Mr. VAILE. He was a deserving engineer; a real deserving engineer.

Mr. SMITH of Idaho. If the gentleman will yield, does not the record of the State Department show these men were acting under the instruction of their superior officer and rendered service, and that they were not supposed to know whether there was money available to pay them or not?

Mr. VAILE. They did not have to come before the Committee on Appropriations and ask for the money.

Mr. MANN of Illinois. I understand the position of my distinguished friend from Idaho and my distinguished friend from Colorado to be that if some officer of the Government asked Congress for an appropriation and Congress declined to make the appropriation, and they told the men to go ahead and do the work, then these men could come in and we should appropriate the money to pay them?

Mr. SMITH of Idaho. I understand the money was appropriated, but was apportioned to a different purpose.

Mr. MANN of Illinois. It was appropriated for a certain purpose. It was used for other purposes, and the whole Mexican Boundary Commission knew that Congress was trying to get out from under them.

Mr. SMITH of Idaho. The gentleman assumes that the department knew all that.

Mr. MANN of Illinois. Oh, they knew more than the commission knew.

Mr. VAILE. Is it the position of my distinguished friend from Illinois, who is so much more experienced than I am, that men who are employed by the Government to do work and who are not discharged, who have no supervision over appropriations, and no control over how they are apportioned, can not be paid if the appropriation is apportioned to some other work?

Mr. MANN of Illinois. That is right; that is the case; that is the reason we make appropriations.

Mr. VAILE. Then, that goes to corroborate the saying that Uncle Sam is the meanest paymaster in the world.

Mr. MANN of Illinois. Oh, well, Uncle Sam is frequently imposed upon, frequently endeavored to be imposed upon. If this was a private concern nobody would have the nerve to ask that these men should be paid out of the treasury of that private concern.

Mr. VAILE. If this was a private concern the men would have been fired, and if they were not fired they would have been paid, or they could come into court and collect their money. But here they have to come to the House of Representatives and ask for it on their knees, and so we are in a different situation.

Mr. MANN of Illinois. We have no way of firing the employees of the Government. We have no control over them. The only control we have is over the question of making appropriations, and if we deliberately go ahead and make appropriations to pay men whom we have asked to be fired, so far as we have any power, and they are not fired, what is the value of——

Mr. TIMBERLAKE. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. TIMBERLAKE. According to the information furnished by the Secretary of State in connection with these two cases, does it not appear in the testimony that this appropriation was

actually made for the purpose of paying the engineers, and that by reason of the fact that John Wesley Gaines diverted the appropriation that was made for these engineers without warrant—does not the gentleman think that changes the status a little, and do not these gentlemen come in with clean hands?

Mr. MANN of Illinois. If the gentleman convinces me, and I am willing to be convinced, that John Wesley Gaines unlawfully diverted the money which had been appropriated to pay these men for another purpose, I am quite willing to appropriate it over again.

Mr. TIMBERLAKE. Does it not appear from the report made by the Secretary of State?

Mr. MANN of Illinois. It may; I do not know. If it does, it is time that the Government got after John Wesley Gaines and the accounting officers of the Government. I do not understand how John Wesley Gaines could unlawfully divert the money appropriated for one purpose and use it for another purpose and get it by the accounting officer.

Mr. TIMBERLAKE. Has the gentleman read the report made by the committee?

Mr. MANN of Illinois. I have read the report hastily.

Mr. TIMBERLAKE. It says at the bottom of page 4 of the report:

With respect to item No. 1, it may be observed that the information in the possession of the department indicates that the appropriation made by Congress to carry on the work of the commission during the period from July 1, 1914, to June 30, 1915, was $15,000; that the act making this appropriation authorized the expenditure of a part of this amount in the study of questions relating to the equitable distribution of the waters of the Rio Grande; that Mr. John Wesley Gaines, before mentioned, was appointed as director in charge of the study in question, and besides, as before indicated, served as secretary of the boundary commission at a salary for both offices of $4,800 per year; that other expenses of the commission for the fiscal year mentioned were——

Mr. MANN of Illinois. I have read all that, but I do not see anything about an unlawful diversion.

Mr. VAILE. I do not think it was unlawfully diverted, it was an abuse of discretion. On page 4 Secretary of State Lansing, after describing the duties of Mr. Gaines, secretary of the commission, in the preceding paragraph, goes on:

It is stated in the bill that as such consulting engineer Mr. Corbin was "working under the direction and supervision of the Department of State." With respect to this statement, it may be said that while it is correct in a general sense, yet, as a matter of fact, there being at the time no United States commissioner, the work of the boundary commission in the United States was then under the direction of Mr. John Wesley Gaines, secretary of the commission, who gave all of the orders for employment and had control of the appropriations for the work of the commission, which were disbursed under his supervision by a disbursing officer of the commission, and the department was not aware of the fact that there was a deficiency in the appropriation for the fiscal year ending June 30, 1915, which is later discussed, until it was afterwards so advised by the commission in writing.

If the department did not know that the appropriation was exhausted, should these men, employees of the commission, be expected to know it?

Mr. MANN of Illinois. This appropriation was made for the commission. The department does not keep track of the appropriations or the commission. The department does not know, the accounting officers do not know, that these people were working under the commission.

Mr. VAILE. But the gentleman must acknowledge——

Mr. MANN of Illinois. And, by the way, the State Department as a rule does not know anything about anything; seldom about diplomatic matters, and nothing about anything else.

Mr. VAILE. Well, these men are doubtless entitled to know something, even as much as the gentleman thinks they do know.

Mr. MANN of Illinois. I am willing to give them credit; but I see appropriations made here that ought to stop, but I suppose if they had been stopped these people then would have been fired. I did not think they were working any at the time, and I do not think yet that they have ever done much of anything. But here they go ahead with a contract at a salary. How much is this salary—$400 a month? I do not blame men for not wanting to give up that salary.

Mr. SMITH of Idaho. If the gentleman will permit me, does the gentleman see anything in the report, or is there any evidence anywhere to indicate that these men did not actually perform the service that they were supposed to perform? Do not the records show that they did do their duty and faithfully rendered service for which they have never been paid?

Mr. VAILE. There is no suggestion in any report or hearings that they were not doing their work.

Mr. MANN of Illinois. Does the gentleman know anything about what work they are doing there?

Mr. SMITH of Idaho. Only in a general way. I assume that these men were performing their regular duties; there is certainly no evidence to the contrary.

Mr. MANN of Illinois. They are not doing much work on the Mexican border.

Mr. SMITH of Idaho. These were engineers——

Mr. MANN of Illinois. Not on the Mexican border.

Mr. SMITH of Idaho. And acting under instruction.

Mr. MANN of Illinois. I expect they were in the office——

Mr. SMITH of Idaho. I do not know why the gentleman would assume that they were not actually performing their duty in the office and in the field.

Mr. MANN of Illinois. Probably doing office work. Mexican border work was not very pleasant about that time.

Mr. VAILE. They ran the lines and put the monuments up. I have seen the monuments.

Mr. MANN of Illinois. The work has been going on for many, many years.

Mr. VAILE. It was revived under this commission.

Mr. MANN of Illinois. This is an old, old commission.

Mr. SMITH of Idaho. We would be in a very unfortunate situation if the appropriations for the payment of salaries of Members of Congress were exhausted and we would have to come in here and try to get an appropriation through to make up the back salaries. That is the situation here. These men performed the services and should be paid.

Mr. MANN of Illinois. If Members of Congress were only paid for the service they perform, there would be a radical falling off in the appropriation. [Laughter.]

Mr. VAILE. Shall we have to come in after five years and prove we rendered the service, or would we not be entitled to the presumption that we had rendered the service?

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, I object.

HENRY P. CORBIN.

The next business in order on the Private Calendar was the bill (H. R. 12005) for the relief of Henry P. Corbin.

The Clerk read the title of the bill.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Mr. Speaker, I object.

A. A. BRUCE.

The next business in order on the Private Calendar was the bill (H. R. 178) authorizing an exchange of land by A. A. Bruce, of La Veta, Colo.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That upon the transfer by A. A. Bruce to the United States of title to the following-described lands: Commencing at a point 1,920 feet south and 30 feet west of the northeast corner of the southeast quarter of section 20, township 29 south, range 68 west of the sixth principal meridian; thence west 843 feet; thence south 720 feet; thence east 80½ feet; thence in a northeasterly direction 715 feet, variation 50°; thence northeast 48 feet, variation 10°; thence northeast 309 feet, variation 50°; all in the east half of section 20, township 29 south, range 68 west of the sixth principal meridian, in Huerfano County, Colo., containing approximately 8 acres, the Secretary of the Interior is authorized, upon approval of the Secretary of Agriculture, to issue a patent to A. A. Bruce for the southwest quarter of the southeast quarter of section 6; the northwest quarter of the northeast quarter, the northeast quarter of the northwest quarter, and lot 1 of section 7, township 30 south, range 68 west of the sixth principal meridian: *Provided*, That the survey of the tract to be deeded to the United States shall be made at Government expense under the direction of the United States surveyor general.

The committee amendment was read, as follows:

Page 2, line 13, after the word "meridian," insert "*Provided*, That the patent issued shall reserve to the United States, its grantees, or lessees, all coal, oil, or other mineral deposits in the land patented as well as the rights to prospect for, mine, and remove the same."

The question was taken, and the amendment was agreed to.

Mr. JONES of Texas. Mr. Speaker, I move to strike out the last word. May I ask the gentleman from Colorado a question?

Mr. TAYLOR of Colorado. Certainly.

Mr. JONES of Texas. Is this exchange to be made as a courtesy to Mr. Bruce or the Government or at the instance of Mr. Bruce or the Government?

Mr. TAYLOR of Colorado. It is at the instance of the Forest Service. Mr. Bruce happens to own 8 acres of good cultivated land that the Forest Service needs and wants to use as a ranger station. They want him to convey this 8 acres of good land to them, which they will use as headquarters, and they will give him in lieu thereof about 160 acres of grazing, noncultivated land. The Government gets title to its land to the center of the earth, whereas the Government only gives him a surface right and reserves the coal, oil, minerals, and so forth. This is a matter for the convenience of the Forest Service, and it is agreeable to Mr. Bruce. There is no money passing at all.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

S. S. MARKLEY.

The next business in order on the Private Calendar was the bill (H. R. 9357) for the relief of S. S. Markley.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, I would like to ask why this party could not acquire this land under the procedure followed for their disposition under the acts of March 3, 1911, and June 30, 1913?

Mr. FERRIS. I would be very glad to state the case to the gentleman tersely. This land was opened by the Stephens law away back in 1906. The land with other similar land was sold the next year, and sold at the highest bid. Coupled with that act was a provision that the land had to be homesteaded—lived on, and so forth. The minimum-price provision was $5 an acre. This particular 160-acre tract of land was bought by a man by the name of A. N. Ross for $1,800, and he paid one-fifth of it down, abandoned the land, never establishing residence on it or making any effort to comply with the law as to residence or payments. This man Snell Markley is a farmer. He contested the land on the charge that it was abandoned land. It was abandoned land, as above set forth. The Land Office held the land was abandoned and canceled the entry back in 1914. After that an appeal went up to the Interior Department, and it held that his application was rejected for the reason that the land was not subject to entry, even though it had been successfully contested and entry in all things conceded. Markley appealed to me to introduce a bill to give him the right to enter and buy it, notwithstanding that he was not allowed under the technical provision of the law to enter as a result of a successful contest. I did introduce it. He only asks to buy it and pay for it. He is entitled to it. The Secretary of the Interior has been recommending that this bill be passed for two or three years.

Every time I go home Markley asks me why I did not get his bill through. It has been on the Private Calendar, where we have to have unanimous consent, and I have had to explain to him that I have not been able to get to it. It affects but one man. He went to the expense of canceling it. He did a service to the Government in doing that, because it was an abandoned tract. It is a poor piece of upland, bald prairie without a stick on it, and he wants to pay for it what it was worth originally.

Mr. WALSH. Without being required to reside on it?

Mr. FERRIS. He has resided on it 8 or 10 years now. He has really earned it two times over.

Mr. WALSH. He has been on the land he is seeking to acquire?

Mr. FERRIS. That is quite the practice. When one contests a piece of abandoned land the contestant, not always, but quite generally, lives on it, and he has lived there right along. He has no title, unless Congress gives it to him.

Mr. WALSH. Is the department favorably disposed toward this?

Mr. FERRIS. Yes; they have recommended it. Their recommendation is printed in the report. It ought to have been passed before.

The Committee on the Public Lands has reported it once or twice, and it is on the calendar, where you can seldom get a thing through.

Mr. WALSH. I withdraw the reservation.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized and directed to sell to S. S. Markley, within a period of 90 days from and after the passage of this act, at the original purchase price of $1,800, the southeast quarter of section 2, township 3 south, range 12 west, Indian meridian, Cotton County, Okla., and issue to him a patent therefor.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. FERRIS, a motion to reconsider the vote by which the bill was passed was laid on the table.

CON MURPHY.

The next business on the Private Calendar was the bill (S. 3119) for the relief of Con Murphy.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. I object.

The SPEAKER. The Clerk will report the next bill.

GUSTAVUS F. GALLAGHER.

The next business on the Private Calendar was the bill (H. R. 11917) for the relief of Gustavus F. Gallagher.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. I object.

The SPEAKER. The Clerk will report the next bill.

JOSEPH DONNELLY.

The next business on the Private Calendar was the bill (H. R. 15234) to correct the military record of Joseph Donnelly.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. WALSH. Reserving the right to object, Mr. Speaker, I notice there are a large number of bills upon the calendar to correct military records, and most of them are reported by the gentleman from New York [Mr. SANFORD], who is not present. I am wondering if there is any member of the Committee on Military Affairs present who is familiar with the facts in these cases. There are one or two of them, I think, where inquiry has possibly been made.

Mr. HULL of Iowa. Mr. Speaker, I can say as a member of the Committee on Military Affairs that these bills are all bills that have been reported before. The gentleman from New York [Mr. SANFORD] reported them from the subcommittee to the full committee and the full committee reported them out. I was hoping that the gentleman from New York would be here to-day. Some of the bills I know a little about; some of them I reported myself some years ago. I think there is one bill here that has passed the Senate once or twice and the House once or twice. I presume the better way would be to pass them over unless the Members who are interested in the bills are present.

Mr. MAGEE. Mr. Speaker, I would like to say that I have two bills here that have been pending about four years, and I know about those two. I would like to have them considered now.

Mr. WALSH. I do not think we ought to pick out any two. I would like to inquire if the gentleman from New York [Mr. CALDWELL] is here, the gentleman who introduced this bill? I do not recall having seen him before, but I thought possibly he might be here to-day. In fact, I have not seen him at this session. I will object to this measure.

The SPEAKER. Objection is made, and the Clerk will report the next bill.

SHIPOWNERS & MERCHANTS TUGBOAT CO.

The next business on the Private Calendar was the bill (H. R. 11066) for the relief of the Shipowners & Merchants Tugboat Co.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. May we have it reported, Mr. Speaker, please?

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the United States Treasury not otherwise appropriated, to the Shipowners & Merchants Tugboat Co. the sum of $2,233.14 for damages to their tug, the *Sea Rover*, when she was run into by the quartermaster steamer *General McDowell*, of the United States Army, on the night of November 21, 1917, off Black Point and between Black Point and Alcatraz Island, in San Francisco Bay, Calif.

Mr. BLANTON. Reserving the right to object, Mr. Speaker, I would like to ask the chairman of the committee what the committee's objection was to this being reported to the court of admiralty?

Mr. EDMONDS. There is no question about this claim. The department acknowledges their fault and they repaired the boat.

Mr. BLANTON. There was no negligence on the part of this tug?

Mr. EDMONDS. No. The department agreed it was their own crew that was negligent.

Mr. BLANTON. And the Secretary of the Navy recommends the payment of this amount?

Mr. EDMONDS. The Secretary of War.

Mr. BLANTON. I meant the Secretary of War.

Mr. EDMONDS. Yes. The Judge Advocate's office claims it would cost $4,000 to make repairs, but they were made for $2,233.14.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The bill was again reported.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

KATHRYN WALKER.

The next business on the Private Calendar was the bill (S. 2371) for the relief of Kathryn Walker.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. PARRISH. Mr. Speaker, reserving the right to object, I should like to ask the gentleman in charge of the bill what provision has been made for carrying out the recommendation of Secretary Lane, wherein he says:

I suggest that the relief granted be made conditional upon the land being free from valid adverse claims at the time payment is made under the terms of the bill.

Is any provision made in the bill to meet the suggestion of the Secretary of the Interior in that respect?

Mr. HERNANDEZ. Not that I know of.

Mr. PARRISH. The Secretary of the Interior in his report on the bill says:

In view of the fact that Mrs. Walker relinquished her entry, thus making it possible for an adverse claim to intervene, I suggest that the relief granted be made conditional upon the land being free from valid adverse claim at the time payment is made under the terms of the bill.

Is any assurance or provision made to carry out the suggestion of the Secretary of the Interior in that particular?

Mr. HERNANDEZ. I suppose that question will have to be thrashed out in the local land office or the General Land Office. There may be an adverse claim. I see a former husband entered the land when she relinquished it.

Mr. PARRISH. If Congress directs or authorizes the Secretary to issue a patent to this woman and there is an adverse claim to the land, will not Congress be called upon to settle with her if we are not able to deliver a clear title to the land?

Mr. HERNANDEZ. I do not see that there is any valid claim on the part of the husband for going on the land.

Mr. PARRISH. The Secretary of the Interior seems to think there is danger of a valid adverse claim having already attached, and in his report on this legislation he suggests that Congress make provision for taking care of that very condition.

Mr. HERNANDEZ. Yes; I see that.

Mr. PARRISH. It seems to me that it would be well to carry out the suggestion of the Secretary of the Interior in that regard, and I see nothing in the bill that meets that condition.

Mr. HERNANDEZ. No; the bill just provides for the issuance of a patent after she complies with the law. Of course, when she is complying with the law this adverse claim may be proven, and she would not be authorized to buy the land unless she proved her claim to it. This does not give her the land.

Mr. TAYLOR of Colorado. In other words, if you will permit, the Government would not let her have title to the land unless it is clear. I may say, Mr. Speaker, that this bill was considered before our Public Lands Committee, and it appealed to us very strongly. This woman's property was subject to being repeatedly raided by bands of outlaws, and she was heroically trying to maintain a home there, and really it was a very pathetic and tragic case that very forcibly appealed to us on behalf of this unfortunate woman.

Mr. HERNANDEZ. She was practically driven from her homestead.

Mr. PARRISH. I would suggest to the gentleman from Colorado [Mr. TAYLOR] and to the gentleman in charge of the bill [Mr. HERNANDEZ] that those things appeal to me, also, but it seems to me that Congress ought to carry out the suggestion of the Secretary of the Interior, and at least make provision that he be not directed to patent this land to her if there is an adverse claim existing at the date of the passage of the bill.

Mr. HERNANDEZ. She will have to comply with the law and prove that she has a right there before she will be allowed to pay the money for this land. So when she goes to pay for the land and prove her claim, she has got to have witnesses to prove that she is entitled to it, and everyone who has an adverse claim against her can go before the Land Office and contest her right to the land.

Mr. PARRISH. Will the gentleman from Colorado give me his attention?

Mr. TAYLOR of Colorado. Yes; certainly.

Mr. PARRISH. Is this the usual form of bill in cases of this kind?

Mr. TAYLOR of Colorado. Oh, yes. The Interior Department will not let her have title to the land unless she complies with the regulations. That is a matter of regulation. The Federal officials will not give her a patent unless she is entitled to it.

Mr. PARRISH. I see that by this bill the Secretary is directed to patent the land to her.

Mr. TAYLOR of Colorado. Yes; but it will be patented subject to any adverse interest, if there is any. The Government will not guarantee title. As a matter of fact, she will have to comply with the regulations, and there is no question but what the Government will be protected in the matter. The Public Lands Committee felt very keenly that any woman that had endured the hardships and terrorism that this poor woman has trying to get a home is entitled to it, at least to this land upon which she is and has been desperately trying to make a home.

Mr. PARRISH. Just one other question. Is it customary to reserve the oil and gas rights in bills of this kind?

Mr. HERNANDEZ. I think that is provided for now in all patents.

Mr. PARRISH. I see there is no such reservation in this bill.

Mr. HERNANDEZ. No; but that reservation will be made in the patent when it is issued. All patents are issued in that way now.

Mr. PARRISH. I doubt if this general reservation of minerals in patents is sufficient. I think if the Government intends to retain all the mineral rights it will have to be by a special bill where we are granting the title absolutely to her as provided for in this bill. Will the gentleman accept an amendment making that reservation?

Mr. HERNANDEZ. Oh, yes; surely.

Mr. PARRISH. I withdraw my reservation and offer it as an amendment.

Mr. CRAMTON. Reserving the right to object, this bill has no House report. The House Committee——

Mr. SMITH of Idaho. Yes; House Report 867.

Mr. TAYLOR of Colorado. What the gentleman means is that this is a Senate bill.

Mr. CRAMTON. The Interior Department was not asked by the committee to make a report. The only report we have is the report made to the Senate. In that report it is said that the land in question was entered by James L. Walker, who is, I assume, the husband of this claimant. Now, in the closing paragraph to which the gentleman from Texas has referred there is a request, or a suggestion, by the Secretary of the Interior for an amendment. He says:

In view of the fact that Mrs. Walker relinquished her entry, thus making it possible for an adverse claim to intervene, I suggest that the relief granted be made conditional upon the land being free from valid adverse claim at the time payment is made under the terms of the bill.

It is urged that this is unnecessary, although the suggestion comes to us from the Secretary of the Interior, who no doubt was well informed in regard to the case.

Mr. HERNANDEZ. I am willing to accept an amendment.

Mr. CRAMTON. If the bill passes as it now reads the Secretary of the Interior will have no discretion whatever. He is directed to issue a patent to the land the title to which is now in the United States. I think unless the gentleman accepts the amendment, and the bill should pass in its present form, there might be some complication.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and is hereby, authorized and directed to issue patent to Kathyrn Walker (formerly Kathryn McKnight) for the northeast quarter of section 12, township 29 south, of range 7 west, New Mexico meridian: *Provided*, That the said Kathryn Walker pay the lawful price of the land within six months after the approval of this act.

Mr. MANN of Illinois. Mr. Speaker, I move to amend, in line 4, by striking out the word "Kathyrn" and inserting "Kathryn."

The amendment was agreed to.

Mr. PARRISH. Mr. Speaker, I offer the following amendment:

In line 9, page 1, strike out the period and insert: "*Provided*, That the relief granted be made conditionally upon the land being free from valid adverse claims at the time the payment is made under the terms of the bill."

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HERNANDEZ, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EXCHANGE OF LANDS WITH HENRY BLACKBURN.

The next business on the Private Calendar was the bill (S. 429) to authorize an exchange of land with Henry Blackburn.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

UMI

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Interior is hereby authorized to accept title to the southwest quarter of the southeast quarter of section 19, township 39 south, range 6 west, Salt Lake meridian, and to convey in exchange therefor to Henry Blackburn, of Orderville, Utah, title to the northeast quarter of the northeast quarter of section 30, township 39 south, range 6 west, Salt Lake meridian, and upon reconveyance the land deeded to the United States shall thereupon become part of the Sevier National Forest and subject to all laws and regulations applicable thereto.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. MAYS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

JOHN F. KELLY.

The next business on the Private Calendar was the bill (H. R. 9299) removing the charge of desertion against John F. Kelly.

The SPEAKER. Is there objection to the consideration of this bill?

Mr. BLANTON. I object.

JAMES R. M'GUIRE.

The next business on the Private Calendar was the bill (H. R. 13777) for the relief of James R. McGuire.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws James R. McGuire shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of Company C, Second Regiment Kentucky Volunteer Cavalry, on the 30th day of November, 1864.

With the following committee amendment:

After the figures "1864," line 8, add the following: "*Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

JOHN MINAHAN, ALIAS JOHN BAGLEY.

The next business on the Private Calendar was the bill (H. R. 788) for the relief of John Minahan, alias John Bagley.

The SPEAKER. Is there objection to the consideration of this bill?

Mr. BLANTON. Reserving the right to object——

Mr. KINKAID. Mr. Speaker, this bill has been reported by the House Committee on Military Affairs favorably four times. Once the bill passed the House, went to the Senate, was favorably reported by the Senate committee, but the calendar was not taken up before that Congress expired.

This soldier served clear through the Civil War. He enlisted when he was a boy. Along in 1864, when his service in the second enlistment expired, he reenlisted. When his second enlistment would have expired in a very short time he was granted a furlough, and going to New York City he fell in company with some former sailor comrades. They got to drinking, as seamen sometimes do, and became drunk. His friend called him a landlubber and invited him to enlist in the Navy. He thought it was no harm to do so, as he swears he had never read the Articles of War nor had they ever been read to him. He thought it was useless to go back for so short a time to his company or to wait until his time had expired, and being intoxicated he was bold about it and enlisted in the Navy. He served well in the Navy and received an honorable discharge therefrom in 1865 at the close of the war.

He was in several very important battles while in the Army—they are named in the affidavits—and he made a good record as a soldier. He lives in my home city. His property has been exhausted.

Mr. BLANTON. Will the gentleman yield?

Mr. KINKAID. Yes.

Mr. BLANTON. When he was discharged in 1865, which is 55 years ago, he knew that there was pending against him a charge of desertion, and he has known that all through these long 55 years which have elapsed, and now, when there is a chance of getting a pension under the liberal pension laws lately passed, after all these years, he now comes in and asks us to remove that charge of desertion.

Mr. KINKAID. Yes, my friend; he has done without a pension a very long time. He is a very old man, and his property is gone.

Mr. BLANTON. The gentleman's knowledge goes to what has been told him at this time?

Mr. KINKAID. No; I know him personally. I know about his property.

Mr. BLANTON. The gentleman knew him in 1865?

Mr. KINKAID. Oh, no; not quite so long ago as that, but since 1885.

Mr. BLANTON. The gentleman is depending upon hearsay now for these facts?

Mr. KINKAID. The evidence is abundant; read it.

Mr. BLANTON. When witnesses were all alive, when it was very easy to establish the real facts, does not the gentleman think the case would appeal more strongly if he had come in, say, 25 years ago?

Mr. KINKAID. There are no facts in controversy here; it is a clear case. He has an honorable discharge from the Navy but did not have an honorable discharge from the Army. If there ever was a meritorious case from the records, this is one.

Mr. RICKETTS. Did he have an honorable discharge when he first served in the Army?

Mr. KINKAID. Yes. His first service was a short service—no; three years—and then he reenlisted.

Mr. RICKETTS. That is all right.

Mr. KINKAID. Then he reenlisted.

Mr. BLANTON. I suppose there was some good reason for him to hide out his identity. I know of cases where persons sought to lose their identity.

Mr. KINKAID. I want to say the gentleman from Texas will take care of that case right well, I have no doubt of that. There is no such serious charge made against my constituent, and the bankers of the city and mayor recommend him very highly. He is an old man, decrepit, and without property.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

ORDER OF BUSINESS TUESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that it may be in order to-morrow to consider bills on the Private Calendar in the House as in Committee of the Whole House, commencing at the point where we leave off to-night.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that it will be in order to-morrow to consider bills on the Private Calendar in the House as in Committee of the Whole House, commencing at the point where we leave off to-night. Is there objection?

Mr. WINGO. Mr. Speaker, reserving the right to object, I presume we will not have an appropriation bill ready to-morrow.

Mr. MONDELL. No, sir; I think not.

Mr. WINGO. Does the gentleman expect to have one ready Wednesday?

Mr. MONDELL. We hope so.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

By unanimous consent, Mr. PORTER was granted leave of absence, indefinitely, on account of the illness of his daughter.

EXTENSION OF REMARKS.

Mr. RANDALL of California. Mr. Speaker, I ask unanimous consent to extend my remarks on the pension bill passed last Thursday.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 54 minutes p. m.) the House adjourned to meet to-morrow, Tuesday, December 28, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

268. A letter from the President of the United States Civil Service Commission, transmitting schedules of useless executive papers and requesting their disposition; to the Committee on Disposition of Useless Executive Papers.

269. A letter from the Commission in Charge State, War, and Navy Department Buildings, transmitting draft of suggested legislation to permit the commission to remove certain buildings; to the Committee on Public Buildings and Grounds.

270. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination and survey of Cowlitz River, Wash., from the mouth to Ostrander; to the Committee on Rivers and Harbors.

271. A letter from the Secretary of War, transmitting letter from the Chief of Engineers, submitting a preliminary statement on development of Potomac River to secure an increased water supply for the District of Columbia; to the Select Committee on Water Power.

272. A letter from the Secretary of War, transmitting draft of requested legislation to authorize the granting of permits for

the installation of underground ducts, etc., within the public grounds; to the Committee on Public Buildings and Grounds.

273. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Agriculture to meet the emergency caused by the existence of the Parlatoria date scale (H. Doc. No. 941); to the Committee on Appropriations and ordered to be printed.

274. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation from the Secretary of War for "Prevention of deposits, New York Harbor," fiscal year 1922 (H. Doc. No. 942); to the Committee on Appropriations and ordered to be printed.

275. A letter from the Secretary of the Treasury, transmitting from the Secretary of War proposed paragraph of legislation extending the appropriation for dedicating the Grant Memorial (H. Doc. No. 943); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SCOTT, from the Committee on the Merchant Marine and Fisheries, to which was referred the bill of the House (H. R. 12396) to amend an act entitled "An act to promote the welfare of American seamen in the merchant marine of the United States; to abolish arrest and imprisonment as a penalty for desertion and to secure the abrogation of treaty provisions in relation thereto; and to promote safety at sea," approved March 4, 1915, reported the same with an amendment, accompanied by a report (No. 1146), which said bill and report were referred to the House Calendar.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. JOHNSON of Washington: A bill (H. R. 15372) authorizing the lease of lands containing deposits of minerals, oil, oil shale, or gas by the State of Washington for longer periods than five years; to the Committee on the Public Lands.

By Mr. OSBORNE: A bill (H. R. 15373) to amend the United States cotton futures act by inserting therein a new section for American Egyptian cotton only, to be known as section 5A; to the Committee on Agriculture.

By Mr. KAHN: A bill (H. R. 15374) authorizing the Secretary of War to lease to the Bush Terminal Railroad Co. and the Long Island Railroad for restricted use the tracks of the Government Railroad on the Army supply base at South Brooklyn, N. Y.; to the Committee on Military Affairs.

Also, a bill (H. R. 15375) authorizing the President to dispose of certain arms and ammunition seized in pursuance of the act approved June 17, 1917, along the Mexican border; to the Committee on Military Affairs.

By Mr. HOWARD: A bill (H. R. 15376) amending subdivision B of section 250 of the revenue act of 1918; to the Committee on Ways and Means.

By Mr. BANKHEAD: Joint resolution (H. J. Res. 428) to repeal section 8 of the act entitled "An act making appropriations for the naval service for the fiscal year ending June 30, 1921, and for other purposes," approved June 4, 1920; to the Committee on Naval Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CURRY of California: A bill (H. R. 15377) granting an increase of pension to Nathaniel R. Taylor; to the Committee on Pensions.

By Mr. DENISON: A bill (H. R. 15378) granting a pension to Isabella Breusing; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15379) granting a pension to Eveline Shepherd; to the Committee on Invalid Pensions.

By Mr. FERRIS: A bill (H. R. 15380) granting an increase of pension to Peter F. Weasel; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15381) granting an increase of pension to Maston W. Harris; to the Committee on Pensions.

By Mr. FIELDS: A bill (H. R. 15382) granting an increase of pension to William Carey; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 15383) granting a pension to Alice Chamblin; to the Committee on Invalid Pensions.

By Mr. LANGLEY: A bill (H. R. 15384) granting a pension to Dury M. Craft; to the Committee on Pensions.

By Mr. McFADDEN: A bill (H. R. 15385) granting an increase of pension to Leon P. Chesley; to the Committee on Pensions.

By Mr. McKINLEY: A bill (H. R. 15386) to correct the military record of William H. Dotson; to the Committee on Military Affairs.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 15387) granting an increase of pension to Charles M. S. Ronsholdt; to the Committee on Pensions.

By Mr. McPHERSON: A bill (H. R. 15388) to correct the military record of Abram Jones; to the Committee on Military Affairs.

Also, a bill (H. R. 15389) granting a pension to John J. Roberts; to the Committee on Pensions.

By Mr. PETERS: A bill (H. R. 15390) granting a pension to Vinnie E. Saunders; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15391) granting a pension to Elizabeth N. Coombs; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 15392) granting a pension to Sarah Harrington; to the Committee on Invalid Pensions.

By Mr. TIMBERLAKE: A bill (H. R. 15393) granting a pension to Laura E. Pengelly; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4714. By the SPEAKER (by request): Report of the Federal grand jury for the southern division of the western district of the State of Washington, regarding investigation made of violations of the Harrison Act; to the Committee on Interstate and Foreign Commerce.

4715. Also (by request), petition of the Holy Name Society of St. Mary's Catholic Church, of Rutherford, N. J., opposing the passage of the Smith-Towner bill; to the Committee on Education.

4716. By Mr. CAREW: Petition of the Foreign Commerce Association of the Pacific Coast, of San Francisco, Calif., regarding tariff on oil, etc.; to the Committee on Ways and Means.

4717. By Mr. CURRY of California: Petition of the Rhodora Club, of Stockton, Calif., protesting against the passage of bill H. R. 12466; to the Committee on the Public Lands.

4718. By Mr. ELSTON: Petition of the American Committee of Justice, composed of citizens of California, relative to oriental immigration; to the Committee on Immigration and Naturalization.

4719. By Mr. FULLER of Illinois: Petition of the Belden Manufacturing Co., of Chicago, favoring the passage of the Nolan Patent Office bill; to the Committee on Patents.

4720. Also, petition of the J. D. Hollingshead Co., of Chicago, Ill., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4721. Also, petition of the Western Range Stockmen's Convention, favoring tariff on meat, hides, wool, etc.; to the Committee on Ways and Means.

4722. Also, petition of Frank H. Bass, of Chicago Heights, Ill., favoring legislation to protect the dye industry; to the Committee on Ways and Means.

4723. By Mr. JOHNSON of Washington: Petition of various citizens of Tacoma, Wash., favoring the passage of bill H. R. 10925; to the Committee on Interstate and Foreign Commerce.

4724. By Mr. KAHN: Petition of prominent San Francisco merchants, urging passage of the bill (H. R. 7204) to incorporate certain American companies in China; to the Committee on the Judiciary.

4725. By Mr. O'CONNELL: Petition of the Consolidated Marine Engineers' Beneficial Association, No. 33, of New York City, opposing the passage of Senate bill 4024; to the Committee on Military Affairs.

4726. Also, petition of the National Rivers and Harbors Congress, New York City, regarding the improvement of the waterways of the country; to the Commtitee on Rivers and Harbors.

4727. Also, petition of G. O. Tuck & Co. and the Star Piano Co., of New York, regarding reduction of taxes; to the Committee on Ways and Means.

4728. Also, petition of the Silk Association of America, favoring daylight saving laws; to the Committee on Interstate and Foreign Commerce.

4729. By Mr. PETERS: Petition of Thomas A. Brennon and 47 others, employees in the post office at Augusta, Me., for increase in salaries, vacation and sick leave allowance, and civil board of appeals; to the Committee on the Post Office and Post Roads.

4730. By Mr. RIDDICK: Petition of Mr. R. L. Thompson and sundry other citizens of Stanford, Mont., urging relief for the farmers of the country; to the Committee on Agriculture.

4731. By Mr. SMITH of Michigan: Papers to accompany bill (H. R. 15003) granting a pension to Sarah J. Pratt; to the Committee on Invalid Pensions.

4732. Also, petition of the Barley Motor Car Co., of Kalamazoo, Mich., urging the appointment of a conference committee to confer with the Senate regarding the Nolan Patent Office bill; to the Committee on Patents.

4733. By Mr. SNELL: Resolution of the Board of Supervisors of St. Lawrence County, at Canton, N. Y., approving the improvement of the St. Lawrence River; to the Committee on Interstate and Foreign Commerce.

4734. Also, resolution of the Clinton County Pomona Grange, of Plattsburg, N. Y., protesting against smuggling of liquor across the Canadian border; to the Committee on the Judiciary.

4735. By Mr. SNYDER: Petition of the Utica (N. Y.) Homestead Aid Association, for an amendment to the income tax law whereby incomes not exceeding $500 derived from investments in savings shares or domestic building and loan associations or cooperative banks shall be exempted from the operation of the law; to the Committee on Ways and Means.

4736. Also, petition of Council 109, Sons and Daughters of Liberty, of Herkimer, N. Y., favoring restriction of immigration; to the Committee on Immigration and Naturalization.

4737. By Mr. STINESS: Petition of the Newport County (R. I.) Women's Republican Club, indorsing the Sheppard-Towner bill for the protection of maternity and infancy; to the Committee on Interstate and Foreign Commerce.

4738. By Mr. TINKHAM: Petition of the Associated Industries of Massachusetts, favoring reduction of taxes and expenses of the Government; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

TUESDAY, *December 28, 1920.*

The House met at 12 o'clock noon.

Rev. Milton O. Beebe, chaplain United States Army, offered the following prayer:

We acknowledge Thy sovereignty, our God, in all things of life. So powerful art Thou and yet so merciful that we can call upon Thy name for inspiration, guidance, and leadership. Wilt Thou deign to bless us this day. May we be gratefully conscious of Thy controlling presence and strive to preserve this, knowing that Thou wilt give the mountain-top experiences of life to those who trust in Thee.

We acknowledge Thy hand in our national life. We beg that wisdom divine shall be granted to these devoted men who lay down its policies and formulate its laws. May the spirit of Him whose birth we have just celebrated soften and shape our relations with other lands and peoples that we, a chosen people, may be grandly used of Thee in the new year that is before us. Amen.

The Journal of the proceedings of yesterday was read and approved.

THE PRIVATE CALENDAR.

The SPEAKER. By special order the House will to-day proceed with the Private Calendar, commencing where it left off yesterday.

WILSON CERTAIN.

The first business on the Private Calendar was the bill (H. R. 13319) to remove the charge of desertion against Wilson Certain.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, in this case the claimant has never done a day's service in his whole life in behalf of his flag during war time. He was enrolled in August, 1862. His company was not mustered into service until October 13, 1862, and at that time he was sick at home, and because of his being sick with typhoid fever he was granted leave, and he never did enter the service after that, although his country was in the throes of war for four long years. Now, in his old age, he being destitute, and having a chance of getting a pension, he admits that he never found out that this record was against him until he tried to get it. He wants the record removed, and I can not blame his Congressman for trying to do all that he can for him, but I am sure that in all of these cases down deep in the heart of every Representative in this Congress there is no sympathy for a man who deserts from the Army and waits for 55 years, as some of them have, before they try to get their record as an honest citizen and as a brave soldier cleared. And I am bound to object.

Mr. GOOD. I hope the gentleman will not object. He hardly states the situation correctly.

Mr. BLANTON. I am stating what The Adjutant General, P. C. Harris, reports to the committee. That is exactly what The Adjutant General has reported.

Mr. GOOD. Now the situation is this: Wilson Certain enlisted, as the gentleman has stated, in August, 1862. I happen to know him personally. He can neither read nor write——

Mr. BLANTON. Now, right there. Every old man, 80 years of age, who can neither read nor write, and who is destitute, constitutes a pitiable case and appeals to the sympathy of the gentleman.

Mr. GOOD. No; he is not destitute, and that is not what I wanted to bring to the gentleman's attention. Certain enlisted in 1862 and went to Davenport, Iowa, where he was mustered into the service, and while his company was there he was stricken with typhoid fever. He was sent to his home at Marion and remained there until he thought he had been cured. He then went to St. Louis to rejoin his company after a sickness of four or five months. There he was examined by the Surgeon General, who told him he was not fit for service, and he then called on Maj. Robert Smyth, paymaster in the Army, stationed at St. Louis. Robert Smyth came from the same town that Certain came from. He told him he would procure a discharge for him. Maj. Smyth gave him his transportation and also $6 out of his own pocket to pay for his subsistence while he was going home. He went home believing he would be immediately discharged. He is an ignorant man. He did not know but what the discharge had been granted. He supposed it had been. Here are the affidavits of his neighbors that he was right at home working on the farm all the time. He told his neighbors that he was discharged, and he believed that he was discharged, and he was going about in the ordinary way of anyone. All of the time he was a weakly, sick man, suffering from the results of typhoid fever. An affidavit found among the papers of Capt. Robert Stinson, who was his captain, shows that the discharge papers had been made out, and all they needed was the signature of the captain. Those were found among the private papers, as I have said, of Robert Stinson after his death, as shown by the records in this case

I do not think this man cares about a pension. If there is anything that the gentleman wants to put on the bill by way of amendment to the effect that Certain shall not receive a pension at all, let him do so; but I do think this old man ought to have this stigma of being a deserter removed. He thought he had been discharged. Every act of his life goes to substantiate that, as the gentleman will see by the record.

But now by making an objection the gentleman from Texas will cause this man to go into his grave with the record that he was a deserter, when he was told to go home and he would be discharged, and he felt all the time that he had been discharged. If he wanted to desert, he would not have gone back to St. Louis when he got better, as the gentleman knows, and that is all shown by the records of the War Department. After he had this sickness he went back to St. Louis, and there was told by the Surgeon General and the paymaster that he would be unable to perform service for months, and so transportation was given to him to go back to his home, and he was told that he would be given a discharge. That is all there is to it.

Mr. BLANTON. The gentleman has stated certain facts, but I want to supplement them with other facts that throw light on the case. When Certain went to St. Louis six months after his company had been mustered in, and after he had recovered, as he thought, from typhoid fever, he did not report to a single Army officer who could have taken charge of him at that time. He did report to a certain paymaster, but that paymaster did not have control over him, and he reported to a certain doctor, but the doctor did not have any control over him.

Mr. GOOD. He was a surgeon——

Mr. BLANTON. He was a surgeon, but he did not have any control over him.

Mr. GOOD. Suppose the gentleman from Texas and myself were in this man's place, that we were unable to read or write, that we knew that the paymaster came from our own town, where would we have gone? We would have gone to see the paymaster, our neighbor, would we not?

Mr. BLANTON. What I want to call to the attention of the great chairman of the Committee on Appropriations of this Congress is this: After that I understand he went back to his home in 1862, and after he had farmed for some time, what prevented him from going back into the service in 1863? And what prevented him from going back into the service in 1864?

Mr. GOOD. He thought he was discharged.

Mr. BLANTON. Yes; but when his country was still in war what was he doing to help his country at that time, in 1863 and 1864 and in the spring of 1865, if you please? I am sure that the gentleman from Iowa will not contend that it is fair to the brave old soldiers who fought for this country in war to remove the charge of desertion against men now, after 55 years have elapsed, in order that they can get a pension from the Government.

Mr. GOOD. He thought he was discharged.

Mr. BLANTON. Oh, yes; but——

Mr. GOOD. I have not the remotest doubt about that. Now, if the gentleman wants to offer an amendment that he shall be denied a pension, I shall not object to that, but I do think that the charge of desertion ought to be removed from this man. He felt that he had been discharged. Feeling that way, he naturally did not go back into the service.

Mr. BLANTON. If the gentleman will move to amend the bill to prevent a pension from being granted to him, I will help him to get it through. But I want to ask the distinguished gentleman if he would remove the charge of desertion also against every man who deserted in the Civil War and grant them a pension at this late date? You should treat them all alike.

Mr. GOOD. As the Committee on Military Affairs states in reporting this bill, it is an exceptional case. I have had men come to me and ask me to offer bills for their relief, and I will say to the gentleman that I have not seen a bill that has been reported that has the merit which this bill has. This man thought he was discharged, and every act of his life shows that he acted upon that belief.

Mr. SHERWOOD. How long did he serve?

Mr. GOOD. He did not actually serve at all. He was taken sick and did not go to the front with his company.

Mr. SHERWOOD. Then he could not get any pension. There is no money involved in it. I think that bill is right and just. He could not get a pension.

Mr. BLANTON. Will the gentleman agree to an amendment to the effect that there shall be no pension granted in this case?

Mr. GREENE of Vermont. Mr. Speaker, will the gentleman yield?

Mr. GOOD. Yes.

Mr. GREENE of Vermont. This bill only provides to give a pensionable status. You can not change a military record, and it would be absurd to pass a bill that gave a pensionable status accompanied by an amendment which took it away.

Mr. BLANTON. There are a whole lot of these cases on the docket, Mr. Speaker, and——

Mr. CAMPBELL of Kansas. Mr. Speaker, will the gentleman from Vermont yield for a suggestion?

Mr. GREENE of Vermont. Yes.

Mr. CAMPBELL of Kansas. Usually in those cases a bill could provide that this party shall be deemed to have been regularly mustered in and regularly mustered out of the service.

Mr. GREENE of Vermont. Are you quite certain?

Mr. CAMPBELL of Kansas. I am quite certain.

Mr. GREENE of Vermont. It has been held time and time again that a War Department record, once made, can not be changed.

Mr. CAMPBELL of Kansas. This does not change the record. This simply says that so far as the individual is concerned he shall be declared to have been discharged.

Mr. BLANTON. Regardless of his service, and that he would have a pensionable status.

Mr. CAMPBELL of Kansas. You could provide that it shall not be so construed as to give the soldier a pensionable status.

Mr. BLANTON. Why not frame it this way, "That no pension shall be granted in this case"?

Mr. CAMPBELL of Kansas. You can do that.

Mr. SHERWOOD. That would have the same effect.

Mr. BLANTON. Will the gentleman from Iowa agree to that amendment. If the gentleman will offer it, I shall not oppose it.

Mr. WALSH. Regular order, Mr. Speaker.

The SPEAKER. The regular order is demanded. Is there objection?

Mr. BLANTON. For the present I shall object.

The SPEAKER. Objection is made. The Clerk will report the next bill.

ALFRED E. LEWIS.

The next business on the Private Calendar was the bill (H. R. 1300) for the relief of Alfred E. Lewis.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, this is a case for the removal of disability, is it not?

Mr. MAGEE. It is not.

Mr. BLANTON. May we not have the bill reported, Mr. Speaker?

The SPEAKER. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, Alfred E. Lewis, who was a drummer boy in Company I, One hundred and first Regiment New York Volunteer Infantry, shall hereafter be held and considered to have been mustered in and mustered out as a member of said company and regiment on October 1, 1861, and honorably discharged therefrom September 7, 1862: *Provided*, That no bounty, pay, pension, or other emolument shall be held as accrued prior to the passage of this act.

Mr. BLANTON. Mr. Speaker, reserving the right to object, this is a case where a young drummer boy from the gentleman's State served in the Army but was never mustered in?

Mr. MAGEE. He ran away from home. As I understand, he was somewhere between 12 and 14 years of age. His father found him at Albany and took him back home. He ran away again and joined a regiment that went out of Syracuse.

Mr. BLANTON. And actually served as a drummer boy?

Mr. MAGEE. And actually served as a drummer boy in the battles of Peach Orchard, Charles City Cross Roads, Malvern Hill, Second Bull Run, and Chantilly. He served for about a year, when he was taken sick. His father got an order from Gen. Wadsworth and brought him home. Now he is an old man. He never received any pay for his service. This bill gives him recognition.

Mr. WOODS of Virginia. Mr. Speaker, will the gentleman yield?

Mr. MAGEE. Certainly.

Mr. WOODS of Virginia. I believe it is true that this soldier never did fully recover from his sickness, although he lived to be an old man, and is now over 70.

Mr. MAGEE. That is my understanding.

Mr. WOODS of Virginia. I understand that to be the fact. I think it is a very meritorious case.

Mr. WINGO. Reserving the right to object, Mr. Speaker, I would like to ask the chairman of the Committee on Military Affairs if there is any way we can prevent a recurrence of this situation in the future. This case which comes from Iowa is only one of a great many of the same kind. I have an impression in my mind that the War Department contends that there is absolutely no remedy for these cases. You can not change a record. I know of a case where a young man in the Oklahoma State Guard went down to the Mexican border. He went down and was brought home, and his captain told him he would be notified when to report for duty when his command was drafted for service in the war. He came home to a county in my district. The postmaster got the letter directing him to report for duty. This boy failed to respond to the notice to rejoin his company. After he was arrested as a deserter, his father went down and actually found the letter, and the postmaster contended that he did not know there was any such boy, although his father lived there.

I have worn out two or three pairs of shoes and a typewriter or two in trying to get that boy's record corrected. Affidavit after affidavit has been filed. The original letter has been produced, and yet that officer out there, having marked him as a deserter, did not correct the record. The officer is dead or gone and they say you can not change a military record. Here is a charge of desertion against that boy's record, when everybody knows he is not a deserter in a legal sense.

We had a case from the Civil War that the Committee on Military Affairs have turned down. A man by the name of Jim Wright enlisted and was taken sick with the measles. His company was chased out of town and he was left in the hospital before the company was finally mustered in. He went into the service, and in the battle of Rich Mountain he and a Confederate captain who knew him before the war engaged in a pistol duel, so that the captain remembered him very well. He drifted down the river and joined some other Federal troops and was captured at Dardanelle, the home of my colleague, being captured by the Confederates. That man has asked every Congressman since then to try to get his military record corrected, but has not been able to do it. I have not been able to get it corrected. A few days before Capt. McCain died he told me he remembered the incident very well. He said, "Of course Jim Wright was in the Army. I exchanged pistol shots with him in the battle of Rich Mountain." But that man has been trying ever since the Civil War to get his record corrected, and he can not.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. WINGO. I yield to the gentleman, who is a member of the Committee on Military Affairs.

Mr. GREENE of Vermont. What the gentleman from Arkansas has been referring to are matters of personal equation or the moral factors involved in cases of that kind, but the facts as of record do not appear to be affected. The sequence of events as recorded on the record is still true. The man was gone. He did not report. What you are seeking to get corrected is the motive or the reason why he did not report, but the record is there.

Mr. WINGO. That man should have had the charge of desertion removed from his record by correcting the record.

Mr. GREENE of Vermont. You can not remove a court record. In civil affairs you do not pretend to do that. It is not contended that because of certain facts supplementary to the record you thereby remove the record itself. The record of the act is there.

Mr. WINGO. Yes; but you can let the record show the facts.

Mr. GREENE of Vermont. But a recording officer has no judicial right to inquire into the motive. He states the fact that happened to this man, according to his obligation under military law.

Mr. WINGO. This young man can not get any vocational training or anything else. Why? Because the charge of desertion is still against his record. Yet he went back and served, but the charge still remains against his record.

Mr. GREENE of Vermont. I am not trying to defend that.

Mr. MANN of Illinois. Mr. Speaker, when I came here it was a very common practice to pass bills removing charges of desertion and correcting military records. I think you can find hundreds, if not thousands, of private laws doing that identical thing. In the course of time Gen. Ainsworth, who was in charge of the records of the War Department, concluded that it was not in the power of Congress to change a fact; that a fact was a fact, and that legislation could not change it; and he had influence enough with President Roosevelt so that President Roosevelt vetoed a bill of that character and subsequently vetoed another bill. And while I think it was not the opinion of the majority of the Members of Congress that the position of the President or of Gen. Ainsworth was correct, still there was no use in passing bills for the purpose of having veto messages come in on them, and the form of the bills were changed similar to the form before the House in this case. Of course, it always seemed to me absurd to say that Congress could not by legislation change the effect of a record, although perhaps not change the books, but declare in effect that a record was erroneous. If the record stated that a man was a deserter when he was not a deserter, it always seemed to me that it was within the power of Congress to say that the statement on the books was an erroneous statement.

Mr. WINGO. That is the idea I have in mind, to make the record state the facts.

Mr. MANN of Illinois. It would be just like saying that a court could never change its record.

Mr. WINGO. A court can set aside a judgment or by proper order amend the record so that it speaks the truth.

Mr. MANN of Illinois. I do not know what the attitude of the Executive would be now, but Gen. Ainsworth is not now in charge of that branch of the War Department. I do not know what their action would be.

Mr. WINGO. It is an unfortunate incident, because this young man happened to have one of his lower limbs broken and when he was arrested as a deserter they actually took that boy and moved him when the doctor said it was unsafe to do so.

Mr. ANDREWS of Nebraska. If the gentleman will bring his bill in here, to right that wrong, we will pass it.

Mr. WINGO. I wish the gentleman would tell me how I can get the Committee on Military Affairs to report that bill. I am up against the same thing as in this case and I want to get around it.

Mr. HULL of Iowa. What is the use of our reporting bills when objection is made to the bills that we report? Every bill reported by the Military Committee for the correction of a military record is a meritorious measure for the correction of some great injustice.

Mr. WINGO. I think the gentleman's point is well taken, so I will not take up any more time.

Mr. HULL of Iowa. You ask why should there not be a law to make the War Department correct some of these records where they are obviously erroneous?

I do not believe that such a law, though it be well guarded, would pass through Congress. If a bill was drafted to meet the situation, I would advocate it, for I do think that the power to correct glaring injustices or mistakes should rest with some one in the War Department.

Mr. WINGO. The officer had authority to change it, and he should have done it. I do not agree with their contention when they say that an officer who has written something can not change it subsequently. They have done that in some cases, and why can not Congress by some kind of legislation correct that kind of a situation?

Mr. GREENE of Vermont. I think the gentleman will find that all those troubles arise from what I suggested before—the attempt to read into the record legislation containing explanations. The fact is never controverted; it stands as it was originally set down in the record. You remember after the Civil War, along toward the latter part of the eighties, Congress passed blanket legislation under the terms of which a man charged with desertion had an opportunity to clear himself or take advantage of something like general amnesty.

Mr. SEARS. Mr. Speaker, I call for the regular order.

The SPEAKER. Is there objection?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, Alfred E. Lewis, who was a drummer boy in Company I, One hundred and first Regiment New York Volunteer Infantry, shall hereafter be held and considered to have been mustered in and mustered out as a member of said company and regiment on October 1, 1861, and honorably discharged therefrom September 7, 1862: *Provided*, That no bounty, pay, pension, or other emolument shall be held as accrued prior to the passage of this act.

Mr. OSBORNE. Mr. Speaker, I move to strike out the last word. I am not in favor of wiping out charges of desertion against men who have actually deserted. However, there are many instances that have probably come to the attention of most Members on the floor, certainly to myself, where men have charges of desertion made against them when they did not desert and had no thought of desertion; in cases where they were captured by the enemy and afterwards went home sick and the war ending paid no attention to their discharge. There were cases to my personal knowledge, especially along toward the end of the war, where soldiers went to the hospital suffering from wounds or disease. The war was over in April, 1865. They found themselves in hospitals, and when they got well, the war being over, they never thought of going back to their commands or that it was necessary.

Now, I think the attitude of Congress has been that probably many years ago it was too lenient in cases involving the charge of desertion. Now I think we have gone too far the other way. There are many individual cases, like that presented this morning, that are meritorious, and I do not think we ought to bind ourselves to an invariably adverse rule which I have heard expressed on the floor. I have heard Members say in public debate that they would never permit one of these bills to pass so long as they were Members of Congress. I do not know that any present Member said that, but I remember hearing a Member of Congress who is not a Member now make that declaration.

My friend, the gentleman from Vermont [Mr. GREENE], refers to the record of desertion as a record of fact. Is it a fact? The entry of the record of desertion is a penalty. There is prima facie evidence that the man was not present, but perhaps it was a physical impossibility for him to be there.

Mr. GREENE of Vermont. That is what I was trying to emphasize. The record of the bare fact shows that the man was not there, and the law shows it was his duty to be there. The reason why he is not there may be controvertible. It may not have been his fault, but the record shows that he was not there, and you can never change that fact, because it is a fact.

Mr. MANN of Illinois. Will the gentleman from California permit me to ask the gentleman from Vermont a question?

Mr. OSBORNE. Certainly.

Mr. MANN of Illinois. Suppose the man had been captured by the enemy and does not show up at roll call and they make him a deserter.

Mr. GREENE of Vermont. At first he is recorded as missing.

Mr. MANN of Illinois. But suppose they do enter him as a deserter. Does the gentleman from Vermont mean to say that there is no way to correct that fact?

Mr. GREENE of Vermont. I do not say there is no means of correcting the supplemental record, but no way of correcting the original fact.

Mr. MANN of Illinois. The original fact is the desertion, and the original fact was not there. You can remove a charge of desertion.

Mr. GREENE of Vermont. But you can not change the fact that when the roll was called the man did not respond, he was not there. He is marked on the roll as missing, absent without leave, or a deserter.

Mr. MANN of Illinois. You can change the record of the fact that he was a deserter.

Mr. GREENE of Vermont. You will then pass some kind of an explanation of the reason why he was not present.

Mr. WINGO. The gentleman overlooks the fact that desertion is not altogether a question of fact.

Mr. GREENE of Vermont. I understand that.

Mr. WINGO. The fact under certain circumstances—it might be that the bodily facts are the same, yet the desertion is an entry on the record of an adjudication by a superior officer, and they ought to correct the record. Some of them are so blamed lazy they do not keep the records.

Mr. CANNON. Will the gentleman from California yield?

Mr. OSBORNE. I will.

Mr. CANNON. In the thirties, while Gen. Jackson was President, they had a fuss about the United States Bank. President Jackson ordered the funds taken from the national organization and distributed to 70 or 80 banks. The Senate, after an acrimonious debate lasting for some time, censured him, and they afterwards tried to get the record expunged. It was denied time and again, but finally Benton won out and the record that was made by the Senate was surrounded by great black lines, and in black ink was written across it, "Expunged."

Mr. GREENE of Vermont. And each succeeding debate through the years following only emphasized the fact that the record was there.

Mr. CANNON. It was expunged as you would expunge this record, I suppose.

Mr. BEE. Will the gentleman yield?

Mr. OSBORNE. Yes.

Mr. BEE. There are many cases of charges against Confederate soldiers for desertion. I had one case in point. A man was captured by the enemy, confined in a Federal prison, and after the war he went home. He died. His widow made application for a pension and she was confronted with the record that her husband was marked as a deserter from the army. It occurs to me that the issue to be taken in this sort of a question was the subsequent conduct of the man and whether the character of life he lived justifies the charge that he had deserted his country in time of need. I know of hundreds of instances in my country where the very best men were charged with desertion under circumstances that would so indicate, and I think that Congress ought to grant relief to this old man 60 years after the war.

Mr. OSBORNE. Of course, there were a great many desertions during the war. I do not want a single one of them to be forgiven, but where a man was a good, faithful, honest man and soldier, and he was not in intent or in fact a deserter, his record ought to be left fair and clear and a source of pride and not of shame to his posterity. Mr. Speaker, I withdraw the pro forma amendment.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. MAGEE, a motion to reconsider the vote by which the bill was passed was laid on the table.

WILSON CERTAIN.

Mr. GOOD. Mr. Speaker, I ask unanimous consent to return to the bill H. R. 13319.

The SPEAKER. The gentleman from Iowa asks unanimous consent to return to the bill indicated. Is there objection?

Mr. BLANTON. Mr. Speaker, upon the assurance that the passage of this bill will give no pensionable status to Wilson Certain, I withdraw my objection.

The SPEAKER. The Chair hears no objection, and the Clerk will report the bill.

The Clerk read as follows:

A bill (H. R. 13319) to remove the charge of desertion against Wilson Certain.

Be it enacted, etc., That the Secretary of War be, and he is hereby, authorized and directed to remove from the rolls the charge of desertion against Wilson Certain, late of Company A, Thirty-first Regiment Iowa Volunteer Infantry, and to issue to him an honorable discharge as of date of June 27, 1865.

The committee amendment was read, as follows:

Strike out all after the enacting clause and insert in lieu thereof the following:

"That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Wilson Certain, who was a private in Company A, Thirty-first Regiment Iowa Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of said company and regiment on the 27th day of June, 1865: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

Mr. GARRETT. Will the gentleman yield?

Mr. GOOD. I will yield.

Mr. GARRETT. Mr. Speaker, the gentleman from Texas [Mr. BLANTON] has just stated that upon the assurance that the bill would carry no pension he would withdraw his objection. I simply asked the gentleman from Iowa to yield to me to say this: I do not think the pension matter is in anywise important. If an injustice has been done this man, Mr. Certain, if through all these years there stood against him a record which ought now to be removed by the Congress, and if the pension laws are just, he ought to have the benefit of those laws, and I do not regard that as an important matter. Now, upon the facts, I have not paid any attention to the facts in this case. As a general rule I have had a prejudice for many years, after becoming familiar with such matters during my service here, against these bills removing the charge of desertion. The fact is Congress passed a general act—I do not remember the date of it now—which authorized the War Department itself, where it could be shown that the soldier was actually in the service up to a certain time in May, 1865, to correct the military records; and I had really supposed that the general law covered almost every conceivable meritorious case where the charge of desertion stood against the soldier. Consequently I have always appreciated the fact that Congress could not be too careful and could not afford to be swept off its feet by pitiful and tragic cases which came before it proposing to remove the charge of desertion; and entertaining that view I want to say that the pension matter is absolutely immaterial, as I see it. If this man is entitled to have this charge of desertion removed from him, then if the pension laws of this country are just at all he is entitled to come in now and have the benefit of those laws. The question of the pension itself is a mere bagatelle.

Mr. BLANTON. The record shows that the soldier never did a day's service in his life, and the law requires for him to have had as much as 90 days; therefore he would not be pensionable.

Mr. GARRETT. If that is the case, he would get no pension; but I simply want to emphasize the fact that I do not think the pension is an important matter in this case. I think the important matter from the Government's standpoint and from the standpoint of a Government that has armies and will have armies in the future is to maintain the integrity of its records and not yield to the blandishments of tragic situations that arise in the life of individual soldiers if they have been so unfortunate as to get their records mixed up, unless in a case where an absolute injustice has been done a man in the record, in which case Congress ought to do what it can to correct it.

Mr. GOOD. That is what is claimed here.

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of Wilson Certain."

On motion of Mr. GOOD, a motion to reconsider the vote by which the bill was passed was laid on the table.

WARREN V. HOWARD.

The next business in order on the Private Calendar was the bill (H. R. 11377) for the relief of Warren V. Howard.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Let the bill be reported.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws Warren V. Howard shall hereafter be held and considered to have been mustered in as a private in Company E, Second Regiment Massachusetts Volunteer Infantry, on the 25th day of May, 1861, and to have been honorably discharged on the 1st day of June, 1865.

The committee amendment was read, as follows:

At the end of the bill add the following:

"*Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

Mr. BEE. Reserving the right to object——

Mr. BLANTON. Reserving the right to object——

Mr. BEE. I notice this bill is reported by Mr. SANFORD, who is absent. I also notice that it is a bill introduced by the distinguished Speaker. Has he allotted to any gentleman on this floor the privilege of presenting his bill to the House? I see it is one of the Speaker's own measures.

The SPEAKER. If anybody wishes to know about the bill the Speaker will go on the floor. But the Speaker had presumed objection would be made from the previous debate.

Mr. BLANTON. Mr. Speaker, I reserved the right to object, and if this is a desertion case I regret to have to do it, but I do object.

The SPEAKER. The gentleman, the Speaker presumes, has read the report?

Mr. BLANTON. Unfortunately, in this case I have not. [Laughter.]

The SPEAKER. The Speaker will ask the gentleman from Vermont [Mr. GREENE] to take the chair for a moment.

Mr. GREENE of Vermont took the chair as Speaker pro tempore.

Mr. GILLETT. Mr. Speaker, I will state the facts in this case, although I do not know that they will meet the objections of the gentleman.

This Mr. Howard, when a boy of 18, enlisted as a corporal, in May, 1861. He served a year, when he was taken prisoner. In three months he was exchanged. This brought him to the year 1862, and he went back to his company. In a few months after that he was granted a furlough. When the furlough expired he missed the train that was to take him back to his regiment, and as the captain of his company was notoriously harsh and unreasonable, the boy was frightened and did not go back. This the evidence shows. But he did not desert in the sense of not wishing to serve, for he went to the West and enlisted as a teamster in Tennessee and served there all through the war as a teamster in the Army. Then in 1865, under the proclamation of President Lincoln, he went back to his company; but there he was so treated by the officer that he was not put on the rolls again, and he was not even given rations, blankets, or allowed a place in which to sleep.

Mr. BEE. Back to the same company?

Mr. GILLETT. Back to the same company. The report says:

> In response to his daily inquiries he was told the papers in his case had not arrived, and being thus willfully misled by his company officers into thinking that he would not be allowed to return under the President's proclamation, the soldier returned to his home.

Then the report says:

> But it is not believed that his action in so doing under the above circumstances, after the close of the war, can be considered willful desertion.

Those are the facts.

Mr. BLANTON. Mr. Speaker, this kind of a case appeals strongly to me, for the reason that during the recent war a young man in Jones County, Tex., in my district, had leave to come from Quantico to Washington; when returning he missed his train and was told that if he went back to Quantico he would be placed in the guardhouse and probably kept there for six or eight months. Being a young, ignorant country boy, and being alarmed, he pulled out and walked to Texas. He was about a month and a half getting to his home. As soon as he reached home his father brought him back here and delivered him at Quantico, with his feet so swollen that it took several months for him to get back into shape. That kind of a case appeals to me, and I shall not object to this. [Applause.]

Mr. PARRISH. Mr. Speaker, reserving the right to object, and I shall not object, I would like to ask the gentleman a question concerning the proviso that is put on bills such as these. I notice in the bill that was just passed, Calendar No. 196, it provides that no bounty, pay, pension, or emolument held to have accrued prior to the passage of the act shall be allowed.

I notice in the next bill, soon to come before the House, a committee amendment provides that "no pension, bounty, or allowance shall be held to have accrued prior to the passage of this act." I notice also in the next bill to follow it specifically provides that no pension, bounty, or allowance shall be held to have accrued prior to the passage of this act. In this bill the proviso says that no bounty, pay, or allowances shall be held as accrued prior to the passage of this act. Now, does the fact that the word "pension" is omitted from this bill and is included in the other bills and in the committee amendment mean that the soldier who is benefited by this act, if put on the rolls, will be permitted to draw a back pension from the time of his service in the sixties up to this time? In other words, the other bills specifically exclude the idea of pension, and in not eliminating that idea from it I think might be an implied direction, at least to the Pension Commissioner, to allow a pension for this particular soldier, and that is the only purpose I have for asking the question. I would be glad to know the significance of that.

Mr. GILLETT. I am free to say, if the gentleman's question is addressed to me, that I do not know what it does give. Possibly some member of the Committee on Military Affairs may know.

Mr. HULL of Iowa. If that was left out of the bill, it is certainly an error. There was none of these bills reported out with the understanding that that should be in the bill.

Mr. PARRISH. This bill says that no bounty, pay, or allowance accrued shall be allowed, but the next bill has an amendment which provides that no pension, bounty, or allowance shall accrue, and the one that was just passed has the same provision, and the one following has the word "pension" in the proviso.

Mr. MANN of Illinois. Will the gentleman yield?

Mr. PARRISH. I will.

Mr. MANN of Illinois. The insertion of the word "pension" there makes no difference one way or another. You can not get a pension before it is applied for. You can not apply for a pension before the bill becomes a law.

Mr. RUCKER. Suppose he has heretofore made application for a pension?

Mr. PARRISH. For all we know, he may have had an application there for 40 years.

Mr. BEE. If he is not a deserter, why should he not be entitled to a pension?

Mr. PARRISH. If you are going to grant it in this case, let us do it in the others.

Mr. GILLETT. I am perfectly willing to have the word "pension" inserted.

Mr. MANN of Illinois. The word "pension" has been inserted in the past. This form grew up and people kept sticking more words in it.

Mr. PARRISH. In order that the bill may conform with the other bills, I suggest that an amendment be made. I withdraw my objection.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of the pension laws Warren V. Howard shall hereafter be held and considered to have been mustered in as a private in Company E, Second Regiment Massachusetts Volunteer Infantry, on the 25th day of May, 1861, and to have been honorably discharged on the 1st day of June, 1865.

Also the following committee amendment was read:

> Line 8, after the figures "1865," insert:
> "*Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

Mr. PARRISH. Mr. Speaker, I desire to offer an amendment to the amendment. After the word "bounty," in line 8, page 1, insert the word "pension."

The SPEAKER pro tempore. The Clerk will report the amendment.

The Clerk read as follows:

> Amendment offered by Mr. PARRISH to the committee amendment: In line 8, after the word "bounty," insert the word "pension."

The SPEAKER pro tempore. The question is on agreeing to the amendment of the gentleman from Texas.

Mr. BEE. Mr. Speaker, I am not going to oppose the amendment, but I want to make this suggestion. I like the idea of the gentleman from Tennessee [Mr. GARRETT]. If for a long period of years there has been an injustice done to a man who has rendered service to his country, why should Congress deny to that man a pension? As the gentleman from Illinois [Mr. MANN] suggests, let him present his bill or proper application and have an opportunity to have it determined whether or not he is entitled to a pension under the law. I do not like the idea of excluding men simply because some one, somehow, somewhere, 50 years ago, put a charge of desertion against him.

Mr. PARRISH. Mr. Speaker, will the gentleman yield?

Mr. BEE. Yes.

Mr. PARRISH. I do not think this would preclude the drawing of a pension later on.

Mr. BEE. That would be the effect of it, would it not?

Mr. PARRISH. No; I think not.

The SPEAKER pro tempore. The question is on agreeing to the amendment to the committee amendment.

The amendment to the committee amendment was agreed to.

The SPEAKER pro tempore. The question is on agreeing to the committee amendment as amended.

The committee amendment as amended was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. VAILE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next one.

THOMAS E. PHILIPS.

The next business on the Private Calendar was the bill (H. R. 11695) for the relief of Thomas E. Philips.

The SPEAKER pro tempore. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Speaker, may we have the bill reported?

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws Thomas E. Philips shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a corporal in Company B, Sixteenth Regiment Ohio Volunteer Infantry, on the 20th day of October, 1863: *Provided*, That no pension, bounty, or allowance shall accrue prior to the passage of this act.

With a committee amendment, as follows:

Strike out all after the enacting clause, beginning with line 3, page 1, down to and including line 9, and insert: "That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, Thomas E. Philips, who was a corporal in Company B, Sixteenth Regiment Ohio Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a corporal of said company and regiment on the 20th day of October, 1863: *Provided*, That no pension, bounty, or allowance shall accrue prior to the passage of this act."

The SPEAKER. Is there objection?

Mr. BLANTON. I object, Mr. Speaker.

The SPEAKER. Objection is made. The Clerk will report the next bill.

JOHN W. BAGGOTT.

The next business on the Private Calendar was the bill (H. R. 740) for the relief of John W. Baggott.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, may I ask if this is a case where there was an act of desertion?

Mr. HAWLEY. It is stated in the report that while this soldier is not specifically charged with desertion, there is a confusion of the record. They have not been able under the law to give him an honorable discharge. He served over three years and was then assigned, according to his statement, to special guard work, and was out of the record for about six months on that guard work. He was reported by the department to have been sent to Camp Dennison with a list of other men listed for discharge because of the expiration of their term of service, and apparently he was on another list at the same time with those who were not to be discharged.

Mr. BLANTON. After this six months' guard work did he afterwards do service?

Mr. HAWLEY. About that time the war ended and he returned to Camp Dennison, and was allowed by his company officer to return to his home. While he was there the company to which he was attached was ordered south, but he was not advised of this order, and the company was mustered out in his absence. The department says he was not specifically charged with desertion; apparently on account of the confusion of the record.

Mr. BLANTON. Has the department made any recommendation in this case?

Mr. HAWLEY. No further than that which I have just read.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of any law conferring rights, privileges, or benefits upon honorably discharged soldiers, John W. Baggott, who was a member of Company E, Eleventh Regiment Ohio Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States: *Provided*, That, other than as set forth above, no bounty, pay, pension, or other emolument shall accrue prior to or by reason of the passage of this act.

With committee amendments, as follows:

In line 9, after the word "That," strike out "other than as set forth above." In lines 9 and 10 strike out "pension" and "other emolument" and insert "allowances." In the same line, after the word "shall," strike out the word "accrue" and insert "be held as accrued," and in line 11 strike out "or by reason of," so that the proviso shall read: "*Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

The SPEAKER. The question is on agreeing to the amendments.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HAWLEY, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER. The Clerk will report the next bill.

GEORGE F. REID.

The next business on the Private Calendar was the bill (H. R. 1949) to correct the military record of George F. Reid.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Reserving the right to object, I would like to ask the gentleman from California whether this was a case of actual desertion?

Mr. RAKER. It is not. The man got leave for two days and was sick, and when he got back he always thought he had an honorable discharge, which he carried with him.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws governing the National Home for Disabled Volunteer Soldiers, or any branch thereof, George F. Reid, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of Company D, Battalion ———, Third Regiment California Volunteer Infantry, and as a private of Company C, Battalion ———, Third Regiment California Volunteer Infantry: *Provided*, That no pension shall accrue prior to the passage of this act.

With a committee amendment, as follows:

Strike out all after the enacting clause, beginning with line 3 on page 1 down to and including line 12 on page 1, and insert: "That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, George F. Reid, who was a private in Company D, Battalion , Third Regiment California Volunteer Infantry, and as a private of Company C, Battalion , Third Regiment California Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of said companies: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

The SPEAKER. The question is on agreeing to the committee amendment.

The committee amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill for the relief of George F. Reid."

On motion of Mr. RAKER, a motion to reconsider the vote whereby the bill was passed was laid on the table.

ALFRED REBSAMEN.

The next business on the Private Calendar was the bill (H. R. 5194) to correct the military record of Alfred Rebsamen.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, I should like to ask the gentleman from Kansas if this is a case of actual desertion.

Mr. LITTLE. It is not. This young man was with his regiment at Cairo, Ill., and he had five brothers in the Army. One of them was sick in the hospital, and they let this boy go up there for a few days. His brother died, and he took him home and buried him. Then he went back to Cairo, but the regiment in the meantime had moved to Memphis. He followed them and struck them at Green Lake, Tex.

Mr. BLANTON. And served up until the close of the war?

Mr. LITTLE. Yes.

The SPEAKER. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That in the administration of the pension laws, Alfred Rebsamen, late of Company A, Fifty-ninth Regiment Illinois Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment, and to grant him an honorable discharge: *Provided*, That no pension, pay, bounty, or allowances shall accrue prior to the passage of this act.

With the following committee amendment:

Page 1, line 8, after the word "regiment" strike out the words "and to grant him an honorable discharge."

The committee amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, and was accordingly read the third time, and passed.

By unanimous consent, the title was amended so as to read: "A bill for the relief of Alfred Rebsamen."

On motion of Mr. LITTLE, a motion to reconsider the vote by which the bill was passed was laid on the table.

GEORGE LE CLEAR.

The next business on the Private Calendar was the bill (H. R. 1299) for the relief of George LeClear.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. WALSH. Mr. Speaker, reserving the right to object, is this the case where the man was a member of the State militia that was turned over to the Federal authorities, and after his term of enlistment in the State militia had elapsed just walked off without saying anything to anybody?

Mr. MAGEE. No; I will state what the official records show.

Mr. WALSH. I think that is the substance of the official record, is it not?

Mr. MAGEE. I do not think so. The official record shows that George LeClear was mustered into service May 21, 1861, as a private of Company I, Twenty-sixth New York Infantry, to serve three months.

The Twenty-sixth New York Infantry was one of 38 regiments that were raised under the provisions of an act of the Legislature of New York, dated April 16, 1861, which authorized certain officials of the State, acting as a military board, to cause to be enrolled and mustered into the service of the State for two years, unless sooner discharged, volunteers not to exceed 30,000 men, and directed that the men so enrolled and mustered into the State service should be liable at all times to be turned over to the service of the United States on the order of the governor as a part of the militia of the State, upon the requisition of the President of the United States. The services of these regiments were offered by the State authorities to the General Government on May 1, 1861, for two years' service, but through a mistake on the part of the mustering officer 6 of these 38 regiments, including the Twenty-sixth New York Infantry, to which LeClear belonged, were mustered into the service in May, 1861, for three months only. He served three months and longer and assumed that he had served the entire period for which he enlisted, and after a spell of sickness went home. Then afterwards he reenlisted and served——

Mr. WALSH. And served three years, but he walked off and never got a discharge from anybody, because he knew that the three months had elapsed.

Mr. MAGEE. He enlisted for only three months.

Mr. WALSH. That is all very true. He enlisted for three months; but even so, soldiers who enlist for three months or six months or a year are not supposed to pick up their traps and go home at the end of that period without getting a discharge from the proper authority. It would seem to me that unless we are to adopt the policy that whenever men have actually deserted or absented themselves without authority, if they can show that subsequently they have rejoined the service in some other branch or in the same branch and rendered valuable military service, that in such cases there shall be no charge of desertion entered against them, unless we are to adopt that policy it would seem to me that this man really did desert.

Mr. MAGEE. No; I do not agree with the gentleman, because a great many of the boys went out under Lincoln's call for three months' service. They acted in good faith and supposed that when they had served three months they were entirely free to go back to their homes. There have been a great many of those cases. This boy enlisted for three months and served his term and afterward reenlisted, performed distinguished service, and received an honorable discharge.

This bill passed the House once before, and this is the first instance that I have ever heard of anybody objecting either to this bill or to this kind of a bill.

Mr. WALSH. That has got nothing to do with the case.

Mr. MAGEE. The merits are with the soldier.

Mr. WALSH. These are, as I understand, the facts: This soldier did render three years valiant service with another command.

Mr. MAGEE. I do not remember the exact length of the service, but it was quite a long period of service, and he received an honorable discharge from the second enlistment.

Mr. GREENE of Vermont. May I ask the gentleman, would it be good policy on the part of the Government to allow men to shift about in the Army until they found an enlistment that suited them?

Mr. MAGEE. That is not this case, I will say to the distinguished gentleman from Vermont. When the war first opened this man enlisted for three months. Six of the 38 regiments were mustered into the United States service for three months only.

Mr. GREENE of Vermont. The evidence seems to be cumulative as the years went on. They understand it more definitely now than they did years ago.

Mr. MAGEE. As I understand, this man did not know there was any charge against him until recently.

Mr. GREENE of Vermont. I have no precise information, but it seems to me that this man can understand the facts better at 60 years of age than he could as a younger man, or else somebody has been pawing around to find something new.

Mr. MAGEE. I wish to say, in reference to the gentleman's inference, that I know this man. He is a very decent man, a highly respected man, and he was fairly well to do. He did not get any pension from the Government. He did not, as I understand, for many years apply for any. He did not know, as I understand, that there was anything against his record until he got to be about 70 years of age, and when he felt the need therefor he made an application for a pension. Then he discovered it. He might have applied years before, but he did not apply for a pension because he could work and did not need it.

Mr. GREENE of Vermont. Will the gentleman yield? Was this man a member of the Grand Army during the years following the war?

Mr. MAGEE. I do not know anything about the organizations to which he may have belonged.

Mr. GREENE of Vermont. I do not want to disabuse my friend of the good opinion he has of his client, but the fact is I have known of many instances where, through some absentmindedness the soldier did not join the Grand Army until they had grown so old that there was a forgetfulness and a pitiable failure of memory.

Mr. MAGEE. The Committee on Military Affairs reported out this bill, and I presume the gentleman, who is a member of that committee, has been familiar with the facts, because that committee has reported the bill out at least three times.

Mr. PARRISH. Mr. Speaker, reserving the right to object, I noticed that in a bill passed a few moments ago, introduced on the same day, that there was entered in it a provision that no bounty, pay, pension, or other emolument should be held as accrued prior to the passage of this act. I notice that in this bill the word "pension" is omitted. It seems to me like the bills ought to be uniform and that the Commissioner of Pensions ought to be given some instruction to grant a pension or exclude it. Would the gentleman be willing to include the word "pension" in this bill, as long as it is in other bills?

Mr. MAGEE. I have no objection to the word "pension" being placed in the bill as suggested.

Mr. PARRISH. I withdraw my reservation of an objection.

The SPEAKER pro tempore (Mr. CRAMTON). The Clerk will report the bill.

The Clerk read the bill, as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, and benefits upon honorably discharged soldiers, George LeClear, who was a private in Company I, Twenty-sixth Regiment New York Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of said company and regiment on the 30th day of April, 1862: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act.

Mr. MAGEE. Mr. Speaker, as suggested by the gentleman from Texas [Mr. PARRISH], after the word "bounty," in line 10, I move to insert the word "pension."

The Clerk read as follows:

Page 1, line 10, after the word "bounty," insert the word "pension" and a comma.

The amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. MAGEE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

NATHAN MANZER.

The next bill on the Private Calendar was the bill (H. R. 6301) for the relief of Nathan Manzer.

The SPEAKER pro tempore. Is there objection to the consideration of the bill?

Mr. HICKS. Mr. Speaker, reserving the right to object, permit me to say that I agree with a good deal that has been said to-day with regard to leniency in these matters. I know that I have had many cases similar to some of these we have been passing upon to-day. The young man, probably the first time away from home, homesick, discouraged, and fearful of Army discipline, has without any intention really of deserting the colors, technically deserted. While the benefit will inure to old men, and as such we judge the matter, in fact, we are dealing with the acts of boys without thought or discretion. I feel that in these cases we should look back upon the conduct of these young men with a good deal of forgiveness, now that the war is over. This case before us I have looked into casually, it is true, and it seems to me to be one of the most meritorious cases that has been presented. The young man fought for two years in some of the most important battles of the Civil War. He was wounded, and while in the hospital thought an arrangement had been made by which he was not to go back until he became well. As a matter of fact, he did

not become well until after the war was over, and it seems to me to be one of the most deserving cases that has come to us since I have been in Congress.

Mr. RANDALL of California. Mr. Speaker, the case is even stronger than that. He was wounded in the Battle of the Wilderness in May, 1864, after having fought, as the gentleman said, in seven great battles of the war. He was furloughed home as a wounded man. At the end of his furlough he had typhoid fever, and his doctor attempted to get an extension of his furlough, and reported to him that the Army doctor said that he did not need an extension of his furlough. He continued ill until the close of the war, never becoming able to go back into the service.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws governing the National Home for Disabled Volunteer Soldiers or any branch thereof, Nathan Manzer shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of Company G, One hundred and twenty-first Regiment New York Volunteer Infantry, and on the 26th day of September, 1864.

The committee amendments were read, as follows:

Page 1, line 3, strike out "the pension" and insert the word "any," and in the same line after the word "laws" strike out "and the laws governing the National Home for Disabled Volunteer Soldiers or any branch thereof" and insert "conferring rights, privileges, and benefits upon honorably discharged soldiers."

Line 7, strike out "shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a private of" and insert "who was a private in."

Page 1, line 11, strike out "and on the 26th day of September, 1864" and insert "shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a private of said company and regiment on the 26th day of September, 1864: *Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

The question was taken, and the amendments were agreed to.

The bill as amended was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. RANDALL of California, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN CHICK.

The next business in order on the Private Calendar was the bill (H. R. 567) for the relief of John Chick.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws and the laws conferring rights and privileges upon honorably discharged soldiers, John Chick, late of Company K, Third Regiment United States Artillery, shall be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment on the 2d day of August, 1865: *Provided*, That no pension shall accrue prior to the passage of this act, and no pay nor bounty shall become due or payable by virtue thereof.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. BURROUGHS, a motion to reconsider the vote by which the bill was passed was laid on the table.

J. W. LA BARE.

The next business in order on the Private Calendar was the bill (H. R. 742) for the relief of J. W. La Bare.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask whether or not this is a case of actual desertion?

Mr. HAWLEY. Mr. Speaker, the soldier served one period of service of three years and eight days and was discharged. He reenlisted and was assigned to the Infantry, when he had enlisted to go into the Artillery or Cavalry. He left the place where he was assigned to the Infantry and went over to another place, enlisted in another part of the country in the Cavalry, and served until mustered out, eight months and eight days——

Mr. BLANTON. During the period for which he is charged as a deserter he was actually serving in another branch of the service? Is that the case?

Mr. HAWLEY. Part of the time. It took some time to go from one place to the other.

Mr. BLANTON. How much time?

Mr. HAWLEY. I think about two months. He had three years and eight days' actual service in the Army.

Mr. BLANTON. And he was in the actual service of the country when the war closed?

Mr. HAWLEY. So I understand, up to the date of the end of his enlistment.

Mr. BLANTON. And received an honorable discharge at that time?

Mr. HAWLEY. He received one the first time, but not the last time.

Mr. BLANTON. Why did not he receive one the last time?

Mr. HAWLEY. Because they held that he could not transfer, could not enlist in one regiment and transfer himself to another.

The SPEAKER pro tempore. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers, J. W. La Bare, late of Company B, Forty-third Regiment Ohio Volunteer Infantry, shall hereafter be held and considered to have been discharged honorably from the military service of the United States as a member of said company and regiment on the 23d day of February, 1865: *Provided*, That no pension shall accrue prior to the passage of this act.

The committee amendment was read, as follows:

In line 10, after the word "no," strike out the word "pension" and insert "bounty, pay, or allowance."

Mr. CHINDBLOM. Mr. Speaker, I ask for a division of the amendment. The word "pension" might be proper to remain. I am not altogether in sympathy in all cases which have occurred this morning where the word "pension" has been inserted, but if it is to be inserted in any of the cases which have been brought before the House and passed it should be allowed to remain in this case. The committee amendment involves the striking out of the word "pension" and the addition of other words, and I ask for a division of the amendment.

The SPEAKER pro tempore. The gentleman from Illinois can offer the amendment he has in mind after this amendment has been disposed of.

Mr. CHINDBLOM. And put back the word "pension"?

Mr. BLANTON. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. BLANTON. Would it be in order for a substitute to be offered on the floor to the committee amendment?

The SPEAKER pro tempore. It would be in order to offer a substitute amendment.

Mr. BLANTON. Well, I will offer a substitute amendment to the committee amendment to follow the word "pension" rather than precede it, so that it would still leave the word "pension" in the bill.

Mr. MANN of Illinois. Better ask unanimous consent; that will be easier.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the amendment may be so corrected by the Clerk, that the committee amendment will follow the word "pension" and leave it in the bill.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent for the correction as stated. Is there objection? [After a pause.] The Chair hears none. The Clerk will report the amendment as corrected.

The Clerk read as follows:

After the word "pension," in line 10, insert "bounty, pay, or allowance."

The question was taken, and the amendment was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. HAWLEY, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN R. SMITH.

The next business in order on the Private Calendar was the bill (H. R. 1030) to correct the military record of John R. Smith, deceased.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Mr. Speaker, reserving the right to object, I would like to ask the gentleman from Colorado whether or not this is a case of actual desertion?

Mr. TAYLOR of Colorado. Oh, no; of course not. I know that. I know the people.

Mr. BLANTON. What was there about the matter that prevented the constituent of the gentleman from Colorado from getting a pension?

Mr. TAYLOR of Colorado. Well, he was sick up to the close of the war and could not return to his company. His sick-leave furlough expired on the 15th of March, 1865. He served over two years; I think about two and a half years. He was sick all the time, and he was not able to get back to his company before he was mustered out in July of that year.

There are affidavits from relatives and neighbors as to his condition, and that he was home before the expiration of his last furlough and when his company was mustered out.

Mr. BLANTON. Is there any recommendation from the War Department in this case?

Mr. TAYLOR of Colorado. Oh, yes; it is the ordinary favorable report that they make, giving all the facts.

The SPEAKER pro tempore. Without objection, the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of any laws conferring rights, privileges, or benefits upon honorably discharged soldiers John R. Smith, deceased, who was a private in Company G, Twenty-third Regiment Iowa Volunteer Infantry, shall hereafter be held and considered to have been honorably discharged from the military service of the United States as a member of said company and regiment in July, 1865.

Also the following committee amendment was read:

After the figures "1865," in line 9, insert *"Provided*, That no bounty, pay, or allowances shall be held as accrued prior to the passage of this act."

The SPEAKER pro tempore. The question is on the committee amendment.

Mr. CHINDBLOM. Mr. Speaker, I move to amend the committee amendment by inserting after the word "no" the word "pension."

The SPEAKER pro tempore. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. CHINDBLOM: Line 10, after the word "no," insert the word "pension."

The SPEAKER pro tempore. The question is on the amendment of the gentleman from Illinois.

The amendment was agreed to.

The SPEAKER pro tempore. The question is on the committee amendment as amended.

The committee amendment as amended was agreed to.

The bill as amended was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended to read as follows: "A bill for the relief of John R. Smith, deceased."

On motion of Mr. TAYLOR of Colorado, a motion to reconsider the vote by which the bill was passed was laid on the table.

JOHN HEALY.

The next business on the Private Calendar was the bill (S. 2278) for the relief of John Healy.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, I would like to know who has this bill in charge.

Mr. HULL of Iowa. No one has this bill in charge. It is a Senate bill.

Mr. BLANTON. I presumed that some Senator would ask some Representative from his State to look after it. Is the gentleman familiar with the facts in this case?

Mr. HULL of Iowa. Fairly so.

Mr. BLANTON. Is this a case of actual desertion?

Mr. HULL of Iowa. It is not, as I understand it.

Mr. BLANTON. What are the facts?

Mr. HULL of Iowa. The facts are that this man served in the war for four years. He thought he had a furlough, and he went home. His mother was sick. There were five children, I think, in the family, of which he was the oldest, and he thought it was his duty to stay there. He had served four years. The war was over, and he stayed at home and took care of the family.

Mr. BLANTON. And he did not go home on a furlough until after the close of the war?

Mr. HULL of Iowa. No.

The SPEAKER pro tempore. Without objection, the Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws John Healy shall be hereafter held and considered to have been honorably discharged from the military service of the United States as a private in Company H, Fourteenth Regiment United States Infantry, on August 15, 1865: *Provided*, That no bounty, pension, or other emoluments shall accrue prior to the passage of this act.

The SPEAKER pro tempore. The question is on the third reading and passage of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

W. C. STEWART (H. R. 11945) AND HENRY P. CORBIN (H. R. 12005).

Mr. TIMBERLAKE. Mr. Speaker, I have waited for the consideration of those bills correcting military records, and I ask unanimous consent to return to two bills which were objected to on yesterday in order that they may be considered at this time.

The SPEAKER pro tempore. The gentleman from Colorado asks unanimous consent to return to two bills that were considered yesterday.

Mr. TIMBERLAKE. No. 180 on the Private Calendar and No. 181 on the same calendar.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. Mr. Speaker, are those bills for the correction of military records?

Mr. TIMBERLAKE. No; they are not. They are bills to pay for the services of two engineers on the Mexican border. These bills were discussed yesterday.

Mr. Speaker, I ask unanimous consent at this time to take up for consideration two bills on the calendar to which objections were made on yesterday. These are bills Nos. 179 and 180, for the relief of Mr. Stewart and Mr. Corbin.

The SPEAKER pro tempore. The Clerk will report the two bills for the information of the House.

The Clerk read as follows:

A bill (H. R. 11945) for the relief of W. C. Stewart.
A bill (H. R. 12005) for the relief of Henry P. Corbin.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. TIMBERLAKE. Yes.

Mr. CHINDBLOM. There was considerable debate on these two bills yesterday, as I recall it?

Mr. TIMBERLAKE. There was considerable debate, and the gentleman from Illinois [Mr. MANN] thought that under the circumstances it was his duty to object to their consideration. In discussing this matter with him this morning, he did not know but there might be a possibility of the claimants' recovering through the Court of Claims, and he said he would not object if I sought to have them reconsidered at this time.

Mr. CHINDBLOM. So the gentleman who objected yesterday is now willing to withdraw his objection?

Mr. TIMBERLAKE. Yes, sir; he is.

Mr. WALSH. Mr. Speaker, we are making pretty good progress on the calendar. Why can not the gentleman wait until we finish?

Mr. TIMBERLAKE. I will say that the only reason I am asking for this at this time is that I have some very pressing duties elsewhere. I stayed here yesterday and have stayed here to-day, and neglected some departmental work that I had to do. I thought if it would not inconvenience any of the Members here I should like to have the bills considered at this time, so that I could get away and attend to some other duties.

Mr. WALSH. I appreciate the gentleman is very busy and has a good deal of work to attend to. He has no assurance that in recalling these bills at this time there will not be some more protracted discussion, and information which led to the objection being withdrawn might have to be given to some other Members.

Mr. TIMBERLAKE. I appreciate what the gentleman from Massachusetts says, and if he would prefer postponing this request until later in the calendar, I will defer to his wish.

Mr. WALSH. I will withdraw the objection, Mr. Speaker.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado [Mr. TIMBERLAKE]? [After a pause.] The Chair hears none. We will return to No. 180 on the calendar, which the Clerk will report.

The Clerk read as follows:

A bill (H. R. 11945) for the relief of W. C. Stewart.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to W. C. Stewart, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $285, the said W. C. Stewart being an assistant engineer, working under the direction and supervision of the Department of State on the International Boundary Commission between the United States and Mexico, the same being for services rendered as such assistant engineer for the months of March and April, 1915.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. VAILE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill referred to on the Private Calendar.

HENRY P. CORBIN.

The Clerk read as follows:

A bill (H. R. 12005) for the relief of Henry P. Corbin.

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Henry P. Corbin, out of any money in the Treasury of the United States not otherwise appropriated, the sum of $1,973.30, the said Henry P. Corbin being consulting engineer, working under the direction and supervision of the Department of

State on the International Boundary Commission between the United States and Mexico, the same being for services rendered as such consulting engineer for the years 1914, 1915, and 1916.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. TIMBERLAKE, a motion to reconsider the vote whereby the bill was passed was laid on the table.

DULUTH, WINNIPEG & PACIFIC RAILROAD.

The SPEAKER pro tempore. The Clerk will report the next bill in order on the Private Calendar.

The next business on the Private Calendar was the bill (H. R. 12441) for the appropriation of $25 to reimburse the Duluth, Winnipeg & Pacific Railroad for customs fine No. 368, erroneously imposed by the collector of customs at Duluth, Minn.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. BLANTON. Reserving the right to object, Mr. Speaker, it is an innovation to see a bill seeking to appropriate so small an amount as $25, and I hardly feel like objecting; but I notice the gentleman from Minnesota [Mr. CARSS] is out of the Chamber just now, and I ask that the bill be passed over.

Mr. BEE. I hope the gentleman will withdraw that request. The gentleman from Minnesota [Mr. CARSS] not being present ought not to be a reason for passing the bill over. I have made an investigation of the bill myself.

Mr. BLANTON. It was reported by the gentleman from Louisiana [Mr. O'CONNOR], and I do not see him here; and usually from the experience that I gained while a member of the Committee on Claims it is a fact that outside of the man who introduces the bill and the man who reports it very few of the other members of the committee know anything about it.

Mr. BEE. The gentleman ought to be acquainted with the present committee.

Mr. CHINDBLOM. If this bill is not passed at this time the gentleman from Minnesota [Mr. CARSS] will not probably have another opportunity to present the case.

Mr. BLANTON. Oh, he will be here at least in January and February and in March, and probably later on to-day before we adjourn. The gentleman now is probably out at lunch.

Mr. CHINDBLOM. I know; but if the bill goes over to the next Congress he will not be here.

Mr. BLANTON. There will be somebody else here from Minnesota. It is pretty hard to knock a Minnesota man out. They get knocked out, and then they come back.

Mr. VOLSTEAD. Mr. Speaker, will the gentleman yield?

Mr. BLANTON. Yes.

Mr. VOLSTEAD. This is a very simple bill. A certain amount of flour was shipped in bond from Canada to New York. The waybill said the shipment was 620 bags. When it reached New York, however, it was found to be only 600 bags, and since then it has been ascertained from the office at Winnipeg from which it was shipped that 600 was the correct amount, but when 620 were called for in New York a fine was imposed of $25. It was clearly a mistake, and it has been recognized by the Treasury Department.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There was no objection.

The SPEAKER pro tempore. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the Duluth, Winnipeg & Pacific Railway, out of any money in the Treasury not otherwise appropriated, the sum of $25, and such sum is hereby appropriated to reimburse the Duluth, Winnipeg & Pacific Railway for custom fine No. 368 erroneously imposed by the collector of customs at Duluth, Minn.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The SPEAKER pro tempore. The question is on the amendment of the title. Without objection, the title will be amended to conform with the body of the act.

There was no objection.

On motion of Mr. VOLSTEAD, a motion to reconsider the vote whereby the bill was passed was laid on the table.

The SPEAKER pro tempore. The Clerk will report the next bill on the calendar.

ORVILLE M. MYERS.

The next business on the Private Calendar was the bill (H. R. 11416) for the relief of Orville M. Myers.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. WALSH. Reserving the right to object, Mr. Speaker, this is a claim for loss of some money in a registered letter which in one of the military camps was delivered to a soldier other than the addressee, who took the money out of the letter and later was discharged and his whereabouts are unknown. I was wondering whether this is the proper way to handle matters of this sort, whether the Government should be required to pay——

Mr. RUCKER. Mr. Speaker, will the gentleman yield?

Mr. WALSH. Yes.

Mr. RUCKER. This bill was introduced by my colleague [Mr. ROMJUE], who is detained at home by sickness. I understand this is the only way that a recovery can be had. The party who was properly authorized to receive the registered letter received it—a mail orderly—and he rifled the letter and stole its contents and was discharged. The Post Office Department is not responsible, because the letter was properly delivered to a man authorized to receive it.

Mr. WALSH. Was not the man who opened that letter and took the money out of it violating the postal laws?

Mr. RUCKER. Certainly.

Mr. WALSH. Why does not the Post Office Department get after him?

Mr. RUCKER. I am not advised, but I presume the man has been prosecuted. If he has not been, he ought to be.

Mr. WALSH. Does the gentleman know whether or not the Post Office Department made any attempt to recover the $35?

Mr. RUCKER. There is a letter in the report here from the Third Assistant Postmaster General, and that letter, it seems, gives all the information necessary on the subject.

Mr. WALSH. It is stated that no relief can be afforded by the Post Office Department, as the regulations do not permit of the payment of indemnities for the loss or rifling of a registered article when such loss or rifling occurred outside the Postal Service and after proper delivery.

Mr. RUCKER. The man who received the registered letter was properly authorized to receive the mail for the soldiers at the camp post office. This is the only way in which the beneficiary can get the money.

Mr. EDMONDS. When the letter was rifled it was in the hands of the military authorities through their properly authorized representative to take it to the camp. The military authorities should have collected the money from the man who took it, but the man has been discharged, and there is no way of collecting the money.

Mr. WALSH. I assume that there are hundreds, if not thousands, of such cases as this. I have heard of two or three other similar cases, and I am wondering if this is the proper way to afford relief, to pass individual acts of Congress in each case.

Mr. EDMONDS. There is no other way, unless you want to pass a general bill.

Mr. WALSH. Is the distinguished chairman of this great committee satisfied that the postal laws do not permit recovery in cases such as this?

Mr. EDMONDS. Undoubtedly. The military authorities required the mail to be delivered to their authorized carrier, and it was so delivered to him. Then the mail was in the possession of the military authorities, and while in their possession their man rifled the letter and took the money.

Mr. WALSH. No; the mail was in the possession of the Post Office Department. This was a registered letter.

Mr. EDMONDS. But under the regulations of the military camp they required all letters to be delivered to their post office in the camp. As a matter of fact, we passed a bill here providing that the letters sent to soldiers in France were all turned over to the military authorities after they reached a certain point, and that was the case here.

Mr. WALSH. That was on account of the congestion of the mails, because of which the Post Office Department was not able to handle them, and we passed an act to clear up that congestion; but here is the case of a registered letter. Now, can any private soldier or corporal or sergeant or orderly in the camp secure possession of a registered letter addressed to another individual?

Mr. EDMONDS. It is a part of the evidence in this case that the letter was forwarded by the Post Office Department to the camp for distribution, and the military authorities did the distributing. Now, the letter was delivered properly by the Post Office Department to the military authorities, and the man who was properly authorized to receive the mail while carrying it to the camp rifled this registered letter and secured $35.

Mr. WALSH. But this was a registered letter.

Mr. EDMONDS. True, it was a registered letter, but it was in the possession of the military authorities for delivery to the man to whom it was sent, and it never reached him.

Mr. WALSH. This is the first case of this sort. I imagine it will be followed by quite a number of others. I have grave doubts as to whether we ought to start out on this kind of legislation, but I will not object.

The SPEAKER pro tempore (Mr. CRAMTON). If there be no objection, the Clerk will report the bill.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $35 to Orville M. Myers, of Kirksville, Mo., to reimburse him in full for the loss of that amount of currency stolen from a registered letter sent by the said Orville M. Myers to Ray R. Frogge, Camp Funston, Kans.

The bill was ordered to be engrossed and read a third time, and was accordingly read the third time and passed.

On motion of Mr. RUCKER, a motion to reconsider the vote by which the bill was passed was laid on the table.

MARY FLINN.

The next business on the Private Calendar was the bill (H. R. 10570) for the relief of Mary Flinn.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection?

Mr. WALSH. I ask that the bill be reported, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the bill, if there be no objection.

The bill was read, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, the sum of $1,000 to Mary Flinn, by reason of the death of her nephew, John J. Gilligan, who was drowned while serving on one of the Government boats at Fort Hamilton, N. Y.

With the following committee amendment:

Page 1, line 5, strike out "$1,000" and insert "$55 per month for a period of one year."

Mr. WALSH. Reserving the right to object, I do not know upon what theory this compensation is awarded to this woman by the report of the committee. This man was working up there on a Government boat and presumably fell overboard and was drowned. Why is any compensation due anybody?

Mr. EDMONDS. Because he was engaged in a dangerous occupation and fell overboard in the course of his employment.

Mr. WALSH. Does that appear from the record?

Mr. EDMONDS. Evidently so.

Mr. BEE. Will the gentleman from Massachusetts yield?

Mr. WALSH. Yes.

Mr. BEE. As I understand it, if this young man had been the son of Mary Flinn, she would be entitled to this compensation under the United States compensation law. Therefore the question arises whether the woman stands in loco parentis to the boy. If so, she is entitled to recover. The committee struck out the lump sum of $1,000 and inserted $55 a month for one year to make it the amount of compensation fixed by law that would have accrued to her had this boy been her son. The testimony before the committee developed the fact that this boy had been raised by this woman since he was 16 months old. That was the idea the committee had in fixing the amount.

Mr. WALSH. She bases her claim on the ground that they did not have any life preservers or life rafts or any railing on the launch.

Mr. BEE. It was unquestionably an accident. The only question, I take it, is, if this had been the son of Mary Flinn, would she not have been entitled under the United States compensation law to $55 a month?

Mr. WALSH. Upon the record in this case does the gentleman contend that she would have been entitled to it?

Mr. BEE. Yes. Commissioner Keegan, in his recommendation, states:

It has been the experience of the commission that a lump-sum settlement is not, as a general rule, desirable, but that payments over an extended period are of greater advantage to the average individual. It is therefore suggested that your bill be amended so as to extend the provisions of the present law to this case and have the aunt placed in the same category as the father or mother, inasmuch as it appears that she had the care and custody of the decedent from the time he was 16 months of age.

The theory upon which the committee proceeded was that had this been Mary Flinn's son who was drowned accidentally under the circumstances, the United States Compensation Board would have taken care of this woman to the extent of $55 a month for a year, and that he standing in the same relation to the woman, because of the fact that she had cared for him during his infancy, she is entitled to this relief.

Mr. WALSH. Further reserving the right to object, I would like to ask the chairman of the Committee on Claims how it is in this case that the committee reported $55 a month for a period of one year when in other cases the committee has reported in a lump sum? Is it because the commissioner recommended it?

Mr. EDMONDS. Yes; the commissioner recommended it. He says:

It has been the experience of the commission that a lump-sum settlement is not, as a general rule, desirable, but that payments over an extended period are of greater advantage to the average individual. It is therefore suggested that your bill be amended so as to extend the provisions of the present law to this case and have the aunt placed in the same category as the father or mother, inasmuch as it appears that she had the care and custody of the decedent from the time he was 16 months of age.

Mr. McKENZIE. Will the gentleman yield?

Mr. WALSH. Certainly.

Mr. McKENZIE. Was the young man contributing anything to the support of this woman?

Mr. EDMONDS. It does not appear in the testimony.

Mr. McKENZIE. Does it appear in evidence whether or not she had any other source of income?

Mr. EDMONDS. He was living with this woman at the time of his death, so he was probably contributing something, but that has nothing to do with this case. If this woman had been his mother, she would have gotten this amount of money, but owing to the fact that she was an aunt and not a mother the commission could not pay her anything.

Mr. McKENZIE. That is one of the points I can not understand, how we have the right to extend the law to cover a relative.

Mr. EDMONDS. Because this woman stood in the position of a parent to him, and has since he was 16 months old.

Mr. McKENZIE. It is then a question whether or not he contributed to the support of this woman. There are many men who are supported by their relatives and who do not contribute to the relative's support.

Mr. EDMONDS. That is true, but the committee thought that having lived with the aunt, and was raised by her, he contributed to her support. The gentleman knows that in the war relief we made it apply to those who stood in the position of loco parentis.

Mr. WALSH. Mr. Speaker, I am satisfied that this person is not entitled to the relief sought to be granted, and I object.

RESIGNATION.

The SPEAKER laid before the House the following communication:

DECEMBER 27, 1920.

HON. FREDERICK H. GILLETT,
Speaker of the House of Representatives.

SIR: I beg to inform you that I have this day transmitted to the governor of the State of New York my resignation as a Representative in the Congress of the United States from the third district of New York, to be effective December 30, 1920.

With great respect, I am,
Very truly, yours,
JOHN MACCRATE.

A. S. ROSENTHAL CO.

The next business on the Private Calendar was the bill (H. R. 6098) for the relief of A. S. Rosenthal Co.

The SPEAKER. Is there objection?

Mr. WALSH. I object.

Mr. EDMONDS. I will ask that that bill be passed.

The SPEAKER. The bill will be passed over.

H. L. M'FARLIN.

The next business on the Private Calendar was the bill (H. R. 7053) for the relief of H. L. McFarlin.

The SPEAKER. Is there objection?

Mr. WALSH. Let the bill be reported.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to H. L. McFarlin, of the county of Pulaski and the State of Arkansas, the sum of $25,824.77 in full compensation for loss and damage suffered by the said H. L. McFarlin under his contract for transporting United States mail at Little Rock, Ark.

The SPEAKER. Is there objection?

Mr. BLANTON. I object.

Mr. CARAWAY. Will the gentleman withhold his objection?

Mr. BLANTON. I will.

Mr. CARAWAY. I am not aware of the ground of the gentleman's objection.

Mr. BLANTON. Well, to be fair with the gentleman I think I should state that I have in mind especially one mail contractor in my State who gave a bond of $3,000 to carry the mail over a certain route in Palo Pinto County. The war came on and he carried the mail a year and a half at a loss of about $3,000. He sent to the Postmaster General his report that it would ruin him to continue, and deposited the full amount of his bond and asked to be released, and the Postmaster General

laughed at him and told him to go on and carry the mail or he would hire some one regardless of the price. That is typical of hundreds of such cases all over the country.

Mr. CARAWAY. Does the gentleman think that the Postmaster General did right in that matter?

Mr. BLANTON. No; I do not; but he claims that he can not do anything because Congress will not properly authorize him and will not give him the money. Now, to pay $25,000 to a man in Arkansas for carrying the mail and leaving all these other poor mail contractors out in the cold who have lost money during the war with empty pockets, I do not think it fair.

Mr. CARAWAY. That is exactly what he did not do. We passed a law to reimburse the people by reason of the enhanced cost of carrying out contracts. It so happens that this man's contract expired prior to the passage of that act. Hundreds of people are compensated, and simply because his contract expired one month before the law became effective the gentleman would not want to deny him the same relief that everybody else received.

Mr. BLANTON. The gentleman from Arkansas is correct with every contract except mail contracts. I do not think he can cite a case where the Post Office Department during the latter period of the war has relieved any poor mail contractor from the extra burdens brought on by reason of the war. I will vote with the gentleman from Arkansas for any bill before the House to grant relief to every one of them.

Mr. MADDEN. Will the gentleman yield?

Mr. CARAWAY. Yes.

Mr. MADDEN. I want to say in connection with what the gentleman from Texas has just stated that the Congress enacted a law authorizing the Postmaster General to adjust all contracts that were entered into prior to the war and up to a certain date after the war began, and that all adjustments have been made under that act.

Mr. BLANTON. Why, my colleague from Texas [Mr. PARRISH] can give the gentleman several instances in his district. My colleague [Mr. JONES] can give the gentleman several cases pending in his district. I can give the gentleman numbers in mine, and I assume that that condition exists all over the United States, and I assume the Postmaster General would not be harsher to contractors in my district and other districts in Texas than he would in other districts in the United States.

Mr. MADDEN. I merely wanted the gentleman to know that there was a law providing the very relief which under that law the Postmaster General said has been granted in every case that is justified.

Mr. BLANTON. The Irishman whose attorney told him, "Pat, you can not be put in jail for that," remarked to him as he looked through the bars, "Faith, but you see me here looking out at you through the bars." The Postmaster General may have some kind of a law, but he is not operating under it, and there is no relief being given to contractors in my district at all.

Mr. CARAWAY. If the gentleman will pardon me, they are giving them to other people. I do not know anything about Texas, but I am sorry if he is being unfair to you; but here is a man whose losses were incurred under exactly similar circumstances that Congress granted the Postmaster General the power to correct. I know he has been compensating them. This man lost $25,000 by reason of the fact that a cantonment was built at Little Rock and he had that additional burden of handling the mail for that city and taking care of the letters. The committee unanimously reported out a bill for his relief. The gentleman from Texas can stand here and object to it and deny this man the needed relief and let him go into bankruptcy, but I am sure he is not going to do it.

Mr. BLANTON. I reassert I would be glad to vote for a bill that would grant general relief and put all such people on an equality whereby all such claims can be adjusted according to a general law.

Mr. CARAWAY. There is one, if the gentleman will pardon me, and if the Postmaster General will not recognize it as it applies to Texas——

Mr. BLANTON. But the present law does not seem to give your man any relief and does not give my man any relief.

Mr. CARAWAY. Let me ask the gentleman a question. Because the gentleman's man has been denied justice, does the gentleman think it helps him to deny to all of the people in this Government? These cases are not going to be taken care of by a general law, because it is already on the statute books. If there is a case of a hardship and injustice being done somebody in Texas, introduce a bill and this excellent Committee on Claims will pass it out for the gentleman from Texas and the Congress will see that justice is done to the contractor in Texas.

Mr. BLANTON. The gentleman from Arkansas admits there is a case down in Arkansas where a mail contractor is about to be bankrupt because he is not paid $25,000 due him by the Government. If every Member of Congress had such a case in his district—I have in mine—maybe we can get some relief for all of them.

Mr. CARAWAY. There are just two cases, that in the gentleman's district and this one.

Mr. BLANTON. I can not agree with the gentleman on that, because I know a good many of my colleagues——

Mr. CARAWAY. I do not know why Texas should be dealt so harshly with when it is so ably represented. For that politeness, I think the gentleman should withdraw his objection, because it is the only compliment I have any remembrance of having paid the gentleman. [Laughter.]

Mr. BLANTON. The gentleman from Texas is impervious to being so subsidized.

The SPEAKER. Is there objection?

Mr. BLANTON. Mr. Speaker, I object.

HOUSE RESOLUTION 324, BUDGET SYSTEM.

Mr. GARRETT. Mr. Speaker, I ask unanimous consent that for the remainder of this session there may be carried at a proper place on the daily calendar the additional clause of Rule XX and the additional clause of Rule XXI provided for in House resolution 324 as the same passed the House the last session of Congress.

I will state, if I may, Mr. Speaker, that this is a part of the so-called budget rule. We are shortly to have appropriation bills come in. Some, in fact, have been already before us, and I apprehend that under this new rule there will be built up a considerable body of parliamentary law. The rule is not now available in the regular Manual of the House, no manual having been issued since the adoption of House resolution 324. It will be in the pocket manual, which I am informed may be expected almost any day. If the Members generally are like myself, they do not carry the pocket manual very much. It is rather too bulky a document to carry in the pocket, and it occurs to me it would be very desirable to have this rule where it may be easy of access during the days when formative precedents, if I may so term them, are to be formed, and it is for that reason I prefer the request.

Mr. MANN of Illinois. I could not understand just what the gentleman indicated. Is it the amendment to Rule XX and Rule XXI?

Mr. GARRETT. To Rule XX and Rule XXI. I do not think it is necessary to include the first part of House resolution 324, which is very long——

Mr. MANN of Illinois. It is the amendment to Rule XX and Rule XXI?

Mr. GARRETT. Yes.

Mr. WALSH. Will the gentleman yield?

Mr. GARRETT. Yes.

Mr. WALSH. Where does the gentleman think will be the proper place on the calendar?

Mr. GARRETT. Well, I have been considering that. We have carried for many years the call of committees rule, the Calendar Wednesday rule, the unanimous-consent rule, and the Discharge Calendar rule. Those are properly placed upon the calendar because they refer specifically and directly to the calendar.

It seems to me that perhaps it would be proper for these clauses to come in just after "unfinished business," just preceding the call of committees rule. However, I merely suggest that.

Mr. WALSH. Why does the gentleman specify just those two amendments?

Mr. GARRETT. The other amendments would not have to do with any new parliamentary questions, as I conceive. The resolution merely related, in the first instance, to the size of the Appropriations Committee, and then to the reference of bills to several committees. I do not think there is any room for much new controversy about their construction or the construction of any part of them, and I have omitted them simply to save space on the calendar. I have no objection, of course, to the complete resolution going in.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee [Mr. GARRETT]. [After a pause.] The Chair hears none, and it is so ordered.

The Clerk will report the next bill on the Private Calendar.

STEVENS INSTITUTE OF TECHNOLOGY.

The next business on the Private Calendar was the bill (H. R. 11656) for the relief of the Stevens Institute of Technology, of Hoboken, N. J.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. May we have it reported, Mr. Speaker?
The SPEAKER. The Clerk will report the bill.
The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury is hereby authorized and directed to pay to the trustees of the Stevens Institute of Technology, of Hoboken, N. J., out of any money in the Treasury not otherwise appropriated, the sum of $45,750, being the sum paid to the United States January 28, 1870, as a collateral inheritance tax upon the bequest which provided for the establishment of said institute.

The SPEAKER. Is there objection?
Mr. BLANTON. Mr. Speaker——
Mr. WALSH. Mr. Speaker, I reserve the right to object.
Mr. BLANTON. Reserving the right to object, may I ask the gentleman why this inheritance tax as to this institution should be refunded after a period of 50 years?
Mr. LEHLBACH. It is the only instance in the history of our country, as far as it is ascertainable, where a substantial sum has been taken from a bequest to an educational institution in the shape of a collateral inheritance tax that has not been returned. It is simply carrying out the declared and settled policy of the country in reference to inheritances of educational institutions.
Mr. BLANTON. Can the gentleman cite what other educational institutions have had such sums of money returned to them?
Mr. LEHLBACH. This is under the act of July 1, 1862. This tax was paid on January 28, 1870. On July 14, 1870, the act was amended, exempting all bequests to literary, educational, or charitable institutions, or institutions of that character, and such taxes as had not been paid were remitted. At the same time there were passed two special acts to take care of such instances as were then known. Under those laws Vassar College and a number of other institutions received the benefit.
Mr. BLANTON. Not by acts of Congress.
Mr. LEHLBACH. By acts of Congress.
Mr. BLANTON. When?
Mr. LEHLBACH. In 1870.
Mr. BLANTON. This institution is a flourishing one?
Mr. LEHLBACH. It is no more flourishing than any institution that is not conducted for profit, but it is recognized as one of the best, and probably without a superior as a mechanical engineering school, in the country.
Mr. BLANTON. And it has continued to exist for 45 years without this money?
Mr. LEHLBACH. It has existed largely as such institutions do, through the support of its alumni and through subscriptions and through endowments from various sources, as have Harvard, Yale, and other institutions continued to exist.
Mr. BLANTON. It is a private institution that charges so much to each individual who goes there?
Mr. LEHLBACH. It charges a small fraction of the actual cost of educating an individual, as a tuition fee. Of course, the tuition fee is nowhere near the cost of education.
Mr. BLANTON. Taking into consideration the various sums of money that have been bequeathed to it, the actual cost, less the——
Mr. KELLY of Pennsylvania. By act of Congress of 1898 Congress refunded $889,000 to such institutions as Williams College and Harvard University and others.
Mr. BLANTON. The gentleman in charge of this bill is a lawyer, and he knows of the principle of law with regard to laches and that an institution, as well as an individual, can sometimes sleep on its rights.
Mr. LEHLBACH. If the gentleman will read the report, he will see that the endeavors of the Stevens Institution of Technology to get what other institutions have received under the policy of not taxing educational institutions have been unfortunate, but measures of this character have been pending since the Forty-fourth Congress.
Mr. BLANTON. The gentleman realizes that his Government right to-day is facing a probable deficit of over $3,000,000,000 and that his party, in charge of the legislation of this country, is going to have to resort to every legitimate means to bring in revenue to meet the expenses of this Government, and instead of paying back we are going to have to take from.
Mr. LEHLBACH. I do not believe any Congress, no matter how hard pressed the country might be for money, would seek to obtain that revenue by taxing educational institutions.
Mr. BLANTON. They ought not to pay claims 50 years old.
Mr. LEHLBACH. It is not the fault of the Stevens Institute that it has not been able to get this money before. This bill has been pending in some form or other since the Forty-fourth Congress, and it has never been subjected to an adverse report.
Mr. BLANTON. From the fact that it has been pending so long and has not passed, is not that quite a strong eulogy in favor of the various Congresses that have convened and sat during those years?
Mr. LEHLBACH. It may not be. It may be a series of fortuitous circumstances.
Mr. BLANTON. I object, Mr. Speaker.

ROBERT EDWARD COX.

The next business on the Private Calendar was the bill (H. R. 12469) to authorize the award of a medal of honor to Chief Gunner Robert Edward Cox, United States Navy.
The SPEAKER. Is there objection to the present consideration of this bill?
There was no objection.
The SPEAKER. The Clerk will report the bill.
The Clerk read the bill, as follows:

Be it enacted, etc., That the President of the United States be, and he is hereby, authorized to award a medal of honor to Chief Gunner Robert Edward Cox, United States Navy, in recognition of the extraordinary heroism he displayed on the occasion of the accident which occurred in the after turret of the U. S. S. *Missouri* on April 13, 1904.

Mr. WALSH. Mr. Speaker, I move to strike out the last word.
The SPEAKER. The gentleman from Massachusetts moves to strike out the last word.
Mr. WALSH. I was otherwise engaged or I would probably have objected to the consideration of this measure. Can somebody give a reason why it has not been acted upon prior to this time? Can anybody explain why this has been so long delayed, since April 13, 1904?
Mr. PETERS. I do not think I can tell why the matter was delayed. It has only recently come to my attention, but I find it has so much merit that I think the gentleman will not object.
Mr. WALSH. I understand it was a very heroic act that this man performed, but I can not just understand why the department is without power to make an award of some sort of a medal and give some sort of recognition to this man.
Mr. PETERS. It seems that prior to 1915 by law a medal of honor was not permitted to be given to an officer in the Navy. In that year I think the law was changed, but it was not made retroactive. This incident happened in 1904, when an explosion was imminent on a battleship, or a warship, and this man by extraordinary heroism, in connection with two other men, went into a magazine of 12-inch ammunition on a warship, which was already burning, where the powder was burning, and put out the fire. President Roosevelt recommended a medal of honor for him at that time, but it could not be granted for the reason stated. This man was an acting gunner. The other two who were with him did each receive a medal, and he was equally entitled to it with them on the recommendation of President Roosevelt. This is to enable that man to receive a medal that he should have received long ago.
Mr. WALSH. Well, that was just because of a technical interpretation of the law as construed by the department.
Mr. PETERS. It was technical, but I think very likely it was correct.
Mr. WALSH. Does the gentleman think it was correct?
Mr. PETERS. I have no reason to think otherwise.
Mr. WALSH. Does the gentleman think that because a man was acting gunner, under a fair and just construction of the law—an acting gunner, not a regular gunner—he should be deprived of the honor of receiving a medal, while two seamen who acted with him at the time, who were involved in the same incident, should receive it?
Mr. PETERS. If I construed the law I might have construed it as the gentleman apparently would, that he was not, literally speaking, an officer; but inasmuch as the department has construed it otherwise, on the advice of its legal authority, no doubt, it remains for us to grant a remedy.
Mr. WALSH. You get the queerest constructions of law out of the Navy Department that come from any department of the Government. They stand on technicalities that do not exist, sometimes.
Mr. PETERS. That may be true; but that is no reason why this meritorious measure should not receive favorable consideration at this time.
Mr. WALSH. I know; but Congress passes a law and supposes that common sense will be used in its construction, and we do not expect to be bothered every high water to take care of special cases that do not appeal to some official or solicitor down in the Navy Department. I agree with the gentleman from Maine that this acting gunner performed a very heroic act and that he is entitled to recognition, and I will concede further that in view of the peculiar circumstances in the case this seems to be the only remedy. But it ought not to have occurred this way. It seems to me that the law which was

passed by Congress could have been interpreted reasonably to cover this case.

Mr. PETERS. I partially agree with the gentleman.

Mr. WALSH. I am glad to have the gentleman's explanation.

Mr. PETERS. I partially agree with the gentleman that perhaps the construction given by the department was too technical; but even conceding that, it means a hardship to deprive this man of the medal. I have no further interest in this matter than the gentleman has, but I think it is but just and reasonable and proper that the case should be reopened.

Mr. WALSH. Sometimes they reopen questions of law down in the other departments, and sometimes in the Navy Department. Sometimes they get a solicitor or clerk who, by some fortunate circumstance, happens to possess some common sense in writing an opinion, and sometimes he is permitted to obtain a position at his desk and write an opinion which would appeal to sensible people. I hope some such calamity will overtake the department later on.

Mr. PETERS. The gentleman, having given his castigation to the Navy Department, will permit, I hope, justice to be done to this hero.

Mr. WALSH. I shall not object.

The SPEAKER. Is there objection?

There was no objection.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. PETERS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

LEAVE TO ADDRESS THE HOUSE.

Mr. MADDEN. Mr. Speaker, I ask unanimous consent that at the close of the remarks to be made by the gentleman from Missouri [Mr. CLARK] to-morrow, the gentleman from Ohio [Mr. FESS] be given an hour in which to address the House.

The SPEAKER. The gentleman from Illinois asks unanimous consent that at the close of the remarks of Mr. CLARK of Missouri, to-morrow, the gentleman from Ohio [Mr. FESS] may have an hour in which to address the House. Is there objection?

There was no objection.

MARTINA SENA, LUIS E. ARMIJO, AND MARIA BACA DE ROMERO.

The next business on the Private Calendar was the bill (S. 3218) for the relief of Martina Sena, Luis E. Armijo, and Maria Baca de Romero.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Interior be, and he is hereby authorized and directed to convey by patent to Martina Sena or her heirs such tract of land as may be found by the Secretary of Agriculture to be chiefly valuable for agriculture and not needed for public purposes, not to exceed 147 acres, formerly occupied by Margarito Romero, which tract is situated upon the South Fork of Gallinas Creek, in the county of San Miguel, State of New Mexico, and to convey by patent to Luis E. Armijo or his heirs such tract of land as may be found by the Secretary of Agriculture to be chiefly valuable for agriculture and not needed for public purposes, not to exceed 56 acres, occupied and improved by said Luis E. Armijo and his predecessors in interest and possession, which tract is situated upon the North Fork of Gallinas Creek, in the county of San Miguel, State of New Mexico, and to convey by patent to Maria Baca de Romero or her heirs such tract of land as may be found by the Secretary of Agriculture to be chiefly valuable for agriculture and not needed for public purposes, not to exceed 190 acres, occupied and improved by said Maria Baca de Romero and her predecessors in interest and possession, which tract is situated on the North Fork of Gallinas Creek, in the county of San Miguel, State of New Mexico: *Provided*, That the lands shall first be surveyed by an employee of the Forest Service under the direction of the United States surveyor general in accordance with the act of August 10, 1912 (37 Stats., 269), entitled "An act making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1913": *Provided further*, That the expenses of said surveys shall be paid from available funds appropriated for the survey of homesteads on national forests under the act of August 10, 1912, aforesaid, and the act making appropriations for the Department of Agriculture for the fiscal year in which the survey is made.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. HERNANDEZ, a motion to reconsider the vote whereby the bill was passed was laid on the table.

J. HENRY MILLER (INC.).

The next business on the Private Calendar was the bill (H. R. 13911) for the relief of J. Henry Miller (Inc.).

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. BRITTEN. Mr. Speaker, I ask that the bill be reported.

The SPEAKER. The Clerk will report the bill.

The bill was read as follows:

Be it enacted, etc., That the Secretary of the Navy and the accounting officers of the Treasury be, and they are hereby, authorized and directed to give credit to J. Henry Miller (Inc.), of Baltimore, Md., for the actual cost incurred by the said contractor for repeated travel of workers employed in the construction of an addition to Bancroft Hall and upon other public-works contracts at the United States Naval Academy, Annapolis, Md., in accordance with modified provision of the contract as authorized by the Navy Department, in the full and final settlement of all accounts and claims for damages incident to said contracts between the Navy Department and said J. Henry Miller (Inc.); and there is hereby appropriated, out of any moneys in the Treasury of the United States not otherwise appropriated, the requisite amount to cover the sum found due under the terms of this act, which sum shall not exceed $31,870.32: *Provided*, That final settlement with said contractor shall not be made until all matters of damages and claims between the Navy Department and said contractor are adjusted and included in such settlement.

The SPEAKER. Is there objection?

Mr. WALSH. Mr. Speaker, reserving the right to object, this seems to be rather an unusual claim. It is for $31,000, and arises out of work in enlarging Bancroft Hall.

As I understand the report, the claim is based partially upon a cost-plus percentage on transportation to and from the site of the necessary skilled men for the economical and efficient prosecution of the work.

Mr. BRITTEN. Mr. Speaker, I would like to state to my friend from Massachusetts that J. Henry Miller (Inc.), of Baltimore, had a contract to do some million dollars' worth of work at the Naval Academy at Annapolis, Md. The contract was a cost-plus contract. The contract permitted the travel expenses of employees to and from the job, but it did not include continual travel day by day.

The contract was entered into in July, 1917. A year later, in April, 1918, the war was on and it was impossible to get sufficient carpenters, steam fitters, engineers, bricklayers, and mechanics of all kinds to properly carry on the various contracts under way at the Naval Academy. There was no authority in the contract that would justify the contractor in paying for repeated travel back and forth between Baltimore and Annapolis. He had a cost-plus contract, and it would have meant no financial loss to him to have delayed the job. He could have done so at the expense of the Government, but the Government instructed him to employ men in Baltimore or anywhere else and to pay their fare back and forth, doing as it did all over the United States, from San Francisco to New York and from New Orleans to Detroit. They paid for repeated travel wherever it was good business to do so. This contractor was directed by the Secretary of the Navy to employ men in Baltimore, and to pay their repeated travel back and forth, down to the job in the morning and back to their homes in the evening. It was not unusual. It was the regular thing that was done throughout the war. His bills were audited by the Navy Department. He expended for this repeated travel, after April, 1918, about $31,000. Ordinarily, as was done all over the United States, contractors doing work on a 10 per cent cost-plus contract got a bonus over and above their expenditures, and he would have been entitled, under the same rule, to $3,100 additional. There is no question about this money having been actually expended by Miller, the contractor. The department desires to reimburse him. It made a supplemental agreement with him and it agreed that his bill was a just and proper one, but the Comptroller of the Treasury said that there was no consideration leaning to the Government, and therefore the money could not be legally paid. My bill authorizes the department to make a just settlement with Miller along the lines of its—the department's—desires. Surely Congress will be fair and reasonable in this instance.

Mr. CAMPBELL of Kansas. Does not the gentleman think it is a pretty good thing to have a comptroller to take care of the Treasury when the department was willing to spend the public money in that way?

Mr. BRITTEN. I agree that the comptroller has done much good in many instances, but where the Secretary of the Navy directs a contractor to expend certain money, and he spends it under that direction, does not the gentleman think the Government in all honesty ought to return that money to the contractor? There is no profit to him in it. There is no 10 per cent in this. This bill is to pay a bill that has been carefully audited for an expenditure made under the direction of the Secretary of the Navy for round-trip tickets to and from Baltimore for these men who were necessary at Annapolis, and not obtainable in any other way. It was the Government's concern to see that they were employed.

Mr. CAMPBELL of Kansas. It was not a specific direction to this contractor to spend the money in that way.

Mr. BRITTEN. Yes; it was a specific direction to spend the money in this way. That direction was given to him in April, 1918. The direction of the Secretary of the Navy was to get men from Baltimore and pay their travel to and from the work.

Mr. CAMPBELL of Kansas. In the first place the Secretary of the Navy probably was lacking in authority to issue any such order.

Mr. BRITTEN. No; there are many cases just like this where the Secretary of the Navy has made specific agreements or supplemental agreements with contractors and where the comptroller has held that no consideration leaned to the Government and therefore that the money could not be paid and the contractor reimbursed for his expenditure. We never passed an omnibus-settlement bill for the relief of contractors in the Navy Department, as was done for the Army contractors under the Dent bill. We gave the War Department a sort of blanket allowance to settle with contractors for all kinds of contracts, whether verbal or written, whether signed by the contractor and the Government or not, but that has not been done for the Navy.

Mr. CAMPBELL of Kansas. I have never seen this order or the opinion of the comptroller, but I venture to say that the comptroller questioned the authority of the Secretary of the Navy to make any such order, or any such contract, and that he was without authority to do it, and I feel quite certain that the comptroller's opinion is in line with the law as well as with the proper care of the Treasury.

Mr. BRITTEN. Oh, yes, the gentleman is entirely correct, but here is the situation: The contractor had agreed under a cost-plus contract to build certain buildings for the Navy Department at Annapolis. During the war neither he nor the Government could get employees, so the Navy Department directed him to get them anywhere and to pay their traveling expenses to and from the job. The comptroller holds that the Government got nothing additional for the railroad fares.

Mr. CAMPBELL of Kansas. I think if we can stop the heads of departments from doing that sort of thing by refusing to pay this kind of a bill we will be doing a good thing for the Treasury of the United States, and I shall object.

Mr. BRITTEN. There was no way of knowing how the comptroller was going to rule. There are many contracts entered into, signed by the chiefs of bureaus, the Secretary of the Navy, and by the contractor himself which to all intents and purposes were valid and legal, but after the work was completed the comptroller held that many of these contracts were illegal. Would the gentleman seriously refuse to pay on them?

Mr. MANN of Illinois. Will the gentleman yield?

Mr. BRITTEN. Certainly.

Mr. MANN of Illinois. If I understand this correctly, the Navy Department did enter into a contract with these men to pay for the continuous travel.

Mr. BRITTEN. Yes.

Mr. MANN of Illinois. And the contract was made and signed.

Mr. BRITTEN. Yes.

Mr. MANN of Illinois. The contractor expended the money, and after he had expended the money and done the work the Comptroller of the Treasury decided that the contract was illegal. We have got the benefit of it. It is a very convenient thing sometimes if a man is able to get the result of a contract and then pull out on the ground that he is under age, or something of that sort. That is what this is. We are in the position of pleading the baby act if we do not pay this bill.

Mr. BRITTEN. Yes.

Mr. CAMPBELL of Kansas. I do not think so. The Government has been hit in the head so many times by contractors during the war, has got so little from the average contractor, that I think when an opportunity of this kind comes we ought to take advantage of it, and I am going to take advantage of this.

Mr. MANN of Illinois. I have no criticism to make on any action which the gentleman sees fit to take.

Mr. McKENZIE. Will the gentleman yield?

Mr. BRITTEN. Yes.

Mr. McKENZIE. I want to ask the gentleman for information. The gentleman stated that this was a cost-plus contract amounting to a million dollars.

Mr. BRITTEN. More than a million dollars.

Mr. McKENZIE. It was a 10 per cent cost-plus contract. What I want to ask is whether the gentleman has gone into the thing carefully enough to ascertain whether or not these contractors charged up their full 10 per cent on the entire cost including this $31,000? Did they get $3,000—a percentage on the whole bill, including the transportation?

Mr. BRITTEN. No; they did not get the $3,000. The report clearly indicates that it was never included in the bill. If my friend from Kansas is going to object to this bill, I would like to offer a suggestion. The bill appropriates $31,870.

Mr. CAMPBELL of Kansas. There is not that much money in the Treasury now, I will say to the gentleman from Illinois.

Mr. BRITTEN. I think we can meet the desire of the contractor and probably the desire of the Navy Department by striking out the appropriation and just leave the bill in the nature of a credit to the contractor, so that his contract may be adjusted. I will explain to the gentleman why I would like to have that done.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. BRITTEN. Yes.

Mr. BLANTON. The gentleman from Illinois did not take the threat of the gentleman from Kansas seriously, did he?

Mr. BRITTEN. I did; I assume that the gentleman from Kansas is going to object to the bill. I think we can satisfy the desire of the department and the contractor by merely herein authorizing a credit to the contractor in the final adjustment of the contract.

Mr. CAMPBELL of Kansas. I would not consent to agree to that without seeing the opinion of the comptroller. Mr. Speaker, I object.

MYRON C. BOND ET AL.

The next business on the Private Calendar was the bill (H. R. 9843) to carry into effect the findings of the Court of Claims in favor of Myron C. Bond, Guy M. Claflin, and Edwin A. Wells.

The Clerk read the bill, as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Myron C. Bond the sum of $48.04, to Guy M. Claflin the sum of $499.79, and to Edwin A. Wells $116.67, all of said persons having been officers in the Thirty-first Regiment Michigan Volunteer Infantry, War with Spain, and which said sums were reported by the Court of Claims, and said sums are hereby appropriated.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. CRAMTON, a motion to reconsider the vote by which the bill was passed was laid on the table.

DAVIS CONSTRUCTION CO.

The next business on the Private Calendar was the bill (S. 2861) for the relief of the Davis Construction Co.

The SPEAKER. Is there objection?

Mr. CANNON. Mr. Speaker, I object.

ANNA BLUMENTHAL.

The next business on the Private Calendar was the bill (H. R. 8142) for the relief of Anna Blumenthal.

Mr. WALSH. Let the bill be reported.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Anna Blumenthal the sum of $601.64 as reimbursement for moneys expended in the repair of her automobile, and loss of the use of the same, by reason of a collision with an automobile truck owned and operated by the Post Office Department, said collision being the direct result of careless driving on the part of the chauffeur operating the said Post Office Department automobile truck.

With the following committee amendment:

Page 1, line 6, strike out "$601.64" and insert "$276.64."

The SPEAKER. Is there objection?

Mr. BLANTON. Reserving the right to object, I would like to ask how much of this $600 is for the use of the automobile which she owns?

Mr. EDMONDS. The amendment calls for $296, the actual cost of the repairs, and there is no contingent damages of any kind.

The SPEAKER. Is there objection to the consideration of the bill?

There was no objection.

The bill was again read for amendment.

The committee amendment was agreed to.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

EMILY J. MULLINS.

The next business on the Private Calendar was the bill (H. R. 7333) for the relief of Emily J. Mullins.

The Clerk read the title of the bill.

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The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Reserving the right to object, is the gentleman from Kentucky here?

Mr. ROBSION of Kentucky. Yes.

Mr. BLANTON. I would like to ask him a question. What is the nature of this bill?

Mr. ROBSION of Kentucky. Mr. Speaker, this is the nature of the bill: A number of men were on a strike at Stearns, Ky., and the Stearns Lumber & Coal Co. went into the Federal court for the eastern district of Kentucky and secured an injunction against the strikers, and some of the leaders of the strike sent word to Federal Judge Cochran, it is claimed, and told him to go to hell, or words to that effect. At least, they ignored the injunction, it was charged.

Mr. BLANTON. That is the way they usually do.

Mr. ROBSION of Kentucky. An attachment was issued by Judge Cochran for a number of these men, and the United States marshal could not go, or did not go, and they got word to the Department of Justice here in Washington, and it authorized a posse to go there and arrest these men, and the marshal called upon one of his deputies, John C. Mullins, who was a very fearless man, to go and make the arrest, and Mr. Mullins went to Stearns, Ky., with some other men and undertook to make the arrest, and they shot Mullins to death out of the house where they were lodged. Mrs. Emily Mullins is the widow of that deputy marshal. Mullins was poor and left four small children, all dependent upon him for support, and we ask $1,000 for their relief.

Mr. BLANTON. I reserved the right to object for the purpose of calling attention to the necessity emphasized by just such cases as this for the Congress of the United States to make strike organizations responsible and liable to the country for their lawless acts. This is just one of many such cases that are repeatedly occurring all over the United States of strike organizations refusing to obey the law, and when the courts come in and try to administer the law, just as in this case, they tell the court to go to hell, and when the law officers get there and try to enforce the law they are shot down in cold murder, and then the Congress is called upon to pay their widows money to take care of them. I hope that the Congress of the United States some day will wake up and force all strike organizations to incorporate and become responsible for their lawless acts.

Mr. EDMONDS. The gentleman means the widows of those shot down?

Mr. BLANTON. I mean the widows of those shot down.

Mr. EDMONDS. I thought the gentleman said laboring men.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any money in the Treasury not otherwise appropriated, to Emily J. Mullins, of Mount Vernon, Rockcastle County, Ky., widow of John C. Mullins, late field deputy United States marshal in and for the eastern district of Kentucky, who, while in the discharge of his duties as such, in an attempt to arrest, on a legal and duly authorized warrant of arrest for that purpose, Berry Simpson and others, was shot, killed, and murdered by the said Berry Simpson and others on the 25th day of December, 1908, the sum of $1,000, on account of the murder and death of her said husband.

Mr. GREEN of Iowa. If the gentleman will permit, I would like to ask my friend from Texas how Congress could force these parties to incorporate, these parties who pay no attention to the law and care nothing about the law?

Mr. BLANTON. That is exactly what I have been trying to get Congress to do, to make them pay attention to the law, and if they were forced to incorporate and made responsible for lawless acts we would not have to pay the widow of an officer $1,000, as then he would not be killed in cold blood by strikers.

Mr. GREEN of Iowa. My friend from Texas would not only have to suspend the Constitution, but work upon the minds of these men and force them to incorporate.

Mr. BLANTON. Oh, we have forced national banks to incorporate.

Mr. GREEN of Iowa. But they pay some attention to the law.

Mr. BLANTON. We force the big steel combines to incorporate and become responsible for their acts; we force almost every financial enterprise to incorporate and become responsible for its acts. The gentleman from Iowa knows how to do it and his party knows how to do it, if his party had the guts to do it, but they do not do it. They have been asleep here all these years and have been intimidated by these organizations. The country is expecting much of the gentleman's party if his party will do its duty; that is what we want them to do.

Mr. GREEN of Iowa. Now, if the gentleman expects anything from the Republican Party from the past he expects it will obey the law and the Constitution, and will not get up a raft of things that could not possibly be done under the law nor under the Constitution. The Republican Party is the party of constitutional government, always has been, and always will be. The gentleman is talking about something that is an idle dream and could not possibly be carried out at all.

Mr. BLANTON. The gentleman from Texas has enough bills pending in the committees here that if the gentleman from Iowa will get his party to pass them the United States would be protected from all such lawless occurrences, and lawless men will then cease to tell the courts to go to hell.

Mr. GREEN of Iowa. The gentleman from Texas always has a number of bills pending here, but seldom has any passed.

Mr. BLANTON. That is due to the failure of the Republican Party to do its duty.

Mr. WINGO. Will the gentleman permit a suggestion?

Mr. GREEN of Iowa. Certainly.

Mr. WINGO. It makes very little difference to the widow of the man whether he was killed in going out there to arrest a man as a criminal under the present law or whether he was killed in going out to try to enforce a law which the gentleman wants to enact now and have them obey——

Mr. GREEN of Iowa. Very little difference.

Mr. WINGO. I can not catch the distinction; it may be too subtle for me to do it.

The bill was ordered to be engrossed and read the third time, was read the third time, and passed.

On motion of Mr. EDMONDS, a motion to reconsider the vote by which the bill was passed was laid on the table.

Mr. ROBSION of Kentucky. Mr. Speaker, I ask unanimous consent to proceed for one minute.

The SPEAKER. Is there objection to the request of the gentleman from Kentucky? [After a pause.] The Chair hears none.

Mr. ROBSION of Kentucky. Mr. Speaker, the impression might be created by the gentleman from Texas that the United Mine Workers authorized or directed this killing. I do not think that is true at all; in fact, as I understand it, the organization did not authorize it, but condemned it, and it was done without the wish or desire of the organization. In fact, I do not know that any of the parties were members of the mine workers or that the strike was conducted by them or that it had anything to do with the strike.

Mr. BLANTON. Will the gentleman yield there? Has he ever heard of the United Mine Workers taking action against the men whom the gentleman assumes were lawless and putting them out of the organization?

Mr. ROBSION of Kentucky. I think they are all out.

Mr. BLANTON. I never heard of any acts of that kind.

FREDERICK W. COBB.

The next business on the Private Calendar was the bill (S. 412) to transfer Frederick W. Cobb from the list of chief machinists, United States Navy, temporary lieutenant, United States Navy, to the list of chief pay clerks, United States Navy, temporary lieutenant, Pay Corps, United States Navy.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. I object.

FRED C. KONRAD.

The next business on the Private Calendar was the bill (S. 1447) to correct the naval record of Fred C. Konrad.

The SPEAKER. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Navy be, and he is hereby, authorized and directed to review the naval record of Fred C. Konrad, late first-class electrician, United States Navy, and grant him an honorable disability discharge.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read a third time, was read the third time, and passed.

On motion of Mr. PETERS, a motion to reconsider the vote by which the bill was passed was laid on the table.

MATTHEW M'DONALD.

The next business on the Private Calendar was the bill (S. 1743) for the relief of Matthew McDonald.

The SPEAKER. Is there objection to the consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, reserving the right to object, I have no objection to the consideration of the bill. I

notice it provides, first, that in the administration of the pension laws this man shall be held and considered as honorably discharged. Then comes the proviso that no pension shall be allowed and no back pay and bounty shall be paid because of the enactment of this legislation. If those are not two conflicting provisions then I do not understand the English language. It is not the usual form of saying that no pension shall accrue prior to the passage of the act, but it says that no pension shall be allowed because of the enactment of this legislation, when the whole purpose of it is to allow a pension.

Mr. PETERS. Mr. Speaker, I am not responsible for the drawing of the bill. I see the inconsistencies that have been pointed out by the gentleman, and I suppose the object of the bill is to allow this man a pension. It is a very meritorious claim, and I think it should be allowed, and if that is the object of the bill I will move an amendment changing it.

Mr. HOCH. Mr. Speaker, this bill is a Senate bill. I introduced a similar bill in the House. I may say, however, it is not the purpose of the bill to grant a pension at all. I see the inconsistency of this language in the Senate bill, but the purpose is not to grant a pension at all but to correct a record. Has the gentleman read the report? May I state briefly the facts of the case?

Mr. MANN of Illinois. I have no objection to the passage of the bill, so far as I am concerned.

Mr. HOCH. If there is no objection, I will not take the time of the House.

The SPEAKER. Is there objection to the consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That in the administration of the pension laws Matthew McDonald shall be hereafter held and considered to have been honorably discharged from the naval service of the United States Navy October 20, 1863: *Provided*, That no pension shall be allowed and no back pay and bounty shall be paid because of the enactment of this legislation.

The SPEAKER. The question is on the third reading of the bill.

The bill was ordered to be read the third time, was read the third time, and passed.

On motion of Mr. PETERS, a motion to reconsider the vote by which the bill was passed was laid on the table.

GERTRUDE LUSTIG.

The next business on the Private Calendar was the bill (S. 3381) for the relief of Gertrude Lustig.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLANTON. Mr. Speaker, may we have it reported?

Mr. EVANS of Nebraska. Mr. Speaker, I object.

The SPEAKER. The Clerk will report the next bill.

MRS. WILLIAM B. RYAN.

The next business on the Private Calendar was the bill (H. R. 13600) for the relief of Mrs. William B. Ryan.

The SPEAKER. Is there objection to the present consideration of the bill? [After a pause.] The Chair hears none. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay, out of any moneys in the Treasury not otherwise appropriated, to Mrs. William B. Ryan, the sum of $50, the amount lost by her by the theft of same from registered mails sent to her son, Pvt. William E. Ryan, Battery D, Sixteenth Field Artillery.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

RICHARD P. M'CULLOUGH.

The next business on the Private Calendar was the bill (H. R. 10520) for the relief of Richard P. McCullough.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. Mr. Speaker, I object.

ELLEN M. WILLEY.

The next business on the Private Calendar was the bill (H. R. 7535) for the relief of Ellen M. Willey.

The SPEAKER. Is there objection to the consideration of the bill?

Mr. WOODS of Virginia. Mr. Speaker, in the absence of my colleague from Virginia [Mr. MONTAGUE], who is unavoidably detained, I ask unanimous consent that the bill S. 2707 be substituted in lieu of the House bill.

Mr. MANN of Illinois. Where is the Senate bill?

Mr. WOODS of Virginia. Here it is.

Mr. MANN of Illinois. The gentleman will have to have an engrossed copy of the Senate bill.

Mr. WOODS of Virginia. It is certified by the Secretary. That is all I know.

Mr. MANN of Illinois. When the Senate passes a bill the Clerk certifies one copy of the bill, and that comes over here. That practice has to be followed whenever any action is taken upon the bill. These printed copies of the Senate bill do not amount to anything.

The SPEAKER. The Chair is informed the Senate bill has come to the House and was referred to the Committee on Naval Affairs. Is there objection to the present consideration of this bill? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. I shall not object to the other request.

Mr. GARNER. Mr. Speaker, the object is to make this a law, and the Senate has passed a similar bill.

Mr. WOODS of Virginia. Has passed it twice, I understand.

Mr. GARNER. Would it not facilitate matters to let it go over for a few moments until the Clerk can get the bill from the Committee on Naval Affairs?

Mr. MANN of Illinois. I am perfectly willing, so far as I am concerned.

I. C. JOHNSON, JR.

The next business on the Private Calendar was the bill (H. R. 3215) for the relief of I. C. Johnson, jr.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. MANN of Illinois. I object.

Mr. DUPRÉ. Mr. Speaker, will the gentleman from Illinois [Mr. MANN] reserve his objection, or does he intend to persist in it? If he does, I do not want to detain the House or to consume its time, because there are other Members here who have bills which may not be objected to. I am not a dog in the manger, and——

Mr. MANN of Illinois. I have always objected to these bills, I believe, and probably will continue to object to them.

Mr. DUPRÉ. I thought that possibly if the gentleman would look into the matter a little further he would not object to it. He has objected to such bills in the past, but I thought he might have had a change of heart.

Mr. MANN of Illinois. No; while I am not devoted to the present administration of the Navy, on the whole I think it is far better than it would be if administered by Congress.

Mr. DUPRÉ. I am sure the Navy Department will appreciate that eulogy on the part of the gentleman from Illinois, who has always been such a good (?) friend of the Navy Department.

Mr. MANN of Illinois. They will appreciate it, but there is nothing that they can give me or that I want.

The SPEAKER. Objection is made. The Clerk will report the next bill.

ANTHONY SULIK.

The next business on the Private Calendar was the bill (H. R. 12337) to provide for the relief of Anthony Sulik, former sergeant, United States Marine Corps.

The SPEAKER. Is there objection to the present consideration of this bill?

There was no objection.

The SPEAKER. The Clerk will report the bill.

The Clerk read as follows:

Be it enacted, etc., That Anthony Sulik, former sergeant, United States Marine Corps, be, and he is hereby, relieved from all disabilities, including loss of pay and allowances attendant upon the dishonorable discharge received by him pursuant to the sentence of an Army general court-martial, published in General Court-Martial Order No. 103, Second Division, Expeditionary Forces, France, dated October 20, 1918, while detached for duty with the Army by order of the President, the amount of pay and allowances forfeited by him pursuant to said court-martial sentence to be reimbursed to him from the current appropriation for "Pay, Marine Corps": *Provided*, That the service of the said Anthony Sulik shall be computed as though he had served continuously in the Marine Corps from the 16th day of November, 1914, to the date of his release as a general court-martial prisoner, and as though he had been honorably discharged on that date: *Provided further*, That he shall be granted all the rights, benefits, privileges, allowances, and gratuities to which he would have been entitled had he not been dishonorably discharged pursuant to the said sentence.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

On motion of Mr. PETERS, a motion to reconsider the vote whereby the bill was passed was laid on the table.

CAPT. BENJAMIN S. BERRY.

The next business on the Private Calendar was the bill (H. R. 12080) to advance Capt. Benjamin S. Berry to the permanent rank of major.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. CRAMTON. Mr. Speaker, I am not interested in the bill, but I ask that in my time the Clerk may read the report from the Secretary of the Navy.

Mr. MANN of Illinois. I have read the report.

Mr. CRAMTON. But I would be very glad to have that report in the RECORD, not for the benefit of the gentleman from Illinois but for the information of the House.

Mr. MANN of Illinois. I know; but I do not intend that it shall go into the RECORD at this time. If the gentleman knows anything about this case that is not in the report, I shall be glad to be influenced by it.

Mr. PETERS. If I can give the gentleman any information, I shall be very glad to do so.

Mr. MANN of Illinois. For the present, I object.

The SPEAKER. Objection is made.

Mr. CRAMTON. Mr. Speaker, I ask unanimous consent to be recognized for five minutes.

The SPEAKER. The gentleman from Michigan asks unanimous consent to be recognized for five minutes. Is there objection?

Mr. MANN of Illinois. I am going to make a point of order in a few minutes. If the gentleman wants to take up the time of the House in that way, I shall object.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. I object.

Mr. CRAMTON. Mr. Speaker, I make the point that there is no quorum present.

Mr. GARNER. I hope the gentleman will withhold that a moment. A few moments ago it was agreed to defer consideration of a certain bill until the gentleman from Virginia [Mr. WOODS] could have an opportunity to call up a Senate bill in its stead. Since he took it upon himself to have it passed over temporarily a few moments ago, will not the gentleman withdraw his point of order?

Mr. CRAMTON. The report I desire to present relates facts showing that this man is entitled to more consideration than any other man on whose case we have acted. I think the RECORD will be enriched by the recital of the facts here set forth. We are asked to deal with all kinds of graft. We have had here to-day the case of a bounty jumper, and——

Mr. MANN of Illinois. Mr. Speaker, I ask for the regular order.

The SPEAKER. The gentleman from Michigan [Mr. CRAMTON] has made the point of order that no quorum is present. The Chair will count.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 18 minutes p. m.) the House adjourned until to-morrow, Wednesday, December 29, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

276. A letter from the Acting Secretary of Commerce, transmitting draft of a proposed bill to consolidate the work of collecting, compiling, and publishing foreign trade statistics in the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

277. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Agriculture to meet the emergency caused by the existence in Mexico and the United States of the pink bollworm of cotton, fiscal year 1921 (H. Doc. No. 944); to the Committee on Appropriations and ordered to be printed.

278. A letter from the Secretary of the Treasury, transmitting from the Secretary of War supplemental estimates of appropriation required for the support of the Army for the current fiscal year (H. Doc. No. 945); to the Committee on Appropriations and ordered to be printed.

279. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Department of Agriculture for completion of the work of the domestic wool section, Bureau of Markets, fiscal year 1921 (H. Doc. No. 946); to the Committee on Appropriations and ordered to be printed.

280. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriations required by the Treasury Department for the service of the Coast Guard during the fiscal year 1921 (H. Doc. No. 947); to the Committee on Appropriations and ordered to be printed.

281. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Secretary of War, submitting a supplemental estimate of appropriation required by the War Department for additional expenses of the Military Academy during the current fiscal year (H. Doc. No. 948); to the Committee on Appropriations and ordered to be printed.

282. A letter from the Secretary of the Treasury, transmitting copy of a communication from the Postmaster General, submitting supplemental estimate of appropriations required by the Postal Service for the transportation of the mails by railroad routes and by electric and cable cars, fiscal year 1921 (H. Doc. No. 949); to the Committee on Appropriations and ordered to be printed.

283. A letter from the Secretary of the Treasury, transmitting estimate of appropriation required by the Department of State for printing the ascertainment of electors for President and Vice President, fiscal year 1921 (H. Doc. No. 950); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. BARKLEY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 15271) granting the consent of Congress to authorize the Majestic Collieries Co. to construct a bridge across the Tug River, at or near Cedar, in Mingo County, W. Va., to the Kentucky side, in Pike County, Ky., reported the same with amendments, accompanied by a report (No. 1147), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 14987) granting a pension to Mary R. Moon, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. HOWARD: A bill (H. R. 15394) to pay to the Pawnee Tribe of Indians of Oklahoma the sum found to be due by the Court of Claims; to the Committee on Claims.

By Mr. YOUNG of North Dakota: A bill (H. R. 15395) to provide further for securing and disseminating information concerning the supply and demand in foreign countries for American agricultural products; to the Committee on Agriculture.

By Mr. CARAWAY: A bill (H. R. 15396) to amend section 1 of an act approved February 26, 1919, entitled "An act to fix the salaries of the clerks of the United States district courts and to provide for their office expenses, and for other purposes"; to the Committee on the Judiciary.

By Mr. BRITTEN: A bill (H. R. 15397) to establish a branch mint of the United States in the city of Chicago, Ill.; to the Committee on Coinage, Weights, and Measures.

By Mr. RIDDICK: A bill (H. R. 15398) for the relief of the homesteaders in the drought-stricken sections of the United States; to the Committee on the Public Lands.

By Mr. McFADDEN: Joint resolution (H. J. Res. 429) proposing an amendment to the Constitution of the United States; to the Committee on Ways and Means.

By Mr. GOULD: Resolution (H. Res. 627) calling upon the President for additional information regarding the expenditure of the $100,000,000 and $50,000,000 appropriations for national security and defense; to the Committee on Appropriations.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 15399) granting a pension to Sarah P. Dobbins; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15400) granting a pension to John W. Parsons; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15401) granting a pension to Occia Wimer; to the Committee on Invalid Pensions.

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Also, a bill (H. R. 15402) granting a pension to Josephine Chambers; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15403) granting a pension to Mary E. Orr; to the Committee on Invalid Pensions.

By Mr. BRITTEN: A bill (H. R. 15404) for the relief of Clara Thurnes; to the Committee on Claims.

By Mr. BROOKS of Pennsylvania: A bill (H. R. 15405) granting a pension to David H. Funk; to the Committee on Invalid Pensions.

By Mr. CANTRILL: A bill (H. R. 15406) granting a pension to G. W. Tankersley; to the Committee on Invalid Pensions.

By Mr. FRENCH: A bill (H. R. 15407) granting a pension to Sarah Mann; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15408) granting a pension to Lucinda Jameson; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15409) for the relief of Mellie Kildee; to the Committee on the Public Lands.

By Mr. HULL of Tennessee: A bill (H. R. 15410) granting a pension to Mary A. Duncan; to the Committee on Invalid Pensions.

By Mr. JONES of Texas: A bill (H. R. 15411) for the relief of Robert Browning; to the Committee on Military Affairs.

By Mr. McLAUGHLIN of Michigan: A bill (H. R. 15412) granting an increase of pension to Margaret O'Hara; to the Committee on Pensions.

By Mr. O'CONNOR: A bill (H. R. 15413) granting a pension to Mary R. Moon; to the Committee on Pensions.

By Mr. RUCKER: A bill (H. R. 15414) granting an increase of pension to William M. Young; to the Committee on Invalid Pensions.

By Mr. SELLS: A bill (H. R. 15415) granting an increase of pension to Rebecca J. Short and John L. Short; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15416) granting an increase of pension to Charles W. Anderson; to the Committee on Pensions.

By Mr. TINKHAM: A bill (H. R. 15417) granting a pension to Emily W. Marsh; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4739. By Mr. ANDERSON: Petition of the Minneapolis Daily News, with 6,711 names of northwestern farmers, urging legislation by Congress at this session that will provide ways and means whereby credit may be accorded to farmers proportionate to their present needs, etc.; to the Committee on Agriculture.

4740. By the SPEAKER (by request): Petition of the Petworth Citizens' Association, Washington, D. C., protesting against any changes in the present laws relative to landlords and tenants; to the Committee on the District of Columbia.

4741. By Mr. CARSS: Petition of the Indian Hunting and Fishing Rights Association, of Ball Club, Minn., regarding the Indian hunting and fishing rights, etc.; to the Committee on Indian Affairs.

4742. Also, petition of Winnibegoshish Indian Council, of Inger, Minn., regarding the Indian fishing and hunting rights, etc.; to the Committee on Indian Affairs.

4743. By Mr. FULLER of Illinois: Petition of the National Board of Farm Organizations, protesting against amendment to Capper-Volstead bills and to the Poindexter antistrike bill; to the Committee on Interstate and Foreign Commerce.

4744. Also, petition of Frank H. Hall, of Rockford, Ill., and resolution adopted by a mass meeting held under the auspices of the Constitutional Rights League, of Rockford, Ill., favoring amnesty for political prisoners; to the Committee on Military Affairs.

4745. Also, petition of the Travelers' Protective Association of America, favoring restriction of immigration; to the Committee on Immigration and Naturalization.

4746. By Mr. KAHN: Petition of the California White & Sugar Pine Manufacturing Association, urging adequate protection against forest fires, for the reforestation of denuded lands, for obtaining essential information in regard to timberlands, for the extension of national forests, etc.; to the Committee on the Public Lands.

4747. By Mr. KELLEY of Michigan: Petition of Local Union No. 352, International Brotherhood of Electrical Workers, of Lansing, Mich., favoring legislation to provide for amnesty for political offenders; to the Committee on the Judiciary.

4748. By Mr. KENNEDY of Rhode Island: Resolutions of Newport County Women's Republican Club (Rhode Island) urging passage of Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4749. By Mr. ROGERS: Petition of the Club Social de Pawtucketville, of Lowell, Mass., protesting against the passage of the Smith-Towner bill; to the Committee on Education.

4750. By Mr. TEMPLE: Petition of C. W. Klein, secretary-treasurer of the Cooperative Flint Glass Co., of Beaver Falls, Pa., protesting against the passage of House bill 10311; to the Committee on Agriculture.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *December 29, 1920.*

The House met at 12 o'clock noon.

Rev. Earle Wilfley, pastor of the Vermont Avenue Christian Church, Washington, D. C., offered the following prayer:

O Lord, our Lord, how excellent is Thy name through all the earth. In spite of the madness of men and the disease of sin in our blood Thy name is still excellent in all the earth.

Upon this day's session of the House we pray Thy blessing, the guidance of Thy spirit, and the honor that comes from Thee. Give us clear understanding, high purpose, courage, and love of truth. Keep us from error, from prejudice, and from passion, and give us the vision of a prophet and the service even of a Savior.

We pray this morning upon the beloved Chaplain of the House, now ill, Thy choice blessing, and upon his dear companion, loved by all. We pray, O Lord, that Thou wilt deal tenderly with them this morning.

And we would likewise pray, dear Father, Thy blessing upon each Member of this House, upon their families from whom they are separated this Christmas time and approaching New Year, and wilt Thou watch between them while they are absent from one another.

We thank Thee, dear Father, this morning, for the long and honorable service of certain Members of this House, and we pray Thy blessing upon them because of their long faithfulness; especially upon him who this day begins an unparalleled record, a record of service unequaled in the history of this House. And may those words spoken in his honor carry with them Thy blessing, and in the eyes of all men may faithful service be honored.

And now guide us this day, keep us in Thy love, and at last own us for even a better service. And unto Thee shall be all the praise, our God, through Jesus Christ our Lord. Amen.

The Journal of the proceedings of yesterday was read and approved.

During the reading of the Journal,

Mr. BLANTON. Mr. Speaker, a point of order. I think there should be a quorum in the House at this time, and I make the point of no quorum present.

The SPEAKER. The Chair will count.

Mr. BLANTON. Mr. Speaker, the object of the point having been accomplished, I will withdraw it.

SWEARING IN OF A MEMBER.

Mr. ALMON. Mr. Speaker, Mr. W. B. BOWLING, who was elected from the fifth district of Alabama to fill the vacancy caused by the resignation of Representative HEFLIN, has filed his certificate of election and is present and desires to take the oath of office.

The SPEAKER. The gentleman will come forward.

Mr. BOWLING came to the bar of the House and the oath of office was administered to him.

SENATE ENROLLED BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2964. An act providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assiniboine Military Reservation, in Montana;

S. 2977. An act to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories, approved March 3, 1877, as amended by an act to repeal timber culture laws, and for other purposes, approved March 3, 1891;

S. 1. An act authorizing the cutting of timber by corporations organized in one State and conducting operations in another;

S. 2188. An act to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133); and

S. 46. An act for the protection of the water supply of the town of Sunnyside, Utah.

UMI

JOSEPH G. CANNON.

The SPEAKER. By special order to-day the gentleman from Missouri [Mr. CLARK] will be allowed one hour to address the House. [Applause.]

Mr. CLARK of Missouri. Mr. Speaker and gentlemen of the House, a long political career has some disagreeable features in it, as I found out on the 2d day of November. [Laughter.] But it also has some very pleasant ones, and the one that we are about to celebrate to-day is exceedingly pleasant. To me it is a labor of love.

On this day Mr. Speaker CANNON has served longer in Congress than any other man in the history of the Republic. [Applause.] I doubt exceedingly whether his record will be duplicated in the next hundred and odd years of the Government's existence. When he was 80 years old we went through a magnificent oratorical performance here, with high-class speeches, that I have always called the apotheosis of Uncle Joe. That was a remarkable performance, too.

When JOSEPH G. CANNON was born on the battle field of Guilford Court House, a victory for Lord Cornwallis, the fruits of which were reaped by Gen. Greene, we did not have any railroads, any telegraphs, any telephones, any sewing machines, any flying machines, any repeating rifles, and a thousand and one things that we consider necessary to our modern civilization. Some newspaper man stated not long ago that Uncle Joe came into the House in 1863. Of course, that missed the mark by several years. Up until this time Senator Morrill, of Vermont, has held the record for length of congressional service, although to make out his 43 years 9 months and 25 days you have to add his 12 years in the House to his 31 years 9 months and 25 days in the Senate.

Missouri was the first State that ever sent a man here for 30 consecutive years to the Senate, and it remains to this day one of the two States that has done that. When Senator Morrill began his thirty-first year I said it was to take the credit away from Missouri. I supposed that was intended to be humorous. Anyhow, to-day Mr. Speaker CANNON has served 43 years 9 months and 26 days. Senator Morrill died on the 28th day of December and this is the 29th.

It is a great honor to the House that Mr. Speaker CANNON has served all of his time in Congress in the House. [Applause.] No man in the House now can expect to serve that long, or ever will, I think. When we celebrated Uncle Joe's eightieth birthday I laid down the conditions on which a man could serve as long as he had. In the first place, the politics of his district must remain the same. In the second place, he must be a man of force and ability. In the third place, he must remain as faithful as the North Star. I said that Uncle Joe filled those conditions. I think yet that he does. He has lived nearly 85 years; not simply breathed 85 years, but every hour and day that he has been on earth has been active. [Applause.] We all rejoice in the fact that he is still in fine fettle physically and mentally. [Applause.] His strength is not abated. He discharges the duties of a Congressman now as faithfully as any young Member of the House does, and a great deal more faithfully than most of them do. [Laughter and applause.] That is one reason why he has stayed here so long. The principal reason is that with two short seasons of mental aberration his district has remained faithful to him. Twice it did not remain faithful to the Republican Party, but that is neither here nor there.

Getting beat for Congress does not hurt a man who is fit to come to Congress. I think that is an absolute fact. [Applause.] Anyhow, he came back from his first rustication right in the prime of life and went back at the head of the Appropriations Committee and did splendid work. I am certain that I express the hope and wish of every Member of the House that he will live for years to come and stay in the House as a great public institution. [Applause.]

I yield 20 minutes to the gentleman from Illinois [Mr. RODENBERG]. [Applause.]

Mr. RODENBERG. Mr. Speaker and gentlemen, this day marks an important event in the political history of our country. As the speaker who has just preceded me said, until yesterday the record for length of service in the Congress of the United States was held by the late Justin Smith Morrill, of Vermont, whose combined service in the House and Senate covered a period of 43 years 9 months and 25 days. To-day that remarkable record of congressional service is surpassed by one day by our distinguished and beloved colleague, the Hon. JOSEPH GURNEY CANNON, of Illinois. An event of such great national interest calls for more than passing mention, and I ask the indulgence of the House to-day while I briefly set forth a few of the marvelous changes that have taken place in our national life since Mr. CANNON first became a Member of this body. In the interest of conciseness and accuracy I have deemed it advisable to reduce my remarks to writing.

JOSEPH G. CANNON was first elected in 1872 as a Representative in the Forty-third Congress from the fourteenth district of Illinois, and he became a Member of this body on March 4, 1873, the same day on which Ulysses S. Grant was inaugurated for the second time as President of the United States.

How far we have traveled since that day may be understood when we recall that at the time of Mr. CANNON's first election the population of the United States was estimated at 40,596,000 as against 106,000,000 to-day; there were 37 States then as against 48 to-day; the public wealth, which was estimated at something over $30,000,000,000 in 1872, is placed at more than $300,000,000,000 now; the bank deposits, which then amounted to $1,250,000,000, have grown to $32,700,000,000, and our railroad service has expanded from 66,000 miles of track in operation to more than 268,000 miles. That, in brief, summarizes the vast strides that we have made in material progress since he has been a Member of this House.

But, no matter where we turn, there are other evidences of the progress we have made, and to much of which he has been a contributing factor. Thus, on taking up his duties here he was assigned to the Committee on the Post Office and Post Roads. Perhaps no branch of the public service is so close to the mass of the people as is the post office, and consequently no more striking comparison of the progress and development to which he has been an active contributor during all his service here could be had than the departmental report which was referred to his committee in the Forty-third Congress and the one which was submitted to this Congress only a few days ago.

In the first report which he was called upon as a committeeman to consider, Postmaster General Creswell called attention to the fact that Congress had decided that year to meet the public demand for postal cards, and after many trying experiences "all obstacles were so far overcome that their delivery on requisition was commenced on May 1 last."

He also announced as one of the triumphs of his administration that the department had just reduced the time for the fast mail between New York and San Francisco from more than nine days to a little over seven and a quarter days. Compare that statement with the last report of Postmaster General Burleson wherein we are informed that the mails are now practically carried on the "Wings of morning," the air-mail service during the past year "having been extended across the continent."

Some idea of how that department has expanded can also be had when we remember that in 1873 the receipts aggregated $23,000,000 and the disbursements $29,000,000, while last year the receipts were $437,000,000 and the disbursements $454,000,000.

But it will not be because of his services upon the Committee on the Post Office and Post Roads, valuable as they were, that his fame will rest. After serving for six years upon that committee he was assigned by Samuel J. Randall, a Democratic Speaker, to the Committee on Appropriations in the Forty-sixth Congress, and it is because of his identity with the workings of that important committee down to the time of his elevation to the speakership that his fame will remain assured throughout the ages. In time it brought with it the important duty of floor leader, and all students of congressional history, without exception, have paid tribute to the ability and the industry that Mr. CANNON displayed while connected with the Committee on Appropriations, especially after he became its chairman. No man who has ever served in the American Congress has a more comprehensive knowledge of the needs of the Government or a clearer insight into its practical operations than has Mr. CANNON, and it can also be truthfully said that no man has proved a stronger bulwark of protection to the Federal Treasury at all times and under all circumstances. [Applause.]

Mr. Alexander, in his admirable work entitled "History and Procedure of the House of Representatives," in speaking of the notable floor leaders of the past pays this deserved tribute:

> Reed's successor as floor leader was JOSEPH G. CANNON, of Illinois. For 10 years he headed Appropriations, and for many years before had fought in the fiercest of dialectical battles. There was some resemblance between him and Reed. Each was indifferent to studied rhetoric, contemptuous of demagogic appeals to popular emotion, distrustful of theorists, and cautious not to overstate. Both were also slow to anger. But, once aroused, their indignation gave an extraordinary impetus to their volition.

In analyzing the methods of Mr. CANNON, the author continues:

> His influence came from his power to absorb the atmosphere of a situation and exhale it with an assured grasp of underlying principles. He never browbeat or intimidated. Sarcasm was not among his weapons. He reasoned and smiled, unbuttoned his vest, unloosened the band of his trousers, and then, with his left arm flying over his

head, recalling David and the sling, he let fly a well-aimed stone in the shape of a flashing fact that swiftly pierced the argument of an opponent.

[Applause.]

Whatever the wave that rolled in, he always rode on its crest. There was something debonair about this western "Uncle Joe," who, with nothing but his own native wit and dauntless courage, boldly faced any proposition and all comers. As elsewhere stated, Reed usually finished in 10 minutes. CANNON talked longer, but his speeches had the quality of finality.

In this happy description, all of us who have served with Mr. CANNON here will agree. Only in one particular does the description fail. He did not always "ride on the crest." Twice during his long service here while fighting with that dauntless courage of which the author speaks, he went down in defeat with his party, but they were only temporary defeats, and he was on each occasion returned by his constituency at the following election. The two occasions to which I refer were the elections for the Fifty-second and the Sixty-third Congresses.

These interruptions operated against his being known as "Father of the House" when on some four or five occasions other Members who had seen but a fraction of his service attained the title. This has caused the historian to whom I have just referred to say:

Very early in its history the House adopted the English custom of designating for this duty (i. e., administering the oath to the Speaker elect) the Member of longest continuous service, known as "Father of the House." For four Congresses John Quincy Adams bore this title. Lewis Williams, of North Carolina, held it for six terms, and William D. Kelley, of Pennsylvania, sustained it with great credit for 16 years out of a service of 15 terms. With questionable taste Speakers Randall and Crisp interrupted the custom by designating William S. Holman, of Indiana, to officiate. Holman had served as many terms as the then "Father," but not consecutively. Had later Speakers followed this precedent JOSEPH G. CANNON must have officiated after the Fifty-fifth Congress, since he represented longer service than Bingham. Indeed, in a parliamentary sense CANNON may have been said to have been born before his father.

[Laughter.]

But, irrespective of the temporary interruptions in his long and distinguished career, the event we commemorate to-day securely establishes JOSEPH G. CANNON in the place of "Father of all the American Congresses." [Applause.] Why, my friends, approximately one-half of the Members of the present Congress were not born when "Uncle Joe" first took the oath as a Representative, and of the remainder fully one-half were still trying to master the "three R's" in the primary grades of the public schools. There is not a Republican voter in the Danville district under the age of 70 years, the scriptural allotment, who has had an opportunity to vote for a congressional candidate of his political faith other than Mr. CANNON. [Laughter.]

When he took his seat at the beginning of the Forty-third Congress, the great empire of the West was still the frontier of our civilization. That vast and powerful section, now so potent in the councils of the Nation, was then without votes, excepting a narrow fringe of population on the shores of the Pacific Ocean. The sovereign States of Arizona, Colorado, North Dakota, South Dakota, Idaho, Montana, New Mexico, Utah, Washington, and Wyoming were without votes and were represented here by Delegates. In fact, the territory of Dakota had not yet been divided and that splendid empire of the Northwest, now represented by two stars in the national emblem, was then credited with but a single Delegate without the right to vote.

What a wonderful galaxy of brilliant men were here when he came to Congress! James G. Blaine, the "Plumed Knight" of American statesmen, was Speaker of the House. James A. Garfield was a member of the Ohio delegation and was giving evidences of those talents of leadership which subsequently called him to the Presidency. Julius C. Burrows, of Michigan; James B. Beck, of Kentucky; William P. Frye and Eugene Hale, of Maine; Joseph R. Hawley, of Connecticut; George F. Hoar, of Massachusetts; Roger Q. Mills, of Texas; and Stephen B. Elkins, of the Territory of New Mexico, were elected Members of the same House and were subsequently called to the other end of the Capitol. But there were in that same Congress men who rounded out their congressional careers in this body and whose names are equally familiar to the American people.

Among them might be mentioned Benjamin F. Butler, of Massachusetts; Richard P. Bland, of Missouri; "Sunset" Cox, of New York; William S. Holman, of Indiana; John A. Kasson, of Iowa; William R. Morrison, of Illinois; Samuel J. Randall, of Pennsylvania; Alexander H. Stephens, of Georgia, and others no less distinguished, whose names will forever embellish the pages of American history.

At the other end of the Capitol might be mentioned Senator Allison, of Iowa; Bayard, of Delaware; Cameron, of Pennsylvania; Carpenter, of Wisconsin; Chandler, of Michigan; Roscoe Conkling, of New York; Henry G. Davis, of West Virginia; Edmunds, of Vermont; Frelinghuysen, of New Jersey; Hannibal Hamlin, of Maine; John J. Ingalls, of Kansas; John A. Logan, of Illinois; Charles Sumner, of Massachusetts; Justin S. Morrill, of Vermont; Oliver P. Morton, of Indiana; Carl Schurz, of Missouri; John Sherman and Allen G. Thurman, of Ohio; William Windom, of Minnesota, and many others equally famous.

Of the 371 Senators, Representatives, and Delegates who were recorded in that notable gathering, all but two have passed from the stage of public life, but a merciful Providence has left us Speaker CANNON and Gen. SHERWOOD in order that we might know that in those days there were giants upon the earth. [Applause.]

It has been given to no other man in all our history to be so intimately connected with so many historic characters.

Mr. CANNON has served under 10 Speakers of this House, in the following order: James G. Blaine, Michael C. Kerr, Samuel J. Randall, J. Warren Keifer, John G. Carlisle, Thomas B. Reed, Charles F. Crisp, David B. Henderson, CHAMP CLARK, and FREDERICK H. GILLETT, while he himself occupied that exalted position for a period of eight years. He has also served under 10 Presidents, as follows: Grant, Hayes, Garfield, Arthur, Cleveland, Harrison, McKinley, Roosevelt, Taft, and Wilson, and in a few weeks HARDING will be added to the list.

What a wonderful experience the "Sage of Danville" has had in all these years of active congressional life! Issues that are new to us and seem fraught with danger and uncertainty were known of old to him and were thrashed out here in this very Hall by him and his associates long before most of us had formed our first impressions of the Government under which we live. A few cases in point will illustrate: Within the past few months one of the issues that has occupied the attention of the American people has been the affairs in the Dominican Republic. Our plans for the future with respect to those people received the principal attention of the daily press as late as Sunday of the current week.

To most of us, as to the great majority of the American people, the Dominican question is but vaguely understood, and yet the Santo Domingo question and the treaty by which a large part of the inhabitants of that island sought to become annexed to the United States was one of the principal events of Grant's administration and was thoroughly studied by Mr. CANNON when he first came to Congress. And it was because of his study of conditions in the islands to the south of us at that time that he was able to assist a later administration with his counsel when we were confronted with the problems of Cuba and Porto Rico at the time of the Spanish-American War.

Another illustration will be of interest just at the present time. For several years the people and the public press of Washington have been agitating the question of the representation of the District upon this floor, and with which I am personally in full accord. Even those who are acquainted with the historical aspect of the proposition are frankly concerned about the practical working of such an arrangement, but this is a question that causes Mr. CANNON no concern, because when he first came to Congress he served here with Gen. Norton P. Chipman, the Delegate from the District of Columbia. The city of Washington, or rather the District of Columbia, was at that time represented on this floor by a Delegate just as were nine of the Territories that have since taken their places in the sisterhood of States.

It is meet and proper on an occasion like this to refer not only to the influence which Mr. CANNON'S personality has exerted upon this body, but also to summarize the more important legislation that has been enacted during the period which all students of history unite in pronouncing the most wonderful in American development.

The Forty-third Congress, in which Mr. CANNON began his service, will be memorable because of the passage of the act providing for the resumption of specie payments following the Civil War, a fact that was accomplished in 1879, 15 years after the close of hostilities. The civil rights bill, the amnesty bill, and much similar legislation of a reconstructive nature, made necessary by that unhappy event, need but be referred to, but it is of interest to us of this day and time to follow through those exciting years the great granger movement which was subsequently to exert such influence upon our industrial life, and especially upon legislation affecting the railroads. That movement finally resulted, in 1887, in the enactment of the interstate commerce law, and the delegation from no State in the Union contributed more to the development of the sentiment which finally placed that legislation on the statute books than that from the State of Illinois.

The numerous legislative battles growing out of the treatment of silver and the maintenance of the country's monetary standard, not to mention such side issues as the greenback

craze—contests that were only settled by the titanic struggle of 1896—were all fought out here during the term of his active service, and no one contributed more to the final settlement of these intricate financial problems than did Mr. CANNON.

He was an active participant in the long-extended efforts out of which was finally evolved the present civil service. He has participated in the enactment of all of the great tariff measures; in the legislation that has been passed for the protection and elevation of labor, including the Chinese exclusion law; in the so-called Sherman antitrust law for curbing corporate greed and monopoly; in the law that built the Panama Canal, linking the oceans, and realizing the dream of centuries; in the legislation made necessary by two great wars, in the first of which we brought the blessings of liberty to the struggling patriots of Cuba, acquired Porto Rico and the Philippines, and by the second brought to an end the greatest conflict that the world has ever known.

Since he has been here he has seen 4 of the 19 amendments to the Constitution adopted as part of the organic law. He has seen the expanding business of the Nation call for the creation of three new executive departments—Agriculture, Commerce, and Labor—and innumerable subsidiary bureaus. He has seen political parties rise and disappear and the issues which produced them cease to exist. But, above all, he has lived to see the American Republic, which he has loved and labored for throughout all these years, and which is in no small part the result of his handiwork, proclaimed as the leading Nation in all the world.

And now, in conclusion, Mr. CANNON, voicing not only the sentiment of the entire membership of this House but of the whole Nation as well, I express the hope that it will be your privilege to round out a full half century of service in this Chamber. In this joyous season of the year, when our hearts are filled with thoughts of "Peace on earth, good will toward men," we unite in wishing you health, prosperity, and length of days. We hope that you will live a thousand years and a day, and that we will live a thousand years less a day, for we would not live to see our dear "Uncle Joe" pass away. [Applause.]

Mr. Speaker, I have been requested to read the following telegram:

GALVESTON, TEX., *December 29, 1920.*

HON. JOSEPH G. CANNON,
House of Representatives,
Washington, D. C.:

We were colleagues 44 years ago. We have been friends ever since. May we be comrades in heaven. "I look toward you."

HENRY WATTERSON.

[Applause.]

Mr. CLARK of Missouri. Mr. Speaker, I yield 10 minutes to the oldest man that ever served in the House of Representatives, Gen. SHERWOOD, of Ohio. [Applause.]

Mr. SHERWOOD. Mr. Speaker and gentlemen of the House, it is true that I am the oldest man who ever served in this historic Chamber, but I have always been told that there is no virtue in being old. [Laughter.] If there were, I would be the most virtuous man here. [Laughter.]

We are here to-day with a living knockdown argument of the theory of Dr. Osler [laughter] in Uncle Joe, who has honored this Chamber with the longest service of any man who ever served in any parliamentary body in the world. [Applause.] After the magnificent speech of the gentleman from Illinois [Mr. RODENBERG], so full of historic interest, I hardly feel like saying anything about the career of our distinguished colleague.

I was a Member of the Forty-third Congress. I came into this Chamber as a Representative on the first Monday of December, 1873. We two old chums are the only two men now in public life who were Members of that Congress. The only difference between myself and Uncle Joe is that he has been here nearly all the time, and I have been absent nearly all the time. [Laughter.] You may not know it, but I hold also a world's record of being out of Congress for 34 years, and then coming back. That is the world's record for outing. [Laughter.]

The gentleman from Illinois [Mr. RODENBERG] has referred to the great historical characters of the Forty-third Congress. I remember them well; and his oration has called to memory the scenes that I witnessed every day on this floor between Gen. Butler, of Massachusetts, who had a seat on the Republican side, and "Sunset" Cox, of New York, a Democrat, who had a seat on this side. Gen. Garfield occupied a third seat from the front, and back of him was Charley Foster, afterwards governor of Ohio and Secretary of the Treasury; a distinguished Buckeye statesman. I occupied a seat on the Republican side between Gen. Hawley, of Connecticut, and George R. Hoar, of Massachusetts. I was young and green then and did not know any better. [Laughter and applause.]

James G. Blaine, the ablest man of his era, was Speaker of the House. He was his own parliamentarian. We did not have any Hinds' Precedents then. We did not have any Calendar Wednesday. We did not have any Committee on Rules. [Laughter.] We did not have any budget system talk. [Laughter.]

Gen. Grant, then the foremost man of all the world, had just started on his second term, and I remember that the entire appropriation for the White House, salaries, clerks, and everything, was only $42,000. He did not have any military aids. He did not have any bodyguard. I met Gen. Grant time and time again walking all alone on Pennsylvania Avenue.

Speaking of old men, do you know that Pope Leo XIII and John Adams were giving out great ideas at 90? Henry Gassaway Davis, who died a few weeks ago at 93, was looking after his great interest in mines and railroads at 92. George Bancroft, the historian, was writing deathless history at 80. Tennyson wrote his greatest poem, "Crossing the Bar" at 83. Michael Angelo painted the greatest single picture ever painted by mortal man at 80, and was master of the sky and sunshine at 88. Goethe wrote "Faust," the masterpiece of all English literature, at 80. Thomas Jefferson, Talleyrand, Herbert Spencer, and Voltaire were giving out great ideas at 80. Gladstone made the greatest campaign of his entire career at 80, and was master of Great Britain at 83. John Wesley was at the height of his eloquence and power at 88. Humboldt, the greatest scientist and explorer of the German people, submitted the last section of his immortal "Cosmos" at 90. Victor Hugo was at his best from 75 to 80.

Uncle Joe, it is true, has passed the period of adolescence and has reached the age of discretion [laughter], but he has yet years of useful service to his State and country. After the 4th of March next I shall bid farewell to Congress, and Uncle Joe will then be the oldest Member of Congress and the oldest member of any parliamentary body in the world, and I wish him a parting God bless with all my heart. [Long applause, Members rising.]

Mr. CLARK of Missouri. Mr. Speaker, I yield 10 minutes to the gentleman from Tennessee [Mr. GARRETT]. [Applause.]

Mr. GARRETT. Mr. Speaker, I realize, of course, that I am unfortunate in coming at this particular time following the splendid addresses to which we have just listened with such great pleasure, but I wish to say that there are three reasons why it is eminently proper that these ceremonies should be had to-day.

First, the subject is so worthy.

Second, these good, true things that our hearts prompt us to say of our fellow man ought to be said while he lives and can hear them. [Applause.]

Third, if the saying of them should be deferred until he has passed away all the indications are that none of us here now would have an opportunity of saying them [laughter and applause], and their saying would have to be left to a generation which "knew not Joseph" as we know him. [Applause.]

Of course, Mr. Speaker, the activities of the gentleman from Illinois in an official capacity have probably affected directly and indirectly more millions of Americans than those of any individual now dwelling upon the earth. Not only has he surpassed all the statesmen of America in length of service in conspicuous place in which he has been conspicuous, but he has surpassed the service of all save a very few statesmen in history, ancient or modern, and he stands to-day with a longer record of eminent position than any statesman now living in any nation of the world.

The gentleman from Missouri [Mr. CLARK] has referred with gratification to the fact that that service has been in the House of Representatives. I join in that feeling of gratification. It seems to me that the qualities and elements of the gentleman whom we honor to-day are and always have been particularly and peculiarly fitted to the House of Representatives. It has become something of a custom of the press to refer to the Senate of the United States as the "upper body" and the House as the "lower body." Sometimes I hear even Members of the House and the Senate make such a designation. I have never regarded this as correct, Mr. Speaker. Certainly the Constitution of our country, which made the Congress, created them coordinate bodies, equal in rank and dignity, and I for one believe that they should be kept so in the public thought. It is true that, under the Constitution, there are certain functions conferred upon the Senate that are not exercised in any respect by the House, but it is equally true that there are certain of the most fundamental things of government, the questions of taxation, of which that same Constitution conferred upon the House the initiative, and what the Constitution has done for the matter of taxation, custom, which is quite as strong, we may say, in many respects as the Constitution itself, has done for the matter of expenditures or appropriations.

Of course, Mr. Speaker, there are reasons for the length of distinguished service which the gentleman from Illinois has

rendered here to his country. There are reasons for his having surpassed the records of all other American statesmen in length of service, and we do not have very far to search for those reasons.

One reason is that throughout all his days he has had the correct comprehension of the elements and fundamentals of human life and nature and has been always able to keep his feet upon the earth among men. [Applause.]

A writer in a book recently issued commented with much force upon the fact that it is somewhat remarkable "that most writers, except technical writers, show little appreciation of the tremendous assistance to the progress of civilization that very simple mechanical and electrical inventions have imparted." He goes on and points out that those things are the things which have mostly brought about the changes in society and civilization that have marked the development of the centuries. He says:

> There is no evidence that the human machine is any better than it was in the days when the pyramids were built or when the Greeks held their Olympian games. There is no evidence now of any brain greater than Cæsar's; we have no poet greater than Homer; no orator greater than Demosthenes; no sculptor greater than Praxiteles. But the ancient Egyptians had no electric railway; the Assyrians did not possess the wireless telegraph; Homer did not have the advantage of a typewriter; and Charles the Fifth lived a life of squalor compared with that of a moderately prosperous resident of any modern city.

It has been the realization of the fact that human nature itself does not change, that the fundamentals of human character are the same in every age and every time, that has enabled the gentleman from Illinois so forcefully to apply the principles of government in the activities of his long and useful public life.

It is related that when Hercules and Anteas strove, Hercules was enabled to overcome Anteas by lifting him and holding him away from the earth. No one has ever been able to do that with the gentleman from Illinois. [Applause and laughter.] It is true that twice in his political career, I believe, he has been tripped, but the gentleman landed upon his feet among the people. He renewed his strength. There is no danger that he will ever be in the class of Anteas, because his district has, of course, recognized that which we here and which all the Nation and all the world recognize, namely, that the gentleman from Illinois, with his ability and his courage, is not only a distinguished individual but that in himself and of himself he is an institution. [Applause.]

Mr. CLARK of Missouri. Mr. Speaker, I yield five minutes to the gentleman from Iowa, Judge TOWNER. [Applause.]

Mr. TOWNER. Mr. Speaker, no visitor entering the galleries of this House but asks, first of all, "Where is Uncle Joe?" I presume it would not be an exaggeration to say that his name is more widely known to the people of the United States than that of any other, except perhaps ten or a dozen men, of the Republic. We know, we who have so intimately known him as Members of the House, his sterling character, his perpendicular uprightness, his facing always without evasion any question that presents itself to him. But we are not alone in that knowledge. The people of the United States know Uncle Joe and love him because of those qualities. What a lesson it is to us here who perhaps lack courage of conviction; what a lesson it is to the young man in the United States who is ambitious to serve his country and the cause of his people.

I have visited the birthplace of Uncle Joe, near Greensboro, in North Carolina. I think of him as the poor farmer's boy, going across the prairies, traversing forests, fording streams, until he settled in the pioneer State of Illinois. I think of him struggling as an attorney until he obtained recognition of the people, and then, throughout all these years, until he stands as one of the foremost characters not only of American life but of American history. And so, to the poor boy everywhere, trudging the country highways, with aspirations to be of service and to attain some distinction in the service of his fellow man, he can look to Uncle Joe's career as an inspiration and a promise that if he is faithful to his sincere convictions he will be recognized as being worthy of the trust of the people. The man who has stood foursquare to every wind of demagogism that has blown, opposing them all with the courage that has met with approval sincerely in the hearts of every American citizen, stands to-day the exemplar of all which is best and most courageous in American public life. And so we honor not only our dear comrade and confrère, Uncle JOE CANNON, but we honor to-day length of service, character of service, straightforwardness of service, uprightness in the determination of all those things that go to make for a distinguished service, when we honor as we do, sincerely, generously, heartily, Uncle JOE CANNON, our friend, our comrade, our associate, our exemplar to the world of that which is best in the Congress of the United States. [Loud applause.]

Mr. CLARK of Missouri. Mr. Speaker, I yield five minutes to the leader of the House, the gentleman from Wyoming [Mr. MONDELL.] [Applause.]

Mr. MONDELL. Mr. Speaker, this is a great day for the House as well as for Uncle Joe, because this is the day on which we celebrate the fact that we have with us as colleague, companion, friend, and counselor a man who as Member of Congress has enjoyed longer than any other man in American history the confidence of an American constituency. What an honor it is for nearly half a century to have so lived and so wrought as to have retained the confidence of a large majority of the intelligent, God-fearing, forward-looking, hopeful, honest folks of an American congressional district!

But Uncle Joe has not been returned to Congress continuously. And that reminds us of the fact of which we have recently had some rather distressing reminders, that political landslides unfortunately do not discriminate and are not respecters of persons, and that when they come, these great waves of public sentiment, there are sometimes left behind those that we all, without regard to party, admit it would have been better for the country could they have been returned. [Applause.]

Why has Uncle Joe been here longer than any other man? If there be one reason for it stronger than any other it is to be found in courage, the courage of his convictions. The gentleman from Illinois [Mr. RODENBERG] expressed the hope that Uncle Joe would round out a 50-year period of service in the House. I hope and trust he will that we and all who come to the House may enjoy his delightful companionship; but more than all that he may be here, as suggested by the gentleman from Iowa [Mr. TOWNER], as an inspiration not only to all the youth of the land but to the youth of Congress, a reminder that men can serve here for long even though they do not always yield to temporary popular clamor [applause]; a reminder that the man who served the longest in this body is one who has been especially conspicuous for his courage in the face of strong temptation to yield to what seems the popular view.

We have not always agreed with Uncle Joe on either side, but we have all honored him for his virile ability, and, more than that, for his stalwart, unwavering courage. Long may he remain here to remind those who come that a man can be courageous, that a man can stand for what he believes is right, even though it may not for the moment be popular. Oh, what we need here more than all other things is courage, the courage of one's opinion, the courage of one's convictions. We need strong, forceful, able men. But above all we need men of courage, and it is inspiring and encouraging that the most courageous of them all is the man who has remained here the longest. May he long be with us, an inspiration to good service. [Loud applause.]

Mr. CLARK of Missouri. Mr. Speaker, my hour having expired, I ask unanimous consent that the gentleman from Illinois [Mr. CANNON] be permitted to address the House as long as he desires to do so. [Loud applause, the Members rising.]

The SPEAKER. The gentleman from Missouri asks unanimous consent that Mr. CANNON may address the House at will. Is there objection?

There was no objection.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. CANNON. Mr. Speaker, we have had so many of these wakes [laughter] that I am beginning to wonder if I am not already realizing the hopes of those who desire to return from the other shore and continue to communicate with their friends who are still participating in the ordinary affairs of this mundane sphere. But it is a compliment that I appreciate from my fellow Members of the House, and I thank my personal friend and colleague, the former Speaker, for his sentiments, which I fully reciprocate.

I realize that it is a rather long time that I have been here, but it has not seemed long, for time never drags in the House, and the realization of the years that have come and gone comes to me only when I look into the faces of my colleagues and note the changes.

The year of 1872 was a memorable one in many respects. Vesuvius had a violent eruption that year [laughter], and Gen. SHERWOOD and I were elected to the House. [Laughter.] There were other happenings—the organization of the German Empire and the French Republic, the emancipation of slaves in Porto Rico, the connection of Australia with the rest of the world by cable, the great Boston fire, and the Geneva award of the Alabama claims, but these concerned the world at large, while the election of my friend and colleague, Gen. SHERWOOD, and myself was personal, and I am glad he is here with us to share with me the doubtful honor of elder statesmen. [Laughter.]

As I look into your faces I am reminded that our honored Speaker and his predecessor in that chair were approaching the polls to cast their first votes that year, Mr. GILLETT no doubt voting for Gen. Grant, who had only a few years before been considered a good Democrat, and Mr. CLARK voting for Horace Greeley, who was still a stalwart Republican and protectionist [laughter], though translated for a few brief weeks to the leadership of the Democratic Party. [Laughter.]

JIM MANN, at the age of 16, was no doubt beginning his struggle with rival ambitions to continue a farmer or become a lawyer, and I am glad that his perverse nature monopolized his ambitions until to-day he is an ornament to both professions, a true, scientific farmer and the most industrious and useful lawmaker I have ever known.

My friends RAINEY and MONDELL, at the age of 12, were beginning to figure life in percentages, while RODENBERG, at the age of 7, was winning his way with "You would scarce expect one of my age" [laughter], and the ambitions of CLAUDE KITCHIN and NICK LONGWORTH, at the age of 3, were centered about their first pants. [Laughter.]

But as I look over the House I find more than 100 of my colleagues who had not then been born; and as I have watched you as you took your places as leaders in committees and on the floor in debate, some of you already called veteran legislators, I feel that 1872 must have been a long way back in the history of the House and the country, for there have been new names added to the United States with a whole great empire covering the plains and the mountains of the West now represented on this floor that were not here then. Eleven States have been admitted to the Union since I first became a Member of the House, and they have often made a noise like a majority here [laughter] and in the Nation and the world, both in peace and in war. [Laughter.]

We have had great development in these years, and I am glad to have been a small part of it and to be able to continue with you in the work we here do for the peace and prosperity of the American people first and the world, so far as we can, by example in fraternity and charity.

I admit that I have been here off and on more years than any of you, but I am not the veteran in continuous service. GILLETT, CLARK of Missouri, MANN of Illinois, BUTLER, GREENE of Massachusetts, MOON, and SIMS rank me in that line, because I had two vacations, which I did not seek [laughter], and those four years were the longest years that have intervened since I first came to Washington. [Applause.]

I thank you from the bottom of my heart. [Prolonged applause, all the Members rising.]

Mr. SHERWOOD. Mr. Speaker, I ask unanimous consent to revise my remarks in the RECORD.

The SPEAKER. The gentleman from Ohio asks unanimous consent to revise his remarks. Is there objection?

There was no objection.

Mr. RUCKER. Mr. Speaker, I ask unanimous consent to address the House for a few minutes.

The SPEAKER. The gentleman from Missouri asks unanimous consent to address the House for five minutes. Is there objection?

There was no objection.

Mr. RUCKER. Mr. Speaker and gentlemen, I indorse heartily every good thing that has been said about the distinguished gentleman from Illinois, Uncle JOE CANNON. It is not my purpose to mar this beautiful occasion by an attempted speech. I want to call attention particularly to one great achievement, wrought by this distinguished gentleman, which has given more pleasure and contributed more to the comfort of the Members of Congress than all others combined. When I first came here, if a Member of Congress were able to do so he lived in some hotel, and his clerk or secretary frequently lived in a remote part of the city. We had no offices unless we had money enough to hire them, rent them.

After a while the Committee on Appropriations, of which the distinguished gentleman from Illinois was chairman at that time, brought in a legislative appropriation bill carrying in it a proposition for the construction of an office building. The construction of the building was not authorized by law and, therefore, that provision was subject to a point of order. Some Democrat—I think it was a Democrat—afraid of extravagance, made a point of order, and the language went out of the bill. But the chairman, with that determination which has characterized him during his whole life, immediately convened the Committee on Rules, and that committee promptly reported a rule making it in order to amend the bill by putting back into it the language which had been stricken out, and thus the appropriation was passed for the magnificent building that stands southeast of this Capitol.

Uncle JOE CANNON, more than all others combined, is entitled to credit for that office building, for the convenience and comfort of the millions of American people who have visited it and who will visit it in the centuries to come. I feel that while this is one of the poorest achievements of his great career, yet it is one that ought to be commemorated in some suitable manner. I believe the membership of this House—every man in it—will be glad, upon entering the office building, to witness a bronze bust of our congenial friend and companion during so many years occupying a conspicuous place in the beautiful rotunda, and, Mr. Speaker, with that in view I offer this resolution as a slight tribute to our distinguished colleague, and ask unanimous consent for its immediate consideration.

The SPEAKER. The gentleman from Missouri asks unanimous consent for the present consideration of a resolution, which the Clerk will report.

The Clerk read as follows:

House resolution 628.

Resolved, That the House of Representatives this day accepts from his friends a bronze bust of the Hon. JOSEPH G. CANNON, and that the same be placed on a suitable pedestal in the rotunda of the House Office Building, and that the expense of the pedestal shall be paid out of the contingent fund of the House.

The SPEAKER. Is there objection to the present consideration of the resolution?

There was no objection.

The SPEAKER. As many as are in favor of the resolution will say "aye"; opposed, "no."

Mr. RUCKER. Mr. Speaker, I ask that we take a rising vote.

The SPEAKER. As many as are in favor of the resolution will rise and stand until they are counted. [After counting.] One hundred and eighty-three have risen in the affirmative. As many as are opposed will rise and stand until they are counted. [After a pause.] None have risen in the negative.

So the resolution was unanimously agreed to.

The SPEAKER. By special order, the gentleman from Ohio [Mr. FESS] was allowed one hour in which to address the House. The gentleman from Ohio is recognized.

Mr. FESS. Mr. Speaker and Members of the House, when I asked one or two Members of the House for their views as to whether a statement of the Congressional Library in its organization and in its work would be of value to the Members of the House, I was assured that such a statement might be advisable and might be interesting. At the time I was not aware of the character of the program I was to follow.

The House of Representatives has been eulogized in the hour preceding, largely because of the personal element that enters into the membership of the body; and yet all that was said that was of value by any Member that spoke is distinctively of less importance than what is not said. Uncle JOE CANNON owes it to his country, and especially to the membership of this House, in the past and present and to be, to reduce to writing in the form of reminiscences the interesting episodes that will supply the finest source of history during the greater period of our national development.

And whatever has been said about the wonderful career of this wonderful man, that which has not been uttered and which, I fear, will not be written or spoken is of most importance. Members of this body have pleaded with the distinguished ex-Speaker over and over again to take the time to put into permanent shape, in form of reminiscences covering these 43 years, the richest source of American history available. I fear that we will not get it. The Library across the way is to-day rich because of the valuable papers it contains that represent the utterances of the great statesmen, many of which were made at random. It contains utterances of a dozen of our Presidents whose papers we have, and which are recognized of the greatest importance to the country. We have also utterances of some of the greatest editors, like Charles A. Dana, whose reminiscences of the Civil War, touching the inner life of Abraham Lincoln, supply the finest picture of that great character now extant; and how rich would be the acquisition covering the last 50 years if Uncle JOE CANNON would put in form and have placed in the Library the richness of his public life that none of us knows much about except as a fugitive story here and there. If this is lost to our country, it will be a great mistake.

East of the Capitol stands the most beautiful building in the world, the creation of the genius of the architect, sculptor, and painter. Within its walls is found a collection of publications which is rapidly overtaking the Bibliotheque Nationale of Paris and the British Museum of London, the only other libraries which exceed in number of books the Congressional Library.

In this Library is found the world's greatest collection of musical compositions, as well as the first rank in the number

of maps. The Library, hence, is not only the most superb in its beauty of design, but its arrangement for practical use is the most complete. The building covers 3½ acres and has 8 acres of floor space. It has 100 miles of shelving to accommodate 3,500,000 volumes, which may be extended to at least twice that amount. The library service in delivering books operates almost like a metallic mind.

Like all other great institutions, this had its small and insignificant beginning. It started some time before the beginning of the last century with the appointment of a committee to report on need and selection of suitable books. Five thousand dollars was appropriated in 1800. Beckley, of Virginia, was appointed librarian by Jefferson in 1802. The first catalogue was of nine pages, prepared in 1802, the Library then containing 964 volumes and 9 maps, classified on the basis of size into quarters, octavos, and so forth. The purpose of the Library was stated by Senator Mitchill in 1806 to be "to furnish the Library with such materials as will enable statesmen to be correct in their investigations, and by a becoming display of erudition and research give a higher dignity and a brighter luster to truth."

The catalogue of 1812 contained titles of 3,076 volumes and 58 maps and charts. When the Capitol was burned in 1814 by the British, the Library had cost all told about $9,000 for books and operation. The librarian's salary was at first $2 per day. The Library was destroyed August 24, and on September 21 Jefferson wrote from his home tendering his library to Congress. The committee was authorized by act of Congress to purchase the 7,000 volumes for $23,950, which was done in January, 1815. Jefferson catalogued the library, which was later declared by Spofford as "an admirable selection of the best ancient and modern literature up to the beginning of the present century." These books were hauled from Monticello to Washington in farm wagons.

From 1815 to 1851 the Library grew from 7,000 to 55,000 volumes.

On the evening of December 22, 1825, Edward Everett discovered a fire in the galleries of the Library, and he, assisted by Daniel Webster and other Members of Congress, put it out. In 1851 a second fire destroyed all but 20,000 volumes of the then handsome collection of 55,000 volumes. Only one-third of the Jefferson collection was saved. Congress at once took steps to rebuild the loss. Before the year was ended in several specific acts it had appropriated $263,700 for the purpose. Ten years later a general catalogue of 1,398 pages was published. In 1869 the last complete catalogue, arranged by subjects, was published in two volumes of 1,744 pages.

The card catalogue was adopted about 1865, and was perfected from time to time to its present wonderfully serviceable system.

In 1864 A. R. Spofford was selected as librarian, and that year might be taken as the beginning of the third stage of Congressional Library history. Congress sympathetically responded to legislative demands. Frequent appropriations were voted and many private collections were secured after the fashion of the famous beginning in 1815. Three years after the selection of Spofford, Congress authorized the purchase of the valuable collection of Americana from Peter Force. It contained 60,000 volumes and cost $100,000. It was regarded as a rare collection of books and pamphlets on American subjects—manuscripts, newspapers, maps, autographs, and so forth. About the same time the vast collection of the Smithsonian Institution, comprising 40,000 volumes, was transferred to the Congressional Library. It contained invaluable publications of the various learned societies throughout the world with which the Institution had exchange arrangements. These publications contained works on natural history, the fine arts, linguistics, bibliography, and so forth.

Accessions were constantly made, among which were, in 1866, the Pefigru law library; 1882, the manuscript papers of Benjamin Franklin; 1883, the Matthew-Carpenter law library; 1882, the Toner collection of 27,000 volumes, which collection contained, among other invaluable publications, an almost complete collection of copies of letters and papers of Gen. Washington, copied from every available source, whether published or unpublished.

As far back as 1846 a provision of the copyright law required a deposit in the Library of one copy of every book, map, chart, musical composition, print, cut, or engraving that was copyrighted. In 1870 the law required two copies deposited. This requirement insured the Congressional Library as the most complete repository of the American press in existence. This is one, if not the chief, source of accessions, which reaches now about 1,200 per month.

It was the ambition of Mr. Spofford, denominated by Editor Bowker, of the Library Journal, as the "eighth wonder of the world," to personally serve every Member of both House and Senate. Many are the stories told of this wonderful man, who seemed to know not only where every book was on the shelf but just where to find anything in any book demanded by the legislator. Perhaps no man in Washington was so well and favorably known as this man, and certainly no man more widely served the great and distinguished figures of his generation, whose service was the favorable comment of the statesmen of his time.

Only yesterday one of the attendants in the Congressional Library, who has served there 30 years, told me an incident where Senator David B. Hill, of New York, came to the Library looking for something in relation to Blackstone's Commentaries. He spent over two hours in the research. Just as he was passing out he passed Mr. Spofford, who asked him if he had found what he wanted. Senator Hill replied that he had not. Mr. Spofford wanted to know what it was, and when the Senator told him, he said, "Wait a moment, probably I can help you," and within five minutes he handed to the Senator a volume with the page containing the information which the Senator wanted.

I remember a very interesting incident that is told in connection with Mr. Spofford when a gentleman appeared asking for certain information on the Ordnance of 1787. Mr. Spofford took down volume after volume, passed it over to the research man, and as the research man took the volume, he said, "It is not in this; I have examined that before." Mr. Spofford finally said, "I can not help you; I regret it"; and when the gentleman started out Mr. Spofford said, "Wait a minute; if you care to take the time you might go to Marietta, Ohio, and look up Prof. Andrews, who is the best-informed man on the Ordnance of 1787 that I know of. If he can not give it to you, I do not know where you can find it." The gentleman blushed and said, "I am Prof. Andrews myself."

Many interesting incidents could be hunted up from the older people here in Washington concerning this remarkable figure, who served personally in the Library, which at that time was just off the rotunda under the dome.

While the purpose of the Library was originally limited to the service of the legislative department, under Spofford it soon extended to both the Supreme Court and the Executive, including the various departments and numerous bureaus under the departments. The growth was so constant that all available space where it was housed in the Capitol Building was occupied. In 1897, when the Library was moved to the new quarters, 600,000 volumes were crowded into a space allotted for but 400,000 volumes. The rapid growth dates from the entrance of Spofford, to whose genius was due not only the fine response of the public, both official and nonofficial, but also to the plans and execution which resulted in the most complete and superb library building of the world.

Agitation for a new library building began back in 1873. Discussion continued somewhat intermittently for 13 years. In 1886 authority was given to purchase a site, which cost $585,000. An appropriation of $500,000 was made to begin the construction.

The original plans were outlined by Architect Smithmeyer. Later the construction was placed under the direction of Gen. Thomas L. Casey, of the Army. The architectural designs were worked out by Paul J. Pelz and Edward P. Casey. In 1896, upon the death of Gen. Casey, Bernard R. Green took up and completed the building. The total cost was $6,347,000, exclusive of the site, which cost $585,000. A library which had numbered about 75,000 volumes in 1864, when Spofford came to its head, had grown to nearly 1,000,000 volumes by 1897, when it was transferred to its new home in September of that year.

The housing of the collection of books in the most beautiful building in the world was the realization of the dream of Mr. Spofford, who expressed the wish to leave the responsibility of its expansion to other heads. The former crowded quarters had given way to a wonderfully commodious structure of about 10,000,000 cubic feet of space, where 2,000 readers can be accommodated at one time in the midst of one of the world's greatest collections of books, pamphlets, maps, and so forth. Mr. Spofford asked to be relieved and was made a sort of librarian emeritus, with Mr. John Russell Young as librarian. In this position Spofford continued until his death in 1908. Two years after his appointment Mr. Young died. President McKinley sought the best possible talent, which was found in Dr. Herbert Putnam, the librarian of the Boston Public Library. Dr. Putnam was the first specially trained librarian to be selected, and he, at the request of the President, accepted the position, although at a substantial financial sacrifice.

His service during these more than 20 years is another of the many evidences of President McKinley's remarkable talent to call to the service of the Government a high grade of ability.

I am not going into the financial side of this Library; I am not going to put this statement into the form of begging an appropriation. But I know the membership of the House will be more or less concerned with the material appreciation of the expert men that are found in this building just across the way.

With this appointment of Mr. Putnam began the fourth stage of the growth of the Congressional Library. Up to this time the chief activity was confined to the collection of publications and the service of the Government here in the Capital. With the advent of Dr. Putnam began the present remarkable library organization. In 1897 several divisions had already been organized; among them were the following:

1. Division of Manuscripts, now employing 4 persons.
2. Division of Maps and Charts, now employing 6 persons.
3. Division of Music, now employing 6 persons.
4. Division of Prints, with 5 persons.
5. Division of Copyright, with 91 employed at present.

The Cataloguing Division was created in 1899.

The Order Division was organized in 1900 and now employs 13 persons.

In 1901 were organized the following:

1. The Card Distribution Section, employing at present 69 persons. The stock now numbers over 60,000,000 cards.

2. The Periodical Division. The total number of periodicals received is beyond 13,000. Over 1,000 newspapers are received; 275 foreign. It employs 12 persons.

The reading room has seating capacity for 250 readers, who have access to over 400 newspapers and more than 3,500 magazines. Three hundred and seventy-five newspapers are bound and now found on the shelves. It employs at present 72 persons.

3. The Documents Division. More than 40,000 documents are annually received. At least 10,000 are foreign and about the same number are from the various States in the Union. It employs 7 persons.

The last 20 years have witnessed the development of this Government institution into a genuine National Library. This has been the ambition of the present librarian, who has already realized his dream. Dr. Putnam clearly distinguished the function of the municipal library, the State library, and the university library on the one hand from that of the National Library on the other. Each of the three former serves a constituency not within the purview of the National Library.

The head of the Library planned to make the National Library serve the entire country through other libraries in the following ways:

1. By the sale and deposit of catalogue cards, of which there are now in stock 60,000,000.

2. Interlibrary loans by which any person, in however remote part of our country, can secure through the local library books from the national library.

3. Distribution of the publications, including its bibliographies.

4. By cooperation in publication.

In this way the research investigator is not limited to the books on the shelves in his local library. In every library center can be found a card catalogue of the Congressional Library, which informs the attendants and patrons of the various centers of the collections of the national library. This organizes the library centers into one stupendous library system, with Washington as the center as a general clearing house for library information throughout the Nation. It thus serves the general reader, who is not limited to the authorities found in the Congressional Library, enormous as are the present sources, numbering in the collection 2,831,333 books and pamphlets, 166,448 maps, 829,400 volumes and pieces of music, and the 418,976 prints. Through the interlibrary arrangement he has access to the collection of about 3,000 libraries scattered throughout the Nation.

By international arrangement, with some additional inconvenience, he also has access to some of the world's greatest libraries outside of the United States. This arrangement exists with 138 libraries, from 24 countries.

The conception of a great national library was announced by the librarian soon after his induction. In 1905 he set out the functions in a report in which he referred to fields of research as follows:

1. A library for special service to the Federal Government.
2. A library of record for the United States.
3. A library of research, supplementing other research libraries.
4. A library for national service; a library which shall respond to demands from any part of the country in the aid of research.

This ambitious program has now been realized.

The municipal library serves an entirely different purpose from the university library. The State library serves a purpose that probably would be served by both university and municipal. A university library is primarily for research, very much like the library in the various governmental departments. Several of the departments support the finest libraries of this kind in the world.

I have a list of the libraries that are using the National Library's stock of cards. It runs very closely to 3,000 libraries. I also have a list of the foreign libraries that are using the Library of Congress. I think there are by actual count 39 libraries of foreign countries that draw upon this library here in this Capital for research work. I here append the list:

Number of subscribers to Library Catalogue cards by countries and States.

UNITED STATES.	
Alabama	20
Alaska	1
Arizona	10
Arkansas	9
California	195
Colorado	36
Connecticut	64
Delaware	16
District of Columbia	178
Florida	14
Georgia	38
Idaho	18
Illinois	192
Indiana	94
Iowa	68
Kansas	43
Kentucky	20
Louisiana	15
Maine	35
Maryland	34
Massachusetts	239
Michigan	90
Minnesota	79
Mississippi	8
Missouri	76
Montana	24
Nebraska	27
Nevada	6
New Hampshire	29
New Jersey	67
New Mexico	6
New York	380
North Carolina	33
North Dakota	16
Ohio	145
Oklahoma	26
Oregon	23
Pennsylvania	143
Rhode Island	26
South Carolina	12
South Dakota	22
Tennessee	29
Texas	36
Utah	22
Vermont	24
Virginia	38
Washington	34
West Virginia	27
Wisconsin	96
Wyoming	8
FOREIGN COUNTRIES.	
Australia	4
Austria	1
Bermuda Islands	1
Brazil	1
British Africa	1
British Isles	18
Canada	49
China	14
Cuba	4
Denmark	1
Finland	1
Formosa Islands	1
France	2
Germany	3
Hawaii	7
India	6
Japan	14
Norway	1
Palestine	1
Philippines	2
Porto Rico	2
Spain	1
Switzerland	2
Syria	1
Total for United States (including Alaska)	2,991
Total for foreign countries	138
Grand total	3,129

The foreign list does not include many municipal libraries in the Old World with which we have affiliation.

Out of this Congressional Library go books to States from Maine to California for research advancement only. It is serving in a research way every remote section of the country. It is not primarily for readers, nor is it for self-cultivation. This Congressional Library is not a circulating library such as the city or municipal library, whose collection of books are for

cultural reading, for delight, or self-cultivation. A library like the one on Massachusetts Avenue and K Street will show a greater circulation of books than the National Library. But the book that goes out from the National Library goes to research men, whether here or elsewhere, who become stimulated thereby to writing books, results of investigations, which multiply the books that fill such libraries as this in the city of Washington. So when we examine a list of the books that go out of the Congressional Library to the various libraries of the country, it is not the number that is significant but the quality.

GROWTH OF THE LIBRARY OF CONGRESS.

The growth of the Library has been almost phenomenal as seen in the light of the small expense. It is rapidly overtaking all other collections, and will soon have first rank in number of volumes of books, as it already has in Americana, in music material, American imprints, official documents of all countries, and of the publications of learned societies throughout the world. There are three principal sources of this growth:

1. Copyright deposits, two copies of each copyrighted publication.

2. International exchange of official documents, to satisfy which the Library is allowed 100 copies of each official publication of our Government.

3. Returns from the exchange of the Smithsonian Institution.

Other sources, such as donations and purchases, add to the collections, such as the Russian and Chinese collections, each of which is doubtless one of the richest outside of those countries.

It would seem reasonable to expect public-spirited men in many countries where America is appreciated would follow the example of Yudin and others and donate valuable collections of publications for permanent use through this great research institution. Certainly in no other way could better use be made of source material. Likewise could no place be found where better care would be taken to insure the realization of the donor's purpose. It is to be hoped that the example set by Smithson back in the forties, which made possible the Smithsonian Institution, in many respects without a parallel, and the example of Yudin may be followed by other foreigners, and especially by many Americans who possess collections of rare value.

Fellow Members of the House, perhaps it is not known to many of you that over here in the Library we have the richest collection of Russian books outside of Russia. The collection includes certain manuscript records of the early Russian settlement in Alaska. In pure literature the Library includes the best edition of every important Russian writer. Even the fine arts are fairly represented, especially notable being a set of the Rovinski publications, perhaps the most nearly complete in existence. It probably is not known to many Members of the House that over in the Congressional Library is the finest collection of Chinese books that is found anywhere outside the Empire of China. This collection was commenced with books brought over here by Caleb Cushing, the first United States minister to China under President Tyler. It contains volumes that can not be duplicated. The Choo He History, 100 and 110 volumes; the History of the Eight Banners, 314 volumes; three sets of Kang Hee's Dictionary, 40 volumes; and a dictionary of classical expressions, 120 volumes, are among the notable possessions. Some of them are not to be found anywhere outside of China.

Perhaps it is not known to many that the Library contains a fine collection of Japanese books. It was started with a collection of 9,000 volumes, and is rapidly growing.

The Government has never become a book collector in the sense of the book fancier, which does not stand on cost. It expends only a meager sum for additions, something less than $100,000 per year. It consequently can not procure the rich, rare book or manuscript, which can only be had at a price. However, it does procure photostatic copies where such is allowable and available. This has come to be a valuable feature of library service here in the Capital.

PHOTOSTATIC REPRODUCTIONS.

Among the richest collections in various parts of the world no duplicates can be had at any price. They are not in existence. This is why the old libraries of Europe and Asia are so priceless in value. Destruction of these sources would deprive the world of these riches, as they could not be reproduced. The nearest possibility of reproduction is through the photostatic process, which has been introduced quite extensively in the National Library.

When it can not secure the manuscript, it frequently has the privilege of photographing it, and in this way all sorts of invaluable information is secured by this new plan of seeking the next thing to the rare manuscript—its photograph.

Some days ago we were discussing the question of presidential disability, and in looking up the bibliography on it we found that back in 1881 the North American Review had printed four articles from four distinguished men on the subject of presidential disability. We looked the Library over, and could not find it. It was finally found by the Library in some place here in the city, and immediately the Library took a photostatic copy of it and supplied it to Members of the House, and it is now in the Library. I was shown only this morning this remarkable apparatus, which is one of the very valuable additions to a real national library, and which is to come into more general use in supplying photographs of valuable documents now in the Library, desired by many away from Washington.

THE WORK OF HIGHLY TRAINED EXPERTS.

When the present librarian came to the head of the Library he had only to add to the facilities of the collections, housed in the most commodious of buildings, a library organization to make it a truly national library. This has been done at a comparatively small expense. In this organization there are less than 600 persons employed, including 148 under the Superintendent of Buildings and Grounds. Among these are to be found the highest grade of scholarship and trained expert service. They include classifiers—that is a term that would not be very intelligible to the average Member of Congress unless he would make some study of its significance. Here is a sample of classification work. Here is a volume of 597 pages on the subject of social science. Science is only one field of investigation of the boundless fields for research and which becomes a very small part of the whole field. Social science, the title of this volume, is only one little nook of the field of science. The volume contains only the titles. I picked it up in the Library just as an example of intensive work. I might want to find what has been written and printed and what is now available on the subject of social science, not confined to our Library, but extending to the world libraries. Here it is. If I want to find what is in the British Museum on that subject, if I know the key to this volume, I can locate it and then by our international interlibrary arrangement I know how to proceed. I can not secure the book from those old libraries in Europe, as they are purely reference libraries and must be consulted on the spot. However, they can secure the book from us. We are one of the few libraries carrying on such service. If I wish the information in Europe's great libraries I can have some one look the matter up for me. This volume is the work of the classifier, and displays the endless field in which he now works in attempting to notify the reader what has been published and to make it easily available.

THE WORK OF THE BIBLIOGRAPHER.

We have been talking on the subject of dyestuffs. The bibliography of dyestuff in the volume which I hold in my hand, and which has recently been prepared and published, contains 185 pages. The bibliographer does not serve the general reader. The general reader is served in the general reading room over here. That is the first step in public education through the Library. The bibliographer serves the research man who wants to know what has been written on these subjects, and his business is such as keeping a record of all bibliographical work, past and present; second, preparing a list of references on all popular questions; third, through the Catalogue Division prepare and publish a bibliographical record of every book which will find a place on the shelves of the Library. But, besides the bibliographer, the research man must have the interpreter. A Member of the House told me the other day that he became involved in a very serious dispute upon a matter of fact that was found in the Spanish language. He did not know just how to settle it. He spoke to me, and not being a Spanish student and not being able to read the original, I said to him, "Go to the Library and in five minutes you will find a man who will give you a translation, and you can have it before you in perfect English." It does not matter what language it is, they have that research ability over here in our Library. Men and women over there, gentlemen, are working like worms and you have never seen them unless you have gone where they are. They are doing in the most quiet way the most important work in research, and making it possible for Members of Congress to utilize the stored-up wisdom of the ages through the result of their research, as noble work as can be found anywhere in the world.

Cataloguers, bibliographers, interpreters, and scholars in various lines of research, science, language, literature, and other fields, calling for the trained specialist. Through these channels the legislator can have brought to his assistance at once necessary data, without which he could not act with the highest degree of intelligence based upon accurate information. A controverted issue involving a dispute which turns upon some

event, the only record of which may be locked up in a foreign language, can easily be cleared up within an hour or two of time, in which the experts will lay a translation of the record before you.

Mr. BLANTON. Will my distinguished friend yield?

Mr. FESS. I will yield to my friend.

Mr. BLANTON. I just wanted to pay a tribute to Mr. Washington, who used to be there and who used to render valuable services to every Member of this House who called upon him. As I have said once before, he has stayed there and worked until the wee small hours of the morning to my certain knowledge on several occasions, and I thought it was only due to his memory to say that in his behalf.

Mr. FESS. I thank my friend for his utterance of appreciation. The House showed it by advancing the salary up to the time that he was the custodian.

Mr. BLANTON. But the House showed it, the distinguished gentleman will remember, after he was dead and gone in paying it to his widow.

Mr. FESS. The House showed it before he died in a handsome advance.

Mr. BLANTON. But considering the kind of services he performed, even that advance was hardly worth mentioning.

Mr. FESS. Well, I would not say it was not worth mentioning, but it was not commensurate with his work, I will admit.

One of the surprising features, aside from the talent of the expert, is the wonderful facility in serving the reader, whether within the Library Building or the Chamber of the House or Senate. Any book may be handed the reader in the reading room within three minutes after the order. It can be delivered to the Congressman in the Capitol within 15 minutes after the order.

WASHINGTON RAPIDLY BECOMING THE WORLD'S GREATEST CENTER FOR SCHOLARSHIP.

It may not be known to all Members of the House that here in Washington, connected with the various research divisions of the Government, are located the greatest group of great scholars that can be found in any other center in all the world.

I want to emphasize that statement. It is absolutely true. These scholars are associated with the various governmental departments, each of which has special library facility for its use. There are a score of such special libraries which a dozen years ago contained considerably over a million volumes of books and pamphlets. Among them the libraries of the Surgeon General's Office, the Agricultural Department, the Bureau of Education, the Bureau of Standards, the Fish Commission, and the Geological Survey are the finest of their kind in the world. However, the Congressional Library contains not an insignificant portion of the force of experts to be found in Washington.

I asked an authority some days ago whether it was wise to collect all the libraries within one building and place them under the control of the Library of Congress. The answer was in the negative; that they all ought to be affiliated with the National Library, as they are, but that we do not have room over here, and that the libraries can be better used for the purposes of research where they are now located.

Mr. OLDFIELD. Will the gentleman yield for a question right there?

Mr. FESS. I yield to my friend.

Mr. OLDFIELD. You speak of these libraries in the departments. Does not the Congressional Library have a copy of each of the books that these other libraries have?

Mr. FESS. It has not a copy. It has a good many duplicates, but these libraries have a good many books that the Congressional Library does not have at all. I had that information this morning.

Mr. OLDFIELD. I was under the impression that the National Library had copies of all books in the departmental libraries.

Mr. FESS. There are a great many books that they do not have duplicates of. One of the libraries on the Mall, the Surgeon General's library, is distinctly the finest collection of books of that sort that can be found anywhere in the world, and it is housed in rather a shabby building. I think there should be a fireproof building to house that library, for if it were lost it could not be duplicated.

THE ONE GREAT OBSTACLE TO OVERCOME.

The one obstacle thus far is the inadequate salary allowed. It is such that constant injury is suffered by the loss of this service to other fields, which has some compensation by making this Library the training school for library work throughout the country.

A very significant incident of that sort came to my attention a few days ago. The man who was found wonderfully fitted both by nature and by acquired training to build up the musical collection over here came at a low salary which reached its height in $3,000 per annum. He stayed here until he had brought this collection to the first rank in the world, not only in number of collection but especially in the character of the constituent parts of the collection, in its organization, and so forth. He was offered a superb salary, perhaps $10,000, to go to the head of some great firm, and two years ago he left the Library. Of course, we could not keep him. And while that is rather an exceptional case, it not being common, it represents what we have to face in this expert service.

LEGISLATIVE REFERENCE SERVICE.

The most recently added division is the legislative reference service, to assist the legislator in assembling data on questions involving important legislation and also in assisting in drafting bills. During the closing year 1,604 inquiries were made of this service. The character of work of this service is displayed by what it was called upon to do. For example, on the question of public finance by those interested in budget legislation the following list of inquiries is suggestive:

An outline of the budget systems of Latin-American countries.

A survey of the methods of budgetary procedure in France, Germany, and Great Britain.

Data on Gladstone's independent audit reform of 1866.

Recent criticisms in England of certain phases of the British budget system.

A list of the committees in Congress having jurisdiction over reporting bills appropriating money for running the Government.

Extracts giving comprehensive comment on the proposed national budget system for the Federal Government.

Historical sketch of the powers of the Secretary of the Treasury over the annual estimates from 1789 to 1874.

Brief digest of Federal statutes relating to the keeping of the departmental accounts.

A digest of all Federal statutes relating to the annual estimates of appropriations.

A brief description of the various budget systems in the various State governments.

The number of States with a single budget committee with jurisdiction over appropriations.

Facts regarding the effect of the operation of the Illinois State budget system on the governmental organization and on the expenditures from the treasury.

Statistical statement showing total expenditures by the United States Government for all purposes from 1789 to 1919.

A summary of expenditures of the United States Government by all the departments for the fiscal years 1917, 1918, and 1919.

Facts regarding the repayment of principal and interest of the allied debt to the United States.

Total national wealth and public debt of the leading countries of the world.

A comparative statement of the total taxes collected in the principal foreign countries from 1914 to 1919.

Brief history of the public debt of the United States.

Brief history of the bonds of the French and Italian Governments for the past 50 years.

Facts regarding the taxation of incomes and excess profits in foreign countries.

Proposed amendments to the French luxury tax.

To what extent have the Governments of foreign countries imposed a tax on retail sales.

Extracts from the debates in the British Parliament on the post-war tax policy of the Government.

Facts regarding the tax policies of the leading foreign countries in 1919.

Extent of coal and oil lands and metallic ores taxed in foreign countries and in the States in the United States.

A list of the States having income and inheritance tax laws.

Amount of revenue collected through the tax on bank checks during the Civil and Spanish-American Wars.

The amount of taxes collected by the different States of the Union in the year 1919.

Statement on the judicial interpretation of the term "direct taxes."

A brief discussion of the taxing power of boards or commissions.

This list suggests the comprehensive character as well as the supreme importance of the work of this service. Similar lists can be shown on various other topics, such as military affairs and diplomatic questions. The importance of this service will become apparent as Members become acquainted with the facilities supplied by it.

The above is a list of titles, or rather of subjects of inquiry, from Members of the House and Senate on the one subject of public finance. It covers a tremendous field of inquiry, and the same thing can be duplicated on the question of diplomatic relations during this discussion on the peace imbroglio and the same on questions touching military affairs during our discussion as to reorganization of the Army. The number of inquiries is not the significant fact, but the character of the inquiries. And now, fellow Members, I wish you to get this distinction in library service, that the general reading room serves the general library purpose. The bibliographic division goes a step beyond and serves the research man. It does not supply the research man with information. It supplies him with the "where you can find it." In other words, the bibliographic function is best expressed by the answer of the famous judge who was asked by a brilliant young lawyer about a certain fact in law, when the judge replied to him, "Come to my office and I will at once look it up." The brilliant young barrister said to him, "Judge, I am not going to your office to take your time. I supposed you could just answer that without any effort at all." The judge replied, "Young man, the real test of a lawyer is not the law he knows, but his ability to find out what he does not know."

Now, that is the bibliographer's function, and that work over in the Library is very important and stupendous in its reach. But beyond that, and to you and me vastly more important than that, is the legislative reference service, which goes beyond telling us where we can find the information, which if we were left to pursue we would be lost in the Library, but this service lays before you the material it has searched out and which if we had to locate it would take a lifetime to find, especially if we should go in there without training in that particular service.

Oliver Wendell Holmes was once asked upon returning from Europe, having said to some one that he had visited the British Museum, as to how long it would take a man to become acquainted with the contents of that museum. He said, "He ought to be born in the museum, to start with, and live to be 80 years old, and never leave it." Likewise the average Congressman who would want to look up data supporting pro and con a piece of legislation that would undertake to get at the bottom of it by his own research to find out what has been written would not have time to cover it, even if he had a disposition to do it. And I express the hope that this new field, started only a short time ago, in response to House and Senate committees working on legislation and doing a remarkably important piece of work, will receive ready support, because it certainly must not be discontinued, but should be enthusiastically indorsed as one of the newest and most important divisions of a great national institution. This support should be commensurate with the growth of demands as they come upon the Members for legislation.

RECAPITULATION.

Now, Members of the House, I have taken as much time as I care on the general subject of the Library. I ask the privilege to make a brief recapitulation of what I have attempted to say.

The Library is still third in dimension, but overtaking the first two—Bibliotheque Nationale and British Museum. In point of quality it can not overtake them, for they have material original in form which it can never secure. But it tries as far as possible to secure the substance of this, most important to an American investigator, by copies and facsimiles, especially material relating to American history. It thus saves many an investigator a trip abroad or directs him where he should go to best advantage.

It gets and preserves many volumes not suitable for a local library. The result is to save local libraries the expense of getting and accommodating those books. For under the system of interlibrary loan they are made available to investigators throughout the United States.

In this respect the Library of Congress differs from national libraries abroad, such as the British Museum and the famous Paris library, which are purely reference libraries, which must be consulted on the spot.

Its printed cards represent a service which is also unique, the one successful attempt on a general scale to centralize once for all the expense of (1) cataloguing books and (2) of manifolding the catalogue entries.

In addition it is (1) a legislative library for Congress; (2) the main reference library for the executive departments and bureaus; (3) the law library of the Supreme Court; (4) the copyright office of the United States; and (5) the National Library to render a special service for the entire country.

Its reference readers number as many as those in the British Museum or the Bibliotheque Nationale; but the facilities accorded them, for example, of direct access to the shelves, surpass those of any other considerable reference library whatever. Unlike the Bibliotheque Nationale and British Museum, which close at sundown, the National Library is open till 10 o'clock every evening, and on Sundays from 2 until 10.

Its building is in cubic area about 10,000,000 cubic feet, equal to that of the Capitol. In floor area it greatly exceeds it. Its shelving capacity is sufficient to accommodate 3,500,000 volumes and can be increased to double that number.

This building is one of the most notable of modern architectural achievements and equally notable for the nicety with which it is maintained—a model in this respect for all public buildings.

A trip through the Library at any time, and through the workshops, through the various divisions—and they are numerous—will show you that where you would expect an immense amount of accumulation of dirt instead a place immaculately clean.

The SPEAKER pro tempore (Mr. WALSH). The time of the gentleman from Ohio has expired.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman may be permitted to conclude.

Mr. FESS. I think I can conclude in 10 minutes.

The SPEAKER pro tempore. The gentleman from Texas asks unanimous consent that the gentleman from Ohio may proceed for 10 additional minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. DENISON. Will the gentleman from Ohio yield?

Mr. FESS. I will.

Mr. DENISON. I assume the British Museum and the National Museum of France have a lot of rare historical volumes, of course, that can not be duplicated anywhere in the world, and that the Library of Congress does not possess?

Mr. FESS. That is true.

Mr. DENISON. Does the gentleman know whether or not those Governments permit others to take photograph copies of those books, so that our Library can secure them?

Mr. FESS. I know that is done on a limited scale, but I should judge there are manuscripts they would not permit to be photographed.

Mr. DENISON. I would judge that to be the case. I understand that some of our original documents, like the Constitution, can not now be photographed any longer.

Mr. FESS. I am not sure that they can not, but I am rather of the opinion that they can not.

By the way, there is one line of work done in the Library that every Member of Congress ought to be acquainted with, and that is the repairing and rebuilding of manuscripts that are being eaten or being destroyed. I saw that process. That is a very valuable and very unusual work.

Mr. RHODES. Mr. Speaker, will the gentleman yield there?

The SPEAKER. Does the gentleman yield?

Mr. FESS. I yield to my friend from Missouri.

Mr. RHODES. I followed the gentleman's remarks with unusual interest, and I remember he said the Library Building is the most beautiful building of its kind in the world. Has the gentleman stated in what year the present building was erected?

Mr. FESS. The law providing for the erection of the building was passed in 1886, and in that year $500,000 was appropriated to proceed with the construction, and it was finished in 1897.

While in material of distinction the Library can not match the great libraries abroad, it has already in certain fields collections of great significance and in a few preeminence, for example:

American history: Its collection of manuscripts, including the personal papers of a dozen of the Presidents, from Washington to Roosevelt and Taft.

Scientific societies: Transactions and proceedings, which come to it through the exchanges of the Smithsonian Institution; one of the largest and most nearly comprehensive of such collections in existence.

Newspapers and periodicals: Bound files; a very large and representative collection.

I did not verify the statement that we have a complete collection of the London Gazette, dating as far back as 1665, the oldest complete English newspaper in the Library and the only complete file in the country, neither did I verify the published statement that we have hundreds of volumes of the London Times, the file being complete from the beginning, 1795. May I ask my friend from Pennsylvania [Mr. TEMPLE] as to that? Does the gentleman know?

Mr. TEMPLE. No.

Mr. FESS. I have seen the statement, and I could have easily verified it, but it did not come to my mind when I had the opportunity. I am reading now the list in which we are preeminent as a library.

Public (official) documents: Of all countries, resulting from the international exchanges conducted by the Library itself.

And in special fields of literature, for example:

Americana: Including the results of copyright.

Political science.

Law.

And certain (unexpected) groups, for example:

Russia: The Yudin collection, 80,000 volumes, perhaps the most thorough outside of Russia.

China: One of the largest, and in certain respects certainly the richest, outside of China.

Its collection of music is probably the largest in the world. Developed for the needs of the serious investigator—composer, critic, historian, conductor—it is rendering signal service to such investigators in America. For instance, in no other institution in the world could the history of modern opera be studied or written as here.

Its collection of prints developed on its recent side by copyright, or its more classical side by gift, is constantly drawn upon for illustration, and the exhibits from it interest, inform, and influence thousands of visitors annually.

Its collection of maps is constantly drawn upon not merely in research but in litigation and public boundary disputes, for example: Venezuela and Alaska.

Its service to Congress includes—

1. The issue of books specifically asked for.
2. Lists of books responding to a particular inquiry.
3. Compilations furnishing, in brief, data upon a pending question in legislation.

This last is the function of the legislative reference service established a few years ago; a service quite indispensable if Congress is to have full profit of the material in the collections. For this material, submerged in nearly 3,000,000 volumes, in numerous languages, can be extracted and reduced to available form only by men familiar with the collections and skilled in the use of the bibliographic apparatus. These men must be well grounded academically, good linguists, and with ability to express with precision the results obtained. Among them must be specialists in law, economics, and political science.

They must form a permanent corps, for the experience and ability is cumulative. Also the work requires bibliographic apparatus—indexes, and so forth—which must go on currently and be kept up.

There is no such thing as ever finishing the catalogue. That is an unending piece of work.

An efficient such corps, adequate in numbers, is indispensable to enable the Library to render to Congress the service to which it is entitled and which it can get in no other way.

I want the membership to get this statement: The cost of it, even at $75,000 per annum, is relatively slight compared with its possible value as a tool in legislation.

PUBLICATIONS.

The major and most distinctive publication of the Library is its printed catalogue cards. But it has issued also—

1. "Select lists" of references to books, and so forth, dealing with topics under current discussion, especially in Congress, for example, lists on Cuba, Porto Rico, the Philippines, the Danish West Indies, and so forth; lists of arbitration, budgets, currency, Federal control, immigration, railroads, trusts, and so forth; and guides to the literature of the law of three foreign countries—Argentina, Germany, and Spain.

2. It has published in book form catalogues of certain groups of material; for example, of its American newspapers (files), geographical atlases, orchestral music and operatic librettos, Hubbard collection (prints), Thacher collection (incunabula).

Also calendars of certain groups of manuscripts—for example, of the Crittenden, Paul Jones, Monroe, Pierce, Van Buren papers, and of certain of the Washington papers.

I think it would be a delight to any Member of Congress to spend a little time in looking over those valuable papers and letters of George Washington. They are very rare and can not be found in any other place in the world. These calendars are regarded invaluable accessions to the Library.

These catalogues and calendars have received high commendation as useful contributions to knowledge and research.

3. The publication in extenso of texts in its possession is not its policy. But it has made two exceptions. It has published the records of the Virginia Co., of London, of which the surviving text is in its keeping; and it has edited, and has in part published, the Journals of the Continental Congress, of which the originals are in its custody. Twenty-three volumes have thus far been issued, and the remainder, about 10 volumes, have been delayed only through insufficiency in the allotment for printing.

4. The rest of its publications are primarily administrative—for example, the Catalogue of Copyright Entries (which costs $35,000 per annum) and various manuals and handbooks to the use of the collections.

The editing of all of these publications has been done by the regular staff and has involved no especial appropriation.

Now, Mr. Speaker, I want to call the attention of the membership of the House to the cost of this remarkable institution across the way.

The SPEAKER. The time of the gentleman from Ohio has expired.

Mr. FESS. May I have five minutes more?

The SPEAKER. The gentleman from Ohio asks unanimous consent to proceed for five minutes more. Is there objection?

There was no objection.

COST.

Mr. FESS. The total appropriation for the library, the copyright office, and the care of the building and grounds is about $720,000 per annum.

Against this are receipts, copyright fees, and proceeds of sales of the printed cards, totaling about $200,000, so that the net outlay for the Library is about $520,000 per annum.

In addition, there is, however, the expense for printing and binding, for which the annual allotment has been about $200,000.

The Government Printing Office has a branch office in the Library, and the cost goes to the printing bill, but it is really for the Library.

The cost of the land and building was about $7,000,000, which is only half the cost of a battleship in the days when the Library was built, and only a third of the cost of a battleship at the present time.

The annual expenditure is about equal to the cost of the upkeep of a modern battleship. In 15 years a battleship goes to the scrap heap.

The amount annually spent for books and other material for collections is about $98,000. This barely suffices for the ordinary material, ordinary in form.

A single American collector, Henry Huntington, has during the past 15 years spent over $10,000,000 in purchases for his private collection. There is not a book in this collection which should not be in the National Library of the United States, but the funds of the Library do not permit competition for the rarer material, even Americana.

The reference department alone of the New York Public Library, Forty-second Street and Fifth Avenue, expends about $750,000 annually. The branches cost $840,000 more for the Borough of Manhattan alone. The New York Public Library has income-producing endowments of over $14,000,000. The Library of Congress has only one endowment, the Hubbard fund, amounting to $20,000.

NEEDS.

1. Additional shelving.

A bookstack is needed to occupy the northeast courtyard. Provision for it has been included in the estimates for each of the past four years. Apparently approved in principle, action has been deferred (1) because of the war, (2) because costs are still high.

The collections must grow indefinitely and the accommodation for them is necessary. After the northeast stack an addition to the rear, possibly, or preferably an auxiliary building on the block to the eastward with tunnel connection.

2. Additional expert service.

3. A salary scale sufficient to secure and retain competent experts as against the competition of—

(1) Other Government establishments.
(2) Universities and colleges.
(3) Other research corporations.
(4) Business.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. FESS. May I have two minutes more?

Mr. KING. Mr. Speaker, I ask unanimous consent that the gentleman may have his time extended.

The SPEAKER. Is there objection?

There was no objection.

Mr. FESS. I do not want to close without a final statement of the Government's possibilities in research service. This Library is a complete satisfaction to the perturbed soul of the scholarly Edward Everett, who years ago exclaimed "Who can see without shame that the Federal Government of America is the only Government in the civilized world that has never founded a literary institution of any description or sort?" The answer to that cry is the world's finest research center.

TWO MORE STEPS NECESSARY.

To complete the scheme of housing the Government's records steps have already been taken to erect a modern archives

building. The necessity of this building has long been apparent, and its location and erection will doubtless take place in the near future. The universal approval is evidenced by the unanimous action of the House creating a commission with authority to proceed to select a site. Further procedure was interrupted by the war.

The SPEAKER. The time of the gentleman from Ohio has again expired.

Mr. BLANTON. Mr. Speaker, I ask unanimous consent that the gentleman may have two minutes more.

The SPEAKER. Is there objection to the gentleman's request?

There was no objection.

Mr. FESS. One other step is necessary to make the largest use of the Capital as the world's greatest center for scholarship—a national university as a research institution to utilize the vast library sources and the laboratory facilities connected with the various departments of the Government, rich beyond those of any other country on the globe.

Mr. Speaker, these two additional steps are necessary to fulfill the dream of the devotees of learning. They would at once give this Capital the first rank of all capitals as the world's greatest intellectual center—a Mecca to which the scholars of the future will come to add to the sum total of knowledge. This consummation is easily within our reach. [Applause.]

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD, from the Committee on Appropriations, reported the bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and (with the accompanying report) ordered to be printed.

Mr. BYRNS of Tennessee. I reserve all points of order on the bill.

CALENDAR WEDNESDAY.

The SPEAKER. To-day is Calendar Wednesday. The call is with the Committee on Military Affairs.

LESSEES OF BUILDINGS AT CAMP FUNSTON.

Mr. McKENZIE. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 3706) authorizing the Secretary of War to make settlement with the lessees who erected buildings on a 5-year lease on the zone at Camp Funston, Kans., and for other purposes.

Mr. MONDELL. The House goes into the Committee of the Whole automatically, does it not?

The SPEAKER. Surely.

Mr. BLANTON. Mr. Speaker, in view of the fact that there is much opposition to this bill, and that a great many of the Members are absent, I thought those facts would influence the gentleman from Wyoming not to bring this bill up to-day.

Mr. MONDELL. The general debate is not exhausted, and during the general debate the situation may be clarified. Gentlemen who are opposed to the bill may be strengthened in their opposition, or the opposition may fade.

Mr. BLANTON. I do not want to call the Members over who are interested in the opposition.

Mr. MONDELL. It seems to me we could go on with the general debate on the bill at least without demanding a quorum.

Mr. BLANTON. In view of the fact that there is strong opposition to the bill, I do not like to do it, but I feel compelled to insist on the presence of Members.

Mr. MONDELL. I trust the gentleman will not do that, because I shall be compelled to move a call of the House at this hour in the afternoon.

Mr. BLANTON. Mr. Speaker, in view of the fact that there are Members who are opposing this bill who ought to be here, I make the point of order that there is no quorum present, in order that they may be here.

Mr. MONDELL. I move a call of the House.

The SPEAKER. The gentleman from Wyoming moves a call of the House.

The question was taken; and on a division (demanded by Mr. WALSH), there were—ayes 42, noes none.

Accordingly a call of the House was ordered.

The SPEAKER. The Doorkeeper will close the doors, the Sergeant at Arms will notify absentees, and the Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Andrews, Md.	Babka	Bell	Bland, Ind.
Anthony	Bacharach	Benham	Bland, Mo.
Ashbrook	Baer	Benson	Bland, Va.
Ayres	Bee	Blackmon	Booher
Brand	Gallagher	Linthicum	Reed, N. Y.
Briggs	Gallivan	Little	Riordan
Britten	Gandy	Lonergan	Robinson, N. C.
Brooks, Ill.	Ganly	Longworth	Romjue
Browne	Gard	Luce	Rouse
Brumbaugh	Goldfogle	Lufkin	Rowan
Burdick	Goodall	Lubring	Rowe
Burke	Gould	McAndrews	Sabath
Butler	Graham, Ill.	McClintic	Sanders, Ind.
Caldwell	Graham, Pa.	McCulloch	Sanders, La.
Campbell, Kans.	Greene, Mass.	McDuffie	Sanders, N. Y.
Campbell, Pa.	Griest	McFadden	Sanford
Candler	Griffin	McGlennon	Schall
Carew	Hamill	McKeown	Scully
Carss	Hamilton	McKinley	Sells
Casey	Harreld	McKinley	Shreve
Christopherson	Haugen	McLane	Sisson
Clark, Fla.	Hickey	McLeod	Slemp
Cleary	Hill	MacGregor	Smith, N. Y.
Cole	Hoey	Maher	Smithwick
Connally	Holland	Major	Snell
Copley	Houghton	Mann, Ill.	Snyder
Costello	Hulings	Mann, S. C.	Steele
Crisp	Hull, Tenn.	Mason	Steenerson
Cullen	Hutchinson	Mead	Stephens, Miss.
Currie, Mich.	Igoe	Merritt	Stevenson
Dale	Ireland	Minahan	Stiness
Dallinger	Jacoway	Monahan	Stoll
Davey	James, Mich.	Montague	Strong, Pa.
Davis, Minn.	James, Va.	Moon	Sullivan
Dempsey	Johnson, Ky.	Mooney	Swope
Dent	Johnson, Miss.	Moore, Ohio	Tague
Dewalt	Johnson, S. Dak.	Morin	Taylor, Tenn.
Dominick	Johnston, N. Y.	Mott	Thompson
Donovan	Jones, Pa.	Murphy	Tillman
Dooling	Juul	Nelson, Wis.	Tilson
Doughton	Kearns	Newton, Mo.	Tinkham
Drane	Keller	Nicholls	Treadway
Drewry	Kelley, Mich.	O'Connell	Upshaw
Dunn	Kelly, Pa.	Ogden	Vare
Dyer	Kendall	Paige	Voigt
Eagan	Kennedy, Iowa	Parker	Volk
Echols	Kennedy, R. I.	Patterson	Weaver
Edmonds	Kettner	Pell	Welling
Ellsworth	Kiess	Perlman	Welty
Emerson	Kincheloe	Porter	Whaley
Evans, Nev.	Kitchin	Purnell	Wilson, Ill.
Ferris	Kleczka	Rainey, Ala.	Wilson, Pa.
Fields	Kreider	Rainey, J. W.	Wise
Flood	Lampert	Ramsey	Woods, Va.
Fordney	Langley	Randall, Wis.	Woodyard
Frear	Layton	Ransley	Wright
Freeman	Lee, Ga.	Rayburn	Young, Tex.
Fuller, Mass.	Lehlbach	Reber	

Mr. BLANTON. Mr. Speaker, I ask for the regular order.

Mr. HICKS. I make the point that this is the regular order, ascertaining whether there is a quorum present or not.

Mr. BLANTON. Mr. Speaker, I rise to a question of order.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. That the gentleman from Wyoming ought either to take steps to secure a quorum or he ought to do something else.

The SPEAKER. The Chair overrules the point of order. The result of the roll call has not yet been announced. On this vote 202 Members have answered to their names. A quorum is not present.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, I move the House do now adjourn.

The motion was agreed to; accordingly (at 3 o'clock and 21 minutes p. m.) the House adjourned until Thursday, December 30, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

284. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Missouri River at St. Joseph, Mo.; to the Committee on Rivers and Harbors.

285. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, reports on preliminary examination of certain waterways in Texas with a view to deepening and widening said waterways; to the Committee on Rivers and Harbors.

286. A letter from the Secretary of Agriculture, transmitting report in connection with the Mount Weather Station and in connection with the sale of said property; to the Committee on Agriculture.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. PARKER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill of the House (H. R.

15131) to authorize the construction of a bridge across the Hudson River between the city of Troy, in the county of Rensselaer, and the city of Cohoes, in the county of Albany, State of New York, reported the same without amendment, accompanied by a report (No. 1148), which said bill and report were referred to the House Calendar.

Mr. COADY, from the Committee on Interstate and Foreign Commerce, to which was referred the bill of the Senate (S. 4515) to extend the time for the construction of a bridge across the navigable waters of the Newark Bay, in the State of New Jersey, reported the same without amendment, accompanied by a report (No. 1149), which said bill and report were referred to the House Calendar.

Mr. DEWALT, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 4541) to extend the time for the construction of a bridge across the Susquehanna River at Harrisburg, Pa., reported the same without amendment, accompanied by a report (No. 1150), which said bill and report were referred to the House Calendar.

Mr. SIMS, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 4587) granting the consent of Congress to the counties of Brooks and Lowndes, in the State of Georgia, to construct a bridge over the Withlacoochee River, reported the same without amendment, accompanied by a report (No. 1151), which said bill and report were referred to the House Calendar.

Mr. RAYBURN, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (S. 4588) granting the consent of Congress to the counties of Bowie and Cass, State of Texas, for construction of a bridge across Sulphur River, at or near Pettis Bridge on State Highway No. 8, in said counties and State, reported the same without amendment, accompanied by a report (No. 1152), which said bill and report were referred to the House Calendar.

Mr. GOOD, from the Committee on Appropriations, to which was referred the bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, reported the same without amendment, accompanied by a report (No. 1153), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14974) granting an increase of pension to James M. Berry; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 15335) granting an increase of pension to James H. Scollin; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FREAR: A bill (H. R. 15418) granting the consent of Congress to Prescott Bridge Co. for the construction of a bridge across the Lake St. Croix, at or near Prescott, and between the counties of St. Croix, Wis., and Washington County, Minn.; to the Committee on Interstate and Foreign Commerce.

By Mr. STEENERSON: A bill (H. R. 15419) to further reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis, and for other purposes; to the Committee on the Post Office and Post Roads.

By Mr. BRITTEN: A bill (H. R. 15420) to fix the metric system of weights and measures as the single standard for weights and measures; to the Committee on Coinage, Weights, and Measures.

By Mr. SINNOTT: A bill (H. R. 15421) validating certain applications for and entries of public lands, and for other purposes; to the Committee on the Public Lands.

By Mr. GOOD: A bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. DENISON: A bill (H. R. 15423) to regulate the sale or disposition of securities through the mails or other agencies of interstate or foreign commerce and providing penalties for the violation thereof; to the Committee on Interstate and Foreign Commerce.

By Mr. MASON: A bill (H. R. 15424) for the reclamation of swamp, cut over, and overflowed lands, and providing for the cost thereof; to the Committee on the Public Lands.

By Mr. JEFFERIS: A bill (H. R. 15425) to amend section 10 of the act of Congress of June 29, 1906; to the Committee on Immigration and Naturalization.

By Mr. OSBORNE: Joint resolution (H. J. Res. 430) to extend the time for filing applications for relief under the river and harbor act approved March 2, 1919; to the Committee on Rivers and Harbors.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. CRAMTON: A bill (H. R. 15426) granting a pension to Frances Laraback; to the Committee on Pensions.

By Mr. CROWTHER: A bill (H. R. 15427) granting a pension to Ward J. Getman; to the Committee on Pensions.

By Mr. DENISON: A bill (H. R. 15428) granting a pension to Eveline Shepherd White; to the Committee on Invalid Pensions.

By Mr. HAYS: A bill (H. R. 15429) granting a pension to Isabell York; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 15430) granting an increase of pension to Rhoda Workman; to the Committee on Invalid Pensions.

By Mr. McCLINTIC: A bill (H. R. 15431) granting a pension to Osena E. Dexter; to the Committee on Invalid Pensions.

By Mr. McKINLEY: A bill (H. R. 15432) granting a pension to Elizabeth Shaw; to the Committee on Invalid Pensions.

By Mr. MASON: A bill (H. R. 15433) granting a pension to Jacob Mumme; to the Committee on Invalid Pensions.

By Mr. MOORES of Indiana: A bill (H. R. 15434) granting a pension to Josephine Ella Henshen; to the Committee on Invalid Pensions.

By Mr. RUCKER: A bill (H. R. 15435) granting an increase of pension to Mary J. Boo; to the Committee on Invalid Pensions.

By Mr. TINKHAM: A bill (H. R. 15436) for the relief of Stephen J. Crotty; to the Committee on Military Affairs.

By Mr. TREADWAY: A bill (H. R. 15437) granting an increase of pension to Sibyl M. Mixter; to the Committee on Invalid Pensions.

By Mr. VAILE: A bill (H. R. 15438) authorizing the President to appoint Thomas F. Long, a lieutenant (senior grade), in the United States Navy; to the Committee on Naval Affairs.

By Mr. WATKINS: A bill (H. R. 15439) for the relief of the heirs of Jacob A. Wolfson, deceased; to the Committee on War Claims.

By Mr. WILLIAMS: A bill (H. R. 15440) granting an increase of pension to Nancy A. Cotterel; to the Committee on Invalid Pensions.

By Mr. EMERSON: Joint resolution (H. J. Res. 431) to pay Louis Cayet for injuries received when his motorcycle collided with a mail truck; to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4751. By Mr. BROOKS of Pennsylvania: Petition of the Young Women's Christian Association of York, Pa., favoring passage of Sheppard-Towner maternity bill; to the Committee on Interstate and Foreign Commerce.

4752. By Mr. BURROUGHS: Resolution of Sawyer Relief Corps, No. 34, auxiliary to the Grand Army of the Republic, composed of about 145 members, by Elsie M. Bradford, corresponding secretary, Dover, N. H., indorsing the Smith-Towner bill; to the Committee on Education.

4753. By Mr. CRAMTON: Petition of Robert J. West and 39 other members of the First Methodist Episcopal Church, of Deckerville, Mich., asking relief for the starving peoples of Europe and Asia; to the Committee on Ways and Means.

4754. By Mr. CURRY of California: Petition of the California State Federation of Labor, protesting against certain practices of the Post Office Department in California; to the Committee on the Post Office and Post Roads.

4755. Also, petition of the California State Federation of Labor, favoring increased salaries for post-office clerks and carriers; to the Committee on the Post Office and Post Roads.

4756. Also, petition of the California State Federation of Labor, favoring lower age limit for retirement of railway mail clerks; to the Committee on Reform in the Civil Service.

4757. By Mr. DARROW: Petition of the Frankfort Grocers' Association of Frankfort, Philadelphia, Pa., in behalf of 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4758. By Mr. FULLER of Illinois: Petition of the Business and Professional Women's Club, of Rockford, Ill., favoring the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4759. Also, petition of the East St. Louis (Ill.) Lumber Co., favoring 1-cent letter postage; to the Committee on the Post Office and Post Roads.

4760. By Mr. LINTHICUM: Petition of the J. H. Duker Box Co., of Baltimore, Md., favoring passage of Nolan Patent Office bill; to the Committee on Patents.

4761. Also, petition of F. H. Timken, of Baltimore, Md., opposing recognition of the soviet régime; to the Committee on Foreign Affairs.

4762. Also, petition of Charles C. Homer, jr., of Baltimore, and the National League of Women Voters, re Smith-Towner bill; to the Committee on Education.

4763. Also, petitions of McDowell, Pyle & Co., of Baltimore, re excise tax on candy; the Merchants & Manufacturers' Association of Baltimore, re amending income tax law; Russell W. Marshall, of Baltimore, re soldier bonus; J. Engel & Co., of Baltimore, re jewelry tax; and Coggins & Owens, of Baltimore, re proposed tax policy; to the Committee on Ways and Means.

4764. Also, petition of S. Halle Sons, of Baltimore, re 1-cent drop-letter rate, and the State roads commission, re roads; to the Committee on the Post Office and Post Roads.

4765. Also, petition of the Baltimore Pulverizing Co., Nicholas G. Penniman, Griffith & Boyd Co., Eureka Chemical Co., Standard Guano Co., and Baugh & Sons Co., all of Baltimore, Md., re Senate bill 3390; to the Committee on Military Affairs.

4766. Also, petition of the Maryland State Dairyman's Association, William Schluderberg-T. J. Kurdle Co., Ammidon & Co., and Frey & Son, all of Baltimore, Md., re Kenyon-Anderson bill; to the Committee on Interstate and Foreign Commerce.

4767. By Mr. O'CONNELL: Petition of the Utica Candy Co., protesting against excise tax on candy; to the Committee on Ways and Means.

4768. By Mr. SNYDER: Petition of the W. A. Munger Candy Co., of Utica, N. Y., protesting against an increased tax on candy; to the Committee on Ways and Means.

SENATE.

THURSDAY, *December 30, 1920.*

The Chaplain, Rev. Forrest J. Prettyman, D. D., offered the following prayer:

Almighty God, we lift our hearts to Thee, the author of our liberties. Thou hast taught us in Thy Word that if we know the truth we shall be free. We seek the guidance and blessing of God as we face the ever-increasing responsibilities of life. As we come to the new year by the grace of our Lord we pray that Thou wilt endue us with such measure of that grace as that we may perform faithfully and well the duties that are upon us; that we may see our country in its rightful relationship to all nations; that we may see our people prosperous and happy; and that we may above all see the coming of the kingdom of Thy truth and righteousness among us and among all men. We ask it for Jesus' sake. Amen.

The VICE PRESIDENT resumed the chair.

The Journal of the proceedings of Monday last was read and approved.

MOUNT WEATHER.

The VICE PRESIDENT laid before the Senate a communication from the commission composed of the Secretary of the Treasury, Secretary of War, Secretary of the Navy, and Secretary of Agriculture, transmitting, pursuant to law, a report of investigation into the suitability of the premises known as Mount Weather as a home for disabled soldiers, sailors, and marines, which was referred to the Committee on Military Affairs.

ADJUDICATION OF CLAIMS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Treasury, transmitting, pursuant to law, a report showing the number of claims filed under the act for the relief of contractors, etc., and the present status of the work involved in connection with their adjudication, which was referred to the Committee on Appropriations.

DISTRICT WATER SUPPLY.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of War, transmitting, pursuant to law, a preliminary statement on project and plans to secure an increased water supply for the District of Columbia by development of the Potomac River, which was referred to the Committee on the District of Columbia.

UINTAH RESERVATION LANDS.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, pursuant to law, a report on the leasing of irrigable Indian land on the Uintah Reservation, Utah, etc., which was referred to the Committee on Indian Affairs.

DISPOSITION OF USELESS PAPERS.

The VICE PRESIDENT laid before the Senate a communication from the Civil Service Commission, transmitting, pursuant to law, schedules and files of useless papers devoid of historic interest accumulated in the files of the commission, and asking for action looking to their disposition, which was referred to a Select Committee on Disposition of Useless Papers in the Executive Departments, to be selected by the Chair. The Vice President appointed Mr. WALSH of Montana and Mr. FRANCE members of the committee on the part of the Senate, and ordered that the Secretary of the Senate notify the House of Representatives thereof.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Arizona certifying to the election of RALPH H. CAMERON as a United States Senator for the term beginning March 4, 1921, which was read and ordered to be filed, as follows:

EXECUTIVE OFFICE, STATE HOUSE,
Phoenix, Ariz., December 16, 1920.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, 1920, RALPH H. CAMERON was duly chosen by the qualified electors of the State of Arizona a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, 1921.

Witness: His excellency our governor, Thomas E. Campbell, and our seal hereto affixed at Phoenix, Ariz., this 16th day of December, in the year of our Lord 1920.

[SEAL.] THOMAS E. CAMPBELL, *Governor.*

By the governor:

MIT SIMMS, *Secretary of State.*

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House had passed the following bills, in which the concurrence of the Senate was requested:

H. R. 178. An act authorizing an exchange of lands by A. A. Bruce, of La Veta, Colo.;

H. R. 567. An act for the relief of John Chick;

H. R. 740. An act for the relief of John W. Baggott;

H. R. 742. An act for the relief of J. W. La Bare;

H. R. 908. An act for the relief of Leo Balsam;

H. R. 1030. An act for the relief of John R. Smith, deceased;

H. R. 1034. An act for the relief of Jose Ramon Cordova;

H. R. 1035. An act for the relief of the widow of Joseph C. Akin;

H. R. 1290. An act for the relief of George LeClear;

H. R. 1300. An act for the relief of Alfred E. Lewis;

H. R. 1321. An act for the relief of Mrs. Annie M. Lepley;

H. R. 1949. An act for the relief of George F. Reid;

H. R. 3522. An act for the relief of Lemuel Stokes;

H. R. 5194. An act for the relief of Alfred Rebsamen;

H. R. 6301. An act for the relief of Nathan Manzer;

H. R. 7333. An act for the relief of Emily J. Mullins;

H. R. 8142. An act for the relief of Anna Blumenthal;

H. R. 9675. An act for the relief of John Anderson;

H. R. 9857. An act for the relief of S. S. Markley;

H. R. 9843. An act to carry into effect the findings of the Court of Claims in favor of Myron C. Bond, Guy M. Claflin, and Edwin A. Wells;

H. R. 11066. An act for the relief of the Shipowners & Merchants Tugboat Co.;

H. R. 7050. An act for the relief of the First State Bank of Kerrville, Kerr County, State of Texas;

H. R. 11154. An act for the relief of Arthur Frost;

H. R. 11377. An act for the relief of Warren V. Howard;

H. R. 11416. An act for the relief of Orville M. Myers;

H. R. 11945. An act for the relief of W. C. Stewart;

H. R. 11572. An act for the relief of the John E. Moore Co.;

H. R. 12333. An act for the relief of Albert T. Huso;

H. R. 12337. An act to provide for the relief of Anthony Sulik, former sergeant United States Marine Corps;

H. R. 12441. An act for the relief of the Duluth, Winnipeg & Pacific Railroad;

H. R. 12005. An act for the relief of Henry P. Corbin;

H. R. 12469. An act to authorize the award of a medal of honor to Chief Gunner Robert Edward Cox, United States Navy;

H. R. 13319. An act for the relief of Wilson Certain; and

H. R. 13600. An act for the relief of Mrs. William B. Ryan.

The message also announced that the House had passed the following bills:

S. 1546. An act for the relief of Katie Norvall;

S. 2278. An act for the relief of John Healy;

S. 3218. An act for the relief of Martina Sena, Luis E. Armijo, and Maria Baca de Romero;

S. 1447. An act to correct the naval record of Fred C. Konrad;

S. 1743. An act for the relief of Matthew McDonald; and

S. 429. An act to authorize an exchange of land with Henry Blackburn.

The message also announced that the House had passed the following bills of the Senate, each with an amendment, in which the concurrence of the Senate was requested:

S. 390. An act for the relief of Peter McKay; and

S. 2371. An act for the relief of Kathryn Walker.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 1. An act authorizing the cutting of timber by corporations organized in one State and conducting operations in another;

S. 46. An act for the protection of the water supply of the town of Sunnyside, Utah;

S. 2188. An act to amend section 3 of an act entitled "An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1902, and for other purposes," approved March 3, 1901 (31 Stat. L., p. 1133);

S. 2964. An act providing additional time for the payment of purchase money under homestead entries of lands within the former Fort Assinniboine Military Reservation, in Montana; and

S. 2977. An act to amend section 8 of an act to provide for the sale of desert lands in certain States and Territories approved March 3, 1877, as amended by an act to repeal timber culture laws, and for other purposes, approved March 3, 1891.

PETITIONS AND MEMORIALS.

Mr. KENDRICK. I wish to announce the unavoidable absence of my colleague [Mr. WARREN], and I present in his behalf the following petitions:

A petition of Mr. B. Y. Booker, secretary of the Alfalfa Commercial Club, of Washakie County, Worland, Wyo., praying for the enactment of legislation protecting farmers, stockmen, and other agriculturists;

A petition of the Western Range Stockmen's Convention, Salt Lake City, Utah, praying for enactment of legislation placing a tariff on meats, hides, wool, etc.;

A petition of the Carbon County Wool Growers' Association, of Rawlins, Wyo., praying for the enactment of legislation placing a tariff and embargo on live stock, wool, etc.; and

A petition of Mr. Oscar Peterson, of Cokeville, Wyo., praying for the enactment of legislation for the protection of agricultural products.

I move that the petitions be referred to the Committee on Finance.

The motion was agreed to.

Mr. SMITH of Maryland presented a petition of Liberty Council, No. 6, Sons and Daughters of Liberty, of Baltimore, Md., praying for the enactment of legislation restricting immigration, which was referred to the Committee on Immigration.

He also presented a petition of students of Goucher College, of Baltimore, Md., praying for the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

Mr. JONES of Washington presented petitions of Private Soldiers' and Sailors' Legion of the State of Washington, signed by H. F. Klein, William Carli, W. B. Spiers, Alessandro Pazzobon, Steve Tamborini, Charles M. Jasperson, W. C. Blackstock, Phil. H. Cotterill, B. N. Dyer, and sundry other ex-service men, praying for the enactment of legislation paying a bonus to ex-service men, which were referred to the Committee on Finance.

Mr. TOWNSEND (for Mr. NEWBERRY) presented a petition of Local Union No. 352, International Brotherhood of Electrical Workers, of Lansing, Mich., favoring amnesty for all political prisoners, which was referred to the Committee on the Judiciary.

He also (for Mr. NEWBERRY) presented a memorial of sundry students of the School of Commerce and Finance of the University of Detroit, Mich., remonstrating against the enactment of legislation to create a department of education, which was referred to the Committee on Education and Labor.

FORCIBLE ENTRY AND DETAINER.

Mr. BORAH, from the Committee on the Judiciary, reported a bill (S. 4746) to amend the act entitled "An act to establish a Code of Law for the District of Columbia, approved March 3, 1901, and the acts amendatory thereof and supplementary thereto, in relation to forcible entry and detainer," which was read twice by its title.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. GERRY:

A bill (S. 4732) granting a permanent relative rank to certain officers of the Coast Guard; to the Committee on Commerce.

By Mr. MYERS:

A bill (S. 4733) adding certain lands to the Beaver Head National Forest, Mont.; to the Committee on Public Lands.

By Mr. STERLING:

A bill (S. 4734) providing for the placing of Government employees engaged in enforcement of national prohibition under the civil service; to the Committee on Civil Service and Retrenchment.

By Mr. HALE (for Mr. FERNALD):

A bill (S. 4735) granting a pension to Mory Mulliken (with an accompanying paper); to the Committee on Pensions.

By Mr. LENROOT:

A bill (S. 4736) to provide for the exchange of Liberty bonds and Victory loan notes for notes of the United States; to the Committee on Finance.

A bill (S. 4737) granting the consent of Congress to the Prescott Bridge Co. to construct a bridge across Lake St. Croix at or near the city of Prescott, in the State of Wisconsin; to the Committee on Commerce.

By Mr. SMOOT:

A bill (S. 4738) granting a pension to Lillian J. Duncan; to the Committee on Pensions.

By Mr. JONES of Washington:

A bill (S. 4739) to enforce the provisions of the nineteenth amendment to the Constitution of the United States with respect to the elective franchise; to the Committee on Woman Suffrage.

A bill (S. 4740) to authorize aids to navigation and for other works in the Lighthouse Service, and for other purposes; to the Committee on Commerce.

By Mr. CALDER:

A bill (S. 4741) to establish in the Department of Commerce a bureau to be known as the bureau of building construction and housing; to the Committee on Commerce.

By Mr. POMERENE:

A bill (S. 4742) for the relief of David C. Van Voorhis; to the Committee on Claims.

By Mr. ASHURST:

A bill (S. 4743) to amend an act entitled "An act making appropriations for the current and contingent expenses of the Bureau of Indian Affairs, for fulfilling treaty stipulations with various Indian tribes, and for other purposes, for the fiscal year ending June 30, 1920," approved June 30, 1919, being Public No. 3, Sixty-sixth Congress; to the Committee on Indian Affairs.

By Mr. HARRISON:

A bill (S. 4744) to amend the Federal farm loan act, approved July 17, 1916; to the Committee on Banking and Currency.

By Mr. HENDERSON:

A bill (S. 4745) for the consolidation of lands in the national parks, and for other purposes; to the Committee on Public Lands.

By Mr. STERLING:

A joint resolution (S. J. Res. 233) giving consent of the Congress of the United States to the States of North Dakota, South Dakota, Minnesota, Wisconsin, Iowa, and Nebraska, or any two or more of said States, to agree upon the jurisdiction to be exercised by said States over boundary waters between any two or more of said States; to the Committee on the Judiciary.

AMENDMENT TO EMERGENCY TARIFF BILL.

Mr. MCNARY submitted an amendment intended to be proposed by him to the bill (H. R. 15275) imposing temporary duties upon certain agricultural products to meet present emergencies, to provide revenue, and for other purposes, which was referred to the Committee on Finance.

PROPOSED ADJOURNMENT TO MONDAY.

Mr. CURTIS. Mr. President, I move that when the Senate adjourns to-day it adjourn to meet on Monday next at 12 o'clock.

Mr. UNDERWOOD. Before the motion is put I would like to know the status of the unfinished business.

Mr. CURTIS. It is still the unfinished business.

Mr. UNDERWOOD. The Senate bill 3390, the nitrate bill, is still the unfinished business?

Mr. CURTIS. It is.

Mr. UNDERWOOD. Can we have an understanding that we may have the bill read when the unfinished business comes up and that an opportunity will be given for anyone to speak on it to-day before adjournment?

Mr. CURTIS. That is perfectly agreeable.

Mr. ASHURST. Mr. President, I would like to be heard on the motion for a moment.

The VICE PRESIDENT. Is the motion debatable?

Mr. ASHURST. I think it is.

Mr. CURTIS. I will withdraw the motion.

The VICE PRESIDENT. The motion is withdrawn.

Mr. CURTIS subsequently said: I renew the motion made a few moments ago that when the Senate adjourns to-day it adjourn to meet on Monday next at 12 o'clock.

The VICE PRESIDENT. Is the motion debatable?

Mr. CURTIS. It is not debatable.

The VICE PRESIDENT. The Chair thought it was not.

Mr. ASHURST. It is a fact that the Senate rules provide that the motion is not debatable, but I ask the Senate and the Chair to grant me a moment's time to explain why I intended to object to the motion to adjourn until Monday.

The VICE PRESIDENT. The motion had better be withdrawn.

Mr. CURTIS. I will withdraw the motion.

The VICE PRESIDENT. The motion is withdrawn, and the Senator from Arizona is recognized.

ASSESSMENT WORK ON MINING CLAIMS.

Mr. ASHURST. On the 13th of this month the Senate passed a bill proposing to grant an extension of time, to wit, until July 1 of next year, within which to perform the assessment work or representation work on unpatented mining claims for this present year. In other words, the bill extends the time six months within which this year's work must be done. The bill passed the House and is now with the President, and has been with him for some days. If the President should veto the same or should fail to sign the same before to-morrow night, such circumstance would precipitate great financial loss and protracted litigation amongst thousands of mining men, miners, and prospectors in the West.

If the President should veto the bill I had hoped that the two Houses of Congress would remain in session so that they might pass the same, the objections of the President to the contrary notwithstanding; but I have been informed that it will be impossible to get a quorum to-morrow, hence it would be useless for me to object to the motion or to vote against the motion to adjourn until Monday. I can only therefore express the hope that the President will sign the bill to-day or at least to-morrow, as to-morrow is the last day when Executive approval may afford relief to mine owners and prospectors. I thank the Senate for permission to make the explanation.

Br. BORAH. Mr. President, I quite agree with the view expressed by the Senator from Arizona as to the injury which would follow should the bill to which he refers ultimately fail of passage. I have not, however, entertained any doubt about the fact that it would become a law. I have no reason to believe that the President will veto it. I join with the Senator, however, in the expression of the view that it would be unfortunate if the bill should not ultimately become a law.

Mr. HENDERSON. Mr. President, will the Senator from Arizona yield to me?

Mr. ASHURST. I have surrendered the floor. I have been indulged long enough.

Mr. HENDERSON. Mr. President, I am very greatly interested in the bill referred to by the Senator from Arizona [Mr. ASHURST] and the Senator from Idaho [Mr. BORAH] and in its becoming a law. I know of no reason why the President should veto the bill, and I have every reason to believe that the bill will become a law some time to-morrow if not to-day. It not only will affect mining men in the United States but also in Alaska, and it will affect them very seriously, too.

The bill was intended to grant those men the opportunity of doing the mining assessment work for 1920 and 1921 in the spring of 1921, so as to save expense. It seems to me that it is a meritorious measure and should become a law before to-morrow night.

Mr. THOMAS. Mr. President, unfortunately there are two sides to every question, and this one is not an exception. I am in receipt of numerous letters and telegrams protesting against the passage of the bill which is referred to, many of them coming from miners who are out of employment, who say that if the law which the bill proposes to suspend is not suspended they can make a hundred dollars upon each of these claims by performing the work which the statute requires. I shall, therefore, with some philosophy feel resigned to the inability of the President to approve the measure.

Mr. ASHURST. Mr. President, as I understand, the Senator from Colorado is opposed to the bill?

Mr. THOMAS. Oh, I am not opposed to it in the sense that I would try to defeat it. I do know, however—and the Senator from Arizona knows—that large areas of the public domain in the West are held by men under mining locations who do not patent their claims, because when patented they have to pay taxes upon them. If they can get out of doing the required statutory work by appealing to an easy Congress, which yields to them as it does to every other class that seems to be potential and powerful or influential, why not entirely repeal the law?

Mr. ASHURST. I hope the Senator from Colorado will moderate his opposition to the bill so as to refrain from personally visiting the White House and refrain from personally urging the President to veto the bill.

Mr. THOMAS. Oh, Mr. President, the precedent which has been set by my friend from Arizona will not be followed by me. [Laughter.] I leave that to him and to Miss Alice Paul and to the representatives of the "Irish republic," who, I understand, are circling the White House every evening.

Mr. HENDERSON. I should like to ask the Senator from Colorado whether, in view of the fact that the bill only extends and does not suspend the requirements of the annual assessment work, it should not become a law?

Mr. THOMAS. Oh, I know that it will be again suspended in July.

Mr. ASHURST. No; it will not.

Mr. THOMAS. Certainly, it will. We began to suspend the law along in 1893; we set the precedent then, and we have been either suspending the law or temporarily repealing it ever since.

Mr. HENDERSON. We can talk about that in July next, but the condition sought to be relieved is one which confronts us immediately.

Mr. THOMAS. The Senator from Nevada and I will not be here to talk about it in July.

ADJOURNMENT TO MONDAY.

Mr. CURTIS. If there is to be no further debate, in reference to the bill, I renew my motion.

The VICE PRESIDENT. The question is on the motion of the Senator from Kansas that when the Senate adjourns it stand adjourned until Monday next.

The motion was agreed to.

THE COMMITTEE ON PATENTS.

Mr. NORRIS submitted the following resolution (S. Res. 414), which was read and referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Patents, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-sixth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding $1 per printed page, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expense thereof to be paid out of the contingent fund of the Senate, and that the committee or any subcommittee thereof may sit during the sessions or recess of the Senate.

CLAIMS AGAINST GERMAN GOVERNMENT.

Mr. KING submitted the following resolution (S. Res. 415), which was read, considered by unanimous consent, and agreed to:

Resolved, That the Secretary of State be, and he is hereby, directed to transmit to the Senate a full and complete statement of all claims and the amount of each filed with the State Department by American citizens against the German Government since August, 1914. Also the names of the claimants, together with all facts in possession of the State Department relating to said claims, the nature and character of the same, and all evidence bearing upon their validity and merits.

RELIEF WORK IN CENTRAL AND EASTERN EUROPE.

Mr. SUTHERLAND. I submit a concurrent resolution, which I ask may be read and referred to the Committee on Foreign Relations.

The concurrent resolution (S. Con. Res. 35) was read and referred to the Committee on Foreign Relations, as follows:

Whereas it has come to the attention of the American Congress that as a result of devastation of the World War, the countries of Central and Eastern Europe were so grievously afflicted that they have not as yet found themselves able to adjust economic conditions so as to provide the necessities of life for their millions of population; and

Whereas it has been established upon such authority that can not be gainsaid that their population is being decimated by death through lack of proper foods and medicines, and that now millions of their people, including not less than three and a half millions of little children, within these countries are in destitute circumstances; and

Whereas the responsibility of raising and administering $35,000,000 for the relief of these people has been undertaken by American relief organization known as the European Relief Council, with Herbert Hoover, chairman, and Franklin K. Lane, treasurer, and which represents the following well-known organizations, themselves in charge of responsible citizens: American Relief Administration, American Red Cross, American Friends' Service Committee (Quakers), Jewish Joint Distribution Committee, Federal Council of Churches of Christ in America, Knights of Columbus, Young Men's Christian Association, Young Women's Christian Association; and

Whereas through a cooperative arrangement between the Governments of which the stricken people are a part and the relief organization referred to, the populations can be cared for and the lives of millions saved; and

Whereas this organization is administering the raising and distribution of funds in such manner that not a single dollar contributed to the fund is deducted therefrom for the expense of maintaining the organization or for any purpose other than that of extending relief to the stricken people: Therefore be it

Resolved by the Senate (the House of Representatives concurring), That the Government of the United States officially indorses the relief work undertaken by the European Relief Council and earnestly calls upon the people of the United States to contribute out of their substance to the humanitarian activities of such organization.

HOUSE BILLS REFERRED.

The following bills were severally read twice by their titles and referred as indicated below:

H. R. 178. An act authorizing an exchange of lands by A. A. Bruce, of La Veta, Colo.; to the Committee on Public Lands.

H. R. 567. An act for the relief of John Chick;

H. R. 740. An act for the relief of John W. Baggott; and

H. R. 742. An act for the relief of J. W. La Bare; to the Committee on Military Affairs.

H. R. 908. An act for the relief of Leo Balsam; to the Committee on Claims.

H. R. 1030. An act for the relief of John R. Smith, deceased; to the Committee on Military Affairs.

H. R. 1034. An act for the relief of Jose Ramon Cordova; and

H. R. 1035. An act for the relief of the widow of Joseph C. Akin; to the Committee on Claims.

H. R. 1299. An act for the relief of George LeClear; and

H. R. 1300. An act for the relief of Alfred E. Lewis; to the Committee on Military Affairs.

H. R. 1321. An act for the relief of Mrs. Annie M. Lepley; to the Committee on Claims.

H. R. 1949. An act for the relief of George F. Reid; to the Committee on Military Affairs.

H. R. 3522. An act for the relief of Lemuel Stokes; to the Committee on Claims.

H. R. 5194. An act for the relief of Alfred Rebsamen; and

H. R. 6301. An act for the relief of Nathan Manzer; to the Committee on Military Affairs.

H. R. 7050. An act for the relief of the First State Bank of Kerrville, Kerr County, State of Texas;

H. R. 7333. An act for the relief of Emily J. Mullins; and

H. R. 8142. An act for the relief of Anna Blumenthal; to the Committee on Claims.

H. R. 9357. An act for the relief of S. S. Markley; to the Committee on Public Lands.

H. R. 9675. An act for the relief of John Anderson;

H. R. 9843. An act to carry into effect the findings of the Court of Claims in favor of Myron C. Bond, Guy M. Claflin, and Edwin A. Wells;

H. R. 11066. An act for the relief of the Shipowners & Merchants Tugboat Co.; and

H. R. 11154. An act for the relief of Arthur Frost; to the Committee on Claims.

H. R. 11377. An act for the relief of Warren V. Howard; to the Committee on Military Affairs.

H. R. 11416. An act for the relief of Orville M. Myers;

H. R. 11572. An act for the relief of the John E. Moore Co.;

H. R. 11945. An act for the relief of W. C. Stewart;

H. R. 12005. An act for the relief of Henry P. Corbin; and

H. R. 12333. An act for the relief of Albert T. Huso; to the Committee on Claims.

H. R. 12337. An act to provide for the relief of Anthony Sulik, former sergeant, United States Marine Corps; to the Committee on Naval Affairs.

H. R. 12441. An act for the relief of the Duluth, Winnipeg & Pacific Railroad; to the Committee on Claims.

H. R. 12469. An act to authorize the award of a medal of honor to Chief Gunner Robert Edward Cox, United States Navy; to the Committee on Naval Affairs.

H. R. 13319. An act for the relief of Wilson Certain; to the Committee on Military Affairs.

H. R. 13600. An act for the relief of Mrs. William B. Ryan; to the Committee on Claims.

INAUGURAL EXPENDITURES.

The VICE PRESIDENT. Is there any further morning business?

Mr. BORAH. Mr. President, before proceeding to further business, as I see one or two members of the Appropriations Committee are present, I desire now, as a matter of information, to learn what procedure is adopted and by what means and methods we appropriate money for the inauguration of the President elect. I am unable to find, from my investigation, any other practice than that of expending whatever the Joint Inaugural Committee sees fit to expend, and then the Appropriations Committee taking care of it. I am informed that four years ago we appropriated $70,000, and I understand that this year the expenditure is expected to reach $100,000.

Mr. SMOOT. If the Senator from Idaho has reference to the newspaper reports of the probable expenditure of $100,000, I desire to say that that is the amount which has been collected by the people of the District. That money, however, is expended not around the Capitol but for all of the activities of the inaugural day away from the Capitol.

Mr. BORAH. I do not have reference to the amount which the citizens are raising; that is a matter which I have no desire to discuss; I should be glad to see them contribute any amount that they desire to contribute; but what I am interested in is to ascertain whether the Congress appropriates for the occasion? Is the money put in the form of an estimate, to begin with, or does the committee simply go ahead and make the expenditures and then Congress pay whatever the sum of those expenditures may be?

Mr. SMOOT. Always in the past the work has been proceeded with, and, when the bills were all in, the appropriation has been provided.

Mr. BORAH. Does the committee which has charge of the inauguration also have charge of the amount which is to be expended?

Mr. SMOOT. No; that is under the jurisdiction of a separate committee; but the Appropriations Committee provides for the money. I can not say to the Senator how much the amount will be nor do I think the committee having the matter in charge can do so.

Mr. JONES of Washington. Mr. President, I may be mistaken, but it is my recollection that we have always heretofore passed a joint resolution authorizing the expenditure of a certain amount of money for inaugural purposes.

Mr. SMOOT. I do not think any specific amount has been named in such joint resolutions.

Mr. JONES of Washington. My recollection is that the sum appropriated heretofore has been $35,000, but I may be mistaken about that.

Mr. SMOOT. We have already at the present session passed a joint resolution providing for the appointment of a committee to take charge of the inaugural ceremonies. The resolution was passed about a week or 10 days ago.

Mr. BORAH. As I recall, neither that joint resolution nor any of the similar joint resolutions previously passed specified any amount at all, but merely gave a blanket authority, which I think is very bad practice.

I call attention to this subject because I think there ought to be some limit upon the amount which we are going to expend at the beginning of this administration, pledged as it is to economy, and if some one else does not take charge of the matter, who is better fitted to do so, and who is connected with the Appropriations Committee, I shall attempt in the beginning of the next week to put a limit on these expenditures.

Mr. FLETCHER. Mr. President, would it not be a good idea to hark back to "Jeffersonian simplicity" a little at this time?

Mr. BORAH. So far as I am concerned, I should like to limit the amount to be expended to $10, which would be enough to pay the presidential automobile fare to the Capitol and back.

Mr. NELSON. Mr. President, will the Senator yield to me for a moment?

Mr. BORAH. I yield.

Mr. NELSON. I take it that the expenses in connection with erecting stands, and so forth, down town will be borne by the citizens' committee?

Mr. SMOOT. That is true.

Mr. NELSON. The expenses of the joint committee, so far as we know at present, relate to the construction of the platform in front of the Capitol Building for the inaugural ceremonies. The committee instructed the Superintendent of the Capitol to accept the lowest bid, which was about 30 per cent higher than the bid received for doing the same work four years ago. Beyond that the committee have taken no action. We hope to be able to obtain the use of some of the surplus Government buildings here, if there are any, for the occupancy of militia

organizations and soldiers who may come here to attend the inauguration. There certainly, however, ought to be some definite appropriation made for these purposes.

Mr. BORAH. Mr. President, does not the Senator think that there ought to be a definite amount stated?

Mr. NELSON. I think so.

Mr. SMOOT. Mr. President, I will say that at no time has there been paid out of the contingent fund of the Senate any sum to house different organizations coming from the various States during the inauguration of a President.

Mr. NELSON. If the Senator from Utah will allow me to correct him, the purpose of the committee was to investigate and ascertain what public buildings here could be utilized for such purposes without incurring any expense.

Mr. SMOOT. I think the Senator's statement is in accord with what I said. The building commission have applications now—I can not say from how many organizations, but from many organizations outside of the District—for housing purposes amounting to scores, I will say. As chairman of the commission, I asked Col. Woods to see the owner of the building known as the Liberty Hut, on the Union Station Plaza, with the idea of having that building remain intact, it having come to the knowledge of the commission that it was contemplated to demolish and remove it before March 4. Col. Woods has not yet reported as to whether that can be done; but I will say to the Senator that every available space in the Government buildings, including even the isles in some of our main buildings, in the past has been used for sleeping purposes by organizations coming from the different States. That will have to be done again, but no money has been appropriated for that expense in the past, and no doubt there will be none for the approaching inauguration.

Mr. NELSON. Let me ask the Senator a question in connection with that matter. Is any resolution of Congress necessary to authorize the occupation of the buildings to which the Senator has referred?

Mr. SMOOT. No; the building commission has that power under the law now, I think.

Mr. LENROOT. Mr. President, if the Senator from Utah will yield, I desire to ask, has the building commission power to authorize the use of any building where it will involve inconvenience to the employees or a vacation of any portion of such building by Government employees now housed therein?

Mr. SMOOT. No; they have not.

I will say to the Senator from Idaho that the joint resolution which was passed by the Senate on December 8 reads as follows:

That a joint committee consisting of three Senators and three Representatives, to be appointed by the President of the Senate and the Speaker of the House of Representatives, respectively, is authorized to make the necessary arrangements for the inauguration of the President elect of the United States on the 4th day of March next.

That is an exact copy of the joint resolution that is generally passed on such occasions. Then, the expenses that have been incurred under such joint resolutions have been paid out of the contingent funds of the Senate and the House jointly.

Mr. BORAH. Do I understand that the Senator from Minnesota is chairman of the joint committee?

Mr. NELSON. I am a member of that committee. The Senator from Pennsylvania [Mr. KNOX] is chairman of that committee.

Mr. BORAH. The Senator from Minnesota, however, is on the committee?

Mr. NELSON. Yes.

Mr. LENROOT. Mr. President, will the Senator yield for a question?

Mr. SMOOT. Yes.

Mr. LENROOT. I should like to ask the Senator from Minnesota whether it is the understanding that if permission is granted for the holding of the inaugural ball at the Pension Building legislation will be required for that purpose?

Mr. NELSON. We have nothing to do with that. The Committee on Rules have no more to do with that than the Emperor of China. It is wholly a private affair of the citizens of Washington.

Mr. SMOOT. I will say to the Senator from Wisconsin that the inaugural ball, if held in the Pension Building, will be under the direction of the Committee on the District of Columbia; and in the past, whenever it has been held there, that committee have applied to Congress for the passage of legislation authorizing them to hold it in that building.

Mr. LENROOT. One other question. That has always cost twenty-five or thirty thousand dollars, as a matter of fact, has it not?

Mr. SMOOT. I can not state offhand just what it has cost. I know it has cost a good deal of money.

Mr. NORRIS. Mr. President, if the Senator will permit an interruption there, in reality it has cost much more than twenty-five or thirty thousand dollars, because it means that all the furniture of the building must be moved out and stored, and then moved back in; so that it is not only a question of the cost of moving it out and moving it back, but practically everybody employed in the building stops work, although the pay goes on, during all that time.

Mr. BORAH. So far as I have been able to ascertain there is now no way of determining how much we are going to spend. We shall have to determine that next week.

AMENDMENT OF CLAYTON ACT—VETO MESSAGE (S. DOC. NO. 349).

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The reading clerk read as follows:

To the Senate:

I return herewith without my signature Senate bill No. 4526, amending section 501 of the transportation act by extending the effective date of section 10 of the Clayton Act.

The Clayton Antitrust Act was responsive to recommendations which I made to the Congress on December 2, 1913, and January 20, 1914, on the subject of legislation regarding the very difficult and intricate matter of trusts and monopolies. In speaking of the changes which opinion deliberately sanctions and for which business waits, I observed:

"It waits with acquiescence, in the first place, for laws which will effectually prohibit and prevent such interlockings of the personnel of the directorates of great corporations—banks and railroads, industrial, commercial, and public-service bodies—as in effect result in making those who borrow and those who lend practically one and the same, those who sell and those who buy but the same persons trading with one another under different names and in different combinations, and those who affect to compete in fact partners and masters of some whole field of business. Sufficient time should be allowed, of course, in which to effect these changes of organization without inconvenience or confusion."

This particular recommendation is reflected in section 10 of the Clayton Antitrust Act. That act became law on October 15, 1914, and it was provided that section 10 should not become effective until two years after that date, in order that the carriers and others affected might be able to adjust their affairs so that no inconvenience or confusion might result from the enforcement of its provisions. Further extensions of time, amounting in all to more than four years and two months, have since been made. These were in part due to the intervention of Federal control, but 10 months have now elapsed since the resumption of private operation. In all, over six years have elapsed since this enactment was put upon the statute book, so that all interests concerned have had long and ample notice of the obligations it imposes.

The Interstate Commerce Commission has adopted rules responsive to the requirements of section 10. In deferring the effective date of section 10 the Congress has excepted corporations organized after January 12, 1918, and as to such corporations the commission's rules are now in effect. Therefore it appears that the necessary preliminary steps have long since been taken to put section 10 into effect, and the practical question now to be decided is whether the partial application of those rules shall be continued until January 1, 1922, or whether their application shall now become general, thus bringing under them all common carriers engaged in commerce and at last giving full effect to this important feature of the act of October 15, 1914.

The grounds upon which further extension of time is asked, in addition to the six years and more that have already elapsed, have been stated as follows:

"That the carrying into effect of the existing provisions of section 10 will result in needless expenditures on the part of carriers in many instances; that some of its provisions are unworkable; and that the changed status of the carriers and the enactment of the transportation act require a revision of section 10 in order to make it consistent with provisions of the transportation act."

When it is considered that the Congress is now in session and can readily adopt suitable amendments if they shall be found to be necessary, such reasons for further delay appear to me to be inadequate. The soundness of the principle embodied in section 10 appears to be generally admitted. The wholesome effects which its application was intended to produce should no longer be withheld from the public and from the common carriers immediately concerned, for whose protection it was particularly designed.

WOODROW WILSON.

THE WHITE HOUSE,
30 December, 1920.

Mr. CURTIS. Mr. President, may I ask what becomes of the message—whether it lies on the table, or is to be referred to a committee?

The VICE PRESIDENT. The Chair is looking at the Constitution. The Constitution provides that—

Every bill which shall have passed the House of Representatives and the Senate shall, before it become a law, be presented to the President of the United States; if he approve he shall sign it, but if not he shall return it, with his objections, to that House in which it shall have originated, who shall enter the objections at large on their Journal, and proceed to reconsider it.

The Chair has an impression that it is the duty of the Senate to reconsider it immediately, unless by motion or otherwise it shall postpone the reconsideration.

Mr. SMOOT. Would not a motion to send it to a committee be in order at this time? Would not that be considered as proceeding to the consideration of the bill?

Mr. KING. Mr. President, I rise for an inquiry. Is this a veto of a bill, or is it merely a suggestion by the President as to pending legislation?

The VICE PRESIDENT. No; it is a veto.

Mr. LA FOLLETTE. Mr. President, it is manifestly a veto of the bill. It is returned with the usual phraseology which is attached to a veto, in which the President states that he withholds his signature from this bill.

Mr. KING. I have just returned to the Chamber, and I rose for information.

Mr. LA FOLLETTE. If it is the desire of the Senate to proceed to the consideration of the veto message at this time, I will say that as a member of the committee I have no objection. I do not know how other members of the committee may feel about it, nor do I know whether we have a quorum in attendance upon the Senate at this time.

The VICE PRESIDENT. The Chair does not think the opinions of the present occupant of the chair are in accord with those of former occupants of the chair. He thinks these bills have been sent to committees after veto, and that delay has taken place in the consideration of the veto. Without trying to overrule the opinions of former presiding officers, the Chair is clearly of the opinion that under the Constitution it is the business of the Senate to consider this question—not to send it to a committee at all, but to determine whether it wants to pass the bill, notwithstanding the objections of the President, or whether it does not.

Mr. LA FOLLETTE. I ask unanimous consent that the veto message and the bill may lie on the table, to be taken up at the convenience of the Senate.

The VICE PRESIDENT. Is there any objection? The Chair hears none, and it will be so ordered.

Mr. KELLOGG. Mr. President, in relation to the bill which the Congress passed extending the effective date of section 10 of the Clayton Act, I think it is fair to say that it has been extended at least twice before except as to corporations organized after January 12, 1918. That extension, as I recollect, has always been recommended by the Interstate Commerce Committee or the Judiciary Committee on the recommendation of the Interstate Commerce Commission itself, resulting from conditions growing out of the war and subsequent to the war.

Since the last session of Congress, or during the session, the commission informally—I do not remember whether by a communication or not—recommended that the Committee on Interstate Commerce should take up the subject of making some amendments to section 10 of the Clayton Act, not repealing it or doing away with the principle, but making some amendments to make it workable, preserving its main features. On the recommendation of the commission—certainly on the recommendation of the chairman of the committee on legislative matters—the committee reported this bill for an extension in order to give the Congress a chance at this session to consider that subject; and I know that the chairman of the committee intended to hold hearings on the subject as soon as he was able to get back, and to hear the Interstate Commerce Commission and all parties interested. So that it was not, so far as I know, the intention of the committee or of anyone else to repeal section 10, but simply to give an opportunity for consideration, and that opportunity did not exist during the last session of Congress.

So far as I know, that is the fact in connection with the action of the committee and of the Congress.

The VICE PRESIDENT (at 12 o'clock and 40 minutes p. m.). The morning business is closed.

ATMOSPHERIC NITROGEN.

Mr. UNDERWOOD. I ask that the unfinished business be laid before the Senate and proceeded with.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes, which had been reported from the Committee on Agriculture and Forestry with an amendment.

Mr. UNDERWOOD. I ask that the bill may be read at length.

The VICE PRESIDENT. The bill will be read.

The Assistant Secretary read the bill, as follows:

Be it enacted, etc., That the Secretary of War is hereby authorized and empowered to designate any five persons to act as an organization committee for the purpose of organizing a corporation under authority of and for the purposes enumerated in this act.

ORGANIZATION.

The persons so designated shall, under their seals, make an organization certificate, which shall specifically state the name of the corporation to be organized, the place in which its principal office is to be located, the amount of capital stock, and the number of shares into which the same is divided, and the fact that the certificate is made to enable the corporation formed to avail itself of the advantages of this act. The name of such corporation shall be United States Fixed-Nitrogen Corporation.

The said organization certificate shall be acknowledged before a judge of some court of record or notary public, and shall be, together with acknowledgment thereof, authenticated by the seal of such notary or court, transmitted to the Secretary of War, who shall file, record, and carefully preserve the same in his office. Upon the filing of such certificate with the Secretary of War as aforesaid, the said corporation shall become a body corporate and as such, and in the name United States Fixed-Nitrogen Corporation, shall have power—

First, to adopt and use a corporate seal;

Second, to have succession for a period of 20 years from its organization, unless it is sooner dissolved by an act of Congress, or unless its franchise becomes forfeited by some violation of law;

Third, to make contracts;

Fourth, to sue and be sued, complain, and defend in any court of law or equity;

Fifth, to appoint by its board of directors such officers and employees as are not otherwise provided for in this act; to define their duties, to fix their salaries, in its discretion to require bonds of any of them, and to fix the penalty thereof, and to dismiss at pleasure any of such officers or employees;

Sixth, to prescribe by its board of directors by-laws not inconsistent with law regulating the manner in which its general business may be conducted and the privileges granted to it by law may be exercised and enjoyed;

Seventh, to exercise by its board of directors or duly authorized officers or agents all powers specifically granted by the provisions of this act and such incidental powers as shall be necessary to carry on the business for which it is incorporated within the limitations prescribed by this act, but such corporation shall transact no business except such as is incidental and necessary preliminary to its organization until it has been authorized by the Secretary of War to commence business under the provisions of this act.

The corporation shall be conducted under the supervision and control of a board of directors, consisting of not less than 3 nor more than 11 members, to be appointed by the Secretary of War. The directors so appointed shall hold office at the pleasure of the Secretary of War. The Secretary of War shall be ex officio chairman of the board and shall have power to designate one of the directors as vice chairman. The vice chairman shall perform the duties of chairman in the absence of the Secretary of War.

The board of directors shall perform the duties usually appertaining to the office of directors of private corporations and such other duties as are prescribed by law.

POWERS OF THE CORPORATION.

The corporation shall have power—

(a) To purchase, acquire, operate, and develop in the manner prescribed by this act and subject to the limitations and restrictions thereof the following properties owned by the United States:

1. United States nitrate fixation plants Nos. 1 and 2, located, respectively, at Sheffield, Ala., and Muscle Shoals, Ala., together with (a) all real estate used in connection therewith; (b) all tools, machinery, equipment, accessories, and materials thereunto belonging; (c) all laboratories and plants used as auxiliaries thereto, including the fixed-nitrogen research laboratory at Washington, the Waco limestone quarry in Alabama, the electric power unit at the Warrior River station of the Alabama Power Co., and transmission lines, and any others used as auxiliaries of the United States fixed-nitrogen plants Nos. 1 and 2.

2. Any other plants or parts of plant, equipment, accessories, or other properties belonging to the United States, which are under the direct control of the President or of the War Department, and which the President or the Secretary of War may deem it advisable to transfer, convey, or deliver to said corporation for use in connection with any of the purposes of this act, or for any purpose incidental thereto.

(b) To acquire, establish, maintain, and operate such other laboratories and experimental plants as may be deemed necessary or advisable to assist it in furnishing to the United States Government and others, at all times, nitrogen products for military or other purposes in the most economical manner and of the highest standard of efficiency.

(c) To sell to the United States such nitrogen products as may be manufactured by said corporation for military or other purposes.

(d) To sell any or all of its products not required by the United States to producers or users of fertilizers or to others.

(e) By direction of the President, to act as his agent in carrying out and performing any or all of the duties imposed upon him by section 124 of the act of June 3, 1916, known as the national defense act, including, after its completion, the operation of the hydroelectric power plant now being constructed at Muscle Shoals, and the use and sale of the hydroelectric power to be developed under authority of the act of June 3, 1916, aforesaid, and the President is authorized, in his dis-

cretion, to delegate to the corporation any and all powers and duties conferred or imposed upon him by said act which relate to the production, development, or manufacture of atmospheric nitrogen products, or which are incidental thereto, and to pay into the treasury of said company any unexpended balance out of the appropriation made by section 124 of the act of June 3, 1916, such funds to be used by the corporation for the purpose of said act as amended by this act.

(f) To enter into such agreements and reciprocal relations with others as may be deemed necessary or desirable to facilitate the production and sale of nitrogen products on the most scientific and economical basis.

(g) To purchase, lease, or otherwise acquire United States or foreign patents and processes or the right to use such patents and processes.

(h) To obtain from the United States or from foreign Governments patents for discoveries or inventions of its officers and employees, and, in the discretion of its board of directors, to require any and all of its officers and employees as a condition of their employment to enter into agreements with the company that the patents for all such discoveries or inventions shall be and become in whole or in part the property of the corporation.

(i) To assume any or all obligations of the United States entered into in connection with the construction, maintenance, and operation of the plants to be transferred to the corporation under the provisions of this act.

(j) To deposit its funds in any Federal reserve bank or with any member bank of the Federal reserve system.

(k) To sell and export any of its surplus products not purchased by the United States or by persons, firms, or corporations within the United States.

(l) To invest any surplus of available funds not immediately used for the operation, construction, or maintenance of its plants or properties in United States bonds or other securities issued by the United States.

(m) To lease or purchase such buildings or properties as may be deemed necessary or advisable for the administration of the affairs of the corporation or for carrying out the purposes of this act; and with the approval of the Secretary of War to lease to other persons, firms, or corporations any of its properties not used or needed by the corporation, or to enter into agreements with others for the operation of such properties. In the operation, maintenance, and development of the plants purchased or acquired under this act the corporation shall be free from the limitations or restrictions imposed by the act of June 3, 1916, and shall be subject only to the limitations and restrictions of this act.

CAPITAL STOCK.

The capital stock of the corporation shall be divided into two classes, to be known as common and preferred. The common stock shall be without par value. The company shall have no power to issue stock except that issued to the United States under authority of this act.

In exchange for the properties purchased or acquired from the United States and from time to time transferred, conveyed, or delivered to the corporation by the President or by the Secretary of War, as provided by this act, the corporation shall cause to be executed and delivered to the Secretary of War a certificate for all of the common stock of the corporation, which certificate shall be evidence of the ownership of the United States of all such common stock. In consideration of the issuance of such common stock to the Secretary of War, the President and the Secretary of War are authorized and empowered to transfer, convey, and deliver to the corporation all of the real estate, buildings, tools, equipment, supplies, and other properties belonging to, used by, or appertaining to the plants and properties to be acquired by the corporation under the terms of this act, and to transfer, convey, and deliver as and when they may deem it advisable any other equipment, accessories, plants, or parts of plants or other property referred to in this act and which the corporation is authorized to acquire or purchase from the United States under its provisions.

The President or the Secretary of War, as a condition of the transfer, conveyance, or delivery to the corporation of any property herein referred to, may require the corporation to assume any and all agreements and obligations entered into by the United States in connection with the construction, maintenance, or operation of such plants or other property.

The corporation shall have the power to issue and sell preferred stock in any amount not to exceed $12,500,000, of a par value of $100 per share, such stock to be entitled to 5 per cent dividends. All such stock shall be subscribed by the United States of America, and such subscription shall be subject to call upon the vote of the board of directors of the corporation with the approval of the Secretary of War at such time or times as may be deemed advisable, and there is hereby appropriated out of any money in the Treasury not otherwise appropriated, the sum of $12,500,000, or so much thereof as may be necessary, for the purpose of making payment upon such subscription when and as called.

Receipts or certificates for payment by the United States of America for or on account of such stock shall be issued by the corporation to the Secretary of War and shall be evidence of the stock ownership of the United States. The Secretary of War is authorized to use any funds now available for the completion of the construction and equipment of such United States nitrate plants, Nos. 1 and 2, and accessories, either after or before the conveyance and delivery of such properties to the corporation in accordance with the terms of this act.

DISTRIBUTION OF EARNINGS.

All net earnings of the corporation not required for its organization, operation, and development shall be used—

(a) To pay dividends on outstanding preferred stock, such dividends to be paid into the Treasury of the United States as miscellaneous receipts;

(b) To develop and improve its plants and equipment;

(c) To create a reserve or surplus fund until such fund amounts to $2,500,000;

(d) The remainder to be paid into the Treasury of the United States as miscellaneous receipts.

MISCELLANEOUS.

The Federal reserve banks shall be authorized to receive deposits of the corporation. The corporation shall not have power to mortgage or pledge its assets, or to issue bonds secured by any of its properties.

The United States shall not be liable beyond its stock subscription for any debts, obligations, or other liabilities of the corporation.

The corporation and all of its assets shall be deemed and held to be instrumentalities of the United States and as such they and the income derived therefrom shall be exempt from Federal, State, and local taxation. The directors, officers, attorneys, experts, assistants, clerks, agents, and other employees of the corporation shall not be officers or employees of the United States within the meaning of any statutes of the United States, and the property and moneys belonging to said corporation, acquired from the United States, or from others, shall not be deemed to be the property and moneys of the United States, within the meaning of any statutes of the United States.

The accounts of the corporation shall be audited under the regulations to be prescribed by the Secretary of War, who shall include in his annual report to Congress a detailed statement of the fiscal operations of said corporation.

The Secretary of War may appoint any officer of the War Department or any other persoa as a director of the corporation, and under regulations to be prescribed by the Secretary of War any officer of the War Department may serve as an officer or employee of the corporation, and may receive such compensation for services rendered to the corporation as the board of directors, with the approval of the Secretary of War, may prescribe.

If any clause, sentence, paragraph, or part of this act shall for any reason be adjudged by any court of competent jurisdiction to be invalid, such judgment shall be confined in its operation to the clause, sentence, paragraph, or part thereof directly involved in the controversy in which such judgment shall have been rendered.

The right to amend, alter, or repeal this act is hereby expressly reserved.

Mr. STANLEY. Mr. President, I desire to give notice that at the conclusion of the morning business on Monday next I shall address the Senate on the pending bill.

The VICE PRESIDENT. It is fair for the Chair to state to the Senator from Kentucky that Monday is Calendar Monday, and also that the Senator from Colorado [Mr. THOMAS] has given notice that he will address the Senate on that day at the close of the routine morning business.

Mr. STANLEY. Then I give notice that I shall address the Senate on Monday next when the unfinished business is taken up.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 1 o'clock and 7 minutes p. m.) the Senate adjourned until Monday, January 3, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *December 30, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Almighty Father, whose goodness stands approved in a thousand blessings, new every morning, fresh every evening, let Thy spirit penetrate our minds and enlarge our conception of life and its vast responsibilities; that our work in the vineyard of humanity may bloom, blossom, and bear acceptable fruit unto Thee and unto our fellow men; that we may have lived and wrought and left behind us a record worthy of emulation; that the world may quicken its progress toward a better and higher civilization. For Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. MILLER, for to-day, on account of official business.

To Mr. SWOPE, for three weeks, on account of important business.

To Mr. KINCHELOE, indefinitely, on account of illness.

To Mr. EAGAN, indefinitely, on account of sickness.

POST OFFICE APPROPRIATION.

Mr. MADDEN, from the Committee on Appropriations, reported the bill (H. R. 15441) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922, and for other purposes, which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and ordered printed.

Mr. HOLLAND. I reserve all points of order on the bill.

The SPEAKER. The gentleman from Virginia reserves all points of order on the bill.

SUNDRY CIVIL APPROPRIATIONS.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the sundry civil appropriation bill (H. R. 15422), and pending that motion I ask unanimous consent that the time for general debate be equally divided between the gentleman from Tennessee [Mr. BYRNS] and myself.

The SPEAKER. Pending the motion that the House resolve itself into Committee of the Whole House on the state of the Union the gentleman from Iowa asks unanimous consent that the time for general debate be controlled equally by himself

and the gentleman from Tennessee [Mr. BYRNS]. Is there objection?

Mr. GARRETT. Mr. Speaker, reserving the right to object, I will ask the gentleman from Iowa if he can give the House any information as to the program for the remainder of the week.

Mr. GOOD. The gentleman from Wyoming [Mr. MONDELL] has been giving that matter more attention than I have. I had hoped that we could go on with the bill to-morrow, but I do not know whether that is in accord with the views of the gentleman from Wyoming or not.

Mr. MONDELL. I join in the hope just expressed by the chairman of the Committee on Appropriations.

Mr. GARRETT. As far as I am informed I know of no objection to that.

Mr. MONDELL. And that we remain in session to-morrow.

Mr. GARRETT. What about Saturday?

Mr. MONDELL. I think we should not be in session on Saturday.

Mr. GARRETT. Suppose the gentlemen arrange the matter at this time. Is there any reason why that should not be done?

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns on Friday, it adjourn to meet on Monday next.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns on Friday it adjourn to meet on Monday next. Is there objection?

Mr. BLANTON. Reserving the right to object, why is it not possible to give all Members of the House, as well as a few of them, the opportunity to use to-morrow for their own affairs? It is the day before New Year's. Lots of us have got to make our arrangements with the banks to carry us over for next year. [Laughter.] We have many other things to do. Some of the employees of the House are interested in having the day before New Year's as well as the Members who can go home on a few hours' notice. I think the gentleman ought to give us to-morrow.

Mr. MONDELL. They will have New Year's Day, and I think we should work up to that time.

Mr. BLANTON. It is suggested to me that the banks are all closed on New Year's Day, and that we will have to do what we do to-morrow. I do not want to make the point of no quorum to-morrow.

Mr. GARNER. Then do not do it.

Mr. BLANTON. I do not want to obstruct business, but I think the gentleman from Iowa and the gentleman from Wyoming should be more considerate.

The SPEAKER. Is there objection to the request of the gentleman from Wyoming that when the House adjourn to-morrow it adjourn to meet on Monday next?

There was no objection.

The SPEAKER. Is there objection to the request of the gentleman from Iowa that the time for general debate be equally divided between himself and the gentleman from Tennessee [Mr. BYRNS]?

There was no objection.

The SPEAKER. The question is on the motion of the gentleman from Iowa that the House resolve itself into the Committee of the Whole House on the state of the Union for the consideration of the sundry civil bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the consideration of the bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, with Mr. WALSH in the chair.

The Clerk reported the title of the bill.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that the first reading of the bill be dispensed with.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the first reading of the bill be dispensed with. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, I am having prepared some charts that will not be here for half an hour, and I shall, therefore, yield first to the gentleman from New York [Mr. MAGEE] for 10 minutes.

Mr. MAGEE. Mr. Chairman, I do not want to take up much of the time of the House, but I feel that it is my duty to make some remarks upon appropriations for "inland and coastwise waterways." The bill will be generally covered by the distinguished chairman of the committee, and my remarks will be brief and confined to this one subject, which will be found on page 65 of the bill.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. MAGEE. Yes.

Mr. GARNER. What subcommittee of the present Committee on Appropriations handles that particular work?

Mr. MAGEE. The subcommittee on the sundry civil appropriation bill.

Mr. GARNER. And this is contained in the sundry civil bill?

Mr. MAGEE. At page 65.

Mr. GARNER. And that is the only appropriation you propose to make for that work this year?

Mr. MAGEE. That is the only subject that I am going to discuss now, and, so far as I know, this is the only proposed appropriation for such purposes.

The estimates submitted to the committee aggregate $6,924,350. The aggregate amount allowed is $1,250,000 for specific purposes, mainly for terminal facilities in several cities and for operation. The amount allowed for operation, $300,000, is, as I understand, to meet an estimated operating deficit.

I most heartily approve the cut made by the committee in the estimates, to wit, $5,674,350. However, I am opposed to making any appropriation in the premises. Operations by the Government upon certain inland waterways were begun under authority of the Federal control act of March 21, 1918, and such operations of vessels upon the Mississippi River, Black Warrior River, and the New York State Barge Canal have been continued by the War Department under provisions of the transportation act approved February 28, 1920.

In my judgment, whatever justification may have existed for such operations in time of war, there can be no justification for a continuance thereof in time of peace. [Applause.] Whatever improvements upon inland waterways have been made, or are being made, could most properly have remained under the jurisdiction of the Committee on Rivers and Harbors.

The record of the Government in such operations has been, and promises to continue to be, only a series of large deficits and an inexcusable waste of public funds. For the year 1919 the operating deficit on the Mississippi-Warrior section was $740,782.59 and on the New York Barge Canal $160,718.21. For the year 1920 to October 1 the operating deficit on the Mississippi River was $522,994.61, on the Black Warrior River $267,817.79, and on the New York Barge Canal $86,837.96. The War Department estimates an operating deficit on these three waterways for the year 1922 of $424,285. In these deficits nothing in any case has been allowed for depreciation. In a statemen. filed by the War Department with the committee the item of depreciation in each of the three projects is estimated as follows: On Mississippi River section, $127,807.17; on Warrior River section, $97,068.14; and on the New York Barge Canal section, $170,000.

The committee was informed that the War Department expects that the time will come when the department can operate vessels upon these inland waterways at a profit. I do not concur at all in this Utopian expectation. It reminds me of an incident in a lawsuit that I once brought for one of my clients. The attorney for defendant moved for a change of venue upon numerous affidavits stating what he expected to prove by this or that witness. Upon the hearing of the motion the judge presiding finally became impatient and said to him:

If you have no other grounds for your motion except expectations, you had better quit now. Holding court is at public expense, and I will not permit you to waste the public funds upon expectations.

[Applause.]

While the people of the State of New York were entirely willing during the war that the Government should take control of their canal, they now demand, in time of peace, that their waterway be free from the blighting hand of governmental operation through the War Department. [Applause.] The Government is killing the canal, because private persons will not invest their money in the construction and operation of vessels upon the canal in competition with the Government. We are insistent that the Government stop at once the foolish business of wasting large amounts of public money in experimental operations upon our waterway.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. MAGEE. Yes.

Mr. BLANTON. The gentleman speaks of the Government killing the canal. I would like to ask the gentleman whether the Government helped to make the canal.

Mr. MAGEE. No; this is our waterway, built with our money.

Mr. BLANTON. And the Government has never spent any money on it at all?

Mr. MAGEE. Not any money except the moneys that have been wasted in the experimental operations that I am describing. This is our property. What we demand is that the Govern-

ment save this money and not waste it on our public waterway. We demand that this waterway be restored to the State that constructed it and owns it. That is the united demand of my State, regardless of party affiliations.

Mr. BLANTON. Right in that connection I would like to ask the gentleman whether the waterways do not belong to the people—not, say, to Texas or to New York, or to some other State, but to the people of the United States? I refer to the waterways, generally speaking.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. MAGEE. Mr. Chairman, I will ask the gentleman from Iowa to yield me five minutes more.

Mr. GOOD. Mr. Chairman, I yield five minutes to the gentleman from New York.

Mr. MAGEE. My own idea is that our public waterways should be developed through private enterprise—encouraged, if you so desire, by the Government—but when you come to consider the inefficient work of the Government, through the War Department, in these operations that I have described, and which can not be denied, then, so far as I am concerned, I am against appropriating one cent of public money to be wasted in this manner.

Mr. HUMPHREYS. Mr. Chairman, will the gentleman yield?

Mr. MAGEE. Yes.

Mr. HUMPHREYS. I want to ask the gentleman a question for information. I saw the statement in a newspaper that the overhead charge of the Mississippi Barge Canal was $272,000 annually. Does the gentleman know whether that is correct or not?

Mr. MAGEE. The gentleman from Mississippi may not have been present when I gave the amounts of operating deficits.

Mr. HUMPHREYS. But the gentleman did not mention the overhead charge. This article stated that the overhead charge was $272,000. I made inquiry, tried to get the facts from the authorities here, from the bureau, and they sent me a great book that probably some expert accountant might be able to go through and ascertain the facts; but, of course, if there is an overhead charge of $272,000 on the Barge Canal, there will always be a deficit. I imagine that would be about reasonable for such an institution as the Pennsylvania Railroad Co.

Mr. MAGEE. The gentleman may find the figures which he desires in the record of the hearings.

We hear more or less talk about the reconstruction of the several bureaus and departments of the Government in the interest of efficiency and public economy. I most respectfully suggest that here is a splendid opportunity to test the good faith of those preaching efficiency and rigid economy in public expenditures by refusing to make appropriations of public funds for continuing a meddling governmental activity, whose only purpose of existence appears to be the squander of public money. [Applause.]

Mr. GOOD. Mr. Chairman, the gentleman from Tennessee [Mr. BYRNS], who has charge of the time on the other side, is temporarily out of the room. I will yield five minutes to the gentleman from Mississippi [Mr. HUMPHREYS].

Mr. HUMPHREYS. Mr. Chairman, what I have to say has been suggested by some remarks made by the speaker who just preceded me. Personally, I doubt very seriously if we can ever develop any transportation on the inland waterways of the country by having the Federal Government do it. I am one who has very little faith in the Federal Government doing any sort of private business in any except a thoroughly extravagant and inefficient way.

I have understood in a very general way—I do not know whether it is correct or not; I would not be responsible for the figures—that the overhead charge on the barge line on the Mississippi River, operated by the Government, is $272,000 annually. I asked for the information and was told that that was a mistake, and they sent me a great document, with about a million figures in it, which I do not understand. An expert accountant might have been able to dig out the facts, but I could not.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. MADDEN. Did the volume of business which incurred this overhead charge of $272,000 amount to $272,000?

Mr. HUMPHREYS. Probably it did, but I am not sure as to that. I think the volume is quite large. I was impressed with the figures $272,000. I do not believe the Government is going to attend efficiently to any business anywhere, much. It certainly is not making any demonstration in any line of properly private business, except that the Government will do it at tremendous cost. I am very much interested in the Mississippi River Barge Line. I hope it will be the forerunner of a revival of river traffic. If the overhead is as great as indicated, I fear that the bad financial showing will discourage private capital from investing, because it is certain that showing will be poor if this overhead is an evidence or indication of the kind of economy being practiced. I believe the experiment ought to continue, even at a loss, because if it does result in a renewal of the use of the river as a highway for commerce it will be worth much more than it costs.

But if we want to develop the commerce on the Mississippi River and other rivers it can be done, in my opinion, not by Congress making any more laws, but by Congress repealing some already on the statute books. Now, here is the situation. The Interstate Commerce Commission permits, or can permit, under the law as we have passed it, the railroad companies to give a preferential rate to a town that is located on a navigable river. We used to justify river and harbor appropriations in this way. Here is a river. We have potential competition. These towns have been given preferential railroad rates on the theory that the river furnishes potential competition. Therefore appropriations for the benefit of the navigation are justified because the people get the benefit of it in lower railroad rates even though they do not use the river. But now the Interstate Commerce Commission has decided that there must be actual competition or they will give no preferential railroad rates to a town on a watercourse. With this result, it is proposed that private enterprise put in a line of boats and do this business. Well, as soon as they do that they will create actual competition, and if they have actual competition then the Interstate Commerce Commission permits or can permit the railroad to cut the rate, and that puts the steamboats out of business. The result is that private enterprise will not engage——

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I yield the gentleman five additional minutes.

Mr. HUMPHREYS. Now, what does that all result in? Here is a town located on the bank of a navigable stream, yet we can not develop any navigation by boats because as soon as the private enterprise puts a boat in there they have actual competition and the railroad rate is lowered and the steamboat is put out of business. Therefore with this club hanging over them the people dare not use the river and the railroads can not under this rule give preferential rates, and so the railroads are the only people who get anything out of it. The rates are kept up because there is nothing but potential competition, and nobody is willing to invest any money to have actual competition because they fear as soon as actual competition exists the railroad rates will be lowered and destroy the enterprise.

Now, if we want to restore commerce to the rivers of the country, it can be done by forbidding the Interstate Commerce Commission—or taking from them the power—to give the railroad a preferential rate at the river towns. Then the people on the river can put the steamboat in and get the benefit of the river transportation with cheaper rates without a club hanging over their heads that as soon as they do that the Interstate Commerce Commission may permit the railroad to come in and reduce the rates and destroy them.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. HUMPHREYS. I will.

Mr. ANDREWS of Nebraska. What public benefit is expected to be secured from the expenditure of the appropriations proposed in this bill?

Mr. HUMPHREYS. I am not really familiar with that provision. But I think the people of New York ought to be permitted to have their own canal. They paid $150,000,000 or $160,000,000 for it; I think it is none of our business to be interfering with them.

Mr. LINTHICUM. Will the gentleman yield?

Mr. HUMPHREYS. I will.

Mr. LINTHICUM. Does not the interstate commerce law also say that when the railroads do decrease the rates to meet competition on a river the railroads can not raise the rates again?

Mr. HUMPHREYS. No; it must be simply a fairly compensatory rate; that is all. That is my recollection of the law. They can make these preferential rates, but they must be fairly compensatory, and I would like to see the color of a man's eyes who can stand up in front of an expert railroad rate maker and prove this differential that they put in in order to put the steamboats out of business is not fairly compensatory. It is utterly impossible. There is no more technical science, if we may call it a science, than rate making, and any man who undertakes to stand up in front of experts will find himself worsted and chagrined, because they will produce figures you do not understand and can not answer; but we do understand that the steamboat may be put out of business as soon as the

commission allows the railroad this discriminatory rate in favor of the river points.

Mr. DOREMUS. Will the gentleman yield?

Mr. HUMPHREYS. Yes.

Mr. DOREMUS. Is it the gentleman's understanding that in the presence of actual water competition the Interstate Commerce Commission will permit a rail rate lower than the water rate?

Mr. HUMPHREYS. No; but they will permit a rate, a differential, in favor of the water points by the railroads, provided only that it is fairly compensatory. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 10 minutes to the gentleman from California [Mr. RAKER].

Mr. RAKER. Mr. Chairman and gentlemen of the committee, I want to say a few words this morning on the gold situation. The State of California is the largest gold-producing State in the Union, and produced more gold than any other State in the Union in 1919. Alaska comes next, Colorado third, South Dakota, Arizona, Montana, Utah, Oregon, and then Idaho. During 1918, 1919, and 1920 the gold-mining situation was serious. So many men were desired in the munition plants and shipbuilding plants that they left the mining districts for this work. Wages were higher in this field, and they have not returned. Of course, many of the soldier boys left, and they took more from these mining districts in proportion to the population than any other district in the Union, because there were many single men. Gold is the only one product in the United States that did not enhance in value or could not enhance in value during the war. Every other product, no matter what it was, raised from 10 to 1,000 per cent. The mining man's material, his labor, his powder, everything raised from 10 to 1,000 per cent, and that is a serious condition, a very serious situation.

From personal observation, in going over a part of Nevada and practically all the mining territory of California and southern Oregon and southern Idaho this summer, I found this to be the true situation. In the mining counties not only in the State of California but in every other State of the Union the last census shows a decrease instead of an increase where it ought to have been an increase had the mining increase been properly provided for and taken care of. There is a bill now before Congress known as H. R. 13201, and called the McFadden bill. That bill simply authorizes $10 per ounce for gold that is produced after the enactment of the law when the gold is used for mechanical purposes. There is no bill pending in this Congress that will do as much for this great interest of this country as that legislation. It simply requires that those who use this gold shall pay a reasonable price for it. They have been getting it at a nominal price, the standard price, but so far as all other charges are concerned—and you may look into every industry that has used gold during the last five years—they have made a raise in their price incommensurate with every other product, while as a matter of fact they pay less for every other product produced.

I want to read this article from the Calaveras Prospect, printed right in the mining region of California by C. W. Getchell, publisher and proprietor, a man who has lived there 40 years and who knows the situation and speaks from first-hand knowledge. I hope my Republican friends, who have control of the committees in this Congress, will see that this legislation is reported and passed before the 4th of March. The reasons are stated in this editorial, and they are so clear, and the language is so plain, and the points are so specific that I can present my case in no better shape than by reading it. It says:

THE M'FADDEN BILL.

It is now up to California and all gold-producing States to use every endeavor to secure the passage of the McFadden bill at this session of Congress. As concerns California at least there is no measure likely to come before Congress of such vital importance as this bill. With a revival of gold mining assured by the passage of this bill will come a prosperity that can and will offset most of the after-war problems that now beset us.

With the high cost of material and labor induced by war conditions, all low-grade propositions have virtually suspended operations. Four, five, and six dollar rock is no longer profitably mined, and only those mines especially well equipped and favorably located are able to handle anything showing these values. Hundreds of mines all along the gold-producing belt are now idle that contain vast ore bodies of low-grade ore, which only await the passage of this bill to resume active operation.

I want to add here that those statements are true, from personal observation and personal investigation upon the ground.

With the readjustment of wages that is bound to come in the near future, the rapidly lowering cost of material, and the promise of abundant water for power, the outlook was never better for a prosperous season for mining, provided the McFadden bill passes.

It becomes the duty now for every man interested in the prosperity of the State, whether or not he is directly interested in mining, to bring every influence in his power to bear to secure the passage of the bill at this session. The prosperity of the gold miner means the prosperity of the State, so that every citizen of the State has a direct interest in the bill. No matter how small your influence, if you think you can pull a pound, get in and pull it; if more than a pound, go to it for all you are worth. That is the only way to get things done. Don't let this bill lie over until the extra session. There will be too much to do then, and it is not likely to come to life again if passed over now. Now is the critical moment in mining, and this fact should be impressed on every Congressman from this State. Miners may starve to death while awaiting help. Time is the essential feature of this situation.

Mr. Chairman and gentlemen of the committee, what this able editor has said is true, and Congress ought to relieve the situation. Twice in the history of this country has California come to our relief and to the relief of the world in producing gold that we needed to maintain and stabilize our credit. It is no burden upon the Government; it is no special privilege granted to anyone; but you have fixed by your law the value of an ounce of gold and provided that it can not be raised or lowered, so far as the miner who produces it is concerned, in selling it to the market. Think of it, a great product like this, that means so much not only to California and the West but to every State in the Union and to the Federal Government!

I trust this bill will be reported out and passed early by the House. [Applause.]

The CHAIRMAN. The time of the gentleman has expired.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed bill of the following title, in which the concurrence of the House of Representatives was requested:

S. 4682. An act to amend section 74 of the Judicial Code as amended.

SUNDRY CIVIL APPROPRIATION BILL.

The committee resumed its session.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one minute to the gentleman from Maryland [Mr. LINTHICUM].

Mr. LINTHICUM. Mr. Chairman, a few moments ago I asked the gentleman from Mississippi [Mr. HUMPHREYS] whether or not when a railroad decreased its rates for the purpose of meeting the competition of a steamboat line it would then have the power to increase it again if that competition ceased to exist, and he said no. In further answer thereto I beg to say that I find in section 406, subsection 4, paragraph 2, that:

Section 4 of the interstate commerce act is hereby amended to read as follows:

"(2) Whenever a carrier by railroad shall in competition with a water route or routes reduce their rates on the carriage of any species of freight to or from competitive points it shall not be permitted to increase such rates unless, after hearing by the commission, it shall be found that such proposed increase rests upon changed conditions other than the elimination of water competition."

I think this section establishes the correctness of my statement.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, in presenting the sundry civil bill in the last session of Congress I perhaps used a word that led to some little criticism. I hope it led to no hard feelings. I used the word "saving" in connection with the action of the committee in reducing appropriations, and it was contended earnestly by my friends on the other side of the aisle that I should have used the word "reduction." I had assumed that when a department asked for a given sum of money, they asked for it with the intention of spending it, and my experience has been that as a general rule when a department is given an appropriation it does spend it, and if it is not given the appropriation the department can not spend it, and that therefore by reducing the amount asked for we had effected a real saving. But the term "saving," it seems, is very obnoxious to some people. They do not like it, and inasmuch as the present administration has not distinguished itself along the line, I can see now some effect to the use of the word "saving" in connection with the administration of governmental affairs. So in presenting this bill I am going to use the word "reduction" in appropriations, and shall refrain from using the word "saving," so that there can be no misunderstanding or hard feelings on the part of anyone.

The total amount of the department estimates in this bill were over $805,000,000—$803,000,000 originally, with some supplemental estimates.

The total amount carried in the bill is in round numbers $383,000,000. This is quite a reduction over the current law, but it is also a substantial increase over the appropriations that were granted for the year 1916, for example. When, however, you recall the fact that of the $383,000,000 carried in the bill there is $223,000,000 for three distinct services, growing directly out of the late war, namely, compensation to the discharged soldiers, vocational training for the discharged soldiers, and

hospitalization for those soldiers, you will see at once that the increase is not excessive. If we subtract the $223,000,000 growing out of the war from the $383,000,000 carried in the bill, we have then for those activities that we appropriated for during the year 1916, $160,000,000, as compared with an appropriation of $126,000,000 appropriated for the year ended June 30, 1916.

That increase is large. It is quite a substantial increase. It is an increase that is out of all proportion to our increase in population or our increase in wealth since 1916; but when we recall how prices have gone up and up since 1916, and when we also recall the fact that wages have been advancing very materially since that time, and that the Government of the United States must go into the same market that everyone else goes into when it wants either labor or material, I think you will agree with me that the amount of the increase is very moderate, indeed. In fact, it was found necessary to say no, no, no, to a great many worthy objects in order to bring about this reduction. The committee in reporting this bill has not done many of the things that it would like to do. It is easy to say yes to everybody who knocks at the door of the committee and asks for appropriations of money out of the Federal Treasury. It is an easy and comfortable thing to agree with the Members of Congress, members of the Cabinet, and heads of departments and bureaus who come to you and want this appropriation and that appropriation. And yet, if the demands of every Member of Congress in that respect with regard to activities in his district were reflected in the appropriation bill, then instead of reporting a bill of $383,000,000 it would be necessary to increase this appropriation by more than $300,000,000, because you must remember that every dollar of this appropriation, except the comparatively small amount that is expended in the District of Columbia, in the Hawaiian Islands, in the Panama Canal Zone, and the Philippines, is expended in the congressional district of some Member of this House.

It has been necessary to stop certain activities. It has been necessary to say to some of the Government departments that were expecting to engage upon large building programs that because of a shortage of houses all over the country the Government of the United States ought not to think of building permanent buildings or monuments, the construction of which could well afford to be postponed until a more opportune time.

There are places in the United States where public buildings are sorely needed. There are other places in the United States where Congress has authorized the erection of public buildings, and where the buildings authorized have not yet been built and where no building for post-office facilities ought to be built for 25 years, and maybe never. Certainly in times like these the Government must conserve its resources. It must face actual conditions, and doing this it beholds many of our people oppressed by a load of taxation the like of which they have never been laboring under before. They are demanding that this load be made lighter, that taxes be substantially reduced. In such times we are brought face to face with a condition where we ought to stop, look, and listen before we vote money out of the Treasury when we do not know whether that money will be there to pay these appropriations or not. [Applause.]

This last year more than 4,000,000 people in the United States made an income-tax return showing a taxable income. It was not long ago that conditions were altogether different. The World War has brought a change; and, whether we like it or not, it is here, and we as business men must face it. In 1907, for example, without levying a single penny of direct taxes there was brought into the Treasury by a system of indirect taxation that did not affect industry, unless it was to stimulate its production, something like $850,000,000. There was expended that year about $740,000,000; and without levying a single penny of direct taxes we were able to discharge all of the obligations of the Government for that year and pay on the Nation's debt $111,000,000. As I have stated, last year 4,000,000 persons in the United States paid a direct tax to the Government, and the aggregate of such taxes amounted to almost $4,000,000,000. The Government's obligations are now so large that they must be met largely by direct taxes.

This debt, created because of the war, must be paid and the interest on Government obligations must be met as they mature. These are the first things that the Government must do, because its credit must be maintained at all hazards. Obligations already created must be discharged before we think of creating new ones.

But I would not have you believe that the Government of the United States is not a going concern. It is a going concern, and as compared with other Governments in the world it stands first in credit, first in international wealth, and, so far as the present indebtedness is concerned, it stands the lowest among the great nations of the world in its indebtedness as compared with wealth of its people.

When the World War began Great Britain proper—that is, the British Isles—had a national wealth of about $69,000,000,000. That was the value of all the banks and all the factories and farms and everything owned by the people of Great Britain. At the close of the war Great Britain had a national debt of more than $38,000,000,000, a debt equal to 60 per cent of the wealth of all the people of the British Isles before the war.

France had a national wealth before the war of $56,000,000,000. France closed the war with a national debt of more than $44,000,000,000. The interest on the debt of France will require every year more than $2,300,000,000.

Italy entered the war with a national wealth of less than $23,000,000,000. She closed the war with a national debt of more than $17,000,000,000.

We may, indeed, be thankful we are better circumstanced.

The United States to-day has a national wealth estimated at $240,000,000,000, and she has a national debt of approximately $24,000,000,000. In other words, the national debt is about 10 per cent of her national wealth. Notwithstanding this commanding position that the Government of the United States occupies in the financial world, yet our people feel the burden of excessive taxes necessary to pay the interest on it and to make some payment on the principal and to pay ordinary Government expenses. They feel this heavy load and they are demanding that Congress shall give them relief.

The Committee on Appropriations has been working along one line for some time in order to help give relief. The committee has contended that there can be no substantial reduction in taxation until there is a reduction in appropriations; that the reduction in expenses must precede a reduction of taxation.

In reporting this bill eliminating this year, as we did last year, practically all public buildings—and there is a great deal of public work along that line that ought to be done—until we know what the reconstruction policy of the United States will bring forth—and no man knows what it will be—the committee thought it best to wait until business generally has become more normal or stable. Personally I believe the prices are going to continue to go down and down, that labor in the United States is too high, and that we will not be able to compete in getting our portion of the world's trade unless we can employ labor at a reasonable and just wage. I do not believe wages will go where they were before the war or that they ought to, but I believe if prices are to be greatly reduced the labor that enters so largely into construction costs must be greatly lowered.

These are in part considerations that have been and are in the minds of every member of the Committee on Appropriations with regard to the bills we must report to the House. We receive from Members of the House every day the admonition to cut these appropriations. The admonition has come from the Democratic Members as well as the Republican Members.

I believe that this Congress is bent upon the accomplishment of one big thing, and that is to reduce the high cost of government in order that there may be a substantial reduction in taxes. [Applause.]

There are a good many items in this bill. I have had two charts prepared that will give you something of a picture of the appropriations. This chart deals with all the appropriations, while this on my left deals only with the sundry civil bill. The black line represents the appropriations that were made in the last Congress for this fiscal year. The red line represents the estimates of the executive departments for the fiscal year ending June 30, 1922, and the green line represents the amounts as they have been reported thus far to date. The figures at the top represent in millions the amounts asked for or appropriated. In this bill there was asked for, as I have already stated, over $803,000,000. The bill carries $383,000,000, as against $435,000,000 for the current year.

To bring about that reduction it is necessary to eliminate entirely some of the big objects of the appropriation. There was one estimate, something like $50,000,000, for building military camps in the United States. The General Staff has agreed upon a building policy for permanent buildings. They desire to divide the United States into nine military areas and at some place in each area to start a building program and build permanent buildings. They asked for $50,000,000 for this year to start that program. It is the intention of the General Staff to abandon all the temporary buildings used for training purposes, to abandon all permanent Army posts, that have been built at an expenditure of many, many millions of dollars, and build new permanent buildings under this new plan, and to

commence that building program at a time when the building prices are at the peak. The Committee on Appropriations does not attempt, in refusing to make this appropriation, to pass upon the military necessities of the case.

We have no opinion as to whether or not it is necessary under Army reorganization plans to do something along this line. But we do know that if that plan is to be adopted there is plenty of time in the future to adopt it and commence work upon it. Before there is an appropriation the Military Affairs Committee should look into the plan and make an authorization if it approves.

When Secretary Baker was asked how much it would take to complete the program he very frankly said he did not know, but finally when asked whether it would cost a billion dollars or more he was advised by one general who accompanied him that his opinion was that the cost would be somewhere about seven hundred million or eight hundred million dollars.

Until matters of that kind are more thoroughly discussed in Congress, until Congress has the opportunity that it could not possibly have at a short session, to discuss big problems like this, a problem that will involve the expenditure of an amount equal to one-thirtieth of the total national debt, it seems to me that the Committee on Appropriations—and this was the unanimous opinion of that committee—ought not to inaugurate such a building program at the present time. [Applause.] Therefore we have carried nothing for that purpose. If in the future Congress shall direct that something be done along this line, there will be ample time to commence a building program along lines finally agreed upon.

There is another item which has been omitted that we will hear much about before we conclude the bill. It is an item, I am frank to say, that has some merit and yet an item which I think under all of the circumstances ought to go over for a couple of months at least.

I refer now to the completion of the Wilson Dam at Muscle Shoals. We have built two nitrate plants in that vicinity, one at Sheffield, Ala., costing, as I recollect, approximately $13,000,000, and one at Muscle Shoals, costing approximately $60,000,000. I shall not attempt to give the exact figures. The one at Muscle Shoals and also the one at Sheffield are operated, I think, by one large power plant. At least, the one at Muscle Shoals is operated by one of the largest steam plants in the United States, if not in the world. At Sheffield they may have a small steam plant, but I am not sure about that. The plan now is to complete the dam that was started and is in progress of completion at Muscle Shoals. The national defense act carried an appropriation of $20,000,000 for acquiring nitrate plants. Seventeen million dollars of that amount was allotted by the President, or whoever had charge of the allotment, and I think it was the President, for building the dam at Muscle Shoals. They have commenced to build the dam at the point where Jackson Island appears in the river. It was necessary to build four large cofferdams at an expense of approximately $400,000. Of the $17,000,000 that have been appropriated all will be spent, according to the statement of the officers, by the 30th day of May, 30 days before the end of this fiscal year. One of the cofferdams will have the cement and concrete placed in it. Three of the cofferdams will, to a greater or less extent, be exposed to high water, and if left for any great length of time they may be carried away.

The Government has also expended approximately $600,000, as I recall, in the building of a temporary bridge across the river at this point, on which are located four industrial railroad tracks. Those are constructed for the purpose of pouring cement into the cofferdams and into the main dam. It is said the dam will do three things: First, it will be an aid to navigation; second, that it will provide a cheap power with which to run the nitrate plants, in order that the Government may have a plant for a military supply of nitrates in time of war or when there is a threatened war; third, that it may have cheap nitrates for fertilization for the farmers in time of peace. Also that there will be an excess of power that can be sold to the industries and to municipalities within a radius of a few hundred miles of the place where the power is generated.

I have tried to make the statement of facts without any tinge as to how I personally feel with regard to the project. We did not in the hearings go into all the facts of the case, because, first, we did not have the time, and, secondly, we understood full hearings had been had before another committee. The Secretary of War stated that the Senate Committee on Agriculture had had very extensive and exhaustive hearings on this subject.

Those hearings were commenced on March 22, 1920, and the Secretary of War stated that the whole case was presented in those hearings and that it would be simply a repetition to call those witnesses again. The committee agreed with that, and, therefore, we have had to go over not only our recollection but to go to those hearings for information upon the subject.

I realize that if this dam is to be completed it will be necessary before the end of the year to take some action with regard to appropriations, because to stop work on a plant where between four and five thousand men are working, even for 30 days, would result in considerable loss to the Government. If we are to stop for 30 days, then there is a very strong argument why we should stop for a longer period, even though there might be considerable loss, so far as the washing out of the cofferdams or even the temporary bridge is concerned.

The work on the nitrate plants has not been very satisfactory. Plant No. 1 can not be said to be wholly a failure, but certainly no one can contend that it is a success.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. GARRETT. If the gentleman will permit, I do not think that statement in quite as broad aspect as the gentleman has put it should be permitted to go unchallenged. At plant No. 1 there were a number of activities centered. My recollection is that the total cost of that plant was something between thirteen and fourteen million dollars. The only unit which was unsuccessful was the ammonia unit, in which they attempted to develop ammonia by the Haber process, and the cost of that unit was between five and six million dollars.

Mr. GOOD. I thank the gentleman. The fact remains, however, that in adopting the Haber process in plant No. 1, we failed to avail ourselves of the study which the Germans had made of that process, and tried to improve upon it. As I recall, we attempted to produce a sulphate of ammonia at that plant, or perhaps I would better use a broader term, because I get mixed in my chemistry in regard to these matters. We attempted to produce nitrates by a process using a lower temperature and more pressure.

As the gentleman knows, those are the two big elements that comprise the Haber process—a high temperature and great pressure. It was thought that by reducing the temperature and increasing the pressure a cost reduction would necessarily follow, but the result has been that they have not been able to successfully manufacture nitrate under the scheme they now have with the present facilities. They are now studying the matter here in the laboratory in Washington in an effort to perfect that system. I think that is correct.

Mr. GARRETT. The gentleman is correct about that. I merely meant to call attention to the fact that the ammonia part of plant No. 1 was only one of several activities that were centered there. The gentleman's statement is correct.

Mr. GOOD. With regard to the necessity for this plant, and for making appropriations at this time, I can not but feel that a great blunder was made when the American Cyanamid Co. was given a free hand in the making of the plans for building plant No. 2, which is the large plant. I have forgotten whether it is the American Cyanamid Co. or the American Chemical Co., but the two were in very close relation and they, or one of them, prepared the plans and constructed this plant. Remember, one or the other of these companies which have been working very closely together has the patent rights for the Haber process.

The Haber process is covered by a great many letters patent, and these companies, or one of them, hold the letters patent. True, the basic patent was granted 17 years ago, but when this company was given the power to make the plans for this plant it made its plans for the manufacturing plant to fit in with its patents; and so every unit of the building, every piece of construction, everything that was done was done in order to turn out nitrates at plant No. 2 under the Haber process that is covered by these letters patent, and they receive royalties on every ton that they produce, $5 a ton royalty on cyanamid and $10.11 per ton on nitrates of ammonia. The royalties under the present contract for 100,000 tons of nitrates of ammonia, the estimated annual production, would be $2,200,000.

Mr. GOODWIN of Arkansas. Will the gentleman yield?

Mr. GOOD. I will.

Mr. GOODWIN of Arkansas. Will the gentleman tell the committee how much money will be required to complete the dam and nitrate plant and the length of time for its completion if the money is provided?

Mr. GOOD. To complete the whole project, if we are going to do the thing that is planned to do and follow it through? I assume that the gentleman means by his question how much will it cost to complete the dam that will aid in the navigation, and to build the other dams that will have to be built in order

that navigation will be improved up to the coal fields and develop the country that gentlemen in that section want developed. It will be a considerable sum and will take several years.

Perhaps it is a very meritorious thing to develop the navigation of this great stream so that boats can go above the shoals; to do that, I take it from all the hearings that it would cost, in addition to what has been already appropriated, somewhere between sixty and one hundred million dollars. It is estimated now, I understand, just to build this dam and to build a lock and a power house and install the machinery, that it will cost $45,000,000. Now, the President allotted $17,000,000 for the work, so it will take about $33,000,000 to complete——

Mr. BYRNS of Tennessee. Twenty-eight million dollars.

Mr. GOOD. Yes; $28,000,000 to complete the dam.

Mr. GOODWIN of Arkansas. And when completed could we then compete successfully with Chilean nitrates?

Mr. GOOD. That, I think, is a very grave question. We have only the estimates of the Army engineers upon the question; we have had their estimates all along. Their estimates have been rather unreliable in respect to costs. I think they have done things in regard to this whole project that has in a way injured the project. One of the first things they did was to build a fine clubhouse for officers of the Army, and according to the pictures which were exhibited here they built a great many officers' quarters, permanent buildings for officers of the Army, long before there was any need for anything of that kind. Almost $2,000,000 has been expended for building officers' quarters and homes for workmen, which I understand is permanent. When you appropriate $10,000,000 here I do not know how much of that will be expended for carrying on activities of this kind. Certainly not a penny ought to be available for additional quarters for officers of the Army at this point. How much it will cost and whether or not it can be operated in a way that we can compete with Chilean nitrate and pay $10 a ton royalty in my judgment is a serious question.

I think that if we are not compelled to pay a royalty, from what I have read in these hearings, if the statements are to be relied upon, we could come well within the price that we have to pay for Chilean nitrates. If I recall correctly there were imported into the United States before the war some four or five hundred tons of Chilean nitrate a year. There is an export duty on Chilean nitrate. Just the minute that the United States commences to turn out nitrate in large quantities for fertilizer, if Chile wants to compete with the American manufacturer and to supply the needs of the agriculturists in America, and finds it will be necessary to reduce the export duty, of course that country would reduce it. After all, I do not know that the export of Chilean nitrate will be interfered with by this construction. The maximum, as I recall, of production would not be more than 100,000 tons a year. Possibly I am mistaken about that, but it is approximately 100,000 tons.

Mr. GARRETT. Is the gentleman referring to ammonia sulphate?

Mr. GOOD. To ammonia sulphate, not cyanamid.

Mr. GARRETT. The capacity would be the same as the capacity of ammonia, which is 110,000; but it is not the purpose to use all the units, as I understand, on the War Department plans, so the gentleman is probably correct, or he may be a little bit high.

Mr. GOOD. Now, as to the power to be developed. If these nitrate plants are to produce nitrogen to full capacity every year, I do not see how it is possible for the United States to do what the War Department contemplates in the sale of power, because, as I recall the facts in the case, the primary horsepower is only 200,000 horsepower that would be developed by the construction of this dam, and at some seasons of the year it falls greatly below that amount. My recollection of the testimony of Mr. Roberts is to the effect that one year at the low-water season only 89,000 horsepower was developed. Now, it will be necessary, if the Government of the United States engages in this enterprise and makes contracts with the municipalities that we will furnish them light and power, for us to do as we are now doing a great many things, do it at the Government expense by running a steam plant, and that seems to be the plan, because, according to the hearings, in order to operate this plant they will have to operate the steam plant to the extent of furnishing one-ninth of the power for a part of the year. Now, certainly the Government ought not to make any contract of that kind. Certainly the Government of the United States ought not to make a contract to furnish heat, light, and power for the industries in this or any other section at a loss to the Government of the United States. When a town or any industry contracts for heat or light they want a constant flow of electricity, and if we agree to furnish it we have got to provide it. I do not care whether the river goes dry or whether there is a flood, whether we are producing the power for what we receive for it or whether it costs twice the amount we get for it we have got to furnish it if we make the contract.

And the utilities and the industries will not contract for it, and it will be a worthless thing to them for us to furnish an excess of power unless we agree to give a certain amount of power all the time. So I think we might as well dismiss from our consideration one or the other of these things—either abandon the making of nitrates for the farmers or abandon the project of furnishing light and power for the industries and the municipalities. In any event, we will be compelled, whether we do the one or the other, at the lowest stages of water to supply steam power, according to the testimony of the Government's experts before the Senate Committee on Agriculture.

Mr. LARSEN. Which does the gentleman recommend?

Mr. GOOD. The gentleman is recommending for the present to delay the matter until we can have an examination by disinterested civil engineers and be informed from disinterested sources how much this whole dam is going to cost, what it will cost to complete it, what the unit cost to develop that water power will be, what it will cost to develop navigation, how many dams will be necessary; and then, after we have done it all, what water power will be developed, how much it will cost per kilowatt to produce it, and what it will cost per ton to make nitrate and those other chemicals that it was proposed to make for the purpose of fertilizing farms.

Mr. BANKHEAD. Will the gentleman yield?

Mr. GOOD. I will.

Mr. BANKHEAD. In connection with the gentleman's suggestion that it is desirable to secure the estimate of civilian engineers, is the gentleman acquainted with Mr. Cooper, who constructed the great Keokuk dam?

Mr. GOOD. Yes; I am acquainted with him.

Mr. BANKHEAD. Does not the gentleman regard him as one of the most successful hydroelectric engineers in the country?

Mr. GOOD. I think the gentleman has that reputation.

Mr. BANKHEAD. Does the gentleman know his opinion?

Mr. GOOD. Mr. Cooper is in the employ now of the War Department as consulting engineer, I think, and I have very high regard for his opinion. I regard him as a very competent engineer, but I have not any statement from him with regard to how many kilowatts of power will be produced by this plan; how many more dams it will be necessary to construct in order to aid in navigation, or just how much power will be generated at the minimum of flow, and to what extent we will be compelled to supplement that power with steam power, and questions of cost, except only the cost of this particular dam. Mr. Cooper says he made his estimate with regard to this dam, and my recollection is that his estimate was $45,000,000 as the cost of the dam and the lock and the power house.

Mr. BANKHEAD. The gentleman, of course, knows, in connection with his statement, that Mr. Cooper is an engineer of the War Department and that he is furnishing his great services to the Government absolutely free of cost as consulting engineer?

Mr. GOOD. I did not know that.

Mr. BANKHEAD. That is a fact.

Mr. GOODWIN of Arkansas. Will the gentleman yield right there?

Mr. GOOD. I will.

Mr. GOODWIN of Arkansas. Granting that these plans could be completed, could the Government then successfully compete with private enterprise in the manufacture and sale of fertilizer?

Mr. GOOD. I think it all depends on the plan. If we adopt the plan now that the Government has adopted in regard to the Emergency Fleet Corporation in managing the ships, I would say no. We would never know whether we had a surplus or a deficit. We would never know just what we were doing. If some plan were adopted for the creation of a corporation, with stock to be owned by the Government, where books could be examined and reports made to Congress, and competent men placed in charge, with salary sufficient to pay for their ability, we might know what we were doing.

We will have to become accustomed to some higher Government salaries if the Government is going to engage in this kind of an enterprise. You can not compete with the American Cyanamid Co. in the manufacture of fertilizer and nitrate if you are going to have $2,500-a-year men or $5,000-a-year men to manage the plant, when the competing company pays five to ten times such sums for their manager, in order to secure the best talent available. You have got to apply to Government affairs the same business principles that a business man adopts

in connection with his affairs if you want the Government to succeed in business.

Mr. FESS. I understand that we have spent so much money there that it is proposed to complete the plant in order to save what has already been expended. Has the committee ever looked into the feasibility of the disposition of the Government's interests to private enterprise? Would that be possible?

Mr. GOOD. I will say to the gentleman that the Committee on Appropriations got this estimate, but because it is the short session of Congress, and in order to report the bill out at an early date, and because we were referred by the Secretary of War to these Senate hearings, we made no investigation along that line. When I first noticed the item in the estimates I did not know of the hearings of the Senate, and I supposed we would have full hearings. My time has been so taken up on other matters that I had not followed the hearings of the Senate.

Mr. FESS. If the gentleman will permit, first, our unfortunate experience in Government operation during the war and the very great uncertainty about this whole proceeding, as to how much it will cost to complete it, and, secondly, whether it will amount to anything after it is completed, suggest to my mind the idea that we ought to go slow in even doing anything, or in saving what we have completed, because there may be a greater loss by going on than by stopping now. At least I would want to satisfy my own judgment about the matter.

Mr. GOOD. That was my opinion and the opinion of the committee, that we should go slow until we had an understanding and an unbiased report of business men and technical men who could secure this technical information—and it is highly technical. We will have to rely upon the judgment of men. We have some highly technical men in the War Department, but the War Department is bent on doing this thing, and without making any reflection on the ability of those men in the War Department who have been studying this subject, it seems to me that we have arrived at a time when, if we are to appropriate more money, it ought to be with special knowledge of what the plant will cost to complete, including the completion of all the dams that it is necessary to build in order to complete the project if navigation is included; how much power we will generate, and what we can get for that power, either by selling it or by manufacturing nitrate.

I do not know that, and there is not a member of the committee that knows it; and if there is a man in the United States that knows these things, he has kept a part of the knowledge under a bushel, because I have not been able to find from any source all of the facts which it seems to me in these times of stress Congress wants and needs, namely, accurate information upon these business essentials. And that is the reason why, in a broad way, we have omitted that item entirely.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield for a question?

Mr. GOOD. Certainly.

Mr. BYRNS of Tennessee. The gentleman does not mean to intimate, does he, that the building of a second dam will be necessary in order to accommodate this nitrate plant and carry out the plan?

Mr. GOOD. No, not at all; but in reading through the hearings I notice references to the fact that if navigation is to be improved it will be necessary to build other dams. I do not know how many will be needed and I do not know what they will cost. The hearings had before the Senate committee were conducted in a little different way from the hearings that are conducted by committees in this body. I do not think they give the information that the gentleman from Tennessee wants.

Mr. BYRNS of Tennessee. It is a river and harbor proposition in regard to the navigation of the river above?

Mr. GOOD. Yes; the gentleman will recall that the argument of the Secretary of War for the construction of this dam was as an aid to navigation. That was one of the things that was being urged, so that if that is one of the projects, I am doubtful if it is going to do very much in aid of navigation if it is not supplemented by another dam, possibly two, farther up the river. Am I not correct about that?

Mr. BANKHEAD. As the gentleman from Tennessee says—if the question is addressed to me—that is entirely a navigation project. But from the standpoint of the nitrate plant that is already completed, the completion of this one dam is all that is necessary.

Mr. GOOD. I understand that; but the Secretary of War said that the appropriation was asked for two purposes, and one was to aid navigation. Now, then, if I understand the hearings, this would not be a great aid to navigation if we stopped right here.

Mr. BANKHEAD. You could only get 18 miles up with that one dam.

Mr. JONES of Texas. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. JONES of Texas. I notice in the bill an item of $75,000 for the Council of National Defense. What is the need of an appropriation of that character at this time?

Mr. GOOD. The Council of National Defense was an organization created before we entered the war, and before, I suppose, the administration had any thought of entering the war. It was enacted, as I recall, in 1916, and it was enacted in response to the quite general demand throughout the country that somewhere there ought to be in the Government an organization that would correlate the various governmental activities so that one department would know what the other departments were doing with regard to those things that would be necessary in time of war. There was a great deal of information in the Department of Agriculture necessary to the War Department, for example.

The Secretary of War, the Secretary of the Navy, the Secretary of the Treasury, the Secretary of Agriculture, and the Secretary of Commerce, if I remember aright, were by this act constituted the Council of National Defense, and that council was made a permanent organization, and it was intended by that organization to obviate some of the great mistakes that we had made in years past in not utilizing the knowledge in the possession of the Government so that it might be available in time of an emergency.

Mr. JONES of Texas. Does not the gentleman think that, having adopted the budget plan, it would be an unnecessary thing to continue this council?

Mr. GOOD. No. I can see how the Council of National Defense will be a real, live central organ where all of these various departments will furnish the very information that is necessary both for the Army and for the Navy, and if you do not have it there, then you will have to have a Council of National Defense in the Army, and one in the Navy, and so on.

Mr. JONES of Texas. Could not those departments, with their present working forces and the appropriations they call for in those different departments, manage to secure this information without this separate appropriation?

Mr. GOOD. Well, they will have to furnish a great deal of it, and a good deal of this money will be expended in securing information of a certain character which the Council of National Defense will need, and a great deal of the work to be done in the departments will be sent in to this Council of National Defense, which will be a clearing house of useful information which it is necessary for the Government to have in time of emergency.

Now, there is another item in the bill that will unquestionably cause considerable discussion, and that is the item of $147,000,000 estimated for in regard to the Shipping Board and the Emergency Fleet Corporation, particularly the one in regard to the Emergency Fleet Corporation.

The Shipping Board has been marking time very largely for some time. If it knows the condition of its affairs, it is unable to impart that information intelligently to anyone else. I doubt if it knows what its condition actually is. I think there is no division politically with regard to our opinion as to the lack of knowledge by this organization. Sitting across the table from the members of the subcommittee was the gentleman who has charge of the operations of all these 2,000 or more ships. Sitting next to him was Mr. Tweedale, the comptroller of the Emergency Fleet Corporation. With all of the assurance necessary to carry conviction of the truth of what he was saying, the man who was the director of operations said, "We will make next year $95,000,000. We will actually make a profit of $95,000,000 next year in the operation of this organization." Mr. Tweedale said, "We will not make a cent." Both those men were right there together. You can not find out to-day how much a single ship made or lost that sailed six months ago. They know absolutely nothing about their business. The provision of this bill is simply that they shall use not more than $55,000,000 out of the sale of ships, the sale of plant and material, to pay for the ships and for operation next year. If they make the $95,000,000, then they will have all they estimated for.

Now, we must have, sometime, somewhere, a policy with regard to this great property which we acquired during the war. We have in round numbers $3,000,000,000 invested in ships to-day. We have sold a few of them. I think we have sold them under a policy that is shortsighted, and yet I can realize the motives that actuated the men who originated this

policy. Personally I do no know a man engaged in private shipping in the United States. I have no friends that I know of who are engaged in that enterprise; but I have some positive convictions with regard to a governmental policy governing our merchant marine. We have, or will have, more than 2,500 ships. The cargo ships cost the Government on an average more than $185 per dead-weight ton.

The CHAIRMAN. The gentleman from Iowa has consumed one hour.

Mr. GOOD. From one standpoint everybody would like to see the Government get out with as little loss as possible, and I understand that. I wish it were possible that we might do that; but now let us see how that can be accomplished. Do we want an American merchant marine? Do we want these ships to fly the American flag? If we do, we have got to adopt a policy that is big enough and broad enough to permit that to be done. Notwithstanding the great loss that Great Britain suffered in her merchant fleet during the war, the merchant fleet of Great Britain to-day does not stand her more than $125 per dead-weight ton. I am told that the shipping laws of the United States are not favorable to the operation of ships, but that those laws make the operation of American ships much more expensive than the operation of ships flying other flags. If that is true, what is it necessary for the Government to do? We, the Government, want to get out of this business of operating ships, because the Government can not go into a big enterprise of this kind and operate it as efficiently and effectively as private enterprise can.

My thought has been that we ought to consider that these ships acquired during the war were acquired, through high prices, at excessive costs, and that we ought to forget that and mark it off as a part of the war cost, a large part of such cost, and let us sell these ships; but let us not sell as we have been selling them. Why, we have sold ships to Americans who were engaged in the shipping business, and five of the concerns to which we have sold are now in the hands of receivers, and others to whom we have sold can not make expenses at the present time and can not make their payments to the Government on their purchases. My thought has been that we ought to sell these ships, and if necessary sell them at $100 per gross ton, being careful always to provide that they shall forever fly the American flag, and put the concerns that buy them on a business basis so that it can compete with its competitors. If they can not compete, why talk of an American merchant marine? If the men of America are not able to compete with their competitors whose ships fly other flags, there will be no American merchant marine, and we will go on and on, drifting as we are drifting now, in this socialistic scheme of Government operation, with the taxpayer every year footing the bills, maybe, by deficiencies or other appropriations. Pending in the committee now there are estimates for $90,000,000 for deficiencies for this year. We must approach this as a business proposition, and even after we have done that and have placed our ships in the hands of private capital on a basis comparable with the ships owned by other countries, then it may be necessary to supplement that by as much of a subsidy or something else—I do not care what you may call it—as other countries pay for operating their ships. Otherwise we want to forget this dream of an American merchant marine, and the quicker we forget it and abandon it the better.

Mr. WHITE of Maine. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. WHITE of Maine. As I understand it there are something like 95 ships either under construction or under contract for construction.

Mr. GOOD. Yes.

Mr. WHITE of Maine. Is it contemplated that those ships shall be completed or that the contracts shall be canceled and settlement made?

Mr. GOOD. All of the contracts have been canceled that it is proposed to cancel. A survey was made by the Emergency Fleet Corporation or the Shipping Board, and where it was found that it would be cheaper to cancel the contract and not complete the ship the contract was canceled, but where it was thought that it would be cheaper to construct the ship, then the ship was constructed.

Again, some of the contracts were for ships of about 6,000 tons or a little more, as I recall, and they were cargo ships, and the contract was changed for tankers, for which there was a greater demand.

Then some of the cargo ships were changed into passenger ships, and our experience has not been very flattering in that respect. While before the war ships of that character were constructed for $125 a dead-weight ton, or less, it is going to cost us now $500 a dead-weight ton to produce passenger ships.

Mr. WHITE of Maine. I understand that there were 950 or 960 contracts that were canceled. but I also understood that there were 95 ships out of the 950 or 960 contracts, and I did not know whether they were to be completed or the contracts were to be canceled.

Mr. GOOD. If the gentleman will take the hearings he will find a table or two giving the rate of progress, the extent they are completed, and the estimates in regard to each ship, and my recollection is that every ship will be completed before December, 1921.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. SMITH of Michigan. Does England or any other foreign country operate a merchant marine, or are they operated by private concerns?

Mr. GOOD. I do not know; I think no country except the United States operates a merchant marine as a governmental proposition. I am not a marine man and I know very little about it.

Mr. SMITH of Michigan. Then if we operate our merchant marine we will be the only nation on earth that does do it.

Mr. GOOD. It is possible that during the war some nation might have acquired ships and may be operating them; but I think not.

Mr. WHITE of Maine. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. WHITE of Maine. I think it is fair to say, in answer to the gentleman from Michigan, that no nation is operating a merchant marine now. Brazil tried it and made a failure of it.

Mr. HICKS. Will the gentleman from Iowa yield?

Mr. GOOD. Yes.

Mr. HICKS. I understood the gentleman to say that we ought to sell these ships.

Mr. GOOD. I certainly think so.

Mr. HICKS. At the price of $100 a ton?

Mr. GOOD. If necessary.

Mr. HICKS. Is there a demand for them? Can they be sold at that price?

Mr. GOOD. The Government has had no policy. A year ago it was ready to sell them for not less than $185 a ton. The Committee on Appropriations labored hard with them to bring down the price where they could sell the ships, because they could never sell them for as much as they could a year ago. They have kept on reducing the price until now they ask $165, and I suppose its purpose is to slide down with the market; but the trouble is it has formulated no real American policy for a great merchant marine.

Mr. HICKS. I agree with the gentleman that the ships should have been sold when there was a market for them, but on a recent trip to the western coast, when I saw ships lying at anchor we asked a man connected with them why those ships were not sold, and he said there was no market for the ships at any price, that they could have sold them a year and a half ago but the Government would not let them do it, and now there was no market for them. Now, we have dozens of ships rusting to pieces because we did not adopt the policy a year and a half ago.

Mr. GOOD. We ought to have adopted a policy to sink all the wooden ships right after the armistice. That would have been a good riddance.

Mr. BANKHEAD. Will the gentleman yield?

Mr. GOOD. Certainly.

Mr. BANKHEAD. We had that matter up in the Committee on Merchant Marine. Under the provisions of the so-called Jones Shipping Act it was provided that after July 1, 1921, the net proceeds of all operations of the Shipping Board should be converted into the Treasury with the exception of certain operating expenses. The purpose of that provision was to obviate the criticism that was made against the Shipping Board because they never knew how they stood, whether they were operating at a profit or a loss, and in order to meet that situation we inserted the proviso in the Jones bill passed at the last session.

I understand that the Committee on Appropriations in reporting the present bill has not followed the provisions of this law but has departed from it, and I would like if the gentleman would explain that in full.

Mr. GOOD. The Committee on Appropriations feels that some ships should be sold. It feels that now is not the time to take money and loan it to any shipping concern to build other ships because the Government has no money to loan. The committee feels that it has got to get behind the Shipping Board and compel it to sell the plants and equipment. This will certainly be a movement in that direction. A point of order may be made,

but if so I think the Shipping Board can get along for a while without any money, and the quicker it gets to that point the better. Until they can come to Congress and say "We are losing so much money," or "We are making so much money," and lay that before us they are not entitled to much consideration. The quicker we find out the facts the better. If anybody wants to make a point of order, if they want to cripple to that extent the industry, they can do it. We are not going to appropriate, if I can prevent it, a single penny out of the Treasury of the United States for next year for this board that does not know its business, that is wasting the people's money, and if they are going to get any money they must get it out of the salvage of the plants. [Applause.]

Mr. BANKHEAD. I think that is just what the gentleman is running into by not requiring all of the revenue to be covered into the Treasury as miscellaneous receipts. You are making it possible for the Shipping Board to put off the day of final reckoning as to the profit or loss of the operation.

Mr. GOOD. I do not think so. I think if the gentleman had been on the Committee on Appropriations and watched the spectacle of man after man in high positions in these organizations, who knew nothing about the business in which they were engaged, the gentleman would not be ready to criticize the committee. We want them to commence to salvage some of these plants and materials, and they must get to work; they have got to learn this business or get out of it.

Mr. BANKHEAD. That is what I am complaining about—that he is allowing by this bill the Shipping Board to do.

Mr. GOOD. The gentleman would have us appropriate how much—$147,000,000? Does the gentleman mean that if they receive $1,000 for carrying a cargo to Liverpool that that $1,000 should go into the Treasury?

Mr. BANKHEAD. My answer to that is that I would have the gentleman carry out the provisions of existing law.

Mr. GOOD. But if the gentleman knows what the provisions of that law are he is much better informed than a great many Members of the House.

Mr. BANKHEAD. I can read it to the gentleman.

Mr. GOOD. Oh, I can read it too, but I can not understand it.

Mr. BANKHEAD. The gentleman's party is responsible for its existence.

Mr. GOOD. I can not understand the provisions of that law; I do not care who is responsible for it. The gentleman is a member of the committee that reported out that bill, and I will ask him to answer my question, whether or not every dollar that is received is to be turned into the Treasury.

Mr. BANKHEAD. I do not think so.

Mr. GOOD. Of course not.

Mr. BANKHEAD. But does the gentleman state that under his bill all funds are to be turned into the Treasury that are provided should be turned in?

Mr. GOOD. No. We are leaving that to the other committee. Frankly, we are reporting a provision in conflict with the law in this respect. I agree with the gentleman, but we are doing it in the interest of the taxpayers of the United States, and if the interests of the taxpayers are not to be considered then some one can make the point of order to the provision and try to force an appropriation. I for one shall oppose any direct appropriation unless the appropriation provides that not a dollar of it shall be paid until an equal amount has been turned into the Treasury from the sale of salvage or ships, so that we can accomplish the same thing in an indirect way.

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. SIMS. The gentleman has just stated that he would advocate the sale of these vessels as low as $100 a ton, provided it is necessary to do that in order to sell them. We have great confidence in the judgment of the gentleman, but I would like to say that if we were to notify the buying public that this body would authorize a law of that sort—$100 a ton—that no one contemplating a purchase would ever offer any more.

Mr. GOOD. But they are not offering anything now, and after we do sell them the ships are operated for a little while and then the concerns go into the hands of a receiver, and we do not get any real money. We get a paper contract, and if they make good, then the Government will get the money. This is a very big undertaking, and it is going to take a great deal of capital. I do not know whether $100 a ton is the right figure or not, but the proposition that I was trying to make is this, that if in order to put the capitalization of the ships on a par, per gross ton, with the capitalization of vessels flying other flags it was necessary to bring the price down to $100 a ton we ought not to hesitate one minute, and write off the difference as a war loss, because it was understood when we went into this shipping business that the ships were going to cost us more than they were worth, but we had to have the ships in those days and we were all for it, and we did not consider so much the cost; but now, having the ships, are we going to waste them, throw them away entirely, and appropriate every year for a deficiency for other appropriations for operating losses?

Mr. SIMS. If I understood the gentleman correctly, he said that foreign nations were building ships at a cost of $125 a ton.

Mr. GOOD. Not now. I said that I understood that, taking it by and large, the merchant ships of Great Britain, notwithstanding the fact that she lost a good many during the war and had to pay a higher price for the ships than otherwise, in average cost of her merchant marine did not exceed $125, and it is likely that it was much less than that.

Mr. SIMS. But they can build them more cheaply, I understood the gentleman to say.

Mr. GOOD. I really could not give the gentleman any accurate information as to the cost of building ships now. I would hesitate to give the gentleman an estimate as to the cost of building ships, or any other fact that I wanted him to rely upon, if I got my information from the Shipping Board or the Emergency Fleet Corporation, because I do not think the information would be reliable. They do not seem to know.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. CHINDBLOM. Does not the merchant marine act of 1920 authorize the Shipping Board to sell these ships at any price that is proper in its judgment?

Mr. GOOD. Yes.

Mr. CHINDBLOM. Then the complaint is not against the law but against the Shipping Board for not selling at a marketable price.

Mr. GOOD. That is true. Mr. Chairman, I have just a few other observations to make with regard to some large items in the bill. First, it will be observed that there is a reduction from $160,000,000 to $125,000,000 for compensation to the beneficiaries of the Bureau of War Risk Insurance. The department estimated that it would take $160,000,000. That is a very much larger amount than they had for the current year. They have this year $125,000,000, but it is going to cost more for next year to pay this compensation than it does this year. The War Risk Insurance Bureau will have on hand, notwithstanding the fact that a great many Members of the House were fearful that we had cut the appropriation for the bureau too much, on the 30th day of June next $37,000,000 of unexpended balance. We reappropriate that, and by the reappropriation of $125,000,000 we practically give for compensation all that the department asks.

So, too, with the Federal Board for Vocational Education. They asked for $78,000,000. We have given them $65,000,000. The estimate is that they will have $10,500,000 of unexpended balance on June 30, 1921. That amount we reappropriate, and that gives the board $75,500,000, or thereabout. It is possible there will be considerably more than that amount. It is difficult to determine a year and a half in advance the expenditure of an appropriation like this. There may be some changes in the law, very likely there will, but the board knows, and the discharged soldiers know, and the public knows that this Congress and any succeeding Congress will pass such acts and make such appropriations as may be necessary, whether in a regular appropriation bill or in a deficiency bill, to provide for the rehabilitation of these men.

The committee has tried under very difficult circumstances to keep the bill strictly within the law. There is but one increase in salary, as I recall, and that is the salary of the man who is at the head of the Freedmen's Hospital here in the District. He has some six or seven hundred patients under his charge. He is compelled to provide for his own house and everything of that kind. He receives a salary of $3,000, which is not enough for him to live on and live as he is required to live, and we have increased that salary from $3,000 to $4,000.

It is the only case notwithstanding the fact there were demands from practically every service for increases. And that is the question that we must face in the next Congress if not this Congress. The question of going to work and fixing the salaries of Government employees not only in the District, because some labor organization or other organization is back of District employees, but we want to do it for those men who are in the field, who are performing service there. We have a great many scientific men scattered throughout the United States. Members of the House sometimes complain with reference to underpaid, as they call it, Government employees, meaning a person who gets from $800 to $1,500, usually a young

girl or boy who lives at home, who has no dependents, forgetting all the time the claims of the scientific men employed by the Government. Every day a college or university or some institution somewhere is grabbing the Government's scientific men—men whom the Government has trained; men whom the Government can not afford to lose, and yet it is going on every day, and if you want to know how demoralizing the effect is go to one of these institutions of the Government that is doing a great work by some of the best and brainiest of men.

Yesterday morning I received two letters from two separate departments of the Government, and in each case a scientific man left the Government employ because two colleges not far away from Washington had taken and paid each of them a thousand dollars more than the Government paid. These men are paid such meager salaries that when you consider their salaries with the salaries paid men outside you are almost ashamed of yourself. The work of readjusting these salaries, both in the field and in Washington, is very important. I desire also to call attention to the fact that we are indulging a good deal of money on this question of Government aid; Federal aid to States for this and that thing is becoming very common. We carried last year an appropriation of a million dollars for Federal aid to States with regard to venereal diseases; carried it also the year before. There is no authority of law for it now, and so we did not appropriate the money. Now let me tell you what happened in my State. I do not know what happened in other States, but in my State they took the chief health officer and increased his salary, almost doubled it, as soon as they got the Federal aid, and paid him a salary more than was received by the governor of my State. That is what Federal aid is doing. Men are deceiving themselves in regard to Federal aid.

They are deceiving their constituents, but some day an enlightened public sentiment will call attention to the fact that the money is coming out of the pockets of the American taxpayer, whether they take it out of one pocket and pay it to the county treasurer or whether they take it out of the other pocket and pay it to a Federal tax collector; it is all coming out of the pockets of the American taxpayer, so let us not delude ourselves by trying to get State legislatures to make appropriations for certain things on the consideration that Congress will give a like amount, because the money comes out of the taxpayers just the same.

Mr. MADDEN. Will the gentleman yield?

Mr. GOOD. I will.

Mr. MADDEN. There are several States in the Union that cooperate under this Federal aid, and while, for example, our State pays 12½ per cent in, it gets 4½ per cent out.

Mr. GOOD. Yes.

Mr. MADDEN. And other States pay 1 per cent in and get 10 per cent out, and our people are taxed to make up the deficiency in the States that get the excess of appropriation.

Mr. GOOD. It is a vicious plan and ought to be discouraged. These are things we must discourage if we are going to keep down appropriations. Another thing, while estimates this year are, in round numbers, about $4,700,000,000, of that amount this Congress will not pass upon $1,300,000,000 at all. We have indulged here in a practice that is absolutely vicious of making appropriations in legislative bills that are to become permanent annual appropriations. For example, we appropriated a number of years ago a million dollars a year for good roads in national forests. There is no place, no committee, now to examine that to see whether the money is being spent in an economical way or whether the money is wasted, or anything of the kind. It is work that ought to be done. But these appropriations ought to come before some committee of the Congress every year. There is $1,300,000,000 that will be paid out of the Treasury on matters that this Congress does not pass on at all. It seems to me that the Congress could do no better service in the interest of economy than to repeal every one of these laws except two, the one in regard to the sinking-fund requirement, that will require $265,000,000 next year, and the interest on the public debt of the United States, that will call for $922,000,000. There are approximately $200,000,000 of general appropriations carried in laws that have been passed years ago. Yet we do not know anything, so far as Congress is concerned, in regard to the economical expenditure of those appropriations. [Applause.] That is a matter that ought to be taken up. It is a matter for legislation.

Mr. FESS. What is the remedy?

Mr. GOOD. The remedy is to repeal the appropriations and let the department which would receive the money come and make their estimates in the usual way, come before the committee and tell the committee what they did with the money the year before and what they propose to do with the money the next year, just as everybody else does. Let us stop. I plead with the committees that are bringing in these appropriations that you can trust the Congress of the United States to make the appropriations for every service in the United States and let us wipe some of these out and not put them in the form of permanent annual appropriations where nobody knows except the official who pays out the money how that money is being expended. I shall put in the RECORD a statement giving in detail these estimates.

Mr. LARSEN. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. LARSEN. Will the gentleman state whether any bills have been introduced with a view of correcting the evils of which he is complaining or whether the gentleman contemplates the introduction of any such bill?

Mr. GOOD. On the contrary, we are adding to the list right along every year. The list is growing larger. Now, I have brought in this chart with regard to the various departments that we appropriate money for in the sundry civil appropriation bill.

Just as the name implies, this bill carries money for all sundry civil departments of the Government. It does carry money for some other agencies that are not considered among the civil establishments. It carries appropriations for independent establishments and the 10 executive departments. Some of these departments have been growing so rapidly that it has been hard to keep pace with them. Some of the very great increases in the bill, especially those in regard to the Coast Guard and the Coast and Geodetic Survey, are due to the bill that was passed recently increasing the pay of the officers of those establishments. Take the Coast Guard. The amount asked for in this bill was around $15,000,000, half as much as we appropriated during the first year of the McKinley administration for the Navy of the United States. And yet the Government of the United States is the only Government in the world that maintains a coast-guard service. As I have said, these establishments have been growing and growing so rapidly that it has been hard to keep pace with them, and it seems to me that we have arrived at a time when Congress must adopt a business plan for conducting its affairs.

In fact, it must be planned by the Chief Executive of the United States, and when he lays out his plan of what the Government's activities shall be, we must follow that with an estimate of the cost of the plans. And I hope the day is not far distant when we may have a budget system. I regret more than I can tell you the fact that this bill is brought in this year in the absence of a real budget. I hope when the next year rolls around that Congress may have early in its session presented to it one bill which will be at once a working plan of the Government, of the things the Government intends to do for the next fiscal year, and an estimate of the money necessary with which to do it. When that bill is presented no one man, as is now generally supposed, will take charge of that budget. I do not know what the policy of the Congress will be, but if I should be the chairman of the committee reporting out that bill, immediately when the division was reached in regard to the post office and post roads, the subcommittee that had held the hearings, the subcommittee that has considered that subject, would know more about it than the chairman possibly could, and the chairman of the subcommittee would take the floor and defend his items and take charge of the bill until all the items in that division had been completed. And so on down through until all the subcommittee divisions had been taken care of.

Mr. CLARK of Missouri. Will the gentleman yield?

Mr. GOOD. I will.

Mr. CLARK of Missouri. The gentleman has spoken about the sinking fund law. Is it not true that that law has been absolutely ignored for 10 or 15 years?

Mr. GOOD. I think it has.

Mr. CLARK of Missouri. What good is the law, then?

Mr. GOOD. If we repealed it, then the Treasury Department would be compelled to come to Congress and ask for a fund to retire certain Government obligations. Then it could not be ignored if the money was appropriated for that specific purpose. I think the gentleman has touched upon a question that is vital with regard to rates of interest and the present rates on Government bonds. Two years ago we had about $3,700,000,000 of short-time certificates. We have now over $2,500,000,000 of short-time certificates. Notwithstanding the fact that last year the sinking fund produced only about $257,000,000, yet the Secretary of the Treasury retired Liberty bonds and Victory notes to the extent of almost a billion dollars. I think

it was a very short-sighted policy. I think we ought to have paid off, with that surplus in the Treasury, our short-time indebtedness—indebtedness that was maturing every three or six months. Instead of doing that we borrowed money at 6 per cent or 5¾ per cent to buy bonds that would not mature for 15 or 20 years and that were drawing only 4¼ per cent, and then we commenced to have one class of Government securities competing, in a market of our creation, with another class.

Mr. CLARK of Missouri. Does not the gentleman think it would be a sensible policy for the Government to buy these bonds at the discount they have now?

Mr. GOOD. I do not think the Government ought to do that at all. I think the Government ought to wipe out its current indebtedness that is maturing every day. Now, down in the gentleman's district, if a man had a mortgage on his farm at 5 per cent and it did not mature for 10 years, and the gentleman from Missouri was practicing law, and the farmer's son would come before him and say, "My father has a mortgage on the farm that matures in 10 years; he went down to the bank this morning and borrowed $5,000 at 6 per cent, payable in 90 days, and paid on that mortgage," you would say to the son that he ought to have a guardian appointed for his father. But that is what the Government has been doing this year. Instead of paying $265,000,000 accruing in the sinking fund to retire Liberty bonds, it paid out $1,000,000,000 to retire Liberty bonds and Victory notes, and kept on renewing these certificates around 6 per cent.

Mr. GARNER. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. GARNER. The gentleman understands that there was a sinking fund created at the time these bonds were authorized to be issued?

Mr. GOOD. Yes.

Mr. GARNER. And that sinking fund was for the purpose of taking up the bonds when they became due. He wants to keep faith with the people who made that contract.

Mr. GOOD. What does the gentleman think of taking $750,000,000 more out of the Treasury and buying those bonds?

Mr. GARNER. Just as I walked into the Chamber I heard the gentleman state that he would not take up a single one.

Mr. GOOD. I mean outside of those the sinking fund requirement raises the money to take care of. What we are doing is that we are taking $250,000,000 out of the money in the sinking fund to retire these bonds, and also taking $750,000,000 more out of the Treasury and taking up bonds that do not mature for years to come.

Mr. BLACK. Those were purchased in the open market, were they not, at a great deal less than par value?

Mr. GOOD. Oh, yes; and I do not think the Government of the United States can afford to be a buyer of its securities below par, especially in excess of the small sinking-fund requirement. [Applause.]

Mr. BLACK. If the purchase of those bonds by the Government will relieve the market situation and relieve the pressure that is being brought and improve the market, does not the gentleman think it is advisable?

Mr. GOOD. I do not care about establishing a market for those bonds. I think we ought to keep them. We bought them as a patrotic duty and it is a patriotic duty to keep them, and we ought not to encourage any policy here to create a market on Wall Street for men to speculate in Government securities.

Mr. BLACK. Does not the gentleman realize that a great many people, notwithstanding they may be as patriotic as he or myself or any other Member of the House, are forced to sell these bonds, and therefore must sell them at whatever the market will bring, and that the Government helps those men by going into the market and stimulating it whenever it can do so?

Mr. GOOD. I do not think the Government ought to engage in it in the way it is doing.

Mr. CLARK of Missouri. The selling price of the bonds to-day is lower than it has been since they were issued.

Mr. GOOD. Yes; and we have bought more this year than ever before. The more we buy, the lower down they go.

Mr. CLARK of Missouri. Yes. I insisted in the beginning that they ought to carry on the war half by taxes and half by bonds, and in that way they would never go below par.

But I want to get back to the question I asked at first. The reason why I happened to ask that question is that Mr. Payne, when he reported his tariff bill here, had a table showing that it would raise revenue enough to carry on the Government, and Mr. UNDERWOOD asked him if he had not left out an item of several million dollars. Mr. Payne wanted to know what it was, and Mr. UNDERWOOD said it was the sinking fund, and Mr. Payne replied that nobody had paid any attention to the sinking fund law for 10 or 15 years. Is that still going on?

Mr. GOOD. It is to some extent, except that instead of paying out $257,000,000 last year they paid out about a billion dollars in retiring Government bonds, mixing it all up with the sinking fund, so that it is not kept separate, as the gentleman says.

Mr. CLARK of Missouri. One other question. The short-term certificates bear a higher rate of interest than these bonds, do they not?

Mr. GOOD. Certainly.

Mr. CLARK of Missouri. What do they keep issuing them for?

Mr. GOOD. Because they need the money to retire Liberty bonds. And the effect is to depreciate the value of the Liberty bonds. That is the effect of it. They have two sets of securities bidding against each other, and if the gentleman went into the market to buy a security he would not pay the same price for a Government bond drawing interest at 4¼ per cent that he would for a Government bond drawing 6 per cent. He would be likely to take the one at 6 per cent.

Mr. CLARK of Missouri. I have got bonds of every issue except one, and, while I am not rich, I am going to hold them until they pay their value. [Applause.] But part of those bonds bear only 3½ per cent, and from that up to 4¾. In any event, you have got different sorts of securities bidding against each other.

Mr. HASTINGS. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Certainly.

Mr. HASTINGS. I was going to ask, if the gentleman will permit me, this question: I understood the gentleman to say that we would quit issuing these short-time notes or securities that bear the high rate of interest. How, then, would the Government get the money it needs?

Mr. GOOD. No. I said I would pay them, but instead of retiring the Liberty bonds I would retire every one of these short-term certificates that is drawing a high rate of interest.

Mr. HASTINGS. If the Government needs the money now and anticipates the collection of revenues, how would you get the money to meet the necessities of the Government?

Mr. GOOD. Oh, well, the Government is getting money in. In that case the water has gone over the mill. Last year the Government retired a billion dollars' worth of Victory notes and Liberty bonds when it had authority to retire only about $257,000,000, and at the same time it kept on renewing the short-term certificates. If it had followed the line of policy that any business man would follow, it would have taken care of the sinking fund requirements, $257,000,000, and paid out the rest in discharge of those short-time certificates. But that is afield. That is a question that is not carried in the bill. I am only trying to explain the items in the bill.

Mr. HASTINGS. Of course, the Government would have to have the money. If it could get the money it needs at the rate of interest that these old bonds carry, it ought to get it that way; but the gentleman does not think the Government should have to go into the market and get the money at 4½?

Mr. GOOD. No. If it had done as it ought to have done it would have had enough to pay the short-time certificates, or nearly so.

Mr. TEMPLE. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Certainly.

Mr. TEMPLE. The gentleman is discussing what has been done already and not what will be done hereafter. We have been borrowing money at 5¾ to pay a debt that cost us only 4¾?

Mr. GOOD. Yes.

Mr. DOWELL. Is it not in the power of the Secretary of the Treasury to buy these high-rate certificates?

Mr. GOOD. It is in his power; at any rate he is doing it.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. FESS. Going on the basis of the cuts as here made in this particular bill, how much are we going to be able to save in all the bills, in the gentleman's opinion?

Mr. GOOD. That depends largely upon the policy to be adopted with regard to the military and naval bills.

Mr. FESS. If we save anything like what we saved in the long session, could we not pay these short-term certificates?

Mr. GOOD. Not by pursuing this present foolish policy of redeeming the short-time certificates. Men now are commencing to do business on a falling market. It was easy to make money on a rising market, and men who made income-tax returns showing an income tax this year may not do so next year, nor pay income taxes.

Mr. CARTER. What was the aggregate amount of all the appropriations last year?

Mr. GOOD. Around $4,859,000,000.

Mr. CARTER. How much is the standing appropriation?

Mr. GOOD. The gentleman means the indefinite appropriation? About $1,300,000,000.

Now, as I was about to say, the bill contains many items in which Members are interested. I know the interest of Members in these various appropriations. When we come to consider them I am sure the membership of the House will approach them in the same spirit in which the Committee on Appropriations considered them, and that was without regard to any Member's district, but recognizing the fact that we ought not now to appropriate for any service that is not absolutely necessary for the next year; that the Government in most departments should be placed strictly on a maintenance basis, and that program is followed throughout.

There were some instances where we were compelled to make increases. We did make a large increase for reclamation, but not a dollar out of the Federal Treasury of the United States, because the money that is coming in to the Government through the oil-leasing act, money that has already been placed in the Treasury, that goes to the credit of that act, is there for irrigation purposes and can be used for no other purpose. Inasmuch as there are so many demands in the West for opening up new territory and putting water on desert lands, and inasmuch as in most cases we found that those lands are now being taken up by discharged soldiers, we felt it to be our duty to appropriate all there was in the fund for that purpose.

Mr. HUDSPETH. Mr. Chairman, will my good friend yield there?

Mr. GOOD. Yes.

Mr. HUDSPETH. What increase have you made in reclamation over the past appropriation?

Mr. GOOD. My recollection is that it is somewhere between $8,000,000 and $9,000,000.

Mr. HUDSPETH. That is very good.

Mr. GOOD. The increase over last year was only $5,800,000.

Mr. BLANTON. Will the gentleman yield for a question?

Mr. GOOD. Yes.

Mr. BLANTON. If the committee can hold these departments down to these figures, well and good. They deserve a whole lot of credit for the slashing. But what steps, if any, have the Appropriations Committee taken, and what steps is Congress going to take to prevent these departments from coming in later on with deficiencies, and forcing us to give them what they want, as they have been doing for years and years?

Mr. GOOD. That is a serious matter. I will say to the gentleman that some of the departments that are coming in for deficiencies—and there are some very large deficiencies—will have to explain very thoroughly, I think, to the committee, judging from the attitude of the members of the committee, before they get very large appropriations. I do not believe in encouraging deficiency appropriations at all. The subcommittee on deficiencies will be confronted within a few days with a very large deficiency for the Army and some other departments.

Gentlemen will recall that in the last Congress we appropriated for an Army of about 165,000 men, but made authorization for an Army of 175,000 men. Now, instead of limiting the size of the Army to the figures fixed by the appropriation bill, the Secretary of War, actuated, I suppose, by the demand of the General Staff, conceived it to be his duty to increase the Army up to 280,000 men, the point to which he is authorized to increase it under the general law. He cast aside the provisions of the Army appropriation bill, and I am told that he expects to increase the size of the Army to 280,000 before the end of the year.

Mr. BLANTON. Are you going to let him do it?

Mr. GOOD. Well, he is doing it. He is your Secretary of War just as much as he is mine, and a little bit more so.

Mr. BLANTON. But we have not got the power to stop him?

Mr. GOOD. I do not know whether we have or not, but if I had my way about it the deficiency bill when it is reported would contain a provision that he should not take on a single additional recruit; that he should not add a single new man to the Army; and that he should demobilize as rapidly as possible until he gets his Army down to the size that Congress said it should be for the year. [Applause.]

If gentlemen will look at the CONGRESSIONAL RECORD they will see that the War Department has already sent in nominations for officers for confirmation for an Army of 280,000 men, or thereabouts, and if those nominations are confirmed you will have 14,000 officers, or officers for an Army of 280,000 men, when Congress intended to appropriate for an Army of less than 175,000 men; and with the splendid organization and the splendid training of 4,000,000 men in the late war, it seems to me that if Congress now does its duty it will not provide in the Army bill for an Army in excess of 165,000 men, and I should rather see 150,000 men. [Applause.] We might as well have some of these men at work.

Mr. MAPES. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. MAPES. In that connection I should be interested to know what the limitation is on what I supposed was the general law that no administrative officer could spend more than the amount appropriated without committing a criminal offense.

Mr. GOOD. I understand that the Secretary of War contends that the antideficiency law does not apply to appropriations for the Army in so far as the pay of the men is concerned. I can see some reason for that contention. I have not examined the provision, but intend to examine it carefully to ascertain the facts.

Mr. MAPES. The deficiencies apply not only to the War Department, but to the other departments generally, as I understand it.

Mr. GOOD. I had reference to the lump-sum appropriations, such as the pay of the Army. The claim is made—although it comes to me in a roundabout way, but I understand that is the contention of the Secretary of War—that the antideficiency law does not apply in that case. I do not see how he could proceed to create a deficiency in violation of that law if it applied to that appropriation.

Mr. MONDELL. Will the gentleman yield?

Mr. GOOD. I yield to the gentleman from Wyoming.

Mr. MONDELL. If there is any basis at all for that contention I think the gentleman will discover, on examination, that it can apply only to expenditures for the pay of the Army and not to other expenditures.

Mr. GOOD. I understand that is the contention.

Mr. MONDELL. And the Secretaries have always taken the position that except in case of emergency they were bound by the appropriation and its limitations.

Mr. HICKS. I understood the gentleman to say a moment ago that these irrigated lands were being sought for very largely by ex-service men, and I have understood that to be the fact.

Mr. GOOD. Yes.

Mr. HICKS. Can the gentleman enlighten the committee as to the number of men who have availed themselves of the opportunity and have made application for these irrigated lands?

Mr. GOOD. I can not, but in one opening of irrigated lands my understanding is that every piece of land was taken under the law by a discharged soldier of the recent war, and that there was not half enough land in that area to supply the demands of soldiers alone.

Mr. MONDELL. Will the gentleman allow me to amplify that statement a little bit?

Mr. GOOD. Certainly.

Mr. MONDELL. I have taken the trouble to investigate that situation. My recollection is that there have been about 35 applications for every tract that was available. There was one case where 84 tracts were available and there were over 500 men who traveled considerable distances, some of them hundreds of miles, to the place of the opening, and in addition to that there were over 3,000 applications containing certified checks in the sum of 5 per cent of the purchase price; and taken as a whole there were 35 bona fide applications for every tract that was available.

Mr. GOOD. I thank the gentleman. Now, I will not take the time of the committee in a further discussion of this bill. It contains about 2,000 items. When the bill is read some member of the committee will be very glad to furnish information with regard to the reasons why we granted the appropriations, why we have cut appropriations, and the extent to which we cut them.

I thank the committee for their attention. [Applause.]

Amounts carried in bill in excess of act of 1916.

Coast Guard	$3,700,000
Engraving and Printing	2,770,000
Customs Service	1,255,000
Public Health Service	6,000,000
Employees' Compensation Commission	2,350,000
Federal Trade Commission	600,000
Railroad Labor Board	400,000
Shipping Board	459,000
Armories and arsenals	1,390,000

Quartermaster Corps	$1,150,000
Engineer Department	3,070,000
Inland and coastwise waterways	1,250,000
Soldiers' homes	1,950,000
Reclamation Service	6,740,000
Alaska Railroad	2,000,000
National parks	889,000
St. Elizabeths Hospital	769,000
Department of Justice, including judicial	4,725,000
Lighthouses, beacons, etc	1,000,000
Lighthouse Service	2,675,000
Government Printing Office	2,300,000
	47,442,000

Analysis of permanent annual and indefinite appropriations.

Sinking fund	$265,734,864.87
Interest on the public debt	922,650,000.00
Repayment to importers, excess of deposits (customs)	6,700,000.00
Debentures or drawbacks, bounties or allowances (customs)	20,300,000.00
Duties and taxes collected upon imports from Philippines	1,500,000.00
Duties and taxes collected upon imports from Porto Rico	2,500,000.00
Federal Board for Vocational Education—cooperative education in agriculture, in trades and industries, teachers, and salaries and expenses of board, etc	5,438,000.00
Operating and care of canals	4,800,000.00
Funds contributed for river and harbor improvements	2,000,000.00
Naval hospital fund	3,500,000.00
Clothing and small stores' fund	7,500,000.00
Civil-service retirement and disability fund	5,097,500.00
Payments to States for the benefit of colleges for agriculture and the mechanical arts	2,500,000.00
Interest on Indian trust funds	1,300,000.00
Payments to States from receipts under oil leasing act	3,750,000.00
Payment of principal of moneys belonging to various tribes of Indians	2,000,000.00
Indian moneys—for expenditures of under direction of Secretary of Interior	20,000,000.00
Meat inspection, Bureau of Animal Industry	3,000,000.00
Cooperative agricultural extension work	4,080,000.00
Cooperative construction of roads and trails, national forests	1,000,000.00
Miscellaneous	15,405,996.00
Total	1,300,776,360.87

Comparative statement of the sundry civil appropriation act for the fiscal year ended June 30, 1916, with the sundry civil bill for the fiscal year ending June 30, 1922, as reported to the House of Representatives on Dec. 29, 1920.

Department or purpose.	Appropriated, fiscal year 1916.	Recommended in this bill, fiscal year 1922.	Increase (+) decrease (−) amount recommended in this bill compared with appropriation for 1916.
Treasury Department:			
Public buildings	$19,428,737.50	$9,860,638.79	− $9,568,098.71
Coast Guard	5,652,900.00	9,372,940.00	+ 3,720,040.00
Engraving and Printing	3,812,500.00	6,586,000.00	+ 2,773,500.00
War Risk Insurance Bureau		158,000,000.00	+158,000,000.00
Miscellaneous objects	1,027,700.00	1,341,960.00	+ 314,260.00
Customs service	10,180,000.00	11,435,000.00	+ 1,255,000.00
Public Health Service	2,868,106.00	8,898,500.00	+ 6,030,394.00
Total, Treasury Department	42,969,943.50	205,495,038.79	+162,525,095.29
Alien Property Custodian		375,000.00	+ 375,000.00
American Printing House for the Blind		40,000.00	+ 40,000.00
Board of Mediation and Conciliation	50,000.00		− 50,000.00
Fine Arts Commission		10,000.00	+ 10,000.00
Columbia Hospital	75,725.00	20,000.00	− 55,725.00
Council of National Defense		75,000.00	+ 75,000.00
Employees Compensation Commission		2,354,940.00	+ 2,354,940.00
Federal Board for Vocational Education		65,000,000.00	+ 65,000,000.00
Federal Power Commission		100,000.00	+ 100,000.00
Federal Trade Commission	355,000.00	955,000.00	+ 600,000.00
Interstate Commerce Commission	4,765,000.00	4,893,100.00	+ 128,100.00
National Advisory Committee for Aeronautics	[1]5,000.00	260,000.00	+ 260,000.00
Railroad Labor Board		400,000.00	+ 400,000.00
Rock Creek and Potomac Parkway Commission		200,000.00	+ 200,000.00
Shipping Board		459,000.00	+ 459,000.00
Smithsonian Institution	589,500.00	675,120.00	+ 85,620.00
Tariff Commission		300,000.00	+ 300,000.00
Commission on Industrial Relations	100,000.00		− 100,000.00
War Department:			
Armories and arsenals	653,600.00	2,045,000.00	+ 1,391,400.00
Quartermaster Corps	875,494.99	2,026,686.67	+ 1,151,191.68
National military parks	162,060.00	155,135.00	− 6,925.00
Engineer Department	5,805,250.00	8,875,520.00	+ 3,070,270.00
Medical Department	137,500.00	101,750.00	− 35,750.00
Transportation, inland and coastwise waterways		1,250,000.00	+ 1,250,000.00

Comparative statement of the sundry civil appropriation act for the fiscal year ended June 30, 1916, etc.—Continued.

Department or purpose.	Appropriated, fiscal year 1916.	Recommended in this bill, fiscal year 1922.	Increase (+) decrease (−) amount recommended in this bill compared with appropriation for 1916.
War Department—Continued.			
National Home for Disabled Volunteer Soldiers	$4,931,009.50	$6,884,800.00	+ $1,953,790.50
Back pay and bounty	55,000.00	1,500.00	− 53,500.00
Total, War Department	12,619,914.49	21,340,391.67	+ 8,720,477.18
Interior Department:			
Public buildings	223,000.00	145,500.00	− 77,500.00
Public land service	1,451,000.00	1,396,000.00	− 55,000.00
Surveying public lands	710,000.00	700,000.00	− 10,000.00
Geological Survey	1,355,520.00	1,605,620.00	+ 250,100.00
Bureau of Mines	757,300.00	1,357,300.00	+ 600,000.00
Reclamation Service	13,530,000.00	20,277,000.00	+ 6,747,000.00
Protection of lands and property, Imperial Valley, California	100,000.00		− 100,000.00
Testimony disbarment proceedings	500.00	100.00	− 400.00
Expenses in Alaska	2,335,000.00	4,585,630.00	+ 2,250,630.00
National Parks	242,550.00	1,408,220.00	+ 1,165,670.00
Government Hospital for Insane (St. Elizabeths)	345,250.00	1,114,500.00	+ 769,250.00
Columbia Institution for Deaf	76,000.00	101,000.00	+ 25,000.00
Howard University	101,000.00	164,000.00	+ 63,000.00
Freedmen's Hospital	60,640.00	116,020.00	+ 55,380.00
Total, Interior Department	21,287,760.00	32,970,890.00	+ 11,683,130.00
Department of Justice:			
Public buildings	180,000.00	50,000.00	− 130,000.00
Miscellaneous objects	997,052.50	2,310,177.50	+ 1,313,125.00
Total, Department of Justice	1,177,052.50	2,360,177.50	+ 1,183,125.00
Judicial:			
Payment to widow of late Justice H. H. Lurton	14,500.00		− 14,500.00
U. S. courts	7,239,096.00	10,782,856.00	+ 3,543,760.00
Total, Judicial	7,253,596.00	10,782,856.00	+ 3,529,260.00
Department of Commerce:			
Lighthouses, beacons, etc		1,000,000.00	+ 1,000,000.00
Lighthouse Service	5,100,000.00	7,775,000.00	+ 2,675,000.00
Coast and Geodetic Survey	1,365,620.00	2,056,290.00	+ 690,670.00
Bureau of Fisheries	1,095,340.00	1,240,460.00	+ 145,120.00
Bureau of Standards	90,000.00	40,000.00	− 50,000.00
Total, Department of Commerce	7,650,960.00	12,111,750.00	+ 4,460,790.00
Department of Labor:			
Immigration stations		55,000.00	+ 55,000.00
Immigration Service	2,451,000.00	3,000,535.25	+ 549,535.25
Employment service		250,000.00	+ 250,000.00
U. S. Housing Corporation		1,100,000.00	+ 1,100,000.00
Naturalization Service	275,000.00	525,000.00	+ 250,000.00
Total, Department of Labor	2,726,000.00	4,930,535.25	+ 2,204,535.25
Legislative	306,136.00	410,000.00	+ 103,864.00
Government Printing Office	5,417,115.00	7,752,493.20	+ 2,335,378.20
Panama Canal:			
Construction, maintenance, etc	16,940,000.00	9,000,000.00	− 7,940,000.00
Fortifications	2,639,048.30		− 2,639,048.30
Total, Panama Canal	19,579,048.30	9,000,000.00	− 10,579,048.30
Grand total	126,922,750.79	383,271,292.41	+256,348,541.62

[1] Carried in naval appropriation act.

Mr. BYRNS of Tennessee. Mr. Chairman, the gentleman from Iowa [Mr. GOOD], in closing his remarks, criticized the Secretary of the Treasury because he has used certain funds of the Government for the purpose of purchasing Liberty bonds. It is not my purpose to be drawn into any discussion of that particular matter, because I want to consume such time as I may have in discussing two or three features of the pending bill. But I do want to say that the gentleman from Iowa and every Member of this House and the country knows that the Secretary of the Treasury pursued that policy for the sole purpose of stabilizing these bonds. We were confronted with a situation where the value of the bonds was steadily falling, and I dare say if the Secretary of the Treasury had failed to enter the market for the purpose as far as he could of stabilizing the value of these bonds he would have been seriously criticized by some gentlemen on the floor of this House on account of his failure to take steps to protect as far as possible the millions of holders of these bonds.

Mr. MAGEE. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. MAGEE. I think some time in May, 1920, the Secretary of the Treasury announced that he would not pursue the policy of going into the market and buying these bonds as cheaply as possible after July 1. So far as I know he has not continued that policy since that time. If he discontinued that policy at such time, of course, the gentleman well knows that the bonds have appreciated in value since he ceased that policy.

Mr. CLARK of Missouri. The bonds are lower to-day than they have been since the war began.

Mr. MAGEE. No; I think that the gentleman is mistaken.

Mr. CLARK of Missouri. I can not be mistaken; it has not been six hours since I read it in the paper.

Mr. MAGEE. Some of the Liberty issues got down to 83.

Mr. CLARK of Missouri. Eighty-four, and to-day is the first day that the three and a halfs have got below 90.

Mr. MAGEE. Some of the Liberty issues were down between 82 and 83.

Mr. CLARK of Missouri. Not the three and a halfs.

Mr. MAGEE. I am not talking about the three and a halfs.

Mr. CLARK of Missouri. I say that to-day is the first day that the three and a halfs have been below 90.

Mr. MAGEE. I make the statement that if the Secretary of the Treasury did discontinue his policy, as he stated he would do, and I assume that he did, since July 1 the bonds have appreciated in value.

Mr. BYRNS of Tennessee. Mr. Chairman, I take it that everyone must concede that if the gentleman from Iowa is correct as to the amount of bonds that have been purchased, then the action of the Secretary of the Treasury certainly had some effect in helping to hold up the present level of market values of these bonds, and the gentleman from New York is mistaken in his conclusions. In addition to that, these bonds were purchased in the open market at the current market quotations. They were bearing 4¼ per cent, if I mistake not, and even if the money with which they were purchased was borrowed at 5¾ on short-time certificates, the gentleman will see that the Government has lost nothing in the transaction; but, on the contrary, the holders of the bonds have gained by the action of the Secretary of the Treasury.

Mr. MAGEE. Will the gentleman again yield?

Mr. BYRNS of Tennessee. I will.

Mr. MAGEE. I want to say most emphatically that I do not agree with the views expressed by the gentleman. I think the result of the action of the Secretary of the Treasury has been the opposite of that stated by the gentleman. I have not favored and I can not favor the Government going into the open market and purchasing a single Liberty bond at less than par.

Mr. BYRNS of Tennessee. I am sure no one would approve of that except, as I stated, for the purpose indicated. The Government can not purchase all the bonds, and the Government certainly owes it to those who hold the bonds to hold the price up as much as possible, and this it endeavored to do by making purchases in the open market with such funds as were available.

Now, Mr. Chairman, I do not care to enter into any discussion of the bond question, because I do not want to consume any more time than is necessary. I am sure that I speak for every member of the subcommittee which held the hearings, and also for the full committee, when I say that they had only two things in mind in the preparation and presentation of this bill: First, to ascertain if possible the actual amount of money that was necessary to maintain the activities of the Government during the next fiscal year, and, second, the necessity of holding down and reducing the expenditures for these activities to the very least possible minimum consistent with the welfare of the Government and of the people. Unless expenditures are reduced, taxes can not be lowered; and we have endeavored to rigidly hold down appropriations in this bill in the interest of a burdened taxpaying public. As a result drastic cuts have been made in some of the estimates, but not to an extent, in my judgment, which will interfere with the efficiency of the Government if proper economy is shown by the executive branch. In order to accomplish this it has been necessary to deny appropriations to a number of very worthy and desirable enterprises, but these can be taken care of later on when revenues become more plentiful. I am in accord with the action of the committee with respect to this bill except in a few instances, and I propose to refer to two or three of those items at this time. I shall probably have more to say as to particular features of the bill when it is considered under the 5-minute rule.

The gentleman from Iowa has stated to the committee that this bill carries $323,000,000, and that that is a reduction of $420,000,000 from the estimates submitted by the various departments. That is true upon its face. In passing I may say that I am very glad that the gentleman from Iowa has abandoned the position which he and the majority leader took so confidently before election—that a reduction of estimates in itself constituted a saving to the Government. He now, after the election, speaks of it properly as a reduction of the estimates. We all know that from time immemorial, both under Democratic and Republican administrations, the departments have always submitted estimates far in excess of the amount actually allowed by the Congress. This administration has been no exception to the rule. That is one very strong reason why we should quickly enact the budget system so that these departments, or some official in the executive branch of the Government, will be charged with the responsibility and duty of investigating these estimates before they are submitted to Congress and reducing them at the outset so as to aid Congress in its efforts to practice economy.

Why, to show you how loosely these estimates are submitted, I want to suggest a single case that appears in this bill.

You will recall that $30,000,000 have heretofore been appropriated for the bringing of the remains of soldiers back from Europe. It was stated at the time that it was thought that would be practically all, if not all that was needed. An esimate was submitted for this bill carrying $20,000,000 in addition, but when the Army officer who came before the committee in support of his estimate sat down at the table he voluntarily told the chairman that that estimate was not seriously submitted, but that it was made up at a time when they did not know what the relations of France were going to be with reference to bringing back the remains. He voluntarily told the chairman that only $1,000,000 would be necessary for the next fiscal year. Hence this bill carries $1,000,000 or a reduction of $19,000,000 in that one estimate alone.

I cite that as a most glaring case. I for one do not understand how those who finally submitted the estimates to the Secretary of the Treasury for transmission to Congress ever permitted an estimate of that kind to pass, but it is a practice that has grown up as a result of the unbusinesslike and inefficient system which has been in vogue during the years past, not only under Democratic but under Republican administrations. I hope this Congress will at this session place upon the statute books a budget law which will correct just that sort of evil. The example cited may be an extreme case, but it is characteristic of what the Members are being constantly confronted with in the consideration of the estimates.

The gentleman from Iowa [Mr. Good] states that this bill carries $323,000,000, but I think that it should be stated that that is not all it carries as a charge on the Treasury. The gentleman himself pointed out a number of reappropriations that have been made in this bill. There is a reappropriation of $10,500,000 under the item for the Federal Board for Vocational Education, and some $35,000,000, as I recall, for the Bureau of War Risk Insurance. If you will take all of these reappropriations, including the estimates submitted for the Shipping Board, you will find that there are charges on the Treasury of more than $200,000,000 which, if you want to get at a correct statement of charges, should be added to the $323,000,000 carried in this bill—provided you appropriated the full sum asked for by the Shipping Board.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GOOD. The gentleman is assuming there that the earnings of the Shipping Board will be $95,000,000.

Mr. BYRNS of Tennessee. Yes. And reappropriations of the amounts received on sales would bring it up to $150,000,000. That is not stated as a criticism of the bill, because it has been the practice of all Congresses in the past, as I undertand it, Democratic and Republican, to make reappropriations, but I have insisted for some years that that is a bad policy; that what Congress ought to do is to make direct appropriations of the amounts needed for these various activities and turn the receipts and unexpended balances at the end of the year into the Treasury of the United States as a part of miscellaneous receipts. That is the only way that Congress will ever be able to keep books with these activities and the only way in which the public will ever be able to know exactly what we are spending from year to year.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. I don't quite understand the gentleman. Does the gentleman mean that $200,000,000 are reappropriated in addition to the $323,000,000 to be taken from the Treasury in case these sums authorized are expended?

Mr. BYRNS of Tennessee. What I meant to say was this: This bill undertakes to appropriate money to the extent of something like $323,000,000, and it also undertakes to reappropriate money that will be on hand at the end of the fiscal year in addition to the $323,000,000 actually carried by way of direct appropriation. I stated it would be over $200,000,000, and I was assuming for these figures that $147,000,000 has been appropriated for the Shipping Board. I dare say that if the committee had undertaken to recommend, as the law provides, a direct appropriation for the Shipping Board it would have been a much less sum than that—I am sure it would be by the unanimous judgment of the committee; but one prominent officer of that board estimated that during the next fiscal year there would be $95,000,000 by way of receipts from operations. It is true, as the gentleman from Iowa [Mr. GOOD] stated, that Auditor Tweedale promptly corrected him and said they would make nothing during the next fiscal year; but if the one is correct and the other wrong, they will have $95,000,000 at their disposal for the purpose of carrying on operations of the Shipping Board, and in addition thereto they will have $55,000,000, which they are permitted to use from receipts from deferred payments on ships heretofore sold, and also for ships sold during the fiscal year, which will make $150,000,000 instead of $147,000,000, which they asked, and in addition thereto they are authorized to use whatever balance is on hand at the end of the fiscal year. But, as the chairman has stated, they are now before the committee asking for a deficiency of something like $90,000,000, and naturally they will have no balance on hand. My own personal judgment is that Mr. Tweedale was nearer correct than the other officer of the corporation, because I agree with the chairman of the committee that it will be impossible for anyone to take these hearings, extending over a day, consisting of more than 200 pages in the book of hearings, and gather any correct and definite understanding and satisfactory knowledge of just what the Shipping Board is doing or what they expect to do during the next fiscal year.

The gentleman from Iowa [Mr. GOOD], chairman of this committee, in his usual able and capable way, closely cross-examined these gentlemen in an effort to elicit some definite information, but, unfortunately, their business is such or the situation that confronts them is so complicated and difficult that they were unable to give any clear and definite information.

I wish to concur in what the gentleman from Alabama said, that if we would make a direct appropriation to the Shipping Board for whatever sum we in our judgment think they should have to use during the next fiscal year, that at the end of that fiscal year we would be able to keep books with them and know something about what they are doing, but as long as we give them these indefinite appropriations and the privilege of drawing on this sum and that sum for expenses in operation we will never know and the public will never be able to know absolutely just what sum they are expending. I took that position a year ago, and offered an amendment on this floor in which I sought to get Congress to appropriate directly the exact amount which it was stated would be received in this indirect way, but the House saw fit to reject the amendment. I have only referred to it now for the purpose of emphasizing my own position, that there ought to be direct appropriations made.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. BRIGGS. Was it disclosed to what extent the fleet built by the United States has been disposed of to private interests, and to what extent it is held by the Government and operated, and how much of that fleet it is estimated will be sold in the next year?

Mr. BYRNS of Tennessee. They submitted no estimate as to what they would sell during the next year. They do not seem to have any present prospect of selling, and, of course, no one is able to get any information as to just how many they expect to sell.

My recollection is—and I am subject to correction by the gentleman from Iowa—that they have sold about 450 ships—am I correct—out of the total of 2,300?

Mr. GOOD. That includes wooden ships.

Mr. BYRNS of Tennessee. That includes all ships sold by the Shipping Board?

Mr. GOOD. I think it is only fair to the department—we do not want to be too hard on them—to say that for the last three months, possibly longer, they have simply been marking time. The board has only had two or three members on it, and therefore have not been in a position actively to function to sell ships. What I had to say in regard to the board was before that time, because I realize they are not even able now to function with only two or three members.

Mr. BYRNS of Tennessee. They have had their difficulties for the reasons stated by the gentleman from Iowa, and there can be a good deal said for them by way of excusing the condition of affairs. My only motive in referring to it was to emphasize the fact brought out by the gentleman from Alabama [Mr. BANKHEAD] that if we would make direct appropriation for the Shipping Board for the funds that we thought they ought to have to get through the next fiscal year we would be better able at the end of the fiscal year to keep books with them and know exactly what was expended and how it was expended.

Mr. BANKHEAD. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield.

Mr. BANKHEAD. In that connection I want to ask the gentleman from Tennessee if the attention of the committee was called to the specific directions contained in the Jones shipping bill as a limitation upon the committee in the making of appropriations?

Mr. BYRNS of Tennessee. The gentleman knows there is an old legal maxim or adage to the effect that no man can plead ignorance of the law, and I think the committee was well informed as to the provisions of the law.

Mr. BANKHEAD. I ask that question for the purpose of asking this: How did the committee justify flying directly in the teeth of the instructions of Congress in that proposition so recently given them as June of this year?

Mr. BYRNS of Tennessee. I think the gentleman from Iowa fairly set forth the views of the majority in making the appropriations in this manner, and that was for the purpose of forcing the Shipping Board to take some steps toward the disposition of these ships, which it seems are now being run at a loss, or probably at a loss. I think the gentleman from Iowa very plainly stated the reason for making this method of appropriation. For my own part, in reply to the question as to whether they ought to be sold or not, I have always said that I thought that they ought to be sold at the earliest possible moment, if it can be done consistent with the interest of the Government, and I would like to see them sold, and sold promptly, and in the hands of private capital which would run and maintain them under the American flag, and there ought to be, it seems to me, some direct method of bringing about this result, rather than the method of indirect appropriations.

Mr. BANKHEAD. The gentleman, in that connection, will recall that only a few months ago the Shipping Board was making an honest effort to dispose of a great many of these ships and a great popular clamor went over the country that they were sacrificing them by selling them at such a low price, and one gentleman even went to the extent of having an injunction issued against the members of the Shipping Board to prohibit them from the sale of such vessels at what was then regarded by them as a fair price and which now they can not get.

Mr. BARKLEY. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. BARKLEY. I was told the other day by a Member on the floor that they had between five and six hundred ships owned by the Government and under the control of the Shipping Board lying in the harbor down near Norfolk, at Hampton Roads, not being used for any purpose, and for which a large fund is required for the purpose of guarding and looking after them. Does the gentleman know whether that statement is correct?

Mr. BYRNS of Tennessee. Did the gentleman say whether they were wooden ships?

Mr. BARKLEY. I understand some are wooden ships. I think he said some also were steel ships.

Mr. BYRNS of Tennessee. I have no information on the subject to which the gentleman refers, but I can well believe it, because I saw what appeared to be a fleet of several hundred wooden ships lying idle in Seattle Harbor because the Government is unable to sell them. I believe it was stated that negotiations were on and there were prospects of their being able to sell all or a portion of those ships to other than American purchasers.

Mr. BARKLEY. Is the Shipping Board making any effort to operate any of those ships which they are unable to sell?

Mr. BYRNS of Tennessee. They are making every effort to operate them, yes; and they are making every effort to sell those ships. I believe the Shipping Board has made an earnest and sincere effort to sell all of the ships they could, but I think the question has been whether or not they should accept a lower price than they felt they were justified in accepting. Those ships were built, of course, in war time when material was very high and the Shipping Board did not want to sacrifice them.

Mr. BARKLEY. I understood the gentleman to say that out of a total of something like 2,300 ships the board had sold about 450?

Mr. BYRNS of Tennessee. That is my recollection.

Mr. BARKLEY. What proportion of those that are left in the hands of the board are being operated?

Mr. BYRNS of Tennessee. I could not answer the gentleman without referring to the hearings.

Mr. OLIVER. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. OLIVER. Do I understand that the sources for funds that this bill seeks to authorize the Shipping Board to use are these: First, the unexpended balance at the end of the fiscal year 1920, and then the profits from operation during 1922, and sales and proceeds they may get?

Mr. BYRNS of Tennessee. To the extent of $55,000,000 from the proceeds of the collection of the deferred payments on ships heretofore sold and ships that will be sold during the fiscal year.

Mr. MOORE of Virginia. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. MOORE of Virginia. If the provision is left in this shape is there any method of determining in advance within very large limits what will be spent by the Shipping Board? Is there any possible way of determining, and if the provision remains in the way you have it here, is not the Shipping Board left very largely to spend as it pleases?

Mr. BYRNS of Tennessee. Undoubtedly. It depends, of course, on the amount received from operations.

Mr. MOORE of Virginia. But that amount may be extremely large.

Mr. BYRNS of Tennessee. It may be $95,000,000, if one gentleman is correct.

Mr. MOORE of Virginia. But it may be more than that. You are saying to the Shipping Board, "You are to have discretion to expend the full amount."

Mr. GOOD. Would the gentleman prefer now that we should make a further limitation on that?

Mr. MOORE of Virginia. I think we should make it definite. I think it is the business of Congress to do so, and I should be glad to follow the gentleman from Iowa and the gentleman from Tennessee in making it definite.

Mr. GOOD. The gentleman can not follow the gentleman from Tennessee and myself, because we are traveling in opposite directions.

Mr. MOORE of Virginia. I do not see that you are traveling in opposite directions on the general proposition. I think each one of you desires to fairly limit the expenditure of the public funds. It does not strike me that the bill does that.

Mr. GOOD. I think we should have a limitation in regard to earnings, but I do not think it is necessary, because I do not think we will have any earnings.

Mr. BYRNS of Tennessee. I agree with the gentleman from Iowa, and I do not think there would be a great difference between him and me as to the amount to be appropriated. Our difference is in the manner in which the appropriation should be carried.

Mr. MOORE of Virginia. I will say this—and the gentleman knows in what esteem I hold him: It seems to me, if I may take the liberty of saying it, it is a poor way in which to frame an appropriation bill, to leave uncertain the amount of the expenditure.

Mr. BYRNS of Tennessee. That is exactly the point I have been trying to make.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. Regardless of the question whether the appropriation ought to be direct or not, what is to hinder the Shipping Board from keeping their books so as to know what their expenses are or whether they have made a profit or a loss?

Mr. BYRNS of Tennessee. That is a question that I can not answer. It does seem they ought to be able to keep their books in such a manner that they will know definitely what their profits or losses may be. These gentlemen have explained that it is impossible within three or four months to accurately determine the cargo of a certain vessel, for the reason if it goes to some foreign port they do not get the accounts or the bills, and so forth, in for a period of two or three and sometimes four months. After those bills are received, then, of course, they can determine what the profits are.

Mr. GREEN of Iowa. The claim went further than that, as I understand. No one can tell anywhere along the line what their expenses have been or whether they have made a profit or a loss to any definite amount. If these gentlemen are conducting their books in such a manner as that, I think it is time we made some kind of a provision so that there would be somebody there who could keep some books in a way that would enable us to know something about it.

Mr. BYRNS of Tennessee. I think there is a sincere effort being made at this time to correct the trouble that has been had heretofore. Mr. Tweedale, who is a very competent man, was auditor for the District of Columbia for a number of years, and left that position to go with the Shipping Corporation. He has been trying since last March to formulate and secure information as to the accounts.

Mr. MADDEN. Will the gentleman yield for a question?

Mr. BYRNS of Tennessee. I yield.

Mr. MADDEN. I wanted to ask the gentleman from Tennessee if he knows what the salary of Mr. Tweedale was when he was auditor of the District of Columbia and what his salary is now?

Mr. BYRNS of Tennessee. My recollection is that as auditor of the District of Columbia he received a salary of $4,000 per annum and that when he went with the Emergency Fleet Corporation he was given a salary of $15,000 per annum, and this he is now drawing.

Mr. WOOD of Indiana. For the information of the gentleman from Kentucky [Mr. BARKLEY] as to the ships at the mouth of the James River, I would say that there are some 250 of them. They are divided into units of 7. Each one of the units has 40 men guarding it and taking care of it and each man is receiving $100 a month and his board. So that will give some idea of the dead loss, so far as expense is concerned, and shows the absolute necessity for selling these ships.

Mr. GREEN of Iowa. Does the gentleman think if they were owned by private parties there would be that many men guarding them?

Mr. WOOD of Indiana. I do not think there would be.

Mr. BRIGGS. Will the gentleman from Tennessee yield?

Mr. BYRNS of Tennessee. I will.

Mr. BRIGGS. Have you any testimony under this provision of the Shipping Board as to how much is intended to be appropriated of the sum on hand? Have you any estimate at all of what it would amount to?

Mr. BYRNS of Tennessee. It may amount to a great deal or to a very small sum. In other words, they may not make anything during the next fiscal year; and, if so, it will not exceed $55,000,000, because I am satisfied they will have no balance on hand when July 1 comes. They are here now with a deficiency of $90,000,000.

Mr. ANDREWS of Nebraska. What is the total amount that has been drawn out of the Treasury for the benefit of this corporation?

Mr. BYRNS of Tennessee. My recollection is it amounts to some $3,000,000,000 and two or three hundred millions in addition.

Mr. ANDREWS of Nebraska. How much has been brought back?

Mr. BYRNS of Tennessee. I do not know of anything that has been brought back. It is represented, of course, in the ships, plants, and other property.

Mr. ANDREWS of Nebraska. The net outlay in cash from the Treasury is the point I wanted to bring out.

Mr. BYRNS of Tennessee. There never has been anything in the Treasury, because Congress has followed the policy of permitting the Shipping Board to use the receipts from operation rather than directing them to be paid into the Treasury.

Mr. ANDREWS of Nebraska. That is one of the worst avenues of graft in the whole Government.

Mr. BYRNS of Tennessee. I think the gentleman is correct, and that is what I am complaining of.

Mr. FAIRFIELD. Is the committee to understand that your committee that is reporting the bill has no information as to the actual number of ships that the Government now owns?

Mr. BYRNS of Tennessee. Oh, that information is explicit. It is about 2,312, if I remember correctly.

Mr. FAIRFIELD. Does the committee know how many of those ships are being operated now?

Mr. BYRNS of Tennessee. I could tell the gentleman if I had the time to examine these hearings.

Mr. FAIRFIELD. It is in the hearings?

Mr. BYRNS of Tennessee. It is in the hearings, and the gentleman can find it. My time is limited, and I have not time to look it up. The gentleman will find that a very thorough examination was made of those who appeared in behalf of these estimates, consuming, as I stated, more than a day. The gentleman will find all that information in the hearings.

Mr. FAIRFIELD. One more question. Does the Government as such operate any ships itself?

Mr. BYRNS of Tennessee. It does not.

Mr. FAIRFIELD. It leases those ships to private corporations?

Mr. BYRNS of Tennessee. That is true.

Mr. FAIRFIELD. Is the contract upon which the lease is based understandable?

Mr. BYRNS of Tennessee. I presume it is. The gentleman will find a copy of that in the hearings. His judgment as to that contract is probably much better than mine. I want to say to the gentleman that in my answer to his inquiry a while ago as to the Government operating ships, I did not intend to say that the Government was actually operating any ships. I thought the gentleman's question was directed to the operation of Government-owned ships.

Mr. FAIRFIELD. Yes.

Mr. GARNER. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Certainly.

Mr. GARNER. As I understood the gentleman heretofore, the receipts from the Shipping Board or the Emergency Fleet Corporation have been authorized by Congress to be utilized by the board. Has there been any change made in this bill in that respect?

Mr. BYRNS of Tennessee. No.

Mr. GARNER. When do you propose, or do you propose, such a change in the appropriation?

Mr. BYRNS of Tennessee. If I had my way, I will say to the gentleman from Texas, it would be made in this bill and would have been made in the last bill.

Mr. GARNER. I just heard the gentleman say in reply to the gentleman from Nebraska that that afforded an opportunity for greater graft than anything else of its kind.

Mr. BYRNS of Tennessee. Yes. That was the statement made by the gentleman from Nebraska, a statement in which I concur.

Mr. GARNER. It seems to me that the committee ought to have remedied that, or that some committee of the House ought to have remedied that situation.

I would like to ask the gentleman from Iowa [Mr. GOOD] why he does not provide that these receipts shall be turned into the miscellaneous fund, so that we can know exactly what this Shipping Board and Emergency Fleet Corporation are costing the country?

Mr. GOOD. That is the law now. The act provides that it shall be done hereafter, and such an amendment would be an amendment to existing law.

Mr. GARNER. And a point of order would lie against it?

Mr. GOOD. Yes.

Mr. GARNER. I think that point ought to be made.

Mr. GOOD. I do not think it is good law.

Mr. BYRNS of Tennessee. Now, Mr. Chairman, I want to say a word in reference to the action of the committee in omitting the appropriation for the dams at Muscle Shoals, Ala.

Mr. FESS. Before the gentleman goes to that, will he yield a moment?

Mr. BYRNS of Tennessee. Yes.

Mr. FESS. A year ago, when the Shipping Board matter was up, the Members of the House were somewhat shocked at the answer to a question propounded as to the financial situation, that there was not anybody living that could tell. That was a year ago. Now, are we in the same condition as to the business transactions of that board now? Is it true that nobody can tell?

Mr. BYRNS of Tennessee. I would not say that, but I will say that after an extended hearing it was not made altogether clear to the committee by those who appeared as to just where they stood.

Mr. FESS. Had we not better abolish the whole thing, for a time at least?

Mr. BYRNS of Tennessee. I do not think that should be done until we have disposed of these ships in some way.

Mr. OSBORNE. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Certainly.

Mr. OSBORNE. I want to ask the gentleman a question before he leaves that Shipping Board business. I was repeatedly told this past summer while in the Orient by British shipping men that our merchant marine was going to be a failure; that our ships would all be junked within two or three years; that the Americans did not have sense enough, or rather shipping sense enough, to run a merchant marine. I would like to ask the gentleman if he thinks that that is correct; if their ideas are well founded?

Mr. BYRNS of Tennessee. Well, I am sure that I entertain the same views that the gentleman from California entertains, and that is that the Americans can do anything that anybody else can do, and of course I do not agree with the statement made that Americans can not operate these ships, or that this great merchant marine that has been built up by such tremendous expense to the people and in times of excessive costs of materials, and so forth, will be junked or be permitted to leave the seas.

Mr. BRIGGS. Mr. Chairman, will the gentleman yield for another question?

Mr. BYRNS of Tennessee. Yes.

Mr. BRIGGS. Has any effort recently been made to audit the accounts of the Shipping Board, so as to determine just what the financial standing of the board is, what its expenditures have been, and what its receipts and revenues have been?

Mr. BYRNS of Tennessee. As I stated, Mr. Alonzo Tweedale, who was the auditor of the District of Columbia, was named a year ago as auditor for the Shipping Board, and he is constantly auditing the accounts.

Mr. BRIGGS. I mean is a special effort being made to put enough accountants on the work to enable the Congress to know something about the affairs of this board?

Mr. BYRNS of Tennessee. I will say in justice to Mr. Tweedale that for a number of months past he has been making special efforts in the auditing of these accounts, but he has met with special difficulties, difficulties that would not exist in any other business or at any other time. For instance, I recall one illustration that he gave. He said that great quantities of material, amounting to millions of dollars, probably, in value, would be ordered for a particular shipyard, and before it reached that particular shipyard it would be found that this material was needed at some other yard, and then it would be rerouted and sent to another shipyard, and yet charged to this first yard to which it was routed, without anything to indicate the change that had been made. He says he is meeting those difficulties as rapidly as possible.

Mr. BRIGGS. Is there any indication as to when the audit will be complete?

Mr. BYRNS of Tennessee. No; but he stated that he is doing the work as rapidly as he can.

Now, there is one other item of appropriation in this bill to which I wish briefly to refer, which amounts in the aggregate to $1,250,000 for the Inland Waterways Corporation, to which the gentleman from New York [Mr. MAGEE] referred a while ago. If gentlemen will examine the appropriation on page 65 of the bill they will find that the committee has undertaken to segregate the items of appropriation.

In other words, the committee recommends that $400,000 be appropriated to build a port terminal or dock at St. Louis; $400,000 for another at New Orleans, and some amount, less than $100,000, for an activity at Memphis, and $300,000 for operation.

I am not complaining so much at the amount that was allowed to this corporation for the next fiscal year, although they asked for $6,670,000, and it was reduced to $1,250,000; but I take the position that so long as the Inland Waterways Corporation is a going concern, so long as it is actually operating barges upon the inland waterways—in this instance the Warrior and the Mississippi Rivers and the Erie Canal—there should be some flexibility and some elasticity in the funds that are put at its command for the next fiscal year, because we can not expect that corporation, doing business as it is in the operation of these barges, to achieve the very best financial results if its funds are so tied that it is unable to use them as at the particular moment may prove most desirable.

As it is, we appropriate $400,000 to build a dock at St. Louis, and during the fiscal year it might appear that they did not need over $200,000 there, or it might appear that they could use the $400,000 better in some other way in the operation of their business, and I think it would have been a better business policy to have appropriated $1,250,000, the sum agreed upon, as a lump-sum appropriation, and to have trusted to those in charge of this corporation to use that appropriation in the best manner possible. We have got to trust somebody. We are in the business for the time being. Of course, I understand that under the transportation act it is not intended that the Government shall permanently engage in the barge or boat business. That act simply provided for this corporation, in order to encourage commerce on the inland waterways, and it is the intention of Congress as expressed in the act that as soon as the commerce upon the inland waterways is sufficiently developed to justify and enable private capital to enter in and take the place of the Government in the operation of the barges the Government shall withdraw.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman from Nebraska.

Mr. ANDREWS of Nebraska. What general public benefit is expected to be secured from the expenditure of this $1,250,000 in this way?

Mr. BYRNS of Tennessee. As I just explained, provision was made in the transportation act for this service for the purpose of developing commerce on inland waterways, in order to relieve the great freight congestion and to serve the interior of the country, to take our produce to the ports, and to bring products in; and under the express terms of that act it was provided that the Government should operate these barges for the purpose of developing waterway commerce, and as soon as private capital is ready to enter and take over the transportation of the commerce, then I understand it to be the intention of Congress, as expressed in the act, that the Government shall withdraw.

Now I want to discuss for a few moments the failure of the committee to allow the estimate of $10,000,000 for the continuation of the work upon the dam at Muscle Shoals, Ala.

You gentlemen will remember the circumstances under which the Government engaged in the building of the nitrate plants and the steam-power plant and the beginning of the construction of this dam at Muscle Shoals.

As far back as 1907 Congress made an appropriation in the river and harbor act for the purpose of having an investigation made by the engineers with the view of developing water power in connection with the improvement of the river at Muscle Shoals. The Tennessee is one of the greatest rivers in the United States. It is one of the longest and one of the largest rivers in this country. It touches territory in eastern Tennessee and Alabama that is rich in all sorts of resources.

The condition of the river at Muscle Shoals is such that a large dam necessarily must be built in order to make the river navigable at that point. And I may say in passing that it has been estimated that to construct a dam for navigation purposes alone at Muscle Shoals would cost $13,000,000, according to the estimates submitted by the engineers. These various investigations, beginning with 1907, were made with the view of overcoming the shoals and making the river navigable and at the same time developing the great water-power possibilities.

Now, when the European war came on Congress began to take stock of the resources of this country for war purposes, because everyone realized that if the war was protracted there might come a time when this country would be drawn into that war, as it was eventually drawn into it; and I recall that in a hearing before a subcommittee of which I happened to be a member, in company with the gentleman from Iowa [Mr. GOOD], the chairman of the Appropriations Committee, it was stated that at that time we were confronted with the startling situation that we had only five weeks' supply of nitrates in this country for the purpose of manufacturing munitions or explosives. You know that we have been dependent upon Chile for nitrates, because comparatively little synthetic nitrates are produced in this country by private interests.

So, when that situation developed, Congress in the national defense act which passed, as I recall, in June, 1916, authorized the President of the United States to select sites and provide water power necessary for the production of nitrates for war purposes, and also, as stated, for other useful products. It was argued and understood at the time that the other useful products referred to consisted of fertilizer for the benefit of the farming interests of this country.

The President appointed a commission consisting of Cabinet officers, Army engineers, and others who made a very careful survey of the entire country. They were sent to the Southeast for the purpose of making an investigation, and they finally chose the site at Muscle Shoals, in the State of Alabama. They chose it for two or three reasons.

In the first place they recognized the great possibility for the development of power at this place, a possibility which is unequaled by the amount of power produced on the American side at Niagara Falls; and for the further reason that inasmuch as the act provided that this power should be developed for the purpose of aiding in furnishing fertilizer to the farming interests, the South having been longer farmed and longer cultivated than any other section of the country, and there being on that account a greater demand for fertilizer in that section of the country than in any other section, they considered this particular site as the most desirable for all the purposes set forth in the act. There was no other site in the United States that could have been chosen except in the extreme northwest of this country, and that was not practicable for the reason I have stated. The land in that section has not been tilled long and the need for fertilizer is not so great. In fact there is no present need in some sections. This was the only site in the United States which was found to be thoroughly adapted to build a nitrate plant utilizing the power for the purpose of producing nitrates. Now what happened? We were drawn into the war. We were dependent on Chile for our nitrate for munitions or explosives. Everyone realized how unfortunate it was for this country to be dependent on nitrates which had to be brought thousands of miles from a foreign country in order to make explosives. Everyone realized the situation that we would be in if anything should happen to prevent the shipping of nitrates to this country. Everyone realized the necessity of building a great nitrate plant in this country for war emergency purposes. We all know that Germany had no natural supply, but that she carried on the war up to the armistice with synthetic nitrates produced in her own country under the two processes.

So this nitrate plant was projected under the act referred to. Nearly $100,000,000 was expended in building the two nitrate plants. Plant No. 1, being the smaller one, was devoted to the Haber process; and No. 2, costing $70,000,000 or more, was built to manufacture nitrates by the cyanamid process. A great deal of electricity is needed in both processes, not so much possibly in the Haber process, because, as I understand, that is largely a mechanical process, but a great deal of electricity is absolutely necessary in the operation of plant No. 2 because the ingredients are placed in electric furnaces and heated to incondescence by a magnified electric arc.

Mr. GARRETT. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. GARRETT. In connection with the gentleman's statement as to the Chilean supply of nitrates, I venture to call his attention to a very important fact that apparently has escaped him and a large number of the Members of the House, and I think the public generally. That is, that the explosive requirements as distinguished from the propelling requirements were not obtainable from Chilean nitrates but had to come from ammonia, and wholly independent of the Chilean nitrate supply.

Mr. BYRNS of Tennessee. I thank the gentleman for his suggestion. That is another compelling reason why this plant should have been undertaken. A great deal of electricity is needed in the operation of the plant, and on account of the war emergency the steam-power plant was built and is one of the greatest in the world. But, as the Secretary of War stated, we can not manufacture nitrate for fertilizing purposes with steam power. You must have the cheaper hydroelectric power if you manufacture nitrate for commercial purposes, and hence this plant must lay idle at great cost if this kind of power is not provided.

Mr. MADDEN. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. MADDEN. I am asking the question for information. What is the fall at the point where this dam is to be constructed?

Mr. GARRETT. The fall is 130 feet in 18 miles.

Mr. BYRNS of Tennessee. The dam is to be 100 feet high.

Mr. MADDEN. So the fall would be 100 feet.

Mr. BYRNS of Tennessee. Yes; that is my recollection. The President has allotted $17,000,000 from the national defense fund for the erection and construction of this dam. The order was made in February, 1918, while we were actually engaged in the war, and at a time when no one knew whether the war was to last six months or six years.

The work has progressed so that it is 30 per cent completed. I do not mean that the actual structure of the dam is 30 per cent completed, but I am referring to the preliminary work necessary, as well as actual construction. Thirty per cent of the work necessary to complete the dam is done, and now we are asked by the majority of the committee to stop the work and junk all the expenditures the Government has made in the construction of this dam; and, more than that, to allow this great nitrate plant, which has cost the Government $100,000,000, to lie idle and not be operated for any purpose.

It is well understood and everybody knows that this nitrate plant should be maintained as a war emergency. It will not only lie idle if you do not have hydroelectric power to operate it for fertilizer purposes, but it will require many thousand dollars each year in order to protect it. It will also cost many thousand dollars in the depreciation of the machinery of the plant in general. That is the situation that confronts Congress.

Mr. ANDREWS of Nebraska. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. ANDREWS of Nebraska. Would we be obliged to import nitrate in case some agency is not perfected?

Mr. BYRNS of Tennessee. Undoubtedly, and we will have to pay an import duty of $12.50 on every ton that is imported into this country.

Mr. HUSTED. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. HUSTED. It has been stated that even if the plant was built nitrate could not be manufactured at a cost low enough to be practicable. What does the gentleman know about that? It is said that the cost of manufacture would be so high that it would not be practicable.

Mr. BYRNS of Tennessee. In reply to the gentleman I want to read what Mr. Washburn, president of the American Cyanamid Co., and one of the greatest experts on fertilizers in the country or in the world, had to say in 1916 before the Committee on Agriculture of this House.

Mr. Washburn is an expert recognized not only in this country but recognized in Germany and all over the world. Here is what he said with reference to the cost of the fertilizer which could be produced. He was asked this question by Mr. HEFLIN:

What is the reduction in the cost of fertilizer to the farmer, do you estimate, could be expected if the Government were to carry out this suggestion for the construction of dams for taking nitrogen from the air?

Mr. Washburn replied:

My anticipation is that the establishment of a nitrogen industry as it can be established with what I believe, and what I believe would appeal to those who study the subject, is the proper and legitimate Government cooperation, will give the farmer his fertilizer for one-half of what he otherwise would pay for it.

When he made that statement, as was stated to me by a gentleman interested in this proposition, the farmer put down his stake and he has remained there ever since in his demand that Congress give him relief from the prices being charged him for fertilizer. [Applause.]

The CHAIRMAN. The gentleman from Tennessee has now consumed one hour.

Mr. BYRNS of Tennessee. I shall take a little more time.

Mr. HUSTED. Did the gentleman suggest what he meant by legitimate Government cooperation? Did he mean by that that the Government should contribute something toward the cost of it?

Mr. BYRNS of Tennessee. Mr. Washburn was appearing at that time in support of his proposition that the Hydroelectric Power Co. be permitted to share in the cost of improvements there, and to have the use of the power that would be developed as a result of it, and, as a matter of fact, he proposed at that time to pay something like $26,000,000 for the use of that power; but it was not accepted or acted upon, because Congress passed the national defense act a little later, and the President, acting under the war emergency, decided to take it over for the Government.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. Is not the gentleman aware that the lowest estimates made at the time that witness was testifying with reference to the cost of the plant are now evidently very erroneous, that there has been far more sunk in the plant now than stated?

Mr. BYRNS of Tennessee. The gentleman refers to the dam when he says "plant"?

Mr. GREEN of Iowa. Yes.

Mr. BYRNS of Tennessee. The estimates now are $45,000,000, which is an increase over the estimate formerly submitted, but that is caused by the extra cost of labor and material. I do not want the House to think that we did not have a pretty good hearing upon this subject, a rather extended hearing, in fact.

Gentlemen can read it if they will take the time to do so. Gen. Taylor stated that already the price of certain materials were being considerably reduced; that he did not believe that the plant would cost the amount of that estimate; but he said that owing to the uncertainty of the situation at the present time he was not prepared to submit an amended estimate and would use the estimate of $45,000,000.

Mr. GREEN of Iowa. Is not the gentleman also aware that hardly any of the hydroelectric plants have greatly reduced the cost below what steam would cost, produced from coal, and that the great dam at Keokuk is not operating to its full capacity for the reason that it does not pay to put in some additional turbines to compete with power furnished by coal, and that the cost of this dam and all of the apparatus in connection with it will approximate the cost of operating by coal?

Mr. BYRNS of Tennessee. No. I can not agree with that statement, because the experts called before these various committees do not sustain the gentleman in that position.

Mr. GREEN of Iowa. If any of them will look at the facts with reference to the power furnished and the cost, he will find it to agree with what I have stated. It is a fact that the great dam at Keokuk is not being utilized to its full power.

Mr. BYRNS of Tennessee. Here is a statement made directly in line with the statement made by the gentleman with reference to the difference in the cost of steam power and hydroelectric power:

The importance of the dam can be measured by the saving in a year with water-power operation over steam-power operation. A conservative estimate of the cost of steam power is $36 per horsepower per year, and the commercial value of the water power suitable for operating the nitrate plant is established by Mr. Washburn's offer of $10 per horsepower per year for this purpose. Therefore there is an established saving of $26 per horsepower per year in the use of water power over that which might be realized by the use of steam power. Since the operation of the plant at capacity will require the use of about 100,000 horsepower, the annual saving would be approximately $2,600,000, which is interest at 5 per cent on $52,000,000.

I would say, furthermore, that that does not take into consideration the proposition to sell the surplus power to industries in that section of the country. Reliable witnesses and experts who have appeared before the committee, and who appeared before the Senate Committee on Agriculture, state that the Government may rely reasonably upon receipts amounting to $4,000,000 from the sale of this surplus horsepower and that be used in the operation of the dam.

Mr. GREEN of Iowa. Reliable witnesses who were testifying before the Committee on Rivers and Harbors not so very long ago, when this project was up, testified that there would not be any demand.

Mr. BYRNS of Tennessee. On the contrary, the demand will exceed the supply. Col. Hugh L. Cooper has been referred to. He is one of the greatest hydroelectric engineers in the world. He is the man who built the celebrated Keokuk Dam in the gentleman's State, and I am sure the gentleman would place confidence in Col. Cooper and his complete knowledge of matters of this kind. In a letter addressed to Gen. Harry Taylor, dated November 27, 1920, appearing in the hearings at page 998, he says:

5. Under your instructions we have figured that the plant when completed must earn 5 per cent for interest and 5 per cent for depreciation and operation, or 10 per cent of the cost of the power end of the enterprise. Both of these assumptions are conservative. The kilowatt hours in paragraph 2 multiplied by the selling prices in paragraph 4 will produce a gross annual income of $4,554,000, which is 10 per cent of a cost price of $45,540,000. The best estimate that can be made at this time of the total cost of the project, including the two lift locks and all of the navigation facilities, is around $50,000,000, and thus leaves about $4,500,000 as the amount applicable to the navigation account.

6. All of the above quantities are accurate and are not to be considered as assumptions or approximations. The values for the secondary and primary kilowatt hours are about 50 per cent of prewar steam costs in the territory under consideration.

Mr. MADDEN. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. MADDEN. Everybody concedes the ability of Col. Cooper. Col. Cooper built the Keokuk Dam, but before he began to build it he said that it would cost $15,000,000, when, as a matter of fact, it cost between $35,000,000 and $40,000,000. Every plant that is supplied with power from the Keokuk generation is required to keep an auxiliary steam plant in order to be sure they have the power to run their business, and they must add the cost of the maintenance of the auxiliary steam plant to whatever they pay for the electric energy received from the water power wherever it may be.

Mr. BYRNS of Tennessee. Quite true——

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GARRETT. The condition which the gentleman from Illinois [Mr. MADDEN] has just described as existing in connection with the Keokuk Dam, viz, the necessity for a steam power plant, is true of every large water-power project in the world.

Mr. BYRNS of Tennessee. That is what I was about to say.

Mr. GARRETT. That is what I wish to suggest in connection with what the gentleman from Iowa [Mr. GREEN] said a few moments ago as to not developing the full capacity of the Keokuk plant in order to use the water power they are developing in connection with steam power.

I think the gentleman from Iowa will find that the hesitation is due to the fact that if they increase by the installation of turbines the hydroelectric power that the increased power can only be derived at certain periods and that the increased flow of water so far does not encourage the belief that it will be economical to develop the additional power for such periods as it can be developed and operated wholly by water power, and that that element of cost in connection with additional steam power that will be required is the controlling element in the determination.

Mr. HUSTED. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will yield.

Mr. HUSTED. Has the gentleman any recent estimate of the cost of fully completing the project?

Mr. BYRNS of Tennessee. Forty-five million dollars is the estimate on which they stand at the present time.

Mr. HUSTED. That is the estimate for fully completing it. How much money has been appropriated to-day?

Mr. BYRNS of Tennessee. They have expended $12,000,000 up to the present time, and by May 31 $5,000,000 additional will be expended.

Mr. HUSTED. Does the gentleman also know what the total possible output of the plant in nitrates will be?

Mr. BYRNS of Tennessee. I think it was stated by the gentleman from Iowa that it was 100,000 tons or 110,000 tons. I do not now recall, I will state to the gentleman very frankly.

Mr. HASTINGS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. HASTINGS. Does the gentleman have any information as to the amount it is estimated there will be demand for commercial fertilizer? How much has been used now, and what is the estimated demand for it for agricultural purposes?

Mr. BYRNS of Tennessee. There will be an unlimited demand for all the fertilizer that can be manufactured at this plant. It was stated in the hearings that the demand for fertilizer has increased at the present time to an enormous extent, owing to the fact that the lands in the West are being longer cultivated; and naturally as nitrogen is taken from the soil it is necessary to put it back, and the demand has increased to such an extent that even if this plant were run at full capacity there would still be a demand for all fertilizer produced by private interests in the country and the necessity possibly of increasing the imports from Chile. Now, gentlemen can understand therefore why there is such a demand on the part of farm organizations and farmers for the Government to operate this plant and give to the farmers the relief that they are asking. Gentlemen will appreciate just what will be the result in so far as the price of the other fertilizer is concerned if this relief is not given. The farmers will either pay an enormous and almost prohibitive price for fertilizer or the land can not be fertilized, with the result of loss in production. This is a proposition which appeals not only to the farmer but to the consumer in the cities.

Mr. BRIGGS. Will the gentleman yield?

Mr. BYRNS of Tennessee. I will.

Mr. BRIGGS. Can the gentleman tell us what the cost of this commercial manufactured nitrate is as compared with Chilean nitrate and the comparative value?

Mr. BYRNS of Tennessee. I just read the statement of Mr. Washburn to the effect that it can be manufactured for half the cost of what it is costing now. Of course we understand that during the war fertilizer was selling for about $100 to $150.

Mr. BRIGGS. But is very much lower now.

Mr. BYRNS of Tennessee. It is very much lower, but it is selling at a high price.

Mr. BRIGGS. How much nitrates has this plant ever turned out?

Mr. BYRNS of Tennessee. It was producing nitrates at the time the armistice was signed.

Mr. BRIGGS. And it is not operated now?

Mr. BYRNS of Tennessee. No; it can not be profitably operated except in the case of war emergency except by the use of hydroelectric power. It can not be operated for fertilizer purposes without obtaining some cheap form of power. That is what this appropriation was intended to cover. The gentleman from Iowa stated that he preferred that this matter go over a couple of months. What is going to happen if it goes over a couple of months? This bill is the only bill under the rules of the House under which such appropriation can be carried. We will have adjourned in a couple of months. If the appropriation is not made for the further construction of this plant naturally the engineers in charge are not going to run up to May 31 and spend all the money now available. It will be necessary for them to begin to curtail expenditures now and quit work. In the event Congress is not going to make further appropriation they will retain enough money to take care of the plant. Col. Cooper, Gen. Taylor, and others stated that if they stop that work even for one year it is going to result in an actual loss of $4,500,000.

Mr. HUDSPETH. They do not ask for the entire $45,000,000?

Mr. BYRNS of Tennessee. Only $10,000,000 to carry on the work during the next fiscal year. The actual loss the Government will sustain by reason of the stoppage of this work will amount to four and a half million dollars. That does not take into consideration the loss that will occur in the disintegration of their organization, consisting of more than 4,100 men at present—men who have been chosen and who have been recruited from various places and stations and brought there, and who have now been made very efficient, because the more inefficient have been weeded out and they have retained the more efficient force. Gen. Taylor stated that the force will be disentegrated if this work stops, and if it should start up again it will be necessary to open recruiting offices and re-form the force. And in addition to that, as the gentleman from Iowa stated, there are three cofferdams; four of them, I think, ultimately. One of them has the concrete and cement placed in it practically, and they will be able to remove it in a very short time. The one at Jacksons Island, where they have got a lot of rock excavation to make, will probably be ready to be removed next April. If they stop this work in these cofferdams, which cost $360,000 apiece, and a flood should come this winter or next winter, you may find that they will be wiped out, as well as the bridge, which cost more than $600,000.

Mr. HUSTED. I merely wanted to say that I think the committee in charge of this matter should go very carefully into the cost of the production, because, if fertilizers can be produced there, as the gentleman says, at one-half of their present cost, certainly this proposition should be completed and the country should have the benefit of it. But it seems to me the committee has not gone very carefully into the question of cost there, and their arguments are not very convincing.

Mr. BYRNS of Tennessee. I know the gentleman made the point that we were limited in our hearings. We only had the Secretary of War, and Secretary Taylor and Col. Cooper, who appeared before us. But the gentleman from Iowa [Mr. GOOD] called the attention of the committee to this hearing, consisting of more than 500 pages, before the Committee on Agriculture and Forestry in the United States Senate, in which every fact and element in the construction of this dam was gone into and discussed from every possible angle. In addition to that, there were hearings before the Committee on Agriculture of the House, which were held on February 9, 1916, in which those facts were gone into, and then the hearings before the sundry civil subcommittee. So it seems to me, if we are to delay this important matter at this critical stage, when to delay means to lose in actual money $4,500,000, and run the possibility of having the $17,000,000 wiped out, we ought to be very frank about it and say that our real object is to delay it and finally to defeat it, or we ought to make the appropriation necessary to maintain it. And that is what the farmers of this country expect you gentlemen to do. I want to say to the Republican majority in this House that if this proposition fails, the responsibility is yours and yours alone. [Applause on the Democratic side.] The farmers have been asking for this appropriation for three or four years. They have been here knocking at the doors of the Congress in order to get cheap fertilizer. Here is a proposition that by the expenditure of comparatively little additional money you can give them that which they ask.

Mr. GOOD. I am sure the gentleman was surprised, as I was, when I sent and got a copy of the hearings before the Senate Committee on Agriculture, to find that as late as March 20, when they commenced those hearings, the only estimated cost complete of this whole structure was $12,500,000.

Mr. GARRETT. That was not the dam. That was the cost, if the gentleman will permit, of converting the nitrate plant into a sulphate plant; that is, putting in the machinery that was necessary to make ammonium sulphate.

Mr. GOOD. I have not gathered that. I have not completed the reading of the hearings yet, because some of them are in fine print. It was $12,500,000, and it would not take that much money to make those changes. Col. Roberts was speaking about the power to be developed by the dam, and the whole hearings, I will admit, were quite confused. You can not tell what they expect to spend the $12,000,000 for.

Mr. GARRETT. If the gentleman will permit, originally the War Department made a request for $12,000,000 to furnish working capital and to put in the necessary machinery to make it into an ammonium-sulphate plant. It is now a complete ammonium plant. Subsequently they withdrew that and proposed they would raise the money, and that is in a bill that is now pending in another body—that they would sell on the market 300,000 tons of Chilean nitrate, and by that means derive the capital. That refers wholly to the cost incident to making an ammonium-sulphate plant and not to any expenditure on the dam.

Mr. GOOD. The gentleman has followed this matter a great deal more closely than I. My examination into the matter has only been since the estimate, and we went into the matter only as fully as we could there, but my understanding is in reading this hearing before the Senate committee that they proposed to

issue a preferred stock, and when asked why they issued preferred stock to that amount, when they had spent around $100,000 000 before, they said they only intended to incorporate for enough to complete the project. I took it all the way through that that was the amount that was estimated at that time to complete the dam after the $17,500,000. If not, where were we to get the money to complete the dam and this power house?

Mr. ALMON. If the gentleman will yield, I was present and heard all that was said and am familiar with the proposition, and the gentleman from Tennessee is correct. The item referred to by the chairman of the committee has no reference in any way whatever to the dam, but purely to working capital for the corporation that the Kahn-Wadsworth bill has proposed. About $3,000,000 of it is to add to the present plant what is known as the ammonium sulphate plant, and the $500,000,000 to which the gentleman refers has no reference whatever to the working dam, but to the nitrate plant No. 2.

Mr. GARRETT. If the gentleman will yield just a moment further, I wish to say to the gentleman from New York on the question of cost that there was a board appointed in the Ordnance Department known as the Glasgow board, or, at least, they made a report known as the Glasgow report, which went into complete detail. Whether it has changed any since that time I do not know. It is highly technical and pretty long, of course. The gentleman will find that in the hearings held before the subcommittee No. 5 of the Committee on Expenditures in the War Department on March 12, 1920. That will be available at the committee room. It goes into great detail.

Mr. BYRNS of Tennessee. Now, gentlemen, I am going to conclude, because I have talked longer than I expected. I prefer to yield to other gentlemen who have made a thorough investigation of this matter and who expect to discuss it. When the so-called farmers' tariff bill was pending in this House gentlemen were very emphatic in the expression of their anxiety to do something to relieve the farmer.

The Republican majority in this House proposed the bill as a panacea for the farmer and as something which would enable the farmer to reap more profit as the result of his labor. That question was controverted. It was at least a question about which some doubt could be expressed, and there were many who contended that it would have the reverse effect, that it not only would not tend to increase the value of the farmer's product, but it would ultimately serve to decrease it, because retaliatory measures might be enacted by other countries to which we export our products, and the farmer would be cut off from foreign markets which he now enjoys.

Be that as it may, here is a proposition, I wish to say to the Republican side of this Chamber, where there can be no doubt about the ability to serve the farmer if you will only make the appropriation necessary to carry the work on this dam to completion, because everybody is agreed, and the gentleman from Iowa [Mr. GOOD] in his remarks to-day stated, that there could be no doubt but that the manufacture of nitrate and the production of fertilizer at this plant would be much cheaper than it can be manufactured by using nitrates imported from Chile. There can be no question therefore as to the value of this work to the farmer and as to the benefit you can confer on him by carrying on this work to its completion.

It is no answer, gentlemen, to the requests that the farmers are making for this appropriation to say that they have been pretty extravagant down there in the past in the building of certain officers' houses or quarters, or a clubhouse, as the gentleman from Iowa says. This $10,000,000 is not being asked to construct houses or to put up a clubhouse.

This money is being asked to carry on the work on this dam during the next fiscal year, and to prevent a situation where the Government will have to withdraw from the work and possibly lose the value of all that has been done there. It will take something like three years to build this dam——

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. HUSTED. Does the gentleman happen to know where, if at all, nitrates by this process have been economically produced so as to compete with Chilian nitrates by the use of water power?

Mr. BYRNS of Tennessee. In Germany, for instance.

Mr. HUSTED. By water power?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. Germany made them, but not with water power.

Mr. HUSTED. As a commercial proposition?

Mr. BYRNS of Tennessee. I will say to the gentleman, from information brought out in the committee, that France is now using the largest munition plant she has, at Tours, and has turned it into a fertilizer plant.

Mr. HUSTED. What power are they proposing to use in France? The reason I ask the question is that I understand Germany originally started her plant in Scandinavia, in Norway, and then it was transferred to Bingen, and the reason why it was transferred to Bingen is that they have a coke factory there, and the gas was not used, and they now have means whereby they utilize the gas by a process known as the Claude process, and they thus get the very cheapest possible kind of power, and with that very cheap power they were enabled to produce them economically. But it does not follow at all that down here at Muscle Shoals we could get so cheap a power that we could reduce what is ordinarily an extremely expensive process to a process cheap enough so that we could produce nitrates which we can sell at a lower price than the farmers are now paying.

Mr. BYRNS of Tennessee. I will say to the gentleman that if we are not willing to accept the testimony of recognized experts we can not get anywhere. We have got to accept the positive and emphatic statements of men who are recognized as experts and who know what they are talking about. They all agree that it is absolutely impossible to manufacture nitrates there for fertilizer purposes by steam power for commercial purposes, because the price would be prohibitive, but that if they were manufactured by water power, as here proposed, they could be furnished to the farmers who need them at one-half of the present cost.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. BYRNS of Tennessee. I yield to the gentleman.

Mr. GARRETT. I will say to the gentleman from New York [Mr. HUSTED], if I can have his attention for a moment, that the American Cyanamid Co., which owns the patent on the cyanamid process and which, through a subsidiary of itself built this Muscle Shoals plant, is engaged on the Canadian side of Niagara Falls, and has been for a number of years, in the production of cyanamid. It only carries a product known as cyanamid, and I can not tell how much of it has gone into fertilizer, but it has been produced in large commercial quantities for many years.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. GREEN of Iowa. Who was it that stated that the French were using this process at Tours?

Mr. BYRNS of Tennessee. I have the statement here.

Mr. GREEN of Iowa. The statement seems to me positively ridiculous in view of the situation that the French are in at this time, both as to fertilizer and substitutes for fertilizer in the way of power.

Mr. BYRNS of Tennessee. I have no personal knowledge, I will say to the gentleman, but that was the statement that was made, and I think I can turn to it in just a moment.

Mr. GREEN of Iowa. I am inclined to think the committee has accumulated a great deal of misinformation on the subject.

Mr. BYRNS of Tennessee. I will read from the brief of Prof. W. G. Waldo, consulting engineer for the Muscle Shoals Association and the Tennessee River Improvement Association. I have known Prof. Waldo for a great many years, and I know he is a gentleman of high character and fine attainments, a splendid engineer, and a man who does not make a statement unless he is satisfied he is correct in it. In this statement he says:

In addition to such a disadvantage—

And he is referring now to the proposition to let this plant either remain idle or to sell it for salvage, having referred to the experience of the Government in salvaging its powder plants, one of them at Old Hickory, near Nashville, Tenn., which was sold for less than 5 cents on the dollar. He says:

There is the fact that can not be escaped, that other countries are using similar plants built in war time for the manufacture of fertilizers for their farmers, and by operating them for this purpose they are keeping these plants abreast of the developments in this field and are prepared to install such improvements as are being constantly made.

England, though she controls the sea, and although the enormous investment in Chilean nitrate industry is principally British capital, still England, since the war, has caused the formation of a company with $25,000,000 capital to establish the air nitrogen fixation industry in England. France has already turned her largest munition plant at Tours into a fertilizer plant. Japan, with the industry already established, has lately purchased the rights to the Claude process for fixing nitrogen, which is claimed to be cheaper than any of the processes now in operation. Germany has already proposed to ship to the United States, free of export duty, 50,000 tons of pure nitrogen, the equivalent of 250,000 tons of ammonium sulphate.

The United States has already paid to the Chilean Government and the Chilean nitrate interests the enormous sum of $643,734,828. In the face of this situation, and knowing what other nations are doing with regard to their nitrogen supply, should we hesitate for a moment to finish the dam and utilize the facilities which are already paid for, for

the purpose of keeping them abreast of the times, aiding our farmers in an important way in time of peace, and at the same time keeping the plant in readiness to meet any war-time emergency?

Now, gentlemen, that is the proposition. It is just simply a question whether you are going to make this appropriation now or whether you are going to postpone it for all time to come. Talk about two months! Why, what further investigation can you make? In two months and five days from now Congress will have adjourned. In what bill are you going to carry the appropriation? If the chairman of the committee was not satisfied with the hearings sufficiently to form an opinion one way or the other, with such an immense sum involved, I am very sorry, indeed, that he did not postpone the reporting of this bill for at least a day or two, until we could have called further witnesses before the committee and examined them.

Mr. GREEN of Iowa. Will the gentleman yield further?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. Does the gentleman consider the statement that he read as in any way supporting his proposition? He talks about this English company. Does not the gentleman know that there is no water power to amount to anything in England?

Mr. BYRNS of Tennessee. The gentleman from Iowa is begging the question. He asked me for my authority for stating that the Government of France had turned its largest munition plant, at Tours, into a fertilizer factory.

Mr. GREEN of Iowa. I will say that that statement is as incorrect as the other.

Mr. BYRNS of Tennessee. Now the gentleman talks about water power in England. I read that statement to the gentleman to satisfy him by competent authority that the fact which he only suspects not to be true is true.

Mr. GREEN of Iowa. Does the gentleman want to stand right now on that Tours proposition, that they have great water power there at Tours, France, and that they are using it for that purpose?

Mr. BYRNS of Tennessee. I said nothing about water power at Tours.

Mr. GREEN of Iowa. Do you think that with coal at $50 a ton in France she is going to manufacture nitrates from the air?

Mr. BYRNS of Tennessee. I said that France had turned her largest munition plant at Tours into a fertilizer plant; and I have substantiated that statement, of which I have no personal knowledge, by the testimony of Prof. Waldo, a highly competent engineer and credible witness.

Mr. GREEN of Iowa. Does the gentleman mean to say that with coal at $50 a ton in France the Government of France is manufacturing nitrates from the air at Tours? The committee, I am convinced, did not take any thought about it if they relied on such statements.

Mr. BYRNS of Tennessee. No; I am satisfied that the majority of this committee did not take any thought about it or it would have brought in an appropriation of $10,000,000 to continue the dam. That is what I am complaining of. I am complaining of the fact that when opportunity offers to serve the farmers, to give them fertilizer at less than one-half, the Republican majority on the Appropriations Committee proposes to deny the necessary appropriation to carry on this work although it is now 30 per cent completed. I do not know of anyone in the United States who has protested against the construction of that dam, and I make no charges, but I have received no telegram from anybody protesting against it except fertilizer plants which have asked me to oppose the appropriation. If it will not furnish the farmers with cheaper fertilizer, I can not understand why the Fertilizer Trust and its allied industries are making every possible effort they can to get Congress to turn down the proposition and the Government to lose the money that it has invested.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. GREEN of Iowa. I have no fertilizer plant in my State.

Mr. BYRNS of Tennessee. But the gentleman has farmers who need fertilizer.

Mr. GREEN of Iowa. We get the fertilizer by planting clover and legumes. But, aside from that, if the gentleman had taken very much thought he would not have given so much consideration to some one hired to carry on the propaganda for this proposition.

Mr. BYRNS of Tennessee. Oh, the gentleman ought not to speak that way of Prof. Waldo. There is not a higher class man in Iowa or Tennessee than Prof. Waldo. He is a gentleman as far from misrepresenting the facts as any man I ever knew. He is a distinguished educator, a distinguished engineer, who is representing the public interest, and no private interest whatever.

Mr. BLANTON. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

Mr. BLANTON. If the splendid argument which the gentleman from Tennessee is making does not convince the 12 or 15 Members of the majority party on the floor, how does he expect to convert the 100 absent Members who will never hear his speech?

Mr. BYRNS of Tennessee. I do not know; I may be speaking to deaf ears, but I have had an opportunity to express my own views as to what is needed.

Mr. GARRETT. May I ask the gentleman from Iowa a question?

Mr. BYRNS of Tennessee. I will yield.

Mr. GARRETT. If the gentleman from Iowa should find it to be a fact that the Government of France is converting its munition factory into a fertilizer factory, would that have any influence on his mind?

Mr. GREEN of Iowa. No; I think the statement in a general way is correct, but it is altogether a different process, altogether a different plant.

Mr. GARRETT. We are very anxious to have the friendship of the gentleman from Iowa, and this is a question of fact about which I shall endeavor to give the gentleman some information.

Mr. BYRNS of Tennessee. Mr. Chairman, I reserve the balance of my time. [Applause.]

Mr. GOOD. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. HICKS].

Mr. HICKS. Mr. Chairman, this bill provides, in part, for the United States Coast Guard. That service is a small unit, but its record is replete with deeds of bravery and heroism. On December 19 the New York Times published an editorial in reference to the accomplishments of the Coast Guard for the past year. The editorial is a most splendid description of the efficient work rendered by that service. It is in accord with my own view of what the Coast Guard is doing for the country, both on sea and land, in every field where bravery and unselfish sacrifice denotes the performance of duty, exacting and dangerous. It gives praise where praise is deserved and accurately portrays the manifold calls made on those who are upholding the splendid traditions of a service which has never been found wanting. At the present time, with the merchant marine the largest in the history of the Nation, the service of the Coast Guard is of unusual importance. In credit to the officers and men of that service I ask, Mr. Chairman, that the editorial to which I refer may be read in my time.

The CHAIRMAN (Mr. DOWELL). Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read as follows:

THE COAST GUARD.

There is probably more reading matter in the Coast Guard report of Commandant W. E. Reynolds than can be found in that mastodonic fiction "Les Miserables," but in the account of what the Coast Guard men performed, suffered, and endured in the fiscal year ended June 30 there is no fiction. * * *

To the summer visitor on the Atlantic seaboard a Coast Guard man is a robust and ruddy person, who has a perpetual vacation and yearns for sociability, with occasional opportunities to be a hero by fishing bathers out of the undertow. As a matter of fact, the men enrolled in this sea and land service in coastal waters from Alaska to Key West and Port Isabel live a life of toil, adventure, danger, and hardship that can not be matched by either the Army or Navy, except when the country is at war. Yet the public knows little about the Coast Guard. It hides its light under a bushel.

How many of us know what superheroes the officers and men of the cutter *Unalga* were when they fought the influenza at Unalaska? The *Unalga* lay at Akun Island waiting for a storm to blow over when wireless word came that the "flu" was epidemic at Unalaska. Capt. Dodge at once weighed anchor and was off to fight the plague—a queer seaman's job. Soon after he arrived at the bleak spot he sent this message to headquarters:

"Seventy new cases influenza developed since yesterday; three deaths. At present 150 cases and 7 deaths. Every house in Unalaska affected; several expected to die hourly; situation very serious; no news from villages to westward since last year; men (*Unalga's* men) digging graves and carpenter making coffins. All natives and nearly all white population down and helpless."

Day after day went tragically by, and each day the men and officers of the Coast Guard cutter fed and fueled Unalaska, cleaned houses, kept up fires, nursed the sick, removed the dead, put them in coffins made by the *Unalga's* carpenter, and buried the plague victims. An orphans' home was established. There is this item of a June day: "Another band of orphans was picked up and taken to the orphans' home and five bodies were interred." After many strenuous and terrible days the cutter *Bear* came to the relief of the *Unalga's* plague-worn crew, followed by the U. S. S. *Marblehead* and *Vicksburg*, the *Unalga* going on to Nushagak to supply medicines and render help. Horrors were cumulative at Nushagak. A party sent to Coffee Point "ministered to numerous sick and discovered a number of bodies that had long remained unburied. Several of the latter had been partly eaten by dogs. The relief party buried the dead and shot all dogs seen." The dogs of Alaska where the influenza raged were neglected and starving. At other times they drew sleds through the snow and were often four-footed heroes. But now they were perishing from hunger. In the Wood River district the dogs, "as ravenous and ferocious as wolves," attacked the *Unalga's* men and were summarily executed. "Valiant service," Secretary CARTER GLASS called the work of the *Unalga's* crew,

in a letter of thanks to Capt. Dodge. They had added, said the Secretary, "another brilliant chapter of endeavor to the annals of the service."

In looking over Commandant Reynolds's report one wonders how the Coast Guard at sea and ashore could have crowded so much brave, heroic, and useful work into one year and a little more, for it was the end of May, 1919, when the *Unalga* steamed into Unalaska. On all our coasts, from the Bay of Fundy round to Bering Sea, the Coast Guard men are saving life at sea and on land wherever men and women are in peril. They saved 2,417 lives during the "fiscal year"; they assisted 8,427 persons on board vessels, and they cared for 561 persons along the surf line. There are a hundred stories stranger than fiction in the exacting work of the Grand Banks ice patrol.

Reynolds says that "there was not a day throughout the year when service was not performed by cutter or by station crews designed to assist, relieve, or comfort humanity in one way or another." Read about the rescue of the crew of the schooner *Cape Horn*, or about the wreck of the *H. E. Runnells*, or the sinking of the *Sunbeam* (with her unlawful freight of Chinamen from Cuba, nearly all perished), and the feeling will be that Clark Russell or Morgan Robertson never wrote anything more thrilling. The pen of Reynolds is mightier than any fiction written for "best sellers."

There is nothing too humble for a Coast Guard man to do alongshore if it is useful. They must be a kindly, human sort of folk, for they are ever helping the lost and strayed and relieving vagabonds, and even wanderers "half seas over." It is this active spirit of comradeship that accounts for some amusing or curious items in the long record; for instance, "Rescued a teamster who had fallen into the water with his mule; intoxicated man found by patrol down in water, patrol carried man on his back to station; removed fishhook from finger of small boy; put out in boat and picked up a calf swimming; drove cattle out of cornfield; rescued a horse that had fallen through the ice; removed tablet from memorial building erected to memory of Margaret Fuller, building undermined by surf."

And here is a simple statement of duty performed that tugs at the heartstrings: "Made coffin, dug grave, and buried body of small child of neighbor." What a splendid, often heroic, and always unselfish round of duty is that of the United States Coast Guard! Wherever they may be on patrol or on shipboard under the flag, may a Merry Christmas be theirs!

[Applause.]

Mr. GOOD. Mr. Chairman, to-morrow will largely be given up to a further discussion on one item which I think will be attempted to be put in the bill, and that is in regard to nitrates. I hope, if possible, to have debate on the entire bill closed to-morrow and read the first paragraph of the bill, but to go no further with the reading of the bill to-morrow. I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 15422, the sundry civil appropriation bill, had come to no resolution thereon.

REREFERENCE.

Mr. ESCH. Mr. Speaker, I ask unanimous consent for the rereference of the bill (H. R. 15126) relating to amendment of section 2 of the water power act. It should be referred to the Select Committee on Water Power instead of the Committee on Interstate and Foreign Commerce.

The SPEAKER. Is there objection?

Mr. WALSH. Reserving the right to object, does the gentleman from Wisconsin understand that the Select Committee on Water Power, having reported a bill, now has an existence and jurisdiction to consider amendments to such legislation?

Mr. ESCH. I think the Select Committee on Water Power exists during this entire session of Congress and that all bills relating to water power should be referred to it.

Mr. WALSH. It is covered in the resolution creating it?

Mr. ESCH. There is no doubt about it.

The SPEAKER. The gentleman from Wisconsin has consulted the chairmen of both committees, the Chair understands. Is there objection? [After a pause.] The Chair hears none.

SENATE BILL REFERRED.

Under clause 2 of Rule XXIV, Senate bill of the following title was taken from the Speaker's table and referred to the Committee on the Judiciary:

S. 4682. An act to amend section 74 of the Judicial Code as amended.

EXTENSION OF REMARKS.

Mr. FOCHT. Mr. Speaker, I ask unanimous consent to extend my remarks on the immigration bill.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

LEAVE OF ABSENCE.

By unanimous consent, Mr. HICKS was granted leave of absence, for one day, on account of important business.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 2 minutes p. m.) the House adjourned until to-morrow, Friday, December 31, 1920, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

287. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriations required by the Department of the Interior for the service of the fiscal year 1921 (H. Doc. No. 951); to the Committee on Appropriations and ordered to be printed.

288. A letter from the chairman of the Federal Power Commission, transmitting communication in connection with the Great Falls (Potomac River) water-power project; to the Select Committee on Water Power.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. MADDEN, from the Committee on Appropriations, to which was referred the bill (H. R. 15441) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922, and for other purposes, reported the same without amendment, accompanied by a report (No. 1154), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. COOPER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 15015) to authorize the building of a bridge across the Santee River in South Carolina, reported the same with amendments, accompanied by a report (No. 1155), which said bill and report were referred to the House Calendar.

Mr. DENISON, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 15016) to authorize the building of a bridge across the Peedee River in South Carolina, reported the same with amendments, accompanied by a report (No. 1156), which said bill and report were referred to the House Calendar.

Mr. MONTAGUE, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 15017) to authorize the building of a bridge across the Wateree River in South Carolina, reported the same with amendments, accompanied by a report (No. 1157), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 15417) granting a pension to Emily W. Marsh; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 14921) granting a pension to Minnie M. Raysor; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 15126) to amend an act entitled "An act to create a Federal power commission; to provide for the improvement of navigation; the development of water power; the use of the public lands in relation thereto; and to repeal section 18 of the river and harbor appropriation act approved August 8, 1917, and for other purposes," approved June 10, 1920; Committee on Interstate and Foreign Commerce discharged, and referred to the Select Committee on Water Power.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. MADDEN: A bill (H. R. 15441) making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. KAHN: A bill (H. R. 15442) to provide revenue for the Government by increasing the duties on jewelers' piercing saws, and for other purposes; to the Committee on Ways and Means.

By Mr. SHERWOOD: A bill (H. R. 15443) authorizing the Secretary of War to donate to the town of Genoa, Ohio, one German cannon or fieldpiece; to the Committee on Military Affairs.

By Mr. MAPES: A bill (H. R. 15444) authorizing the Commissioners of the District of Columbia to close upper Water Street between Twenty-first and Twenty-second Streets NW., lying between Potomac Park and square 88 in the District of Columbia; to the Committee on the District of Columbia.

By Mr. SINNOTT: A bill (H. R. 15445) to provide for the disposition of boron deposits; to the Committee on the Public Lands.

By Mr. SNYDER: A bill (H. R. 15446) to provide for an Assistant Secretary of the Interior to be stationed at Muskogee, Okla., and for other purposes; to the Committee on Indian Affairs.

By Mr. MADDEN: A bill (H. R. 15447) to amend an act entitled "An act to reclassify postmasters and employees of the Postal Service and readjust their salaries and compensation on an equitable basis" (Public No. 265, 66th Cong.); to the Committee on the Post Office and Post Roads.

By Mr. ESCH: A bill (H. R. 15448) to consolidate the work of collecting, compiling, and publishing statistics of the foreign commerce of the United States in the Department of Commerce; to the Committee on Interstate and Foreign Commerce.

By Mr. KRAUS: A bill (H. R. 15449) authorizing the Miami Indians of Indiana to submit claim to the Court of Claims; to the Committee on Indian Affairs.

By Mr. WATSON: A bill (H. R. 15450) to provide revenue for the Government by increasing the duties on manufactures of asbestos, and for other purposes; to the Committee on Ways and Means.

By Mr. TINKHAM: A bill (H. R. 15451) to establish in the Department of Commerce a bureau to be known as the bureau of building construction and housing; to the Committee on Interstate and Foreign Commerce.

By Mr. BYRNES of South Carolina (by request): A bill (H. R. 15452) to establish engineering experiment stations for the purpose of further developing that college in each State and Territory now receiving, or which may hereafter receive, the benefits of the act of Congress approved July 2, 1862, entitled "An act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts" and for the purpose of developing the natural resources of the United States as a measure of industrial, military, and naval preparedness; to the Committee on Agriculture.

By Mr. SINCLAIR: A bill (H. R. 15453) to amend section 14 of the food control act by extending the guaranteed minimum price of wheat for the crop of 1920; to the Committee on Agriculture.

By Mr. KAHN: Joint resolution (H. J. Res. 432) authorizing transportation for dependents of Army field clerks and field clerks Quartermaster Corps; to the Committee on Military Affairs.

By Mr. FRENCH: Concurrent resolution (H. Con. Res. 70) indorsing the European Relief Council; to the Committee on Foreign Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. AYRES: A bill (H. R. 15454) granting a pension to Margaret J. Page; to the Committee on Invalid Pensions.

By Mr. CARTER: A bill (H. R. 15455) granting an increase of pension to Ellie A. Hill; to the Committee on Invalid Pensions.

By Mr. ELLIOTT: A bill (H. R. 15456) granting an increase of pension to Rebecca E. Hosier; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 15457) granting an increase of pension to Kate N. Mytinger; to the Committee on Invalid Pensions.

By Mr. GALLIVAN: A bill (H. R. 15458) granting a pension to Johanna Murphy; to the Committee on Pensions.

Also, a bill (H. R. 15459) granting an increase of pension to Sarah E. Murray; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15460) granting a pension to Ellen E. Alger; to the Committee on Pensions.

By Mr. HULINGS: A bill (H. R. 15461) granting an increase of pension to Gordon W. Hall; to the Committee on Pensions.

By Mr. JACOWAY: A bill (H. R. 15462) granting a pension to Freida Steinert; to the Committee on Pensions.

By Mr. JOHNSON of Washington: A bill (H. R. 15463) granting a pension to Nellie A. Dalton; to the Committee on Invalid Pensions.

By Mr. McLEOD: A bill (H. R. 15464) granting a pension to Gustav F. Breiter; to the Committee on Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 15465) granting a pension to Winnie Runyan; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15466) granting a pension to Leah E. Ford; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15467) granting an increase of pension to Martha Jane Wilson; to the Committee on Pensions.

By Mr. SELLS: A bill (H. R. 15468) granting a pension to Louisa M. Walker; to the Committee on Pensions.

Also, a bill (H. R. 15469) granting a pension to Nannie Jackson Mitchell; to the Committee on Pensions.

Also, a bill (H. R. 15470) granting a pension to Frank C. Miller; to the Committee on Pensions.

Also, a bill (H. R. 15471) granting a pension to Robert Boles; to the Committee on Pensions.

By Mr. SHERWOOD: A bill (H. R. 15472) granting an increase of pension to Barbara Reineck; to the Committee on Invalid Pensions.

By Mr. SHREVE: A bill (H. R. 15473) granting a pension to Daniel Micheals; to the Committee on Invalid Pensions.

By Mr. ZIHLMAN: A bill (H. R. 15474) granting a pension to Lucinda Bittner; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4769. By Mr. DARROW: Petition of Philadelphia Board of Trade, opposing the passage of House bill 14904, amending the Federal reserve act; to the Committee on Banking and Currency.

4770. By Mr. ESCH: Petition of the National Association of Wool Manufacturers, concerning the equalizing of changes in the tariff duties resulting from fluctuations in the international exchange; to the Committee on Ways and Means.

4771. By Mr. JOHNSON of Washington: Petition of various citizens of the State of Washington, favoring the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4772. By Mr. O'CONNELL: Petition of National Association of Wool Manufacturers, concerning the equalization of changes in the tariff duties resulting from fluctuations in international exchange; to the Committee on Ways and Means.

4773. By Mr. TEMPLE: Petition of the Oakland Board of Trade, Pittsburgh, Pa., favoring 1-cent drop-letter postage in cities, towns, and rural routes; to the Committee on the Post Office and Post Roads.

4774. Also, petition of the Travelers' Club of Western Pennsylvania, Pittsburgh, Pa., favoring the passage of the Sheppard-Towner bill, House bill 10925; to the Committee on Interstate and Foreign Commerce.

HOUSE OF REPRESENTATIVES.

FRIDAY, *December 31, 1920.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

God of the universe, whose mandates are implicitly obeyed, under the dispensation of a wise Providence. Thou hast brought us to the threshold of a new-born year with its hopes and promises. The past is replete with Thy goodness. If we were wise we would follow the truths Thou hast placed before us, correct our mistakes, and live to what we know is right, just, and merciful, and be obedient to Thy will.

The recent great war ought to teach us common sense and reason, but we go on blundering, bringing untold misery to the world. Right is right and will live. Might makes for wrong, illustrated in the misery caused by war under the self-centered thoughts which lead ever to disaster. Quicken the spirit of the Lord Jesus Christ in our souls, that love may reign supreme. And Thine be the praise forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUNDRY CIVIL APPROPRIATIONS.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union, with Mr. WALSH in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes.

The CHAIRMAN. The Chair will state that when the committee rose last evening the gentleman from Iowa [Mr. GOOD] had used 2 hours and 19 minutes and the gentleman from Tennessee [Mr. BYRNS] had used 2 hours and 22 minutes.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield one hour to the gentleman from Tennessee [Mr. GARRETT].

Mr. BLANTON. Mr. Chairman, a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. This is such an important subject which is to be discussed by the gentleman from Tennessee [Mr. GARRETT] that I am sure we should have a quorum in the Committee of the Whole available, and it occurs to me that the gentleman from Iowa [Mr. GOOD] should have a quorum present to hear this important item discussed.

Mr. GOOD. I think there is a quorum in town, but it might develop there would not be.

Mr. BLANTON. We will have to develop only a hundred.

The CHAIRMAN. Does the gentleman make the point of order?

Mr. BLANTON. No; I will not make the point.

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] is recognized for one hour.

Mr. GARRETT. Mr. Chairman, when it was announced that the Committee on Appropriations had failed to bring in as a part of this bill an appropriation for continuing work upon the construction of the Muscle Shoals Dam, which, I believe, the engineers are accustomed to refer to as the "Wilson Dam," it brought a sense of disappointment, the magnitude of which it is rather difficult to express, to a very large number of people in a very large section of these United States. And if all phases of this matter could be fully understood by the people of the country generally I have no doubt that the regret would be well-nigh universal.

At the proper time during the consideration of this bill I understand that an effort will be made to have an amendment adopted which will carry an appropriation for continuing the work which is now in progress and which must otherwise stop the last of May, or the last of June at most. I desire to discuss this matter for a little while with the Members of the House. What I have to say is being said, Mr. Chairman, for the Members of the House. I am not speaking for the RECORD, and I have no thought of distributing my printed remarks, but I am speaking only in an effort to bring before the membership a true vision of what exists in the Muscle Shoals vicinity.

I should like to introduce you, in the first instance, to the Tennessee River. I should like for you to obtain——

Mr. SHERWOOD. Will the gentleman permit an interruption? How much has already been expended on the Muscle Shoals proposition?

Mr. GARRETT. I can not tell the gentleman the amount that has been expended, but there has been allotted to the dam about $17,000,000.

Mr. BYRNS of Tennessee. Twelve million dollars has been expended.

Mr. GARRETT. Twelve million dollars, I am informed by my colleague.

Mr. SMITH of Michigan. Are the remarks the gentleman is going to make based on having seen the Muscle Shoals proposition and from his observation in looking over the situation, or is he going only by the record and what is to be seen by that?

Mr. GARRETT. From the record and from personal inspection. I may say that such familiarity as I have with this project was brought about in a very large measure by my work as a member of subcommittee No. 5 of the special committee investigating expenditures in the War Department. That subcommittee made a pretty exhaustive investigation of what is known as the nitrates expenditures, and the matters concerning which I shall talk are largely involved in the question of nitrates. The committee personally visited that section of the country, holding hearings at Florence, Ala., for many days, and personally visited the site of this dam and viewed the work that was in progress just about 11 months ago. We also visited the nitrate plants Nos. 1 and 2, of which I shall speak, inspecting them thoroughly.

Geologists tell us that if you will begin in the vicinity of Washington and run down the Potomac River and around the coast and up the James River to Richmond, and thence trace in a southerly direction down through the Muscle Shoals vicinity, you will have roughly outlined the old coast line of the Gulf of Mexico. There are many streams in this territory. The largest of them is the Tennessee River.

This river has its beginning in that section of the United States in which there is the heaviest waterfall except, as I now remember it, in the State of Washington. All the country is reasonably familiar with the Ohio River and the Ohio River section, because that river and that section have been improved and developed. It may surprise some to know that the Tennessee River flows through a section whose possibilities are quite as vast as are the possibilities of all that great section of the country drained by the Ohio. The Tennessee River is formed by the junction of the Holston and the Clinch, which come together about 4 miles above the lovely and thriving city of Knoxville. It flows in a southwesterly direction, passing the great city of Chattanooga and enters the State of Alabama a few miles below that city. It sweeps in something of a circle through the northern end of Alabama and runs through a corner of the State of Mississippi, and then, like all true and loyal Tennesseans, turns back into the mother State. It flows then in a northerly direction until it forms a junction with the Ohio. And another fact which may be somewhat surprising to many is that at the junction between the Tennessee and Ohio Rivers the Tennessee is the larger of the two. The volume of water, in other words, is greater in the Tennessee at the point where it empties into the Ohio than is the volume of water in the Ohio at that point.

Mr. WHITE of Maine. Mr. Chairman, will the gentleman yield there?

Mr. GARRETT. Yes; I shall be glad to.

Mr. WHITE of Maine. Can the gentleman indicate what the flow per second is?

Mr. GARRETT. I do not know; I have not those figures in mind.

Mr. WHITE of Maine. Is the stream subject to a wide fluctuation in flow? Is there a period of freshet and then a period of low water?

Mr. GARRETT. Of course, they have periods of high water, but from the Muscle Shoals—and that, by the way, is where the river gives indication of getting disgusted and begins to turn back home—from Muscle Shoals to its mouth at the Ohio River there is practically year-round navigation for substantial river craft.

Mr. WHITE of Maine. The gentleman does not know what the flow is at Muscle Shoals?

Mr. GARRETT. No; I can not tell that.

Mr. BARKLEY. Mr. Chairman, if the gentleman will yield there for a suggestion, I will say that the Tennessee River has a greater uniformity of flow during the entire year than the Ohio. The Ohio has the larger freshets and floods, which take it outside of its banks, but the Tennessee River, most of the time, stays within its banks, and has a constant flow of water throughout the year.

Mr. GARRETT. I thank the gentleman. I am sure the gentleman's statement is correct.

Now, this improvement, the continuation of which we so earnestly desire, has two great aspects. One is the navigation feature and the other is the development of hydroelectric power; and connected with the latter—that is, the development of the hydroelectric power—there are two other aspects, to wit, the manufacture of fertilizer and the maintenance of what every military man declares to be the greatest material military asset of the Government, to wit, nitrate plant No. 2, located within 2 or 3 miles of this dam, in the vicinity of Muscle Shoals. Therefore all of the basic industries of man are directly involved, and are to be affected by this improvement, to wit, agriculture, mining, manufacture, and commerce.

This river flows through regions rich in minerals; the iron and coal, the marble, the zinc, the barites of east Tennessee; the great iron fields of the Birmingham region of Alabama and the coal fields as well; and in its lower reaches it flows through the rich agricultural section of northern Alabama, Mississippi, western Tennessee, and Kentucky.

Now, that which I am particularly interested in is that gentlemen shall get and keep clearly in their minds what works are there now, and consider them in the light of the possibilities. It is because we in that section know them so well that we are unable to understand the action of the committee in withholding an appropriation for the continuation of a project which has been advanced to the point where it is 30 per cent or more complete. They do not understand it down in Tennessee and other States of the southern section. They know that it is not a local matter. They know that it extends far beyond any neighborhood improvement or any merely local or provincial

expenditure, and therefore they are puzzled. They wonder what this omission means. Does it mean that the majority party which now controls the Congress has determined to abandon the policy of development which was then begun? Does the withholding of an appropriation at this time mean that it is the purpose of the dominant powers in this Congress to abandon that work, to let it fall into ruin, and to let that great development go by? Its vastness and the knowledge which exists in the community is that which has brought wonder and apprehension to the minds of the commercial, the industrial, the agricultural interests, all the interests of that vast section.

I do not remember, Mr. Chairman, a time throughout my experience here when I have ever before undertaken to add to the amount carried in an appropriation bill, no matter what party was in power. My disposition has always been to try and aid those who are endeavoring to hold down appropriations. If it was a matter of beginning this activity at this time I should not think, under the conditions which prevail, of pressing; but it has already begun; it is in process of building. If it shall be abandoned the loss to the Government has been estimated, I think, by one as high as $4,000,000, as the result of the temporary cessation of the work for even a few months.

Mr. DUNBAR. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. DUNBAR. Will the gentleman kindly tell us how much money would be required to complete the Muscle Shoals project?

Mr. GARRETT. Does the gentleman refer to the dam?

Mr. DUNBAR. I refer to the dam and to the entire construction work that is now going on.

Mr. GARRETT. Unfortunately I am not able to tell the gentleman. The Secretary of War stated before the Committee on Appropriations, as I see from the hearing, that it was estimated that the total cost of the dam might amount to as much as $45,000,000. But there were various elements involved. That, for instance, was based on the price of concrete at a dollar higher than it is now, and upon various other elements, so that that is nothing but an estimate. I can not give the gentleman any specific figures as to what the cost of the construction of the dam will be.

Mr. DUNBAR. How much has been expended on the construction of the dam thus far?

Mr. GARRETT. My colleague from Tennessee [Mr. BYRNS] informs me that on the construction of the dam thus far there has been $12,000,000 expended and obligated.

Mr. DUNBAR. Then there would be required $33,000,000 more?

Mr. GARRETT. No; $17,000,000 has already been allotted. All that is being asked for at this time, I understand, is about $10,000,000.

Mr. ALMON. Seventeen million dollars has been made available on the dam, and $12,000,000 has been expended and contracted for, and about $5,000,000 more is to be used to continue the work until the 1st of May next.

Mr. DUNBAR. Then the appropriation will bring the total up to $25,000,000?

Mr. ALMON. It will bring it up to $27,000,000; and, assuming that it would take $40,000,000, there would be required $13,000,000 in addition to the $10,000,000 asked for.

Mr. GARRETT. Now, I want to state what has been done, so that gentlemen may have a clear idea in their minds of the material things which exist there.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. CHINDBLOM. I confess, by reason of my short membership in the House, that I have not the information on this subject that other Members have. I would like to ask the gentleman now speaking, or some other gentleman interested in the matter and having full information, what congressional initiative or sanction there has been heretofore for the work?

Mr. GARRETT. I am just coming to that. Let me say, first, however, that all of the work which has been done at Muscle Shoals and in the vicinity of Muscle Shoals has been the object of very great criticism. It is criticized vigorously in the report of the Graham committee, made to this House at the last session. In minority views filed in connection with the report I pointed out my dissent from much of that criticism, but I do not wish now to go into any discussion of the past. I am ready, however, to discuss that if occasion should ever arise.

Here is substantially the answer to the inquiry of my friend from Illinois [Mr. CHINDBLOM]. For many years efforts were made here to get development started at the Muscle Shoals. So far as I am able to learn from the hearings, one of the first men of the country to vision the great possibilities which existed there for power and for the development of navigation was that very eminent and very practical statesman, the late Hon. John T. Morgan, of Alabama. [Applause.] He saw clearly the possibilities of power development and its consequent benefit in this great, rich section.

Various Members of Congress from the eighth Alabama district, our lamented friend, Judge Richardson, whom many of us here remember so well; probably "Fighting Joe" Wheeler, who preceded him—though I have no record of his activity in that regard—and our worthy friend who now represents that district, Judge ALMON, kept alive, by bills introduced, efforts to bring about congressional recognition of these possibilities and the development of these great powers.

The first legislation on the subject was that contained in the national defense act. I mean now legislation other than surveys. The national defense act was passed in 1916, and in that act it was provided—with the permission of the committee I will insert the language of the act—it was provided that the President should select some point deemed proper for the development of a plant for the manufacture of fertilizer in times of peace and munitions in times of war, and develop water power to be used in connection with the manufacture of these materials—I am not quoting the language accurately, but the act will speak for itself—and appropriating $20,000,000 with which to begin the work. It probably was hoped at that time that $20,000,000 would cover the expense, but it has not done so. The act upon which all the dam work is based is as follows:

Section 124 provided, in part, as follows:

> The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as in his judgment is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if in his judgment such means is best and cheapest, such site or sites upon any navigable or nonnavigable river or rivers, or upon the public lands, as in his opinion will be necessary for carrying out the purposes of this act; and is further authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment, or other means than water power, as in his judgment is the best and cheapest, necessary, or convenient for the generation of electrical or other power, and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

Another part of the section appropriated $20,000,000 for the work.

Now, I wish you to get clearly in your mind this—and I merely express my own view of the matter: This dam ought to be completed, in my opinion, whatever Congress may determine shall be the fate of nitrate plant No. 2.

Mr. CHINDBLOM. Will the gentleman yield for one other question?

Mr. GARRETT. Yes.

Mr. CHINDBLOM. Is that then the only legislation that has been had that might be said to relate directly or indirectly to this project?

Mr. GARRETT. That is the only legislation under which the dam is being constructed. Of course, the nitrate plants were built out of entirely different appropriations, except a part of plant No. 1.

Mr. CHINDBLOM. Has this particular project directly by name been recognized or mentioned in any legislation by Congress, or has all of the money been expended under appropriations made for general purposes under the direction of the President or the War Department?

Mr. GARRETT. All of the expenditures that have been made upon the dam have been out of the $20,000,000 appropriated in the national-defense act for that purpose. No other appropriations have been made for it.

Mr. HUSTED. Do I correctly understand the gentleman to concede that at some portion of the year at least the water power would not be sufficient to operate this plant to its full capacity?

Mr. GARRETT. To operate the nitrate plant No. 2?

Mr. HUSTED. Yes.

Mr. GARRETT. No; I do not concede that. The facts are otherwise.

Mr. HUSTED. There would always be sufficient for that purpose?

Mr. GARRETT. The minimum power that will be developed there will be sufficient always to operate nitrate plant No. 2.

Mr. HUSTED. But will the water power be sufficient to operate the plant in all of the phases of its activities which the gentleman has detailed?

Mr. GARRETT. That is my understanding.

Mr. HUSTED. At all times?

Mr. GARRETT. At all times the minimum water power will operate the plant and leave an excess, and during much of the

time there will be a large excess of power developed by this dam alone which can be marketed.

Mr. ALMON. If the gentleman will yield, I will state what is shown on that subject in the hearings before the Committee on Appropriations. Col. Hugh L. Cooper, who was referred to as the engineer who built the Keokuk Dam, wrote a letter to the engineering department which was printed in the hearings, estimating the power which will be developed by this dam, as follows: Seven hundred million kilowatt-hours per annum average primary power and 1,470,000,000 kilowatt-hours per annum secondary power, which expressed in horsepower is about 125,000 primary and 375,000 secondary horsepower. The secondary power will be used to operate the nitrate plant, and there will be at least 200,000 horsepower primary power for sale by using the steam plant for a short time at lowest stages of the river.

Mr. GARRETT. Coming back to the question of what we have there, two nitrate plants have been constructed in the immediate vicinity, one of them in the very edge of the town of Sheffield. That is a plant which was experimental in character, by which it was proposed to make fixed nitrogen by a modified form of what is known as the Haber process; and I venture to beg the attention of the gentleman from Iowa to that.

Mr. GREEN of Iowa. I am entirely familiar with the Haber process.

Mr. GARRETT. I was speaking of another gentleman from Iowa [Mr. GOOD]. The gentleman from Iowa [Mr. GOOD] perhaps confused in his mind yesterday the two processes, the Haber process and the cyanamid process.

Dr. Herbert L. Parsons visited Europe shortly before we entered the war, some time in 1916, to be exact, and made a study of the various nitrogen-fixation processes in France, Norway, and other countries of Europe. He did not have the opportunity of examining in detail the Haber process as it was then being developed in Germany.

Now, gentlemen, if Germany at the time she entered the war and initiated the great world struggle had not been absolutely assured that she had developed the Haber or some other process of nitrogen fixation to the point where she could be certain of an almost unlimited supply of nitrates, she never would have precipitated the war at the time she did.

The thing which I called attention to yesterday, and which gentlemen must bear in mind in connection with this, is that Chilean nitrates do not of themselves answer more than one-half of the military requirements of the world. Always you must bear in mind the military necessity for ammonium as distinct from sodium nitrates, which is the Chilean nitrate, and ammonium is produced by atmosphere fixation, by the by-product of coke ovens, and by the stripping of the gas in the artificial-gas producing plants of the country.

Upon the nitrate part of plant No. 1, located near Muscle Shoals, there was expended some five or six million dollars. That, as I said, is a modified form of the Haber process.

Dr. Parsons, I think, believes in the full efficacy of that process. My friend from Ohio [Mr. LONGWORTH], who has discussed this question more on the floor of the House than anyone else, is, as I understand, also a believer in the Haber process. There are a group of chemical scientists in the country who are of the opinion that eventually the Haber process of nitrate fixation will be developed to a point when by that method nitrates can be fixed at a cheaper cost than by the cyanamid process which is used by the American Cyanamid Co., and which is the process for the use of which plant No. 2 was built.

There is no connection whatever between the process used in plant No. 1 and that used in plant No. 2, which latter is the big project. But we must bear in mind that, however hopeful gentlemen may be of the eventual development of the Haber process, it does yet remain speculative in this country, and the cost of production by it is necessarily speculative.

Mr. SIMS. Will the gentleman yield?

Mr. GARRETT. I will.

Mr. SIMS. Is the Haber process covered by a patent, and do we have to pay a royalty for the use of it?

Mr. GARRETT. Whatever patents there are of the German process, and, of course, the German patents were taken over during the war. There would be no difficulty growing out of any patent rights or improvement held by the citizens of Germany.

Mr. SIMS. I wanted to know what it was going to cost the Government.

Mr. GARRETT. So far as the Haber process is concerned, the cost is speculative because it has not been developed in America. A very small quantity of fixed nitrogen was turned out from plant No. 1, but it was never satisfactory in operation.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. GARRETT. Yes.

Mr. GRAHAM of Illinois. I know the gentleman does not want to be inaccurate about this, but it was developed that in Germany the use of the Haber process was very successful.

Mr. GARRETT. Indeed, it was, and I have made that statement. If it had not been a fact that Germany knew that the Haber process had been developed to an absolute success she never would have entered on the war because Germany not only depended upon the strategy of war, not only appreciated tactics in battle, but Germany more than any other nation up to that time realized the necessity for proper logistics in war. By logistics I mean that part of the military art which deals with the supply and movement of materials and munitions for the armies.

Mr. HUSTED. Will the gentleman yield?

Mr. GARRETT. Yes.

Mr. HUSTED. Does the gentleman happen to know what proportion of nitrate used in commercial fertilizer is produced in this country by any process?

Mr. GARRETT. I can not tell the gentleman; there are different processes. Of course, the by-product of the coke oven is one, and there is a certain amount of fertilizer manufactured from garbage. I think the American Cyanamid Co. is manufacturing on the Canadian side at Niagara Falls considerable cyanamide, which finds its way into fertilizer.

Mr. HUSTED. I was interested in knowing what proportion we imported through Chilean nitrate of soda.

Mr. GARRETT. I can not give the gentleman the figures.

Mr. ALMON. If the gentleman will pardon me, I refer the gentleman from New York to a copy of the hearings before the Senate last April, in which that information is given in detail.

Mr. GOOD. Would it disturb the gentleman if we go back to the power development?

Mr. GARRETT. Not at all.

Mr. GOOD. All the data that I had was gathered largely from the Senate hearings, and if the gentleman will look on page 15 I think he will find quite a different picture from that drawn by the gentleman from Tennessee.

Secretary of War Baker had spoken of the fact that the power plant would develop 200,000 primary horsepower. I will read from the hearings:

Senator NORRIS. How much power will it develop?
Secretary BAKER. It will develop 200,000 primary horsepower.
Senator NORRIS. The year around?
Secretary BAKER. That is primary power; yes, sir.
Senator NORRIS. When that is developed the steam units will be of no consequence, will they?
Secretary BAKER. The steam units will be of consequence, because they will be used to supplement the low stage of the river.
Senator NORRIS. Then the horsepower developed by water power that you have given applies only to the maximum and not to the steady flow?
Secretary BAKER. That was the primary power. Then, in addition to that, they have 200,000 horsepower secondary power.
Mr. ROBERTS. They claim it can go up to 400,000, but that 400,000 can only be used, a part of it, for six months.

Mr. GARRETT. Will the gentleman permit me right there? The testimony of the Secretary—it can not be a misprint—but everywhere else it has been drilled into us that the primary or minimum horsepower would be about 100,000.

Mr. GOOD. He speaks of it all the way through as 200,000 horsepower, and it was stated before the Committee on Appropriations that it was 200,000 horsepower.

Mr. ALMON. That was with reference to the supplementary horsepower to be secured from steam-plant power.

Mr. GOOD. To continue the reading:

Senator NORRIS. What proportion of the year can you develop that 200,000 every day?
Mr. ROBERTS. Well, sir, I will tell you—I will have to answer that this way: We have got it all here in detail that we are going to present to you. But the river does have some few days in some years when it gets down as low as 70,000 kilowatts. I have to think in kilowatts, because all the power is measured in kilowatts, and a kilowatt is 1⅓ horsepower. You see, 75,000 kilowatts is exactly 100,000 horsepower. For a short period of time we will have to run the steam plant. It is figured that if we supply industry on the 8-hour basis, or two-thirds, if we were going to sell that power to industry, the best way to do it——
Senator NORRIS (interposing). What I am trying to get at is your maximum and the minimum power. In the driest day of the driest year during the time the stream has been measured, how low would the horsepower be?
Mr. ROBERTS. I think it has gotten down as low as 89,000 horsepower.

The point I was trying to get at is that I stated yesterday it would be necessary to use this auxiliary steam plant to produce nitrogen, if nothing else was done to produce it at its maximum, and that was based on that statement, which seems to be at variance with the statement of the gentleman.

Mr. GARRETT. Yes; but that statement, I think, is an error. My recollection is that it will require only 60,000 horsepower to operate nitrate plant No. 2 at any time, and the minimum which the gentleman has just read there of production will be 89,000 horsepower. My attention has just been called by the gentle-

man from Alabama [Mr. OLIVER] to the fact that in the hearings before the Committee on Appropriations, at page 985, the minimum is fixed there at 100,000 horsepower. It is said that there can be a maximum of 500,000 horsepower produced by the putting in of additional turbines and various things, but nobody is asking for anything of that sort now; 100,000 as a minimum, or 89,000 as a minimum, will be always all that will be required to operate nitrate plant No. 2—in fact more. As I recall the testimony, 60,000 horsepower will operate plant No. 2 in all its units.

About the steam power plant, let me drop this thought here: In order to obtain the full benefits from your maximum water-power capacity it will be necessary always to keep ready for operation and sometimes operating the big power plant which now stands in the grounds of nitrate plant No. 2. Every large hydroelectric plant in this country is supplemented by a steam-power plant. The reason for that is that it is an economic desideratum; otherwise you could never contract for the sale of your water power except at the minimum capacity; whereas during eight or nine months of the year you can develop, say, 200,000 or 300,000 water power, and in selling your power you can fix upon an average, and then when it falls below that average and goes to the minimum, if you have kept your steam-power plant in the correct stand-by condition, you can immediately put it into operation and thereby supplement your water power and make it economically profitable. Therefore this steam-power plant ought to be maintained in connection with the water-power development at Muscle Shoals. Only by that can the highest and best economic results be obtained.

Mr. GOOD. Mr. Chairman, will the gentleman yield further?

Mr. GARRETT. Certainly.

Mr. GOOD. The gentleman is familiar, of course, with the plan to supply industries and municipalities that would like the power in the vicinity of Muscle Shoals. Does not the gentleman see that to do that it will be necessary to draw very largely at some seasons of the year on the steam-power plant, and, if the argument of the gentleman is correct that it is necessary to have the water power in order to bring low production costs, which will necessarily increase production costs to produce nitrogen at the same time to supply this light and power?

Mr. GARRETT. The gentleman is correct; if they undertake to run the plant and at the same time sell an excess of power. I would suppose, as a matter of course, that if there be merely 100,000 water power developed as a minimum, and they require 60,000 horsepower to operate this dam, and if the Congress shall subsequently determine that the plant shall be operated as a fertilizer plant in accordance with the suggestions that have been offered by the War Department, that they will not enter into contracts for the sale of blocks of this power very much in excess of 40,000 horsepower to the surrounding cities.

I said a while ago that this dam ought to be completed, whether nitrate plant No. 2 is put into operation or not. That is my opinion about it. I do not know whether my colleagues who are interested in this project share that opinion with me or not, but I think so, and because there can be, without the operation of this nitrate plant, sales of this power to all of the industries surrounding it. Let me call attention to this fact: Within 135 miles up to the northeast of Muscle Shoals is the city of Chattanooga. About 100 miles north is the city of Nashville. About the same distance south is the city of Birmingham, and then some 125 miles to the northwest is the great city of Memphis—four great cities with developing industries, and all the country in between developing; and let me say this, further: Between this plant and Nashville, Tenn., there lie the principal phosphate beds of the United States, outside of those of Florida. The three elements that compose fertilizer are phosphate, nitrate, and potash. So that even without this nitrate plant, in view of its location it seems to me it would be most desirable to develop this dam, not only for its future effect on navigation but for power purposes, particularly in view of the fact that it is started and of the unique situation which there prevails.

Mr. GOOD. What alarmed me when I read of the scheme of the War Department to produce nitrogen in such large quantities was the statement that they would make out of the sale of power at the same time that they were producing nitrogen something over $2,000,000. It seemed to me that the two things were not physically possible. I did not think that they could produce nitrogen in any amount that was required and at the same time sell power to any such extent as that.

Mr. GARRETT. If this dam will develop, as I understand it will, a minimum of 100,000 horsepower, and it will require only 60,000 horsepower to operate nitrate plant No. 2, there would be 40,000 horsepower left for sale at all times without the necessity of having to bring the steam plant into operation.

Mr. SIMS. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. SIMS. I understand the Government or the company that operates these nitrate plants in making nitrogen will have to pay a royalty on the patents. In the contract to pay this royalty is there any limitation as to the number of tons, or whatever the unit of measurement may be, per annum? In other words, will the Government be forced to manufacture a certain amount of nitrates? If they do, of course they are bound to use that much power, which can not be sold. I am very much taken up with the idea that the gentleman has stated that the power itself is worthy of the project, but if we have a limitation in the contract that we must make so many tons of fertilizer, or pay these companies so much royalty whether we make it or not, that fact may be very much in the way.

Mr. GARRETT. Royalties do have to be paid.

Mr. SIMS. Whether used or not?

Mr. GARRETT. That has nothing to do with the amount of power. The royalties will have to be paid upon the amount of nitrogen turned out from plant No. 2, as also from plant No. 1.

Mr. SIMS. And they demand that they must produce so much?

Mr. GARRETT. No; it is not stipulated that they must produce any given amount. There will be a royalty simply on what is produced. But there has been some question about these contracts entered into with Mr. Washburn, of the American Cyanamid Co., and his company. If the bill to provide for the operation of nitrate plant No. 2 as a fertilizer plant shall come before the House, it will be necessary then to notice very carefully those contracts. That is a question of contention, and I shall not now enter into a discussion of whether the contracts are fair or not.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GARRETT. I will.

Mr. CHINDBLOM. Is there any other plant where power is generated and sold to private enterprise by the Government of the United States?

Mr. GARRETT. Not to my knowledge.

Mr. CHINDBLOM. This will be the first experiment of that sort?

Mr. GARRETT. So far as I know, it will be the first experiment of that sort, and, as I said in the beginning, if this were to start the proposition, under conditions now prevailing, I would not be here advocating it. I am making my appeal in behalf of the project or projects upon which some $100,000,000 of the money of the United States has been expended, and which if we withdraw will go absolutely to waste. Now, let me emphasize this in regard to nitrate plant No. 2: You must not lose sight of the fact, gentlemen—here are where the logistics of war come in—that that plant constitutes to-day the Government's greatest material military asset. Now, it does not matter whether gentlemen agree that was the right place to locate it or not, whether in the struggle between communities to obtain this project another might have been chosen. Personally I think it was a most desirable place, although many points in my own State were suggested for it, but that question is wholly immaterial. It is not a question of whether it was wise to embark, if you please, in the building of it. That is not now a live question. The fact remains that there stands a plant which has cost the Government many millions of dollars, and to-day it is the greatest nitrate plant anywhere upon the earth, and which is an absolute success, as has been conclusively demonstrated in its operations since the signing of the armistice.

You can not get in your minds a picture of the magnitude of the plant without visiting it. You may see it in the movies, you may see photographs of it, but you can not by these envision its bigness. The main and principal building of that plant, in which one of the processes essential to the manufacture of cyanamid is carried out, is, as I now remember, one-third larger than this Capitol Building itself, 100 feet wide and 1,000 feet long. It has a capacity, working at full power in all of its units, of 110,000 tons of ammonium nitrate per year. Now, it is desirable from a military standpoint alone, in my opinion, and the recent war has taught us that, for this Government to have ready at a moment's notice such a plant as this which it can put into operation within 24 hours and begin to produce that material without which no nation can live either in war or in peace.

Mr. FESS. Will the gentleman yield?

Mr. GARRETT. I will yield to the gentleman from Ohio.

Mr. FESS. Is my impression correct that the nitrate plant is dependent upon the completion of the dam?

Mr. GARRETT. No, sir. Its economic operation in times of peace as a fertilizer plant would require power from this dam,

but they have there now a great steam power plant. There is also built in connection with it a transmission line from the Warrior River, 90 miles away, which supplies 30,000 horsepower. These can be used in war time, when costs are disregarded. That Warrior River plant is the plant of the Alabama Power Co., and, by the way, let me say right here, if gentlemen will do me the honor to read the minority views which I presented with the Graham report, they will find that I concur with the majority upon certain phases of it. I said there that the Alabama Power Co. did not stand in a favorable light in the records before the committee. That company to-day—it is an English concern, by the way, and is, I think, mostly owned by English capital—practically has a monopoly of the water power in northern Alabama, and perhaps the whole State of Alabama.

Mr. FESS. I think I was misled by the suggestion of the gentleman that whatever we do with the nitrate plant we ought to finish the water-power plant.

Mr. GARRETT. I think that is true. I think we ought to finish the dam, that is my individual opinion, whatever we determine to do with the nitrate plant.

Mr. FESS. The nitrate plant does not depend upon finishing the dam?

Mr. GARRETT. But its economical operation would depend very largely upon power from this particular dam, as I see it.

Mr. HUSTED. Will the gentleman yield?

Mr. GARRETT. I do.

Mr. HUSTED. Does the gentleman happen to know how much it has cost since the armistice to produce nitrate per ton at plant No. 2?

Mr. GARRETT. I know there was a test in January, 1919, just about a year ago, when there was the first and I believe the only test that has been had, but gentlemen can readily understand that the main purpose was to determine whether it would do the thing intended to be done.

Mr. HUSTED. Pardon me there. Did the test develop to the extent of showing that the cost was prohibitive in turning out commercial fertilizer——

Mr. BANKHEAD. If the gentleman will allow me to answer that question, the cost under actual experimentation of the production of ammonium nitrates showed that it was $65 a ton, not at all prohibitive, but cheaper than the current commercial rate.

Mr. CHINDBLOM. Are figures available as to the possible capacity of production of plant No. 2?

Mr. GARRETT. Yes, sir; it can produce 110,000 tons of ammonium nitrate. Now, let me explain——

Mr. CHINDBLOM. In what time?

Mr. GARRETT. In a year. Now, let me explain what is desired by this bill that is pending before the Military Affairs Committee of the House and that has been reported from the Committee on Agriculture of the Senate.

Up to a certain point—of course, these things are pretty technical, and not being a chemist I shall not attempt to make a technical explanation—up to a certain point the processes used in the manufacture of ammonium nitrate and ammonium sulphate are precisely the same. In other words, this material starting in at the beginning of the plant as limestone of very high order and coke runs down through the various processes of manufacture until it finally reaches the stage of ammonium nitrate.

Now, they can begin back at a certain point—I do not remember how many units behind; can the gentleman from Illinois [Mr. GRAHAM] refresh my recollection about that?—some two or three points behind the finished product of ammonium nitrate—they can put in some additional equipment, estimated, I believe, to cost, or it was at the time, about $3,000,000, and turning the process there can manufacture ammonium sulphate, which is the desirable form of ammonia for fertilizer purposes. I understand ammonium nitrate has all the fertilizer properties, that it has, indeed, a higher percentage of nitrogen than ammonium sulphate has, but by reason of its peculiar nature it is not and never has been anywhere used to any appreciable extent as a fertilizer. Therefore, to put nitrogen into the form that is desired and to make it a commercial proposition, it will be necessary to turn the plant into an ammonium-sulphate plant. Now, that can be done, as I said a few moments ago, without affecting the ammonium nitrate possibilities or units, and upon a notice of only 24 hours, should war come, the sulphate units can be stopped and the nitrate units put into operation, and you have started on the process of creating that basic element of destruction in war. As a military asset, therefore, gentlemen, consider and consider seriously the matter of the preservation of this plant. It is not possible, in my opinion, to dispose of this plant to private parties at any price that would remotely approach a just return to the Government of the expenditures it has made.

I have tried to study this matter in all of its various phases. I, as gentlemen here who have associated with me and know the bent and tendency of my mind realize, have uniformly been opposed, and am now opposed, to Government operation of industry where it can be done by private parties under ordinary conditions. But this proposition is so unique, it is so remarkable, that I have come—I confess with reluctance, because it has run counter to my feelings and convictions through all life—to the conclusion that it is to the interests of the Government to put this plan into operation, to expend the relatively small amount that would be required—and I shall discuss it further if it ever comes before the House—to make of plant No. 2 an ammonium-sulphate plant, thereby assuring ourselves that it will be retained and continue to be what it is now, the Nation's greatest matériel military asset, ready for instant and effective use in time of national need.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I yield 15 minutes more to the gentleman.

Mr. HUDSPETH. Will the gentleman tell us what in his judgment will occur if this appropriation that is asked for is not made relative to that plant? What in your judgment will be the result?

Mr. GARRETT. If this appropriation is not made——

Mr. HUDSPETH. At this time.

Mr. GARRETT (continuing)—and no appropriation is made anywhere else; practically all the work of preparation which has been made there will have been wasted, even if it should be revived a year from now.

Let me emphasize, Mr. Chairman, this point, that our people, recognizing as they do that this is not a local project, but that it is a national one, are very apprehensive on account of the committee's action, because they are fearful it means that the party in power has determined as a policy that this project is to be abandoned; that the nitrate plant is to be permitted to fall into ruin, and that the dam, so much of it as has been constructed, is to be permanently thrown away, so far as the Government is concerned. It would be absurd, let me venture to say—and I do not care to use harsh language—if it is the purpose in the future to carry on this work it would be absurd to stop it now. The force that is required has been organized there by the engineers of the War Department. They have all the labor that is necessary now. There are 5,000 or more workmen there. The moment that plant shuts down that labor will drift to the four winds of the earth. If within a year thereafter it should be determined to start it, all the work of organization will have to be done over again, all the force will have to be built up. Not only that, but the physical properties that have been built there, the cofferdams, will deteriorate, necessarily; they will probably be swept away by high water. The bridge itself is in danger. I saw it stated in the record that Col. Cooper, who has been referred to in this debate, and referred to favorably by all, the builder of the Keokuk Dam and the consulting engineer upon this project, had stated his estimate of the loss to the Government if it should be abandoned over a period of time sufficient to permit the organization to go to pieces would be in the neighborhood of $4,000,000.

Mr. CHINDBLOM. Will the gentleman yield?

Mr. GARRETT. I yield.

Mr. CHINDBLOM. Am I correct in the understanding that about $100,000,000 has been spent on the nitrate plant and about $17,000,000 by the President for the dam?

Mr. GARRETT. Seventeen million dollars has been allotted by the President for the dam. My recollection is that the expenditure on the plants Nos. 1, 2, 3, and 4 and the dam was about $116,000,000. I can not give the gentleman the exact figures on 1 and 2, but there was $7,000,000 or $8,000,000 each on 3 and 4, at Cincinnati and Toledo.

Mr. ALMON. If the gentleman will yield, I will say that I think there was about $13,000,000 spent on plant No. 1 at Sheffield and about $72,000,000 on plant No. 2. The hearings will show.

Mr. GARRETT. The Graham report states, and I read from it—

> The committee finds there has been expended for construction upon the Government's nitrate program to the present time the sum of $116,194,934.37.

That included the expenditures on the dam and on plant No. 1 and plant No. 2, located at Sheffield and Muscle Shoals, and upon plants 3 and 4, which were begun at Cincinnati, Ohio, and at Toledo, Ohio.

Mr. CHINDBLOM. I ask, not in the spirit of criticism at all, but only to ascertain the facts, how much of that money was expended in experimentation?

Mr. GARRETT. Let me say this—my view of it is that all of plant No. 1—that is, the ammonium part of plant No. 1—was really an experiment. The amount expended on that part was something like $5,000,000 or $6,000,000. I think that was all experimental, because the Haber process had not been developed at that time up to the point of success in this country, nor has it yet been so developed. The cyanamid process was a complete and an entirely successful process. Nothing was expended on experimentation in that regard. Let me say, because I do not want to be misunderstood, that I think the Government was entirely justified in expending the amount they did expend on experimentation. It required more than seven years of intense experimentation in Germany to bring the Haber process up to the successful producing point.

Mr. CHINDBLOM. Was there money expended on the other three plants in experimentation?

Mr. GARRETT. No. Plants No. 3 and No. 4 were to use the cyanamid process. They were to be duplicates, each one of them half the size of plant No. 2 at Muscle Shoals. In other words, the two were to have each a capacity of 55,000 tons per annum.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Gladly.

Mr. HUSTED. Is it not true that the engineers in charge of this project have heretofore examined it rather from the military than from the commercial point of view? For example, has there been any real comparative examination of the cost of producing nitrogen which will have to be used at these plants as against other possible means of producing it in the country?

Mr. GARRETT. Yes; I will say to the gentleman that since the armistice, during the year 1919, a very careful study was made by officers of the Ordnance Department of costs of production, with a view to determining whether or not it could be economically operated as a fertilizer plant, and those figures are contained in what is known as the Glasgow report. It was from that report that I obtained my first knowledge of them. It was a comparison of the cost of Chilian nitrates particularly, and I am sure that fuller and more elaborate information was given in the hearings that were had before the Senate Committee on Agriculture.

Mr. HUSTED. I was particularly interested to know whether it covered also the possible production at a place like Pittsburgh, for example, where we have large coke ovens, and where it is said it can be produced very cheaply.

Mr. GARRETT. It was compared with the cost of production of ammonia from the coke ovens. The conclusion was that they could, after a comparison with the Chilian nitrate, and with the by-products of the coke ovens—the Government could afford to operate this as a commercial proposition. Of course, it is true that the War Department has the military concept in its mind, and its primary interest is undoubtedly to preserve it as a war instrument. There is not, I am sure, any question about that.

Mr. HUSTED. They are not usually very much concerned with cost. That is, it is not a primary consideration with them?

Mr. GARRETT. That is quite true, but I think in this instance they have very scrupulously studied that question of costs with the commercial idea in view; but of course they have the military idea, and I have it. I think that until we have reached a point where, by the invention of man, the necessity for these nitrates will be done away with, or until we have reached a point where some cheaper process is shown to be practicable in their production, it would be the height of folly for this country not to take advantage of the lessons it learned from the late war and maintain in a going condition this great plant which has cost the country from $70,000,000 to $80,000,000.

Mr. GREEN of Iowa. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. GREEN of Iowa. I do not understand why the gentleman refers to the Haber process as the experimental one, and the cyanamid process as a demonstrated success, when very large quantities of ammonium nitrates have been made by the Haber process, not in this country but elsewhere.

Mr. GARRETT. I meant in this country, I will say to the gentleman.

Mr. GREEN of Iowa. But very small quantities, or at least comparatively small quantities, have been made by the cyanamid process anywhere.

Mr. GARRETT. Oh, no. The gentleman is mistaken about that.

Mr. GREEN of Iowa. No; I am not mistaken. I have the figures at my command. Where will the gentleman say it is being made at the present time by the cyanamid process except as a by-product in small quantities?

Mr. GARRETT. The gentleman knows that the cyanamid was the first process to be developed.

Mr. GREEN of Iowa. No; the arc process was the first.

Mr. GARRETT. I mean between it and the Haber process. The cyanamid process has been used in various countries in Europe. Germany itself has used the cyanamid process during the war, although the great bulk of nitrate has been produced by the Haber process or its modifications. But we have never had the Haber process in this country. The process which the General Chemical Co. has experimented with, and which was later put into plant No. 1 at Sheffield, was not the Haber process itself. It was a modification of the Haber process, and I apprehend there would be quite a contest between the General Chemical Co. and any one who claimed that the German process patents had been infringed upon by that company. Of course, as I stated in the very beginning, it was a tremendous success in Germany; and if Germany had not known it would be she never would have gone to war at the time she did.

Mr. FREAR. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Certainly.

Mr. FREAR. The engineers' report shows an expenditure of $20,000,000 on this project, and they are asking for $10,000,000 this year. Is that covered by the $116,000,000 already spent, and is this $10,000,000 proposed to be given to the engineers on the river and harbor bill the $10,000,000 that is asked for to-day of this committee?

Mr. GARRETT. No. This is the situation: Out of the $20,000,000 appropriated in the national defense act, with which the gentleman is perfectly familiar, the President has allotted $17,000,000 to the dam. Now, let me say—and I see the gentleman from Illinois [Mr. GRAHAM] is examining his book there—there is a discrepancy in testimony. It was shown before our investigating committee that about $13,000,000 had been allotted out of the President's fund to the dam, and that the remainder had been allotted to this nitrate plant No. 1. That is what our report says. As a matter of fact, it seems that subsequently, and probably out of the item of "Armament of fortifications, C," there was allotted to the nitrate plant No. 1 a certain amount of money. It does not appear in any hearing anywhere. I called up an officer of the War Department yesterday afternoon when I discovered the discrepancy. They allotted from somewhere that sum.

It was allotted out of some fund, and went to this nitrate plant No. 1, which enabled them to reimburse the President's fund; so that the total amount allotted to the dam out of the $20,000,000 originally appropriated to the President is $17,000,000. Of that $12,000,000 has been expended. It is expected that the remainder of this allotment will be exhausted by the 30th of May of this year, and this $10,000,000 estimated for, which is not in the present bill but which we hope to put there, is to carry on the work during the fiscal year 1921–22.

Mr. FREAR. Is the $10,000,000 that is asked for by the engineers under the river and harbor bill the $10,000,000 that is suggested here, or is that cumulative? Does it mean $20,000,000; that is, $10,000,000 in the river and harbor act and $10,000,000 in this bill? They asked for $10,000,000, which, I assume, will be brought in by the Rivers and Harbors Committee. Is this independent of that?

Mr. GARRETT. Is that asked for Muscle Shoals in the river and harbor bill?

Mr. FREAR. For Muscle Shoals. It is asked for by the engineers, and I assume that it is for this particular work. I was asking purely for information. Then comes the additional question of the $20,000,000 which has been expended here.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. I yield to the gentleman from Tennessee five minutes more.

Mr. FREAR. This is a pretty important matter. I wish to get clear the amount of money that has been expended and what is proposed to be expended. As I understand it, $116,000,000 has been expended. That is right, is it not?

Mr. GARRETT. That is on nitrate plants and everything connected therewith and the dam.

Mr. FREAR. Then is this $20,000,000 which has been expended under the Army engineers in addition to the $116,000,000?

Mr. GARRETT. No; that is included in it.

Mr. FREAR. That is a part of it?

Mr. GARRETT. Yes.

Mr. McKINLEY. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Illinois.

Mr. McKINLEY. If this water power is so valuable for commercial purposes, as well as valuable for the Government in time of war, would it not be entirely feasible to lease the project in its present state of completion, the Government making a long-time and very favorable lease at a very low rate of interest, and let the private concern then expend the additional money to develop the water power? Is not that a feasible proposition?

Mr. GARRETT. I do not think so. All the reason I can give for not thinking so is to go back into the past history of this matter and judge from the statements that have been made before various committees of the House in regard to it. So far as I know, no one has ever believed that it was possible for private capital to construct this dam economically. That is to say, the cost of construction would be so great that no private company could afford to do it simply in order to obtain power to operate plants. There are some pretty interesting figures in the record about that, compiled by Mr. Washburn, who is a very eminent student of these questions, and who, by the way, is much opposed, I think, to the position I am now taking. But let me say this further to the gentleman from Illinois: If this nitrate plant No. 2 could be leased, there is absolutely only one concern in the United States or anywhere else in the world, in my opinion, that would lease it, if indeed it would. That is the American Cyanamid Co. I have not examined the contract with care upon the right of the Government to lease the use of the processes, but the question has been raised, and I think it is a very serious question whether under the contract whereby the Government uses the patented processes of the American Cyanamid Co. it can lease to some third party the privilege of using them. I think it is a very doubtful legal question.

Mr. McKINLEY. I think perhaps the gentleman misunderstands me. As I understand it, this money is asked for the purpose of building a dam to create water power, which power is good for any purpose?

Mr. GARRETT. Yes.

Mr. McKINLEY. My question is whether it is not feasible to use that power in commercial business, not to make nitrates? You have your steam plant there, which will stay there, and which in an emergency will make the nitrates when it does not make much difference what the nitrates cost. This is a question of developing that dam, but it would seem to me that if it would not pay a private concern to use it, then it would be very foolish for the Government to develop something to hold simply for use in time of war.

Mr. GARRETT. Of course, in manufacturing fertilizer the plant will be kept in a going condition. I will say very frankly to the gentleman that I do not know whether there would be anybody who would be desirous of going in there and spending $10,000,000 or $15,000,000 or $20,000,000, or whatever sum it may require to continue this dam development. And then arises the question of what sort of contract the Government would have to make whereby they could acquire the right to what the Government has already done. I doubt exceedingly whether the gentleman or anybody else would find anywhere in the country the capital that would be willing to go in there.

Mr. OLIVER. The national defense act of 1916 contemplated the development of water power, and it was coupled with the proviso that the Government should build and operate it, and it negatived the idea that any private concern would have any hand in it.

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. GARRETT. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent that his time be extended two minutes. Is there objection?

There was no objection.

Mr. GARRETT. Of course, that law could be repealed or changed if it should become desirable to do so.

There is one point which I wish to refer to as delicately as I can. I wish to reiterate the disappointment and the perplexity which has resulted from the action of the Appropriations Committee. Our people do not understand it. They know what this project is. They have read the criticisms that have been made in this matter. They are familiar with this development; and I regret to say that almost to a man they find themselves unable to understand any other ground for the throttling of this project, for the stopping of this great work in this great section except the sectional ground. I do not believe that is a reason which the responsible authorities of the party in power in this House desire to be believed. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has again expired.

Mr. GOOD. Mr. Chairman, I yield one hour to the gentleman from Illinois [Mr. GRAHAM].

Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, I have a feeling of the utmost respect for my colleague on the committee [Mr. GARRETT] who has just left the floor, not only respect for his judgment but for his extraordinary ability, and I am therefore the more pained when I reflect on the last expression he used on the floor—that his people were inclined to think that we were treating this project in a sectional way.

There is nothing sectional about this proposition as far as I am concerned, and I dare say I speak the mind of a great many on my side of the House in that respect. The question we are confronted with, gentlemen of the committee, is not a question of the North or the South or the East or the West, or any one section as opposed to any other section, but is rather a question of policy which should be pursued by we Representatives of the people in our work in the future.

If there has been anything, in my judgment, that has brought the last Congress into seeming disfavor with the people of the country it has been the fact that we have run in a large degree to paternalism and to State socialism. Departing from the doctrine of our fathers, we have come to the place where, when any hard question arises, we say, "Let the Government do it." In my judgment, in this particular emergency we have arrived at the parting of the ways. We have come to the place where we must either embark on the national management and manufacture of fertilizers or we must take the other road, which I believe leads to individual initiative and enterprise.

During the last year the subcommittee of which I am chairman has gone into the question of the manufacture of nitrates very extensively. We have gone into it from a historical as well as from an economical standpoint.

The gentleman from Tennessee [Mr. GARRETT], the gentleman from Nebraska [Mr. JEFFERIS], and I have spent many hours and a great deal of thought on this particular matter. Hearing that this bill was to be discussed, I hastened back from home to give the House what little information I could. I want to give the committee the facts, and in doing so if I state any fact that is not borne out by the evidence I am willing that any gentleman should challenge that statement at once.

I think it might be well in order to understand this nitrate proposition that we should go back to the beginning and trace the course of events that leads us to this particular question. In my judgment, there has been an effort for years to do the very thing that is being now attempted to be furthered by the gentleman from Tennessee and those who advance the idea of appropriating $10,000,000 for this project. It has been made for the single purpose, in my judgment, of erecting at the Muscle Shoals rapids at Government expense a water-power plant for the development of that part of the country. I have no doubt, nor can any sensible man have any doubt after looking at the facts as I shall attempt to disclose them briefly, that that has been the plan from the beginning, and that this is a step in the plan, and that the consideration of the ultimate welfare of the country as a whole from an economic standpoint and from the standpoint of war preparedness is a secondary question; that the one big question is the improvement of that section of the country by Federal funds.

Away back in 1906 this proposition began. Many bills on this subject have been introduced by Members of Congress. I should first say what I think properly should be said, that as a result of a provision in the river and harbor act passed in the seventies there was built around the Muscle Shoals rapids a canal having a depth of 6 feet. That canal still exists, with locks. To-day there is a depth of 5 feet all through the canal. The Muscle Shoals rapids are about 30 miles in length, including the Muscle Shoals, the Little Muscle Shoals, and the Elk River Shoals. This canal makes the river navigable around them to a depth of 5 feet. I am advised that the canal is but little used. There is little traffic on the Tennessee River at that point, and there will be little if this improvement is made. As a matter of fact, from the Muscle Shoals to Chattanooga there has been no depth of water that would insure navigation. From Muscle Shoals to Paducah, Ky., where it enters the Ohio River, there has been some navigation, but not to an appreciable extent.

The plan is to destroy the canal, to do away with it, and make at the Muscle Shoals a number of dams which will ultimately make navigation possible. To do so would require not one dam but several dams.

The first bill that was introduced was introduced by Mr. Richardson, of Alabama. It was introduced on the 18th of January, 1907. It is typical of all the bills introduced after that. The bill provided that three dams should be built at

Muscle Shoals, that locks should be built, that the cost of the locks should be borne by the United States Government, and that one-half of the cost of one dam should be borne by the Government. The bill was referred to the Committee on Rivers and Harbors and it died there. After that, in many other Congresses, other bills of a similar character were introduced, sometimes providing for three dams, sometimes four, but always having in view the element that the Government should bear a certain proportion of the cost.

In 1906 a man named Frank S. Washburn, who had become interested in the manufacture of air nitrogen and who had been in Europe, went to Alabama and became interested in the Tennessee River rapids and the power that was latent there. He organized what was known as the Muscle Shoals Hydroelectric Power Co., and from the moment that Mr. Washburn entered the field in 1906 up until this time he has been extremely active in the promotion of this whole project. From that time on to now he has appeared before the numerous committees of Congress that have heard this proposition. Mr. Washburn has always been on hand. He is one of the cleverest, most suave, and affable gentlemen I ever saw. He is well informed, well posted, and on numerous occasions he has filled volumes of hearings before the various committees in Congress on this particular proposition—always with the idea in mind that there should be built at Government expense at Muscle Shoals, Ala., in the Tennessee River, a dam where the power could be sold to the people of the country.

Mr. FREAR. Mr. Chairman, will the gentleman yield right there?

Mr. GRAHAM of Illinois. Certainly.

Mr. FREAR. Referring now to the question of sectionalism which was adverted to by the gentleman from Tennessee [Mr. GARRETT], is there any such dam in the United States, North or South?

Mr. GRAHAM of Illinois. There never was any other such dam, to my knowledge, built anywhere in the world by the Government.

Mr. FREAR. And this proposition has been before the Congress for 13 years, according to the statement of the gentleman, so that during that period it was subject to the same charge of sectionalism as it is to-day.

Mr. GRAHAM of Illinois. Oh, yes. I have looked at the hearings and at the CONGRESSIONAL RECORD during the past Congresses, and charges and countercharges have been made for 13 years about this thing. One man would get up and advocate this project and another man would say it was not feasible. Immediately the charge of sectionalism would arise. It has been bandied back and forth for 13 years. This effort has been going on constantly to do this thing, and we are just simply now in one step of the process. I want to show you what the succeeding processes have been and how it was possible on account of this great war and this emergency for this thing to get as far as it has.

Mr. GOODWIN of Arkansas. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. GOODWIN of Arkansas. Is there any such natural highway in the way of water that is capable of such construction as this?

Mr. GRAHAM of Illinois. Yes.

Mr. GOODWIN of Arkansas. Are there many such in the country?

Mr. GRAHAM of Illinois. There is one, and I want to refer to it. It is the most notable example in the United States. That is the Mississippi River. The testimony before my committee shows that the power developed at the Keokuk Dam was about the same power that would be developed at Muscle Shoals, after its completion. That project was built by private capital. The gentleman himself, if he was in Congress at the time—and I do not know whether he was or not—voted for a franchise to the Mississippi River Power Co. to build a dam across the Mississippi River at Keokuk, Iowa, at their own expense, they building a lock, and the only thing they had to do was to turn over the lock to the United States Government, and they even keep it up, and it has cost that private concern, as I am advised, $30,000,000.

Mr. GOODWIN of Arkansas. Did that improvement provide for navigation purposes?

Mr. GRAHAM of Illinois. Oh, yes; it did. They made a lock, a first-class lock, with ample width, one of the best on the Mississippi River, and it is maintained by the Mississippi River Power Co., and absolutely makes a passage over that shoal water and rapids possible, one that is unexcelled on the Mississippi. The question arises in my mind, and in the mind of every other man, if this thing can be done and has been done by private capital, why should we here and now embark on the proposition of doing this thing by Federal aid or by having the Government do it all, if you please, without any participation by the State of Alabama or the State of Tennessee, for not a cent have they ever expended, so far as I have been able to ascertain, except in the matter of propaganda?

These three Richardson bills were proposed and all were referred to the Committee on Rivers and Harbors. They got no recognition and were not even reported out. In the river and harbor act of March 2, 1907, there was a provision calling for a survey.

The efforts have been so vigorous along the line of the propagation of this particular enterprise that in that river and harbor act of March 2, 1907, there was inserted a provision for a survey of the Tennessee River. Inasmuch as this is the opening legislation that was ever had on this proposition, I want to call your attention to it briefly. It will be found on page 2540 of the hearings of the Committee on Expenditures in the War Department, and it is as follows:

> And the Secretary of War may appoint a board of engineers whose duty it shall be to examine the present condition of the United States canal and the Tennessee River from the head of Elk River Shoals to the Florence Railway bridge, in the State of Alabama, with a view to permitting the improvement of the above-described stretch of said river by private or corporate agency in conjunction with the development of water power by means of not more than three locks and dams; and the said board may examine any plans presented by such agency and shall report whether the same, if constructed, can, without injury to navigation, or with advantage thereto, be used to develop water power, and what portion, if any, of the expense of the work should be borne by the United States.

There was a preliminary examination. Mr. Taft at that time was Secretary of War, and on March 12, 1908, he transmitted to the Congress the following report, of which I read a part:

> The board is of the opinion that no portion of the expense of an improvement in strict accordance with the plans submitted by the Muscle Shoals Hydroelectric Co. should be borne by the United States.

It will be understood that at that time there was but one plan submitted, namely, the plan of Mr. Washburn, who has pursued this thing for years. It was the plan of the Muscle Shoals Hydroelectric Power Co. The board of engineers reported to Mr. Taft, and he to Congress, that in their judgment no part of this expense should be borne by the United States Government. This, however, was not satisfactory to those who were advocating this particular measure, and in the succeeding Congress, the Sixtieth, there were two other bills introduced along the same purpose. On April 29, 1908, Hon. T. E. Burton, of Ohio, who was at the time chairman of the Committee on Rivers and Harbors of the House, asked the board of engineers for river and harbor improvement to review this report.

Those gentlemen who represented these constituencies were insisting that this report should be reviewed, and so Mr. Burton sent to the board and asked them to review it. On January 11, 1909, they made the following report in part. I shall not weary you with very extensive readings of these things, but I think you ought to know how this thing has been progressing step by step.

I will read the conclusion:

> The board therefore adheres to the recommendation of its report of November 7, 1907, as printed in House Document No. 728, Sixtieth Congress, first session, to which attention is invited.

That is, they adhered to the original view they took of the matter. Mr. Burton was chairman of this committee at the time. I dare say Members of this House knowing of the ability of the gentleman from Ohio will appreciate fully that the matter received fair and full consideration at his hands. I have learned and believe it is true that if there ever was a friend of river improvement in the House it was the gentleman from Ohio. Mr. Richardson persisted and introduced more bills in the Sixty-first Congress. In the river and harbor act of 1909 there was a report on this same subject. The river and harbor bill of 1909 had the following provision:

> Survey of Tennessee River from the confluence of the Holston and French Broad Rivers to its mouth, with a view to securing the best permanent navigation by open-channel work, or locks and dams, or both, and making an estimate of the cost of same, with a view to securing a depth from Knoxville to Chattanooga of 6 feet, if obtainable, or any such less depth as may be practicable between such depth and the present project depth; and from Chattanooga to the mouth of the river a depth of 9 feet, if obtainable, or such less depth as may be practicable between such depth and the present project depth. (P. 1, Doc. No. 360.)

The report submitted through the Chief of Engineers contained the following language:

> Browns Island to Florence (Muscle Shoals section). In examining this portion of the river the question at once arises as to whether the facilities afforded by the present Muscle Shoals Canal, so far as it extends, will not be fully adequate until the improvements elsewhere have been brought further along toward completion. This section has now available practically 5 feet of depth in the improved parts, and this might be slightly increased, perhaps to 6 feet, at small expense. All that seems to be actually necessary for many years is the improvement

of Little Muscle Shoals (between Florence and Lock 9), of the section between Lock B and Lock 1 (at Nances Reef), and of the approach to Lock A.

Another object in postponing the full improvement of this section is to allow for the possibility of the development of the water power now going to waste. Several plans have already been prepared by private interests, and it is obvious that the carrying out of any undertaking of this character would affect the navigable capacity of the stream. It seems doubtful whether the Government will ever enter into partnership relations with private persons or corporations for the development of this power, but some new project may be proposed that will obviate the objectionable features of those already submitted. Inasmuch as there is no great urgency in carrying forward the improvement of this reach, it may well wait until the possibilities of hydroelectric development are better known and until the less-favored places in the river have received their share of attention.

For these reasons the improvements at present recommended in the stretch between Browns Island and Florence involve no more than the following: (1) The reconstruction of the dike across the river above Lock A; (2) the construction of a low dam across the river at Lock 1 to provide sufficient depths up to Lock B; (3) the construction of two locks, with accessory dams, in the channel north of Pattons Island, to submerge the rapids at Little Muscle Shoals.

This was the extent of their recommendation at that time. On two other occasions, gentlemen, the Rivers and Harbors Committee of the House asked for a review of this old report of 1907, and on both of those occasions reports were made by the Board of Engineers reiterating their original conclusion, without any change from what they had formerly stated about the matter. In the river and harbor bill of 1914 those who advocated this measure had a paragraph inserted calling for an appropriation of $150,000 for a survey of the Tennessee River. When it came to the House Mr. LENROOT, of Wisconsin, made a motion to strike out this appropriation of $150,000 for a survey, and the House voted to strike it out, and it was stricken from the bill; when the bill passed no such appropriation was in the bill. In 1915 those who still advocated this project asked that Members of Congress go to Muscle Shoals and look at the Tennessee River. In 1915 the Rivers and Harbors Committee of this House and a good many other Members of Congress went to Muscle Shoals and viewed the project. This seems to have had absolutely no effect upon their opinions, and the Congress took no different view of the matter than before. At about this time Mr. J. W. Worthington, who was interested in the Muscle Shoals hydroelectric enterprise, together with Mr. Washburn, concluded that they would never get anything from Congress under ordinary circumstances. You will remember that the European war had broken out at that time and had been raging approximately a year. Mr. Worthington testified before our committee on oath. I want to call the attention of gentlemen to the fact that the testimony taken by the Committee on Expenditures in the War Department was every word taken under oath, while the testimony taken by these other committees was in the form of statements, not under oath. It does not make any difference ordinarily, but the testimony contained in the report of the Committee on Expenditures in the War Department is verified under oath, and therefore carefully stated, and I think we are justified in relying upon its truthfulness. Mr. Worthington said this in his testimony: After the committee went down in 1915, after those who were proponents of this legislation concluded that there was no longer a possibility for them to get anything through Congress on the merits of the proposition, seeing the war raging in Europe, thinking perhaps we might become involved in it, his conclusions were as follows:

Early in June, following the visit of these Congressmen and Senators to the Tennessee River, I discovered to my surprise that the recommendations made by the United States engineers in Document No. 20, with reference to the Muscle Shoals project, would perhaps receive no favorable consideration at the hands of Congress, and it was very well known to us that there were some Members of Congress that were rather bitter in their opposition. I then decided that the only hope for the development of the great possibilities at Muscle Shoals and at other points on the Tennessee River would probably be that Congress would have to decide—or the Government would have to decide, certainly so if we went into the war—upon some plan of providing this country with the needed supply of nitrogen. I laid the whole matter before Senator UNDERWOOD—

Mr. GRAHAM (interposing). When was this now?

Mr. WORTHINGTON. That was in June, 1915.

Mr. GRAHAM. 1915?

Mr. WORTHINGTON. Yes. I laid the whole matter before him and he said very frankly that he did not think that Congress for a number of years would consider doing what the engineers recommended at Muscle Shoals. He said, however, after I had discussed the subject with him for nearly half a day, that perhaps if Muscle Shoals turned out to be the best location for any air-fixation development that the Government might decide upon, it might stand a chance to get it.

Those who were the proponents of this enterprise were then considering ways and means to bring about a feeling in the minds of Members of Congress that there should be some air-fixation program started by this Government for military purposes, and that when this wedge had once entered, this enterprise should go to Muscle Shoals. Mr. HEFLIN, of Alabama, went before the Agricultural Committee in 1916, in the spring, and tried to get an appropriation for a nitrate plant. He was unsuccessful. Then came the agitation leading to the Hay National Defense Act. In 1916 the bill, as it passed the House, had no nitrate clause in it, and it went to the Senate in this shape; in the meantime a Senate bill had been introduced, and that bill had no nitrate clause in it; when it was voted out of committee Senator UNDERWOOD, I think, gave notice that he would offer on the floor of the Senate when the bill came up in the Senate a nitrate clause amendment. The House bill was then taken up as a substitute. Finally the nitrate clause, known as section 124, was put in the House bill in the Senate. Then it went into conference between the House and the Senate and the conferees disagreed. Finally it came upon the floor of the House and a spirited discussion was held on the floor of this House.

I was not then a Member of Congress, but have read the RECORD. Considerable discussion was had, and as the result of that discussion, finally section 124 was agreed upon between the two Houses and was incorporated in the bill. I want to call attention now to section 124. It perhaps is fresh in your memories. I may, incidentally, say to the Members of the House, the House Committee on War Expenditures has filed heretofore a report on this particular subject. We took about three or four thousand printed pages of testimony on the question and filed a voluminous report. That report has never been given formal consideration by the House. The reports are accessible for any gentleman who wants to see them and can be furnished by the clerk of our committee. Now, section 124 is as follows, and I wish you to note the reading of it:

The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as in his judgment is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if in his judgment such means is best and cheapest, such site or sites, upon any navigable or nonnavigable river or rivers, or upon the public lands, as in his opinion will be necessary for carrying out the purposes of this act; and is further authorized to construct, maintain, and operate at or on any site or sites so designated dams, locks, improvements to navigation, power houses, and other plants and equipment, or other means than water power, as in his judgment is the best and cheapest, necessary, or convenient for the generation of electrical or other power, and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

Now, what is the purpose of the act?

And he is further authorized to construct, maintain, and operate at any site or sites so designated, dams, locks, improvements to navigation, powerhouses and other plants or equipment, or other improvements than water power, as in his judgment are best and cheapest, necessary, or convenient for the generation of electrical or other power, and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

I want you gentlemen to note that the language of this act is not in the disjunctive but in the conjunctive; that the thing that Congress is trying to get at is for the production of nitrates or other products needed for munitions of war and useful in fertilizers. The first thing that Congress was doing, the first essential on which anyone must base his acts in this matter, is that they must be needed for munitions of war.

Mr. FREAR. Is there any other place in the United States outside of Muscle Shoals that has been under consideration for the manufacture of nitrates, so far as you know?

Mr. GRAHAM of Illinois. I will answer——

Mr. FREAR. Why was the law put in the form that it was, other than for this improvement, as they call it, at Muscle Shoals?

Mr. GRAHAM of Illinois. Here is the point I want you gentlemen to notice: The prime prerequisite of this thing was that it had to be necessary for munitions of war, and, following that, that the products might be useful for agricultural or other purposes. And there is no justification, gentlemen of the committee, for any appropriation by this committee or by this Congress of a single cent of money unless it is necessary to manufacture munitions of war. The Secretary of War, Mr. Baker, so testified before our committee, and his testimony can be readily referred to. He said they based their right to build these plants for the necessities of war; that they did not have any right to spend this money to erect fertilizer plants.

Mr. GARRETT. The Secretary, the gentleman will remember, further said that, in view of the language of the act, they had the fertilizer idea in mind.

Mr. GRAHAM of Illinois. Yes; he did; but he said we could not spend any money, and had no right to do so, unless it was for a munitions plant. The $20,000,000 fund was appropriated for a specific purpose.

Mr. ALMON. Does not the nitrate section make it the duty of the President to make nitrate in peace times as in time of war?

Mr. GRAHAM of Illinois. I will say to the gentleman from Alabama that if he will read it as it should be read, the first thing you have got to build is a munitions plant. Then, if your product is useful for agricultural purposes you have a right to use it for that purpose in time of peace.

Mr. FREAR. I want to ask the gentleman if it is not a fact that the only legislation we have had before the House relating either to a fertilizer project or a nitrate project has concerned Muscle Shoals, prior to the passage of the national defense act?

Mr. GRAHAM of Illinois. Absolutely. There were plenty of other places that would have done just as well, but nobody in the Government ever talked about any place much except Muscle Shoals. There were plenty that wanted it, but they had no show of getting it, in my judgment.

Mr. RAKER. On your construction of the statutes, with the conjunctive "and" in there, could the Government have constructed the plant for nitrates solely for munition purposes?

Mr. GRAHAM of Illinois. Yes; I think they could.

Mr. RAKER. Where do you leave the "and"?

Mr. GRAHAM of Illinois. Here is where I leave it. I think the Government could have constructed solely a munitions plant, but I think they also had the right to go further, and if they constructed a munitions plant and made a product that was also useful for agriculture, they had that right. I think the manifest intent of Congress was to prepare for war, if the gentleman please. It was a national defense measure, as was the whole national defense act. It was not proposed to make a fertilizer factory, but to get something that was useful in time of war.

I want to call attention to how this plant got down there at Muscle Shoals in the first place. Nothing was done about this thing by the President. Although that became a law in the middle of 1916, not a step was taken, although war was blazing across the ocean, until along in July, 1917. No. 1 plant was not located until the latter part of September, 1917, after we had been in the war six or eight months, although that act had been passed in 1916, and you gentlemen thought you voted for it as a preparedness measure. Various boards went out to look at various places in the summer of 1917 and brought in various reports. I want to call your attention to a report that was brought in by the board of engineers selected by the President to show you where they thought the plant ought to be.

Mr. RAKER. Will the gentleman yield?

Mr. GRAHAM of Illinois. I will.

Mr. RAKER. Before you read that, I would like to ask a question just for the purpose of the construction of this statute here.

Mr. GRAHAM of Illinois. Yes, sir.

Mr. RAKER. In section 124 it says the President shall engage in the production of munitions of war and products useful in the manufacture of fertilizer or other useful products.

Now, what I am asking the gentleman is—and he has given the subject a great deal of thought—supposing you did install a plant and you did manufacture material that was necessary, and absolutely necessary, for munitions of war, the war having ceased, you have your plant there; and is it not the duty of Congress, then, to maintain that plant and manufacture material necessary for fertilizer?

Mr. GRAHAM of Illinois. I will go this far with the gentleman from California, and in my report which I have here I have gone that far: I am opposed to junking this plant. I have always been opposed to junking this plant. I do not know what the opinion of the Committee on Appropriations is about junking this plant; but I am equally opposed to the Government running it if there is any other way to do it. I favor operating it by private capital if there is any means of doing it in that way.

Mr. FESS. If it should be given away, would anybody take it?

Mr. GRAHAM of Illinois. I will get to that. There is a report made by a board of engineers that was sent out. The board of engineers examined about 60 sites in the United States. Some were offered in the North and some were in the West. I know there were some in my State. But this board of engineers did not look at any of them. They went down into the States of Virginia and Maryland and West Virginia and Tennessee and Alabama and Kentucky and looked at about 60 sites down there. They went over them very carefully. One man at the head of that board was Col. Joyes, and he was then, and I believe is now, at the head of the nitrate division in the War Department. He is the man who, I think, will be placed in charge of the proposed corporation to run this plant. Finally they brought in a report along in September, 1917. They made this report to the Secretary of War after going all over this Muscle Shoals proposition. They discuss the Muscle Shoals site and give it particular notice in the following language:

> The vicinity of Muscle Shoals, on the Tennessee River, has been so widely advertised and so strongly advocated by the agricultural interests of the South, and by a number of Members of Congress and other prominent men, as the location at which even this initial plant would be of the greatest value by the reduction of fertilizer prices, that surprise may be felt that Sheffield, Ala. (at the Muscle Shoals), is rated no higher than second, from the fertilizer standpoint. The argument for location here, in view of possible future developments of the water power at the shoals, is thought to be really an argument against the location of this plant at this site, for the process to be used required no large amount of power, but does need steam, as such, in the process, and if later plants should use a process requiring much power, such a plant would gain rather than lose by a separate location, as this would spread the advantages more uniformly over different sections of the country.
>
> Proximity of the phosphate rock mines of central Tennessee appears at first sight to be conducive to saving of freight, and therefore cheaper fertilizer, as, if the nitrogeneous materials be produced near the rock, it would seem that there should be less hauling of bulky materials, but the acidulation of phosphate rock at Sheffield or elsewhere near the mines would necessitate unduly long and expensive haul of sulphuric acid from the acid plants now maintained by fertilizer factories at widely separated points or the discarding of such plants and erection of new; also, as one ton of phosphate rock produces 16 units of phosphoric acid the effect of the Sheffield-Chattanooga freight differential of $1.30 (it will probably be less) per ton of rock would be to increase the cost of a standard mixed fertilizer (8–3–3) by only 65 cents, while, on the other hand, the freight differential of $1.20 per ton on fertilizer in favor of Chattanooga or Knoxville as against Sheffield (on shipments to Columbia, S. C., a fairly representative point) is a direct increase in the final price nearly double the saving due to shorter haul of the crude rock.

No one, to my knowledge, has ever contradicted these statements of fact. But finally, after going all over these things, the report of Col. Joyes concludes:

> Therefore I strongly recommend the location of this plant at Chattanooga, Tenn.

Following the making of this report, Gen. William Crozier, Chief of Ordnance, made his recommendation to the Secretary of War in this way, in part:

> It is my opinion that the site at North Chattanooga, Tenn., having been adjudged first from the fertilizer standpoint and first from the compromise standpoint, is best fitted for the construction now contemplated, and I recommend its adoption and the purchase of a tract of 500 to 600 acres.

This report was made to the Secretary of War. Our subcommittee went down to the War Department to look at the original papers. We got to rummaging around among the papers, and we found that report, and on the edge of it we found this, written in longhand:

> The President has selected Sheffield. So informed by the Secretary of War. 9/28. W. C.

Gen. Crozier has stated that was his handwriting and notation. So when the report had gone to the Secretary of War, and all the boards had recommended Chattanooga, Tenn., as the most logical and economical and available place at which this plant could be located, it goes to the President, and the President says, "I put it at Sheffield." Nobody has ever satisfactorily explained that decision.

Mr. ALMON. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. ALMON. Was there not a board consisting of three Cabinet officers—the Secretary of War, the Secretary of Agriculture, and the Secretary of the Interior—who made a very thorough investigation, and was it not testified by the Secretary of War that they made a recommendation favoring Muscle Shoals as the location?

Mr. GRAHAM of Illinois. It was never so testified before my committee. All I know is what is contained in the official reports found on file, and I have given them exactly as they are.

This report, mind you, of Gen. Crozier was made on September 22. The statement of the President appears on the margin to have been made on the 28th—six days after. What time was there for any board to make any report? Where was there any official board that made a report in those six days? What happened in the President's mind happened in those six days.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Certainly.

Mr. GARRETT. Assume that is all true for the sake of argument. Can the gentleman tell me what light that throws upon the question now before the House?

Mr. GRAHAM of Illinois. Yes; if you will listen to me carefully I will attempt to illuminate that subject.

Mr. GARRETT. I will listen with very great pleasure.

Mr. GRAHAM of Illinois. Now, the President fixes this at Muscle Shoals, which is the next step in the proposition. Does it not strike us all as significant, looking back at the statement of Mr. Worthington, who said he went to his representative in the Senate and talked to him about the probability of getting the Muscle Shoals improved as a war necessity, that when,

against the advice of every board that ever sat in the matter, it was located at Sheffield, on the Muscle Shoals, it was probably done in pursuance to that first plan?

Let me call your attention to another significant bit of testimony. Mr. Worthington was on the stand. He was a gentleman who maintained a lobbying parlor in the city here for a while, where he had moving-picture shows of Muscle Shoals and a general headquarters for those who favored this movement; and Mr. Worthington testified on oath before the committee. When I asked him how it happened that this plant went to Muscle Shoals, he said:

> I returned to Washington, and I understood from the statement of men who lived at Chattanooga—I think that must have been on the 9th of September, perhaps, in 1917.

Notice the date. That was as soon as Worthington found it out. The President made his order on the 28th. Mr. Worthington seemed to have had information to that effect. Mr. Worthington said:

> I returned to Washington, and I understood from a friend of mine who lived in Chattanooga and who was here at that time—I think that must have been the first days in September, perhaps, of 1917—that nitrate plant No. 1 would be located at Chattanooga, Tenn., and this gentleman, who was Mr. Howard, of Chattanooga, seemed to have the information definitely to that effect.
>
> Mr. GRAHAM. Well, do you know why it was not?
>
> Mr. WORTHINGTON. I do not personally know, but I think if Senator Martin, of Virginia, were living he could tell how it happened, because I was informed—I have learned that as a fact since—that farmers in Virginia went to Senator Martin. Mr. Thornhill went to him and urged that Muscle Shoals was the first location from a fertilizer standpoint. I think if you would have a conversation with Senator UNDERWOOD he could give you details that I do not know about.
>
> Mr. GRAHAM. You think it was due to the efforts of Senators Martin and UNDERWOOD that it was located at Sheffield?
>
> Mr. WORTHINGTON. I don't know that it was due alone to their efforts, but I know that they took an interest in it.
>
> Mr. GRAHAM. Do you know whether they saw the President about it?
>
> Mr. WORTHINGTON. I was advised that Senator Martin did see him.

Following the location of this plant at Muscle Shoals contracts were made for the erection of plant No. 1. Gentlemen of the committee, plant No. 1 is a failure, always has been a failure, and always will be a failure in all probability, and I will tell you why. There was a good deal known about the Haber process that has been talked about here. That is the cheapest process——

Mr. CAMPBELL of Kansas. Will it disturb the gentleman's line of thought to give the location of plants Nos. 1, 2, 3, and 4?

Mr. GRAHAM of Illinois. I will do that. I may have to get my time extended.

Mr. CAMPBELL of Kansas. Will the gentleman state the location of those plants with respect to the dam?

Mr. GRAHAM of Illinois. I wish I had a map of the United States here, but I think perhaps I can describe the location adequately.

The Tennessee River flows in a westerly and southerly direction through that country. Sheffield is on the south and east side of the river. The little town of Florence lies immediately north across the river. Muscle Shoals is east of Sheffield about 3 miles, and they lie right in there together, all small towns along the Tennessee River. Muscle Shoals begins at the village of Muscle Shoals and runs quite a long distance.

The map which has been brought in here since I mentioned it is not large enough, is not drawn on a big enough scale. The situation is as I have stated it. The little town of Tuscumbia, a county-seat town, is also near there.

Plant No. 1 is located at Sheffield. Plant No. 2 was built about 3 miles east of there in the village of Muscle Shoals, where there was not much village but a small settlement, as I remember it, and the dam runs across the river about opposite where Muscle Shoals plant No. 2 was.

They located that plant down there and built it, and it cost $12,500,000, in round numbers. It is not worth having. It never was worth anything. At the time it was built they knew considerable about the Haber process, which, by the way, is the coming process in this country. Much has been said in this debate about this process. If those who are interested in it will study the proposition, they will find that the method that is used in plant No. 2 is obsolescent, and inside of 10 years from now will probably not be used at all. It is too expensive. The Haber process is a simpler process. It is the process which made Germany so powerful. It is the process that grew by leaps and bounds during the war and that we know all about now.

The trouble with plant No. 1 was the same trouble that was developed in the aeroplane proposition. The people who were building it thought they would improve a little on the German method; that they would do it on a little bigger scale, and they changed the German method and made something that would not work at all. That is what happened. If they had followed what they knew about the German Haber process, they would have had a plant that would have been a producer. But they did not do it. They experimented and fiddled around and they got something that would not work, and all the Army officers and other witnesses before our committee testified that it was not a working plant and is not to-day.

Mr. FREAR. Were there not some very valuable and important patents that were involved in this present system of which you speak, in which Mr. Worthington and some of the other gentlemen may have been interested? Was not that an element that may have had some influence?

Mr. GRAHAM of Illinois. If you gentlemen will look it up and find out the royalties that will have to be paid by this Government to the American Cyanamid Co. if you run this plant, you will be astounded at the millions that will pour into the coffers of that company as a result of Government operation of this plant. I know that Mr. Washburn is going about the country trying to prevail upon Members of Congress not to favor this measure, and perhaps that is in pursuance of a selfish interest. I have no sort of community of interest with him at all, but I tell you it is not wise for this Congress to embark upon this enterprise, for many good and sufficient reasons.

Mr. HUSTED. Is there any reason why plant No. 1 can not be changed so as to be made to work under the Haber process?

Mr. GRAHAM of Illinois. You would have practically to tear the converters out of the plant and put in other ones, so that the pressures exerted in this process could be exerted properly and with proper catalysts. The trouble was that the converters we had and the plant that we had were on too big a scale, and it would not work.

Mr. HUSTED. Would the process of reconstruction be very expensive?

Mr. GRAHAM of Illinois. Yes; I think it would cost half of what the plant is worth to reconstruct it, from what I have seen of it.

Mr. SIMS. Will the gentleman yield?

Mr. GRAHAM of Illinois. I yield to the gentleman from Tennessee.

Mr. SIMS. The gentleman spoke about Mr. Worthington, but did not show any connection between him and the American Cyanamid Co. The gentleman did not state whether there was any connection between the two.

Mr. GRAHAM of Illinois. Mr. Worthington in the beginning was operating with Mr. Washburn. Mr. Washburn and Mr. Worthington organized the Muscle Shoals Hydroelectric Power Co. They were also associated in many other enterprises down there together, public utilities of various kinds, and were associated for years in this particular proposition, and are still associated together to some extent in advancing that project, and of course that is one of the reasons why he particularly interested himself in this thing, probably, that they are associated in a business way.

Mr. ALMON. I would not want that statement to go unchallenged. I want to state that I know of my own personal knowledge that there has been no business connection in any way whatever between Mr. Worthington and Mr. Washburn for a number of years.

Mr. GRAHAM of Illinois. I will take the word of the gentleman from Alabama for that. All I know is that he has been maintaining a lobby here in Washington, and has been persistent and assiduous in his statements to the Members of the House about these things.

Mr. SIMS. Does Mr. Washburn have any connection with the Cyanamid Co.?

Mr. GRAHAM of Illinois. He is the president of it.

Mr. SIMS. The gentleman did not state that.

Mr. GRAHAM of Illinois. Yes; he is the president of that company.

Mr. FREAR. Is Mr. Washburn the man who has these patents and now has a strangle hold on the Government under those patents?

Mr. GRAHAM of Illinois. Absolutely. Mr. Washburn controls them. The Haber patents are open to the use of any man. I am informed privately—it is not in the sworn testimony—that there are at present organizations in the United States, companies of strength, with great capital behind them, organized for the manufacture of synthetic ammonia by the Haber process. If the United States Government goes into the business, that industry perishes immediately, as do all others in which the Government is interested, all other industries relative to the production of nitrates from the atmosphere. How can any privately owned industry compete with the United States Government?

Now, Mr. Chairman and gentlemen, I did not intend to go into this matter, but I did propose when the bill for the organization of the Nitrate Corporation came up to go extensively into the cost of the manufacture of nitrates by the Government; but I do not care to go into it now. The question that immediately confronts us is whether we ought to spend $10,000,000 more on this dam.

Mr. ALMON. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. ALMON. The gentleman should know that Mr. Worthington's presence and activity in this city was as the representative of the Tennessee River Improvement Association, and in no way connected with the American Cyanamid Co.

Mr. GRAHAM of Illinois. That may explain the gentleman's activity in the matter. I have no doubt the Tennessee River Improvement Association has in mind the welfare of their community and locality. I do not blame them for that. I assume that he has severed the connection with the American Cyanamid Co., and that may be the moving power behind him.

You will remember that $20,000,000 was appropriated by section 124 of the national defense act for the construction of the plant and necessary dams for experimental nitrate purposes. The gentleman from Tennessee [Mr. GARRETT] told you that there was approximately $17,000,000 allotted for the building of that dam, and he says that comes from a reallotment of certain funds and the payment back of money enough to the original nitrate fund by the President or some other agency of the Government. I want to call attention to the sworn testimony before us as to where that money came from that built plant No. 1. The gentleman told you that the whole plant cost approximately $12,300,000. The gentleman said the ammonia plant cost $6,000,000. That is true, but the conversion plant made the whole cost about $13,000,000.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. SMITH of Michigan. I understood the gentleman to say he was not in favor of junking this plant.

Mr. GRAHAM of Illinois. No.

Mr. SMITH of Michigan. After the exhaustive investigation the gentleman has made, what does the gentleman think ought to be done by the United States, who now owns it?

Mr. GRAHAM of Illinois. There are two things, in my judgment, that could be done. First, it can be kept in a stand-by condition; and, second, it could be leased, or at least some effort could be made by the Government to enlist private capital before we embark on this extremely expensive burdensome program that is contemplated.

Now, I want to call attention of the committee, briefly, to the items of cost in plant No. 1. You will find on page 58 of the report a sworn statement given by an officer of the War Department who had charge of the allotment of funds to plant No. 1. Out of the amount appropriated for fortifications they got $5,395,245.59. Under the national defense act, $5,350,000; under the national security and defense act, $3,500.000. That is to say, they took over $5,000,000 out of the fortification fund, $5,350,000 from the $20,000,000 appropriation, and three and a half million dollars from the President's defense fund, and they put all that into this fund. The testimony before our committee shows that they had expended the $5,350,000 from the $20,000,000 fund.

Now, they say that they have $17,000,000 left. Where did they get it?

Mr. ALMON. I think I can explain that.

Mr. GRAHAM of Illinois. It needs explanation.

Mr. ALMON. After the President allotted $13,170,000 toward the construction of a dam, and after nitrate plants No. 2 and No. 2 were completed, it was found that some of the funds that had been used in building No. 1 could have been used in building No. 2, and they transferred from that fund back to the nitrate fund of $20,000,000 the $4,000,000, making $17,170,000 that is now allotted to the dam out of the $20,000,000 of the national defense act.

Mr. GRAHAM of Illinois. The whole thing shows that they first took $5,350,000 out of this fund, and then later, when they thought they needed more money for the dam, in order to further put us in a position where we could not recede, they paid this back into this fund and thus fixed it so more money could be used for the dam.

Now, Mr. Chairman, I am told that I have only a few minutes remaining. Can the gentleman from Iowa give me any more time?

Mr. GOOD. I expect to close debate to-day, and there are some more requests for time, but I will yield the gentleman 15 minutes more.

Mr. HUSTED. Will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. HUSTED. During the discussion with the gentleman from Tennessee [Mr. GARRETT] there was a statement made under the authority of some engineer that commercial fertilizer could be produced in Plant No. 2 under the cyanamid process at one-half of the present cost of fertilizer to farmers in the United States. Has the gentleman any information about that?

Mr. GRAHAM of Illinois. Yes; I have a lot of it.

Mr. GARRETT. The gentleman from New York does not quote me as making that statement?

Mr. HUSTED. No; I understood the statement was made.

Mr. GARRETT. I did not make a statement as to the cost, but the gentleman from Alabama [Mr. BANKHEAD] made a statement as to it.

Mr. HUSTED. I did not say that the statement was made by the gentleman from Tennessee.

Mr. GRAHAM of Illinois. I have a lot of information about it. They never tested but two units at that plant. A man by the name of Glasgow, an Englishman, made a report in which he said that the stuff could be made down there cheap enough to sell ammonium sulphate at $48 a ton at that time, and that they could compete with commercial fertilizer. At that time the reports were based on the proposition that sodium nitrate, Chilean nitrate, was selling at $90 a ton, and on other war conditions. It is down to $55 a ton to-day. There is no reasonable man within the sound of my voice who knows anything about it who will contend that the Government can operate that plant down there in competition with the Chilean or sodium nitrate producers. So far as the statement made by the gentleman from Tennessee [Mr. GARRETT] is concerned, that you can not use Chilean nitrates in time of war, I can correct him by saying that we did use them in the time of this war. We built a plant at Perryville, Md., where we converted Chilean nitrate into ammonium nitrate and ammonium sulphate, and we made all that we used there, outside of what we got from the by-products of coke ovens.

There never was any reason for this nitrate program, never on earth. It was all born in the mind of Bernard M. Baruch, of New York. They got scared when they got into this war. The President sat around and did not do anything until 1917 about this one nitrate plant that Congress had authorized, and in the fall of 1917 and in the spring of 1918 Mr. Baruch got excited about the thing and started them to building nitrate plants. Plant No. 2 was located at Muscle Shoals, at the oral order of the Secretary of War, and against the advice, I think, of those who were called into consultation. It was built from money taken from the item of armament and fortifications, C. There never was a cent of money from the $20,000,000 of the national-defense fund put into plant No. 2.

It is said that this is proper as an amendment to this bill, because it is carrying out existing law and is an appropriation to build a dam authorized by the national defense act, section 124. The power is not needed for plant No. 1, because that has a power plant of its own which is amply sufficient, and the plant is not working anyway. It is said to be needed for plant No. 2. It was not built under the national defense act, and therefore if you appropriate money for this you appropriate money to build a dam for a plant not built under the national defense act at all. Do you think that is proper?

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. GARRETT. Plant No. 2 might have been built under that act.

Mr. GRAHAM of Illinois. Oh, it might have been, but it was not. So might this Capitol.

Mr. GARRETT. I am discussing the question from the legal point of view.

Mr. GRAHAM of Illinois. I say that it was not, and you want $10,000,000, which ultimately will be $40,000,000, for the purpose of building a dam for plant No. 2, which was not built under the national defense act. I contend that if there is any proper way to get it before this House, that amendment will be out of order, for it is not an amendment to existing law and it is not a provision to carry out existing law.

They said that this was necessary because the German submarines would cut off most of the Chilean nitrate. The Chilean nitrates, most of them, come from a town called Iquique, in Chile. Boats came up the west side of South America and came through the Panama Canal and up to New York. It was claimed that the submarines might cut across and cut off their lines of nitrate ships and, therefore, that it was necessary to build nitrate plants. The distance from Iquique to San Fran-

cisco is almost identically the same as the distance from Iquique to New York, and the distance to Los Angeles is less. There were powder plants in California and in New Orleans and in New York. There was no reason on earth why if German submarines had cut off passage to the east the ships could not have come up the west coast with nitrates. There was no reason for this excitement. If the submarines had been able to cut off our Chilean nitrate ships, would they not in the same way have been able to cut off the ships that carried our soldiers across? Nobody, however, thought of that—they wanted to build nitrate plants. The ultimate thing in their mind was not to build nitrate plants, but to improve Muscle Shoals and get us into a fix where we would have to do it whether we wanted to or not.

I have before me some tables which I shall have put into my remarks. Notice here the import of Chilean nitrates into the United States, for it is quite significant. It starts in 1900 with 180,000 tons. In 1917 we imported 1,300,000 tons; and in 1918, the last year of the war, we imported 1,800,000 tons.

Imports of Chilean nitrates into the United States.

	Tons.
1900	180,000
1901	192,000
1902	221,000
1903	264,000
1904	274,000
1905	305,000
1906	361,900
1907	351,600
1908	308,800
1909	399,000
1910	503,600
1911	537,000
1912	469,100
1913	560,010
1914	521,030
1915	727,867
1916	1,232,308
1917	1,376,693
1918	1,800,000

For some time before we started this war Gen. Crozier had been asking for years that we get on hand a supply of Chilean nitrate. I want to say that he is entitled to a great deal of credit for the stand that he took in that respect. As soon as the European war broke out he said let us lay in a stock of nitrates from Chile, but when our war broke out we had in this country only 31,500 tons. When the war ended, in spite of the scare, we had on hand 600,000 tons of sodium nitrate, not a pound of which came from our nitrate plants. We had improved. We had used all that we needed for war purposes, and in addition to that had 600,000 in store, as against 31,500 in store at the time the war broke out.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. GRAHAM of Illinois. Yes.

Mr. GARRETT. The gentleman makes a criticism because Gen. Crozier's recommendations were not availed of. Is it not a fact that Congress made no appropriation with which to buy nitrates?

Mr. GRAHAM of Illinois. I am not prepared to say about that, but I say further that I do not know that the War Department ever asked Congress to make any.

Mr. GARRETT. Is it not a further fact that in the same report of 1915 Gen. Crozier also recommended the development of nitrogen fixation?

Mr. GRAHAM of Illinois. Surely, absolutely; but does that excuse anybody for not doing the simplest thing necessary? When Germany started this war she had on hand 600,000 tons of Chilean nitrate, while we had 31,500, less than we had had for years, and not enough for agricultural purposes. They talk about not having enough nitrates in time of war. Do you know that we spent hundreds of millions of dollars during this war for the by-products of coke ovens that produce ammonium sulphate? In 1901 we produced 29,901 tons of ammonium sulphate, and in 1919 we produced 500,000 tons. This year we are producing more. I give a tabulated statement here:

Production of ammonium sulphate in United States.

	Tons.
1901	29,279
1902	36,124
1903	41,873
1904	54,664
1905	65,296
1906	75,000
1907	99,309
1908	83,400
1909	106,500
1910	116,000
1911	127,000
1912	165,000
1913	195,000
1914	183,000
1915	250,049
1916	288,265
1917	370,044
1918	450,000
1919	500,000

Estimated production 1930, 900,000 tons.

This material is the very thing that they are talking about making at Muscle Shoals. We are making more ammonium sulphate to-day than the country will take, and its price has gone down to $70 a ton. Do you want to put all of these by-products coke ovens out of business? That is what you are going to do if you go into this thing. We are talking about conserving our resources. Let us conserve them on that. Do you gentlemen know anything on earth that you ought to do more than to save the by-products of coal that have been going up into the air for years and years in this country?

This is the greatest measure of conservation that is possible to be made in this country. We started that program during the war and let us keep it up. Here is the amount of ammonium sulphate used in fertilizers in the years past:

Ammonium sulphate used in fertilizers in the United States.

Year:	Tons.
1913	215,000
1918	103,000
1919	190,000
1930 (estimated)	780,000

In 1913 the country only used 215,000 tons of ammonium sulphate fertilizer. In 1919 we used 190,000 tons. Compare that with the 500,000 tons we produce. In 1930 it is estimated that the by-product coke ovens will produce 900,000 tons and that our agricultural demands will be 780,000 tons of ammonium sulphate. They are changing rapidly to the by-product oven. Do you want to stop that? Absolutely any reconsideration of the matter will convince anybody that it is unwise and that this thing proposed to be done to-day is going to affect this country for 100 years in the future.

Mr. FREAR. Will the gentleman state which is the most economical of the two?

Mr. GRAHAM of Illinois. To save your coal and gas, of course.

Mr. BANKHEAD. Will the gentleman yield?

Mr. GRAHAM of Illinois. My time is so limited I regret I can not. Here is a table showing what was spent down there:

SUMMARY.

The total cost of the nitrate program of the United States, including estimates for the various improvements in the vicinity of the Muscle Shoals, when completed, will be as follows:

Already expended in Muscle Shoals territory:	
United States Nitrate Plant No. 1	$12,152,636.91
United States Nitrate Plant No. 2	69,985,221.42
Alabama Power Co	5,167,277.14
Wilson Dam	13,170,000.00
Waco quarry	60,000.00
Total	100,535,135.47
Expenditures contemplated in Muscle Shoals territory:	
Completion of Wilson Dam	12,000,000.00
For fertilizer factory under the Glasgow plan	12,500,000.00
Dam No. 1, Muscle Shoals	2,455,600.00
Dam No. 3, Muscle Shoals	12,033,150.00
Waco quarry and other work	1,250,000.00
Total	40,238,750.00
Total in Muscle Shoals territory	140,773,885.47
Other nitrate expenditures:	
United States Nitrate Plant No. 3, Toledo, Ohio	7,781,609.06
United States Nitrate Plant No. 4, Cincinnati, Ohio	7,578,229.84
Ammonium nitrate plant, Perryville, Md	12,976,401.20
Total	28,336,240.10
Grand total	169,110,125.57

Plant No. 1 cost $12,152,636.91; nitrate plant No. 2, $69,985,221.42. We spent on the plant of the Alabama Power Co., when they put in the power plant for the manufacture of 30,000 kilowatts of electric power, $5,000,000. We spent all of this on property that does not now belong to us, but to the Alabama Power Co. No wonder my friend from Tennessee [Mr. GARRETT] said that we created a monopoly. We paid for their plant and then gave it to them. That is the size of it.

Mr. GARRETT. I hope the gentleman will not quote me as saying we created it.

Mr. GRAHAM of Illinois. No. I am quoting myself when I said we built it and gave it to them. I have not ascribed that to the gentleman from Tennessee. They have now spent on the Wilson Dam $12,000,000. The figures of cost I have given above are based on their original estimate of a cost of $25,000,000 for the dam. Now they want $45,000,000, which will increase my total estimated cost to $189,110,125.57. Another dam, No. 1, to cost about $2,500,000, and another dam, No. 3, to cost $12,033,150—all these are contemplated. They do not talk about them now, but they want them. The Muscle Shoals Dam will not help the navigation of the Tennessee River 1 inch, so the testimony is. They have expended on the Waco Quarry and other unnecessary work approximately a million and a quarter dollars since we had these hearings and in spite of continued protest. There was

a good deal of comment in Congress at the time this Muscle Shoals matter was originally before the House. Vigorous objections were being made in the Congress to the location of the nitrate plant at Muscle Shoals and to the way the matter was being manipulated. There was also serious comment about the necessity of building plant No. 2 at all. No one took a more prominent part in that discussion than the gentleman from Ohio [Mr. LONGWORTH]. Mr. Baruch had insisted that more nitrate plants be built, and a board of engineers and scientists advised that they be located at points in Tennessee. The plants, however, were located at Cincinnati and Toledo, Ohio. The reason did not appear until Col. J. W. Joyes, of the Ordnance Department, took the stand. He said:

Col. JOYES. * * * While I liked very much the Kingsport site and thought perhaps the best thing to do, and the best thing we could do, was to go right up to Toledo and Cincinnati and build up there; and, furthermore, I don't mind saying to you that I mentioned to Mr. Stettinius that I thought it would not hurt anything to quiet some of the opposition that was coming from that neighborhood up here to anything that we were attempting to do down South. We could not afford to be handicapped by interruption of everyday business by the attacks that were made.

Mr. GRAHAM. You refer, I suppose, to the attacks of Congressman LONGWORTH?

Col. JOYES. Not particularly; no, sir. I do not refer to anybody as making attacks that were not advisable or making attacks at all. But there were attacks of this and that and the other community, you know. The communities claimed that they had everything that goes to make up a plant site; and it takes time when you are busy, as we were at that time, to handle those matters, and it is desirable not to have those things come in.

Mr. GRAHAM. Congressman LONGWORTH was making statements in Congress on the Muscle Shoals plant?

Col. JOYES. Yes, sir.

Mr. GRAHAM. You had that in mind to some extent, I suppose?

Col. JOYES. Oh, yes; undoubtedly.

So they started to build two nitrate plants in Ohio and they spent about $15,000,000 on them. Here is an enlarged photograph of the quarry they operated during the war, the Rockwood, and it is a fair illustration of the wonderful supply of stone there. They abandoned this quarry, which was practically inexhaustible.

They are developing another quarry now. At plant No. 1 they built a clubhouse for officers to live in. They built it at a cost of $120,000; it has 30 suites of rooms with baths, providing for 30 bachelors. At plant No. 2 they built a clubhouse costing approximately $360,000 for officers to live in, called "first quarters." This picture shows pretty well what they have done in reference to the dam; these are all temporary structures. While we were there in the spring of the present year it was in that condition. And now, gentlemen, briefly, I want to make a comparison to show what we are going into here. The amount of money they have spent is represented on this chart. What we have already spent down there would buy the buildings and grounds of the Library of Congress, Senate Office Building, House Office Building, Capitol, State Department, Treasury, Bureau of Engraving and Printing, Pension Office, General Land Office, the Department of Agriculture, Pan American Union, Patent Office, Interior Department, Munitions Building, War and Navy, and 160 public school buildings and grounds in the District of Columbia. Now, that is what we have spent, and what we propose to spend; $60,000,000 would build the Assuan Dam, 17 temporary war buildings, food buildings Nos. 1 and 2, fuel buildings Nos. 4 and 7, H. L. Peters Building, War Trade Building, War Industries Building, National Defense Building, Archie Butt Building, Corcoran Courts, Tempo No. 6, 1800 Virginia Avenue, buildings A to F Sixth and B, Roosevelt Dam and Reservoir, Elephant Butte Dam and Reservoir, Keokuk Dam, and then have money left over. The money being spent on our nitrate program would build 12 battleships of the *Idaho* type, 4 destroyers of the *Manley* type, and leave a balance of $533,897. The cost of the Idaho was $13,645,000. What we have already spent would build a concrete road 18 by 7 by 8 by 7 at $52,500 a mile from New York to San Francisco and would build a concrete road 18 by 7 by 8 by 7 at $46,728 per mile from New York to San Francisco and have 400 miles left.

The cost of the nitrate plant here—$169,000,000—is about half what it cost to build the Panama Canal.

Mr. GARRETT. Will the gentleman yield?

Mr. GRAHAM of Illinois. In a moment.

One more comparison of expenditure. The nitrate program is shown at the bottom, at approximately $170,000,000. The United States naval programs from 1883 to 1915 were $150,000,000; the United States reclamation projects total appropriations to 1911, $120,000,000. The public roads expenditures in the United States were a little over $110,000,000. And so on.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, I yield five minutes more to the gentleman.

Mr. GRAHAM of Illinois. The school expenditures in the United States from the South Atlantic and South Central divisions of 1916 were only $105,000,000; the average naval appropriations of the United States Navy from 1883 to 1914 are only a little over $70,000,000. By comparison, gentlemen, when we were starting out on this program we observe we are spending a large amount of money and we do not see any end of it. They say this $10,000,000 item is a mere bagatelle. They say, "Will you let waste what we have got in there?" It will be better to lose the $12,000,000 already spent than to start out on a proposition to spend $50,000,000 or $60,000,000 unless such an expenditure is wise. I do not believe in wasting it. But here is a more sensible proposition, it seems to me. Up to this time Congress has not established any fixed policy. We have not concluded whether the plant should be leased, sold, or operated by the Government. Until such time as that policy is established, I say we ought to mark time. We ought to stand still until we determine what we are going to do. Every dollar we appropriate for this dam until such policy is fixed only further makes it impossible for us to recede, if we care to do so. We had better wait and see what the incoming administration thinks about the proposition. The plant can be leased to private enterprise and yet preserve it as a possible war plant. Offers have already been made to the Secretary of War of that kind and refused by him.

I would like to see a policy established in this House. We stand at the parting of the ways. The Government and private enterprise can not compete in commercial business. To attempt to do so only means the destruction of private enterprise. It must be either all public or all private. I incline, by training and by experience, to the encouragement of private initiative. In what I have said I have given you what I have concluded as the result of all the investigation I have made of this matter. [Applause.]

Mr. SMALL. Mr. Chairman, there are two phases of this big sundry civil bill which I desire to discuss. One is the failure of the committee to report any appropriation for the continuance of the construction of the dam at Muscle Shoals; the other is the inadequate appropriation and the manner in which the appropriation is made for the continuance of the activities of the Government in the operation of boats upon some of our inland waterways.

Within the time allotted to me I can not go into great detail, but must confine my discussion to some of the general propositions affecting the question.

I believe the committee made a serious error in failing to report an appropriation for the continuance of the Muscle Shoals Dam, and if the House and the Congress as a whole shall adopt the same policy, an injury to the country will be inflicted which will be almost irreparable.

The gentleman from Illinois [Mr. GRAHAM] has just made an argument against the continuation of this project, or against any appropriation at this time. I will be just to the gentleman and say that he is capable of making a plausible argument, even in a bad cause, and that he made some statements and some arguments which, while plausible on their face, do not affect the merits of the proposition.

The distinguished chairman of the committee, the gentleman from Iowa [Mr. GOOD], said the other day that it was necessary to make additional investigation. He did not indicate the kind of investigation, but he left the inference that he meant investigations as to the merits and importance of this dam as a water-power proposition and in connection with the use of the power so generated. The gentleman who just preceded me, the gentleman from Illinois [Mr. GRAHAM], certainly relieved this proposition of any suggestion that further investigation was necessary. He narrated in great detail the number of investigations which have been made by the engineers of the War Department. He might have emphasized that in every one of those reports this dam was singled out as one of the most important power propositions in the United States. Now, it is true in every one of their reports the engineers recommended that Congress should expend the money in the construction of the dam which affected navigation, and that the remainder of the expenditures affecting the development of water power should be made by private interests under some arrangement or contract made with some private corporation.

The last report that was made, to which the gentleman referred, submitted to Congress on June 28, 1916, was substantially in line with the report which had been made two years prior to that time, and while, as I said, it emphasized strongly the value of this water power, it recommended that the amount necessary for its construction be divided between the Federal Government, which should pay for that part of the expenditure involved in

navigation, and the remainder by some private corporation under a contract made with the Government.

But in this last report the engineers call attention to the fact that in the meantime the national defense act had been enacted and that section 124 conferred upon the President certain power, and they recommended Congress do nothing in connection with the adoption of this project until opportunity had been given to the President to carry out the provisions of the national defense act. The President did act, and he selected this site as the most valuable and available in the United States.

I would like for this question to be considered without regard to its location in the State of Alabama and upon the Tennessee River, and without regard to any partisan consideration. While it is true our friends upon the other side are in the majority in this House and in this Congress, and control legislation, I for one, even if it brought partisan advantage to our side of the House, would not like to see them commit the grievous error, as I think, of neglecting this project. It is sufficient to say that it was selected after the most careful investigation, by impartial men, who presumably had no other thought than to serve the best interests of the Government. If it had been located in New England or in the Middle States or in the Middle West or on the Pacific coast, some gentlemen suggest that the criticisms which we have heard during the last two days against the continuance of this project would not have been heard.

Personally I believe that the majority in this House are too broad and too patriotic and too willing to serve the country to have anyone upon any justifiable ground draw the conclusion that they are acting upon sectional or partisan considerations.

There was a feature in connection with the selection of the site in section 124 of the national defense act which the gentleman from Illinois [Mr. GRAHAM] did not quote. It contains this language:

> The plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital.

I would call the attention of the House, then, to the status of this matter at the present time. The President having exercised the discretion reposed in him, this provision of the law became applicable and its development became exclusively a governmental function; and Congress can not, without repealing that provision of the law, do otherwise than proceed with the completion of this dam as an exclusive function of the Federal Government.

Why should the appropriation be made? Because it is the most important water-power site in the United States and more power can be generated there than from any other single site east of the Mississippi River, except Niagara Falls, and it is capable of generating more power than is now being generated on the American side at Niagara Falls. The particular reason for this legislation under which work was begun arose out of the exigencies of the war. With the exception of the production by artificial means of nitrate, we had no other recourse than the nitrate beds in Chile, and in order to relieve our country from its sole dependence upon the Chilian beds it became necessary to engage in the artificial production of nitrate, and, preferably, by the fixation of nitrogen from the atmosphere.

There can be no question of the importance of the power generated at this site for this purpose. While it is true that a magnificent steam plant was installed for the purpose of furnishing power, yet every official connected with the War Department recognized that this was only temporary and to be used subsequently as auxiliary power, and that the economic production of nitrates could only be effected by the construction and use of the dam and the development of hydroelectric energy.

It has been pointed out that the difference is $26 per horsepower per annum between water power and steam power in the production of these nitrates, so that as the officers of the War Department and every student of the question recognized at the time, and so it must be recognized to-day, that if that plant is to be economically used in the interest of the Government and of the people we must complete the dam and use the energy so generated.

Why should we complete the dam in a time of peace? Because it is so essential that we should be prepared at all times to obtain a supply, independently of every other country in the world, of the necessary nitrates to be used in explosives and propulsive materials. We may spend millions on our Army and our Navy, and yet we can not fire a gun, nor can we prepare and use the explosives now so familiar in modern warfare without these essential nitrates; and our only source of supply outside of the Chilean beds is from their artificial production in our own country, and preferably, according to the opinion of everyone, more economically and more abundantly produced by this plant that has been started at Muscle Shoals.

Other countries recognize the necessity of preparing for a supply of nitrate in time of peace. Gentlemen have spoken about the activity of France at the present time. If it has not been mentioned, it is true that Japan is exceedingly active in preparing for the production of nitrate.

Reference was made yesterday to the action of Great Britain, and it was said that England had no water power. That statement, I believe, is true, and she must utilize steam power in the production of nitrate. And if England, the mistress of the seas, is not willing to take her chances on an open pathway from England to Chile in time of war, but, upon the contrary, is willing at great expense to prepare for the production of nitrates by steam power, how inexcusable and indefensible it would be for the United States to cease preparation of its activities in time of peace when we have this abundant facility for the production of hydroelectric energy at Muscle Shoals.

I shall not dwell upon the proposition. Nitrates are essential. As an independent Nation, and having in mind a reasonable degree of preparation, we, in common with the other countries of the world, ought to prepare ourselves to furnish nitrates in such abundance as may be necessary for our own purposes in time of war.

A good deal has been said about the use of nitrates in different forms for the purpose of fertilizer and fertilizing ingredients. I do not see the distinguished gentleman from Iowa [Mr. GREEN] here, but his questions yesterday indicated that he was doubtful of the value of these products as fertilizer. Some gentlemen have said that they were only necessary along the Atlantic seaboard States and not in the States of the Middle West. Surely gentlemen have not taken the time to familiarize themselves with the proper sources of information. These nitrates are valuable as fertilizer material. Their value has been so thoroughly demonstrated, according to my reading, that the proposition can not be gainsaid, and they are needed also in the Middle West.

I was impressed, perhaps as other Members were who happened to be in the House at the time, on February 19, 1920, when the gentleman from Illinois [Mr. MANN] asked leave to read a letter to the House. It transpired to be a letter from his distinguished brother, Mr. Frank I. Mann, of Gilman, Ill., who is reputed to be as distinguished in the problems of agriculture as is his distinguished brother as a Representative and a statesman. It was a very impressive letter, and by leave of the House I shall here insert his letter in full:

[Muscle Shoals nitrate plant—Letter of Mr. Frank I. Mann, of Gilman, Ill., to Hon. JAMES R. MANN, of Illinois—Printed in the CONGRESSIONAL RECORD Feb. 19, 1920.]

Mr. MANN of Illinois. Mr. Speaker, in order to advertise myself partly and mainly for the benefit of the House, I am going to send to the Clerk's desk and have read a letter written by my brother, Frank I. Mann, of Gilman, Ill., who is one of the experts of this country on soil and farms, and, I think, if gentlemen will listen they will hear some interesting and instructive information about soils.

The Clerk read as follows:

GILMAN, ILL., *February 16, 1920.*

Hon. JAMES R. MANN, M. C.,
Washington, D. C.

DEAR JAMES R.: Ever since I learned of the Muscle Shoals project, when in Tennessee a few years ago, I have felt quite an interest in its success, because of the great opportunity it seemed to present for an increased and economical production of crops by supplying a cheaper form of fixed nitrogen. The value of nitrogen and phosphorus in the production of crops has not been properly realized. Take an example of corn for instance: In 100 pounds of corn there are but about 3½ pounds of materials which were taken from the soil; the balance of the dry weight is made of compounds formed from carbon taken from the air by the leaves of the plants and formed into sugars, starches, oils, etc. The amount of these carbon compounds that can be formed are measured, however, by the amount of materials that could be secured from the soil. If the same plants, which produced 100 pounds of corn, could have secured another 3½ pounds of soil materials—mostly phosphorus and nitrogen—they could have formed another 100 pounds of corn, without any further effort on the part of the grower, and the yield would be increased 100 per cent. On the best corn-belt soils we find it is comparatively easy to double the yields of crops by doubling the phosphorus available to the crops, where there is sufficient nitrogen to match such an amount of phosphorus. The soils which contain such an amount of nitrogen, however, are small in area. On the early glaciated and the unglaciated soils nitrogen is in small amount, and the crops will grow in proportion as they can secure nitrogen, except on the natural rich soils, which are usually alluvial and limited in extent. As a rule, the soils south of the Ohio and Missouri Rivers are unglaciated and low in nitrogen, except the alluvial types. A large part of southern Illinois, Indiana, Missouri, Kansas, Iowa, and Ohio is composed of soil types on which crops—other than legumes—will grow in proportion as the plants can secure nitrogen from the soil.

This increase in yield, which comes from the proper element of fertility, increases food production without an increase in area or of man labor, and is real economic production if the cost of the fertilizing element is small.

A good deal of the corn-belt soils have already or will soon reach a nitrogen limit to their production, and, while we will be able to profitably maintain a nitrogen supply for some time by using legume crops for the purpose, it might also be profitable and economical to supple-

ment this legume nitrogen with a fixed commercial nitrogen. In the South, however, with the high average temperature and rainfall, it is doubtful if it would be possible to maintain enough legume nitrogen in a soil to secure a high production of food products, because of the great destruction of the organic matter in which such nitrogen must be held from the bacterial action and leaching when crops are not taking food from the soil.

I know of no one thing which could add so much to the production of more and cheaper food, and in such an economical way as to supply cheap nitrogen for these lands, so poor in humus. I do not know how cheaply nitrogen might be fixed at Muscle Shoals, but it would certainly be much cheaper than to secure it through legume growth. I figured out once the relative horsepower equivalent at Niagara Falls in fixing nitrogen compared to a clover field. The nitrogen fixed by an 80-acre field of clover, under favorable conditions and a large growth, could be fixed by a 28-horsepower engine working throughout the season. If the Tennessee River can be properly harnessed, it should be able to fix nitrogen at a small fraction of the cost of fixing it by means of bacterial or legume energy.

In these days of low man power on the farms and the need of more food economically produced, it would seem to be almost a crime against civilization to not heed this great need for cheap nitrogen.

If there is any possible and fair way to provide that the Muscle Shoals power might be used for fixing nitrogen, and that it might be obtained cheaply for farm use, it would be a wonderful step in the production of cheaper food and help to quiet the unrest of the present and future.

I understand that Mr. GRAHAM'S committee is considering matters relative to the Muscle Shoals plant and expects to take action soon. Some representatives of the Illinois Agricultural Association are going to Washington this week and I was asked to go with them, but other matters in which I am deeply interested are likely to prevent. If you can see the nitrogen problem as I see it, and the matter can be put into satisfactory shape, I hope you can see your way to help it along in the interest of humanity.

Affectionately, (Signed) FRANK.

The only inference which can be drawn from that statement is that the country as a whole does need this nitrogen, that it can be obtained by fixation in the cheapest way by the utilization of water power, and that it constitutes one of the very important essentials of the soil in order to maintain the normal production of crops. He said:

If there is any possible and fair way to provide that the Muscle Shoals power might be used for fixing nitrogen, and that it might be obtained cheaply for farm use, it would be a wonderful step in the production of cheaper food and help to quiet the unrest of the present and future.

I do not understand that there is any dissent throughout the country, from any student of plant life and of soil, as to the transcendent importance of supplementing our supply of nitrogen by the method which could be secured through the completion of this dam and the utilization of the nitrate plants which are already there.

Do gentlemen understand what would ensue if this plant should be abandoned, if no appropriation should be made by this Congress? Under the present funds available the work must stop on the 1st of June. If this Congress does not make any appropriation, it is quite evident that work must stop perhaps a month before that time, because as a prudent man the Chief of Engineers would not expend all the money available, but would reserve a certain amount in order to maintain the plant until Congress made some other provision. So that it is fair to say that the plant will close down on May 1 unless some appropriation is made.

Congress can not say that by suspending the appropriation no money will be necessary. A very large sum will be essential if the construction of the plant is suspended. I do not recall whether reference has been made to a letter which appears in the hearings before the committee, written by Col. Hugh L. Cooper, reputed and acknowledged, as I understand, to be among the most eminent of hydraulic and water-power engineers of the country. In a letter to Gen. Harry Taylor, of the office of the Chief of Engineers of the War Department, Col. Cooper says:

On the second question, as to the cost of closing down the work at this time, this is difficult to answer. It is not conceivable that the Government would withdraw from this project entirely in view of the more than $12,000,000 already invested and the showing in the foregoing paragraphs. In order to estimate the cost of a shutdown it would be necessary to have a basis as to the date when work would be resumed, so that the loss in interest might be computed. If the work should shut down at this time, to be resumed, say, in three years, I am of the opinion that the combined losses to the Government would be around $4,000,000, and without any compensation therefor unless the Government might claim there was a compensation to be expected in waiting for a lower interest rate three years from now than can be obtained at this time.

So that in the first place there is the cost of maintenance, the loss by deterioration of the plant and works; there is the disintegration of the organization which has been built up; and in addition to that the loss of this immense potential energy which ought to be utilized for the benefit of the country.

It is nothing new to state that the production of power is one of the most important elements in our industrial life and absolutely essential in time of war. The records disclose that the Council of National Defense in more than one statement gave more serious consideration to the production of more power and its coordination for war purposes during the period of the war than perhaps to any other essential. Private industries which were engaged in the use of power, and not using it for essential purposes, were required to suspend their operations and to devote that power to production of war essentials; and in time of peace we should not only conserve and augment our facilities for the production of power, but as prudent citizens we should also prepare that power for the needs of the country in the emergency of war.

The gentleman who preceded me [Mr. GRAHAM of Illinois] argued that the Government should not appropriate further money for the construction of this dam. He contended that it was not an appropriate governmental activity. I have already pointed out that under the provisions of the national defense act that question is in the past, because under the provisions of that act no private interest can operate there along with the Government. But I would point out in addition that the construction by the Government of a dam in a navigable river is not a new proposition, and I will cite only one illustration. The Government has constructed, at great expense, a dam in the upper Mississippi, at Minneapolis—a dam which when I last inquired had not been utilized for the production of power; that is to say, the power house had not been constructed. And I presume that one of the matters which will come before the Federal Water Power Commission will be the disposition of this great dam.

And dams have been constructed for the joint purposes of navigation and water power in other navigable rivers throughout the country. Why, then, make this an exception? Why attempt, as the gentleman from Illinois [Mr. GRAHAM] urged, to make this the parting of the ways? Why should he emphasize the importance of the Government getting away from the construction of dams in navigable rivers, as at Muscle Shoals, when the Government has been constructing dams in other navigable rivers in the past years, and I doubt not will authorize the construction of dams in navigable rivers for many years to come?

Many of the most valuable of our rivers, rivers which will develop commerce, which will establish their importance as coordinate units in the transportation system of the country, can not be made navigable except by the construction of locks and dams, and wherever those dams can be utilized in addition for the production of hydroelectric energy under a general provision of law which exists at present, the plans must be made and the money must be expended for that purpose.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SMALL. Can the gentleman yield me five minutes more?

Mr. BYRNS of Tennessee. I yield to the gentleman five additional minutes.

Mr. SMALL. So I submit that the argument that this should not be a Government activity, and that therefore we should wait, has no application to this case unless it is intended to apply exclusively to the dam at Muscle Shoals and not to the construction of dams upon navigable rivers in other sections of the United States.

The gentleman from Tennessee [Mr. GARRETT], who made a most illuminating and, as I think, convincing presentation of the importance of making this appropriation, intimated at the conclusion of his remarks that there were some who regarded opposition to this proposition as sectional. I was exceedingly glad to hear the gentleman who succeeded him [Mr. GRAHAM of Illinois] disclaim any such purpose. And yet I was impressed, and not favorably, with the statement which was made by the same gentleman that the construction of this dam had been proposed for many years because it would benefit the section of the country in which it was located.

Is that a fair statement to make? The Government can not construct or engage in any activity locally without perhaps conferring some benefit of a local kind greater than that which is contributed to all the country. We can not build a dam on any navigable river anywhere unless the money that is expended is being largely spent within the territory where the dam is constructed.

There are certain local benefits which must occur, but is it possible that this is a local and not a national activity? The production of water power is one of the most important problems before the people of the country, and wherever water power is utilized in the production of hydroelectric energy the country is benefited not only locally but as a whole.

Hydroelectric engineers have now learned that by tying up the energy produced by the various power plants in various sections of the country that not only will the power not be reduced but that it will be actually increased. The time is not far distant when water power produced in the Appalachians, whether in North Carolina, South Carolina, Alabama, or Tennessee, will be interlaced, each contributing its share, and

which will help in the upbuilding of industry by the furnishing of additional power. I repeat it is not creditable to the distinguished gentleman from Illinois to have intimated that the motive of those who favor the construction of this dam was to secure local benefits rather than the national interest.

Mr. Chairman, I shall anticipate that in the consideration of this bill under the 5-minute rule, when an amendment shall be offered, that gentlemen on both sides of the House will consider this proposition in a broad national spirit. Forget that it is located in Alabama; forget, if you please, that the majority of the committee who reported the bill without any appropriation happen to be of the majority party in this House; forget every consideration except the merits of the proposition and let us in the recognition of these merits make an appropriation for the continuation of this important work. [Applause.]

Mr. GARRETT and Mr. SMALL were given leave to extend their remarks in the RECORD.

Mr. GOOD. Mr. Chairman, I yield 30 minutes to the gentleman from Nebraska [Mr. JEFFERIS].

Mr. JEFFERIS. Mr. Chairman and gentlemen of the committee, at this time we are considering the question of an additional appropriation of $10,000,000 to carry on the project of building the Wilson Dam on the Tennessee River at Muscle Shoals. We should look at it from the standpoint of the present conditions of our country. We should view it from an economic standpoint, from a peace-time standpoint, from a war-time standpoint, and from a commercial standpoint, or a fertilizer standpoint, if you please. We should get our bearings from a consideration of all of these conditions.

I do not care to discuss the proposition simply because it is located in a particular section of our country, or because nitrate plant No. 2 was built during the time of war. The money that was expended at that time has gone over the wheel, so to speak. It is spent. The question now is, Shall we appropriate more money for the damming of the river? It is easy for Congress to appropriate, but it is hard for the taxpayers to raise revenue and pay it into the Treasury, and money should not be appropriated except and on condition that the people of the Nation and the Nation as an entity is to receive some lasting permanent benefit therefrom.

What are the facts? Nitrate plant No. 2 at Muscle Shoals cost the Government about $70,000,000, and in addition thereto the Government paid the Alabama Power Co. nearly $6,000,000 for building a transmission line to furnish electric power to run the plant. In addition to these sums, the Secretary of War has spent about $1,250,000 in altering and making additions to the plant, so that the total cost to the Government of plant No. 2 is approximately $77,000,000. In speaking of the cost of No. 2 plant I have not included any money that has been spent upon the Wilson Dam. The Wilson Dam is a separate undertaking. It is no part of plant No. 2. Plant No. 2 was equipped when built with a steam-power plant which cost about $12,500,000, and also with the transmission line built by the Alabama Power Co. The plant, having as it does, two equipments of power for its operation, a third power equipment to be furnished by the building of the Wilson Dam is not required or necessary. Nitrate plant No. 2 is at this time a completed plant, provided with power for the manufacture of nitrates for war.

It is a nitrate plant to-day regardless of the Wilson Dam, a finished instrumentality for war for the manufacture of nitrate, and can be utilized and used at any time in the future for the production of nitrates for war purposes.

In other words, if we look at the proposition as it is, the Government now has the instrumentality for war for the production of nitrates, the essential thing for explosives, in plant No. 2. It might be expensive to run the institution during times of war, but nevertheless we have the thing we started out to get, namely, the instrumentality for the production of nitrates in the time of war. True, peace has come, but if war came to-morrow we could operate the nitrate plant without the Wilson Dam. Now that the Nation has reached the time of peace, and because of the fact that the War Department and the President started to build a dam across the Tennessee River, shall Congress continue to expend ten or more millions of dollars to complete the same? If so, what is to be the use of the dam in times of peace?

Of course, it could be used if it were finished in times of war in place of the steam power plant and the transmission lines and at less expense than either of them, but if we expend more money to complete the dam now what is our purpose? Is it to aid navigation on the Tennessee River? If so, that which is to be appropriated now, $10,000,000, is but a small part of what will be necessary for the Government to expend in order to make the river navigable, because, as has been shown here, it will be necessary to build a dam below the present one at a cost of $2,500,000 and another one above the Wilson Dam at a cost of $12,500,000, and also other dams must be built, and these dams will destroy the canal that was built by the Government prior to this time. If the object of building these dams is to improve navigation, then the proposition means that the Nation will be spending these many millions of dollars for that purpose on that river when, as a matter of fact, the river is already provided with a canal which makes it navigable for all practical purposes if the people of that community desired so to use it. Why destroy the canal by building dams if navigation is the object to be attained?

Another contention is that it will help navigation and at the same time it will furnish great water power—power for war purposes.

But we have power now for war purposes. It might be a little more expensive, that is all. Power for what? Power to lessen war expenses when war comes, or power for manufacturing purposes. If we appropriate $10,000,000 and whatever other millions may be necessary to complete the one dam and drop the navigation idea, then what must be done in the expenditure of money to complete the one dam and provide for the sale of power? If we are going to provide power for sale to the cities mentioned by my friend from Tennessee [Mr. GARRETT], it will be necessary to appropriate millions of dollars to build transmission lines from the Muscle Shoals Dam to the different cities to which power might be supplied. Was that the object of the Government in starting this proposition? The money that was spent for building nitrate plant No. 2 I do not call wasted.

It can stand there as an implement of war like a great battleship, if you please, ready to be operated at any time, but if the Nation continues to build a dam for the purpose of furnishing additional power to be utilized in time of peace in the operation of nitrate plant No. 2 what follows? What is the Nation going to produce? Where does it lead us and how far will we go? As I understand it, in order to transform nitrate plant No. 2, which is now ready for manufacturing nitrates for war materials, into an ammonia-sulphate plant, it would be necessary to add to it another building at a cost of some $3,000,000 and a working capital to carry on a manufacturing business, which has been estimated at $12,500,000, in order to utilize the power coming from this dam that is to cost ten or fifteen million more than has already been expended; and what would the Government manufacture? It would manufacture what is called ammonium sulphate. The nitrate manufactured at plant No. 2 for war purposes, because it hardens, is not practicable for the use of the farmer as a fertilizer, and yet no one is going to say that nitrate should not be used as a fertilizer to the greatest extent.

It is not for any reason of that kind that I am saying what I say now. But if the Nation builds the other building and finishes the one dam then it will be necessary to appropriate money for working capital, or some twelve millions of dollars. Thus equipped the Government will start producing ammonium sulphate for sale to fertilizer manufacturers; and how much would the plant produce? The evidence before the committee informs us that it would produce, according to the plans of the War Department, about 86,000 tons of ammonium sulphate per annum. What is it going to cost? Mr. Glasgow gives some figures, but I claim that those figures have no real foundation in fact that would lead anyone to accept them as true. The foundation of the Glasgow figures, or cost of production, are those of Maj. Gaillard and a number of officers who went down there to watch the operations of the plant during the experimental period, and who afterwards made estimates, figuring coke, which is one of the essential ingredients in the manufacture of ammonium sulphate, at a cost of $5 or $6 a ton, when the market price at that time was $11 a ton, and the same was true of lime and other materials. With whom will the Government compete if it appropriates money for the dam and to remodel the plant and for operating capital for the manufacture of ammonium sulphate? What is it going to do?

Gentlemen, we should know the conditions of the day in which we are living. We should comprehend what has taken place in our country since the beginning of the war. We should realize that during the war the National Government expended from its Treasury millions and millions of dollars for the building and for the development of by-product coke ovens of this country. There are now in this country, because of the acceleration caused by the war, nearly 11,000 by-product coke ovens. The old beehive oven is now regarded as obsolete, and in the States of Alabama, West Virginia, Pennsylvania, and all of the manufacturing and coal-producing States where coke is produced the by-product coke ovens are now producing, as a by-product, large quantities of the very thing—ammonia sulphate—that the Government would undertake to manufacture at plant

No. 2 after it had been converted into an ammonia-sulphate plant, should Congress make the appropriation for the dam, and then the appropriation for the remodeling of the plant, and then the appropriation to go into the business.

What is the effect of all this? Men in different parts of this country now have their capital invested in by-product coke ovens. They are engaged in the coke business and are paying taxes for the support of our Government. If the Government itself becomes a manufacturer of ammonia sulphate, which is a by-product of the coke ovens, it will either have to compete with the by-product coke-oven prices, or else it will not sell, and if it did succeed, what a small amount it would produce, some 86,000 tons in a year, whereas the by-product coke ovens produced, in 1919, 500,000 tons, and will, according to estimates, by 1930 produce 900,000 tons of ammonia sulphate. What would be the effect of the manufacture of only 86,000 tons of ammonia sulphate at Muscle Shoals? How would the men of the coke industry, who are paying taxes, feel about the Government's competition? Why should the Government, after spending millions of dollars toward the development of by-product coke ovens during the war, now start in to destroy them by competing in the manufacture of ammonia sulphate, which the coke ovens produce as a by-product?

We have moved since 1916, and many things have happened. The by-product coke ovens have been encouraged and developed and are producing 500,000 tons of ammonia sulphate per year, and will double that amount within the next few years. With such vast quantities of ammonia sulphate being produced as a by-product, and which must to a large degree become available for the manufacture of fertilizers, surely the Government does not want to jeopardize millions of dollars in the manufacture thereof. Then, again, according to the best-informed men who have studied this subject, the Haber process, which was developed by Germany during the war, is far more economical than the process that would be used at Muscle Shoals. The Haber process is the process of the future, and already individuals in the Nation have the knowledge of that process, and will without doubt proceed to utilize their knowledge if governmental competition does not deter them from so doing.

The fact is that there was such a surplus of Chilean nitrates in the country at the close of war that our Government lifted the embargo and permitted it to be sold to foreign nations, and one company alone exported some seventy or eighty thousand tons thereof.

If the initiative of private institutions and of men is to be regarded as of aid and benefit to America in the future, then it should be the policy of our Government to say to them who have studied these things, go on and establish, if you can, in this country the Haber process and add in the production of ammonia sulphate to that which is produced by the by-product coke ovens and furnish the farmers of the country fertilizers in an abundance. Why should we not encourage the development of the Haber process by permitting it to have an opportunity to live without governmental interference or competition, and if it is established—and I believe it is going to be—we will have here in this country in the next two or three years, aye, in five years at least, such an immense quantity of ammonium sulphate from the by-product coke ovens of this country and from the Haber process in the country as to convince those who vote for this $10,000,000 that such a vote was in favor of an absolute waste of public funds.

As I look at this question we have not wasted all that has been expended at Muscle Shoals from a war standpoint. We have spent enough, supplemented by what we spent for the Alabama Power Co., so that if war came to-morrow we could start the plant and go to producing nitrates, the thing that is necessary for war and which we started out to produce when we commenced to build nitrate plant No. 2. The money which has been spent upon the dam and which amounts to $17,000,000 may be wasted if the dam is not completed, but by completing the dam the waste to the Government may be increased many times over. In my opinion the manufacture of 86,000 tons of ammonia sulphate, to be sold as a fertilizer to the farmers of the country, is a dream, an absolute dream, and can in no way be of any real help to the farmers of the country.

If the dam is to be built to develop power and the building of extension lines for the transmission of power from Muscle Shoals to the cities of Alabama and Tennessee, then the building of the dam is a local matter, and not one of real national importance. Of course, to the extent that it furnished power to be sold to the different cities or institutions, it would help to build up industries, great institutions of manufacturing, and so forth, which in time would pay taxes to the Government for the support of the Government. But under present conditions of the finances of the country, considering the burdens that the taxpayers are bearing, I am opposed to the Government's appropriating money with which to enter the manufacturing business. It is better by far to permit plant No. 2 to remain as a utility for war in a stand-by condition.

It seems to me we have to take the bark off these things and look at the condition of our country and what has passed, and should not stifle and destroy an industry that has been created, as is exemplified by the by-product coke ovens, and through which we are retaining and conserving for the use of the people a product that has gone off in smoke and thin air in the years past. Another by-product from the coke ovens which can be utilized is toluol, a good substitute to take the place of gasoline in the operation of motor cars, and so forth. So I for one am convinced with the light that I have, not a sectional light, not anything of the kind, but the light of the past, and considering present conditions of our country, realizing that we have a great nitrate plant equipped for war, ready to be utilized for war, and realizing the further fact that we have developed these by-product coke ovens, to say nothing of stripping plants, and are producing yearly some 500,000 tons of ammonia sulphate, and realizing also that the agricultural interests of this country used only 190,000 tons of ammonium sulphate for fertilizers last year, that this country will be in the ammonium sulphate export business in a short while with the product from the by-product coke ovens, to say nothing of any other developments. It will have to be, or else the price thereof must go down so low that the by-product coke ovens will be compelled to almost give ammonium sulphate to fertilizer manufacturers, for sale to the farmers.

That has got to come. It is only the development or evolution of the forces that were put in motion during the war. Then why continue—building a dam—and lose sight of conditions prevalent in our country to-day? It is true agriculture could use more fertilizer than it does, but the Agricultural Department sends out their agents to instruct the people, the agriculturists, in the use of fertilizer, and they state that it is hard to get them to use any great amount of fertilizers. The farmer wants to see a practical demonstration of it, and if the Government goes into the manufacture of fertilizer the Government will have to appropriate more money for more men to go over the country and convince the agricultural people of the country that this particular ingredient, ammonium sulphate, is the one that they should use for fertilizer purposes.

Mr. McKENZIE. If the gentleman will permit a question, I just want to ask the gentleman whether or not if the Government goes on with this project and manufactures this product for the use of the farmers will we have to pay a royalty on that character of manufacture to the men who control the patent?

Mr. JEFFERIS. Well, that is contended by some, but I do not know whether it is true or not.

Mr. McKENZIE. I think it is very important.

Mr. JEFFERIS. I do not claim to be enough of a lawyer to say at this time positively as to that. Another thing. Suppose we manufacture ammonium sulphate. Suppose we get this power developed and we start the wheels to moving. Who are we to sell it to? The War Department officials say they are going to sell it to the fertilizer manufacturers.

The fertilizer manufacturers, I suppose, will say to the Government right away, "Well, here are 500,000 tons of this stuff coming from these by-product coke ovens that have been built here in the last few years, and they offer to sell it as a by-product, so the Government will have to meet that competition if it is to have any market at all for this product."

Now, if it were not for the fact that we have these by-product coke ovens, producing this very substance which it is contended the Government should manufacture for sale, I might look at this question in a different way, for I would not want to do or say anything that would in any way stifle the progress of American agriculture, because if there is any department of life that is necessary for this Government to encourage and have produced to the fullest extent, it is agricultural products for the support and maintenance of our people, to say nothing of foreign nations. Under present conditions why should the Congress appropriate $10,000,000 to complete the dam, and then, if you have one dam completed, add $12,500,000 to build another dam, and another $2,500,000 to build another dam for transportation on the Tennessee River? Or why should the Congress appropriate this fund from the standpoint of selling power for the manufacturing interests of the cities that are there within the radius of 150 and 200 miles?

It seems to me if we ever enter upon a program of that kind in one particular section of the country, there would be more requests here in a short while to build up other power dams in

other sections of the country, and in a short while the Government would be undertaking to furnish power for all the manufacturing businesses of the country.

Even the lime men down in that section are opposed to the Government going into the manufacturing business. A number of them appeared before the committee while we were down there.

The CHAIRMAN. The time of the gentleman from Nebraska has expired.

Mr. GOOD. Does the gentleman want more time?

Mr. JEFFERIS. I would like a couple of minutes on the lime question.

Mr. GOOD. I yield five additional minutes to the gentleman.

Mr. JEFFERIS. The lime interests of western Tennessee, in that section, appeared before the committee to oppose the operation of these plants by the Government. Why? They said, as I remember the testimony, that if the plant was run to the full extent for the manufacture of ammonium sulphate in times of peace it would take some 1,500 to 1,600 tons of limestone a day, and that about 500 or 600 tons of that limestone in the operation of the cyanamid process would become dust, so to speak, and would have to be sold as a by-product in competition with their lime industry all through western Tennessee and northern Alabama.

And, for their part, while they believed in that nitrate plant No. 2 as a war agency and knew that it could be operated as a war instrumentality, yet if it was run as a commercial proposition these 500 or 600 tons of lime dust would go into competition with their products in that community, when they were compelled to pay taxes for the support of this Government.

They, of course, would pay part of the taxes that would go into this appropriation of $10,000,000, and for the subsequent appropriations that will have to be made. The result would be, as they viewed it, that it was rather an unpleasant situation to require them to pay taxes into the Government of the United States in order that the Government might expend that money as a competitor in a commercial business in competition with them and that would in all likelihood destroy the business of the lime quarries in that section and cause them great losses.

So, analyzing the thing as I do, not as a sectional proposition or anything of that kind, realizing as I do that we have the war instrumentality ready for operation, why should we undertake to enter into competition against by-product coke ovens when they are producing sufficient and more than is used for fertilizer purposes, or enter into competition with the lime people? Why should the Government do that and then ask the very men who conduct the by-product coke ovens and lime quarries to gladly reach down in their pockets for the payment of taxes into the National Treasury in order that the Government might utilize their own money in a manufacturing business and thereby destroy theirs? So I for one at this time—and I am not closing the book—I for one at this time feel that I should not vote—and I will not vote—for the appropriation of $10,000,000 to further the project of completing the Wilson Dam. [Applause.]

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 40 minutes to the gentleman from Alabama [Mr. ALMON].

Mr. ALMON. Mr. Chairman and gentlemen, the act of Congress, the national defense act, in section 124, known as the nitrate section, made it just as much the duty of the President and the War Department to build a plant for fertilizer purposes as for war purposes. The mistake of my distinguished friend from Nebraska [Mr. JEFFERIS], who has just preceded me, is that he looks upon this plant as a war plant. I know that discussions here in Congress at the time the national defense act was passed and the wording of section 124 makes this plant just as much a fertilizer plant as a munition plant. I know well that the farmers' organizations of this entire country appealed to Congress and to the different Members in 1916 to make provision for a nitrogen plant. It was reported here in this section, as has been said, by the Military Committee of the House when it was first voted out, and it was reported in the Senate on an agricultural bill from the Agricultural Committee of the Senate in almost an identical provision for the building of plants for war purposes and for fertilizer purposes, and finally became a part of the national defense act.

What next? When the question of the location of a plant to carry out the provisions of section 124 of the national defense act came up what occurred?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. ALMON. Yes.

Mr. CHINDBLOM. Has the gentleman the language there from which he construes the meaning that Congress during the war gave the President power to use money for the establishment of a fertilizing plant?

Mr. ALMON. Yes; here it is:

The President of the United States is hereby authorized and empowered to make, or cause to be made, such investigation as in his judgment is necessary to determine the best, cheapest, and most available means for the production of nitrates and other products for munitions of war and useful in the manufacture of fertilizers and other useful products by water power or any other power as, in his judgment, is the best and cheapest to use; and is also hereby authorized and empowered to designate for the exclusive use of the United States, if, in his judgment, such means as is best and cheapest, such site or sites, upon any navigable or nonnavigable river or rivers, or upon the public lands, as in his opinion will be necessary for carrying out the purposes of this act; and is further authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment, or other means than water power, as in his judgment is the best and cheapest, necessary, or convenient for the generation of electrical or other power, and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products.

I say that any man possessed of a grain of intelligence in reading that will come to the conclusion that this plant is just as much a plant for fertilizer purposes in peace times as it is a plant for the production of munitions in time of war.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield for a question?

Mr. ALMON. Yes.

Mr. CHINDBLOM. The gentleman was here during the war when this measure was enacted. I was not.

Mr. ALMON. This act was passed in 1916, the year before we entered the war.

Mr. CHINDBLOM. Yes. Let me ask you: At that time was this particular project of building a plant on the Tennessee River at Muscle Shoals pending?

Mr. ALMON. There was no project or plan before Congress. There had been, as has been said, some discussion about developing water power there for the purpose of improving navigation. But the question of location of the plant was not considered and determined when this law was passed. When the question of location was taken up the War Department expressed its preference in the matter of location, but every farmers' organization in this entire country, from Maine to California, took a deep interest in it and had their representatives at the hearings, and everybody throughout the length and breadth of this country understood that this great plant, wherever located, was going to be located and built as much as a fertilizer plant for the benefit of the farmers of this Nation as it was a munitions plant in time of war.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield again?

Mr. ALMON. I would rather not. It breaks the connection of my argument. If the gentleman will just wait a moment, I will yield to him.

Mr. CHINDBLOM. My question evidently was not understood by the gentleman. My question was whether this particular plant was mentioned in the discussions in the House at that time?

Mr. ALMON. Not that I recall.

It was located. I do not think any man who ever studied the question would for a moment question the fact that the plant is properly located. It is far away from the Atlantic coast and from the Gulf of Mexico. From a military or national-defense standpoint it is ideally located, the greatest inland water power. From an agricultural standpoint it is nearest to that section of the country that uses the most fertilizer, with the very best transportation both by water and rail. But this has been settled, and why do the gentlemen want to discuss it? And, in addition, all the raw material used in the manufacture of explosives for war purposes or for fertilizer are found nearby in inexhaustible quantities, such as limestone rock, coal, coke, and phosphate rock.

Something has been said about the cost. My distinguished friend who preceded me [Mr. JEFFERIS] has suggested that instead of spending more money on this plant we should close the plant up and let it stand idle, just as a battleship, until we have another war. The gentleman seems to overlook the fact that the economic value of that great plant to make fertilizer is dependent on cheap water power that is being developed. If it had been built for no other purpose except as a munition plant, there might be some force in the gentleman's argument to close up this great plant probably for 40 or 50 years before it will be needed again for war purposes, and I hope it will never be so needed. But if you did that, it would rust out and be of no value, even although it might be looked after carefully and guarded and painted as best it could be. The fixation of atmospheric nitrogen is a comparatively new art or science. Of course, it will be improved upon from time to time, and in order that that plant be kept up to date, going, running, and

kept ready as a plant for munition purposes in the event of a military emergency, it ought to be in operation during peace times.

That would be reason enough for not abandoning it, but in addition to that it is the duty of Congress to complete this dam and operate this plant to carry out the provision of section 124 of the national defense act of June 3, 1916, for the production of fertilizer for the benefit of the farmers of this country as well as for munition purposes.

Something has been said about the supply. It is said it is not needed. Who is opposing this measure here? Who is opposing the proposition that the Government should operate this great plant for the manufacture of fertilizer for the benefit of agriculture in this country? No one has come out in the open in opposition except Mr. Washburn, president of the American Cyanamid, who operates a similar but much smaller plant at Niagara Falls, on the Canadian side. This plant would be a competitor of his. I have heard of some fertilizer mixing plants sending telegrams to Members of the House expressing their opposition to the bill providing for the operation of the plant by the Government. Why are they doing this? It is because they are not interested in getting cheap fertilizer for the farmers. The greater the price that the farmer pays for fertilizer the greater the profit of the fertilizer mixers and manufacturers.

The by-product coke-oven people have no cause to complain. They are going to make ammonium sulphate anyway, because it is a by-product, and there will be a demand for all that they can make, and all that can be made at the Government plant.

The farmers of this Nation have been robbed by the Chilean interests and the Chilean Nitrate Trust for all these years. Since 1879 the farmers of this country have paid the Chilean Government $153,000,000 export duty for the privilege of sending its nitrates out into this country. There is an export duty of $11.18. There is no competition. If there was, they would take off that $11.18 on sodium nitrate, and the farmers of this Nation and the War Department in time of war would be relieved of that extraordinary export tax placed upon America by the Chilean Government, raising revenue almost enough to carry on the general expenses of the Chilean Government, as I am told; at least two-thirds of the general expenses.

Now, something has been said about the cost. Of course, the building of this great nitrogen plant was begun in war times and under war conditions, when labor and materials were high. It is possible, as has been said, that there was some waste there, but no more than at every other war plant in comparison with the importance and magnitude of the job.

There is nothing in the report of the investigating committee to show that. But one thing is certain, and neither the gentleman from Illinois [Mr. GRAHAM] nor the gentleman from Nebraska [Mr. JEFFERIS] nor any other member of the investigating committee will deny that nitrate plant No. 2 is a complete plant, that it is 100 per cent of what was contracted for in point of quality and in point of production. It provided in the contract that it should produce 110,000 tons of ammonium nitrate per annum, and the tests which have been made have demonstrated the fact that it can turn out that much product; and, in addition to that, it is one of the few war industries that has a real peace-time value. The plant at Nitro has been sold for 7 per cent of what it cost. The Old Hickory powder plant has been sold at probably less than 10 per cent of its cost. But no Member of either House, as far as I have heard, has ever said that nitrate plant No. 2 at Muscle Shoals on the Tennessee River should be sold or disposed of. Everybody says it ought to be kept. Some say it should be maintained only for war purposes; but the great masses of the people of the Nation expect and have the right to expect that this Congress is going to carry out the mandate of the nitrate section of the act of June 3, 1916; and the President and the War Department having built this great plant for war and fertilizer purposes, that Congress will appropriate whatever money is necessary. Everybody agrees that nitrate plant No. 2 would not be an economical success without the development of the water power. The sum of $17,000,000 has been made available for the development of the power. About $12,000,000 of that has been spent. Another $5,000,000 will have been spent by the last of next May, and the engineers of the War Department have sent to this Congress an estimate for an additional $10,000,000.

I wish every Member of this House could visit that great nitrogen plant that Mr. GRAHAM spoke so eloquently about and see its possibilities to this country and to agriculture, on which all of our national prosperity is based. I wish they could see that wonderful plant for which this dam is being constructed. About 5,000 men are engaged in the work, a majority of them, I am told, being ex-service men. It can be finished in two years more. If this $10,000,000 is given, it is the testimony of Col. Cooper that probably an additional $15,000,000 will be necessary a year or two from now in order to complete it and put in all the machinery that is necessary to develop this great power.

Something has been said about the amount of power to be developed. In the first place, the chairman of this committee [Mr. GOOD] has said that it seems to him there is merit in this proposition, but that it occurs to him that it would be a matter of wisdom to postpone it a couple of months in order to investigate it. I understand that if this $10,000,000 appropriation does not go into this sundry civil bill it will probably be a year before another sundry civil bill is in order, and during that time the plant will be shut down. Seventeen million dollars was made available for the construction of the dam, locks, and power house. About $12,000,000 of that amount has been spent, including more than $1,000,000 worth of machinery, such as turbines, generators to be used in the power house which has been contracted for. There are about 5,000 men engaged on the work at this time, and something like 2,000 tons of concrete is being poured daily. The available funds will have been exhausted, according to the hearings in the sundry civil bill, about the 1st of June. The War Department has asked for an additional appropriation of $10,000,000. The work is something like 30 per cent completed. A great amount of money was necessarily spent in getting ready to build the dam. A camp had to be built, temporary and permanent housing facilities to the amount of $1,245,205; about 25 miles of railway construction; cofferdams costing $350,000; a bridge costing $588,000; concrete-mixing plant costing many thousands of dollars; a large gravel pit opened up; dredges and boats purchased, as well as barges and cars. About 100 cars were purchased for the purpose of hauling cement, because the railroads could not furnish them. The work is being done by the engineers of the War Department, under the direction of the Chief of Engineers; Col. Hugh L. Cooper, who built the Keokuk Dam on the Mississippi River and important works in South America, and who has an international reputation as a successful dam builder, is the consulting engineer for the War Department, and is in close and constant touch with the work on this dam.

According to the testimony of the experts of the engineering department in hearings before the Appropriations Committee in making up the bill now under consideration, construction work of this kind would suffer more seriously in stoppage and delay than any other kind of improvement. They explain that the steel railroad bridge across the entire width of the stream, with three tracks, which cost the Government $580,000, in case of high water is liable to be washed away or materially damaged, and that the sooner the concrete is poured into a number of cofferdams, giving greater strength to the bridge, the sooner would the possibility of destruction or damage to the bridge by reason of high water be removed. The cofferdams costing many thousands of dollars would be destroyed. The machinery and equipment would be seriously damaged; besides, the disorganization of the labor forces of more than 4,000 men would cost many thousands of dollars to reorganize. The Government now has an efficient labor organization; better than it has ever had.

Col. Taylor, of the engineering department, testified before the committee that the temporary suspension of this work would mean a loss of at least $4,500,000, and $25,000 per month, or $300,000, to care for and properly guard the property of the Government, the project being scattered over a large area.

Col. Hugh L. Cooper estimates that it would cost the Government $4,000,000 to close the work down and then start up later.

Two thousand cubic yards of concrete is now being poured daily.

The dam will develop about 500,000 horsepower, according to the statement of Col. Cooper, 125,000 primary power and 350,000 secondary power; and it was shown in the hearings that only about 80,000 horsepower will be needed in the operation of this nitrate plant; and the testimony in the hearings before the Senate Committee on Agriculture last spring of the officers of the Ordnance Department and the nitrate division showed that the secondary power can be used by the Government in the operation of the plant and that the balance, at least 200,000 primary power, can be disposed of by the Government by using the steam plant at the very lowest stages of the river.

Oh, but somebody holds up his hands in holy horror and says, "Why should we be developing water power for the benefit of agriculture and for the benefit of the farmers?" Has not the Congress been doing something for some other interest?

The United States participated and aided in the financing of six of the pioneer railroads of this country, namely, the

Central Pacific, the Union Pacific, the Kansas Pacific, Hannibal & St. Joseph, Sioux City & Pacific, and Western Pacific (all located in the Western States), to the extent of $64,623,512. Bonds of the United States to this amount were issued to aid the financing and construction of these railroads.

Not only so, the United States has made land grants to aid in the construction of railroads, wagon roads, canal and river improvements.

The United States has made land grants in cooperation with and in aid of the construction of railroads to the extent of 78,944,573.55 acres, and the Government has issued State grants to the extent of 37,870,852.30 acres, a grand total of corporation and State grants of 116,815,425.85 acres. In aid of wagon roads in various States, the Government has issued land grants totaling 3,060,563.10 acres. In aid of the construction of canals, Government land grants have been made to the extent of 4,597,668.32 acres, and in aid of river improvements the Government has issued land grants amounting to 2,245,252.13 acres.

The Government reclamation of the arid West is both a paternal and an internal improvement which is essentially a cooperative arrangement between the Government and private parties. The summary of appropriations made by Congress for western land irrigation to 1915 amounts to $116,824,894.82, and of that amount there was an authorized Government bond issue of $20,000,000, and none of these appropriations in aid of irrigation improvements in the West returns any interest payment to the Government.

One of the most prominent examples of the reclamation projects of the West is the case of the Roosevelt Dam, 79 miles northwest of Phoenix, Ariz., this dam being 284 feet high and 235 feet long, originally estimated to cost $5,000,000, but the total cost of this reservoir, dam, power system, diversion works, canals, drilling, and so forth, to July 1, 1913, was $11,193,687.

I am not criticizing that. The money was loaned to them to aid in irrigating their lands, without interest for at least 20 years, and in some places it goes on into a revolving fund year after year without any interest to the Government.

One purpose of this development is to aid the farmers who need fertilizer to secure it cheaper. Why should it not be done, especially when it can be done without expense to the Government? The plant is already completed, and can be operated without expense to the Government. Besides, the Government can sell enough power to the public to pay 5 per cent on the cost of the dam. This is all shown in the hearings.

That question is involved in the decision of this committee when it comes to determine whether the amendment will be adopted allowing $10,000,000 additional to go on with this work. I do not want any Member to lose sight of the fact, and I want to impress upon you this idea, if I do no other, that there was just as much demand on the part of agriculture for a Government nitrate plant when the act of June 3, 1916, was passed as there was on the part of the War Department for a plant for munitions for war purposes. And, fortunately, the two are combined, because the peace-time operation makes it a better plant when war comes, if it ever does.

Something has been said about the cost of power at this plant.

Col. Hugh L. Cooper, according to the hearings on this bill, estimates the power that will be developed by this dam to be as follows: 700,000,000 kilowatt hours per annum, the average primary power, and 1,470,000,000 kilowatt hours per annum secondary power, which expressed in horsepower is about 125,000 primary and 375,000 secondary horsepower. Secondary power will be used to operate the nitrate plant, and there will be at least 200,000 primary power for sale by using the steam plant for a short time at the lowest stages of the river.

He also states that at an unusually low selling price of 1.2 mills per kilowatt hour for secondary power and 4 mills per kilowatt hour for primary power it would earn an annual income of $4,554,000, which would be 10 per cent on a cost price of $45,540,000. This would mean 5 per cent interest and 5 per cent for depreciation and operation, leaving $540,000 to be applied on advantages to navigation if the dam, locks, and power house should cost $45,000,000.

No primary power is sold in Alabama for 4 mills per kilowatt hour per annum. The Alabama Power Co. gets more than 4 mills for the secondary power, and manufacturing plants pay from 1 to 2 cents for primary power.

The rate paid by the very largest industries in the Muscle Shoals district, such as the Merrimac Cotton Mills, of Huntsville, Ala., which uses upward of 5,000 horsepower, is 1.1 cents per kilowatt hour ($71.50 per horsepower per year), which is just about three times as much as Col. Cooper sets down as the rate per kilowatt hour for primary power.

The Tennessee Coal & Iron Railway Co. of the Birmingham district, a subsidiary of the United States Steel Corporation, pays the Alabama Power Co. more than 4 mills for secondary power, and Col. Cooper places 4 mills as the unusually low price, he says, for primary power. The Tennessee Coal & Iron Railway Co. has its own coal mines and the most efficient facilities, and yet it is paying the Alabama Power Co. more for secondary power than Col. Cooper sets down as the price of primary power for Muscle Shoals.

Electric furnaces in operation at Anniston, Ala., producing phosphorous-acid fertilizer of concentrated and high grade, are served with power by the Alabama Power Co. at not less than 1 cent per kilowatt hour, which, again, is nearly three times the rate set down by Col. Cooper for primary power at Muscle Shoals.

Some gentlemen do not seem to want to be fair about this proposition; they say that if this dam is completed the people will want other dams built. It is true that there will be a necessity for another dam, very much less expensive, in order to make the Tennessee River navigable over obstructions at Muscle Shoals, but nobody is before Congress asking for that. If that is ever done, and I hope it will be eventually, it will come through the River and Harbor Committee. It is not right nor fair to try to confuse this question with what may be asked for hereafter.

I might say that up to the beginning of the war, on this great river that the gentleman from Tennessee [Mr. GARRETT] told you about this morning, only three other rivers in the whole United States could be considered greater—I do not know of any that has more commerce upon it—up to the beginning of the war there had been only $10,000,000 spent in improving the Tennessee River for navigation purposes, and there had been over $100,000,000 spent on the Ohio River. I do not think we are subject to criticism in the Tennessee Valley for asking that the same thing be done for navigation purposes on the Tennessee River that has been accorded to other rivers of no greater importance in many parts of the United States.

Something has been said about further hearings in order to get further information. The Secretary of War testified before the Appropriations Committee. Gen. Taylor also testified, and no doubt the farmers would have been glad to have had an opportunity. They have had their hearings; and if anybody wants more information about what the dam will cost, what the power will be worth, how cheaply fertilizer can be made, I would refer them to the hearings before the Committee on Agriculture in the Senate last May. That will give you full and particular information by experts of the War Department and in the nitrogen division of the Ordnance Department.

I want to say to the members of the committee that this is not a local project. While we down in that locality may get some immediate benefit from a water-power development this great nitrogen plant for war or commercial purposes is a national project. The farmers in Maine in their organizations, and in almost every State—I believe every farmer organization is on record in favor of the completion of this water-power dam and the operation of this plant for fertilizer purposes. They are expecting it; they have reason to expect it. Congress has said that it would be done, and the administration has gone as far as it can in carrying out the will of the people on this subject. The question is now whether we shall disappoint them in their expectations or go on and carry out the mandate that Congress do something to relieve the situation.

Agriculture is the foundation of all of our wealth and prosperity, and now, at a time when the farmers of the Nation are crying out to be relieved from the Chilean nitrate monopoly, what are we going to do? The price of Chilean nitrate went up during the war to $100 per ton. It is all right for some of these fertilizer companies to want to continue to sell to the farmers the stuff they have been selling to them—which has about 280 pounds of plant food in it to the 2,000 pounds of fertilizer, costing the farmer enormous amounts in freight rates and causing him great trouble to haul it over bad roads. The hearings in the case show that at this plant we can produce real fertilizer. Ammonia nitrate contains 35 per cent of nitrogen, and ammonia sulphate 20 per cent. Cyanamid contains more nitrogen than Chilean nitrate. It is from this that the farmers of this country expect to be relieved by securing at about half what it has cost them heretofore. I believe the more you study this question the more you will be convinced that it is in the interest of this entire country; I do not care whether the Member is from the city or not.

A city Congressman well knows that farmers and agriculture make the cities. Let the soil go to waste and not be replenished,

let agriculture go down, and the streets of the city will grow up in grass and weeds. Every man, woman, and child, I do not care where he lives, is interested in the success of agriculture. It seems to me that the farmers have been hit harder than any other class of people in the last 60 or 90 days, when the bottom has dropped out of the price of farm products. We are appealing to you now to do something to help the farmer hereafter to produce something, and it is nothing more than should be expected. We have a chance now to do something in the way of fertilizer. There is no competition. There is no private capital directly interested in this country in the manufacture of nitrogen, except as a by-product. Private capital will not build nitrate plants. The farmers of this country have waited all of these years, hoping capital would build nitrate plants for the manufacture of nitrogen, but they have not done it, and all that we get to-day is from Chile—except what we get from the by-product of coke ovens and a little organic nitrogen, and that has become so valuable as a food product that practically none of it is used as fertilizer. It is more valuable as food.

These great resources of the country—the water powers—can not better be utilized than, through governmental activity, be harnessed for the service of all the people in the production of the necessary elements required for food production, and Theodore Roosevelt must have visualized the problem that this House is called upon to solve to-day when he wrote in the Outlook of September 7, 1912, as follows:

> The Government must cooperate with the farmer to make the farm more productive. There must be no skinning of the soil. The farm should be left to the farmer's son in better and not worse condition because of its cultivation. Moreover, every invention and improvement, every discovery and economy, should be at the service of the farmer in the work of production.

You have a simple decision to make, gentlemen. The door is open through which the operation of this plant to free the American farmer from the burden of paying the high prices of the past for nitrogen compounds, and further to secure results which have been clearly demonstrated as entirely possible in the matter of producing higher and better grades of phosphate and potash fertilizers, and the choice you must make is whether you will hold this door open and insist that these wonderful possibilities shall be made available to the American farmer in the producing of food, or you will close this door in the face of the need and demand of the public welfare, and hand the key to the corporate interests of the country to maintain their monopoly and their profits.

It has been stated that the fertilizer industry of the country wraps up a great deal of intelligence in the mixing of its various brands for sale to the American farmer. But when it is considered that 80 per cent of the commercially mixed fertilizer that goes to the American farmer will average the content of 3 per cent ammonia, 8 per cent phosphoric acid, and 3 per cent potash, making a total of 14 per cent of plant-food elements, or 280 pounds in a ton of the material sold, we contend that this intelligence is mostly filler and that in order to secure the results of this intelligence farmers must pay the warehouse charges, the bagging, the cost of handling, the freight, and in turn haul over our muddy roads in the spring of the year 1,720 pounds of this intelligence filler in order to get 280 pounds of the plant food material we are endeavoring to buy.

It is inconceivable that anyone would not be in favor of the completion of this dam after spending $17,000,000 on it and the future usefulness of a $70,000,000 nitrate plant being dependent upon it both as a war-time plant and one for the manufacture of fertilizer in order to give the farmers a greater supply and a cheaper price for fertilizer.

Mr. RHODES. Mr. Chairman, will the gentleman yield?

Mr. ALMON. Yes.

Mr. RHODES. The gentleman has stated that within the last 60 or 90 days the bottom has dropped out of the prices of farm products. That is true, but does the gentleman believe that farm products have declined more in value in the last 60 or 90 days than have the prices of mining products, such as copper and lead and zinc?

Mr. ALMON. I am not advised as to that. But if it be true, I hope they are more able to stand it than the farmers are their losses.

Every year that this great enterprise fails to operate we have needlessly consumed upward of 2,000,000 tons of coal in uneconomical plants. We have needlessly required the use of 2,000 freight cars. We have deprived the farmer and the fertilizer industry of over 200,000 tons of high-grade material and we stand with a great club in our hands over the manufacturing industries which employ thousands of people.

To complete this plant, on the other hand, is to provide a sound and fundamental basis for prosperity in a section embracing a superpower area mapped out by Government engineers and extending from Cincinnati nearly to the Gulf.

The farmer has received many assurances that Congress will do its utmost to help him. Here is one important chance to do it. The dam is that part of the nitrate plant that makes our $80,000,000 war-time expenditure of inestimable value to agriculture. The farmers are watching the progress by Congress of the nitrate program with keen interest. It is not only for his advantage but for our national welfare that we should not deny him any aid within our reach. And here in labor saving fertilizer is a most valuable aid. So we can not escape the fact that if we stop work on this dam we stop it at the expense of the farmer. We have had a time of deflation in all lines, but no one has been deflated more rapidly or more disastrously than the farmer. We have hundreds of bills before us for his relief, but shall our first real concrete action be a blow at the farming interests of the country? Any delay in this work would be another blow at the farmers of this country, who have already suffered a loss of $4,000,000,000 by falling prices. [Applause.]

Mr. GOOD. Mr. Chairman, I yield 20 minutes to the gentleman from Indiana [Mr. FAIRFIELD].

Mr. FAIRFIELD. Mr. Chairman, interesting and informing as the discussion has been on the Muscle Shoals proposition, it is my intention to speak to another subject just for a little while.

Every 10 years it becomes necessary for the Congress to make a reapportionment of the Representatives of this country. The committee is now engaged in hearings with that end in view. As a member of that committee I speak only for myself, not having taken any consensus of opinion of the committee——

Mr. BLANTON. Mr. Chairman, I make a point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. If we are going to have the census matter before the few of us who have stayed here on the eve of a holiday, I think we ought to have a good-sized audience here to hear the gentleman.

Mr. GOOD. I hope the gentleman will not do that.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present, because I want the gentleman to be heard by a larger audience.

The CHAIRMAN. The Chair will count.

Mr. GOOD. I hope the gentleman will not do that, because it will be my purpose Monday morning to move to close debate.

Mr. BLANTON. The gentleman is going to have a hearing before his committee on January 4.

The CHAIRMAN. The gentleman will please desist. Unless he withdraws the point of order no discussion is in order upon the ascertainment of whether there is a quorum present.

Mr. BLANTON. May I ask the gentleman how long he is going to run to-night?

Mr. GOOD. I hope to let the gentleman speak his time, and then there is five more minutes to another gentleman, and there is another short speech.

Mr. BLANTON. I withdraw the point of order.

Mr. FAIRFIELD. I thank the gentleman for his courtesy in the matter. I will say I have been very much interested in the attitude of Members of the House as to the increase in the number of Representatives. Consequently I have inquired of very many men as to what their idea is in regard to the number that should be reported by the committee. Almost universally the men whose judgment would be taken upon matters in connection with legislation in this body have deplored the fact that the House is already too large and somewhat unwieldy. There are those who advocate—I might say incidentally I sit here for long hours and refrain from talking, hoping in this regard I should shorten the exercises, but there seems to be no possibility of doing that—there is one group, I think a small group, who advocate the number reported of 483, which is practically an increase of nearly 50 Members of the House with an additional expenditure of at least $500,000 yearly. There are others who suggest that we ought to retain the number as it now is, permitting those States which have an increase in population, to take their legitimate increase and States that have not sufficient increase to lose whatever would be necessary under that apportionment. There is a suggestion of a compromise that the House be made 460 in number. That would take care of all the States save one, so that one State at least would lose a Representative. Many men have said to me very frankly that they have heard no good reason advocated by anybody why there should be an increase in the number of Members of this House. Other men have stated that State pride would control the delegation. It may be that a sufficient reason for some men will be the exigencies of their own political fortunes, but I submit, gentlemen of the committee, that none of those reasons are worthy. If there be no other reason why there should be an increase in the House sufficient to convince men that they ought to make the increase in the number, with the increased

expense, then it would be the duty of the committee to report a bill that provides only for the present representation. Without endeavoring to be an advocate of any particular view my own thought has been that possibly there might be other reasons why, when we have doubled our suffrage and increased our population, that for representative purposes there should be some increase in the number of the House. The argument against it is that the body is inefficient, that it is too large now, and yet I am reminded that another body with fewer Members sometimes does not act as expeditiously as this House.

It may be that they act more wisely, but in my limited service here my judgment upon the question would not be of very material weight, and yet I am constrained to believe that most men who have been here for years would say that the House is not less effective than another body in the efficiency with which it legislates. There are those who say that it would be better even to reduce the number in the House, and so, taking the consensus of opinion again and again, one finds almost a continuous judgment against increase. Are there any reasons of any consequence that would justify a man standing for any increase——

Mr. BLANTON. Will the distinguished gentleman yield?

Mr. FAIRFIELD. Just for a question.

Mr. BLANTON. The gentleman is arranging now to have hearings before the committee, of which he is a member, on the 4th of January, and in that connection I want to call his attention to the fact that the newspapers of the country have reported, and I take it that it is authentic, that the gentleman's party has met in caucus and thrashed the matter out and has already determined upon having an increase to 483 men; in other words, have adopted the Siegel bill.

Mr. FAIRFIELD. The gentleman is absolutely misinformed. No action in caucus has been taken upon that matter, and the committee itself has not conferred upon it. So he is without any foundation in fact for the suggestion that he makes. In other words, this is not in any sense a partisan question and can not be made such. It is a question as to whether under existing circumstances there is any reason at all for an increase. In the ideal democracy the individual voter, as in the New England township, was a determining factor with regard to every question, economic or social. The same is true of the Swiss Cantons. The only reason why we have departed from that is because large populations make it impossible. So we have gone to the representative form of government.

Here is the problem: Where shall we draw the line so that adequately the common man in the country will have due influence with regard to matters of legislation? I understand men who honestly work here in positions of leadership have felt the dead weight of an inert body at times, one that did not move quickly and responsively to legislation which they were trying to have passed. But, on the other hand, shall it be said that the smallest parliamentary body, relatively speaking, in the world has already reached the position where an increase in its membership is inadvisable? I am not prepared to say, men, whether we have reached the point here and now where it is advisable to increase the number of Representatives, but I think it is well for men to think down to the basic things that have to do, first, with the organization of this Government and which have already given to the world the idea of Americanism, where the humblest man by his vote, reaching through his representation, which ought to be adequate, can become a determining factor in legislative bodies. Whether we have reached that point yet is an open question; but for men to say that there is no reason, or ever will be, for an increase in the number of Representatives, in my judgment, is, to say the least, unwise.

Mr. FESS. Will the gentleman yield?

Mr. FAIRFIELD. I yield.

Mr. FESS. Has the gentleman considered at any time the feasibility of limiting the number in the House through amendment to the Constitution—would that be wise or unwise—so as not to bring this up every 10 years?

Mr. FAIRFIELD. I will say to the gentleman I had thought about that; but when I remember the disposition of the House, as manifested just now, and also know that England, with about half the population we have, has a parliamentary body of 707, I am a little loath to say that I would advocate an amendment unless it would be fairly representative of two or three hundred million people.

Mr. FESS. My friend is a student of political science and knows very well that the British Parliament, although it has 707 members in the House of Commons, sits as a small body in legislation, and only a small proportion of that body is ever present.

Mr. FAIRFIELD. On occasion, though, the whole body could assemble for the purpose of determining any crisis as to their action. The gentleman is absolutely correct. I am not saying now this ought to be increased. My impression was from the beginning that it ought not to be. And being of that opinion, I began to think as to whether there were any reasons at all whether there might be under some circumstances an increase.

Mr. SMITH of Michigan. Will the gentleman yield?

Mr. FAIRFIELD. I will.

Mr. SMITH of Michigan. Is it not true that we must redistrict the country now, whether we increase the membership or not? We must go ahead and redistrict, must we not, according to the population as it is now?

Mr. FAIRFIELD. Certainly.

Mr. SMITH of Michigan. I have thought of this, namely, that some Members have a district 500 miles long. My district, and I think the gentleman's district, is about 60 miles square, or something like that. Now, are there not times when he would need a little help in his district if it were 500 miles long? If it increased in population, would it not be represented better if it was divided a little bit?

Mr. FAIRFIELD. I think it well enough to take into consideration not only the number of people in the district but the area over which those people are distributed. I confess I sought this opportunity not to advocate but to get before the body an exposition of the situation as I see it.

Mr. HASTINGS. If the gentleman will yield, in answer to the inquiry of the gentleman from Michigan [Mr. SMITH], I may say that of course we have nothing to do with redistricting; that is, laying out the districts in the various States. That is left to the various State legislatures. We apportion here. We fix the representation. We do not cut up districts and make them long or short, or round or square, or determine what shape they shall be.

Mr. FAIRFIELD. Of course, the gentleman has reference to some of the States out West, where they have all out of doors in their districts.

Mr. HASTINGS. I know the Congress of the United States does not fix the places of the districts. It fixes the representation.

Mr. FAIRFIELD. If we should remain as at present some of the States would have but one Representative, and therefore there would be no opportunity to make the districts smaller.

These are considerations that I wanted to bring before you, so that possibly a man, thinking about questions of fair representation, whereby the people's thought with regard to any great problem might be secured through their Representatives, might deem it wise to increase the representation.

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. FAIRFIELD. Mr. Chairman, may I have one minute more?

Mr. GOOD. I yield to the gentleman one minute.

The CHAIRMAN. The gentleman from Indiana is recognized for one minute more.

Mr. FAIRFIELD. I think we all found it necessary, every one of us, after the declaration of war, to go into our own districts and as quickly as possible reveal to the people the reasons for our acts; and I am only raising the question as to whether, when great exigencies are on and decisions have been made, if it should appear that the demagogues would rise and say to the people, "Representation has been changed from the foundation of Government from 30,000 to 211,000, and now it is intended that it shall be less representative," there might be some question as to the propriety of increase.

The answer, of course, to those who might charge that representation is inadequate would be that every Member of Congress represents not only the people of his own district but the people of the whole country. If the units are increased in number and the area diminished more and more would the representative become provincial in his thought and confine his activities to the needs of a limited area. Perhaps in the past there has been some tendency for men of limited outlook to narrow their interests to their immediate district. While it is true that every Member of Congress is immediately answerable to the folks at home and should work diligently for every legitimate interest of the people of his own district, yet in a far larger sense he solemnly obligates himself in the interest of the whole country. It might be very truthfully said that on all problems that are of Nation-wide importance each citizen has the whole body of the Congress as his personal representative. Certainly some weight ought to attach to the judgment of that large body of men in Congress who have for so many years ably and honestly represented not only their own constituency but the interests of the people of the whole country. There seems to be no immediate danger that any considerable body of people in the Republic feel that they are not now adequately represented.

Having purposely held my mind open and earnestly studied to know what is best, the conclusion that I have reached is that at this time there should be no increase in the membership. [Applause.]

The CHAIRMAN. The time of the gentleman from Indiana has expired.

Mr. BYRNES of South Carolina. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by inserting a short editorial which appeared in the New York Herald this morning, commending the services of Rear Admiral Samuel McGowan on retiring from the service of the Navy.

The CHAIRMAN. The gentleman from South Carolina asks unanimous consent to extend his remarks by inserting the editorial indicated. Is there objection?

There was no objection.

Following is the editorial referred to:

[From the New York Herald, Friday, Dec. 31, 1920.]

UNCLE SAM LOSES A GOOD MAN.

Rear Admiral Samuel McGowan, Paymaster General of the Navy and chief of the Bureau of Supplies and Accounts, has resigned from the service and will end his official activities for Uncle Sam to-day.

He must not doff his uniform without a word being said in praise of his record, for that record is one of conspicuously excellent work in the public interest.

Before the United States entered the conflict against the Teutonic Empires Rear Admiral McGowan was a member of that small but foresighted body of American citizens who had the courage to recognize the inevitable and the energy to do everything which lay in their power in time of peace to prepare for war.

Wherever and whenever it was possible he translated into acts the advice of Washington, an example far too few of us followed; would that all officials in the Government had been inspired to do as he did.

It will not be asserted that under the immediate chieftainship of Josephus Daniels as Secretary of the Navy Paymaster General McGowan was able to do everything he wanted to do or by any means everything which on April 6, 1917, the Nation wished had been done to prepare the fighting ships for their task, but it is a matter of record that his energy and his prevision had accomplished so much toward the preparedness intelligent men longed for that he had earned the gratitude of all patriotic Americans.

Consequently it is no more than fair at this season to recall Samuel McGowan's services to his country and to wish for him the reward of prosperity and happiness through all his days.

Mr. HUDDLESTON. Mr. Chairman, will the gentleman from Iowa yield to me to make a similar request?

Mr. GOOD. We have only two more speeches, and I think there are quite a number of requests of that kind, and I fear if we started on that now we would be delayed.

Mr. HUDDLESTON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Alabama?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 30 minutes to the gentleman from Alabama [Mr. BANKHEAD].

The CHAIRMAN. The gentleman from Alabama is recognized for 30 minutes.

Mr. BANKHEAD. Mr. Chairman and gentlemen of the committee, it is with extreme trepidation that at this late hour I undertake to trespass further upon the patience of the members of the committee for the purpose of discussing the question that has already been under discussion since we met at noon to-day. But there is one phase of this particular proposition to be presented from the standpoint of the desires and wishes of the agricultural interests of the country, in connection with which I desire to offer for your consideration some data and some representation of their position which I think may possibly justify this appeal to your patience.

Theodore Roosevelt, a man whom all Americans respected and many millions of them loved, in the course of an article which was published in the Outlook magazine of October 12, 1912, used this language, and it shall be the basis of the arguments that I expect to suggest for your consideration this afternoon:

I have always been deeply impressed with Liebig's statement that it was the decrease of soil fertility, and not either peace or war, which was fundamental in bringing about the decadence of nations. While unquestionably nations have been destroyed by other causes, I have become convinced that it was the destruction of the soil itself which was perhaps the most fatal of all causes.

And this question of the reclamation of our waste and arid lands, particularly in one section of our country, for the purpose not only of preventing soil deterioration but bringing into actual use soils that have heretofore remained vacant and idle, has been one that has met with a generous response from the American Congress. Very casually a day or so ago I picked up a little pamphlet entitled, "The Imperial Valley of California," and I read its opening sentence, and I wanted to read it to you, because it is in direct line with the appeal which the farmers of the country are making to the Congress of the United States on this proposition of continuing the fertility of our soil. It says:

When dreaming engineers first glimpsed from distant heights the pitiless waste of the Colorado desert, the peerless Imperial Valley of California was yet to be. Visualize, if you will, a lofty rim of colorful mountains, imprisoning a long, narrow valley, its greater area beneath the level of the sea. At one end perceive the pale blue Salton Sea, at the other the wide channel of the Colorado, seemingly feeling its tortuous way carefully to the Gulf. This was a scenic view, yet awesome. The very soul-repelling heat from endless miles of yellow sands, baking in the fierce rays of a semitropical sun, instilled uncertainty and fear in even the more ambitious ones, and led them, perchance, to doubt the ultimate success of their daring plan of reclamation. Turning the silt-laden waters of a madcap stream onto the rich virgin soil of Salton sink and magically transforming the broad, dry acres into a great garden of growing things was the accomplishment of but a day when calculated in terms of empire building. This conquering of desert terrors and dedicating of arid lands to useful purpose was truly royal work. What better name than "Imperial Valley" could therefore be conceived?

Imperial Valley's first decade of progress proved a thrilling epoch. Pioneering hardships, grim human tragedy, and romantic adventure intermingled to build the valley's earlier history. Venturesome men came boldly from busy metropolis or from remote corner of the earth to join gladly in the fascinating task of replacing the water-hating cactus and stunted greasewood with fields of luxurious alfalfa and snowy cotton. Gradually thorny mesquite and purple sage gave way to fruitful palm of date and trailing vine and cantaloupe. The infant years of Imperial Valley overflowed with productive achievement from that eventful day in June, 1901, when the first faint rivulet of water trickled through the main canal, inaugurating an irrigation project the equal of which modern history had not recorded.

Let us draw a curtain between the past and the present. In a world commercially mad, we can not deal in romance nor in dreams. Imperial Valley's youthful period of conquest served its purpose in presenting to an amazed Nation an agricultural manufactory of half a million acres, where water, soil, and sunshine conspired in 1918 to harvest a crop worth fifty millions. Imperial Valley farming is surely established upon a business basis. It has graduated with full honors from the experimental stage. It has amply demonstrated the farseeing wisdom of those who backed their glorious faith in nature against great obstacles of finance or the elements and have won in triumph.

And this is but one instance of the great projects of reclamation that have been assisted by direct appropriations from the Treasury of the United States.

I hold in my hand, and will ask permission to insert in the RECORD, a statement of the reclamation project investments by the Federal Government up to June 30, 1919, as follows:

Reclamation project investments to June 30, 1919.

State.	Project.	Total investment of United States.	Reimbursements and credits.	Net investment of United States.
Arizona	Salt River	$14,738,708.28	$4,597,280.88	$10,141,478.40
Arizona-California	Yuma	10,491,156.17	1,384,435.55	9,106,720.62
California	Orland	1,142,775.82	262,285.10	880,490.72
Colorado	Grand Valley	3,638,306.40	123,755.05	3,514,551.35
Do	Uncompahgre	7,500,573.50	941,185.43	6,559,388.07
Idaho	Boise	13,818,129.69	2,065,497.76	11,752,631.93
Do	King Hill	653,838.22	17,837.55	635,900.67
Do	Minidoka	7,152,963.40	2,500,397.80	4,652,585.60
Kansas	Garden City	402,424.80	59,014.76	343,410.04
Montana	Huntley	2,322,584.94	771,833.28	1,550,751.66
Do	Milk River	3,448,555.50	155,623.91	3,292,931.59
Do	St. Mary storage	2,696,879.42	134,175.64	2,562,703.78
Do	Sun River	4,040,415.07	390,854.44	3,649,560.63
Do	Lower Yellowstone	3,577,571.06	258,244.93	3,319,326.13
Nebraska-Wyoming	North Platte	11,924,724.39	1,825,559.61	10,099,164.78
Nevada	Newlands	7,195,680.51	1,015,471.89	6,180,208.62
New Mexico	Carlsbad	1,720,308.28	515,728.93	1,204,577.35
Do	Hondo	407,745.12	35,750.29	371,994.83
New Mexico-Texas	Rio Grande	10,396,711.35	1,100,746.60	9,295,964.75
North Dakota	North Dakota pumping.	1,376,345.42	417,859.85	958,485.57
Oklahoma	Lawton	14,774.99	877.13	13,897.86
Oregon	Umatilla	2,951,431.20	655,256.24	2,296,174.96
Oregon-California	Klamath	3,454,702.40	749,301.66	2,705,400.74
South Dakota	Belle Fourche	4,104,082.40	800,031.64	3,304,050.76
Utah	Strawberry Valley	3,908,218.17	555,605.22	3,352,612.95
Washington	Okanogan	1,128,384.53	209,950.55	918,421.98
Do	Yakima	12,935,413.10	4,033,299.44	8,902,113.66
Wyoming	Shoshone	6,651,353.38	1,043,007.04	5,618,346.34
Various	Secondary	1,362,125.54	211,853.08	1,150,272.46
Subtotals		145,136,931.05	26,802,740.22	118,334,190.83
Wyoming	Jackson Lake enlargement.	850,945.96	856,705.44	[1] 5,760.48
General expense		4,902,981.79	4,809,407.55	93,574.24
Indian projects		3,147,046.68	3,145,068.66	1,978.02
Total		154,127,905.48	35,703,922.87	118,423,982.61

[1] Deduct.

It will be seen that the total amount is $154,127,905.48. Now, gentlemen, what was the purpose of those appropriations on the part of the Federal Government, for the particular benefit, you might say, of one section of our country as indicated by the figures here upon this map—the extreme western section of the country? Was it that we desired to indulge in favoritism toward those sections of the country? No. The logic of the facts upon which we argued was that we were by Federal assistance, out of the Federal Treasury, reclaiming and bringing into fruitful fertility a vast acreage of that western country. These projects include great dams that have been built directly from Federal appropriations in the States of Arizona,

California, Colorado, Idaho, Kansas, Montana, Nebraska, Nevada, New Mexico, North Dakota, Oklahoma, Oregon, South Dakota, Texas, Utah, Washington, and Wyoming. What has been accomplished, gentlemen? By the building of those dams out of the Federal Treasury water has been collected, impounded, and turned upon these great areas of arid land; and last year, in the one project of the Imperial Valley alone, they raised, according to the statement contained in this article, more than $50,000,000 worth of farm products. Water in that instance occupied the place of fertilizer. Gentlemen who have not thought about the importance of the decadence of our soil with respect to the future and the immediate present are justified in giving that matter their very mature consideration before they decide to vote against the proposition now pending to put into continued operation for the purpose of manufacturing and putting upon the market not necessarily more fertilizer for the use of soil fertility but cheaper fertilizer for the farmers of America. If it can not be demonstrated by this proposition that there is a logical likelihood of reducing the price of fertilizer to the American farmer, then I must confess that it would not make a very strong appeal to the judgment of Congress.

I do not propose to discuss the Muscle Shoals proposition from the standpoint of its military necessity nor from the standpoint of the local development of industry that may be served; but the purpose I have in calling your attention to these irrigation projects was to show that the principle involved is the same. I wanted especially to remind our friends in these great States of the West that we are not here in this proposition invoking a new principle of legislation at all, but one which, on the contrary, has met for the last 20 years with a generous response from the Congress of the United States and from all political parties; and the proposition at Muscle Shoals is but a replica in argument of the irrigation projects of the West. Instead of the water being turned upon those arid lands through irrigation canals to make them produce crops, the scheme at Muscle Shoals is by taking the water—and very strangely and uniquely the same medium of production of soil fertility—carrying it over this dam, over the turbines, and generating electricity to be used in great electric furnaces for the purpose of reducing the nitrogen that the Almighty has placed at our disposal in opulent and unmeasured amounts in the atmosphere above us. It is a proposition that not only appeals to the imagination but it is one which by the tried standards of scientific experimentation is no longer within the realm of conjecture or theory. How many of you gentlemen who have got to vote on this question have read the farmer's case here presented in this Muscle Shoals proposition? If you have not read it, I appeal to you to get the hearings in the Senate Committee on Agriculture on the bill which the Senate committee has already unanimously reported, the Kahn-Wadsworth bill, providing for the operation of this plant at Muscle Shoals by the Government of the United States, very largely if not exclusively, in times of peace, based on the proposition that it is designed to reduce the price of fertilizer to the farmers of this country, and between now and the time you are called upon to vote upon this measure I appeal to you to read those hearings.

With reference to the labor-saving feature of this proposition, every man from a farming district knows that that is one of the greatest problems with which we are confronted to-day. Upon that subject I want to ask you this question: If scientific experimentation has shown, as it has, that with the same amount of labor upon a similar area of cultivated land a farmer can produce from 60 to 100 per cent more of oats and wheat and corn, and if you believe from the evidence that the carrying into execution of this plan will materially reduce the price of fertilizer to the farmers of the country, making it possible for them to use more of it on their lands, will you hesitate for a moment as to the propriety of an affirmative vote upon this proposition?

On my right are some charts prepared by an authority in the Department of Agriculture showing the production of oats and potatoes in the principal countries of the world. In the yield per acre Belgium stands first, Germany next, the United Kingdom, Austria-Hungary, France, and then comes the United States, with less than 30 bushels per acre. That is for the production of oats. In potatoes we stand at the very bottom of the list with reference to the amount of production per acre of yield.

Here is a chart illustrating the production in acreage with reference to the use of fertilizer on the soil in the various countries. Belgium, as you will see, uses more fertilizer per acre than any other country and her products are the largest of wheat, which this chart illustrates. So with Germany. You will see here that Germany is the highest, and so on down the line, and the United States of America stands only next to Russia.

Now, with reference to this question of whether or not it is a labor-saving proposition. I do not know that I shall have time to read it all, but I desire to incorporate in the RECORD a statement of some of the actual experiments made by the Ohio experiment station. I want to call the attention of the gentleman from Ohio, Dr. FESS, to this, for I feel sure he will give credence to the report of his own State.

OHIO EXPERIMENT STATION—MEMORANDUM.

At the end of the Civil War there was a labor revolution in the Southern States. Happily, its solution was found, for the most part, by the introduction and use of commercial fertilizers. Economists can not now fine, in the light of facts since the Civil War, imagine, or conjecture just how the economic question of labor after the Civil War for cotton growing would have been solved but for fertilizers that started to be used in an increasing way in the early seventies.

At the present time there is the most serious farm-labor problem in the cotton-growing States since the Civil War. Negro cotton-farm labor is leaving the Southern States by thousands and going to railroads and factories in the Eastern and Middle Western States, where the labor wage is higher than Negro labor can earn on cotton farms in the Southern States. Statistics gathered by the Colored Citizens' Virginia Patriotic League, of Richmond, Va., show that some 309,000 Negroes left the South between September 1, 1916, and May 1, 1917. From the State of Alabama alone it is estimated by careful investigation made by railroad transportation companies that over 60,000 Negroes have gone from that State in the past year. The Pennsylvania Railroad has brought over 40,000 colored laborers for employment on its lines from the Southern States in the last 16 or 18 months. Southern Negro farm labor is becoming seriously disorganized, demoralized, and restless. The solution of this serious question of the withdrawal of colored help from southern cotton-growing States is to be found by southern cotton farms being able to receive higher grade, cheaper fertilizers, and there is no other solution for it.

In support of the above statement, the following statistical investigation and examination demonstrates how more fertilizers instead of more labor is one of the greatest economic needs at the present time, and the selection of a nitrogen process and location of the Government nitrate plant can receive no better and no more economical examples of the opportunity to increase the fertilizer supply of the country and raise the efficiency of the farm man power of the country than is offered by the following:

Measurements taken by two of our Middle West experiment stations show that the labor cost of producing corn is slightly more than 25 hours per acre. Similarly, on oats the labor cost is about 13½ hours, while on wheat it is somewhat less—between 11 and 12 hours. Areas of these crops can be increased only by finding additional labor for our farms and by plowing up land which may be needed for pasture or for hay.

At the Ohio station rotation plots the effect of fertilizer applied to grain crops has been to increase the acre yield of corn from 28.9 bushels to 45.2 bushels. Using the above labor figures, this means that the returns per hour of human labor spent in growing corn on unfertilized land has been about 1¼ bushels of corn, but where the same hour was applied to the same crop but on soil properly fertilized the returns have increased to 1.8 bushels of corn per hour spent—an efficiency increase of human labor of just about 60 per cent.

For the oats crop the case is even stronger. In Ohio the effect of using fertilizer has been to increase the average yield over a 20-year period from 30 bushels per acre to 45 bushels per acre. Measured in terms of human energy this means that an hour spent in growing oats on unfertilized land has returned 2¼ bushels of oats, while the same hour spent in growing the same crop on land that has been well fertilized has returned 3⅛ bushels of oats—an efficiency increase on the time put in of over 50 per cent.

Finally, take wheat, the great bread crop of the country. The Ohio results show a yield of 10.7 bushels of wheat per acre on the unfertilized land, whereas 24.1 bushels have been obtained on the fertilized plots. Once again, applying the human yardstick, we find that an hour of labor put into growing wheat without fertilizer applied returns less than a bushel of grain. The same hour on the fertilized plots has given over 2 bushels of wheat per acre—an efficiency increase of more than 100 per cent.

The real significance of these figures is seen only when we translate them into terms of the labor which may be available for the individual farm. On corn and oats, for instance, the effect of fertilizer applied is to make two men equal in food-producing power to three men employed on a farm where no fertilizer is used. In other words, through the great oat-growing sections of the country, assuming the Ohio figures to be of general application, the effectiveness of the labor supply can be increased nearly one-half if fertilizer in necessary amounts is available and if it be used in the right way.

Similarly on the wheat crop the effect of applied fertilizer is to give one man the food-producing power of two men working under the disadvantage of the crop limited in size by lack of plant food. Economically, then, it is idle to talk of our labor supply being too small and of the necessity of persuading more people to move back to the land until the great bulk of the American farmers are educated to an appreciation of the effect of fertilizer on the efficiency of the labor which they already have.

With respect to the man power and its increased efficiency in cotton growing it is found that the labor time required on 34.5 acres of cotton was 160 days, according to Bulletin 33, United States Department of Agriculture, Office of Experiment Stations.

Assuming the days to be of 10 hours each, this is 46.4 hours of labor per acre without fertilizer and, say, 50 hours per acre with fertilizer. The effect of using fertilizer, according to average of 62 tests made in 1913 by the Mississippi Experiment Station, was to increase the crop by 203 per cent—call it 200 per cent. This means that every hour of labor put into the work of raising a cotton crop on unfertilized land returns but one-third of the results that the same hour of labor produces on well-fertilized land. In other words, one man on properly fertilized land has the same cotton and food producing power that three men equal to him in skill and ability have on unfertilized land.

According to statistics contained in Government crop reports, the total fertilizer bill of the country for 1914 amounted to $185,000,000.

Of this total $86,395,000 was for nitrogen, $69,005,000 for phosphoric acid, and $29,600,000 for potash, the total for nitrogen and phosphoric acid amounting to $155,400,000.

Suppose the farmers of this country, as suggested and explained in March of last year before the Agricultural Committees of both Houses—it would be possible in connection with the building of a Government nitrate plant—suppose a fertilizer available to the farmers compounded of phosphoric acid from phosphate rock and nitrogen from the atmosphere at one-half the price the farmers have been paying for such a fertilizer, and suppose that in one year the farmers of this country should use this fertilizer to the extent of the nitrogen and phosphoric acid used in 1914, viz, $155,400,000—if such a fertilizer was available the saving in one year would be $77,700,000, on the basis of 1914.

If the time ever comes when such a high-grade fertilizer can be purchased at one-half the cost of present fertilizers, there will be a revolution in farm production and a reduction in the high cost of food crops.

Mr. FESS. Will the gentleman yield?

Mr. BANKHEAD. I will.

Mr. FESS. I fear my friend misinterpreted my question which I asked if he thinks that I meant that fertilizer was not a valuable element on the farm. The only thing I am resisting is this uncertain expenditure of money, the amount of which nobody knows exactly, and the result of which when it is expended nobody can tell.

Mr. BANKHEAD. I stated in the outset that I was going to present this matter from the standpoint and investigation of the farmers of America. I hold in my hand a letter addressed to each Member of the House of Representatives on May 11, 1920, signed not by irresponsible and local farmers' organizations, who represent a mere minority of agricultural States in some sections of the country, but it is signed by the official representatives of the greatest farmers' organizations in the United States. In the State of Iowa, the State of the chairman of this committee [Mr. GOOD], the organization there, containing an active membership in that State of 130,000 farmers who pay $10 a year membership dues into this organization, has signed this petition, showing that they are interested and mean business by that organization. This petition is signed by the American Farm Bureau Federation, by the National Grange, by the Farmers' Educational and Cooperative Union of America, and by the National Board of Farm Organizations. They combine a membership of over 3,000,000 of the best farmers of America. What case do they present here for the consideration of this Congress?

The gentleman from Nebraska [Mr. JEFFERIS] said a few moments ago that he believed from the standpoint of the farmers the proposition of getting fertilizer cheaper from this project was a dream. Now, gentlemen, that is a very serious reflection, it seems to me, on the intelligence and judgment of these great farm organizations, who are truly and deeply and vitally interested in the Government operation of this plant. I offer their appeal to each Member of Congress and insert it:

THE FARMERS' EDUCATIONAL AND COOPERATIVE
UNION OF AMERICA,
Washington, D. C., May 11, 1920.

HOUSE OF REPRESENTATIVES,
Washington, D. C.

DEAR SIR: Are you willing for Congress to recess and let the inclosed bill, H. R. 10329, go without any consideration?

With the slogan "Food will win the war" you asked the farmers to increase production during the war. They did it. The food crops of 1918 exceeded those of 1916 by 862,000,000 bushels. If the farmer is to be able to meet the present critical food situation, he must have your cooperative assistance.

The most important element in maintaining soil fertility is nitrate. Nitrate is the most valued and the most expensive element of fertilizing. The proper use of fertilizers will enable one man to produce what requires two men without fertilizer. It is agriculture's greatest labor-saving device.

The farmers' organizations have fought for four years to secure the Government nitrate plants at Muscle Shoals. Our first resolutions were adopted asking for this plant on February 8, 1916. The emergency of war crowned our efforts with success. The plant is built and ready for use. Its operation will not require one cent of appropriation, and yet there has been no constructive and progressive consideration of this legislation.

Hearings on this same bill have been held by the Senate Committee on Agriculture, and we expect a favorable report from that committee within a few days.

We are attaching the farmers' case representing the food supply, as presented to the Senate committee, which we most earnestly ask you to read. Supporting our case, we send also the Government's case as presented to the Senate committee.

The reason we send you these hearings and do not send you any hearings before the Committee on Military Affairs of the House, to which H. R. 10329 was referred, is because there are no reports of any hearings to send you.

You will be able to find out as we have, why there are no printed reports of hearings before the Military Committee of the House.

Operating this plant does not bring the Government into competition with American manufacturers making nitrates as their principal product. There is no such industry in America. Domestic production of nitrates is entirely a by-product industry. It is thus limited in its ability to meet the demand and is dependent entirely on its primary products for its continuation.

We appeal to your sentiments of American fairness and to your American feelings in favor of a square deal, and earnestly entreat not to let this legislation be choked to death by quiet strangulation.

All we ask is a report on the Kahn bill and let the Members of the House consider it on its merits, and if private interests opposing this legislation and always striving to keep the prices of fertilizer compounds up have more friends on the floor of the House than we have, the legislation will fail. If a majority of the Members of the House favor the operation of the nitrate plants at Muscle Shoals to bring prices of fertilizer compounds down, the legislation will pass.

Upon considering this matter, please reply at your earliest opportunity so that we may report to our members the most efficient action to secure this legislation.

Yours, respectfully,

AMERICAN FARM BUREAU FEDERATION.
By GRAY SILVER, *Washington Representative.*
THE NATIONAL GRANGE,
By T. C. ATKESON, *Washington Representative.*
THE FARMERS' EDUCATIONAL AND
COOPERATIVE UNION OF AMERICA,
By R. F. BOWER, *Legislative Agent.*
THE NATIONAL BOARD OF FARM ORGANIZATIONS,
By CHAS. A. LYMAN, *Secretary.*

For years and years through their organizations, through scientific investigation, they have studied these matters. Do not think that the farmers of this country represented by these organizations are fools; do not deceive yourselves into believing that they are going off after strange vagaries and dreams in presenting this earnest petition to the Congress of the United States. They have investigated this proposition from every possible angle. They are interested in the economical administration of the Government, probably as much as any class of our citizens, and possibly more so than the general run; they have given this matter consideration, especially this Muscle Shoals plant, and are appealing to the Congress of the United States to complete the Wilson Dam, so called, so as to operate a nitrate plant at Muscle Shoals, with the hope and belief, based on investigation that they have made, that it will afford them some remedy in the price of fertilizers which they shall pay.

It does not do them any good if 10,000,000 tons of this article are made in the United States if it is not available to them in the matter of price that is charged for it. The whole case they make is based on the proposition, after thorough and scientific investigation, that it will reduce to them the price of fertilizers that they have to buy.

Do not think that this question of fertilizer consumption is confined to one section of the country. There on that chart you will see the consumption in 1914, and that is a long time ago, and it has increased very materially since then. In the State of Maine, for instance, 168,000 tons of commercial fertilizer were consumed in 1914, largely upon the truck and potato crop of that State, a larger consumption per acre cultivated than any State in the Federal Union. Take the great State of New York, and at first thought probably you would not think that that State used much of this commercial commodity, and yet the statistics of the Bureau of Soils show that six years ago New York used 420,000 tons of this product. Pennsylvania used 381,000 tons, Illinois 240,000 tons, though that is a little bit misleading, because in Illinois they use a vast amount of ground phosphorous rock. Sixty thousand tons were used in Michigan, 219,000 tons in Indiana, and in the State of Ohio 203,000 tons, and so on, as you will see by that chart; and that ratio of commercial consumption is increasing constantly and necessarily with the reduction of the fertility of the soil.

Gentlemen, I want you who represent these great wheat and corn growing States of the Middle West and west of the Mississippi River not to deceive yourselves into believing that you and your constituents and the posterity of your constituents whom you represent in a short time are not going to be vitally interested in this proposition. Why is it that the farms of New England have been abandoned of late years? Because all of the nitrogen has been consumed and it did not pay to cultivate them. The same thing is going to be true about the great wheat and corn and oat areas of the West, because statistics show—and I shall insert them in the RECORD by your permission—that every year, because of the great staple crops of wheat and corn and oats, there are not only millions but billions of pounds of nitrogen consumed, and it is not going back into the soil unless you use some remedy to put it there.

In 1909 the three great cereal crops of America—corn, wheat, and oats—removed from the soil in the grain alone 3,965,000,000 pounds of nitrogen, 606,000,000 pounds of phosphorus, and 875,000,000 pounds of potassium. Reducing this nitrogen to tons of ammonium sulphate shows that to replace this amount with ammonium sulphate would require 9,912,500 tons of ammonium sulphate. This is an indication of the demand for nitrogen in agriculture, and the satisfying of this demand is limited only by the cost of the materials. These facts demonstrate the overshadowing position which nitrogen compounds hold in the problem of maintaining and increasing the fertility of the soil. At this point I wish to quote from the hearings before the Committee on Agriculture of the House on February 9, 1916, where Mr. Washburn makes the following statement:

"I believe, therefore, that the best way in which I can contribute something of possible value to your deliberations is to confine myself in the main to what is possibly the most important single difficulty the farmers of this country face in the matter of fertilizing their crops, and the most effective single remedy therefor. I refer to the always high and frequently prohibitive cost of the nitrogen fertilizer as the difficulty, and to Government cooperation in the establishment of the nitrogen industry within the borders of the United States as the remedy."

The gentleman from Iowa [Mr. GOOD] in the course of this debate said that he did not use much of this commercial fertilizer in his State, and up to the present time that is true, but the productive capacity of the soil of Iowa or any other State of that class is not unique or distinctive. The same character of soil attrition, by washing and draining, and the same character of destruction and absorption of the natural nitrogen in the soil is going to happen in those States as it has happened in the past in the States of New England and some of the States of the southern seaboard.

There is one phase of this discussion that has not possibly been brought to your attention, at least I have not heard it, and I hope you will read the hearings before the Agriculture Committee and before the Graham committee that also went into this question. There was not a single man representing any class who appeared before the Agricultural Committee of the Senate, as I recollect, except Mr. Washburn, president of the American Cyanamid Co.—and the American Cyanamid Co. has a monopoly upon the patents of that process in this country, and have already established on the Canadian side of the Niagara River a plant for the manufacture of cyanamide—there is not a man who appeared before that committee who did not feel about it as I have said except Mr. Washburn. It is no wonder that the head and front of the great fertilizer commodities trust in the country should be opposed to this proposition. Take those hearings and read of the business organizations of the country, of the different legislatures of the country who have passed resolutions asking that this plant be put into operation. Take the farmers' organizations, take the experts of the War Department, take Mr. Glasgow, that great English expert, who has no national or personal interest in the result of this proposition, take the heads of the Bureau of Agriculture here in Washington, your own officials, and without exception all classes and all interests who testified before that great committee said that in their judgment this plant could be successfully operated for the manufacture of commercial fertilizer compounds, and the only opposition expressed to it was from Mr. Washburn, the president of the American Cyanamid Co. Naturally he did not want this thing to run. The whole case is the farmers of America against the Fertilizer Trust.

There is another fact that you thoughtful men will not overlook. Do you know that we are to-day standing barely upon the threshold of scientific investigations of electrical energy? I want to show you here a specimen of a new fertilizer that is in an experimental state, made out here at the experimental station, called urea, containing 45 per cent of nitrogen. Nitrate of soda, as imported from Chile, on the average contains only about 17 per cent of nitrogen. Of ammonium nitrate manufactured in the plant at Muscle Shoals to-day by the War Department, of which to-day 3,000 tons have already been put out, I can exhibit to you here a sample which I hold in my hand. It is true that that is not in an ideal form as a fertilizer that can be used for agriculture, but as has been explained to you here by those who have preceded me plans have already been made for the conversion of that ammonium nitrate into sulphate of ammonia, which is an ideal compound for fertilizing purposes. As I say, we do not know what is going to be developed. These investigations are made in secret by the great private interests of the country. If you were to go to the headquarters of the Aluminum Co. of America and ask them to let you go through their plant, they would not let you do it, because their process is a secret and they have a monopoly. It would be to the interest of the farmers of America, as well as to the other business interests of the country, if for experimental purposes alone the Government of the United States had a plant such as is afforded down there for the purpose of continuing these scientific experimentations into this great domain of electrical chemistry, upon which we are just entering.

Do you know what the private interests have done in the development of phosphoric acid by the electric furnace? You do not, because they will not tell you; and yet phosphoric acid is an essential compound of fertilizer.

As has been well said by one who has given this question a good deal of thought, Robert Kennedy Duncan, late professor in the University of Kansas—and I want to quote from a statement he makes in his book entitled "The Chemistry of Commerce"—

> The present-day practical lesson of this whole strenuous successful work lies in the little object lesson it affords of the immense importance which technical science is assuming in our daily lives and in all our industrial operations. The substitution of real knowledge and high technical skill for the "rule of thumb" of our ancestors has created a revolution in industry. This revolution took its rise in Germany, and it is spreading rapidly to every corner. It is spreading silently, too, because it does not pay to tell. During the next five years the small manufacturer who is swept out of existence will often wonder why. He will ascribe it to the economy of large-scale operations, or business intrigues, or what not, never knowing that his disaster was due on the application of pure science that the trust organizations and large manufacturers already are beginning to appreciate.

These great private interests who are opposing this bill will not give the benefit of their investigations to the farmers of the country.

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BANKHEAD. I want a few minutes more.

Mr. BYRNS of Tennessee. I yield five minutes more to the gentleman.

Mr. BANKHEAD. I must apologize again for trespassing on the patience of the committee, and I shall consume only a few more minutes. Senator GRONNA, when this matter was in the Senate for discussion, made this significant declaration in that connection.

He is chairman of the Agricultural Committee of the Senate and a great member of the Republican Party.

> Mr. GRONNA. I suggest to the Senator from Alabama also that it has been demonstrated—I think quite satisfactorily—to the Committee on Agriculture that it would cost the Government approximately a half million dollars annually to take care of this plant if it is locked up.
>
> Mr. UNDERWOOD. Surely.
>
> Mr. GRONNA. More than that, it is not only necessary to manufacture nitrogen, but I think what the Government needs as much as anything is a great laboratory. At Muscle Shoals we shall have cheap power. There is not any question about that, when the dam is completed. We ought to have in the country to-day from 500 to 1,000 experts working on these problems. That is being done in foreign nations, as the Senator knows. Even during the war in Germany they had thousands of experts who were locked up in laboratories working and experimenting on these different compounds. I think it would be extremely unfortunate to put any provision in the bill which would stop the work of this plant.
>
> I am not going to say what the Committee on Agriculture will do in reference to the bill before it, but I will say that, so far as I am personally concerned, I believe we will have to yield to the wishes of the Secretary of War and let him dispose of 150,000 tons of the nitrate ammonia which they have on hand. I think they have 300,000 tons on hand. It has been stated to us that it would be unsafe for us to have on hand less than 300,000 tons, unless this plant could be put in operation so that the Government would be able to go ahead and manufacture it.

Now, gentlemen, this whole question resolves itself into the proposition of the cheap and economical operation of this plant. If you can not run it in competition with other institutions that are manufacturing the essential ingredients of fertilizer, then it is assumed to be a failure.

You can not run it by steam power and make it successful, because the cost would be prohibitive. We know something about that down in Alabama, and you know something about it probably in your own coal-producing States, where you have electrical energy by water power. The great Tennessee Coal & Iron Co., that owns coal and owns mines, is installing electrical machinery for their operation, because they can do it cheaper than they can by steam from their own coal. And the same is true of other industries in Alabama. The electric current you pay for in Washington made by steam costs five times as much as water-power current in other cities. There, gentlemen, is the proposition of power at Muscle Shoals—403,200 horsepower, when there are only 385,000 available on the American side of Niagara Falls. If we expect to make an American plant, for the benefit of the farmers of America, we have got to have a continuation of this dam in order to get the benefit of that cheap water power there so as to run it successfully in the years that are to come. That is the reason, gentlemen, why we are making this appeal to the calm and considerate judgment of the Congress of the United States.

The proposition I have been undertaking this afternoon to represent is for every farmer in America, and I do not say that in any demagogic sense. They are not entitled, of course, to any special legislation, except it so happens that Providence has created, and human ingenuity has harnessed there at Muscle Shoals, a great proposition of potential power for their benefit and for the benefit of other people. The man on the farm is not the only one interested in this question of economical production of food. You men who live in the city districts, let me remind you that the people who toil and work there are themselves always and on every day of every year deeply interested in this question of the production of food.

And the burden of its production is upon the farmers of the country, and they come to you, as I say, not in a hysterical manner but come to you with a calm and dignified and intelligent appeal, based, as they say, upon the facts of the case. They know more about it, gentlemen, than the average Member of this House, because they have given it more consideration than you have, and they ask you to take an existing agency of the Government, already paid for out of the Treasury of the United States, regardless of any mistakes of policy or ex-

travagance or waste in its construction, and run it not only for the purposes of national defense, but in times of peace you can take that power, and manufacture more cheaply for their benefit this essential ingredient for the production of crops, and they could secure it much more cheaply than in the market now controlled by the Chilean monopoly and by the private fertilizer trusts of the United States. And, gentlemen, this appeal is being made to your calm and dispassionate judgment, and I trust you will give it ample consideration before you decide to vote against the proposition.

I also insert the estimate of the cost of producing these compounds by water power at plant No. 2 at Muscle Shoals:

Col. BURNS. Yes. As I say, the first period designates the time we were obligated to pay this royalty, to June 1, 1921—the royalty to the American Cyanamid Co. and an operating fee to the Air Nitrates Corporation—and after January 1, 1921, the royalty to the American Cyanamid Co. and the operating fee to the Air Nitrates Corporation are subject to arbitration; and, therefore, we have assumed certain amounts to cover both operating fee and royalty in the second instance, and were only carrying it to the time when we have water power, which will become available from the dam erected in the Tennessee River; so our total costs are $36.16 for cyanamid, $96.92 for nitrates, and $58.76 for sulphate, each, per ton. When the water power becomes available these figures develop into $27.03 for cyanamid, $75.35 for nitrates, and $48.19 for sulphate, each per ton, and with certain assumptions as to royalties, etc., so that our expectations in the future are for these latter costs of $27.03 for cyanamid, $75.35 for nitrates, and $48.19 for sulphate.

I also append a comparison of American crop yields versus European yields:

AMERICAN CROP YIELDS VERSUS EUROPEAN YIELDS.

European soils are naturally no better and no worse than the soils of the United States, yet in Europe some countries get a crop yield of more than double the same yields in the United States per acre, and the difference is very largely due to the difference in the heavy use of fertilizers on European farms. The following table is interesting:

Country.	Fertilizer used per cultivated acre, 1910.	Yield, bushels per acre, 1905–1913.			
		Wheat.	Rye.	Oats.	Potatoes.
	Pounds.				
United States	37	14.6	16.0	29.5	95.0
France	111	20.2	16.9	30.6	130.7
Germany	207	30.9	27.4	53.6	204.8
Great Britain and Ireland	244	33.4	29.1	43.5	211.7
Belgium	495	37.0	34.7	71.5	306.0

An examination of statistical facts will show that prior to the use of fertilizers in European countries now enjoying very large yields per acre, the average yields were little better than are found in the United States. In the case of Germany, the increase in yield has taken place in the past 30 years, and during the same period there was a corresponding increase in fertilizer consumption. The following table gives comparisons of interest:

Average yields per acre, bushels.

	United States.			Germany.		
	1888 to 1892.	1905 to 1913.	Gain.	1888 to 1892.	1905 to 1913.	Gain.
Wheat	12.8	14.6	1.8	20.2	30.9	10.7
Rye	12.9	16.0	3.1	15.8	27.4	11.6
Oats	25.3	29.5	4.2	33.5	53.6	20.1
Barley	23.5	24.8	1.3	24.8	37.2	12.4
Potatoes	73.7	95.0	21.3	130.0	204.8	74.8

The following table shows the relative increase in fertilizer consumption in the two countries of the United States and Germany during the period of time under consideration:

Tons of fertilizer consumed.

	United States.	Germany.
Year:		
1890	724,000	1,790,000
1900	2,795,000	3,410,000
1910	5,779,000	6,520,000
1913	6,801,000	9,454,000
Cultivated acreage, 1913	320,000,000	65,000,000
Pounds fertilizer per acre, 1913	42	291

Germany has only one-fifth the cultivated acreage, but uses 40 per cent more fertilizer than the entire United States. The average fertilizer consumption per acre in Germany is seven times that in the United States, and it ought not to be forgotten that the German farmer does not use fertilizer merely to please or accommodate the German Government in respect to the need of growing large crops in Germany, but the German farmer uses fertilizer to the extent he does because it pays him a profit to do so, and a large one on his fertilizer investment.

In respect to nitrogen as a fertilizer, it should be kept in mind that more money is paid by the farmers for nitrogen than for phosphoric acid and potash together. Of the total cost of fertilizer materials, 52 per cent is paid for nitrogen, 28 per cent for phosphoric acid, and 20 per cent for potash.

Mr. ALMON. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GRAHAM of Illinois. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Illinois makes the same request. Is there objection? [After a pause.] The Chair hears none.

Mr. HUDDLESTON. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Alabama makes a similar request. Is there objection? [After a pause.] The Chair hears none.

The Clerk will read.

The Clerk proceeded with the reading of the bill.

Mr. BYRNS of Tennessee. Mr. Chairman, I want to state to the gentleman from Iowa that there is one more speech on this side. The gentleman from Alabama [Mr. HUDDLESTON] is very anxious——

Mr. GOOD. The gentleman from Alabama came into the Chamber after we stated to the House that we would rise as soon as we had the two speeches. There have been many repeated attempts to get the committee to rise, and threats to make a point of order. I thought the gentleman from Alabama had leave to extend his remarks.

Mr. HUDDLESTON. I will say that the matter I have in mind is of such importance that if I could not get opportunity to say it I would want to extend my remarks. But I want to extend my remarks anyway. I trust that the gentleman will at least allow me a few minutes in which to disclose the subject I wish to discuss. I will say to the gentleman that I have not been absent from the Hall. I may have sought a little rest from the agitation that we have been having here.

Mr. BLANTON. The gentleman has been here all the time.

Mr. GOOD. The gentleman can proceed under the five-minute rule.

The CHAIRMAN. The Chair desires to advise the chairman of the committee [Mr. GOOD] that he has consumed 4 hours and 29 minutes, and the gentleman from Tennessee [Mr. BYRNS] has consumed 5 hours and 31 minutes.

Mr. GOOD. If the gentleman from Alabama desires to proceed he will have opportunity to proceed now under the five-minute rule. I understand the first paragraph has been read.

The CHAIRMAN. The reading of the first paragraph has not been completed. The Clerk will read the first paragraph of the bill if no other gentleman desires to use any more time.

The Clerk read as follows:

Be it enacted, etc., That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for the fiscal year ending June 30, 1922, namely——

Mr. HUDDLESTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Alabama moves to strike out the last word.

Mr. HUDDLESTON. Mr. Chairman, the opportunities which the Esch-Cummins railroad act gives to the crooked manipulators of the railroads to plunder the public become more manifest every day. Even the credulous gentlemen who allowed themselves to be persuaded into supporting that measure are now beginning to find out that they were deceived by the railroad lobbyists and their astute lawyers. Those who opposed the measure find all their fears verified and see new perils for the future.

The lobby behind the railroad legislation enacted in the spring of 1920 was the most powerful ever assembled in Washington. It had all the sinews of war, money, prestige, influence, and the best brains purchasable on the market. It finally succeeded in forcing upon the people a measure of tremendous consequence. The lobby won for the financiers who use the railroads as their playthings, advantages which the public had never dreamed of giving and which even the imagination finds it difficult to grasp. All this is being disclosed day by day as the victors reach out to grasp their spoils.

The eyes of the people are being opened at last. They are seeing now what they should have seen months ago. Their anger rises as they become enlightened, and it may yet transpire that they will be fully aroused before it is too late to take vengeance.

The power of the interests behind the railroads is overwhelming. They are able to mold and control public opinion at will. At a sign from them the presses of great newspapers change stroke, the channels of public information are blocked, criticism is silenced, and bandages are placed upon the eyes of the people. Dealing with these great selfish interests we are confronted not only by railroad officials and manipulators but with captains of industry and finance, capitalists, and, after them, with civic bodies and with wealth and property interests with lines running from the heart of Wall Street throughout American business life down to the shareholder of the country bank. All are marshaled to meet an attack. It is not merely a matter of politics or business but ties onto social affiliation and prestige; and the attacker finds himself not only strangled in business life but alienated from his friends. To attack these great financial interests is, they say, "making war on society and on our institutions." To criticize the crooked managements of railroads, and the schemes by which they are enabled to fleece the people, is to be a "socialist" or a "bolshevist" and an enemy of society and to be frowned on by the highest social classes from the metropolitan club to the lively circles of the village literary society.

"THE CRIME OF 1920."

But, as I say, the people are awakening and there is yet hope. I observe signs of it in some of the smaller newspapers. I quote from an article in the Advance, a newspaper published in Birmingham, Ala.:

The iniquities of the Esch-Cummins Act passed by Congress last spring are now being seen more clearly. When they are fully understood by the public this infamous piece of railroad legislation will be known as the crime of 1920. Never was a more outrageous law forced upon the American people.

When the measure was being criticized at the time of its passage those who voted for it in Congress held themselves out as defenders of the public against the aggressions of organized railroad employees. They made a labor issue out of it, representing themselves as standing between the public and selfish railroad workers who were seeking to manipulate the railroads for their own advantage. As a matter of fact, it was not a labor issue. The labor end of it was its least important aspect. What those responsible for the measure really did was to betray the American public for the benefit of the capitalists who own the railroads. Then they tried to escape under a smoke cloud of prejudice against organized labor. They did not defend the American shippers and consumers; to the contrary, they betrayed them. It was a clear case of treason to the interests of the people.

The true inwardness and meaning of the Esch-Cummins Act now begins to be seen by even the least informed. The most simple-minded can not shut his eyes to the startling increase in railroad rates which the law has caused. Under it the Interstate Commerce Commission was compelled to grant exorbitant increases, which in this territory are 25 per cent on all freight rates, 20 per cent on passenger fares, and 50 per cent on Pullman charges. It is estimated that the annual charge upon the pockets of the people of the United States which the increased rates will produce is over $1,500,000,000, the equivalent of $75 for each family. Think of it! A tax of $75 annually levied by this law upon every head of a family in America.

But the increase of $75 annually on each head of a family, which goes into the pockets of Wall Street, does not represent all of the added burden imposed upon the people, for to the increased rates must be added increased profits, manufacturing costs, overhead charges, and a multitude of other items. Experts on the subject estimate that for every dollar that goes into the pockets of the railroads, $5 are taken from the consumer. So that the colossal steal from the American people chargeable directly to the Esch-Cummins Act reaches the stupendous total of $7,500,000,000, or $375 for each family per year.

A sinister feature of the situation is that the railroad question appears to be barred out of political discussion. Neither of the great parties is discussing it. The railroad magnates were not only strong enough to force the bill through Congress but are powerful enough to forbid discussion of the railroad question by newspapers and public men. They are able to keep the issue away from the people who are left to find out what they can about it from their own bitter experiences and from private sources.

It was obvious to those who understood the Esch-Cummins Act that the Public Treasury would be rifled under the provisions by which earnings were guaranteed for a limited time. Under that provision $650,000,000 has already been taken out of the Treasury by the railroad owners, and it is reliably stated that another $650,000,000 will be required to discharge the obligation which was assumed by that act. This will make a total of $1,300,000,000, which is $65 for every head of a family in the United States.

EARNINGS NOT CONDITIONED ON HONEST MANAGEMENT.

It was also clear that the passage of that measure would result in large increases in freight and passenger rates. The increases have been asked for and given. They range from 20 per cent to 50 per cent, according to territory and subject, on passenger, freight, and Pullman rates. The express companies have received similar increases. These increases aggregate no small sum. They are computed to yield a total of sixteen hundred millions annually, which means in the end, as stated in the article in the Advance, some five to seven billions added to the annual cost of living.

Friends of the farmers say that they want to do something for the agricultural interests. I tell them that the best thing they could do for the farmer is to see to it that he gets reasonable transportation rates for himself and for his produce.

The Esch-Cummins Act provides for the adjustment of railroad rates so as to allow net earnings of 5½ per cent, with an additional 1 per cent for repairs, and so forth, making a total of 6½ per cent net earnings authorized. It was to afford this net of 6½ per cent that the recent increases in rates were allowed. But the law does not require that railroad earnings shall be based upon honest management or economical administration. To the contrary, it left the door wide open for recklessness, bad judgment, and even actual dishonesty. A railroad is entitled to its 6½ per cent net no matter how extravagant the salaries of its officials may be nor what waste or incapacity they may be guilty of. They may wantonly waste the railroad's money, yet they are entitled to demand rates to meet the very waste at which they have connived.

The railroad financiers at whose behest the transportation act became a law, have been quick to avail themselves of the jokers concealed in the law. The act did not bind them to *economical* management. Therefore they have entered upon a course of deliberate waste, by which perhaps they do not harm the railroads, for the latter are protected by the 6½ per cent clause, but by which they are able to benefit themselves individually. I refer now particularly to the matter of repairs and replacements which many railroads are letting to outside concerns in which their owners have a financial interest.

NOTORIOUS COST-PLUS CONTRACTS.

As has already been found out, more than 20 railroads of the United States, among which are great lines like the Pennsylvania, New York Central, and North Western, are practicing letting repairs to outsiders instead of doing the work in their own shops. In practically every case the contract price is from three to five times what it would have cost the railroad to do the work in its own shop. On one road—the Erie—so I am informed, the railroad has leased its shops to a newly organized corporation in which some of its officials have a financial interest, and purpose to have this concern conduct their shops and do their work, including repairs, on the notorious cost-plus basis, resulting in great increases in the cost of the work, and yielding large profits to the contractors.

I have some details of the practices to which I have referred. The New York Central has had 65 locomotives repaired by the Baldwin Locomotive Works, at an average cost of $19,057 for each locomotive. These engines might have been repaired in the Central's own shops for an average cost of $4,466. The Pennsylvania has had 200 locomotives repaired by the Baldwin Co. under the agreement that the charge for repairs should be actual cost, including material and labor, plus 90 per cent of labor, plus 15 per cent of the total, resulting in an expense of about $15,000 per locomotive in excess of what it would have cost the railroad to do the work in its own shops. The Chicago, Milwaukee & St. Paul has had 20 locomotives repaired by the Baldwin concern upon a similar cost-plus basis. Similar contracts with various repair concerns have been made by the Atlantic Coast Line, Jersey Central, Burlington, and other railroads.

I refer to the foregoing merely by way of illustrations. The same method is practiced as to repair of freight cars and to other railroad repairs.

It is estimated that repair costs for all the railroad systems of the United States aggregate about $500,000,000 annually. If this work were all done in contract shops at similar expense to the contracts I have mentioned, the annual waste resulting will aggregate over $500,000,000. This will cost the railroads nothing, for they may increase their rates to absorb it and still get their 6½ per cent net. But it will be added to the rates that the people must pay. The people must pay for this waste by increased rates. It may easily transpire that the railroads waste on repairs more than a billion dollars per year, to be added to the already crushing transportation burdens resting upon the people.

THE PRESIDENT'S VETO.

On yesterday the President vetoed Senate bill 4526, which had for its purpose the further postponement of the effective date of section 10 of the Clayton Antitrust Act. The great importance of the President's action may not be appreciated by the general public. It is my purpose to explain its deep significance.

The antitrust act was approved October 15, 1914. Section 10 of that act prohibits railroad companies from having business dealings amounting to over $50,000 annually with other corporations having any of the same officers as the railroad company, except after receiving competitive bids. For illustration, section 10 prohibits a railroad from purchasing material from another concern owned by the railroad company's officers, no outside bids being considered. The purpose of section 10 was to protect the railroads from being plundered by their officers through contracts made with concerns in which the officers were beneficiaries. It was intended to protect railroads from looting

by their own officers. Clearly it was a wise and salutary measure.

By the original terms of section 10 it did not become effective for two years after its approval. This interval was given to enable railroad officers who were interested in contracting and supply concerns to withdraw from them and put themselves in a position to deal honestly with the railroads which they were managing. Upon one pretext and another the effective date of section 10 has been postponed from time to time until December 31, 1920, a total of over six years having been allowed railroad officers to disentangle themselves from their conflicting interests.

Attention is particularly called to the fact that section 10 does not forbid railroads from dealing with concerns having interlocking ownership absolutely, but merely requires in such cases that competitive bids be received and that outsiders be given the chance to do the work or supply the material on more favorable terms. Therefore at most it involves merely the inconvenience of considering competitive bids. Very mild indeed is the prohibition which it involves. Six years has been abundant time in which railroad officers might accommodate themselves to the law.

Perhaps managers of railroads might have been content with the extensions of the antitrust act heretofore given them, except for the passage of the Esch-Cummins Railroad Act last spring. Many iniquities of that act were pointed out at the time of its passage. Other vicious features have been coming to the surface from time to time. One matter which escaped general criticism at the time the law was passed was the opportunity which it affords railroad managers for deliberate dishonesty. Perhaps this feature may have been overlooked even by the railroad lobby, if it be possible that anything could escape the supernaturally cunning members of that organization. However, the managers very soon showed their knowledge of the opportunity given them and their purpose to avail themselves of it.

MANAGERS GIVEN A FREE HAND.

The transportation act authorizes railroad rates which yield net earnings of 6½ per cent. This return is not conditioned upon capable or economical or even honest management. The railroad managers are given a free hand to increase the costs of operation by any means they choose. Always they are allowed the 6½ per cent net return, with the only limit being "what the traffic will bear." With this feature of the Esch-Cummins Act in view it becomes at once clear why section 10 of the antitrust act should become effective. The law was passed originally primarily for the benefit of the innocent stockholders of railroads. It now needs to be enforced for the protection of the long-suffering public against the rapacity of railroad executives. It is the only bar between the public and transportation charges made as high as the traffic will bear.

As the practice of contracting with outside concerns in which they were interested developed and the railroad financiers saw what a splendid opportunity for looting they had, it became obvious to them that section 10 of the antitrust act would be inconvenient if their practices were to continue. They dreaded competitive bidding. They were unwilling even to go through the form of taking competitive bids. And then it dawned upon them that unless the effective date of section 10 was further postponed they would find the situation more difficult with the beginning of 1921. But Congress was in vacation during the summer; the subject must not be publicly mentioned for fear it would arouse opposition. There were secret conferences among powerful executives and consultations with lobbyists and "legal advisors." "There was racing and chasing on Cannobie Lee" for the gathering of the clans in Washington with the beginning of the new session. A program of haste and stealth was agreed to.

Drawn with exceeding craft, twin bills were offered in House and Senate on the second day of the session. Again lobbyists pranced before somnolent or docile committees. Favorable reports were made promptly, the House report being filed on December 15. Three days later, the Senate bill having already been passed, it was called up in the House without notice. Very little informing discussion occurred. Few realized the importance of the measure. Less than a quorum of Members were present. The bill was perfunctorily passed. The House did not even divide. Scarcely more than a dozen Members voted on the measure.

The purpose of the bill was to postpone for another year the effective date of section 10 of the antitrust act—to give railroad officials another year in which to buy, sell, and contract with themselves at the public expense without let or hindrance. Section 10 is at most a poor safeguard of the public interest under the Esch-Cummins Act. Without it the public is stripped and undone, and the rapacity of dishonest managers unrestrained.

Railroad officials, with whose practices section 10 of the antitrust act interferes, have never had any intent to comply with that law. They have always purposed to postpone its operation from time to time and finally to escape by changing the law. This is yet their plan. They dared not at this time present a measure which would relieve them permanently from competing with others in the contracts for railroad work and materials which they make with themselves. They did not dare that. They sought to postpone the matter to a more convenient season and to a Congress more inclined "to listen to reason."

THANKS TO THE PRESIDENT.

This is what the President has done by his veto of Senate bill 4526: He has prevented the further postponement of the effective date of section 10 of the antitrust act. He has prevented dishonest railroad officials from continuing to make contracts with themselves for work and materials without competition from outsiders. An important service has the President performed for the people of the United States.

The President has performed an important service by his veto unless the railroad lobby have the power to induce Congress to override the veto. That issue will no doubt be presented within a few days. In the meantime the people are arousing. Oh, that they had patriotic newspapers to warn them. But they are arousing, and I presume to advise gentlemen who would have the good opinion of the public to beware of lending themselves to thwarting the President's veto.

Thanks to the President of the United States for his veto.

Contracts for outside repair of locomotives.

Railroads.	Number of locomotives.	Contracting concern.	Nature of contract.	Average cost in contract shop.	Average cost in railroad shop.
New York Central	27	Rome Locomotive	Not given	$17,000.00	$5,773.00
	41	American Locomotive	do	16,380.00	5,773.00
	9	Lima Locomotive	do	16,615.00	5,773.00
	34	Baldwin Locomotive	Actual cost including material and direct labor, plus 90 per cent of direct labor for overhead and 15 per cent of the total for profit.[1]	19,057.00	4,466.00
	65	do			
Pennsylvania	200	do			
Sea Board Air Line	11	Charleston Dry Dock	Not given	6,000.00	
	9	Southland Steamship	do	6,000.00	
	10	Merrill & Stevens	do	12,000.00	
	6	Broad Foot Iron Works	do	12,000.00	
	4	Woodward Iron Works	do		
	30	Baldwin Locomotive	Actual cost plus 110 per cent of distributed labor, plus 15 per cent profit.		
Atlantic Coast Line	10	do	Includes superheater installation	30,275.70	
	2	American Locomotive	Cost-plus basis		
Central Railroad of New Jersey	25	Baldwin Locomotive	Baldwin cost plus		
	5	American Locomotive	Cost plus		
Union Railroad of Pittsburgh	9	Baldwin Locomotive	Not given	14,114.00	[2]9,074.00
Missouri, Kansas & Texas	1	Pittsburgh Boiler & Machine	do	1,670.00	[2]1,100.00
	2	Manufacturers Railway Shop	do	12,540.00	[2]6,834.00
	6	Grant Locomotive	do		
St. Louis & San Francisco	3	Pittsburgh Boiler & Machine	Cost of materials plus 15 per cent for handling, cost of labor plus 65 per cent.		
Chicago, Burlington & Quincy	7	Baldwin Locomotive	Cost of material and labor plus 110 per cent of distributed labor, plus 15 per cent of total for profit, scrap to become property of Baldwin.		

[1] $500 charge for freighting locomotives to repair shops.

[2] Estimate by railroad.

Contracts for outside repair of locomotives—Continued.

Railroads.	Number of locomotives.	Contracting concern.	Nature of contract.	Average cost in contract shop.	Average cost in railroad shop.
Chicago, Burlington & Quincy	4	Davenport Locomotive	Cost of materials plus 5 per cent, cost of labor used on work except in boilers 125 per cent of distributed labor for overhead, and 20 per cent of total for profit.		
Chicago, Milwaukee & St. Paul	20	Baldwin Locomotive	Cost plus		
Philadelphia & Reading	15	do	90 per cent cost-plus contract	$30,000.00	
Chicago & North Western	10	Richmond Locomotive	(1)		
	10	American Locomotive	(1)		
	2	E. J. & E	(1)		
	(1)	Manitowoc Shipbuilding	(1)		
Ann Arbor	(1)	do	(1)		
	2	Rome Locomotive	Cost of labor plus 125 per cent, with additional 25 per cent added and 15 per cent added to cost of material; freight charge $790.82.		
Missouri & North Arkansas	2	Scullin Steel Co	Actual cost plus 10 per cent, with 15 per cent added to cost of material		
Texas & Pacific	5		Not given		
Gulf, Mobile & Northern	2	Nashville, Chattanooga & St. Louis Ry.	Cost, plus 15 per cent on material and 10 per cent on labor.		
Central Vermont	7	American Locomotive	Not given		(2)
Toledo, Peoria & Western	6	Pennsylvania	do		
Pittsburgh, Shawmut & Northern	3	Baldwin Locomotive	do		
Spokane, Portland & Seattle	8	Great Northern in Hillyard Shop	Actual cost plus 25 per cent of labor, plus 10 per cent added to material cost.		
Long Island		Baldwin Locomotive	Not given		
Lake Erie & Western		Not given	do		
Michigan Central		do	do		
Missouri Pacific	4	Grant Locomotive	Cost of labor plus 40 per cent plus 10 per cent for profit, and 20 per cent added to cost of material.		

[1] Not given.

[2] Estimate 50 per cent higher than contract.

COMPARATIVE COSTS OF LOCOMOTIVE REPAIR WORK.

ANALYSIS OF TABLE SHOWING OUTSIDE REPAIR CONTRACTS.

Broadly speaking, the cost of locomotive repair work when done under contract by large equipment concerns costs the roads on an average four times as much as it would cost the road to do similar work in its own shops. In other words, repair work which would under ordinary circumstances when done at the present time in railroad shops cost from $4,000 to $5,000, tends when done under contract with equipment concerns to cost between $19,000 and $20,000.

The following table affords a partial survey of the extent to which the railroads of the country have subcontracted the maintenance of their locomotives during the past eight or nine months. The data is not by any means complete as yet, so far as it has been possible to gather statistics. We have record here as shown in column 1 of the contracting for the repair of 617 locomotives. The most complete records which we have deal simply with the railroads which are doing this contracting and the names of the concerns which contracts are made with. The terms of the contract tend to be available only in the case of the larger contract concerns. There are certain facts, however, which should be noted in glancing over the table, which show that the material is really far more complete than would appear at first. These points will be noted as follows:

1. The actual price charged to the railroad by the equipment or other contract concerns is shown in the table for 350 out of the 617 locomotives of which we have record. These actual prices are available for 234 out of the 418 locomotives, which have been repaired at the Baldwin Locomotive Works. Further study on the situation reveals the fact that this really constitutes a very fair sampling from which conclusions may be drawn.

2. As already pointed out 418 out of the 617 locomotives are credited to Baldwin. This means that the Baldwin Locomotive Works have had contracts for the repair of over two-thirds of the locomotives repaired under these contracts. Prices for more than half of these Baldwin contracts are available. They show a variation from $14,114 in the case of the Union Railroad of Pittsburgh to $30,275.70 in the case of the Atlantic Coast Line. As the first of these roads is not a trunk line, it may be safely assumed that the first-mentioned price represents the minimum price charged by Baldwin Locomotive Works, and for the time being you may safely assume that the last-mentioned price represents the highest. As a matter of fact, this maximum includes the installation of a superheater and probably means that actual repair work was charged for from $24,000 to $25,000. If we assume $24,000 as the maximum price charged by Baldwin for actual repair work and $14,000 as the minimum we get as the average Baldwin price $19,057. It may be noted that by a strange coincidence this figure is exactly the average price charged by Baldwin for the 200 Pennsylvania Railroad locomotives repaired on the Baldwin cost-plus basis.

3. The figures as to the cost of similar work done in railroad shops are actual Railroad Administration figures for exactly similar work, and they are not figures for isolated instances, but are average figures for groups of locomotives and may, therefore, be taken as an accurate index of the cost of this repair work when done by the railroads themselves. It will be noted that the average would probably fall somewhere around $5,000 and the weighted average would fall somewhat below this figure, approximately $4,800.

4. Thus it appears that the average price charged by Baldwin Locomotive Works, which has been responsible for over two-thirds of the locomotives repaired, represents a figure approximately four times the cost of similar work done in the railroad shops. In other words, it is probably $14,000 above actual costs. This alone is an excess charge amounting for the total number of locomotives repaired under contract to approximately $5,852,000.

5. None of the other concerns have had anything like the number of contracts Baldwin has had. Aside from the few contract shops, which have repaired two or three locomotives apiece for various railroads, the only equipment concerns worth mentioning are the American Locomotive, with contract for repair of 75 locomotives; Rome Locomotive Works, with contract for 29 locomotives; and the Lima Locomotive Works, with contract for repair of 9.

A glance at the terms of the contracts made by these three concerns would lead to the conclusion that excess charges very similar to those in the case of Baldwin would come to light here also. The contracts in the case of the Davenport Locomotive Works also show a similar tendency. In other words, out of the 617 locomotives accounted for probably at least 535 have been contracted for on a basis which will bring the costs to at least $10,000 in excess of the cost of similar work done in the railroad shops.

6. Locomotive repair costs for the entire transportation system of the country amount annually to something between $500,000,000 and $600,000,000. If Baldwin and the interests involved were allowed to go into the business of repair work generally on the profitable lines shown under the contracts listed in our table, the effect would be to burden the country with an excess and unwarranted charge amounting to half a billion dollars a year.

7. It should be noted that those concerns, which are known to be a part of the railroad combine (see analysis of interlocking directors), find it necessary to add from 90 per cent to 125 per cent to the labor costs for overhead, and in addition to add from 15 per cent to 20 per cent for the total costs so determined for profit. On the other hand, regular railroad shops and smaller concerns have added for overhead only from 10 per cent to 40 per cent—in one instance 65 per cent is added. For profit these last-mentioned concerns tend to add approximately 10 per cent. As a result, so far as we have the data at hand, the cost of repair work when done in shops outside of the big combine tend to run very considerably below those in regular equipment shops. Costs in these smaller shops in fact tend to approximate the cost of similar work in railroad shops, increased by a legitimate charge for overhead. However, as already shown, 86 per cent of this contract repair work is handed over to the high-price concerns, whose profits go into the coffers of the combine.

8. The table upon which these comments are made follows: Data in this table can be counted on, as it will be found to check accurately against the material which is at present in the possession of the Interstate Commerce Commission. The approximate cost shown for the repair work done by Rome Locomotive Works, the American Locomotive Works, the Lima Locomotive Works, and the Baldwin Works represents the average of the figures which are at present in the hands of the Interstate Commerce Commission for this work.

As already stated, the cost of this work in the railroad shops is based upon figures compiled by Railroad Administration.

In case there is any question as to whether the cost of overhead should be added to the repair cost shown for work done in the railroad shops or not, it should be pointed out, in the first place, that the overhead for railroad shops must be carried whether the work is actually performed in these shops or whether in the outside contract shops. In other words, that to include such overhead would in fact be to assume that the country must carry a double overhead charge in order to afford work in the outside equipment concerns. In the second place, it should be pointed out that legitimate charges for overhead should not in any case exceed 50 per cent of the direct labor cost of the repair work, which item constitutes approximately 60 per cent of total cost of locomotive repair work. Adding in this charge for overhead would only increase the average cost shown by approximately $1,500, or, in other words, an average cost in the railroad shops of $6,500 to $7,000, would undoubtedly be absolutely fair if it is decided that such overhead should be included in making comparisons between the costs in outside shops and costs in railroad shops. With this addition, it should be noted that the prices charged by Baldwin, Rome, Lima, and American Locomotive Works still average over $10,000 in excess of legitimate cost, so increased by maximum charge for overhead.

Two other points should be noted. In the first place, it has been stated that Baldwin prices average four times costs for similar work in railroad shops. This may be supplemented by the fact that in certain instances work which could be done for approximately $5,600 in the railroad shops of the Pennsylvania cost on the Baldwin basis over $25,500, and work which could have been done in the railroad shops for under $4,000 cost on the Baldwin basis nearly $26,000, or over six times as much.

In the second place, it can not be contended that workers were not laid off until these contracts were completed, for the equipments are reported to have enough of this repair work to last them until spring. They have many locomotives still to handle.

Contracts for outside repair of freight-train cars.

Railroad.	Number of cars.	Type of car.	Contract concern.
New York Central		Steel gondolas (all types).	Ryan Car Shop (Hegewisch, Ill.).
			Buffalo Steel Car.
Lake Erie & Western.		Type not given	Inter. State Car Shops (Indianapolis).
Michigan Central		27 and 28 class cars (all types).	Contract Shops.
			Buffalo Steel Car.
Pennsylvania		Steel gondolas	Western Steel Car & Foundry.
	2,100	Freight cars	Do.
		Types not given	Buffalo Steel Car.
Erie		Type not given (all repairs).	Do.
			Hornell Co., which is really separate, incorporating its own shops.
Pittsburgh & Lake Erie.	1,000	Hopper cars	Standard Steel Car Co.
Baltimore & Ohio	2,000	Box	American Car & Foundry.
	1,000	Composite gondolas	Do.
	300–500	Refrigerator	Do.
Hocking Valley		Not given	Chicago Steel Car.
	800	do	Indianapolis Inter. State Car Shops.
	500	do	Copple Car Co. of Pennsylvania.
	500	do	Ralston Car Co. (Columbus, Ohio).
Lehigh Valley	200	Freight	Buffalo Steel Car Co.
	500	Steel coal	Middletown Car Co. (Pa.).
Delaware, Lackawanna & Western.	1,000	Box	American Car & Foundry.
Wabash			Buffalo Steel Car.
	500	Freight	Keith Railway Equipment Co.
			Buffalo Steel Car.
Chicago, Milwaukee & St. Paul.	500		Contract Shops at Benton (Wash.).
	200	Gondolas	Ryan Shops at Hegewisch.
	300	do	Sheffield Car & Equipment Co. (Mo.).
Southern Railway	538	Steel-frame coal	Lenoir Car Works (Tex.).
St. Louis & San Francisco.	1,500	Box	American Car & Foundry.
Illinois Central	1,000	Steel gondolas	Bettendorf Co. (Iowa).
Chesapeake & Ohio			Western Steel Car & Foundry.
Great Northern		Steel cars	Whitney Bros. Shipyard. [1]
		do	Superior Shipyard. [1]
		do	Superior Iron Works. [1]
Norfolk & Western	9,000	Hopper	Ralston Steel Car (Columbus, Ohio).
Pere Marquette			Buffalo Steel Car Co.
New York, Chicago & St. Louis.			Do.
Buffalo, Rochester & Pittsburgh.			Do.

[1] This report has not yet been completely checked. To be followed by others as capacity of plant permits.

COST OF VARIOUS CLASSES OF REPAIR WORK IN RAILROAD SHOPS.

The following tables show the actual cost data for the repair of a specified number of locomotives on five of the chief trunk lines of the country.

It should be noted that the majority of repairs fall into classes 3 and 5. This is generally true also of the repair work which has been done by the outside equipment concerns, although a very considerable number of locomotives have been given class 4 repairs by these outside concerns. Repairs classed as class 1 and class 2 repairs are extremely heavy repairs, which are not required frequently. I think it is safe to state that the cost of the repair work done by outside equipment concerns can be classified as class 1 work.

The following standard classification of repairs to locomotives and tenders will be useful as a key to the tables shown hereafter:

UNITED STATES RAILROAD ADMINISTRATION,
DIRECTOR GENERAL OF RAILROADS,
Division of Operation—Mechanical Department.

STANDARD CLASSIFICATION OF REPAIRS TO LOCOMOTIVES AND TENDERS.

To be used beginning June 1, 1918, by all carriers for reporting repairs to locomotives made at their various shops and roundhouses.

CLASS 1.

New boiler or new back end.
Flues new or reset.
Tires turned or new.
General repairs to machinery and tender.

CLASS 2.

New firebox, or one or more shell courses, or roof sheet.
Flues new or reset.
Tires turned or new.
General repairs to machinery and tender.

CLASS 3.

Flues all new or reset. (Superheater flues may be excepted.)
Necessary repairs to firebox and boiler.
Tires turned or new.
General repairs to machinery and tender.

CLASS 4.

Flues part or full set.
Light repairs to boiler or firebox.
Tires turned or new.
Necessary repairs to machinery and tender.

CLASS 5.

Tires turned or new.
Necessary repairs to boiler, machinery, and tender, including one or more pairs of driving wheel bearings refitted.

General repairs to machinery will include driving wheels removed, tires turned or changed, journals turned, if necessary, and all driving boxes and rods overhauled and bearings refitted and other repairs necessary for a full term of service.

Running repairs unclassified.

Suffix "A" to any class of repairs will indicate that the repairs are required on account of accident.

Suffix "B" will show the initial application of stoker.

Suffix "C" will indicate the initial application of superheater.

Suffix "D" will indicate the initial application of outside valve gear.

Suffix "E" will indicate locomotive was converted from compound to simple or from one type to another.

Mallet locomotives will be indicated by a star following classification.

Locomotives receiving class 1, 2, or 3 repairs must be put in condition to perform a full term of service in the district and class of service in which they are to be used.

Locomotives receiving class 4 repairs must be put in condition to perform not less than one-half term of service in the district and class of service in which they are to be used.

Locomotives receiving class 5 repairs must be put in condition to perform not less than one-fourth term of service in the district and class of service in which they are to be used.

WASHINGTON, *March 27, 1919.*

Statement of cost of classified repairs.
(Railroad Administration figures.)

ATLANTIC COAST LINE RAILROAD.
(August and September, 1920.)

Class repairs.	Number of repairs.	Cost of labor.	Cost of material.	Total cost.	Average cost.
2	4	$16,300.51	$16,482.08	$32,782.59	$8,195.64
3	23	62,281.12	40,567.19	102,848.31	4,471.66
4	13	21,214.22	10,310.65	31,524.87	2,424.99
5	44	38,066.13	21,607.07	59,763.20	1,358.25

ATCHISON, TOPEKA & SANTA FE RAILROAD.
(August and September, 1920.)

Class repairs.	Number of repairs.	Cost of labor.	Cost of material.	Total cost.	Average cost.
1	4	$58,417.71	$45,859.23	$104,276.94	$26,069.23
2	6	54,015.70	32,973.13	86,988.83	14,498.14
3	77	566,938.84	253,757.67	820,696.51	10,658.39
4	16	32,396.71	14,599.56	46,969.27	2,935.55
5	61	86,800.04	34,880.41	121,680.45	1,994.76

CHICAGO, BURLINGTON & QUINCY RAILROAD.
(August and September, 1920.)

Class repairs.	Number of repairs.	Cost of labor.	Cost of material.	Total cost.	Average cost.
2	8	$49,385.63	$23,786.01	$73,171.64	$9,146.45
3	134	594,333.30	265,202.27	859,535.57	6,414.43
4	16	21,859.03	11,640.47	33,499.50	2,093.71
5	76	50,582.52	25,576.44	76,158.96	1,002.09

ILLINOIS CENTRAL RAILROAD.
(August and September, 1920.)

Class repairs.	Number of repairs.	Cost of labor.	Cost of material.	Total cost.	Average cost.
2	6	$45,741.18	$26,608.90	$72,350.08	$12,058.34
3	76	364,203.58	188,810.85	553,014.33	7,276.50
4	39	99,030.62	45,451.36	144,481.98	3,704.66
5	52	49,971.16	29,288.32	79,259.48	1,524.22

PENNSYLVANIA LINES, EAST.
(September, 1920.)

Class repairs.	Number of repairs.	Cost of labor.	Cost of material.	Total cost.	Average cost.
2	45	$276,484.73	$181,046.91	$457,531.64	$10,167.36
3	134	493,360.30	250,684.54	744,017.84	5,552.37
4	21	62,463.19	33,645.22	96,098.41	4,576.11
5	225	583,431.39	322,069.73	905,501.12	4,025.45

INTERLOCKING DIRECTORATES.
(Brief summary.)

NEW YORK BANK CONTROL OF RAILROADS.

The New York banking combine is for the purpose of this analysis considered as composed of the following financial institutions:

J. P. Morgan & Co. (Drexel, of Philadelphia), Guaranty Trust, First National Bank, Equitable Trust, American Surety Co., National Surety Co., Mutual Life Insurance Co., Equitable Life Association Co., Chase National Bank, National City Bank, Mechanics & Metals National Bank, New York Trust.

This New York combine has approximately 270 railroad directorships on 93 Class I railroads. This means an average of about three directorships on the board of each road. As a matter of fact, the number of directors sitting for this combine on the boards of the more important systems is generally greater than this.

The Guaranty Trust Co. has 50 railroad directorships to its credit. National City Bank comes second, with 48 railroad directorships, while

the Equitable Trust Co. has 34 such directorships. Here are three banks with a total of 132 railroad directorships.

The Guaranty Trust Co. has a director on the board of each of 40 separate Class I railroads.

These facts will serve as an indication of the control of the important railroads in their policy by the New York banking group. It should be mentioned that the chief Vanderbilt directorships are not here included. These would bring the total of New York control to well over 300 directorships.

NEW YORK CONTROL OF EQUIPMENT CONCERNS.

This same group of New York banks holds at least 54 directorships of the leading concerns which produce railway supplies and equipment and which in many instances have recently been engaged in the repair work already described. These directorships are divided among 20 equipment corporations, as follows:

Directors on the board of Baldwin Locomotive	2
Directors on the board of American Locomotive	4
Directors on the board of American Brake Shoe & Foundry	4
Directors on the board of Midvale Steel, which controls Cambria Steel	6
Director on the board of American Car & Foundry	1
Director on the board of Standard Steel Car	1
Director on the board of Woodman Iron Co	1
Directors on the board of New York Air Brake	2
Directors on the board of Westinghouse	3
Directors on the board of Bethlehem Steel	4
Directors on the board of United States Steel	3
Directors on the board of Lackawanna Steel	3
Directors on the board of Pullman Co	4
Directors on the board of Haskell & Barker	3
Directors on the board of Safety Car Heating & Lighting Co	2
Directors on the board of Railway Steel Spring	2
Directors on the board of Lima Locomotive Works	3
Directors on the board of Pressed Steel Car	2
Directors on the board of Southern Wheel	2
Directors on the board of Rail Joint Co	2

It should be noted that this does not in any way do justice to the extent to which these equipments are controlled by the railroad interests. In addition to the directorships held by the New York banking group, there are interlocking directorships among the corporations themselves, there being at least 13 nonbanking directors who tie into two and three of these equipment corporations, thus bringing into the group in addition to those mentioned the Franklin Railway Supply Co., American Steel Foundries, and Canadian Car & Foundry.

Thus it might be mentioned that Wm. H. Woodin, president of the American Car & Foundry Co., is also on the executive committee of American Locomotives, and a director of Canadian Car & Foundry. Financial papers treat this as evidence of the fact that the controlling interest of the National Surety Co., with five directors each from the National City and the Morgan banking group has been extended over these three concerns.

So also S. M. Van Clain, president of Baldwin Locomotive is also a director of Westinghouse, Midvale, and Cambria Steel.

Pullman Co. is, of course, closely connected with very many of the large railroad systems through the presence on its board of H. S. Vanderbilt. J. P. Morgan is also one of the directors.

Financial reports show a close combination of equipments, including pressed steel cars, Western Steel Car & Foundry, Illinois Car & Equipment Co., Steel Car Co., of Cleveland, the Liberty Car Co., of Chicago Heights, the Illinois Nut & Bolt Co., and the Southern Wheel Co. This latter company is controlled by the American Brake Shoe & Foundry, along with the American Malleables Co., the American Manganese Steel Co., and the Southern Foundry & Machine Co.

It should also be pointed out that Baldwin Locomotive owns the entire capital stock of the Standard Steel Works, which manufactures steel tires, steel tired wheels, rolled and forged wheels, steel castings, railway springs, etc.

American Locomotive has a similar subsidiary, the Penn Seaboard Steel Corporation, which produces the materials used by the parent concern.

The American Steel Foundries Co., in addition to its seven plants in various parts of the country, has recently acquired a controlling interest in the Griffin Wheel Co., largest manufacturers of steel wheels in the world.

These facts make it plain that much of the material supposedly charged for at cost may in reality be furnished by subsidiaries of the equipments at very profitable prices. In reality cumulative profit items may be found in the prices charged to the railroads by the equipment corporations doing repair work. In this connection it is interesting to note that for two years, 1916, 1917, and 1918, the manufacturing profits of the Standard Steel Works, subsidiary to Baldwin, averaged over $4,000,000, or a million dollars per year more than the entire capital stock of the concern.

Finally, it should be pointed out that many of the concerns doing repair work, either because of recent origin, or for other reasons, are not listed in the financial manuals. As a result, it has to date been impossible to trace their connections. A number of them have been started very obviously as a part of this new program, with the plan that they shall subcontract the maintenance of railway equipment. In the case of the incorporation of the Erie shops at Hornell, N. Y., this is quite obviously a dummy corporation.

All connections shown are based upon directorships. The connections through railroad officials are still to be worked out.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the sundry civil appropriation bill (H. R. 15442) had come to no resolution thereon.

RECLASSIFICATION OF POSTAL SALARIES.

The Speaker announced the appointment of Mr. PAIGE as a member of the Joint Commission on Postal Service, to fill the vacancy caused by the resignation of Mr. MADDEN.

SENATE ENROLLED BILLS SIGNED.

The Speaker announced his signature to enrolled bills of the following titles:

S. 2278. An act for the relief of John Healy;

S. 1546. An act for the relief of Katie Norvall;

S. 3218. An act for the relief of Martina Sena, Luis E. Armijo, and Maria Baca de Romero;

S. 1447. An act to correct the naval record of Fred C. Konrad;

S. 429. An act to authorize an exchange of lands with Henry Blackburn; and

S. 1743. An act for the relief of Matthew McDonald.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 5 o'clock and 45 minutes p. m.) the House, under the order previously made, adjourned until Monday, January 3, 1921, at 12 o'clock noon.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. TOWNER: A bill (H. R. 15475) to amend an act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916; to the Committee on Insular Affairs.

Also, a bill (H. R. 15476) to amend an act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916; to the Committee on Insular Affairs.

By Mr. WALSH: A bill (H. R. 15477) to authorize the Secretary of the Treasury to create in the United States Coast Guard the rank or grade of chief gunner, electrical, and to transfer thereto the present incumbent supervisors and assistant supervisors of the telephone lines in the Coast Guard; to the Committee on Interstate and Foreign Commerce.

By Mr. FREAR: A bill (H. R. 15478) to levy a tax upon all imported meat held in storage for a period longer than 60 days, and for other purposes; to the Committee on Ways and Means.

By Mr. McFADDEN: A bill (H. R. 15479) to amend section 11 of the act approved December 23, 1913, known as the Federal reserve act, as amended; to the Committee on Banking and Currency.

By Mr. HICKS: A bill (H. R. 15480) to authorize the Secretary of the Navy to accept a piece of land near San Diego, Calif., for aviation purposes; to the Committee on Naval Affairs.

By Mr. CARAWAY: A bill (H. R. 15481) to confer upon commissioners of the United States District Court jurisdiction to try and determine misdemeanors, as defined by section 335 of the Penal Code, approved March 4, 1909; to the Committee on the Judiciary.

By Mr. CAMPBELL of Kansas: A bill (H. R. 15482) to amend section 5 of the act entitled "An act to incorporate the American National Red Cross," approved January 5, 1905; to the Committee on Foreign Affairs.

By Mr. KRAUS: A bill (H. R. 15483) to amend section 24a of an act entitled "An act to amend an act entitled 'An act for making further and more effectual provisions for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 15484) making armistice day a legal holiday; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOOHER: A bill (H. R. 15485) granting an increase of pension to Isabella Barnett; to the Committee on Pensions.

By Mr. FESS: A bill (H. R. 15486) granting a pension to Margaret Flory; to the Committee on Invalid Pensions.

By Mr. HUDDLESTON: A bill (H. R. 15487) for the relief of John W. Murphy; to the Committee on Claims.

By Mr. HULL of Iowa: A bill (H. R. 15488) granting a pension to Anna Eliza Serrien; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15489) for the relief of Hiram S. Hurlbut; to the Committee on Military Affairs.

By Mr. SMITH of Michigan: A bill (H. R. 15490) granting a pension to Tillie Parkhurst; to the Committee on Invalid Pensions.

By Mr. WHITE of Kansas: A bill (H. R. 15491) granting a pension to Hester A. Barber; to the Committee on Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4775. By Mr. DARROW: Petition of the Philadelphia Board of Trade, favoring daylight-saving legislation; to the Committee on Interstate and Foreign Commerce.

4776. By Mr. GALLIVAN: Petition of the Cadillac Automobile Co., of Boston, urging the appropriation for the Bureau of Foreign and Domestic Commerce; to the Committee on Appropriations.

4777. Also, petition of the Gillette Safety Razor Co., of Boston, Mass., favoring an amendment to the tariff laws; to the Committee on Ways and Means.

4778. Also, petition of Stephen J. Francis, of Dorchester, Mass., and John F. Patrick, of Dorchester, Mass., favoring the passage of the special post-office clerks' bill, H. R. 15323; to the Committee on the Post Office and Post Roads.

4779. Also, petition of the W. M. Weston Co., of Boston, Mass., favoring a change in the excess-profits methods, and the Smith-Patterson Co., of Boston, Mass., opposing any increase of taxes on jewelers; to the Committee on Ways and Means.

4780. Also, petition of Stone & Webster (Inc.), Boston, Mass., favoring the appropriation for the United States Geological Survey; to the Committee on Appropriations.

4781. By Mr. RANDALL of California: Petition of the Parent-Teachers' Association and citizens of Claremont, Calif., favoring enactment of Smith-Towner bill to create a department of education; to the Committee on Education.

4782. By Mr. VARE: Petition of the Philadelphia Board of Trade, protesting against the passage of bill H. R. 13201; to the Committee on Ways and Means.

4783. By Mr. WINSLOW: Petition of the Haverhill Credit Bureau, of Haverhill, Mass., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

SENATE.

MONDAY, *January 3, 1921.*

Rev. J. J. Muir, D. D., of the city of Washington, offered the following prayer:

Our Father and our God, we bless Thee for the privilege of seeing the opening of another year, and we pray for Thy guidance and help through all the manifold duties and problems that may be confronting us. Grant Thy blessing and guidance for these Thy servants in their highly responsible tasks. We ask it for the glory of Thy great name, through Christ our Lord. Amen.

BOIES PENROSE, a Senator from the State of Pennsylvania; JAMES D. PHELAN, a Senator from the State of California; and ANDRIEUS A. JONES, a Senator from the State of New Mexico, appeared in their seats to-day.

The reading clerk proceeded to read the Journal of the proceedings of Thursday last, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

NATIONAL SOCIETY OF DAUGHTERS OF AMERICAN REVOLUTION.

The VICE PRESIDENT laid before the Senate a communication from the Secretary of the Smithsonian Institution transmitting, pursuant to law, the annual report of the National Society of the Daughters of the American Revolution for the year ended March 1, 1920, which was referred to the Committee on Printing.

CREDENTIALS.

The VICE PRESIDENT laid before the Senate a certificate of the governor of Utah certifying to the election of REED SMOOT as a United States Senator for the term beginning March 4, 1921, which was read and ordered to be filed, as follows:

STATE OF UTAH,
Executive Department.

To the PRESIDENT OF THE SENATE OF THE UNITED STATES:

This is to certify that on the 2d day of November, A. D. 1920, REED SMOOT was duly chosen by the qualified electors of the State of Utah a Senator from said State to represent said State in the Senate of the United States for the term of six years, beginning on the 4th day of March, A. D. 1921.

Witness his excellency our governor, Simon Bamberger, and our seal hereto affixed at Salt Lake City, Utah, this 31st day of December, in the year of our Lord 1920.

[SEAL.]

SIMON BAMBERGER,
Governor.

By the governor:

HARDEN BENNION,
Secretary of State.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the Speaker of the House had appointed Mr. PAIGE as a member of the commission provided for in section 6 (a) of the act entitled "An act making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1921, and for other purposes," approved April 24, 1920, in the place of Mr. MADDEN, resigned.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 429. An act to authorize an exchange of lands with Henry Blackburn;

S. 1447. An act to correct the naval record of Fred C. Konrad;

S. 1546. An act for the relief of Katie Norvall;

S. 1743. An act for the relief of Matthew McDonald;

S. 2278. An act for the relief of John Healy; and

S. 3218. An act for the relief of Martina Sena, Luis E. Armijo, and Maria Baca de Romero.

PETITIONS.

Mr. PENROSE presented a petition of sundry citizens of the State of Pennsylvania praying for the enactment of legislation to pay a bonus to ex-service men who served in the World War; which was referred to the Committee on Finance.

He also presented a petition of the Philadelphia Bourse, of Philadelphia, Pa., favoring the repeal of the excess-profits tax, the substantial elimination of the surtaxes, and abandonment of discriminatory profits taxation; which was referred to the Committee on Finance.

He also presented a petition of Capt. Charles D. Gridley Garrison No. 4, Department of Pennsylvania, Army and Navy Union, of Erie, Pa., favoring increased retired pay for volunteer officers and enlisted men who served in the Army, Navy, or Marine Corps and Public Health Service; which was referred to the Committee on Military Affairs.

Mr. CAPPER presented a resolution in the nature of a petition by the Chamber of Commerce, of Arkansas City, Kans., favoring the designation of the Chilocco Indian School as an agricultural and industrial institution; which was referred to the Committee on Indian Affairs.

Mr. KENDRICK (for Mr. WARREN) presented a telegram in the nature of a petition of the Fremont County Wool Growers' Association, of Lander, Wyo., favoring an embargo on frozen meats, hides, and wool; which was referred to the Committee on Finance.

Mr. JONES of Washington presented a report in the nature of a petition adopted on October 13, 1920, by the United States District Court, western district of Washington, southern division, praying that more drastic penalties be imposed for violations of the so-called Harrison drug act; which was referred to the Committee on Finance.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. SMOOT:

A bill (S. 4748) to authorize the exchange of certain lands within the Fillmore National Forest, Utah; and

A bill (S. 4749) to provide for the disposition of boron deposits; to the Committee on Public Lands.

By Mr. PENROSE:

A bill (S. 4750) providing for the appointment of superintendent and assistant superintendents of delivery in certain post offices of the first class; to the Committee on Post Offices and Post Roads.

A bill (S. 4751) making Armistice Day a legal holiday; to the Committee on the Judiciary.

A bill (S. 4752) granting an increase of pension to Charles Stackhouse; and

A bill (S. 4753) granting an increase of pension to William F. Blanchard; to the Committee on Pensions.

A bill (S. 4754) providing for the bringing to the United States of a body of an unknown American killed on the battle

fields of France, and for the burial of the remains with appropriate ceremonies; to the Committee on Military Affairs.

By Mr. McCUMBER:

A bill (S. 4755) granting an increase of pension to Marian Martin.

A bill (S. 4756) granting an increase of pension to James Flannigan; and

A bill (S. 4757) granting a pension to Bernard Mulhern; to the Committee on Pensions.

By Mr. BALL:

A bill (S. 4758) granting a pension to Louise R. Stevenson; to the Committee on Pensions.

By Mr. POINDEXTER:

A bill (S. 4759) granting an increase of pension to Adam S. Bridgefarmer; to the Committee on Pensions.

By Mr. CAPPER:

A bill (S. 4760) granting a pension to James H. Pipes (with accompanying papers); to the Committee on Pensions.

By Mr. ELKINS:

A bill (S. 4761) granting a pension to James C. Cline; to the Committee on Pensions.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 234) authorizing transportation for dependents of Army field clerks and field clerks Quartermaster Corps; to the Committee on Military Affairs.

ACQUISITION OF OIL LANDS BY FOREIGN GOVERNMENTS.

Mr. McKELLAR. I introduce a bill relative to the acquisition of oil lands by foreign Governments, and ask that it be read at length.

The bill (S. 4747) relative to acquisition of oil lands by foreign Governments was read the first time by its title and the second time at length and referred to the Committee on Foreign Relations, as follows:

Be it enacted, etc., That deposits of oil or oil shale, or the manufactures or refined products thereof, in the United States or its Territories or dependencies, or any land containing such deposits, or any stock or bond interest in corporations owning such land or deposits, or contracts for the purchase and development of the same, when the purpose is to export such products or otherwise to use them in foreign commerce, shall hereafter not be acquired or owned by any foreign Government or by the nationals of any foreign Government whenever the United States or its nationals having a like purpose are prohibited from acquiring such lands or rights or deposits or manufactured or refined products thereof owned or controlled by the Governments of such foreign countries, directly or by their dominions, dependencies, mandatories, spheres of influence, or otherwise, or the nationals of such Governments or foreign countries: *Provided*, That in all cases where the Government of the United States or its nationals is permitted to acquire such lands or deposits, or manufactured or refined products of same, or contracts for the purchase or development of the same, under foreign Governments or their dominions, mandatories, or dependencies, a like privilege to such foreign Governments or their nationals shall be accorded by the Government of the United States.

SEC. 2. That oil or oil shale, and the manufactured or refined products of same, shall not hereafter be exported to any foreign Government or to the nationals of any foreign Government in any case where such foreign Government, its dominions, dependencies, or mandatories refuse to permit the United States or its nationals to acquire and ship the said deposits or the manufactured or refined products to the United States or otherwise to use the same in foreign commerce; or where the vessels of the United States or the vessels of the nationals of the United States are discriminated against by any foreign Government or its nationals in the furnishing of oil or oil facilities, or in the acquiring of oil-supply stations in the territory of such foreign Governments, or its dominions, dependencies, protectorates, mandatories, or spheres of influence.

SEC. 3. The Shipping Board of the United States is hereby required to report on or before July 1, 1921, what foreign Governments, dominions, dependencies, protectorates, or mandatories, if any, are violating this act, and thereafter no oil or oil shale or the manufactured or refined products of same shall be exported to any foreign Government or its nationals so reported by the Shipping Board to be violating said act. Should said Shipping Board, by resolution of its members duly spread upon the minutes, report any Government, dominion, mandatory, or dependency as violating said act, the President, under and by virtue of this act, shall at once issue his proclamation declaring an embargo against shipping any of said products to such foreign Government or its dependencies, mandatories, or nationals; nor shall any of said products be exported to any foreign Government or its nationals until the Shipping Board reports that such Government or its dominions, protectorates, or mandatories are no longer violating this act, in which case the President shall issue his proclamation removing the embargo.

SEC. 4. Whenever an attempt is made to export or ship or take out of the United States any oil or oil shale or the manufactured or refined products of same, in contravention of this act, and after the President has issued his proclamation as aforesaid, the provisions hereof shall be enforced by the same officers, with like forfeitures and penalties and under like proceedings, provided in Title 6 of the act of Congress approved June 15, 1917, being an act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, etc., and known as the espionage act.

AMENDMENTS TO DISTRICT APPROPRIATION BILL.

Mr. PENROSE submitted an amendment intended to be proposed by him to the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, which was referred to the Committee on Appropriations.

The amendment is, on page 94, line 5, to add a new section, as follows:

SEC. 8. That officers and members of the Metropolitan police and the fire department of the District of Columbia and the United States park police shall be allowed increased compensation for the fiscal year 1922 in accordance with the provisions of the legislative, executive, and judicial appropriation act for the fiscal year 1922 at one-half the rate allowed the other employees of the District of Columbia in said act.

Mr. SHEPPARD submitted an amendment intended to be proposed by him to the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, which was referred to the Committee on Appropriations and ordered to be printed, as follows:

On page 22, insert, after line 12, the following:

Thirty-seventh Street NW., between Reno Road and Chevy Chase Circle, is hereby designated Chevy Chase Drive, and the surveyor of the District of Columbia is hereby directed to enter such change on the records of his office.

FORCIBLE ENTRY AND DETAINER.

Mr. BORAH submitted an amendment intended to be proposed by him to the bill (S. 4746) to amend the act entitled "An act to establish a code of law for the District of Columbia," approved March 3, 1901, and the acts amendatory thereof and supplementary thereto, in relation to forcible entry and detainer," which was ordered to lie on the table and be printed.

RELIEF OF DISTRESS ABROAD.

Mr. EDGE. I submit a resolution and ask that it may be read.

The VICE PRESIDENT. The resolution will be read.

The reading clerk read the resolution (S. Res. 416), as follows:

Whereas hundreds of millions of dollars are being solicited from the American people for the relief of women and children in foreign lands, and the American people, as they always do, are properly and gladly responding with unbounded liberality, in appreciation and thankfulness for their own blessings and in true sympathy for those in want; and

Whereas as a business people the people of the United States are solicitous that every dollar so contributed is really necessary and shall do a dollar's worth of good to those in need, and that no one group of unfortunates shall profit at the expense of any other group, but that all shall share equally in the relief that the American people rejoice to provide; and

Whereas most of such contributions are made on the statements of individuals and organizations soliciting subscriptions, and oftimes without real knowledge by the generous people who make them as to actual conditions and needs—a knowledge which would stimulate, rather than discourage, American aid; and

Whereas as a practical business people they should have official knowledge in order to make their contributions the more positively efficacious: Therefore be it

Resolved, That the Secretary of State be, and he hereby is, requested to obtain at once through the consular or other official representatives of the United States in foreign lands accurate information as to the actual conditions and the needs and necessities of the women and children of various distressed nations, countries, or foreign dependencies, and transmit the same to the Senate at the earliest possible moment, so that the people of the United States may make their contributions intelligently, with the greatest good to the greatest number of sufferers, and through this information may be inspired to greater good works through confidence that their money and supplies are really necessary properly to alleviate suffering and distress.

And further to ascertain, if possible, and report to the Senate what the various Governments in which such suffering exists are doing, looking toward the alleviation of such distressful conditions.

Mr. EDGE. Mr. President, I ask the indulgence of the Senate for two or three minutes to explain what I think is the necessity for the immediate consideration of the resolution.

As every Senator well knows, there is an intensive campaign on at the present moment to raise, or proposing to raise, millions of dollars for relief abroad. It does seem to me that the American people are entitled to and should have, without questioning in the slightest degree the humanitarian purpose and the necessity therefor, all the information it is possible for the Government to obtain for them. We have complete representation, of course, through our consuls, throughout the world and in these particular points where it is proposed that the relief shall be expended.

I am quite sure, if the information could be secured, it would be welcomed by those who are giving their time endeavoring to raise these large sums. If all that we hear is true, and these great sums are necessary, then such actual report will stimulate the collections. If they are not, necessarily and most certainly the American people should know it. So it appears to me as a businesslike resolution absolutely backing up and in the interest of making the campaign successful.

I ask unanimous consent for the immediate consideration of the resolution.

The VICE PRESIDENT. Is there objection to the present consideration of the resolution?

The resolution was considered by unanimous consent and agreed to.

KERENSKY GOVERNMENT OF RUSSIA.

Mr. NORRIS. I submit a Senate resolution calling on the Secretary of the Treasury for certain information. I ask that it be read, and then I shall ask unanimous consent for its present consideration.

The VICE PRESIDENT. The resolution submitted by the Senator from Nebraska will be read.

The resolution (S. Res. 417) was read, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish to the Senate the following information:

1. Are funds of the United States being used either directly or indirectly to support or maintain an embassy in the city of Washington, D. C., representing the so-called Kerensky government of Russia, and if so, how much money has been thus expended and what authority is there for such expenditure?

2. Was money advanced from the Treasury of the United States to established a credit on behalf of the Kerensky government, and if so, in what amount, and for what purpose was it used?

3. What amount of money, if any, does the Kerensky government owe to the Government of the United States; how is it secured; what rate of interest does it bear, and when does it mature?

4. After the downfall of the Kerensky government did the Government of the United States purchase war material or other supplies from the officials of the Kerensky government with funds of the United States, and if so, what was the nature of the supplies; how much money was paid for the same; and was the purchase made at a time when the Kerensky government was indebted to the United States, and, if so, in what amount?

5. Has the Government of the United States taken any steps to reimburse itself for money advanced or loaned to the Kerensky government?

The VICE PRESIDENT. Is there any objection to the present consideration of the resolution?

Mr. UNDERWOOD. Mr. President, do I understand the resolution is offered for immediate action?

The VICE PRESIDENT. The Chair so understands.

Mr. UNDERWOOD. This is the first proposal of the matter, is it not?

The VICE PRESIDENT If there is any objection the resolution will go over.

Mr. UNDERWOOD. I should prefer to have it go over until to-morrow, so that I may have a chance to look into it.

The VICE PRESIDENT. The resolution will go over under the rule.

PETER M'KAY.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 390) for the relief of Peter McKay, which was, on page 1, line 6, to strike out the numerals "$2,500" and insert "$939."

Mr. POINDEXTER. I move that the Senate concur in the House amendment.

The motion was agreed to.

KATHRYN WALKER.

The VICE PRESIDENT laid before the Senate the amendment of the House of Representatives to the bill (S. 2371) for the relief of Kathryn Walker, which was, in line 9, after the word "act," to insert "*Provided further*, That the relief granted be made conditional upon the land being free from valid adverse claim at the time payment is made under the terms of the bill."

Mr. SMOOT. I move that the Senate concur in the amendment.

Mr. WALSH of Montana. My attention was distracted for the moment. Will the Senator state what the bill is?

Mr. SMOOT. It is a relief bill for a certain person in New Mexico. The House made an amendment to the bill providing that the beneficiary shall receive title if no valid adverse claim is made to the land. I move that the Senate concur in the amendment of the House.

Mr. WALSH of Montana. We have the original bill here?

Mr. SMOOT. The original bill is at the desk.

Mr. WALSH of Montana. I ask that it may be read.

The VICE PRESIDENT. The bill will be read.

The bill as passed by the Senate was read, as follows:

Be it enacted, etc., That the Secretary of the Interior be, and is hereby, authorized and directed to issue patent to Kathryn Walker (formerly Kathryn McKnight) for the northeast quarter of section 12, township 29 south, of range 7 west, New Mexico meridian: *Provided*, That the said Kathryn Walker pay the lawful price of the land within six months after the approval of this act.

The VICE PRESIDENT. The question is on concurring in the amendment of the House of Representatives.

The amendment was concurred in.

FINANCING OF AGRICULTURAL OPERATIONS.

Mr. HARRISON. Mr. President, I read a remarkable statement in one of the afternoon newspapers during the latter part of last week. The article is headed "Houston to decide war finance fate," and is as follows:

President Wilson has sent the resolution passed by Congress reviving the War Finance Corporation to Secretary of the Treasury Houston, and will be guided in vetoing or signing the measure by his recommendations, it was learned from an authoritative source yesterday.

Houston appeared before the Senate in opposition to the resolution, which, he says, will benefit the General Electric and International Harvester Cos. and the United States Steel Corporation more than it will the farmers. It is understood that the measure will be vetoed. Should the President veto the resolution an attempt will be made to pass it over his head.

The Secretary of the Treasury appeared before the Agricultural Committee when it had under consideration the joint resolution to revive the War Finance Corporation and presented his views very fully in opposition to that joint resolution. He made the statement before the committee that there were certain large interests that would get the benefit should the corporation be revived; but Mr. Meyer, who was managing director of the War Finance Corporation and thoroughly informed as to the duties of that corporation and its operations, also appeared before the committee, and was a very fair witness. Touching the applications that were on file at the time the War Finance Corporation was suspended, he stated, on page 22 of the hearings, before our committee:

Under more or less similar arrangements the War Finance Corporation financed the export of $12,000,000 of wheat to Belgium and $5,000,000 of condensed milk to various countries in Europe. At the time that it was requested by the Secretary to suspend financing exports it had applications involving the export of $17,500,000 of copper, $2,200,000 fabricated steel to Italy, $5,000,000 "Black Patch" tobacco from Tennessee and Kentucky, $4,000,000 cotton to Czechoslovakia for a large southern exporter, $25,000,000 cotton to Czechoslovakia for a group of southern bankers, $3,000,000 for cotton to Italy by a group of bankers, $9,000,000 by a group of bankers for export of cotton to Italy, $24,000,000 for the export of cotton by a syndicate of banks headed by one of the largest national banks in the United States, $2,400,000 by a group of bankers for coal to Italy, $4,000,000 by a group of bankers for cotton to Italy, $4,000,000 for ships to be bought or constructed in this country for Italy; in all, $100,000,000 in applications promising practical results with adequate security, according to the opinion of the directors of the War Finance Corporation.

It is not a debatable question that it remained for those who were operating the War Finance Corporation to exercise their own judgment in allowing such applications to be taken care of as might be presented to the War Finance Corporation; and it seems to me that the words of the Secretary of the Treasury himself almost constitute an indictment against his management of the War Finance Corporation when he says that should it be revived the Bethlehem Steel Co. or the International Harvester Co. or the General Electric Co. would be benefited and the farmers of the country overlooked.

Mr. SMITH of Georgia. That would depend upon the character of the men whom he recommended for directors, would it not?

Mr. HARRISON. The Senator from Georgia is absolutely correct. We all know that if he saw fit to allow the farmers of the country to obtain loans with which to export their products, it could be done, and that, as Mr. Meyer says, when the corporation suspended business $100,000,000 worth of applications were on file, most of which were to take care of the export of farming products of this country. If the corporation should be revived, the Congress has expressed its opinion that agricultural products should be first taken care of, and there is no good reason advanced in that particular by the Secretary of the Treasury why the War Finance Corporation should not be revived.

However, Mr. President, we all know the situation at the White House. We know that since the President was taken sick he has not been so free to advise with the Congress as he was prior to that time. We know that the information which he obtains, as a general rule, is from his cabinet officers, and it would seem to me very unfair to the country indeed, it would be very unfair to the Congress of the United States and to the representatives of the American people, should the Secretary of the Treasury have his way and his advice be taken by the President of the United States.

The Senate of the United States, by practically a unanimous vote, said that the War Finance Corporation should be revived and should resume business. There was no opposition to that proposition to amount to anything at the other end of the Capitol. The people of this country believe that some benefit will accrue from a revival of that corporation. What we now need is markets abroad and credits to obtain those markets. So I can not understand the reasoning and the attitude of the Secretary of the Treasury in continuing to oppose the revival of the War Finance Corporation after his statement to the Agricultural Committee of the Senate when the Congress has declared itself.

Let me read to the Senate the testimony of the Secretary of the Treasury on that point. Before doing so, I desire to say these questions were propounded to him, Senators, because we were fearful that this very situation might arise; we wanted to adopt means that would revive the War Finance Corporation, and we thought if the Senate and the House of Representatives should express their opinion by a majority that that corporation should be revived, the Secretary of the Treasury, being only

one man, would at least accept that direction and renew the functioning of that important corporation. So certain questions were propounded to him with that object in view.

I asked the question:

Mr. Secretary, you do not have any doubt that under the law now the War Finance Corporation could function if you and those who work with you saw fit to allow it to function?

Secretary HOUSTON. No; I think it could borrow money.

Senator HARRISON. Now, if the Congress should differ with you and your conclusions touching the operations of the War Finance Corporation, what could they do to get the thing set in motion and assist, if they thought it wise?

Secretary HOUSTON. It could direct it by legislation to do so.

Senator HARRISON. The Congress could direct it?

Secretary HOUSTON. Yes; by legislation.

Senator HARRISON. And then it could function speedily, notwithstanding any views you may have had in the past?

Secretary HOUSTON. Certainly. If a law is enacted directing the corporation to function, it goes without saying that it would function.

Senator HARRISON. The reason I say that is that some one has intimated that your past views might interfere with its functioning.

Secretary HOUSTON. I could have no discretion as to carrying out a direct mandatory act. I can exercise discretion only where the law makes it possible and where in my judgment it would be against the public interests to do a certain thing, and should I have discretionary power I would decline to do it, as in the present instance.

So, notwithstanding those statements by the Secretary of the Treasury to the committee—and the committee followed his suggestions and the joint resolution was passed through both Houses of Congress by practically a unanimous vote—we find from articles appearing in the newspapers that he is using the power of his office in advising the President to veto that very important legislation.

Mr. President, I have been one of those in this Chamber who have followed the President not only in most instances in his domestic policies but in his foreign policies as well, but if he should see fit to follow the advice of this one official of the Government, contrary to the unanimous opinion of the Congress of the United States and the sentiment of the people of the country, I hope that the Senate and the body at the other end of the Capitol will take up immediately the joint resolution and pass it over the President's veto. I shall join cheerfully in such an operation.

THE CALENDAR.

The VICE PRESIDENT (at 12 o'clock and 30 minutes p. m.). The morning business is closed. The calendar, under Rule VIII, is in order.

The first business on the calendar was the resolution (S. Res. 76) defining a peace treaty which shall assure to the people of the United States the attainment of the ends for which they entered the war, and declaring the policy of our Government to meet fully obligations to ourselves and to the world.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 529) for the relief of the heirs of Adam and Noah Brown was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 600) for the relief of the heirs of Mrs. Susan A. Nicholas was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 174) for the relief of Emma H. Ridley was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1722) for the relief of Watson B. Dickerman, administrator of the estate of Charles Backman, deceased, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 168) to create a commission to investigate and report to Congress a plan on the questions involved in the financing of house construction and home ownership and Federal aid therefor was announced as next in order.

Mr. CALDER. I ask that the bill may go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2224) to incorporate the Recreation Association of America was announced as next in order.

Mr. OVERMAN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1660) to provide a division of tuberculosis in and an advisory council for the United States Public Health Service, and for other purposes, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 41) proposing an amendment to the Constitution of the United States was announced as next in order.

Mr. JONES of Washington. Let that go over, Mr. President.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2457) to provide for a library information service in the Bureau of Education was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 131) to provide that petty officers, noncommissioned officers, and enlisted men of the United States Navy and Marine Corps on the retired list who had creditable Civil War service shall receive the rank or rating and the pay of the next higher enlisted grade was announced as next in order.

Mr. WADSWORTH. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 1448) for the relief of Jacob Nice was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 172) for the selection of a special committee to investigate the administration of the office of the Alien Property Custodian was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 2785) to provide aid from the United States for the several States in prevention and control of drug addiction and the care and treatment of drug addicts, and for other purposes, was announced as next in order.

Mr. WADSWORTH. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The joint resolution (S. J. Res. 51) directing the Court of Claims to investigate claims for damages growing out of the riot of United States Negro soldiers at Houston, Tex., was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The joint resolution will be passed over.

The bill (S. 2672) to carry into effect the findings of the Court of Claims in favor of Elizabeth White, administratrix of the estate of Samuel N. White, deceased, was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 2444) to create the commission on rural and urban home settlement was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3201) fixing the salary of the district attorney for the eastern district of New York was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3224) relating to the creation in the Army of the United States of the grade of lieutenant general was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The resolution (S. Res. 215) providing that whenever the United States becomes a member of the League of Nations this Government should present to the council or the assembly of the league the state of affairs in Ireland and the right of its people to self-government was announced as next in order.

Mr. THOMAS. Let that go over.

The VICE PRESIDENT. The resolution will be passed over.

The bill (S. 3090) to repeal the espionage act was announced as next in order.

Mr. POINDEXTER. Mr. President, I ask that the bill may go over, and I ask permission just for one moment to say that while it is reported adversely I am very glad the committee reported it, so that it is on the calendar, as it seems to me the time has come when we ought to repeal war legislation. At some appropriate time I shall undertake to bring it up.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 848) to reimburse Isaiah Stephens, postmaster at McMechen, Marshall County, W. Va., for money and postage stamps stolen was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3109) to amend section 26 of the act approved July 17, 1916, known as the Federal farm loan act, was announced as next in order.

Mr. WALSH of Montana. Let that go over.

Mr. GRONNA. Mr. President, I hope the Senator will not object to the consideration of this measure. It is a very important one. We ought to take it up at the earliest possible moment.

Mr. WALSH of Montana. I ask that the bill be read.
The VICE PRESIDENT. The bill will be read.
The Assistant Secretary proceeded to read the bill.
Mr. WALSH of Montana. I ask that the further reading be dispensed with. I object to the consideration of the bill.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 1455) for the relief of John L. O'Mara was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 2954) to remove the charge of desertion from the military record of Albert F. Smith, deceased, was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 3152) for the relief of George W. Mellinger was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 1453) for the relief of Adolph F. Hitchler was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 1713) authorizing and directing the Secretary of War to appoint a commission to investigate and report upon the available sources of water supply for the District of Columbia was announced as next in order.
Mr. SMOOT. Mr. President, I believe that that investigation has already been made. The Senator reporting the bill is not here; but, if newspaper reports are correct, that report has already been made, and recommendations have been made to the Secretary of War. Therefore, I ask that the bill go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 2822) making available additional moneys for the reclamation fund, and for other purposes, was announced as next in order.
Mr. SMOOT. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The joint resolution (S. J. Res. 139) repealing the joint resolution of April 6, 1917, declaring a state of war to exist between the United States and Germany, was announced as next in order.
Mr. OVERMAN. Let that go over.
The VICE PRESIDENT. The joint resolution will be passed over.
The bill (S. 3395) to discontinue the improvement to provide a channel extending from the sea to the Charleston Navy Yard was announced as next in order.
Mr. FLETCHER. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 3396) to discontinue the construction of a dry dock at the navy yard, Charleston, S. C., was announced as next in order.
Mr. FLETCHER. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 310) for the relief of John Murphy was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 5726) to fix the compensation of certain employees of the United States was announced as next in order.
Mr. OVERMAN. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 2292) for the relief of the William Gordon Corporation was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The joint resolution (S. J. Res. 151) to permit the payment for certain lands whereon Army supply bases are situated was announced as next in order.
Mr. SMOOT. Let that go over.
The VICE PRESIDENT. The joint resolution will be passed over.
The bill (S. 3430) fixing the salaries of certain United States attorneys and United States marshals was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 8078) to regulate the importation of coal-tar products, to promote the establishment of the manufacture thereof in the United States, and, as incident thereto, to amend the act of September 8, 1916, entitled "An act to increase the revenue, and for other purposes," was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 3944) to create a Federal live-stock commission, to define its powers and duties, and to stimulate the production, sale, and distribution of live stock and live-stock products, and for other purposes, was announced as next in order.
Mr. WADSWORTH. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 1853) to reimburse E. T. Thing and S. A. Thing for losses and damages sustained by them by the negligent dipping of their cattle by the Bureau of Animal Industry, Department of Agriculture, was announced as next in order.
Mr. SMOOT. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 3725) authorizing the Court of Claims to adjudicate the claim of Capt. David McD. Shearer for compensation for the adoption and use and acquisition by the United States Government of his patented inventions was announced as next in order.
Mr. SMOOT. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 1391) to add certain lands to the Sequoia National Park, Calif., and to change the name of said park to Roosevelt National Park was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 5218) to provide revenue for the Government and to establish and maintain the production of magnesite ores and manufactures thereof in the United States was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 7785) to provide revenue for the Government, to establish and maintain in the United States the manufacture of laboratory glassware, laboratory porcelain ware, optical glass, scientific and surgical instruments was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 10074) to enlarge the jurisdiction of the Municipal Court of the District of Columbia and to regulate appeals from the judgments of said court, and for other purposes, was announced as next in order.
Mr. KELLOGG. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 7705) to amend section 339 of the tariff act of October 3, 1913, in respect to the tariff on buttons of steel and pearl was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 4437) to provide revenue for the Government and to promote the production of tungsten ores and manufactures thereof in the United States was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 2989) for the relief of Walter I. Whitty was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 3139) for the purchase of land adjoining Fort Bliss, Tex., was announced as next in order.
Mr. SMOOT and Mr. WADSWORTH. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 10918) to provide revenue and encourage domestic industries by the elimination, through the assessment of special duties, of unfair foreign competition, and for other purposes, was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (H. R. 6238) to provide revenue for the Government and to establish and maintain the production of zinc ores and manufactures thereof in the United States was announced as next in order.
Mr. THOMAS. Let that go over.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 4166) to provide for election contests in the Senate of the United States was announced as next in order.
Mr. THOMAS. I think that bill was passed.
The VICE PRESIDENT. It has not been passed yet. It is in Committee of the Whole and open to further amendment.
Mr. SMOOT. Let it go over, Mr. President.
The VICE PRESIDENT. The bill will be passed over.
The bill (S. 1519) making appropriations for expenses incurred under the treaty of Washington was announced as next in order.
Mr. OVERMAN. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

The bill (S. 3251) granting longevity pay from and including August 5, 1917, to certain officers and enlisted men was announced as next in order.

Mr. SMOOT. Let that go over.

The VICE PRESIDENT. The bill will be passed over.

MESSAGE FROM THE PRESIDENT.

A message from the President of the United States, by Mr. Latta, one of his secretaries, announced that the President had, on December 31, 1920, approved and signed the bill (S. 4565) extending the time for the doing of annual assessment work on mining claims for the year 1920, to and including July 1, 1921.

FINANCING AGRICULTURAL OPERATIONS—VETO MESSAGE.

The VICE PRESIDENT. The Chair lays before the Senate a message from the President of the United States, which will be read.

The Assistant Secretary read the message, as follows:

To the Senate of the United States:

I am returning, without my signature, Senate joint resolution 212:

Joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

The joint resolution directs the revival of the activities of the War Finance Corporation. This corporation is a governmental agency. Its capital stock is owned entirely by the United States. It was created during hostilities for war purposes. The temporary powers which it is now proposed to revive were conferred in March, 1919, to assist, if necessary, in the financing of exports. The general powers of the corporation expire six months after the termination of the war and the special powers with respect to the financing of exports expire one year after the termination of the war. While we are technically still in a state of war, it unquestionably was presumed, when this added power was granted, that peace would have been formally proclaimed before this time and that the limitation of one year would have expired.

In May, 1920, in view of the fact that export trade had not been interrupted but had greatly expanded, and that exports were being privately financed in large volumes, the War Finance Corporation, at the request of the Secretary of the Treasury and with my approval, suspended the making of advances.

This resolution was passed by the Congress apparently in view of the recent sudden and considerable fall in prices, especially of agricultural commodities, with the thought that some European countries to which certain products were customarily shipped before the war might again be enabled to resume their importation and that larger masses of domestic exports to European countries generally might be stimulated, with the resulting enhancement of domestic prices. I am in full sympathy with every sound proposal to promote foreign trade along sound business lines. I am not convinced that the method proposed is wise, that the benefits, if any, would offset the evils which would result, or that the same or larger advantages can not be secured without resort to Government intervention. On the contrary, I apprehend that the resumption of the corporation's activities at this time would exert no beneficial influence on the situation in which improvement is sought, would raise false hopes among the very people who would expect most, and would be hurtful to the natural and orderly processes of business and finance.

Large Government credits were extended during the war to certain European governments associated with us in the struggle. These ceased several months after the armistice, except for commitments already made. They should not now be resumed, either directly or indirectly. The recent Brussels conference, composed of experts from many European countries and from other nations, itself expressed the opinion that further credits should not be accorded directly by governments. I do not believe that they should be accorded indirectly.

Exports of domestic products have not declined since the armistice. On the contrary, they have greatly increased. From an aggregate value before the war of less than two and one-half billions of dollars, and of about six billions the last year of hostilities, they rose in the calendar year 1919 to more than $7,900,000,000, and this figure will probably be exceeded for the last calendar year. For the first eleven months of the last calendar year we exported more than seven and one-half billion dollars' worth of domestic merchandise. These have been largely privately financed. The difficulty in the way of still larger exports does not seem to lie so much in the lack of financial ability here as in Europe's lack of means to make payment. Her productive energies and the services which she renders have not yet reached a point where they balance the value of commodities taken from this Nation, and her ability to furnish for additional exports securities which business men would feel justified in taking is restricted. The experts of the Brussels conference reported that "one of the chief obstacles to the granting of credits is the absence in borrowing countries of sufficient securities for ultimate repayment." Until this obstacle is removed it is difficult to see how materially larger exports to Europe are to be made even if exporters, aided or unaided by Government finance, stand ready to do their part. It is remarkable that Europe is able to make an effective demand for as large a volume of our goods as she is making. It is gratifying evidence of her recovery and progress toward full production and sounder financial conditions.

Under the law, if the activities of the corporation were resumed, no direct advances could be made to producers and, if they could be, they would not accomplish the objects in view. They would not create demand for our products. They could be made only to exporters or to banks engaged in financing exports, and if they did in some measure stimulate exports they would probably not have the effect apparently most desired of substantially increasing those of agricultural commodities. Already, with the larger volume of exports which Europe is taking from us, she is exercising her option of taking a smaller volume of some of our principal agricultural products, such as meats, presumably because she herself has become more largely self-sufficient, or is again providing herself with supplies from distant countries which, with the opening up of shipping since the armistice, have once more found their place in the markets of the world.

It is highly probable that the most immediate and conspicuous effect of the resumption of the corporation's activities would be an effort on the part of exporters to shift the financing of their operations from ordinary commercial channels to the Government. This would be unfortunate. It would continue the Government as an active factor in ordinary business operations. If activities of any considerable magnitude resulted, they would necessitate the imposition of additional taxes or further borrowing, either through the War Finance Corporation or by the Treasury. In either case new burdens would be laid upon all the people. Further borrowing would in all likelihood tap the very sources which might otherwise be available for private operations or which the Treasury is now compelled to reach to meet current obligations of the Government. There is no question that the borrowing of the Government should be limited to the minimum requirements, and that the Government should not be called upon further to finance private business at public expense. To the extent that Europe is able to furnish additional securities, private financial institutions here will doubtless find means of giving the necessary accommodation. The way has been opened for added legitimate efforts to promote foreign trade. Financial agencies in aid of exports, privately financed, have already been planned to operate under the act approved December 24, 1919, authorizing the organization of banking corporations to do foreign banking business. One corporation has been organized in the South and a second of large scope is in course of development. These agencies may be expected to act as promptly and as liberally and helpfully as sound business conditions will permit. Through reliance on such enterprises, rather than through Government intervention, may we expect to secure a return to stable business relations. For many months there has been a demand that war agencies should be abolished and that there should be less Government interference with business. I have sympathized with this view, and believe that it is applicable to foreign trade as well as to domestic business. I am of the opinion that now, more than two years after the armistice, the Nation should resume its usual business methods and return to its reliance on the initiative, intelligence, and ability of its business leaders and financial institutions.

We shall not witness an immediate satisfactory adjustment of domestic and international trade relations. The burdens of war are not lifted when the fighting ceases. One sad thing about war is that it leaves behind it a legacy of economic ills and of suffering from which there is no escape. Conditions, however, are improving both here and abroad. The difficulties with which we are now confronted are of small consequence in comparison with those which we have met and overcome. Fuller restoration awaits the adoption of constructive measures of large consequence: the secure establishment of a just peace in the world; the cessation of fighting everywhere; the more complete resumption in Europe of the normal courses of industry, the return of her people to sounder fiscal and banking policies, and the breaking down within her borders of harmful restrictions.

WOODROW WILSON.

THE WHITE HOUSE,
3 January, 1921.

Mr. UNDERWOOD. Mr. President, this veto message is of such great importance to the country that I hope the Senator in charge of the joint resolution will call for immediate action, and in order that absent Senators may be here and know what is before the Senate, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Glass	McKellar	Sheppard
Ball	Gronna	McNary	Smith, Ariz.
Beckham	Hale	Nelson	Smith, Ga.
Borah	Harris	New	Smith, S. C.
Brandegee	Harrison	Norris	Smoot
Calder	Heflin	Nugent	Spencer
Capper	Henderson	Overman	Sutherland
Culberson	Hitchcock	Page	Swanson
Dial	Jones, N. Mex.	Penrose	Thomas
Dillingham	Jones, Wash.	Phelan	Townsend
Edge	Kellogg	Phipps	Underwood
Elkins	Kendrick	Poindexter	Wadsworth
Fletcher	Kenyon	Pomerene	Walsh, Mass.
France	Keyes	Ransdell	Walsh, Mont.
Gerry	Knox	Reed	Wolcott.

Mr. SMOOT. I wish to announce that the senior Senator from Kansas [Mr. CURTIS] is necessarily absent.

The VICE PRESIDENT. Sixty Senators have answered to the roll call. There is a quorum present.

Mr. GRONNA. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of the President's message and the joint resolution.

The VICE PRESIDENT. Is there objection? The Chair hears none. The pending question is, Shall Senate joint resolution 212 pass, the objections of the President to the contrary notwithstanding?

Mr. UNDERWOOD. Mr. President, I do not intend to delay the Senate at any length in addressing myself to the pending question, but I do not think I should let the vote come without a statement of the reason why I intend to vote that the joint resolution shall become a law notwithstanding the veto of the President.

When the joint resolution was originally before the Senate I voted in favor of its passage. I have not changed my mind as to the advisability of the measure becoming a law. I realize that the time has come when the great war endeavors of the Nation should cease and that we should readjust ourselves to peace conditions and allow business to flow along the usual channels that direct it in times of peace; but I see nothing harmful in the joint resolution and I see much that may be of service to the very distressed condition of the country.

In times of distress and financial danger there are many things that come before a legislative body that are initially wrong, fundamentally dangerous, which must be stopped, but when an opportunity comes where we may be of service in carrying the country over a dangerous situation, I think it is wise on the part of the Government to be responsive to those conditions and grant that aid as speedily as possible.

I have noted the objections stated by the President in his message. I have no point of difference with his expressed desire that war functions should cease and that we should return to peace conditions. Technically, we are still in a state of war. Technically, we can properly pass the joint resolution. During the period of the war the War Finance Corporation functioned properly and successfully in aid of business and in aid of the Government. There is no reason that I can see why it can not render aid to the people of the country as effectively now as it did during the stress of war. So far as our financial conditions are concerned, we are in a far more distressed situation to-day than we were at any period during the war.

It is not unusual, by proper methods along governmental channels, for the Government of the United States, by the weight of its influence and its power, to aid in the easing of financial conditions and distressed credit conditions.

I can recall the time many years ago when a Republican President of the United States withdrew from the Treasury tax moneys of the people and deposited them in New York banks in order to prevent financial difficulties and panic stringencies. Although that action might have been going to the extreme limit, it seemed to meet with the approval of the American people. More than that, I can recall in the hours of the present administration that the Secretary of the Treasury, through the Federal reserve system, placed moneys in the Federal reserve banks to be used for the purpose of loaning to the banks in that system in order that they might move the crops to the market of their final destination, exercising a governmental function with the power and the credit and the money of the Federal Government for the purpose of moving the crops to prevent stressed conditions at home.

All that the joint resolution proposes to do is to use the credit of the Federal Government through recognized governmental agencies to secure the money to move crops to foreign markets and relieve a distressed condition at home. I see no fundamental reason against the measure if the law is carefully and safely administered. There is no danger to the Treasury and no danger to the finances of the country. The administration that is charged with carrying out the terms of the joint resolution is the same administration that properly and fairly and justly administered the law but a few months ago in the times of war distress. I see no reason why the country or the Congress should not expect, and properly expect, that the provisions of the joint resolution can be and will be administered as safely, as conservatively, and as satisfactorily as was done a few months ago. Therefore I think it should become a law notwithstanding the veto of the President.

Mr. THOMAS. Mr. President, some days ago I gave notice that I would submit to the Senate to-day, upon the close of morning business, some observations upon the treaty which had been negotiated between the United States and Colombia. I am anxious to proceed with my address, but I am reluctant to interpose it at this time in view of the importance of the subject which is under consideration, and I shall not do so unless the pending motion will result in extended discussion. If it is the intention of Senators to argue the proposal to pass the joint resolution over the veto of the President, I see no reason why I should not proceed. If not, I shall willingly wait until a final vote is taken.

Mr. NORRIS. Mr. President, I do not believe that among those who are favorable to the passage of the joint resolution there is any intention to have an extended debate. So far as I know they are ready to vote. I think if the Senator will wait a few minutes he can ascertain whether that is true. I believe there will be no debate to amount to anything.

Mr. THOMAS. I will yield the floor for the present, but with the understanding that if the debate is to be prolonged and I am able again to obtain the floor I shall proceed with my address.

SEVERAL SENATORS. Let us vote.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary proceeded to call the roll.

Mr. KENDRICK (when his name was called). I have a general pair with the senior Senator from New Mexico [Mr. FALL], which I transfer to the Senator from Arkansas [Mr. KIRBY] and vote "yea."

Mr. KNOX (when his name was called). I have a general pair with the senior Senator from Oregon [Mr. CHAMBERLAIN]. In his absence, not knowing how he would vote were he present, and not being able to secure a transfer of my pair, I withhold my vote.

Mr. OVERMAN (when his name was called). I have a general pair with the senior Senator from Wyoming [Mr. WARREN]. I transfer that pair to the Senator from Arkansas [Mr. ROBINSON] and vote "yea."

Mr. PENROSE (when his name was called). I am paired with the senior Senator from Mississippi [Mr. WILLIAMS]. In his absence, and not knowing how he would vote if present, I refrain from voting. Were I permitted to vote, I should vote "nay."

Mr. POMERENE (when his name was called). Mr. President, I have temporarily a general pair with the senior Senator from Iowa [Mr. CUMMINS], who is absent. I understand that his vote, if present, would be the same as my own. I therefore vote. I vote "yea."

Mr. SMITH of South Carolina (when his name was called). I have a general pair with the Senator from South Dakota [Mr. STERLING]. I have been informed that if he were present he would vote as I am intending to vote. Therefore, upon that assurance, I am going to exercise the privilege of voting. I vote "yea."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. Not knowing how he would vote if he were present, I transfer the pair to the senior Senator from Tennessee [Mr. SHIELDS] and vote "yea."

Mr. WALSH of Montana (when his name was called). I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN], who is absent. I transfer that pair to the Senator from Utah [Mr. KING] and vote "yea."

Mr. WOLCOTT (when his name was called). I have a pair with the Senator from Indiana [Mr. WATSON]. I do not know how he would vote if present. Therefore I am not at liberty to vote. If at liberty to vote, I should vote "yea."

The roll call was concluded.

Mr. GLASS. I have a general pair with the senior Senator from Illinois [Mr. SHERMAN]. I do not know how he would vote if present. Therefore I withhold my vote. If permitted to vote, I should vote "nay."

Mr. HENDERSON. I have a general pair with the junior Senator from Illinois [Mr. McCORMICK]. I understand, if present, he would vote as I intend to vote. I therefore vote. I vote "yea."

Mr. RANSDELL. My colleague [Mr. GAY] is absent on important business and is paired with the Senator from New Hampshire [Mr. MOSES]. If present, my colleague would vote "yea."

Mr. COLT. I have a pair with the junior Senator from Florida [Mr. TRAMMELL]. I do not know how he would vote were he present. In his absence I withhold my vote.

Mr. GRONNA. I was requested to announce that the senior Senator from Wisconsin [Mr. LA FOLLETTE] is unavoidably absent from the Chamber, but that if he were present he would vote "yea."

Mr. McLEAN. I inquire if the senior Senator from Montana [Mr. MYERS] has voted?

The VICE PRESIDENT. That Senator has not voted.

Mr. McLEAN. I have a general pair with that Senator and therefore will withhold my vote. If at liberty to vote, I should vote "yea."

Mr. EDGE (after having voted in the negative). I understand that the junior Senator from Oklahoma [Mr. OWEN] has not voted. I have a general pair with him, and therefore withdraw my vote.

Mr. OVERMAN. I wish to announce that my colleague [Mr. SIMMONS] is unavoidably absent. If he were present, he would vote "yea."

Mr. FLETCHER. I wish to announce that my colleague [Mr. TRAMMELL] is unavoidably absent.

Mr. KELLOGG (after having voted in the affirmative). I am informed that the senior Senator from North Carolina [Mr. SIMMONS], with whom I have a general pair, if present would vote "yea," and I will therefore let my vote stand.

Mr. SMITH of Georgia. I transfer my pair with the Senator from Massachusetts [Mr. LODGE] to the Senator from North Carolina [Mr. SIMMONS] and vote "yea."

Mr. McLEAN. I am assured that the Senator from Montana [Mr. MYERS], with whom I am paired, if present, would vote the same way that I am going to vote on this question. I shall, therefore, vote. I vote "yea."

Mr. GERRY. I was requested to announce that the Senator from South Dakota [Mr. JOHNSON], the Senator from Oregon [Mr. CHAMBERLAIN], and the Senator from Utah [Mr. KING] are absent from the Chamber by reason of illness.

I desire also to announce that the junior Senator from Tennessee [Mr. SHIELDS] and the senior Senator from North Carolina [Mr. SIMMONS] are necessarily absent.

Mr. SMOOT. I desire to announce the following pairs:

The Senator from Vermont [Mr. DILLINGHAM] with the Senator from Maryland [Mr. SMITH];

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON]; and

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. GAY].

The roll call resulted—yeas 53, nays 5, as follows:

YEAS—53.

Ashurst	Harris	McNary	Sheppard
Ball	Harrison	Nelson	Smith, Ga.
Beckham	Heflin	New	Smith, S. C.
Borah	Henderson	Norris	Spencer
Brandegee	Hitchcock	Nugent	Stanley
Calder	Johnson, Calif.	Overman	Swanson
Capper	Jones, N. Mex.	Page	Townsend
Culberson	Jones, Wash.	Phelan	Underwood
Dial	Kellogg	Phipps	Wadsworth
Fletcher	Kendrick	Pittman	Walsh, Mass.
France	Kenyon	Poindexter	Walsh, Mont.
Gore	McCumber	Pomerene	
Gronna	McKellar	Ransdell	
Hale	McLean	Reed	

NAYS—5.

Elkins	Keyes	Sutherland	Thomas
Gerry			

NOT VOTING—38.

Chamberlain	Glass	Moses	Smith, Md.
Colt	Harding	Myers	Smoot
Cummins	Johnson, S. Dak.	Newberry	Sterling
Curtis	King	Owen	Trammell
Dillingham	Kirby	Penrose	Warren
Edge	Knox	Robinson	Watson
Fall	La Follette	Sherman	Williams
Fernald	Lenroot	Shields	Wolcott
Frelinghuysen	Lodge	Simmons	
Gay	McCormick	Smith, Ariz.	

The VICE PRESIDENT. The yeas are 53 and the nays are 5. A quorum being present, and more than two-thirds thereof having voted "yea," the joint resolution is passed, the objections of the President of the United States to the contrary notwithstanding.

TREATY WITH COLOMBIA.

Mr. THOMAS. Mr. President, shortly after I became a Member of this body a treaty which had been negotiated by the administration of President Taft with the Republic of Colombia was laid before the Senate. That circumstance provoked considerable interest, both in the Senate and in the country, in consequence of which I deemed it my duty to investigate the circumstances which led up to and culminated in the formation and recognition of the new Republic of Panama. During my investigation that treaty was withdrawn, and consequently we did not pass upon it.

A subsequent treaty negotiated with the same Government by President Wilson was then sent to the Senate in place of the one which had been withdrawn. Pending the consideration of that treaty I prepared some observations upon the subject and gave notice that I would present them to the consideration of the Senate. Before doing so I was requested to postpone the delivery of the address for reasons which seemed to me at the time convincing. A second notice was followed by the same result, although I then reluctantly consented to the request. Since the death of former President Roosevelt I have regretted that I consented to the postponement, because I would have much preferred to have submitted my remarks to the Senate during his lifetime. It will be recalled, however, that in the campaign of 1912 Mr. Roosevelt, as a candidate for the Presidency, became the victim of a would-be assassin, whereupon one of his competitors, Gov. Woodrow Wilson, announced that, owing to that unfortunate occurrence, he would not during Mr. Roosevelt's disability discuss any questions or propositions directly affecting or concerning him. To that announcement Mr. Roosevelt responded in these words:

> Whatever could with truth and propriety have been said against me and my cause before I was shot can with equal truth and propriety be said against me now, and it should be so said; and the things that can not be said now are merely the things that ought not to have been said before. This is not a contest about any man; it is a contest concerning principles.

With the sentiment thus so well and so clearly expressed I am in the heartiest accord, and I feel therefore at liberty to read to the Senate what I have prepared without change either in substance or in expression. I might add, Mr. President, that I have had reason to expect that this treaty before now would have been laid before the Senate for its consideration, and it was because of that expectation that I determined to speak. The expected in this instance has not happened, and owing to the brevity of the present session it may not occur. Nevertheless, the result of my efforts perhaps should be laid before the Senate since those who in the future are to pass upon this very important subject may be thus relieved of the burden of much preparation that might otherwise be required.

No argument is needed to support the assertion that a sincere and cordial friendship between the United States and the Latin Republics to the south of us should have been established long ago. Nor is evidence needed to demonstrate that no such sentiment marks their opinion of our purposes, our policies, our institutions, or their intercourse with us. Our warm expressions of regard for them have not been reassuring; and our self-assumed guaranty of their political integrity has frequently challenged their avowed distrust. They measure both by the standards which we have erected along the pathway of our national history, and estimate with some degree of accuracy our precepts by our example. They have observed that with the exception of Alaska, the Gadsden purchase, and the purchase of the Virgin Islands, our extensions of territory in America since the announcement of the Monroe doctrine in 1823 have been wrested from Mexico, from Spain, and from Colombia; that in 1898, while carefully assuring the world that we waged war against Spain for Cuban independence, we did not hesitate to absorb her remaining territories. They have been disturbed by our military occupation of San Domingo, of Nicaragua, and of Haiti, by the eagerness of our citizens for concessions in Central and South America, and by our acquisition of the Philippines, in violation of a fundamental postulate of the Monroe doctrine. These progressive instances of territorial expansion have tended to confirm their suspicion that our magnanimous guardianship might mask a plan of aggression; that our lively apprehension of their foreign colonization might be a pretext, concealing our own designs for territorial expansion. Hence our attitude, whose sincerity has more than once been demonstrated by our actions, has inspired them with no sense either of appreciation or of security; while some of the nations against whose political designs we have safeguarded them have largely monopolized their markets and occasionally influenced their national policies.

Some years ago the senior Senator from Massachusetts expressed a belief that we were being looked upon with a mixture of dread and ill will in South America. This impression shortly afterwards received striking confirmation in the address of Dr. Freos, the president of the Museo Social of Buenos Aires, at the banquet in honor of Col. Roosevelt upon the occasion of his visit to that city. Dr. Freos cordially but honestly outlined the real sentiment of South America in words evidently selected with careful deliberation. He said:

There is a dominating fact in all South America. It is a manifest and undeniable fact, and it would be a great error to my mind to attempt to silence or even to disguise it. This fact, gentlemen, is that there exists a deep sentiment of apprehension which disturbs Spanish America and inspires it with precautions, causing it to withdraw itself instinctively, and to its own hurt, from the grand center of civilizing light and power established in the north of the continent. The establishment of United States interests in Spanish America is feared, because it is feared that they may incite and cause intervention, which no people can accept with good will. Such a fear holds it back from more open and friendly relationship with the great nation on the north.

Col. Roosevelt, the nations of Latin America will not feel at their ease so long as they do not rest in the security that no master may arise from them, either from within or without, and that no one, no matter where he may come from, may place in danger their integrity or their independence and sovereignty.

The evident inspiration for this historic utterance upon such an occasion was the Rooseveltian Latin-American policy, as exemplified by the episode of the Panama Canal. Before that event one element of warmth pervaded the unkindly atmosphere of South American opinion. It was quickened by the fact that throughout our history we had scrupulously observed our treaty obligations. The written word of the Nation had been its bond. No tarnish rested upon it. Administrations came and went, party succeeded party in governmental control, the fires of Civil War flamed to the skies, and battling sections jostled each other like colliding planets, but the Nation's honor suffered no reproach. Under the shelter of such an influence distrust could not permanently endure. The prospects of an ultimate rapprochement between the United States and the nations of Central and South America at the beginning of the year 1903 were not unpromising. Through the agency of the International Bureau of American Republics, precursor of the Pan American Union, we were establishing closer relations of confidence and esteem. A real sentiment of continental Americanism was within the range of early possibilities. An era of good feeling was taking definite outline and Pan Americanism seemed to be slowly rising above the level of the southern horizon.

These conditions were rudely interrupted in the autumn of 1903 by a vaudeville insurrection in Panama, swiftly followed by its secession from Colombia, its official recognition by the American Government, the establishment of diplomatic relations with the new political entity, and the negotiation of a canal treaty with the junta assuming to represent it, by which the United States, in consideration of the sum of $10,000,000 in gold, acquired the Panama Canal Zone in perpetuity. This action of our Government, ostensibly based upon the rejection by Colombia of a convention designed to accomplish the same purpose, seemed to disregard not only the most obvious principles of international law but our solemn treaty obligations assumed in 1846, and scrupulously observed for 57 years, by whose terms the United States had in consideration of most valuable concessions solemnly guaranteed to Colombia the perpetual sovereignty of the Isthmus.

Latin America held its breath in amazement; the flagrancy of our conduct taxed their credulity and our own. Then followed a revelation of the humiliating details. America had not only recognized and extended her protection to a State in rebellion against the central Government; she had encouraged, if indeed she had not fostered, the insurrection. She had forcibly prevented Colombia from landing troops upon her own soil for the vindication of her own sovereignty. Her prompt and repeated protests were disregarded. She was branded by the President as a blackmailer among the nations, whose infamous conduct in rejecting a treaty justified both the revolt of one of her constituent commonwealths, and his prompt recognition of it. She invoked our treaty obligations and confronted the extraordinary assurance that our action toward Panama was in conformity with them. Too weak to resent the affront, she appealed to our sense of justice. She beseeched us to arbitrate her claims for restitution, but her remonstrances and her appeals have been alike unheeded.

This affront was not to Colombia alone. She was the victim. Her territory was invaded by a friendly nation and partitioned over her protest. She alone demanded reparation, but every Government south of the Rio Grande was aroused in just resentment. As we had violated the sovereignty of Colombia, so might we outrage theirs when our interests or our policies required it. As we had rewarded rebellion and created republics in Colombia, so might we also spread sedition among their peoples with like result. As we had thrust aside our treaty obligations with her, so might we treat theirs as scraps of paper. As we had ignored our oft-repeated recognitions of international comity and torn a weak but friendly Republic apart, so might they encounter the same fate when the Colossus of the North should will it. To them our tributes to freedom and our ostentatious regard for the rights of small nations and weak peoples sounded like the essence of national hypocrisy.

Mr. President, this great Republic is the last and best citadel of democracy. It has waged war with the mightiest military power the world ever knew that the institutions and the blessings of popular government may not perish. It needs the support and welcomes the friendship of every nation, especially those of the Western Hemisphere. The power whose unspeakable misconduct compelled the United States to draw the sword has deliberately and repeatedly affronted the principal Republics of South America. They feared Germany as we did not. They had long been selected by her for political domination, and she would have overrun them had the Allies failed to overcome her. These countries know this better perhaps than we do. Many of them severed diplomatic relations with Germany, but, with the exception of Brazil and Cuba—the former peopled and ruled by a population descended from the Portuguese—and one or two Central American countries, they did not declare war against her. We do not fully know why, but we can well conjecture. They hated Germany, but they were not sure of America. They had no love for autocracy, but they distrusted a great democracy whose practices did not always square with its principles. The devil was to them no more attractive than the deep sea, and between these alternatives they did little in the world's great conflict. I fear their attitude will not change until we do justice to Colombia.

Pan-Germanism, a far more sinister foe to the Allies than the legions of the Kaiser, may no longer inoculate the southern continent with its deadly poison. But the removal of this evil does not mean the establishment of confidence and respect for America. The suspicions of the Latin survive and may be fed fat by the German protagonist, defeated but not wholly disarmed, partly with the facts of history, partly with the fictions of his own creation; and it may well be that if the process be not interrupted some of our neighbors may give substantial commercial succor to the defeated Teuton lest we may wax too great and powerful for their welfare.

Especially in Colombia might such results develop. She has not forgotten, and until her grievance is heard and adjusted she can not forgive our wanton assault upon her sovereignty. She has crystallized the outrage down to its most trivial incident upon the tablets of her memory. She has written the facts into her curriculums. The children in her schools are taught the story of Panama, which they treasure in their memory. Natural resentment toward America and desire for ultimate justice are part of the national consciousness. The one blot on our escutcheon is the wrong we did to Colombia in 1903.

Mr. President, if we have wronged Colombia, we should make due reparation. If we have done her no injustice, the world, and especially Latin America, should know it as speedily as it can be imparted through the processes of governmental procedure or by a court of arbitration. And we need the friendship of the entire hemisphere, whose estrangement we can neutralize by redressing the wrong, if wrong there be.

I have been so impressed by the conditions thus imperfectly outlined that I have given them a patient and, I trust, an impartial consideration. I have reviewed the facts regarding Panama as disclosed by official hearings, documents, and reports. I have reread contemporaneous and subsequent articles written by men of high position, and presumably familiar with the subject, assailing and upholding America's part in the formative processes of the Republic of Panama; and I am compelled to affirm that our conduct in that unfortunate affair is without justification and therefore indefensible. The only comfort one gathers from the shameful and sordid story is that it finds no precedent in our history. I trust that we may soon acknowledge our fault and make some reparation, lest it again be some time, as it has been, invoked to shelter or justify assault upon the integrity of some weak and helpless nation.

The speedy performance of this insistent duty, not alone because of its justice to Colombia and to ourselves as well but because of its immediate and permanent benefit to our political and commercial future, now of all times most desirable, must be my excuse for a rapid review of the principal facts revealed by the "Story of Panama"—one of the most interesting and valuable documents ever given to the public. In doing this I should at the outset remind the Senate that the most im-

portant lesson taught us by the Spanish War, and particularly by the voyage of the *Oregon* from San Francisco to Cuba, was the imperious necessity of a shorter route between the oceans, to secure which a canal across Nicaragua or the Isthmus should be constructed and owned by the Government. Preliminary but exhaustive investigations theretofore made had demonstrated the superiority of the Nicaragua route, to which both the great political parties unequivocally committed themselves in their platforms of 1896.

Fifty years earlier, and immediately following our acquisition of California, access to which was then possible around the Horn, our Government negotiated a treaty with New Granada to be "religiously observed" while in force. It was made on our initiative in 1846. By the terms of article 35 we secured free transit of goods and passengers across the Isthmus, together with freedom of all Granadan ports on both its coasts. This immensely valuable concession was guaranteed to us by the Granadan Government, not only as to existing modes of communication but as to any and all others to be thereafter constructed by or under its authority. In consideration of the grant of these generous privileges the United States covenanted with New Granada for the perpetuation of its sovereignty over the Isthmus in the following language:

> In order to secure to themselves the tranquil and constant enjoyment of these advantages, and for the favors they have acquired by the fourth, fifth, and sixth articles of this treaty, the United States guarantees positively and efficaciously to New Granada by the present stipulation the perfect neutrality of the before-mentioned Isthmus, with the view that the free transit from the one to the other sea may not be interrupted or embarrassed in any time while this treaty exists; and in consequence the United States also guarantees, in the same manner, the rights of sovereignty and property which New Granada has and possesses over the said territory.

Because of the disturbed conditions sometimes prevailing in that region, the treaty also provided that if one or more of the nationals of either country should infringe any of its articles, they should be held personally responsible therefor, so that the friendship between the nations should not be thereby disturbed, each party engaging in no way to protect the offender or sanction the violation.

Within a few months after the ratification of the treaty gold was discovered in California, and the rush of emigrants to the western coast began. The Panama Co. was speedily organized in America, and New Granada gave it a monopoly of the Isthmus transit. The great influx of travel over the road developed troubles between travelers and natives, requiring an additional treaty, which, however, expressly declared that it in no respect affected the sovereignty of New Granada over the Isthmus. In 1862, the Republic of New Granada changed its name to the United States of Colombia.

On several occasions between the making of the treaty and the year 1902 our Government was required to define its duties under section 35. I shall not burden the RECORD with these definitions. Their substance was well expressed by Secretary Seward in 1865, who said:

> The purpose of the stipulation was to guarantee the Isthmus against seizures or invasion by a foreign power only. It could not have been contemplated that we would ever become a party to any civil war in that country by defending the Isthmus against another party.

In 1867 Colombia conceded to the Panama Railroad Co. the use and possession of its railroad for 99 years for a royalty of $250,000 per annum. But 36 years of this time had expired in 1903. The remainder of the term should have yielded a total of $16,500,000 to the Colombian treasury. Moreover, the road at the end of that time would become the property of the Republic.

In 1869, and again in 1870, at our request, Colombia entered into diplomatic relations with us for the construction of an Isthmian Canal. Each time a treaty was negotiated, extremely liberal in its terms, which Colombia ratified, but which we abandoned. Under these covenants she gave us everything we could have asked for, retaining only her political sovereignty. Of course we had not advanced to the point of asking for that. But the continental railroad companies, one of them owning the Pacific Mail Steamship Co., were even then powerful enough to prevent the ratification of these treaties. Not until eight years thereafter did she execute the Salgar-Wyse contract, afterwards acquired by the Panama Canal Co., under which de Lesseps made his disastrous effort to dig the channel. The new company was organized upon the ruins of the old one in October, 1894, the latter having acquired control of the Panama Railroad Co. in 1888, of which one William Nelson Cromwell became counsel and director in 1893, and special counsel for the New Panama Canal Co. in January, 1896. The baleful activities of this man seem to have actually shaped our governmental policy toward Colombia after the assassination of President McKinley. They began prior to Mr. McKinley's first inauguration, for he appeared in Washington with the meeting of Congress in December, 1896, following the presidential election. He urged and soon succeeded in inducing Colombia in the interests of the Panama company to call the attention of the American Government to the advantages of the Isthmian over the Nicaraguan route. He then set about defeating all Nicaraguan legislation and, as a matter of course, organized a lobby and a competent press bureau to support his efforts and spread the Panama gospel among the people.

But President McKinley was proof against the new propaganda. In his message of December, 1897, he urged the building of the Nicaraguan Canal under American control. The Morgan bill for that route passed the Senate in January following by 48 to 6. The Senate afterwards attached the Morgan bill to the rivers and harbors bill by a vote of 50 to 3. But Mr. Cromwell was able to defeat both in the House by the substitution of a measure providing for a new Panama Commission, which soon reported in favor of Nicaragua, but afterwards, by the direction of President Roosevelt, reversed its conclusions and recommended the Isthmian route.

In 1900 largely through the influence of Senator Hanna, the Republican national convention reversed its earlier attitude favoring Nicaragua and declared for "an Isthmian canal."

Mr. Roosevelt became President in September, 1901. He at once made an announcement of his official policy, among the items of which was the building of the Nicaragua Canal. In January following the House passed the Hepburn bill for Nicaragua by a vote of 309 to 2, shortly after which Mr. Roosevelt committed himself to the Isthmian route.

The Panama Co. concession would, in 1904, expire by limitation. It could not be assigned without the consent of Colombia. It was offered to the United States through Mr. Cromwell for $40,000,000; but without Colombia's permission the offer was worthless; and so Mr. Cromwell busied himself trying to secure her consent. That Government through its minister, demanded $20,000,000 from the company for its consent, conditioned upon the adoption of the Isthmian route "without affecting the integrity of its territory or its national sovereignty." In view of her equity in the railroad and the value of her consent to the transfer that sum was not unreasonable.

Shortly afterwards, Colombia forbade the transfer of the canal company without first complying with her terms. It may be well to state here that Colombia owned shares of the face value of 5,000,000 francs in the company.

In 1902 Mr. Cromwell wrote a report for the minority of the Senate Canal Committee favoring the Panama route. Senator Hanna, being its chairman, the report bore his name, copies of which Mr. Cromwell scattered over the country. This report opposed the Hepburn and favored the Spooner bill. The latter provided, in substance, that should the title of the company be approved and a satisfactory treaty be concluded with Colombia within a reasonable time the Panama route should be selected; otherwise, in default of either of these conditions, the Nicaragua route should be adopted. The Spooner bill was finally passed and approved by the President June 28, 1902. Mr. Cromwell then devoted himself to securing a fulfillment of the two conditions.

Meanwhile a small insurrection occurred in Panama. Contrary to precedent, and in disregard of the treaty of 1846, and with knowledge of the fact that the officers of the Panama Railroad Co. were notoriously aiding the revolutionists by moving their munitions and refusing transportation to the established government, the President, without saying "by your leave," landed American marines, who virtually disarmed the fighting forces on both sides, thus clearly expressing his contempt for our treaty obligations with Colombia. As a consequence the Colombian minister, Mr. Concha, refused to negotiate at all with our Government for a treaty so long as our troops, in violation of the sovereignty of his country, remained upon her soil without her consent. Pressed by his Government to do so because of Mr. Roosevelt's demand for a speedy agreement, he finally consented, provided the first negotiations were limited to the question of sovereignty. By the President's direction Mr. Hay, on November 28, 1902, consented to this, notwithstanding which Mr. Roosevelt, in his message of January 4, 1904, declared that Colombia's subsequent refusal to ratify the treaty because it involved the relinquishment of her sovereignty was "an afterthought."

Inasmuch as the marines continued to occupy the Isthmus, Minister Concha abruptly resigned his place, which was taken by Dr. Herran as chargé d'affaires, with whom Mr. Cromwell at once sought to establish confidential relations. Eight days after assuming his new duties Dr. Herran sent his Government this ominous warning:

> Besides this deferred ultimatum, another danger threatens us. Mr. Shelby M. Cullom, Senator from Illinois and chairman of the Committee on Foreign Relations, maintains that in case Colombia does not lend itself to a satisfactory agreement the Government of the United States

can come to an understanding with the canal company direct, passing over the head of Colombia and expropriating part of our territory, justifying this on the ground of universal public utility, and leaving the compensation due to Colombia to be decided later. President Roosevelt is a determined partisan of the Panama route, and in view of his impetuous and violent disposition it is to be feared that the scheme of Senator Cullom is not distasteful to him.

That, I think, is the ultima ratio of the doctrine of eminent domain. That it was not "distasteful to him" is revealed by himself in his message 18 months later, for he there said:

My intention was to consult Congress as to whether under such circumstances it would not be proper to announce that the canal was to be dug forthwith; that we would give the terms we had offered, and no others; and that if such terms were not agreed to we would enter into an agreement with Panama direct, or take what other steps were needful in order to begin the enterprise.

The first intimation of Mr. Roosevelt's intention to ignore the rights of Colombia, disregard our treaty obligations with her, and proceed as "the mandatory of civilization" to take the Canal Zone if Colombia declined to ratify a treaty of Mr. Cromwell's making, thus came from the lips of Senator Cullom. He doubtless spoke by Mr. Roosevelt's inspiration.

On the day following Dr. Herran's message to his Government Senator Morgan introduced a motion requesting the President to conclude negotiations with Nicaragua under the requirements of the Spooner law, no treaty having been concluded with Colombia. Mr. Cromwell defeated the motion, but it spurred him to greater effort for an agreement for the treaty. He persuaded Herran that action by Colombia was imperative, as the State Department would present an ultimatum on January 5. It did not come quite so soon, although Mr. Hay, on December 31, wrote Mr. Herran that "it is absolutely necessary that I report to the President regarding the condition of our negotiations." January 3, 1903, Herran cabled his Government that the final offer of the American Government to Colombia was $10,000,000 cash, with an annuity of $100,000 after nine years, and an equitable increase of it after the completion of the canal.

These terms were not more palatable to Colombia than those affecting her sovereignty. Pressure was therefore brought against Herran personally by Cromwell and officially by Secretary Hay. On January 22 the latter addressed the following letter to him:

DEAR MR. HERRAN: I am commanded by the President to say to you that the reasonable time that the statute accords for the conclusion of negotiations with Colombia for the excavation of a canal of the isthmus has expired, and he has authorized me to sign with you the treaty of which I had the honor to give you a draft, with the modification that the sum of $100,000 fixed therein as the annual payment be increased to $250,000. I am not authorized to consider or discuss any change.

Apart from the dictatorial character of this note the obvious inference the Colombian minister would draw from it would be that if Colombia should persist in its refusal to accept the President's terms, the latter would, under the statute, abandon Panama, and negotiate with Nicaragua for a canal concession. But Mr. Herran had reason to know that although this was the alternative of the statute, it was not the President's intention, as Senator Cullom had plainly intimated. He therefore yielded to pressure and signed the treaty at once. Two days later he was instructed by his Government not to sign it. His name has been execrated in Colombia ever since.

The treaty was afterwards ratified by the American Senate, although Colombia promptly brought suit to enjoin the canal company from transferring its concession; whereupon the State Department lent its powerful aid to Mr. Cromwell for the protection of his client. April 7, 1903, Mr. Hay cabled the American minister at Bogota:

Referring to the requests of Colombia to the canal and railroad companies for appointment of agents to negotiate cancellation of present concessions, etc., if the subject arises, inform the Colombia Government that the treaty covers entire matter, and any change would be in violation of the Spooner law.

This instruction, unfounded in fact and in law, was an additional affront to the intelligence and the dignity of Colombia. She was then concerned about her contract with the canal company, a quarrel over which we had no more control than Colombia had over our treaty stipulations with Great Britain. We can well imagine how America would receive a similar communication from England, France, or Germany. Yet Mr. Roosevelt had no compunctions about instructing Colombia that she could not amend a treaty which he had dictated. He did this more than once, and Colombia did what any high-spirited people would have done under such circumstances. She pitched his treaty out of her window. Yet she assigned good reasons for her action, which should have been accepted as conclusive.

Events now moved rapidly. In May the American minister to Colombia came home. He reported to Mr. Cromwell at New York before reporting to Secretary Hay at Washington. If Mr. Cromwell is to be credited, he collaborated with Mr. Hay in writing instructions to our minister at Bogota from this time on.

Referring to Colombia's insistence that the canal company make satisfactory adjustment of her claims as a condition of her consent to transfer, Mr. Hay wrote that—

such action would be inconsistent with the agreements already made between this Government and the canal company, with the act of June 28, 1902, under the authority of which the treaty was made, and with the express terms of the treaty itself.

He also wrote that—

before entering upon any dealings with the new Panama company the present treaty with Colombia was negotiated and signed.

This assertion is not sustained by the facts. At the same time, it can not be reconciled with the further assertion, which Mr. Roosevelt subsequently repeated, that Colombia had initiated our treaty negotiations for the canal.

From the hour that Dr. Herran informed his Government that he had signed the treaty, public opinion in Colombia was strongly against its ratification, since it had been virtually written by the attorney for the canal company in its own interest, and transgressed the sovereignty of the Republic by clauses which cleverly undermined that which was designed to safeguard it. As early as May, 1903, our minister at Bogota informed Secretary Hay that it would be rejected by a unanimous vote.

Mr. Cromwell thereupon suggested to Mr. Hay that our Government deliver its ultimatum to Colombia. He acted in harmony with Mr. Cromwell's views, and on June 9 instructed our minister to say verbally to the Colombian minister of foreign affairs that—

if Colombia should now reject the treaty, or unduly delay its ratification, the friendly understanding between the two countries would be so seriously compromised that action might be taken by the Congress next winter which every friend of Colombia might regret.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The ASSISTANT SECRETARY. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

Mr. THOMAS. To this gratuitous indignity the foreign minister replied with spirit but with moderation. He reminded Mr. Hay of the narrow margin by which our Senate had ratified the treaty and added that if it had been rejected it would not have diminished the right of Colombia. Referring to the rumored purpose of Mr. Roosevelt to seize Panama if the treaty were rejected, the minister very properly said that—

The Colombian Government has derived the correct conclusion that the only result that can affect adversely the interests of this nation, if their Congress should reject the project of the treaty, is that the Government of the United States will cease negotiations and adopt the Nicaraguan route.

Mr. Cromwell gave contemporaneous assurance to Dr. Herran that Colombia would lose Panama if she did not ratify the treaty, which Herran promptly communicated to Bogota. On June 13 Mr. Cromwell conferred with President Roosevelt, and on the same day, through his press agent, informed the New York World that the President was determined to have the Panama route, that should the treaty be rejected the State of Panama would secede, the President would promptly recognize the new Republic and make a treaty with it which would give our Government the equivalent of absolute sovereignty over the Canal Zone. The World published the news on the following morning and again on July 31. On July 22 our minister, by instructions from Washington, demanded of the Colombian minister the ratification of the treaty without any change whatever. On this occasion he declared that his Government would regard any modification of the treaty as a breach of faith by Colombia and might greatly complicate the friendly relations hitherto existing between the two countries. How any self-respecting nation after this deliberate affront could have done otherwise than reject the treaty passes my comprehension.

The reply of Dr. Rico on August 11 to the American minister's remarkable demand is a model of dignified remonstrance. It is too long to be quoted here, but it reminded him of the right of independent nations to accept, modify, or reject treaties without pressure or dictation, of the fact that the American Senate had frequently done so, particularly with the Hay-Pauncefote treaties, without in any wise disturbing international relations.

The Colombian Senate declared that it could not without violating the national constitution have ratified the treaty; that document forbade the enactment of laws or the ratification of treaties impairing or affecting the national sovereignty. Our

Government was fully informed of this and of Colombia's announcement that its constitution would be so amended as to permit the adoption of the treaty when made satisfactory to her Government. But she refused to be coerced, and on August 12 her Senate rejected the treaty by a unanimous vote. For this exercise of her undoubted right the President of the United States charged her with attempted blackmail. His conduct from the commencement to the close of the episode fortunately has no parallel in the diplomatic history of the United States.

The charge of blackmail is without justification. She did demand from the company a consideration for consenting to the transfer of their property and she was entitled to it. She could secure it only by making it a condition precedent to her ratification of the treaty. In her place we would have been far more exacting, and, because of our strength, far more successful. Colombia has lost a province and with it the canal by her conduct, but she has maintained her national dignity and honor, however great the sacrifice. This should have inspired our tribute of applause. But we ravished her instead, although both the Colombian foreign minister and the American minister at Bogota gave Mr. Hay to fully understand that the disapproval of the treaty was due to the problem of diminished sovereignty, the failure of the canal company to arrange for the transfer of its concessions, and the ultimatum of Mr. Cromwell, communicated through the medium of the State Department, and that the Colombian congress would provide by law for continuing and finishing negotiations for the canal.

Preliminaries for the Panama rebellion began before the treaty was rejected. Capt. James R. Beers, freight agent and port captain for the western terminus of the Panama Railroad, went to New York to confer with Mr. Cromwell regarding it. During his absence Senator Arango sounded a few influential citizens of Panama. In June, Capt. Humphrey, of the Twenty-second, and Lieut. Murphy, of the Seventeenth Infantry, were sent as military intelligences through Venezuela and northern Colombia. In his message to Congress President Roosevelt says that they stopped in Panama on their return in September, and "had no thought of going to Panama when they were sent to South America." Yet they very carefully examined the whole country from Colon to Panama, and furnished the President with minute information comprising every detail essential to an intelligent military campaign on the Isthmus, the best positions for artillery to command Panama and Colon, and the number of mules needed for transport, and which could be procured in inland villages. Did these officers act upon their own initiative? Who is credulous enough to assert it?

About the time the treaty was rejected, Mr. Roosevelt sent for and conferred with Senator Cullom. The next morning the New York Herald quoted Senator Cullom as saying, "We might make another treaty, not with Colombia, but with Panama." Very soon afterwards the Colombian Government instructed Dr. Herran that the Senate, desiring to maintain cordial relations with the United States, had named a commission of three Senators to harmonize legal and natural interests, and our desire to dig the canal. This was communicated to Secretary Hay. The Secretary answered on August 29 that the President was bound by the Isthmian Canal statute, by whose provisions he was given a reasonable time to arrange a satisfactory treaty with Colombia, failing which, "he will then proceed to carry into effect the alternative of the statute." What a pity that he did not do so. And what a greater pity that meanwhile preparations were making under his very nose for a burlesque Isthmian insurrection, to which he must have shut his eyes, for otherwise he would have seen them, and filled his ears with cotton, for otherwise he would have heard them.

Beers returned to Panama with Mr. Cromwell's code book and instructions. While absent, Arango, attorney for the Panama Railroad Co., formed the nucleus of the revolutionary conspiracy. It consisted of himself, Dr. Amador, the company's physician; Mr. Prescott, the company's assistant superintendent; d'Obario, the two Arias, Boyd, Arosemena, and Espinosa. Amador went to New York, ostensibly to see an ostensibly sick son, but actually to secure funds and arms for the revolution. Secret codes for communication to and from Amador were devised before his departure. A fellow passenger was one Duque, an editor of the Isthmus. Cromwell proposed to Duque that if he would furnish $100,000 to finance the scheme, he, Cromwell, would furnish the security and make Duque the first president of the Republic. He also made an appointment for Duque with Secretary Hay, to whom he gave Duque a note of introduction.

Duque saw Mr. Hay the next day. During the conference Duque reported that Mr. Hay said that the "United States would build the canal, that it did not purpose that Colombia should stand in the way," and that should the revolutionists occupy Colon and Panama they could depend on the United States to prohibit Colombia's landing troops to attack them and disturb the "free and uninterrupted transit" which our Government was bound by treaty with Colombia to maintain. He also says that Mr. Hay requested him to remain and confer with the President on his return, which he was unable to do.

Duque was not one of the conspirators, else he would not have informed Dr. Herran of the plot, who promptly informed his Government. Mr. Cromwell also gave Dr. Amador a cordial reception. At the same time he took care to cover his own tracks lest the revolution fail and his company come to grief. He shortly afterwards went to Paris.

Enter now upon the stage one Philippe Bunau-Varilla, a Frenchman, engineer and penitentiary shareholder of the New Panama Canal Co., who arrived in New York September 23. Further on I shall refer to his book, which he has recently published. Amador conferred with him at once. Bunau-Varilla promised needed financial support, and undertook to arrange with the American Government for the presence of warships to protect the revolutionists against Colombia. On October 7 Mr. Cromwell called on Mr. Roosevelt, and then said to the Herald correspondent that "the Panama Canal will be built by the United States." Three days after Mr. Roosevelt wrote to Dr. Albert Shaw that he would be delighted if Panama were an independent State, or made itself so at that moment, but he could not say so publicly, as it would instigate a revolt.

Bunau-Varilla and Amador made one or two trips to Washington prior to October 15. On that day the Navy Department ordered Admiral Glass, commanding the Pacific Squadron, to proceed about the 22d instant "on an exercise cruise to Acapulco." This is one of the dispatches which Mr. Roosevelt did not transmit to Congress. On October 16 the President received in person the reports of Capt. Humphrey and Lieut. Murphy. The very next day Capt. Cloman and Capt. Haan were assigned as military attachés to the American Legation at Bogota. On the same day Bunau-Varilla gave Amador his final instructions; told him to sail on October 20, and pull off the revolution on November 3.

Just here it is appropriate to quote from a letter from Amador to his "dear little son," written on the 18th. He says: "The reason for your coming was to meet Bunau-Varilla, to whom I have spoken of you. He said that if all turns out well you shall have a good place in the medical commission, which is the first that will begin work; that my name is in Hay's office, and that certainly nothing will be refused you. The plan seems to me to be good. A portion of the Isthmus will declare itself independent, and that portion the United States will not allow any Colombian forces to attack. An assembly is called, and this given authority to a minister to be appointed by the new governor in order to make a treaty without need of ratification by that assembly. The treaty being approved by both parties, the new Republic remains under the protection of the United States, and to it are added the other districts of the Isthmus which do not already form part of the new Republic, and these also remain under the protection of the United States. The movement will be delayed a few days. We want to have here the minister who is going to be named, so that once the movement is made, he can be appointed by cable and take up the treaty. In 30 days everything will be concluded." The plan outlined by this letter worked to a nicety.

On October 19 Admiral Glass was advised to send the *Boston* ahead of the squadron to Acapulco, and that Acapulco was her ostensible destination only. The *Dixie* was also ordered to embark a battalion and be ready to sail from League Island on the 23d.

Amador reached the Isthmus October 23 with a flag for the new Republic, designed and made by Madam Bunau-Varilla, and a declaration of independence prepared in New York. He at once conferred with his small band of associates. The few Colombian troops on the Isthmus and their commander were subsidized. Those who remained incorruptible were sent away on the pretext of an invasion from Nicaragua.

The news of this alleged invasion becoming public, Colombia dispatched a force to the Isthmus to confront it, much to the consternation of the conspirators, whose only military strength consisted of about 400 firemen at Panama. They refused to proceed unless Amador could obtain definite assurance that American warships would be sent at once to the Isthmus. Thereupon, and on October 29, Amador cabled in cipher to Bunau-Varilla the following:

> We have news of the arrival of the Colombian forces on the Atlantic side within five days. They are more than 200 strong. Urge warships Colon.

Upon its receipt Bunau-Varilla sped to Washington. He went to the State Department to urge that vessels be sent at once. As a result, the Secretary of the Navy, on October 30, cabled

Commander Hubbard, of the *Nashville*, then at Kingston, to proceed at once to Colon, and telegraph in cipher the situation after consulting with the United States consul. Also to keep his destination secret, and cable in cipher his departure from Kingston. This is another dispatch which Mr. Roosevelt failed to transmit to Congress in his response to resolutions calling for all information concerning the Panama revolution. On the same day Bunau-Varilla cabled Amador:

Thirty-six hours Atlantic; 48 hours Pacific.

Its receipt heartened the conspirators, who then determined to proceed. Meanwhile, Colombia ordered Gov. Obaldia to send the gunboat *Padilla*, then at Panama, to fetch Government troops from Buenventura. But the railroad company refused coal to the gunboat.

Mr. President, I have here a book recently published by Doubleday, Page & Co. entitled "The Great Adventure of Panama," by Philippe Bunau-Varilla. The title is somewhat misleading. It should be "The Great Adventurer of Panama." It contains a highly imaginative and almost entirely false account of the history of the Panama Canal, of the insurrection in Panama, of the recognition of the Republic of Panama, and the subsequent treaty which was made with that Government. I have just called the attention of the Senate to a telegram which this man sent to Amador informing him that vessels of the United States—warships—would be on one side of the Isthmus in 36 hours and upon the other side in 48 hours. This man in his book declares that when he heard from Amador he came to Washington, and meeting a former minister from Colombia, and that minister asking if he had had any news from the department, by an inspiration more than human, this individual at once interpreted that as meaning that gunboats had been dispatched, and rushed back to New York and cabled the message to which I have referred.

This is all of a piece with every statement or with practically every statement made by this man whose book seems to have been written for the purpose of absolving all else and all others from any responsibility and of arrogating to himself, as a superman, all credit and responsibility for the events which culminated in the establishment of the Panama Republic. It is worthy of the man. This international reprobate was the prime cause of the disgrace and humiliation of de Lesseps; he was a fraudulent contractor with the company, a man whose career in connection with the French Panama Canal enterprise is paralleled only by the disclosures that have recently been made by the New York State committee in the trust and combination developments of the building interests and unions in that city.

On November 2 the Navy Department, by the President's order, cabled the commanders of the *Dixie*, the *Nashville*, the *Marblehead*, and the *Boston*, the first two to proceed with all possible dispatch to Colon, and the last two to Panama, to prevent the landing of any armed force; that a Government force was reported approaching the Isthmus in vessels. The commanders of the *Marblehead* and *Boston* were further ordered to occupy the line of the railroad if interruptions were threatened by armed force; to prevent landing of any armed force, either Government or insurgent, at any point within 50 miles of Panama, and to occupy Ancon Hill with artillery if doubtful of the intention of the armed force.

The message to the commander of the *Dixie* also ordered him to "Send copy of instructions to senior officer present at Panama upon arrival of *Boston*." What these instructions were has never been revealed.

Mr. POINDEXTER. Mr. President, will the Senator from Colorado yield?

The PRESIDING OFFICER (Mr. KENYON in the chair). Does the Senator from Colorado yield to the Senator from Washington?

Mr. THOMAS. I do.

Mr. POINDEXTER. How did those proceedings, the orders to the commanders of these vessels and the actual occurrences, correspond with the telegram sent by Bunau-Varilla that American vessels would be on the Atlantic side in 36 hours and on the Pacific side in 48 hours?

Mr. THOMAS. The correspondence was nearly perfect. The vessels arrived almost identically upon the lapse of the time which was cabled by Mr. Bunau-Varilla to Señor Amador.

On November 1 Prescott was ordered by Col. Shaler, superintendent of the Panama Railroad, to go over to Panama and "wait until something turns up." On the evening of the 2d the *Nashville* was sighted from Colon. Shaler at once wired the fact to Prescott, and wrote him two letters, in one of which he says:

Have just wired you that the *Nashville* has been sighted. This, I presume, settles the question.

Mind you, this was prior to any act of insurrection, or, in fact, to any overt act whatever, overt or otherwise.

The letters also instructed Shaler to secure such written communications from Amador as would "free us from liability in case there is a failure," and that was done. When the *Nashville* reached Colon, Capt. Hubbard went ashore and reported everything quiet. The same night the Colombian gunboat *Cartagena* was sighted. She carried 500 picked troops, commanded by Gens. Tovar and Amaya. Not having received the Secretary's cable, Hubbard did not prevent their landing. In his report he said:

Inasmuch as the independent party had not acted, and the Government of Colombia was at that time in undisputed control of Panama, I did not feel in the absence of instructions that I was justified in preventing the landing of these troops, and at 8.30 they were disembarked.

But the officials of the Panama Railroad rose to the emergency. When Tovar demanded transportation for himself and troops across the Isthmus, the general and his officers were taken to Panama and assured that his troops would follow at once. Shortly after their arrival the officers were imprisoned, while the troops were detained in Colon. On the 3d Hubbard cabled Washington:

Receipt of your telegram is acknowledged. Prior to receipt this morning about 400 men were landed here by Government of Colombia. No revolution has been declared on the Isthmus, and no disturbances. Railway has declined to transport these troops except by request of Governor of Panama. Request has not been made. It is possible that movement may be made to-night to declare independence, in which case I will——

Here the dispatch was mutilated. The public will never know its ending, although it may easily surmise that Hubbard said he would "carry out his instructions," and prevent by force, if necessary, any interference with the revolutionists. But why was the dispatch mutilated? Mr. President, the reason must have been overwhelming. The bluff old sea captain gave his superiors full assurance that he would execute his orders when the anticipated occasion required it. Mr. Roosevelt could not pose as "the mandatory of civilization" while the archives of the Navy Department sheltered an official record of the sordid and disgraceful conspiracy against Colombia, which he welcomed and made effective by turning the guns of the great Republic upon a helpless and friendly neighbor. The cause which suppresses or destroys testimony stands self-convicted. The arrival of the *Cartagena* with Government troops and the need of circumventing their commanders and rendering them ineffectual disarranged the revolutionary program, which was to culminate on the 3d; and Washington waited for news. As the day waned administration impatience waxed. It finally passed restraint. The State Department cabled our vice consul general at Panama:

Uprising in Isthmus reported. Keep department promptly and fully informed.

The consul promptly answered:

No uprising yet. Reported will be in the night. Situation is critical.

And it so turned out. A very few hours later the consul cabled the State Department that—

Uprising occurred to-night, 6; no bloodshed. Army and navy officials taken prisoners. Government will be organized to-night, consisting three consuls; also cabinet. Soldiers changed. Suppose same movement will be effected in Colon. Order prevails so far. Situation serious; 400 soldiers landed to-day.

BARRANQUILLA.

Mr. KELLOGG. Mr. President, will the Senator yield to me for a moment?

Mr. THOMAS. Certainly.

Mr. KELLOGG. I should like to ask the Senator if it is not a fact that this Government many times previously had sent gunboats and soldiers to protect the Panama Railroad against insurrections?

Mr. THOMAS. They had several times used troops to protect and secure the free transit of the Isthmus; they never before sent a force to Panama to interfere with the troops of the Government of Colombia, and always declared—there are plenty of communications from the State Department upon the subject—in their construction of the treaty of 1846 that they could not interfere under the terms of the treaty between the Government and an insurrection, except as might be necessary to secure free transit across the Isthmus, and our Government's action therefore was either at the instance or by the request of Colombia. Now, does the Senator think that that was the purpose of this particular expedition?

Mr. KELLOGG. I certainly do.

Mr. THOMAS. Notwithstanding the fact that when the orders were given there was no insurrection whatever; notwithstanding the fact that if an insurrection were contemplated and these preparations were made against it, then the Government of the United States must have known of the reason and of the contemplated insurrection, and, therefore, must have been in some degree privy to it. Mr. President, this interference in the domestic affairs of a Republic, the guarantee of whose sover-

eignty we had assumed by a treaty, then many years old and always respected, can be explained only upon one theory, toward which every fact and every action irrevocably points, and that is to wrest by force the Isthmus of Panama from Colombia because she had seen fit to reject this treaty, and then to deal with a Government which we ourselves had created, and by that means secure the immensely valuable canal concession.

On receipt of this information, the Washington authorities wired the consul general that its cable of the previous day to Capt. Hubbard, of the *Nashville*, might not have been delivered. He was therefore instructed to wire the *Nashville:*

In the interests of peace, make every effort to prevent Government troops at Colon from proceeding to Panama. The transit of the Isthmus must be kept open and order maintained.

Certainly no such message was ever before transmitted by the Government of the United States to any subordinate commander of one of its vessels. A similar cable was sent to the consul at Colon. Transit was kept open, but not for Colombian troops. We thus prevented Colombia, with whom we were at peace, and whose sovereignty over the Isthmus we had guaranteed, from using her own troops on her own soil to suppress the rebellion of a bare handful of her own people.

Mr. TOWNSEND. Mr. President——

The PRESIDING OFFICER. Does the Senator from Colorado yield to the Senator from Michigan?

Mr. THOMAS. I do.

Mr. TOWNSEND. In that connection, I should like to call the Senator's attention to some facts that were developed on the Isthmus, I think in 1904 or in 1905, in reference to the landing of Colombian troops at Colon.

A man by the name of Melendez was governor of Colon at that time, and a very wealthy man. The committee took the evidence there of this gentleman and others from which it was satisfied—and I have never before heard it disputed—that Melendez and other citizens of Panama purchased the commander of the Colombian ship, whose name was Huerta, a one-armed Indian, who was in command of the ship and soldiers, at, as I remember, $150,000, $100,000 of which he took, $50,000 was paid to the troops, and they sailed away—I did not suppose there was any doubt about it—but that the Colombian troops were not landed because the people of Panama, who saw, as they thought, the visions of a canal vanishing, purchased, through blood money, the supposed loyalty of the Colombian commander, Huerta. He was afterwards, too, I might add, as perhaps the Senator knows, made commander in chief of the Panaman forces, then tried to get up an insurrection among them, and demanded the resignation of Amador and Arias and some other officer of Panama; and our minister, then Mr. Barrett, was in personal touch with Amador, and persuaded him that he could not surrender and yield the Government over to the Indian, Huerta.

Mr. THOMAS. Mr. President, the facts, I think, are somewhat different from the statement of the Senator.

At the time of this insurrection a small force of soldiers of the Colombian Government were upon the Isthmus. They were under the command of Huerta, who was a soldier and not a sailor. As a preliminary to this insurrection this man Huerta was corrupted, together with a considerable proportion of his troops. The portion remaining loyal were then sent north upon a manufactured report that soldiers from Nicaragua were about to land upon Colombian soil. After the conspiracy had been accomplished, Huerta received a very considerable sum of money for himself and his soldiers. He is said to have himself received $30,000 in cash; and, like all traitors, after the money was gone he did become, or attempt to become, an agency of further disturbance, and was settled with quite summarily, and largely because of the fact that the United States at that time was upon the Isthmus and was powerfully supporting the new Republic of Panama.

Mr. REED. Mr. President, will the Senator yield?

Mr. THOMAS. I yield.

Mr. REED. I should like to inquire what difference it makes whether this man was corrupted—whether we have any better title if it was procured by fraud than if it was procured by force?

Mr. TOWNSEND. Mr. President, the point I wished to make, if the Senator will permit me, was that he was corrupted by the Panamans themselves, the people who were interested there, notably Melendez, governor of Colon. It is a historical fact, I think, that Huerta, after he was made commander in chief of the Panaman forces and after he had betrayed his country, Colombia, then, as I said, endeavored to incite an insurrection in Panama, and the United States did nothing to encourage him in it but simply stated to Amador that we were there, and that Mr. Huerta could not take charge of the Panaman Government and operate it in behalf of a revolution; and Huerta took the money that he had received for the betrayal of his country, went inland somewhere in Panama, and purchased an estate, where at last accounts, so far as I know, he was living in his ignominy.

Mr. THOMAS. The money which was used for these corrupting purposes came from Bunau-Varilla, and was doubtless intended for that among other objects. I might say, however, that the troops which he commanded—and that seems to be the important point in it—were not those which were afterwards landed, and whose landing was permitted by Capt. Hubbard, who at that time had not received the orders which were subsequently transmitted to him.

Mr. REED. Mr. President, does not the fact remain undisputed that whether some of the soldiers had been corrupted or not, and whether a commander had been induced to become a traitor or not, Colombia was by the force of the United States prevented from sending her troops in to punish the bribe givers, the bribe takers, the revolutionists, and the traitors alike? Is not that a fact?

Mr. THOMAS. I think the Senator has well stated it.

Mr. TOWNSEND. I suppose that is the point in controversy.

Mr. THOMAS. Meanwhile, the conspirators having formally arrested the governor, who was openly sympathetic, went to the Cathedral Plaza, appointed a provisional junta of three, and proclaimed the independence of Panama. The junta then signed a manifesto. It was their New York declaration of independence.

While these ceremonies were in progress the Colombian gunboat *Bogota* shelled the city, to which the batteries on the sea wall replied. The only casualties were the slaughter of a Chinaman and a donkey. No other fighting occurred.

The manifesto having been read, one Demetrio Brid cabled President Roosevelt that "The municipality of Panama is now, 10 p. m., holding a solemn session and joins in the movement of separation of the Isthmus of Panama from the rest of Colombia. It hopes for recognition of our cause by your Government." Inasmuch as this "solemn session" was the only separation movement then under way, and of which the entire Isthmus, the city of Colon excepted, was profoundly ignorant, Señor Brid's cable is not without the suggestion of humor.

On the 4th the consul at Panama wired Secretary Hay that he had notified the *Nashville* and that troops would not be moved. He also referred to the *Bogota's* bombardment, and said that it threatened to repeat its action. Commander Hubbard also cabled that a provisional government had been established, with no organized opposition, and that he had prohibited transportation of Colombian troops across the Isthmus. He had a hot verbal encounter with their commander, Col. Torres, who very naturally resented the trick of the railroad managers whereby Gen. Tovar had on the previous day been persuaded to precede his command across the Isthmus and was then imprisoned. He threatened swift reprisals, but yielded very sensibly to the guns of the *Nashville*. Hubbard landed a force of his own marines at Colon and cleared his decks for action, whereupon the *Cartagena* took to her heels and fled to Colombia.

On the morning of the 4th Dr. Amador addressed the subsidized Colombian battalion commanded by Huertas. He said:

We have carried through our splendid work. The world is astounded at our heroism. President Roosevelt has made good, for there, you know, are the cruisers which defend us and prevent any action by Colombia.

The events of November 4 culminated in a cable to Secretary Hay from the junta, which I quote in full:

We take the liberty of bringing to the knowledge of your Government that on yesterday afternoon, in consequence of a popular and spontaneous movement of the people of this city, the independence of the Isthmus was proclaimed; and the Republic of Panama being instituted, its provisional government organizes an executive board consisting of ourselves, who are assured of the military strength necessary to carry out our determinations.

A cable to Amador from Bunau-Varilla crossed this one, which urged Amador to try to get hold of Colon, but if he could not, then to hold firm for a few days, that ships would remain on both sides and he would give guaranty immediately. The *Boston* and *Marblehead* reached Panama on the 7th. The *Dixie* arrived with her battalion of marines on the 5th. On that day Arango, one of the junta, expressed his acknowledgments to the officers of the Panama Railroad in the following letter:

Allow me to address these lines to you in Spanish to truly express my sentiments toward you. To you, in great measure, the public owes its salvation from the horrors of bloody strife, to you, our constant and valorous coworker; also to brave Col. Shaler and our determined friend, Capt. Beers.

These officials were under the direct control of Mr. Cromwell. They must have acted under his orders. He did not hesitate to utilize their control of the railway, built by the consent of Colombia upon her own soil, to tear her asunder. Corporate rapacity here reached its high-water mark.

On November 6 the Republic was formally proclaimed in Colon. Its flag was hoisted by Maj. William M. Black, of the United States Army, in full uniform.

Certainly no previous expedition had ever gone to the extent not only of recognizing the insurrection but of recognizing it in the person of a United States officer, who had conferred upon him the honor of raising the first flag of the Republic of Panama.

Mr. POMERENE. Mr. President, how many hours intervened between the alleged insurrection and the time of this occurrence?

Mr. THOMAS. I will come to that later. It was quite appropriate, for this officer symbolized the Government whose aid and activity made the revolution possible. But it served as well to advertise to the world the shameless overthrow of Colombian sovereignty over the Isthmus by a President whose oath bound him to respect treaties made under the authority of the United States, which are declared by the Constitution to be the "supreme law of the land." The junta at once cabled Secretary Hay that—

Colon and all the towns of the Isthmus have adhered to the declaration of independence proclaimed in this city. The authority of the Republic of Panama is obeyed throughout its territory.

But the interior of the Isthmus had not then heard of the insurrection. Moreover, a dispatch from the Navy Department, which Mr. Roosevelt also withheld from the Congress, from one of the naval commanders states how he afterwards went with officials of the Government to persuade a portion of the Isthmus to recognize the junta.

Before Colon had proclaimed the Republic, and while the insurrection was still confined to the town of Panama, the junta on November 5 cabled Secretary Hay that it had—

Appointed Señor Phillipe Bunau-Varilla confidential agent of the Republic of Panama near your Government, and Dr. Francisco V. de la Espriella minister of foreign affairs.

On November 6 Consul Ehrman confirmed this cable. Within an hour of its receipt Secretary Hay cabled Mr. Ehrman that—

The people of Panama have by an apparently unanimous movement dissolved their political connections with the Republic of Colombia and resumed their independence. When you are satisfied that a de facto government, republican in form, and without substantial opposition from its own people, has been established in the State of Panama, you will enter into relations with it as the reasonable government of the Territory and look to it for all due action to protect the persons and property of the citizens of the United States and to keep open the Isthmian transit in accordance with the obligations of existing treaties governing the relations of the United States to that Territory.

The crowning act of this political tragedy is found in a cable of Secretary Hay to our minister at Bogota on the same day. It reads:

The people of the Isthmus, having by an apparently unanimous movement dissolved their political connections with the Republic of Colombia, and resumed their independence, and having adopted a government of their own, republican in form, with which the Government of the United States has entered into relations, the President of the United States, in accordance with the ties of friendship which have so long and so happily existed between the respective nations, most earnestly commends to the Governments of Colombia and Panama the peaceful and equitable settlement of all questions at issue between them. He holds that he is bound, not merely by treaty obligations but by the interests of civilization, to see that the peaceful traffic of the world across the Isthmus of Panama shall not longer be disturbed by constant succession of unnecessary and wasteful civil wars.

The comment of Mr. Leander T. Chamberlain is here more appropriate—

Thus at 12.51 midday, November 6, 1903, the President recognized the new nation of Panama—from November 2 of the 50-mile order, four days; from 7.10 p. m. of November 4, when announcement came that a proclamation of independence had been issued by the insurgents, 1 day 17 hours and 41 minutes. Beyond peradventure civilized diplomacy affords no analogy of that recognition.

The mortal insolence of this message to Bogota is equaled by its mendacity. Beyond its reference to the friendly relations theretofore existing between the two nations it is a misrecital of the facts. The only "relations" Mr. Hay had entered into with Panama was his cable of the same date to Mr. Ehrman, and that permitted the latter to enter them when satisfied that a government "republican in form had been established." Yet no government whatever had been established save the self-appointment of a junta in Panama City, which assumed and usurped all the powers of a government. Such was the message through which our Government informed Colombia that her territorial integrity had been outraged and advising her to negotiate her differences with her subjects of the day before.

The Secretary's reference to civil wars upon the Isthmus was equally at fault. Since our treaty of 1846, 57 years before, transit was partially interrupted for a total period of 164 days and upon few occasions. And we have seen what the "unanimous" movement was. In his subsequent message to Congress, Mr. Roosevelt said the Isthmus had "risen as one man," and Senator Carmack very aptly retorted that the one man was Mr. Roosevelt himself.

On this eventful day the junta cabled their appointment of Bunau-Varilla as envoy extraordinary. The next morning this French "señor," in a flamboyant letter to Mr. Hay, formally announced his appointment. His "credentials," which had been prepared beforehand in New York or Washington, were promptly accepted, and through him the canal treaty was at once negotiated. Mr. Cromwell received his $40,000,000, and as the junta made him Panama's fiscal agent, he also received for investment the $10,000,000 stipulated as its compensation by the treaty.

The job was finished. Mr. Roosevelt acquired the right of way for the canal from a band of filibusters by bartering for it the honor of the Nation.

Not quite finished. For nearly four months afterwards he patrolled the waters of the Isthmus with our gunboats, and at one time invaded the soil of Colombia south of the Panama boundary in the search for possible invaders of his precious Republic.

When Secretary Hay, on November 7, officially announced the President's recognition of the new Republic, he said:

The action of the President is not only in strict accordance with the principles of justice and equity, and in line with events precedent of all public policy, but it was the only course he could have taken in compliance with our treaty rights and obligations.

And Mr. Roosevelt, in his message to Congress, cast this bouquet at his own feet:

The United States has many honorable chapters in its history, but no more honorable chapter than that which tells of the way in which the right to dig the Panama Canal was secured.

This is a libel upon American history.

This original and only "mandatory of civilization" has also said of the transaction that "we did harm to no one, save as harm is done to a bandit by a policeman who deprives him of his chance to blackmail." But our policeman President was the protector of the bandit and purchased the fruits of his crime. It is far more manly to rob a man of his property than to hire another to do so, and then secure the property from the thief.

The London Graphic very pertinently said at the time:

We regret exceedingly that President Roosevelt has allowed the fair name of his administration to be smirched by a transaction so utterly at variance with the most elementary principles of public law and international morality. We can not conceive a more lamentable outrage upon the public conscience of the civilized world.

Mr. Roosevelt has on more than one occasion since his retirement from the White House been candid enough to admit his duplicity in the theft of Panama. On March 23, 1911, he said:

I am interested in the Panama Canal because I started it. If I had followed traditional conservative methods, I should have submitted a dignified State paper of probably 200 pages to the Congress, and the debate would have been going on yet. But I took the Canal Zone and let Congress debate, and while the debate goes on the Canal does also.

On January 24 last he expressed himself in similar fashion.

Since Mr. Roosevelt's death Mr. Abbott has published a number of articles entitled "New facts about Theodore Roosevelt," and among other things in the August, 1919, number of World's Work he publishes in facsimile an interview "concerning the personal relations of President Taft and Mr. Roosevelt never before published." This interview was sent to Mr. Roosevelt after it was written, and that gentleman made certain comments in writing upon its margin before returning it. Referring to that part of this interview which credited Mr. Roosevelt with being responsible for Mr. Taft's nomination, Mr. Roosevelt wrote:

But it is so. I could not have nominated an extreme progressive or extreme conservative, but I could by a turn of the hand have thrown the nomination to either Taft or Hughes. The only way to prevent my own nomination was for me entirely to champion and to force the nomination of some one else; I chose Taft rather than Hughes, and I still think I was wise.

I am reading that to emphasize the positiveness of the ex-President's statement, which is nothing if not positive. But his next note, written on the same margin, reads thus:

The mere force of events had made me strike absolutely my own note by October, 1902—

instead of that of McKinley—

when I settled the coal strike and started the trust-control campaign. In 1903 I took Panama.

There it is in his own writing; not "the Canal Zone," but "Panama." If that testimony, supplied by one of the lamented President's closest friends and greatest admirers, does not confirm every fact and every incident of this story, then I am at a loss to know what construction can be placed upon it. There is nothing dubious or ambiguous about this statement nor is credit given to anybody else. "I took Panama in 1903." To say that this statement should be taken in conjunction with modifying circumstances is to say that the notation upon this interview was not as fair and as square as the statements and the positions of Mr. Roosevelt are claimed to be by his friends, and particularly by his posthumous admirers. It furnishes, in

my judgment, all that is needed, if anything more be necessary, to demonstrate the unquestioned fact that this so-called insurrection had its inception immediately after or just before the rejection of the treaty by Colombia, not by the direction or the initiative, but certainly with the tacit connivance, and subsequently with the support, of the administration.

It is interesting to note that when in 1915 Mr. Roosevelt, after commending them, denounced the President because he did not sever relations with Germany when the latter invaded Belgium, Gen. Von Bernhardi was searching history for precedents justifying that outrage. He found but one and eagerly seized it. He said to us, "Your seizure of Panama was only justifiable on the ground that the future interests of the American people are higher and greater than the abstract principles of international law." And Baron von Hengelmuller, formerly Austrian ambassador to the United States, also "finds in all the annals of the nations no such glorious justification of what Germany did to Belgium as is to be had in the brief and simple record of what Roosevelt did to Panama." At last his conduct has been properly classified. He did not overrun Colombia's territory and slaughter her defenseless citizens, because he met with no resistance. Had Colombia drawn the sword the outrages of Belgium might have found their prototype upon the Isthmus.

Mr. President, this episode of our history is humiliating from every angle. But its sordid side is its worst one. For Mr. Roosevelt lent his great influence as President and enlisted the armed power of his country to William Nelson Cromwell that he, Cromwell, might secure $40,000,000 for his client. He could not do it while Colombia barred his path with her just demands. He could remove her only by robbing her of her domain and of her investments in his company. To accomplish his canal program Mr. Roosevelt shaped the policy of his Cabinet and mobilized the Navy for the undoing of Colombia. At the behest of Cromwell and Bunau-Varilla he divided one nation and inflicted an indelible reproach upon the good name of another, that a private corporation might reach the Treasury of the United States. Surely this was not essential to any end, however important.

A treaty is a solemn convention between independent nations, each acting for itself and in its own interest. But the treaty between the United States and Panama was a farce and made to shelter a crime. Panama's junta, selected at midnight by less than 12 conspirators, were the creatures of Cromwell. Bunau-Varilla, their French coadjutor, was made their envoy extraordinary, by telegraph, as previously agreed, for no other purpose than to negotiate the treaty.

Mr. President, when this subject was first before the American people former Senator Carmack, of Tennessee, took occasion to investigate the record of the man Bunau-Varilla, which I shall not at this time read, but there may be those who hereafter will be interested in ascertaining something of the record and antecedents of this adventurer. They will find what I have been unable to discover has been contradicted in volume 38, part 2, of the CONGRESSIONAL RECORD, and in the same volume, part 3, on pages 1770 and 2300, respectively, a full account of the antecedents and career of the man. I will, however, read a short extract from page 1770:

> Bunau-Varilla, now minister from the State of Panama, but a citizen of France, was one of the earliest and most active supporters of this conspiracy against the integrity of Colombia. This much we know. This man was connected with the old Panama Canal Co., and the official records of his own country, including the report of the minister of justice, show that he was one of the worst of the crew whose thieving operations bankrupted that concern, brought gray hairs of De Lesseps in shame and sorrow to the grave, and covered the French Government itself with odium and disgrace. I shall not cumber the record with quotations from official French records, but they are as I have said.
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> These extracts have already been published in the newspapers, and their authenticity, so far as I know, is undenied. I presume that no man here will deny that authenticity. This man is also connected with the new company, a penniless concern, organized simply to sell the wreckage and débris of the old company to the United States for as many millions as it could get, and, incidentally, to gamble in its own stocks This company was to get $40,000,000 by the ratification of the treaty with Colombia, and not a dollar if that treaty should fail. As the time fixed by law for the ratification of the treaty began to approach, with every prospect of its being defeated, the stocks of this company rapidly declined. Then it was that Bunau-Varilla left France and came to the United States.
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> He at once entered into relations with certain disaffected persons in Panama to bring about an insurrection in that Province. The charge is made in a reputable newspaper that Bunau-Varilla agreed to furnish money, and did furnish money, through his stock-jobbing French syndicate, to promote this insurrection by the bribery of Colombian officers and soldiers. The very amounts of money sent by him to the conspirators in Panama are given, the very dates on which it was sent and received, and the names of the banking corporations through which it was paid.
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> And this is not all nor the worst. Bunau-Varilla engaged with these conspirators to bring the Government of the United States to the support of their conspiracy. This statement is not based upon rumors nor the anonymous reports of a yellow newspaper. It is based upon the admissions of the conspirators themselves and upon the authority of a gentleman of the highest character and standing, Mr. Merrill A. Teague, a staff correspondent of leading Republican newspapers. His statements have been published broadcast, in the very organs of this administration, and no man has denied them.

At length in the subsequent volume the same Senator details the incidents which I think fully justify the conclusions which I have just read.

Bunau-Varilla was a shareholder in and agent of the company, while the treaty itself was prepared by Cromwell in advance of the revolution. This was the combination which the President of the United States welcomed to his council table to contract for a canal zone. The traveler from Jerusalem to Jericho fell among people of the Cromwellian stripe. But a good Samaritan afterwards crossed his way and gave him aid and comfort. No such good fortune attended Colombia. Roosevelt "took the zone"; Varilla sailed back to France, where he cashed in to the company; and Cromwell—what should be said of him—the archplotter of his time, the manipulator of legislation, the adviser of home and foreign ministers, the designer of successful revolutions, the master of intrigue, the betrayer of his country's honor among the nations? Macaulay turned aside from more congenial tasks to review the career of Barère and "gibbet the carrion" upon an "eminence of infamy." Charles II permitted his harlots to barter with Louis XIV for England's prestige, and Benedict Arnold plotted with his country's enemies for the undoing of his own. The inexorable judgment of history has long since assigned to these their appropriate places in her records of infamy. Her verdict of Cromwell will be made when time shall have crystallized the story of Panama into the stratum of history. And we may be sure it will be as just as it will be inexorable.

Mr. President, for 17 years Colombia, conscious of her weakness and jealous of her integrity, has knocked at our doors and asked for reparation. She has been a supplicant for simple justice. She has asked for arbitration and reminded us more than once that we are its most earnest advocate. President Taft, conscious of her injuries, negotiated the outlines of a treaty designed to meet her claims.

President Wilson took up the good work, and long ago laid a treaty before us for ratification, differing but slightly from that approved by his distinguished predecessor. It accepted the Panama revolution as an accomplished fact. It made due acknowledgment of Colombia's rights and of our injustice to her. It substituted a payment of $25,000,000 in partial reimbursement of the stupendous losses she incurred through the Cromwell insurrection.

That treaty encountered the vociferous denunciation of Mr. Roosevelt, who shrank from the imputation which its ratification would impose upon him. He would have had this great and magnanimous people refrain from acknowledging his error as their Chief Magistrate by pointing to the completed canal as his vindication. That treaty died upon our calendar, and is succeeded by one which merely makes indemnity. Unfortunately it is all that we can do, and I therefore support it.

Mr. President, we should not be deterred by this or by any other consideration from compliance with the requirements of the national conscience. We preach the doctrine of right as against the doctrine of might. We denounce the German disregard of treaties and of international justice, yet we alone have supplied her with a precedent. In democracy's cause we challenged Germany to the ordeal of battle and sounded a trumpet call to all the democracies of the world. Our cause was that of all Republics. South America knows this well. She thrilled to the sublimity of our purpose, yet she hesitates to open her arms to us. Her people point to Colombia in silent but eloquent inquiry. We know too well what that inquiry is. We can not answer as we would like to, but as we must, for true democracy is founded upon justice. Between justice and our offense against Colombia there can be reconciliation only through national atonement. Between right and the offense there can be no adjustment save reparation. Until these things are done our championship of small nations and weak peoples are as the sounds of tinkling cymbals. When we shall have squared our actions to our sentiments and purged our record from the damning reproach of Cromwellian diplomacy, Latin America will grasp our extended hand, and with responsive good will Pan America will then assume the material proportions of an enduring structure. Our political and economic relations will be close, cordial, and profitable. The Monroe doctrine, reincarnated by the baptism of our blood and sacrifice, has been set upon eternal foundations. When we do justice to Colombia it will appeal to Latin America as never before and be welcomed as the perpetual guaranty of its immunity and independence.

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Mr. KELLOGG. Mr. President, with the indulgence of the Senate I shall at some future time discuss the Panama treaty; but I can not sit in the Senate of the United States and listen to reflections upon the character and statesmanship of Theodore Roosevelt without expressing my protest.

The Panama Canal, the history of its acquisition and construction, is an open book, which has been discussed in the Congress and investigated by committees. I believe Mr. Roosevelt's action is supported by the judgment and the voice of the American people and of the civilized world. Not only that, but John Hay, a great Secretary of State, and Elihu Root following him, wrote the history of Panama and sustained the action of President Roosevelt. So did Secretary KNOX in the Cabinet of Mr. Taft.

Mr. Roosevelt is quoted as saying, "I took Panama." Did he ever say he took it from Colombia unjustly or in any manner except, according to the principles of international law, in his right to recognize any country declaring its independence? Does the Senator say that our treaties guaranteed Colombia against revolution? If he does, he was contradicted by every Secretary of State from Mr. Seward to the present time. Does he say that the revolution was an exceptional one? If he does, I answer him that there were 50 revolutions in almost as many years in Colombia.

Mr. POMERENE. Mr. President——

The VICE PRESIDENT. Does the Senator from Minnesota yield to the Senator from Ohio?

Mr. KELLOGG. I yield.

Mr. POMERENE. Can the Senator point out anything in our treaty obligations which authorizes the United States to prevent the landing of Colombian troops when Colombia sought to suppress an insurrection in her own territory?

Mr. KELLOGG. Yes; I can. I refer to our obligation to protect the route across Panama, which we had done many times before, and that is what we did at that time. We owed it not only to ourselves but to the nations of the world and to our treaty rights to protect that route across Panama.

I am not, however, going to discuss the merits of the treaty at this time. It has been done, as I said, by distinguished Secretaries of State, by Mr. Roosevelt, and by historians of admitted ability. In my judgment, it is one of the great acts of a great President in a great era of American history. I shall take occasion, when the treaty comes before the Senate, or previously, with permission of the Senate, to discuss it.

Mr. THOMAS. Mr. President, I hope the Senator will, before my term of office expires, discuss this very important proposition, for it is not settled and will never be settled until the United States shall ratify some sort of a treaty with Colombia.

I know that in these days Mr. Roosevelt is sacrosanct. Indeed, those who were most frequently engaged in cricitizing and condemning Mr. Roosevelt's courses and policies and politics seem now among the loudest not only in defending his memory but in resenting any statement or expression which seems to reflect upon him. I do not, of course, in that statement include the Senator from Minnesota, because I know that he has at all times been a close and constant and faithful friend and supporter of Mr. Roosevelt, but if anything were more conspicuous than another during the late campaign it was that Mr. Roosevelt, formerly a liability, has by his death become the chief asset of the Republican Party.

I have never said of or to Mr. Roosevelt while living anything that I would not feel and do not feel it my duty to say now. I have always given him credit for many things, for great ability, for a good record, interspersed in many places, however, by acts and policies and opinions and statements to which I could not lend my approval.

I preceded my discussion—and I am sorry that the Senator did not hear it—with an assurance from Mr. Roosevelt himself that whatever could be said with truth and propriety should be said without regard to the man or his condition. I know this will be an active question before the next Congress, if not before this one. The results of the care and investigation which I have sought to give to this subject I have thought fit to lay before the Senate before I retired from it, thinking and hoping that it may be of some consequence, possibly of some benefit, in the discussion which will precede final action upon this treaty.

Now, Mr. President, just a word regarding the treaty of 1846. I think the Senator will find down to 1901 great difficulty in discovering any expression of opinion or any statement made by our Secretaries of State and others in authority which in the remotest degree justify the existence of a right of the United States under that treaty to interfere with Colombia to hinder or preventing her efforts from suppressing insurrection. That is not essential to free transit of the Isthmus, else the treaty would not have provided, as I think it does provide, that Colombia shall herself have the right of transit for just such crises as confronted her in 1903. The Senator will have great difficulty, examine and investigate as he will the fifty-odd insurrections to which he refers, in finding anything that approaches a vaudeville insurrection like this, following upon the heels of a rejected treaty and culminating in the dismemberment of a friendly Republic. And if the Senator can successfully maintain the proposition that under our treaty guarantee to Colombia of her sovereignty over the Isthmus we can find warrant for depriving her of it, or even of recognizing its transfer to another, I shall cheerfully acknowledge him as the most accomplished dialectician and the most competent statesman in the long list of America's distinguished sons.

SETTLEMENT OF WAR LOANS.

Mr. McKELLAR. Mr. President, on Thursday, December 23, I made some remarks in this body relative to the securing of long-time bonds of foreign Governments to which we loaned money under acts of Congress passed in 1917 and 1918 and collection of interest due and past due on such loans. In the Washington Post of December 30, 1920, in an article by the Associated Press, it is stated that the Secretary of the Treasury is now planning an exchange of the obligations due from Great Britain into long-time bonds, as required by the acts referred to, and that the British Government is sending a London official to confer with Secretary Houston in reference to said loans.

I ask unanimous consent to have inserted in the RECORD at this point the article from the Washington Post.

The VICE PRESIDENT. Without objection, permission is granted.

The article referred to is as follows:

PLAN BRITISH REFUND—LONDON OFFICIAL COMING SOON TO CONFER WITH HOUSTON—DEBT IS NOW $4,196,000,000—MODERATE SINKING FUND WITH EARLY FIRST PAYMENT, UNITED STATES WISH—LONG-TIME BONDS IN EXCHANGE FOR DEMAND NOTES VIRTUALLY AGREED TO—DETAILS, SUCH AS INTEREST, YET TO BE FIXED—NEGOTIATIONS UNDER WAY, TOO, WITH OTHER OF ALLIES OWING AMERICA MONEY.

[By the Associated Press.]

A representative of the British treasury will reach this country soon, Secretary Houston said yesterday, to continue in Washington the discussion of the exchange into long-time obligations of the demand notes of the British Government held by the United States.

The British debt at this time is $4,196,000,000. Under the Liberty bond act the Secretary of the Treasury is authorized to effect the exchange at a rate of interest not less than that borne by the demand instrument, Secretary Houston said.

PERMITTED BY LIBERTY ACT.

"The Victory Liberty loan act," said Mr. Houston, "provides that obligations of foreign Governments acquired by virtue of the provisions of the first Liberty bond act or through the conversion of short-time notes acquired under that act shall mature not later than June 15, 1947, and that all others shall mature not later than October 15, 1938. I am of the opinion that, if they so desire, the respective foreign Governments should be given the benefit of the full period thus permitted. The long-time obligations should, I believe, contain a provision for a moderate sinking fund, the first payment on which should be made at a reasonably early date."

Outlining the general policy for the exchange of demand obligations to long-time obligations, the Secretary said the United States should be given the right to use obligations held by it in settlement of war claims against the United States.

Long-time bonds, he said, should provide for accelerating the payment of all deferred interest whenever the currency of the Government in question over the foreign exchange reaches a price approximating the gold import point, and while the exchange remains not lower than that figure, and that if this should happen before the deferred-interest period has expired, no further interest should be deferred.

WITH EACH ALLY SEPARATELY.

Discussions with the British representative, Secretary Houston said, will be confined to the exchange of the obligations of that Government, as it is the policy of this country to deal separately with each of the allied nations to whom loans have been made.

Discussions carried on in Europe with the other nations indebted to the United States, the Secretary said, have not reached a stage so advanced as those with the British Government. The British negotiations, he said, had progressed to the point of a general understanding, but the details remain to be worked out and will be taken up with the British treasury official here in Washington. The questions of interest rates and of the forms of the various long-time bonds which may be adopted are yet to be decided, the Secretary intimated.

WILL REGULATE GOLD EXPORTS.

"The obligations should contain suitable provision for their conversion into bonds of small denominations or for their payment, at option of the obligator, in lieu of such conversion," Secretary Houston said. "To prevent or curtail gold exports from the United States they should contain an agreement by the debtor Government to offer demand drafts payable in its currency at a figure to be fixed, substantially the gold export point, and to apply the proceeds to deferred interest and then to principal, current interest to be adjusted accordingly. Sinking-fund payments should be provided to be made in gold coin of the United States or in the currency of the debtor Government at the par of exchange, if the holder shall so request."

Actual exchange of the securities will not be made at the coming conference here, the Secretary said, adding that the documents of the agreement would probably be drawn up for presentation to each of the contracting Governments before the transfer of the securities is made.

Mr. McKELLAR. Mr. President, I wish to congratulate the Secretary of the Treasury upon acting in the matter. I feel sure that he will act promptly, not only in reference to the

British loan but in respect to all other loans. His authority is ample, as is shown by the acts of Congress, and his powers are plain and full. I am not sure that he is authorized by the act referred to to offset indebtedness that may be due from our Government to England. However, that would be for him and the legal department of the Government to determine. He can do nothing except what the act authorizes.

I want, also, to congratulate the British Government upon taking steps to meet its obligations. In view of her power and prestige and splendid record, I could not see why the matter had been delayed. I hope I may soon have the pleasure of congratulating our other allies on their prompt settlement of their loans.

I sincerely trust that the conferences between our Government officials and the officials of foreign Governments to which we have made loans will be expedited, so that the whole matter may be settled during this administration. It ought not to be one of the matters left open. It would be a reflection upon a Democratic administration that it ought not to bear. I wish, again, to congratulate Secretary Houston, and to express the hope that these matters now started will be settled with all possible dispatch.

ATMOSPHERIC NITROGEN.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

[Mr. STANLEY addressed the Senate. After having spoken with interruptions for about an hour, he yielded the floor for the day.]

Mr. SMOOT. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, January 4, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

MONDAY, *January 3, 1921.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O love ineffable, from whose substance proceedeth life, its environments and splendid opportunities. We would worship Thee in spirit and in truth, for the Father seeketh such to worship Him. Home, society, government, and brotherly love wait on us for righteousness, truth, mercy, and justice, that Thy kindgom may come and Thy will be done in earth as it is in heaven, through the spiritual gifts of Christ which is life eternal. Amen.

The Journal of the proceedings of Friday, December 31, 1920, was read and approved.

WITHDRAWAL OF PAPERS.

Mr. WALSH, by unanimous consent, was given leave to withdraw from the files of the House, without leaving copies, papers in the case of H. R. 7619, Sixty-sixth Congress, no adverse report having been made thereon.

SENATE JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

S. J. Res. 227. Extending the time within which the special joint committee appointed to investigate the advisability of establishing certain naval, aviation, and submarine bases in the United States is required to make its report to Congress.

ORDER OF BUSINESS.

The SPEAKER. To-day being unanimous-consent day, the Clerk will call the roll of committees.

Mr. GOOD. Mr. Speaker, is it in order to move to go into Committee of the Whole House on the state of the Union for the consideration of the sundry civil appropriation bill?

The SPEAKER. That question the Chair thinks has not been decided. The rule says that on this day the Chair shall order the Clerk to call the roll of committees to consider bills on the Unanimous Consent Calendar. Whether a motion to take up a privileged bill like this is in order has not been decided.

Mr. GOOD. Mr. Speaker, I ask unanimous consent that the Unanimous Consent Calendar be dispensed with to-day.

Mr. STEENERSON. Reserving the right to object, I would like to know when it will be in order to take up the Unanimous Consent Calendar.

Mr. GOOD. We have some of these large appropriations ready, and I think before long there will be a day or two when matters of this kind can be taken up.

Mr. STEENERSON. I want to say that these bills are not factious, but if they are not soon got over to the other end of the Capitol it will be difficult to get action at this session. I have particularly in mind a flood control bill that is very urgent.

Mr. GOOD. I understand that there are some meritorious and urgent bills that ought to be taken up, but it seems to me that when we have a large appropriation bill for consideration, it ought to be proceeded with. There will be ample time during the session to take up the Unanimous Consent Calendar.

Mr. STEENERSON. I do not want to antagonize the committee, but it seems to me that we ought to give consideration to the small matters, because it is not going to take very long to consider them.

Mr. MONDELL. I hope the gentleman from Minnesota will not object to the request of the gentleman from Iowa. I think within a reasonable length of time we can reach the Unanimous Consent Calendar, upon which I know there are some meritorious and urgent matters, and have them disposed of.

Mr. BLANTON. A parliamentary inquiry, Mr. Speaker.

The SPEAKER. The gentleman will state it.

Mr. BLANTON. Now that the Speaker has conformed to the rule by directing the Clerk to call the Unanimous Consent Calendar, would it not be in order for the gentleman from Iowa to move to go into Committee of the Whole House on the state of the Union?

The SPEAKER. That is just what the Chair stated he thought had not been decided.

Mr. GARNER. I hope the Chair will not make any ruling until it can be thoroughly considered.

The SPEAKER. The Chair will not.

Mr. STEENERSON. In view of what the gentleman from Iowa and the gentleman from Wyoming have said, that there might be an opportunity soon for the consideration of the Unanimous Consent Calendar, I will not object.

The SPEAKER. Is there objection?

Mr. MANN of Illinois. Reserving the right to object, and I will not object for to-day, if it should become the rule and practice of the House to dispense with the calling of bills upon the Unanimous Consent Calendar, all Members of the House might as well kiss Washington good-by except the members of the Committee on Appropriations.

Mr. GARNER. If the gentleman will yield, the gentleman recollects when the rule was adopted?

Mr. MANN of Illinois. I recall that the practice under the rule ever since has been that the calling of committees under the rule was obligatory and highly privileged. Members can, by objecting, very quickly dispose of the Unanimous Consent Calendar.

Mr. GARNER. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. GARNER. This rule was adopted under very peculiar conditions, and I think if the gentleman from Illinois [Mr. CANNON] was here he could relate some circumstances about it.

Mr. MANN of Illinois. I drew the rule myself.

Mr. GARNER. It gave us the only right we have to take up bills by unanimous consent, and instead of having to go to the Speaker and ask permission to get unanimous consent to consider the bill. I think it would be unfortunate if the Speaker should hold that a majority of the House could take away that right and privilege which exists now and force the membership of the House to go to the Speaker as they did 8 or 10 years ago. While I have no objection to doing away with the Unanimous Consent Calendar to-day, I should strongly object to a policy being adopted by which the majority can go into Committee of the Whole House on the state of the Union and do away with the Unanimous Consent Calendar.

Mr. GARD. Has the gentleman indicated any time when the Unanimous Consent Calendar can be taken up?

Mr. GOOD. The situation is this. There are now pending before the Committee on Appropriations such tremendous demands for deficiencies—more than $200,000,000 for the Navy—all told, more than $450,000,000 for deficiency appropriations. Now, these estimates are not quite ready to commence hearings upon. The bill will be prepared so that we can commence hearings next Wednesday morning. I am making this request in order that the sundry civil bill may be out of the way so

that we can commence hearings on the deficiencies. I hope that no one will object; this is simply a request for to-day.

Mr. GARD. My inquiry was whether or not there has been a day agreed upon to take up the Unanimous Consent Calendar.

Mr. GOOD. No, there has not; but I think there will be no difficulty in selecting some time when ample opportunity will be given to take up the Unanimous Consent Calendar.

Mr. STEENERSON. The gentleman's request now is only to set aside the Unanimous Consent Calendar for to-day?

Mr. GOOD. Yes; that is all.

Mr. WINGO. Mr. Speaker, reserving the right further to object, and I shall not object, because I appreciate the fact that we ought to go on with these appropriation bills, I rise merely to suggest this: The Speaker seemed to indicate that this question had not been decided. If the parliamentary clerk will look up the matter, I think he will find that while Mr. Speaker CLARK did not render any formal decision, yet, in an informal way, when the matter came up in some such way as this has come up to-day, he did say that it would require a suspension of the rules by a two-thirds vote, and that unanimous-consent day could not be set aside by a majority vote. I think the clerk will find at least two occasions where that occurred.

The SPEAKER. Is there objection to the request of the gentleman from Iowa?

Mr. CANNON. Mr. Speaker, what is the request?

The SPEAKER. That we dispense with the Unanimous Consent Calendar.

Mr. CANNON. Has it the right of way?

The SPEAKER. That is the question.

Mr. CANNON. I was not in the room at the time the request was made, but is this a request to go on with the Private Calendar to-day?

Mr. GARNER. No; this is unanimous-consent day.

The SPEAKER. This is a request to go on with the sundry civil appropriation bill to-day. Is there objection? [After a pause.] The Chair hears none.

SUNDRY CIVIL APPROPRIATION BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the consideration of the sundry civil appropriation bill, with Mr. WALSH in the chair.

The Clerk reported the title of the bill.

The CHAIRMAN. The Clerk will read.

The Clerk proceeded with the reading of the bill, as follows:

To enable the Secretary of the Treasury to continue in effect the provisions of section 2 of the act entitled "An act to authorize the Secretary of the Treasury to provide hospital and sanatorium facilities for discharged sick and disabled soldiers, sailors, and marines," approved March 3, 1919, not to exceed an aggregate of $50,000 at any one station, $300,000.

Mr. DUPRÉ. Mr. Chairman, I ask unanimous consent to revert to page 2, lines 8 to 14, for the purpose of offering an amendment. There was a great deal of confusion at the time of the reading, and I did not realize that the Clerk had passed that item.

The CHAIRMAN. Is there objection to the request of the gentleman from Louisiana.

Mr. GOOD. Mr. Chairman, I shall have to object. If the gentleman wants to make a statement in regard to it, I have no objection to his doing that.

Mr. DUPRÉ. Why not let us return to the item and I shall offer the amendment I have in mind and discuss it. I was discussing the matter with a member of the Appropriations Committee [Mr. BYRNS of Tennessee] at the time the Clerk passed it and did not realize what he was reading. If the gentleman desires to make the point of order against it, or oppose the amendment I offer, it will be within his power to do so.

Mr. GOOD. Mr. Chairman, I withdraw the objection.

The CHAIRMAN. Objection is withdrawn, and the Clerk will report the item referred to.

The Clerk read as follows:

Remodeling, etc., public buildings: For remodeling, enlarging, and extending completed and occupied public buildings, including any necessary and incidental additions to or changes in mechanical equipment thereof so as to provide or make available additional space in emergent cases, not to exceed an aggregate of $25,000 at ony one building, $380,000.

Mr. DUPRÉ. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. DUPRÉ: Page 2, line 13, strike out the figurer "$25,000" and insert in lieu thereof the figures "$50,000."

Mr. DUPRÉ. Mr. Chairman, as the committee has observed, there are practically no appropriations such as are usually carried in this bill for repairs to public buildings. I understand the exigencies that confront the committee at this time and have no criticism to make of them for omitting specific appropriations. There is, however, this lump-sum appropriation that in a previous bill was carried to the amount of $330,000, which is now raised to $380,000, but only $25,000 can be devoted to any one public building. It seems to me bad policy upon the part of Congress to limit the Treasury Department or the Office of the Supervising Architect to a particular amount that may be expended in any one of these emergent repairs to our public buildings. I really think that the limitation should be omitted altogether. The Treasury Department realizes that this amount is intended to cover all public buildings throughout the whole country, where an emergency arises, and it is not to be supposed that that department will undertake to spend the whole sum on any special or preferred building, but there are occasions that will arise when it will be hampering to the department to be limited to this particular sum. Take an emergency that must be met, where the department asks for bids, for instance. We will say that it finds it will cost from thirty to thirty-five thousand dollars to do the work properly. But, no; it can not accept such bids, because of the limitation by Congress of $25,000 upon the amount that can be expended on any one particular building. If the gentleman from Iowa would prefer, I would offer an amendment to strike out the entire limitation, but it strikes me that by raising the amount that may be expended on any particular building to $50,000, at least a large part of the objection to this narrowing, arbitrary limitation would be removed. I hope the amendment will prevail.

Mr. GOOD. Mr. Chairman, I think it was three years ago that the committee decided that instead of attempting to pass on all of these necessary alterations and changes about a year and a half in advance, that the Treasury Department should have a lump sum out of which necessary alterations might be made in certain post offices where the work was growing and where the need for additional facilities could not be anticipated. This year there were a great many things that came before the committee. The number of post offices and public buildings is quite large and the investment represents a tremendous sum. We have increased the lump sum $50,000 over the current law, so that the Secretary of the Treasury has discretion to determine where some change shall be made in order to permit the Post Office Department to properly function. If any criticism is to be made with regard to what we have done it is that we have increased the amount of the limitation. For the current year it is only $20,000. We have increased it to $25,000. Personally I do not believe the Secretary of the Treasury ought to expend more than $20,000 out of this lump sum on any one public building in making those changes and alterations, but now the gentleman from Louisiana wants to have it arranged so that it would be possible for some one who is on better terms with the Secretary of the Treasury than some other man to get a post office rebuilt.

Mr. DUPRÉ. I do not suppose I shall be that gentleman in the next administration.

Mr. GOOD. That is what I am unalterably opposed to. There happens to be in this case an estimate before the committee to do some remodeling in the gentleman's district, and it happens that the amount estimated is just $50,000, what the gentleman has named in his amendment——

Mr. DUPRÉ. Oh, no; it was $100,000.

Mr. GOOD. This amendment is offered to permit the Secretary of the Treasury to do what the committee thought he should not be permitted to do. It seems to me that the limitation placed in the bill is liberal now, and if we should do anything with it we should reduce it back to the $20,000 carried in the current law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana.

The amendment was rejected.

The Clerk read as follows:

The foregoing work under "Marine hospitals" and "Quarantine stations" shall be performed under the supervision and direction of the Supervising Architect of the Treasury.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word. I ask to be allowed to proceed for 10 minutes out of order.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to proceed for 10 minutes out of order. Is there objection?

Mr. GOOD. Mr. Chairman, I am compelled to object.

The CHAIRMAN. Objection is heard, and the Clerk will read.

The Clerk read as follows:

Salamanca, N. Y., ground rent: For annual ground rent of the Federal building site at Salamanca, N. Y., on account of Indian leases, due and payable on February 19 of each year, in advance, to the treasurer of the Seneca Nation of Indians, beginning February 19, 1915, and expiring February 19, 1991, $7.50.

Mr. HASTINGS. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the committee if that is the correct date in line 21—"1991"?

Mr. GOOD. Yes; it is a long-time lease; it is an unexpired lease.

Mr. HASTINGS. A 70-year lease?

Mr. GOOD. It is a long-time lease, a 99-year lease.

Mr. HASTINGS. I thought perhaps it might be a mistake.

Mr. GOOD. No; it is a long-time lease.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

There was no objection.

The Clerk read as follows:

For wages of plate printers, at piece rates to be fixed by the Secretary of the Treasury, not to exceed the rates usually paid for such work, including the wages of printers' assistants, when employed, $2,086,000, to be expended under the direction of the Secretary of the Treasury: *Provided*, That no portion of this sum shall be expended for printing United States notes or Treasury notes of large denominations than those that may be canceled or retired except in so far as such printing may be necessary in executing the requirements of the act to define and fix the standard of value, to maintain the parity of all forms of money issued or coined by the United States, to refund the public debt, and for other purposes, approved March 14, 1900.

Mr. GOOD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 17, line 5, change the word "large" to read "larger."

Mr. GOOD. It is a typographical error.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Medical and hospital services: For medical, surgical, and hospital services, medical examinations, funeral expenses, traveling expenses, and supplies, and not exceeding $100,000 for library books, magazines, and papers, for beneficiaries of the Bureau of War Risk Insurance, including court costs and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of the insane, $33,000,000. This appropriation shall be disbursed by the Bureau of War Risk Insurance, and such portion thereof as may be necessary shall be allotted from time to time to the Public Health Service, the Board of Managers of the National Home for Disabled Volunteer Soldiers, and the War and Navy Departments, and transferred to their credit for disbursement by them for the purposes set forth in this paragraph. The allotments to the said board of managers shall also include such sums as may be necessary to alter, improve, or provide facilities in the several branches under its jurisdiction so as to furnish adequate accommodations for such beneficiaries of the Bureau of War Risk Insurance as may be committed to its care.

Mr. ROGERS. Mr. Chairman, I desire to offer an amendment. I move to strike out, in lines 20 and 21, the figures "$33,000,000" and substitute in lieu thereof the figures "$46,000,000."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 18, lines 20 and 21, strike out the figures "$33,000,000" and insert in lieu thereof the figures "$46,000,000."

Mr. ROGERS. Mr. Chairman, I offer this amendment with regret, because I recognize the proper anxiety of the Committee on Appropriations and the House to keep expenditures down to the lowest possible figure. But neither the United States nor the Congress wants to save money at the expense of the disabled soldier. The bill carries an item of $33,000,000 for hospitals for disabled soldiers. The current law carries $46,000,000, just the same amount that is proposed in my amendment. The estimate asked for by the Bureau of War Risk Insurance and the United States Public Health Service for this purpose aggregate $50,000,000. Why this amount was reduced I have not been able to ascertain, although I have read the testimony very carefully. There is not a scintilla of evidence to justify the reduction of this appropriation from the $46,000,000 carried in the existing law to the $33,000,000 recommended in this bill. If the number of patients were to be reduced during the ensuing fiscal year there might be some justification for reducing the appropriations to care for those patients. Here are the facts on that point: There are about 20,000 war risk patients now being cared for in the hospitals of the Government. The undisputed testimony before the Committee on Appropriations is that by October 1 of this year there will be 30,000 war risk patients in the institutions of the United States. This means an increase of about 50 per cent as early as next October, when the new fiscal year will be only three months under way. The testimony goes on to indicate that the peak of the hospital load will not have been reached before 1927, and may not be reached until 1929. In other words, the patients to be cared for under this item are increasing every day, and will certainly be increasing for several years to come. In the face of that undoubted fact this appropriation is decreased some 35 per cent. I can not understand why that action was taken unless it was on the theory that in this present fiscal year certain items of repairs and alterations have been necessary and are now necessary that will not continue essential through the coming fiscal year; but the fact is that repairs and alterations will be just as necessary in the ensuing fiscal year as they have been in the past.

Mr. BARKLEY. Will the gentleman yield?

Mr. ROGERS. I will.

Mr. BARKLEY. The statement of the gentleman that the peak of the hospital treatment will not be reached until 1927 or 1929 is a rather interesting statement. Will the gentleman indicate why that state of facts exist?

Mr. ROGERS. There are three great classes of soldier patients who are now being cared for in the hospitals of the United States. There are, first, the medical and surgical cases; second, the tubercular patients; and third, the neuro-psychiatric patients. The medical and surgical class has about reached its peak now, but the other two classes are still mounting month by month. The testimony before the Committee on Appropriations from public-health experts was to the effect that the increase will continue from seven to nine years.

Mr. BARKLEY. Does the largest proportion exist among those who are mentally disabled rather than the other two classes?

Mr. ROGERS. The disabilities of patients at present under hospital care are about as follows: Seven thousand nine hundred suffer from tuberculosis, 5,200 from neuro-psychiatric diseases, and 6,800 are general medical and surgical cases.

The CHAIRMAN. The time of the gentleman has expired.

Mr. ROGERS. I ask that I may proceed for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BARKLEY. The proportion is not very different?

Mr. ROGERS. No; roughly speaking, the three major classes are about equal in number.

If it could be made to appear that the task of altering and modifying the existing structures so as to make them suitable for hospitals has now been accomplished, that would probably be a reason for reducing the appropriation as suggested by the Committee on Appropriations. But in the details of expenditures submitted to the Committee on Appropriations it is shown that about two and a half million dollars are contemplated for repairs and alterations during the coming year. That is to come out of the total expenditure asked for of $50,000,000, and out of the sum of $46,000,000 which I propose. I think that the mistake that the Committee on Appropriations made results from the method that they employed in making their calculation. The Committee on Appropriations estimated that it cost $3 a day, or about $1,100 a year, for the subsistence of each patient in a United States hospital. Then the committee assumed that on October 1 next there would be 30,000 hospital patients. Then they multiplied the two together and got a total of $33,000,000, which is carried in the bill. But, as the hearings show conclusively, hospital subsistence is only one of many purposes to which this appropriation is applied. We all know, for example, that the Public Health Service maintains regional offices all over the United States. Those regional offices cost a good deal of money. But the Committee on Appropriations has not allotted a single cent for the maintenance of those offices when it recommends $33,000,000 as a total for this item.

Gentlemen of the committee, we are taking care of disabled soldiers here. The country and the Congress do not want to economize on the disabled soldier. I submit to the House that if we scale down this appropriation $17,000,000 without any evidence that a cent of it can surely be saved—or more than $4,000,000 at the very most—we shall be in a ridiculous position before the country. We shall have the soldier organizations, and the soldiers themselves, and the friends of soldiers, coming to us and asking what we are thinking of when we are doing this thing. And I believe their complaint will be justified. Our Government experts have told us that their task is going to take so much money—$50,000,000. And without the slightest success in disputing the testimony or its accuracy, this committee recommends a reduction of $17,000,000. We shall be in a ridiculous position, gentlemen, if we accept the action of the Committee on Appropriations, which, in my judgment, was based upon complete misapprehension of the facts.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Massachusetts [Mr. ROGERS].

Mr. GOOD. Mr. Chairman, there is no misapprehension of facts on where the committee acts. Members of the Committee on Appropriations do not get nervous every time some one who happened to be in the late war raises a cry in the press or

otherwise. We have been too nervous in the past. This year we found we had appropriated $37,000,000 more for compensation for the soldiers than we will spend during the fiscal year. To that extent we made a mistake and appropriated more money than the department can possibly pay out. And so, too, when it came to appropriating money for rehabilitation, the Congress wanted to give all that was necessary to give, and yet the officers in charge of that service come before the committee and say that we appropriated $10,500,000 more than they could possibly spend during the year. Congress wants to do fairly by these soldiers, wants to do liberally by them, but it does not want to take out of the Treasury of the United States by a large appropriation enough money to set a higher standard for inefficiency and for waste in the Department of Public Health. If the gentleman will closely examine all the provisions of the bill he will find out just what we have done and why we did it. It is true the Public Health Service asked for more money, but they estimated they would have 30,000 of these men next year. That is 10,000 more than they have at present; yes—more than 10,000 in addition to the present number in the hospitals of the Government.

Now, at another place in the bill we have taken care of between 4,000 and 5,000 of these men, and made the appropriations for them because they are in the institutions cared for by appropriations of Congress under the items for the Soldiers' Homes for Disabled Volunteer Soldiers. Since the last appropriation bill was enacted the managers of the soldiers' homes went to the Rockefeller Institute and said, "We want the latest, the last word, in tubercular treatment," and the Rockefeller Institute sent one of the best scientists, the best-informed man available on tuberculosis, and that man helped the board to make the plan for a modern soldiers' home for these tubercular patients. They took the home down at Johnson City, Tenn., and they decided they would have to increase the floor space of the porches, for under modern treatment it was necessary to have as much floor space out of doors as there was floor space inside. And so modern concrete porches were built of fireproof construction, and other improvements were made, at a cost of less than $400,000. They now have a hospital there for 1,000 men and they have the best doctors that money can hire. And we have provided in this bill, not in this appropriation but in another appropriation, for all the money that they estimate they can spend. And the board of managers say that by using only the very best cuts of beef for these soldiers, not buying the cheaper cuts, and by providing the very best of everything, they will be able to give the very best treatment and the very best food for these soldiers at a cost of $2.20 per day per man.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GOOD. I ask unanimous consent, Mr. Chairman, for five minutes more.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GOOD. Upon $46,000,000 the estimated cost per man would have been $4.20 under the Public Health treatment, instead of $2.20 under the superior treatment that they are receiving in the soldiers' homes. We have made arrangements for more than 5,000 of these 30,000 men, and if the appropriation for them is not large enough Congress is going to be in continuous session and another appropriation can be made. The appropriation should be, not to the Bureau of War Risk Insurance, but to the soldiers' homes and to hospitals where the men are assigned, just as all of these appropriations are made—so much for each home, so much for subsistence, so much for hospital, so much for household, and so on—but at present that is impossible. Possibly after the men are placed in homes this can be done. The Board of Managers of the Soldiers' Homes has managed these institutions in a model way, and I am sure it is the intention of Congress to give all the money that is necessary to properly care for the soldiers.

Mr. JONES of Texas. Will the gentleman yield?

Mr. GOOD. I will.

Mr. JONES of Texas. What is the necessity for maintaining separate medical organizations for the Bureau of War Risk Insurance and the Public Health Service? Why is it that they can not be merged under one head, as one medical organization, to look after the entire thing, and save the expense of two separate organizations?

Mr. GOOD. That is what the Public Health Service, I assume, wants, and maybe it is the thing that will some time be done, but under the law these soldiers are the beneficiaries of the Bureau of War Risk Insurance. You might as well ask the question as to why was it necessary before, with regard to the Civil War pensioners, to have examiners and physicians to examine them under the Commissioner of Pensions. It was to prevent fraud. It was to prevent persons from encroaching upon the Government. And these soldiers are not different from other soldiers.

One of them was discharged the other day after having recovered from the effects of two operations. He was receiving $120 per month compensation because of his disability. He went to the hospital and had the operations performed, and they were successfully performed, and after they were performed he was pronounced to be cured and absolutely well. He stated that he was well. But when he went out into the world again and found that he could not make more than $80 a month, or about that, he came back and knocked at the doors of the Public Health Service and appealed to the War Risk Insurance, claiming that he was a sick man. What he really wanted was his $120 per month compensation.

You will have those problems to deal with, but you must deal with them in a firm manner, and that is perhaps one of the reasons why there should be a medical corps that will be able to determine at all times the question of whether a man shall receive the payment out of the Federal Treasury to the extent he is entitled to payment if actually disabled, and as long as you have lodged that function with respect to the soldiers of this war in the Bureau of War Risk Insurance, you must then give that bureau a medical staff to determine the question, just as you gave the Commissioner of Pensions a medical staff to determine such questions arising under his jurisdiction. This medical staff is from the Public Health Service.

Mr. ROGERS. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Certainly.

Mr. ROGERS. Would the gentleman explain to the committee why, if $46,000,000 was the right amount for a maximum of 20,000 patients, $33,000,000 is the right amount for a maximum of 30,000?

Mr. GOOD. I know the gentleman is interested in this matter very deeply, and frankly I do not believe they will have 30,000 patients. The committee did not believe so. The bureau officials have made many mistakes before in regard to their estimates. Forty-six million dollars was more than enough this year to take care of all of them. This year, the first year under the new arrangement, the Director of War Risk allotted to the board of managers large sums for changes in buildings. For this coming year we are making the appropriation direct to the board of managers for the care of all soldiers there. Last year it was necessary for the director to allot something like $4,000,000 to remodel these soldiers' homes. That has been done, and that will not be necessary next year.

I know that the gentleman does not want us to make the mistake we did before in our desire to do all that is necessary because there is a demand for more and a statement that we were not doing enough for rehabilitation. We gave for the present year $10,500,000 more than it was necessary to give, according to their own statement.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired. The question is on agreeing to the amendment offered by the gentleman from Massachusetts.

Mr. JONES of Texas. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. JONES of Texas. Mr. Chairman, the reason why I asked the question a while ago was that I had an instance called to my attention where a soldier had applied for compensation, and the application was held up for months in the Bureau of War Risk Insurance because of some alleged failure to act in the Public Health Department. I do not know what arrangement they have about transferring cases from the medical department of the Public Health Service to the Bureau of War Risk, or vice versa, or just what cases are handled by each. I know that the medical department of the Bureau of War Risk gave as their only excuse for leaving this claim pigeonholed for many months the statement that the Public Health Service had not acted upon some particular phase of the claim. I do not know what particular claims they refer to one division or to the other, but I can see no reasonable ground for maintaining two separate departments.

I can not see any good reason why the same medical organization that operates for the Public Health Service could not operate also for the Bureau of War Risk and attend to all the cases and do it more expeditiously than it is being done by referring them back and forth between the two different departments.

Mr. GOOD. That is an administrative matter.

Mr. BARKLEY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. BARKLEY. So far as the field work is concerned, that is what is done now. The Bureau of Public Health Service make all these examinations, and their examinations are reported to the medical department of the War Risk Insurance. If the bureau had a separate corps of physicians there would be a duplication of the work, whereas now they utilize the service of the Public Health examiners all over the United States.

Mr. JONES of Texas. May I ask the gentleman whether there are no Bureau of War Risk examiners anywhere outside of Washington?

Mr. BARKLEY. I think not. The Public Health Service maintains its examiners in various districts throughout the country. Local examiners of the Public Health Service make the examinations and report from district headquarters to Washington, and in that way there is a saving of duplication which would occur if it were arranged otherwise.

Mr. JONES of Texas. What is the use of having it go to both departments when it comes to Washington?

Mr. BARKLEY. I understand the district reports go to the chief medical adviser as to compensation, but there are other matters frequently arising in hospitals which are under the Public Health Service, where they make reports to the Chief of the Public Health Service instead of to the War Risk Bureau.

Mr. JONES of Texas. The gentleman's statement carries out my proposition that there should not be two separate services, because if they can utilize one service out in the field more expeditiously than by having two organizations, I see no reason why the reports could not come from the Public Health Service direct from the field and be disposed of here in Washington by the one bureau head. This would enable claims to be passed upon much more expeditiously.

Mr. CARAWAY. Mr. Chairman, will the gentleman yield?

Mr. JONES of Texas. Yes.

Mr. CARAWAY. May I ask the gentleman what is the origin of his idea that they ever did anything expeditiously in the Bureau of War Risk Insurance? [Laughter.]

Mr. JONES of Texas. I was suffering from the same kind of complaint that the gentleman from Arkansas seems to be laboring under. But I am opposed to delay. That is not the only instance where soldiers have been delayed in receiving their compensation by virtue of the red tape that is gone through with here in Washington. Now, to maintain out in the field, where the actual examination is had, a corps of examiners under the Public Health Service, through which they make an examination, and have that come to one department here, and then have it sent to another department in Washington, is absurdly foolish, for according to the gentleman from Kentucky the Public Health Service conducts these examinations in the field, where the principal work, after all, is done, and the rest is simply done by a reviewing board. There can be no sensible or sane reason why the claim should not go direct to the headquarters of the organization that conducts the examination and there have the work finally disposed of. I am making this suggestion in the hope that this matter may be simplified in the interest of the unfortunate ex-service men who suffer during these almost interminable delays.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Massachusetts [Mr. ROGERS].

The question was taken; and the amendment was rejected.

Mr. GOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GOOD: Page 19, after line 8, insert: "The allotments made by the Bureau of War Risk Insurance to the Public Health Service for the care of beneficiaries of that bureau by the said service shall also be available for expenditure by the Public Health Service on that account for necessary personnel, regular and reserve commissioned officers of the Public Health Service and clerical help in the District of Columbia and elsewhere, maintenance, equipment, leases, fuel, lights, water, printing, freight, transportation, and travel, and maintenance and operation of passenger motor vehicles."

Mr. MANN of Illinois. I reserve a point of order on that amendment.

The CHAIRMAN. The gentleman from Illinois reserves a point of order on the amendment.

Mr. GOOD. The Public Health Service made an estimate for this entire service. They made it on a new plan, altogether different from the present law. We rejected that plan. We propose to follow the plan of this year, so if possible to set up a little competition, if you please, between the Public Health Service and these other hospitals where these men are given their treatment. Now, the amendment I have sent to the Clerk's desk, which has just been read, is current law. That is the provision that was put in last year in order to make the plan workable, but by some oversight in rejecting the plan submitted by the Public Health Service the plan that Congress formulated last year in that respect was also omitted.

Mr. MANN of Illinois. It was not in this place in the bill.

Mr. GOOD. No; it was in another place in the bill, but it ties right in with this proposition and should be inserted here. It is the same thing that they marked out.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. GOOD. Yes.

Mr. CHINDBLOM. Does this amendment mean that this allotment shall be available for the general purpose of the Public Health Service?

Mr. GOOD. No; only for the treatment of cases turned over to the Public Health Service by the Bureau of War Risk Insurance. The thought was this, that the law placed these men in charge of the War Risk Bureau, and Congress took the position that if one bureau had charge of these men that same bureau should have the appropriation that would follow them when they were sent to a given hospital, so that there could be no controversy or conflict about having the men sent to a hospital and no money sent there to pay for their care and keep.

Mr. CHINDBLOM. The language does not limit it to the beneficiaries of the War Risk Insurance. However, if that has been the construction heretofore we may be safe in assuming that they will follow it.

Mr. GOOD. Yes; it does limit them to war-risk patients.

Mr. MANN of Illinois. I withdraw the point of order.

The CHAIRMAN. The gentleman from Illinois withdraws the point of order. The question is on the amendment offered by the gentleman from Iowa [Mr. GOOD].

The amendment was agreed to.

Mr. BLANTON. Mr. Chairman, I make the formal motion to strike out the paragraph. I do so for the purpose of again calling the attention of the House to the fact that for every ex-service man the Bureau of War Risk Insurance still keeps three separate files, one file on one floor of that big building that is supposed to relate to any insurance rights he may have; another file on another floor of that big building that is supposed to relate to any compensation rights that he has; and still a third file on another floor of that big building that is supposed to relate to allotments and allowances that members of his family may have an interest in as beneficiaries. If one of your constituents should write a letter to the War Risk Insurance Bureau about any right they may have with reference to an ex-service man you can not tell to save your life, and the War Risk Insurance Bureau can not tell, where to find that letter unless they go onto those three separate floors and make a search of those three separate files, requiring the attention and services of numerous employees in that department. I have called the attention of the director to that fact time and again. I have called the attention of the heads of his various sections to that fact time and again. I have made the suggestion to them that if they would have one complete file that contained every single letter and document coming to that office relating to any particular ex-service man, then they could tell in a few minutes where to find it, and they could find it; but now it takes them a whole day sometimes to search out one letter that has come into their files. A good woman sent them a check back. It was not for the amount that was due her. She sent her check back and asked them to please correct it. She heard nothing from them for three months. Her payments stopped when they had been regular theretofore. I went down there to look the matter up and they could not find the letter and could not find the return check until with my help they had searched for half a day. You can imagine just exactly what that means to this Government. If they would readjust their system on a business basis and have just one file instead of three, they could do away with two-thirds of the space that they now occupy in that bureau. In other words, there would be available for other departments in other businesses of this Government two-thirds of the space in that great building, which would save much money in rentals now paid, and then the people could expect some reasonable definite action on their business within a reasonable time when they send communications to that department. Why they do not change their slow processes down there I can not understand.

Mr. BARKLEY. Will the gentleman yield?

Mr. BLANTON. I yield to the gentleman from Kentucky.

Mr. BARKLEY. The gentleman will recall that under the law these three branches of the War Risk Insurance are entirely separate.

Mr. BLANTON. Oh, yes; but they all relate to one ex-soldier.

Mr. BARKLEY. Yes; but they are under different heads and different chiefs. Does the gentleman think it would be more efficient to have a conglomeration of all these claims, that are

based on three different articles of law, at one place, than to have them systematically separated?

Mr. BLANTON. Yes, I do, for this reason: They are all under one director. When you had some business with a soldier's file you could know exactly where to find the documents and correspondence; but when a letter comes in there relating to insurance it is just as likely to be filed in the compensation department or some other department as it is in the insurance section.

Mr. BARKLEY. That might result from incompetence on the part of the file clerk, but it does not militate against separating the various kind of information.

Mr. BLANTON. Let me call the gentleman's attention to this fact: Suppose you had business relating to the service of a soldier that might affect all three branches. You must then go down there and require the services of several clerks on one floor for one file, spend time hunting for that, then on another floor with other clerks, and then on a third floor in another section, when you could do it in one-third of the time and with the services of one-third less employees if you had this all in one file in one place. Mr. Chairman, I withdraw my pro forma amendment.

Mr. CHINDBLOM. I object, Mr. Chairman, as I want to oppose the amendment. I do this to ask the chairman what is the unexpended balance of the appropriation for compensation for the fiscal year ending 1921?

Mr. GOOD. The estimate of the director was to the effect that on June 30 there would be a balance of $37,000,000.

Mr. CHINDBLOM. I think it well to have that go in the RECORD, because there are always claims that we are not appropriating a sufficient amount.

The Clerk read as follows:

Suppressing counterfeiting and other crimes: For expenses incurred under the authority or with the approval of the Secretary of the Treasury in detecting, arresting, and delivering into the custody of the United States marshal having jurisdiction dealers and pretended dealers in counterfeit money and persons engaged in counterfeiting Treasury notes, bonds, national-bank notes, and other securities of the United States and of foreign Governments, as well as the coins of the United States and of foreign Governments, and other crimes committed against the laws of the United States relating to the pay and bounty laws, and for the enforcement of section 18 of the War Finance Corporation act; hire and operation of motor-propelled passenger-carrying vehicles when necessary; per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for no other purpose whatever, except in the protection of the person of the President and the members of his immediate family and of the person chosen to be President of the United States, $400,000: *Provided*, That no part of this amount be used in defraying the expenses of any person subpœnaed by the United States courts to attend any trial before a United States court or preliminary examination before any United States commissioner, which expenses shall be paid from the appropriation for "Fees of witnesses, United States courts": *Provided further*, That no person shall be employed hereunder at a compensation greater than that allowed by law, except not exceeding three persons, who may be paid not exceeding $12 per day.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Page 21, line 22, after the word "act," strike out the words "hire and operation of motor-propelled passenger-carrying vehicles when necessary."

Mr. BLANTON. Mr. Chairman, it has been intimated from time to time by the leaders of the House, especially the majority chairmen of committees, when discussing these appropriation bills, that they were going to stop the practice of furnishing limousines and other fine passenger automobiles to the various heads of the departments and bureaus in Washington. Just go down town at night and watch the street and you will see a lot of automobiles with United States insignia on them going up and down the street. We ought to stop it. We ought to stop paying two, three, four, five, and six thousand dollars sometimes for an automobile for private use; we ought to stop the expense of maintenance; we ought to stop the expense of employing flunkeys to drive them——

A MEMBER. Chauffeurs.

Mr. BLANTON. When a Government official has got to have some one paid by the Government to drive him around the driver ceases to be a chauffeur and becomes a flunkey. I think we ought to stop it. The distinguished gentleman from Missouri, ex-Speaker of this House, CHAMP CLARK, sometimes rides in a street car. It does not belittle him to ride in a street car. Some of the distinguished leaders of the other side of the aisle ride in the street cars sometimes, and when they do not want to ride in a street car they ride in their own automobiles, paid for with their own money, and they also pay for the gasoline and the chauffeur to drive him. Why should we continue to furnish department heads and bureau heads with free limousines, free gasoline, free upkeep, free chauffeurs to drive them and the members of their family around Washington. I think we ought to stop it. If we are going to wipe out this $3,000,000,000 deficit staring us in the face, we might as well begin with the little items, because it is the small items that make up the big items in the expense of the Government. I know these fellows come and put up a big, strong song and dance that they must have these things; they are all hail fellows well met. The chairman smiles and says we ought to stop this, and that is as far as he gets and it again goes into the bill. This is an upkeep that we ought to stop; it is an overhead in a small way, but in the aggregate with other such expenses makes up a big overhead and we ought to stop it. I want to ask the chairman if he is not willing to stop it. Is he afraid of the bureau chiefs and the heads of departments if he takes away from them the automobile and the limousine service?

Mr. GOOD. Mr. Chairman, the item the gentleman from Texas refers to has been carried in the appropriation bill for a number of years. This year the department asked for authority to buy a new automobile. We did not give that authority. The facts are that the Pierce Arrow Co. furnishes one car that carries the secret-service men when the President is out riding in his car, to follow the President's car, and I think that has been the practice for some time. The Pierce Arrow people furnish the car for $500 a year and replace it with another car. We did not give them authority to buy a new car and only a small amount of this money is used for that purpose. I do not believe in expenditures along the line which the gentleman from Texas has referred to, but I do not believe that in this appropriation there is any great abuse.

Mr. McLAUGHLIN of Michigan. How much of this money is to be used for the purchase of an automobile?

Mr. GOOD. None at all; we did not give them any authority to purchase.

Mr. McLAUGHLIN of Michigan. I thought I caught from the reading of the amendment that purchase of an automobile was authorized.

Mr. GOOD. No; the gentleman moves to strike out the words "hire and operation of motor-propelled passenger-carrying vehicles when necessary."

Mr. BLANTON. That item with the others I am moving to strike out takes in all the expense, operation, upkeep, chauffeurs, and everything else for 236 passenger automobiles this one service operates.

Mr. BYRNS of Tennessee. If the gentleman will yield, my recollection is that this appropriation was used only for the purpose of hiring an automobile which carried the secret-service agents who go with the President from place to place.

Mr. GOOD. Yes; and when there is a call for a secret-service man he has to go immediately, and if he did not have this car he would have to hire one.

Mr. BYRNS of Tennessee. There is certainly no abuse of this appropriation.

Mr. MANN of Illinois. If the gentleman will yield, how would it be possible for the secret-service men to guard the President, who rides in an automobile operated by the Government, if the secret-service men had to walk?

Mr. GOOD. They would have to be stationed along the road, and you would have to have a pretty good-sized army.

Mr. KNUTSON. And how much would it cost to guard the road?

Mr. BLANTON. How much did it cost to guard Theodore Roosevelt and other distinguished Presidents of the United States preceding him? The gentleman can not make us believe that this relates to only one automobile; the whole appropriation might be expended by authority of law.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas.

The question was taken, and the amendment was rejected.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having taken the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had agreed to the amendments of the House of Representatives to bills of the following titles:

S. 2371. An act for the relief of Kathryn Walker; and

S. 390. An act for the relief of Peter McKay.

The message also announced that the Vice President had appointed Mr. WALSH of Montana and Mr. FRANCE members of the joint select committee on the part of the Senate as provided for in the act of February 16, 1889, as amended by the act of March 2, 1895, entitled "An act to authorize and provide for the disposition of useless papers in the executive departments and for the disposition of useless papers in the Civil Service Commission."

SUNDRY CIVIL APPROPRIATIONS.

The committee resumed its session.

The Clerk read as follows:

For maintenance of marine hospitals, including subsistence and all other necessary miscellaneous expenses which are not included under special heads, $625,000: *Provided*, That there may be admitted into

said hospitals for study persons with infectious or other diseases affecting the public health, and not to exceed 10 cases in any one hospital at one time.

Mr. MANN of Illinois. Mr. Chairman, I make the point of order against the proviso.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the proviso?

Mr. GOOD. That is not a new provision. It is a provision that has been carried for a long time.

Mr. MANN of Illinois. Oh, it is a provision that has been carried for a time when the memory of man runneth not to the contrary, but it is subject to a point of order. It is legislation, and if legislation is needed let it be brought in in a proper way.

Mr. GOOD. This was asked for by the Public Health Service.

Mr. MANN of Illinois. That may be very true.

The CHAIRMAN. Does the gentleman from Iowa care to be heard on the point of order?

Mr. GOOD. I do not care to be heard on the point of order.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

For medical, surgical, and hospital services and supplies for beneficiaries (other than war-risk insurance patients) of the Public Health Service, including necessary personnel, regular and reserve commissioned officers of the Public Health Service, clerical help in the District of Columbia and elsewhere, maintenance, equipment, leases, fuel, lights, water, printing, freight, transportation and travel, maintenance and operation of motor trucks and passenger motor vehicles, court costs and other expenses incident to proceedings heretofore or hereafter taken for commitment of mentally incompetent persons to hospitals for the care and treatment of the insane, and reasonable burial expenses (not exceeding $100 for any patient dying in hospital), $4,080,000: *Provided*, That of this sum not exceeding $80,000 may be used for the maintenance of home for lepers, including transportation of lepers, maintenance, care, and treatment of patients, and pay and maintenance of necessary officers and employees.

Mr. BLANTON. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 25, line 8, after the word "trucks," strike out the words "and passenger motor vehicles."

Mr. GOOD. Mr. Chairman, the gentleman understands that would strike out ambulances.

Mr. BLANTON. Oh, no; not at all. Mr. Chairman, I am going to get to that point if the chairman of the committee will just give me a little time. Under this item, this blanket appropriation, which is a part of the policy of our distinguished friends on the Republican side of the aisle, amounting to $4,080,000, this department is given carte blanche to spend just as much of that sum as it wants to for maintenance and operation of passenger motor vehicles. When that matter was up before the committee the chairman used this language, on page 356 of the hearings:

The CHAIRMAN. You are also asking for the purchase, exchange, maintenance, repair, and operation of motor trucks and passenger motor vehicles.

Later he said:

The CHAIRMAN. If you had this authority, every surgeon, acting surgeon, and prospective surgeon would demand a limousine from Dr. Cumming, and he would have to explain why he could not take out of this appropriation of $5,000,000 the small sum of $5,000 to buy a nice car. This would give him the authority to do it, and the question would be put up to him to do it.

Then later this occurred:

Dr. FOX. We will not need any motor trucks.
The CHAIRMAN. What do you want to buy?
Dr. FOX. We need these for personal transportation. We need motor cars. We are not getting any from the Army now, except a few wrecks.
The CHAIRMAN. Then, you do not want any motor trucks?
Dr. FOX. No, sir.

Later, on page 359 we have a report, required to be inserted in the hearing by Dr. Cumming, which shows that they are operating 15 passenger cars in Washington at this time which they term "touring cars"—not ambulances, but touring cars. They operate 159 ambulances besides in the Public Health Service. This is not a car furnished for the secret-service men to ride around in to guard the President. These are 15 private cars used here by various surgeons in that department for their private cars. In coming to my office this morning I had to ride a considerable distance behind one of these fine limousines bought and maintained by the Government that brought one of these petty surgeons down to his office, which is right across the street from the House Office Building. I could not pass him because his car was going too fast. I was therefore forced to note the magnificence of that fine limousine, with that petty surgeon sitting on the back seat, reared back, a Government employee driving him, paid for by the Government. There is no mention made of any limousines here. They are called touring cars. And this department has 236 such passenger cars besides its 159 ambulances. I saw that limousine with my own eyes, and it had the insignia of the United States Government printed on it, and if they are using limousines why do they not say so? The chairman can not get around this proposition by saying it is for secret-service men guarding the President of the United States. It is just a question of continuing this policy of furnishing fine automobiles for heads of various departments and their assistants to ride around here in the Nation's Capital. If they want to ride in automobiles, let them buy them themselves, as we have to do, and if they do not want to buy them, let them ride on the street cars, as do many of the distinguished Members of Congress sometimes, and pay their 8-cent fare.

Mr. MANN of Illinois. Why not have them walk?

Mr. BLANTON. It is up to the chairman and his party which has adopted this policy.

Mr. GOOD. Oh, no; the gentleman's party has not adopted any such policy.

Mr. BLANTON. But it is continuing it. The gentleman from Iowa [Mr. GOOD] has gotten back from Marion, the distinguished leader of the majority [Mr. MONDELL] has gotten back from Marion, and when the distinguished gentleman from Iowa [Mr. TOWNER] and others get back, they may have some light on economy to go by in this House, and they may then see fit, after they come froni consultations at Marion, to take away these limousines furnished by the Government to these high-salaried Government heads.

Mr. LAYTON. Mr. Chairman, I move to strike out the last word. In reply to the chairman of the committee to his observation that it does not apply to the party in power, I want to say as one Republican that I think it does apply to the party in power, because we are in power, and the bill ought to be so drawn, in my judgment, as to limit the use of limousines.

Mr. GOOD. The gentleman wants to be practical. This appropriation takes care of every Public Health hospital. We do not say in all of these appropriations that so many gallons of gasoline for this car shall be bought and so many gallons of gasoline for that truck at this hospital, but here is big service, and in all of these appropriations for years past——

Mr. LAYTON. Mr. Chairman, I would like the gentleman to permit me to have a little of my own five minutes. My point is this, and I make it in good faith and as a good Republican and as a citizen of the United States: There ought to be some limitation in this bill somewhere whereby public money should not be used in this way by these people who are engaged in public service any more than that the Government should furnish an automobile for every clerk and every Member of Congress. It is a scandal, and everybody knows it. The chairman of the committee ought to be competent, and he is competent enough to prevent that thing from being continued as it has been carried on. I would like to ask in my five minutes of time how much money in the aggregate is appropriated this year for the Public Health Service as contrasted with last year?

Mr. GOOD. Last year the appropriation for this purpose was $4,000,000, and this year $4,080,000, for services other than the care of war risk patients—$80,000 extra.

Mr. LAYTON. All I want to say is that you have a proposition here that started from small beginnings, a quarantine service. It has grown to such an extent that you have 2,300 doctors on the pay rolls of the United States, at a salary of $2,000 each a year, who are practicing in competition with men and women of the United States who are engaged in private practice. Where is this Public Health Service going to stop? That is the point I want to make.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. I can remember the furor that arose on a great many different occasions about the use of automobiles. The House at one time was disposed, in the interest of the farmer who raised horses, to forbid any Government official having an automobile. Think of it! Put down the horses! Now, since the farmers all own automobiles themselves, and a larger number in proportion to anyone else, it has become the custom for people to ride in automobiles, and a few years ago Congress or Members of Congress, unduly excited because they had seen some Government official riding in an automobile when the Member of Congress either did not have the money or was too stingy to own one—Congress started out to pass a law forbidding any appropriation made by Congress to be expended in the purchase or operation of an automobile. That is still the law, having this provision in it, that if Congress in an appropriation should specifically authorize the operation of an automobile, then it might be done, but without that express authorization no money could be so expended. Why, the automobile is as much a necessity to-day for convenience and the transaction of business as the street car is in a big city. The gentleman from Texas [Mr. BLANTON] owns an automobile and runs it himself.

Mr. BLANTON. And I do not object to other people owning and running them.

Mr. MANN of Illinois. No; but the gentleman paid for it out of public money——

Mr. BLANTON. No; I paid for it out of my own money.

Mr. MANN of Illinois. Oh, yes; which he has drawn out of the Public Treasury. [Laughter.] He did not have an automobile until he became a Member of Congress——

Mr. BLANTON. Oh, yes; I did for years.

Mr. MANN of Illinois. Not in Washington?

Mr. BLANTON. I had one long before I ever dreamed of coming to Congress.

Mr. MANN of Illinois. The gentleman may have had a flivver, but not an automobile.

Mr. BLANTON. I had a Stevens Duryea, I will say to my friend.

Mr. LAYTON. I think the gentleman from Illinois is not exactly logical about the matter.

Mr. MANN of Illinois. Logic has nothing to do with it. The gentleman from Delaware and the gentleman from Texas have only shown prejudice and not logic.

Mr. LAYTON. That is all right, but if the gentleman will allow me to show the logic. The gentleman assumes he buys an automobile out of public money, whereas he buys it out of his salary. What the gentleman from Texas wants is for the other man to buy it out of his salary.

Mr. BLANTON. That is what I want.

Mr. MANN of Illinois. If he drew the pay the gentleman from Texas does, he would be happy to do it——

Mr. BLANTON. Some of the bureau chiefs, department heads, draw $12,000.

Mr. MANN of Illinois. No; they do not. Some of the experts employed by this administration may draw $12,000, I do not know; but not authorized in an appropriation or by law. There are a good many lawless things going on now which have grown up as a part of procedure of the war. Let us hope that many of them will be done away with after the 4th of March.

Mr. BLANTON. Will the distinguished gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. BLANTON. The gentleman said that no officer is drawing $12,000——

Mr. MANN of Illinois. No; I did not say any officer. I said no head of bureau.

Mr. BLANTON. Well, I think——

Mr. MANN of Illinois. I used language technically, carefully, and the gentleman ought to follow my example.

Mr. BLANTON. I am trying to do so. Did not the gentleman vote to increase the number of commissioners on the Interstate Commerce Commission to 11 and to increase their salaries to $12,000 each?

Mr. MANN of Illinois. What has that got to do with this question?

Mr. BLANTON. Twelve thousand dollars each; they now draw——

Mr. MANN of Illinois. Oh, they are not heads of bureaus. Any tyro, anybody, any clerk to a Member of Congress, except the gentleman from Texas, knows that the Interstate Commerce Commission are not heads of bureaus.

Mr. BLANTON. I spoke of department heads.

Mr. MANN of Illinois. I use language carefully. Now, what is the proposition here? The gentleman proposes to forbid the use of passenger-carrying automobiles in the Public Health Service. The first one to complain when some patient from the gentleman's district is compelled to walk or ride in a street car, the first one to complain would be the gentleman from Texas, and a proper complaint he would make. That there may be abuses of discretion at times, I do not know, but the gentleman's amendment is to cut the heart out of the service to meet what I believe to be an imaginary abuse.

The CHAIRMAN. The question is on the amendment of the gentleman from Texas.

The question was taken, and the Chair announced the noes appeared to have it.

On a division (demanded by Mr. BLANTON), there were—ayes 1, noes 40.

So the amendment was rejected.

The Clerk read as follows:

Prevention of epidemics: To enable the President, in case only of threatened or actual epidemic of cholera, typhus fever, yellow fever, smallpox, bubonic plague, Chinese plague or black death, trachoma, influenza, or infantile paralysis, to aid State and local boards, or otherwise, in his discretion, in preventing and suppressing the spread of the same, and in such emergency in the execution of any quarantine laws which may be then in force, $500,000.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. I notice that it is proposed to increase the epidemic appropriation from $355,000, which was the present law, to $500,000 for the next year. There is one reason which I can readily understand: There may be an epidemic following the recent election. [Laughter.] But what is this money for, may I ask, and how much is being used now for imaginary or real epidemics?

Mr. GOOD. The expenditure this year has largely been in southern ports. The bubonic plague has broken out in New Orleans and two or three other Gulf or southern cities, and it was necessary to commence to carry on a very extensive work there to exterminate rats. That has cost a great deal of money, and my recollection is that they have expended for this year the most of their appropriation and will come in for a deficiency because of that fact.

Mr. MANN of Illinois. Well, it may be if there has been an epidemic or threatened epidemic in these ports, I was not familiar with that fact, but I can see that is a very good work, but while they are spending so much money in killing off rats the number of rats seems to be increasing everywhere.

A year or so ago, maybe longer, we included influenza in this item. Of course, influenza is always present. Any bureau of the Government can always find ways of spending money for influenza. Is there any necessity for carrying that provision in this item so as to encourage them to spend money?

Mr. GOOD. I will say to the gentleman they had a separate item for influenza, and we struck that out and put that word in here, so that if the influenza epidemic should break out again it could not be said that Congress had not made some provision for the investigation.

Mr. MANN of Illinois. Of course, it is inevitable, I suppose, where we ever make an appropriation for a possibility, so as to guard against what might happen in the future, they immediately seize that money to establish a current work and continue it forever.

Mr. GOOD. That is true.

Mr. MANN of Illinois. And if the emergency arises they never have that money for the emergency. I get tired of this abuse of power on the part of many of the Government officials, but which I think is perfectly natural. They are pressed to spend the money. I am not criticizing them.

Mr. GOOD. They asked for $200,000 as a separate appropriation for influenza. We struck that out and put in the word here so as to give them authority.

Mr. MANN of Illinois. The word was in here before.

Mr. GOOD. Yes; in the law but not in the estimate. They asked to have it stricken out of this paragraph, but to insert a new paragraph with an appropriation of $200,000 for influenza alone. We refused that.

The CHAIRMAN. The time of the gentleman has expired. The Clerk will read.

The Clerk read as follows:

Rural sanitation: For special studies of and demonstration work in rural sanitation, including personal services and including not to exceed $5,000 for the purchase, maintenance, repair, and operation of motor-propelled passenger-carrying vehicles, $50,000: *Provided*, That no part of this appropriation shall be available for demonstration work in rural sanitation in any community unless the State, county, or municipality in which the community is located agrees to pay one-half the expense of such demonstration work.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. I shall not propose an amendment to increase the amount of appropriation for rural sanitation, and I suppose under existing conditions I probably would not vote for one. And yet it almost made me heartsick at times to think of the enormous sums of money absolutely expended, as it seems to me, with an Army too big and a Navy too great, and then refusing to spend a little money where it would make people healthier, happier, and wiser. The Government appropriates millions of dollars to bring men into the Army, millions of dollars for any kind of a naval craft, and then much more to support the personnel of that craft than it would cost to spread light throughout many sections of the country about sanitation and health. I do not think it is the duty of the General Government to regulate the affairs of all the individuals in the country, but when I know the good that has been done not merely by the Government but by organizations outside and the good that might be done in a direction like this it makes me wonder if we will ever wake up and have sense enough to save money where it is not needed to be expended and expended where it will do real good.

Mr. HUMPHREYS. Mr. Chairman, I move to strike out the last word. I agree very fully with what the gentleman from Illinois [Mr. MANN] has said. I just wanted to call the attention of the chairman to this proviso, "that no part of the appropriation shall be available for demonstration work," and so forth, except upon a 50–50 basis.

Mr. GOOD. That is current law.

Mr. HUMPHREYS. Yes; that is current law, and I very seriously doubt the wisdom of it. The Federal Public Health Service, in my opinion, is thoroughly justifiable. It is a Federal

activity that has done great good. It is economy to do the things that are done by the Public Health Service. It is very much more sensible to have a bureau here make investigations and secure information for all the States than it would be to undertake to have 48 separate ones doing the work in the States. I believe they ought to get information on the various subjects relating to the public health, for the treatment of pellagra, typhus, and for rural sanitation, and so forth. Having gotten that information, I think the Public Health Service ought to make it available to the State boards of health, so that they may use it, telling them "here is our experience; here is the result of our investigations carried on everywhere. We give the information, and the State board can use it if it wants to do so." We put it on the 50–50 basis. What is the result? We have the example before us a little further on in this bill. We appropriated money under this Interdepartmental Social Hygiene Board, I think it is called. The condition was that this money would be available to the States on the 50–50 basis. Part of that money has been wisely expended, I think, especially that under the direction of the State boards of health, because they have an organization in the States already, and they can administer that fund wisely—that part that was alloted to the Public Health Service. The legislatures come along and they make an appropriation.

Say a State is to receive $20,000 for its allotment, the legislature makes an appropriation of $20,000 to match that, but they put the proviso in there that it is to match the Federal appropriation. Now, Congress some day, as we are doing to-day, will find out or conclude that it will not appropriate any more funds. The money appropriated by the States is then not available, because it has been made contingent upon an appropriation by Congress. And the whole service fails. That is exactly what is going to happen under the activities heretofore authorized. As I understand, a certain amount of the $1,000,000 appropriated under the subtitle "Interdepartmental Social Hygiene Board" was to be expended under the direction of the State boards of health on a 50-50 basis. The legislature makes an appropriation to match the allotment of $25,000 or $40,000 or $50,000, or whatever it happens to be. Many of them, so far as I am advised, so worded their appropriation that it is not available unless they get the Government's 50 per cent. The legislatures adjourn, and do not meet for two years, and the appropriation by Congress goes out on a point of order, or it is not the judgment of Congress that the appropriation shall continue——

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. HUMPHREYS. I ask for five minutes more, Mr. Chairman.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent for five minutes more. Is there objection? [After a pause.] The Chair hears none.

Mr. HUMPHREYS. So that wise and very useful activity, beneficial and helpful, fails utterly, but, in my opinion, never would have failed but for the fact that we put in this 50-50 provision to start with.

If we gave the States the information, they would have made their appropriations without condition if they wanted to and permitted the work to go on. But when we held up this fifty-fifty bait they grabbed it, and they so framed their appropriations as to make them available only in connection with the Government's 50 per cent.

I just wanted to call the attention of the chairman to that. I think it is a mistake for the Government to offer to make these fifty-fifty appropriations. I think that money ought to be turned over to the Public Health Service for some further investigation. There are many investigations that they can make, and we should hold no bait up to the States to tempt them, but should furnish the information which the Public Health Service can get much more economically than the State boards could. They have done very valuable work. Get the information and give it to the States, and if any States do not care to use it, they are the ones that will suffer.

Mr. GARRETT. Mr. Chairman, will the gentleman yield for a moment?

Mr. HUMPHREYS. I yield.

Mr. GARRETT. I will ask the gentleman if there is not this further vice inherent in this system, to wit, that it not only baits the States but it tends to coerce the States? If, for instance, my State does not see fit to make an allotment equal to that made by the Government, the citizens of my State will continue to pay their portion of the Federal taxation. In other words, in order to get the benefit of the Federal fund, for which they are taxed, they must turn around and tax themselves again through their State agency in order to get any part of it?

Mr. HUMPHREYS. Yes. I think it is a mistake. I do not think the Federal Government ought to undertake actually to do the work, either alone or in cooperation with the States. I think it should make the investigations and give the States the benefit of them.

Mr. MANN of Illinois. Does the gentleman believe the farm demonstration work on the 50-50 basis is a mistake?

Mr. HUMPHREYS. No. From my observation it is a success.

Mr. MANN of Illinois. Is not this almost identically the same thing, except that it is a health demonstration?

Mr. HUMPHREYS. I did not have this rural demonstration work in mind when I spoke, but I think as a general proposition the Public Health Service ought simply to get the information.

Mr. MANN of Illinois. What the gentleman has in mind is the Mississippi River. [Laughter.] But still he is making his observation on an item in the bill.

Mr. HUMPHREYS. I would be delighted if the Federal Government would give my district 50-50 on the Mississippi River; but that has no relation to this subject.

Mr. BYRNS of Tennessee. I am sure the gentleman would not consider cooperation by the State with the Federal Government in building highways as a failure?

Mr. HUMPHREYS. I would not want to swear to that, but my observations relate solely to the activities of the Public Health Service.

Mr. BYRNS of Tennessee. This appropriation carries $50,000, which, in my judgment, is entirely too little for this work that is being done under this particular head by the Public Health Service.

Mr. HUMPHREYS. You ought to strike out that proviso.

Mr. BYRNS of Tennessee. The gentleman understands that $50,000 will do very little work along that line. The appropriation is made for the purpose of educating and encouraging the various communities to do this work rather than by way of contributing to the real work.

Mr. HUMPHREYS. I would vote to make it $100,000. I think the proviso represents an erroneous policy.

Mr. BYRNS of Tennessee. The gentleman would not get very far with $50,000.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. BLANTON. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 27, line 17, after the word "propelled," strike out the word "passenger-carrying."

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that all debate on this paragraph and all amendments thereto close in 10 minutes. Is there objection?

There was no objection.

Mr. BLANTON. Mr. Chairman and gentlemen, usually the distinguished gentleman from Illinois [Mr. MANN] is very fair, but he has been here so long and has had his own way so long that none of his colleagues over there would ever dare to oppose him in anything, and he sometimes gets out of patience with some of the younger men on this side of the aisle when they take issue with him. He would have the country and the Congress believe from his statement a moment ago that by my amendment I would take away the service of the ambulances that take care of the injured soldiers. The gentleman is too well informed to have that idea himself, because he knows everything that is going on in this House; he knows everything that is in the hearings, and he knows everything that is in the reports before the bills come on the floor.

I want to call the attention of my colleagues to what he already knows. On page 359 of the hearings appears Dr. Cumming's report showing that there are eight busses in this service, to which my amendment did not apply, and I made no objection to their use. There are 112 motor cycles in this service, maintained and cared for by the Government, to which my amendment did not apply and to which I made no objection. There are 341 motor trucks in this service, operated and maintained and carried on by the Government at its expense. My amendment did not apply to them, and I made no objection to them.

Now as to the ambulances, there are 159 ambulances already in this service, to which my amendment did not apply, and the

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gentleman from Illinois in his extreme wisdom knew it. I made no objection to them, and my amendment did not apply to them.

Mr. MANN of Illinois. Mr. Chairman, will the gentleman yield?

Mr. BLANTON. Certainly, I yield. If the gentleman wants to apologize, I yield.

Mr. MANN of Illinois. I was just going to convict the gentleman of lack of knowledge.

Mr. BLANTON. Here is the report of Gen. Cumming on page 359 of the hearings from which I am reading.

Mr. MANN of Illinois. The gentleman's amendment struck out the operation.

Mr. BLANTON. Of passenger vehicles only, not the trucks or ambulances.

Mr. MANN of Illinois. An ambulance is not a truck, an autotruck. An ambulance is a passenger-carrying vehicle, and this provided for the operation of them, and the gentleman is proposing to stop the operation of them. That is the effect of the gentleman's amendment.

Mr. BLANTON. I think if the gentleman will look into the matter he will find out that the only thing I objected to is the passenger part of it, the part that refers to these handsome limousines which carry these department heads around all over the United States.

Now, as to the passenger-carrying vehicles, I want to call the attention of the House to the fact that this service is already operating 236 passenger-carrying vehicles. In other words, they call them touring cars, but if you will go over on the other side of the Public Health Service Building across from the House Office Building you will see that some of these touring cars mean handsome limousines. They are all I am objecting to; and I take it that the gentleman from Illinois [Mr. MANN], whose wisdom and judgment I follow here day after day in most cases, would have been with me on this subject if it had not been for the fact that in about 60 days his friends will come into many of these offices, and they will all want handsome limousines to ride around in, and these limousines can be converted from Democratic into Republican limousines by just the change of officials. I take it that is one of the reasons that animates my distinguished friend in making light of my amendment, even going so far as to intimate that before I came to Congress I was so poor that I had to ride in a flivver. I do ride in flivvers lots of times. I am not ashamed to ride in a flivver. I think the Henry Ford flivver was a godsend to humanity, because the poor people of the country have been able to ride in automobiles the same as the rich because of what he has done. My friend from Illinois should not hit me too hard. [Laughter.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. MANN of Illinois. Mr. Chairman, of course it is not possible for any of us always to judge what the gentleman from Texas [Mr. BLANTON] has in his mind, though he very freely expresses his opinions, and I listen to him with great deference.

I am compelled to judge of a legislative proposition by the proposition itself and not by what somebody imagines it to be. The gentleman from Texas complains because the House did not agree to an amendment which he offered. His amendment proposed to prevent the maintenance and operation of passenger motor vehicles in the Public Health Service. That would have prevented the maintenance or operation of ambulances, because they are passenger-carrying vehicles. That would have stopped the purchase of a single quart or gallon of gasoline or the maintenance of anything to do with those ambulances. I can not believe that the gentleman from Texas seriously expected the House to take that position. Now, if he had wanted to offer an amendment covering something else, he has a great deal of ability, and why did he not offer his amendment covering the thing that he wanted to cover instead of offering an amendment to cover something which he admits he did not want to cover?

Mr. Chairman, the gentleman from Texas refers to what may happen after the 4th of March. None of these gentlemen, in or out, now or in prospective, are likely to be friends of mine; but I hope that the next administration will be at least less wasteful, less extravagant in all branches of the Government than the present administration is admitted by everybody to be. The one thing in this country, all over the land, which made Mr. Wilson the most hated man the United States has seen in years was the gross, wasteful extravagance of the officials of the present administration. Probably the President is not chargeable with the responsibility for that, but that is what made the people North and South turn and end this orgy of extravagance. If this side of the House is wise in its day and generation it will heed the warning and will stop the extravagant appropriations, and if the new President does not help to run an economical administration he will never be returned to the White House. [Applause.]

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON].

The amendment was rejected.

The Clerk read as follows:

COMMISSION OF FINE ARTS.

For expenses made necessary by the act entitled "An act establishing a Commission of Fine Arts," approved May 17, 1910, including the purchase of periodicals, maps, and books of reference, to be disbursed on vouchers approved by the officer in charge of public buildings and grounds, who shall be the secretary and shall act as the executive officer of said commission, $10,000: *Provided*, That expenditures for subsistence shall not be restricted by the limitations of existing law.

Mr. MANN of Illinois. Mr. Chairman, I make a point of order on the proviso beginning in line 15, page 29.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GOOD. Not if the gentleman from Illinois makes it.

The CHAIRMAN. The Chair sustains the point of order.

The Clerk read as follows:

COUNCIL OF NATIONAL DEFENSE.

For expenses of the Council of National Defense; for the employment of a director, secretary, chief clerk, and other expert, clerical, and other assistance; equipment and supplies, including law books, books of reference, newspapers, and periodicals; subsistence and travel; and printing and binding done at the Government Printing Office, $75,000: *Provided*, That no salary shall be paid to any officer or employee of the council in excess of $6,000 per annum.

Mr. JONES of Texas. Mr. Chairman, I want to reserve a point of order on that paragraph, and I move to strike it out.

The CHAIRMAN. The gentleman can not move to strike out a paragraph on which he has reserved a point of order.

Mr. JONES of Texas. All right; I make the point of order.

The CHAIRMAN. Will the gentleman state his point of order?

Mr. JONES of Texas. My point of order is that the appropriation is not authorized by existing law, and is an attempt to pass new legislation not so authorized.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard?

Mr. MANN of Illinois. I apprehend the gentleman does not want to have the whole paragraph stricken out. I suggest to him that he make his point of order on the proviso.

Mr. JONES of Texas. I make my point of order against the whole paragraph.

Mr. GOOD. What is the point of order?

Mr. JONES of Texas. The point of order I make is that the appropriation is not authorized by existing law.

Mr. GOOD. That the Council of National Defense is not authorized by existing law?

Mr. JONES of Texas. It is not, as I understand it.

Mr. GOOD. The gentleman is mistaken about that. The Council of National Defense was established in 1916 as a permanent institution of the Government.

Mr. JONES of Texas. It was tacked onto the military appropriation bill of 1916, if I understand correctly.

Mr. GOOD. Yes; but it is made a permanent thing. I will give the gentleman the reference in just a minute.

Mr. MANN of Illinois. The appropriation is not subject to the point of order.

Mr. JONES of Texas. I make the further point of order that the paragraph is out of order because of the proviso.

Mr. GOOD. The proviso is a limitation. Without the proviso they could pay $12,000 or $15,000. This is simply a limitation on the power of the commission to pay salaries. That is certainly not subject to a point of order. Now, Mr. Chairman, the act of August 29, 1916, provides that a Council of National Defense is hereby established for the coordination of industry and resources and national security and welfare, to consist of the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Commerce and Labor.

The duties of the council are specifically provided.

Mr. JONES of Texas. Mr. Chairman, I will withdraw the point of order, and I move to strike out the paragraph.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Strike out the paragraph beginning on line 18, page 29, and ending on line 2, page 30.

Mr. JONES of Texas. Mr. Chairman, I think this is an absolutely useless appropriation. I believe that the Council of National Defense did some fine work at the time it was organized, and I believe it was an essential and necessary organization dur-

ing the war, but if anyone can give me a sane and intelligent reason why it should be maintained, they can give me more than the Secretary of War was able to give when he appeared before the committee at its hearings.

At the time the Council of National Defense was organized its purpose was to make a survey of the fortifications and defenses of this country, to correlate the facts essential to a national and efficient organization; it did that work and did it well. All the other wartime legislation, practically, has been abolished by this Congress, and since the work of the Council of National Defense has been completed—and according to the Secretary of War's own words it has been completed—it seems to me this appropriation is no longer necessary. Why should the taxpayers of this country be further burdened by an appropriation to carry on a work that has been finished? Moreover, if it carries out the work that the Secretary of War says he wants carried out by virtue of the added appropriation, it will lap over the work done by other departments and which should be done by other departments.

I would like for every Member of the House to read in the hearings the statement of the Secretary of War. I have often admired the clear way in which he stated a proposition. I have admired the cogent manner in which he could present a proposition or advocate a policy, but I have read that statement of his four or five times, and if it has any clarity or any specific purpose it is more than I can understand. Let me read you only a part of it. The Secretary says:

> My own notion about the directorship of the council is it ought to be a man of a large imaginative and generalizing mind—

I concede that it would take a good deal of imagination to find a reason for continuing the Council of National Defense—

> * * * and that it ought not to be a man who would be especially interested in details or in statistics or things of that sort, but a man who would be brooding over and extracting the lessons from our experience upon the general subject of the correlation of the national resources.

The Council of National Defense is composed of the heads of departments, different Cabinet officers who meet together. They maintain their separate organizations; they have certain duties to perform. This House has passed a budget bill, and one of the purposes of a budget system is to have one single head who gets up a survey of things, brings them down to one point, where we can have intelligent appropriations. Now, if you are going to have, as suggested by the Secretary of War, some one to coordinate and correlate some of these things—and we have heard very much lately about correlation and coordination—we will have to have somebody to coordinate and correlate the coordination in this Government.

What is the purpose of the Council of National Defense? All of the essentials of its contemplated work for the future can be done by other organizations and departments of this Government. In fact, they are now being so done. Why perpetuate a duplication of activities?

Mr. BUTLER. Who is the Director of the Council of National Defense?

Mr. JONES of Texas. The hearings do not disclose.

Mr. BLACK. There is no director; there is an assistant director, Mr. Ellsworth.

Mr. JONES of Texas. The council is composed of the Secretary of War, the Secretary of the Navy, the Secretary of the Interior, the Secretary of Commerce, and the Secretary of Agriculture.

The CHAIRMAN. The time of the gentleman has expired.

Mr. JONES of Texas. I ask, Mr. Chairman, for five minutes more.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. BUTLER. Do the hearings disclose what service has been performed by the Council of National Defense?

Mr. JONES of Texas. The hearings disclose that the Council of National Defense during the war and prior to the war—the act was passed in 1916—did certain things with reference to getting information and with reference to finding out what was necessary in order to put the country in a proper condition for national defense. I think it did some very good work at that time, and I am not making any assault on it. But the Secretary of War says now that he wants to continue the work along different lines. He says that great lessons ought to be learned from the war. He says there are things that can be filed away, and it would take all the Members of Congress a year to file them away. He says that there are millions of useless papers and that we ought to have somebody to brood over these things with an imaginative mind. I believe that the action of this Congress should be such as to lead the American people to believe that we are getting down to brass tacks and that we intend to appropriate for those things in the maintenance of this Government that are absolutely necessary and to do away with the useless extravagance of every kind and character. I submit that there is no reason at all for maintaining a separate lot of clerks in Washington under a man with an imaginative mind who can draw some lessons from our experience in the late war. If there is anything practical that the citizenship of this country can obtain from this organization which this legislation seeks to make a permanent thing of, it is more than I am able to understand.

Somehow, somewhere, we must cut down appropriations. Economy must be the motto from this hour.

You can take the statement of the Secretary of War, which covers two pages, and you will find that I am absolutely correct in my analysis, and here it is disclosed that there are already $49,000 available for the Council of National Defense. If you adopt this amendment striking out the paragraph, the Council of National Defense would still have $49,000 of the old appropriation available with which to wind up its work, enough to last until June 1, with the present organization. I submit that if they are now given notice that we do not propose to maintain an imaginative organization, that they can wind up their work and let the American people draw their own lessons from the war, it will be far better, and they can do it with a good deal less brooding than this contemplated director will do. [Applause.]

Mr. BLACK. Mr. Chairman, I want to speak for just a moment in support of my colleague's amendment.

Mr. GOOD. Mr. Chairman, with the gentleman's permission, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. Mr. Chairman, I take the same view of this situation that my colleague [Mr. JONES of Texas] does—that this organization of the Council of National Defense served a very useful purpose during the war, but that to continue it now would only serve to duplicate work and investigation which is being performed in other branches of the Government service. I have here their last annual report, and among the things that they give an account of doing is the gathering of information regarding our leather resources. Without taking time to read the hearings before the Appropriations Committee in detail, I would state that Mr. Ellsworth, the acting director, stated in the written statement which he filed with the committee that at the present time the Department of Agriculture is gathering certain leather statistics and that the Department of Commerce is gathering other leather statistics that have to do with industries, and that the Council for National Defense wants to take the information gathered by these two and other departments of the Government and coordinate it and have all of these statistics together in one department, so that in case of war or emergency the whole of such facts could be laid before the President.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield?

Mr. BLACK. In a moment. When I read that statement of Mr. Ellsworth I happened to recall that at the last session of Congress we passed a bill that was brought up by the gentleman from Pennsylvania [Mr. KREIDER] which required the gathering of leather statistics by the Census Bureau.

When we had the bill up I remember that I called his attention to the fact that the Agricultural Department was gathering certain statistics and that the Department of Commerce was gathering certain other statistics, and I wanted to know of him if that was not sufficient. He replied no, that we did not have complete statistics as to leather, and, therefore, that we ought to pass the bill and require the Census Bureau to gather them, and we did. The bill went over to the Senate, and the Senate passed the bill and it is now a law. Here is the purpose of the bill as stated in its caption:

> Authorizing and directing the Director of the Census to collect and publish monthly statistics concerning hides, skins, and leather.

That is now the law, and I presume the Department of the Census is now gathering data as to the production of leather, skins, and hides and their consumption, and all about them; and yet here we have the Council for National Defense giving as one of the reasons for continuing its activities for another year the fact that they will make a study of the hide situation. What is the trouble now? We have entirely too many Government departments and bureaus doing substantially the same kind of work.

Also they say to the committee, "If you will continue us, we have 43 employees, and in addition to studying the hide and leather situation we will study the question of the transportation of the country." I will submit, fellow Members, that we have the great Interstate Commerce Commission, with its large force of employees and facilities for gathering information, daily studying

and dealing with this whole question of transportation, and I dare say that there is scarcely any angle of the transportation question that the Interstate Commerce Commission is not giving diligent attention to.

Mr. GARRETT. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. GARRETT. May I suggest to the gentleman this fact, for whatever it may be worth, that the Council of National Defense will study these questions with particular reference to their military aspects, whereas the gathering of statistics in regard to hides, for instance, will be for industrial purposes.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GOOD. Mr. Chairman, I will gladly yield one minute of my time to the gentleman.

Mr. BLACK. I just want to answer the question of the gentleman from Tennessee [Mr. GARRETT] and say that I do not understand the council is making a study of the transportation subject with a view of assembling information for military purposes. I notice in the hearings that it was brought out in respect to transportation that the War Department is making a study of military transportation from its standpoint, and Mr. Ellsworth stated that it was the purpose of the Council of National Defense to study about the transportation of commodities and things of that sort. He stated the matter this way in the hearings:

Mr. ELLSWORTH. The War Department survey is as to the requirements of the War Department. They are not making a study of the other loads which the railroads have to carry. In time of war you have not only to consider the transportation of troops and artillery but you have to consider the transportation of fuel and food for the people—

And so forth.

Of course I think all statistics of this kind are available at all times in the offices of the Interstate Commerce Commission, and there would be no need for the Council of National Defense to gather them.

Mr. GOOD. Mr. Chairman, I do not believe that the Council of National Defense did the real constructive work during the war that may be expected of it in time of peace. It was created just before the outbreak of the war, and the work that it performed during the war was not really the work authorized by the law for the council to do. It is proposed under the law that there shall be seven commissioners, as I recall, who shall serve without compensation, who shall be skilled along certain lines, and those men are supposed to gather certain information necessary for the War Department and the Navy Department. It is known to men who have studied this question that the Navy Department, for example, goes out and pursues a line of investigation to get certain facts. That costs a good deal of money. Then the War Department sends out officials to get exactly the same facts, but nowhere is there a clearing house in the Government so that the information gathered by the Navy Department is available for the officers of the War Department, or the information gathered by the War Department available for the officers of the Navy Department. It is true they ask for a lot of things in the hearings, but if the gentleman will go back to the hearings a year ago he will find that then we went into the question of the real merits of the Council of National Defense, and it occurred to the committee then, without division, and while we wanted to cut off every single activity of the Government that was not producing nearly 100 cents for every dollar expended, yet that here was an agency that ought to result in real economy, and it was the opinion of the committee that they ought not to expend anything next year in an investigation of the hide industry or to make many proposed investigations, and we reduced the estimate of $225,000 to $75,000.

Mr. BLACK. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLACK. In reading the hearings I notice that notwithstanding we gave an appropriation of $75,000 for last year, Mr. Ellsworth states that they are going to come in a few days and ask for a deficiency appropriation of $50,000. Are we going to stand for that?

Mr. GOOD. No. In a general way, when we give them an appropriation for a given year for service of this kind, they must get along with their appropriation, and as soon as the departments of the Government find that the next Congress or this Congress will enforce the deficiency law wherever it can, you will find some of these departments living within their appropriations. Of course, some of these departments are violating the antideficiency law, and we can not prevent that. To prevent that is the function of another department.

But I do think that it would be a waste of money; it would be shortsighted economy not to carry the Council of National Defense for a couple of years, because since the war they have only been cleaning up the matters that transpired during the war.

The CHAIRMAN. The time of the gentleman has expired; all time has expired. The question is upon the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced the ayes appeared to have it.

Mr. GARRETT. Mr. Chairman, I ask for a division.

Mr. GOOD. Mr. Chairman, I call for a division.

Mr. JONES of Texas. Mr. Chairman, I make the point of order it is too late.

The CHAIRMAN. Of course, strictly speaking, the announcement was made and there was no one on his feet asking for a division, but the Chair thinks the committee is entitled to a division.

The committee divided; and there were—ayes 45, noes 23.

So the amendment was agreed to.

The Clerk read as follows:

EMPLOYEES' COMPENSATION COMMISSION.

Salaries: Three commissioners, at $4,000 each; secretary, $3,000; attorney, $4,000; chief statistician, $3,500; chief of accounts, $2,500; assistant chief of accounts, $1,600; accountant, $2,250; claim examiners—chief $2,250, assistant $2,000, assistant $1,800, five assistants at $1,600 each; special agents—two at $1,800 each, two at $1,600 each; clerks—7 of class three, 12 of class two, 27 of class one, 3 at $1,000 each; chief telephone operator, $1,000; messenger, $840; experts and temporary assistants in the District of Columbia and elsewhere to be paid at a rate not exceeding $8 per day, and temporary clerks, stenographers, or typists in the District of Columbia, to be paid at a rate not exceeding $100 per month, $10,000; in all, $124,940.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I notice this bureau calls for a great many accountants, typists, and stenographers. How far has the work of the Committee on Appropriations gone in making investigation as to the necessity of employing the many clerks and typists mentioned in the various bureaus and commissions?

Mr. GOOD. Well, the examinations were necessarily ex parte, and officers representing the commission came before the committee and we attempted to determine whether a bureau or department could get along with less clerks, whether they are fairly efficient and all that. They usually come and plead that they have not sufficient cerks; that their clerks are efficient; and that they want more clerks and more pay.

Mr. WATSON. I call the attention of the committee to the fact that a stenographer was in my office and stated that her average day's work was writing four letters a day. Does the committee think that is sufficient energy displayed for eight hours' work?

Mr. GOOD. Who is that?

Mr. WATSON. A clerk in one of the departments. Also, another complained because there is not enough work to do and he was idle part of the time. It is all very well to save millions here and millions there, but it seems to me we ought to make an investigation and endeavor to create a spirit of economy in the various departments.

Mr. GOOD. So far as this item is concerned, I will say to the gentleman, in 1917 there was $550,000 paid out as compensation to employees who were injured. During the present year they have an appropriation of $2,654,000. Now, that work has been growing, and during the past year or two we have not given them any increased force, and in this bill, as I recall, we do not give them any increase of force at all, so far as stenographers and clerks are concerned. The amount to be expended next year for the compensation fund can be reduced somewhat from the amount carried in the bill. But the gentleman must know that that is a purely administrative thing. Whether or not a department has too many clerks, whether or not heads of bureaus violate the spirit of the law with regard to the use of automobiles and things of that kind, are all purely administrative.

Every effort that you may make to safeguard the Treasury, if the administrative head is inefficient, if he is wasteful, if he wants to violate the spirit of the law, is a failure if the administrative official is not efficient. It is impossible to enact a statute that will make a good official out of a poor one. It is an administrative matter, and I believe if in some of these departments we can get good administrative officials we can discharge many of these clerks. Take this very commission. The president of the commission is mad because the two other commissioners have ruled against him, and now he goes to the office of the commission only about once a month to draw his salary, and he does nothing. He has taken, as I recall, $200 or $300 of transportation script, which he has failed to return; and how in the name of common sense can the Congress right that wrong? The President's attention was called to it in a letter dated July 12 of last year stating that the commission was not functioning, but the President being sick nothing

was done. Until the President acts we will only drift. Now, they may have too many clerks; I do not know. And so I say in other departments of the Government there is no way by which Members of Congress can tell just how many clerks are necessary to do a certain thing. What is needed is administrative efficiency.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Employees' compensation fund: For the payment of compensation provided by "An act to provide compensation for employees of the United States suffering injuries while in the performance of their duties, and for other purposes," approved September 7, 1916, including medical, surgical, and hospital services, and supplies provided by section 9, and the transportation and burial expenses provided by sections 9 and 11, $2,200,000, to remain available until expended.

Mr. GOOD. Mr. Chairman, I offer the following committee amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 31, line 19, change "$2,200,000" to read "$2,000,000."

Mr. GOOD. Mr. Chairman, that was the intention of the committee, but by an oversight the reduction was not made, but in the course of the hearings they say they can get along next year with $2,000,000.

Mr. MANN of Illinois. Mr. Chairman, I notice this item is to remain available until expended. There may have been some reason for that at one time or another, but this is for the current use of money?

Mr. GOOD. Yes.

Mr. MANN of Illinois. Now, does not the gentleman from Iowa know that it is a bad policy to make current appropriations available until expended?

Mr. GOOD. I think as a general rule it is not wise and there is no very good reason for it here. In fact there is no real reason for a commission to administer a law like this. One officer could administer as well as the commission, but here is a law that fixes the exact amount, and I have no objections as far as I am personally concerned to those words going out.

Mr. MANN of Illinois. Mr. Chairman, I move to amend, by striking out, in line 19, page 31, the language "to remain available until expended."

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] offers an amendment to the amendment, which the Clerk will report.

Mr. MANN of Illinois. I will offer mine after the other amendment is agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa [Mr. GOOD].

The amendment was agreed to.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 31, line 19, after the figures "$2,200,000" strike out "to remain available until expended."

The CHAIRMAN. The question is on agreeing to the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Vocational rehabilitation: For an additional amount for carrying out the provisions of the act entitled "An act to provide for the vocational rehabilitation and return to civil employment of disabled persons discharged from the military or naval forces of the United States, and for other purposes," approved June 27, 1918, as amended, including personal services in the District of Columbia and elsewhere, funeral and other incidental expenses (including transportation of remains) of deceased trainees of the board; printing and binding to be done at the Government Printing Office; law books, books of reference, and periodicals; $65,000,000, together with the unexpended balances of the appropriations for this purpose for the fiscal years 1920 and 1921, of which sums not exceeding $5,000 may be expended for rent of quarters in the District of Columbia if space is not provided by the Public Buildings Commission: *Provided*, That the salary limitations placed upon the appropriation for vocational rehabilitation by the sundry civil appropriation act approved July 19, 1919, modified as provided by the sundry civil appropriation act approved June 5, 1920, shall apply to the appropriation herein made.

Mr. FESS and Mr. CHINDBLOM rose.

The CHAIRMAN. The gentleman from Ohio [Mr. FESS] is recognized.

Mr. FESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. FESS: Page 32, line 8, after the figures "1921," insert the following: "of which sum not exceeding $500,000 may be used by the Federal Board for Vocational Education as a revolving fund for the purpose of making loans and advancements to persons commencing or undergoing training under the vocational rehabilitation act, such loans or advancements to bear no interest and to be repaid in such installments as may be determined by the Federal board by proper deductions from the monthly maintenance and support allowance allowed by said act as amended."

Mr. GOOD. Mr. Chairman, I reserve a point of order on that. I shall not make it.

Mr. FESS. Mr. Chairman, I should like to have the attention of the committee to this item, which I will concede is subject to a point of order if the point of order is made, but I think the committee would like to have it put in. In the administration of the rehabilitation work there were many applicants for rehabilitation that were entirely without funds, and therefore had to rely upon some outside help to get them started, since the Government could pay nothing until the service was rendered. We did not provide for it in the original rehabilitation act because we did not foresee that situation. There was a provision, however, in the rehabilitation act to allow the board to receive donations or loans, a matter that some of us thought was more or less questionable at the time, and yet which proved to be of very great importance later on. We found in the administration of the act that a great number of disabled men could not enter because of a lack of funds. Under this provision of the law permitting the board to accept loans or donations the Order of Elks took up this work and loaned to the board $200,000 to be used for this particular purpose. At one time they made an outright donation. Later on they found that the administration was of great importance. Therefore they proceeded with loans, and when we had this investigation of the work of the board the head of the Elks appeared there under solicitation and made a very remarkably important statement of the work of the Elks in connection with this work. He stated that the records at the time, on February 28 of the year 1919, showed there were approximately 26,000 boys in training. He showed there had been 22,574 separate cases in which these boys had received financial assistance from the Elks' fund. The total amount loaned up to the time was $404,340.80, of which amount up to that time had been repaid $268,587.64.

The need of this would come about in this way. A boy would need clothing, or he did not have the ready money, and would have to borrow it or else depend upon charity, or else be deprived of the training for the first month. Therefore the Elks' fund was offered to bridge him over. There were other cases where other things were needed that would shut the boys out. The representative of the Elks' fund stated that the Order of Elks did not care to continue this unless the Congress did not see fit to come in and satisfy the needs. He stated, as many other members of the committee stated, that that item had been overlooked. No one had foreseen it. Congress did not want to be put in the position that some outside order would have to be called upon to supply in form of loans a certain amount of money to make effective the administration of this particular law. The Order of Elks has withdrawn its further support. The board has no fund except what is appropriated regularly. This appropriation that this item carries is sufficient—$65,000,000, as stated by the chairman of the committee. I think there is no question about that. But we ask that you direct $500,000 of that money to be used as a revolving fund, out of which they can loan or advance, with the understanding that it is to be returned whenever they can pay it.

The CHAIRMAN. The time of the gentleman has expired.

Mr. FESS. I would like one minute more.

The CHAIRMAN. Is there objection. [After a pause.] The Chair hears none.

Mr. FESS. Our past experience is not discomforting. It has been returned. I said that this, of course, is subject to a point or order. If it is made, it can not be resisted; it will have to go out, but I seriously hope this feature will be allowed to remain in the bill.

Mr. CHINDBLOM. Will the gentleman yield for a question?

Mr. FESS. I yield.

Mr. CHINDBLOM. Is it intended that this money shall be loaned only to those who take training, so that the payment shall be made out of the subsequent compensation to them?

Mr. FESS. Yes; it is limited to those who take training.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GOOD. Mr. Chairman, I move to strike out the last word.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order.

Mr. GOOD. When this matter was presented the committee was advised that out of the Elks' fund there had been altogether about 22,000 loans made, and loans had been made to something like 12,000 of the soldiers that were taking this training. The committee called the attention to those at the head of this organization to the fact that there was no authority of law

for the provision which the gentleman from Ohio [Mr. FESS] has submitted in his amendment. And the Committee on Appropriations has scrupulously avoided the placing of new legislation upon this bill when that could be avoided and the Treasury protected. Some legislation has been necessary, as heretofore, in the administration of the appropriation, but further than that we have not attempted to enlarge upon the legislative scope of the bill. Now, the committee was also advised that the Order of Elks would withdraw the support at once. They felt that they had other need for their funds.

An officer came to the committee, and we labored with him, and we said to him that we understood this matter was to be presented to the legislative committee; that possibly there would be some legislation; that there ought to be no change at least until the beginning of the next year. With that understanding I supposed that the matter would either be taken up by the Committee on Education or would be offered here; and personally, while it is subject to a point of order, I do not intend to make it, because I assume that committee has taken the matter up and done what the Committee on Appropriations did not do, and that is, to go into the merits of the case, to see whether or not the loans of this kind are for the best interests of the men and of the Government. I personally do not care to make the point of order.

The CHAIRMAN. The gentleman from Iowa withdraws the reservation of a point of order.

Mr. FESS. The committee did make an investigation of that kind and wants it to be continued.

Mr. MANN of Illinois. Mr. Chairman, I do not profess to have any extensive knowledge on this subject, but I think an item to loan money to an individual without security in the form of national funds, no matter who the individual is, which goes through Congress as a matter of course and without consideration, would have a tendency to be rather disastrous to the National Treasury. It may be that after careful consideration of the subject we ought to engage in such an enterprise, but I can imagine nothing more wasteful or extravagant than to start in on such a course, which is demanded by every poor man in the country——

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. In just a second. I did not interrupt the gentleman. That the Government should loan him money without security. Most of them say, "If I had security, I could get it anyway." I admit that we owe a greater debt to the men who served in the Army and Navy than to those who stayed at home.

Now I yield to my friend.

Mr. FESS. I agree entirely with the gentleman in that statement, that it is an awfully bad policy. The only protection that we have here is that the Government pays this boy a certain amount per month and we can take the money from the payment. Therefore it is a security. You see the Government pays him for his subsistence a hundred dollars a month, and if married $120 a month.

Mr. MANN of Illinois. If the Government is paying him the money which he has to turn back, he does not need a loan.

Mr. FESS. He does not get it until he starts in.

Mr. MANN of Illinois. He never will get all of it. The moment you commence it, it will be used here as an illustration, and you will hear it every day. Every poor farmer in the country—I will not say every one, because some of them have too much sense—and every poor laborer wants to borrow money out of the Treasury; everywhere in the world the man who has not got anything wants to borrow money without security. It may be that we ought to do it, but we ought not to do it without consideration. The gentleman from Ohio [Mr. FESS] knows about this matter. The gentleman from Iowa [Mr. GOOD] says he knows about the matter.

Mr. GOOD. No; that is not quite what I said.

Mr. MANN of Illinois. The Elks know about the matter. The Members of this House do not know about the matter. Let it be brought up in an orderly way, where the Members can give consideration to the merits of the proposition, and, if they want, let them differentiate it.

Mr. STEPHENS of Ohio. Mr. Chairman, if the gentleman will permit, instead of this being a loan to the boys, it is really an advance to them.

Mr. MANN of Illinois. All I know about it is that it is denominated a loan without interest.

Mr. STEPHENS of Ohio. That is an improper designation. It is advanced to the boys, because our Government is slow in getting to them the money that is due them. This is an advance to keep them living until they get their money.

Mr. MANN of Illinois. Mr. Chairman, I make a point of order on the amendment.

The CHAIRMAN. The gentleman from Illinois makes a point of order on the amendment. Does the gentleman from Ohio desire to be heard on the point of order?

Mr. FESS. I concede the point of order.

The CHAIRMAN. The point of order is sustained.

Mr. HASTINGS. Mr. Chairman, I want to direct attention to lines 7 and 8. I move to strike out the last word.

The CHAIRMAN. The gentleman from Oklahoma moves to strike out the last word.

Mr. HASTINGS. I want to ask the gentleman how much of the unexpended balance of the appropriation referred to there will be at the end of the fiscal year?

Mr. GOOD. Ten million five hundred thousand dollars.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Alabama moves to strike out the last word.

Mr. BANKHEAD. Mr. Chairman, I desire to ask the chairman of the committee if the amount covered by this bill is the estimate; and if not, how much deficiency there is likely to be?

Mr. GOOD. It is almost the estimate, with the unexpended balance. The amount estimated was $78,000,000, and they figure now that there will be an unexpended balance of $10,500,000, leaving about $67,000,000.

Mr. BANKHEAD. The gentleman thinks it unlikely that there will be any deficiency?

Mr. GOOD. I should rather judge so, because they overestimated it by $10,500,000 last year, and we have given them within three million of what they estimated.

Mr. HASTINGS. How much did we give them last year?

Mr. GOOD. Forty-six million dollars.

Mr. RAYBURN. Mr. Chairman, I want to ask the gentleman from Iowa, What does he think about the efficiency of this vocational board, anyhow?

Mr. GOOD. When the committee that had to do with the subject went into the question of the efficiency of this organization the Committee on Appropriations retired from that field of activity and gave no further consideration to the question of efficiency. I have regarded the work done by this board as a great work. I have felt at times that it was not measuring up to the full measure of responsibility which Congress placed on it; that it was in a way wasteful; that its methods were not practical; and I think my opinion in that respect has been partly, at least, sustained by the findings of the Committee on Education, that did investigate the workings of the board.

Mr. RAYBURN. Just how long does he think the Treasury will be able to stand the strain of these fellows in charge of this bureau if they are allowed all the money they ask and are allowed to spend it in the way they want to spend it and keep up the system of appearing to want to make a showing more in numbers of men treated in that bureau than in the kind of treatment that the men get?

Mr. GOOD. I am afraid this whole system is going to come to its test if we should have a period of unemployment, because then a great number of ex-soldiers will want to take training; a great many that will not be strictly entitled to training will want to take it because of the compensation allowed.

Mr. RAYBURN. Will they not do that if the invitation is constantly held out to them by a bureau that wants to make a showing simply in numbers instead of in the character of work done?

Mr. GOOD. That may be true; but after all, I believe this is one of the best works that the Government can engage in, to rehabilitate these men.

Mr. RAYBURN. Yes; if the work were done as Congress intended it to be done; but I do not think anybody will contend for a moment that this vocational board is doing its work in the way that Congress intended it to do it.

Mr. GOOD. That may be so.

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn, and the Clerk will read.

The Clerk read as follows:

For every expenditure requisite for and incident to the work of the Federal Power Commission as authorized by law, including not exceeding $500 for books of reference and periodicals, $100,000: *Provided*, That this appropriation shall not be available for rent of buildings in the District of Columbia if suitable space is provided by the Public Buildings Commission.

Mr. SNELL. I move to strike out the last word. I should like to ask the chairman of the committee in regard to this Federal Power Commission. As I understand, this is the commission created under the water power act passed last year.

Mr. GOOD. That is correct.

Mr. SNELL. Just what is this commission doing at the present time?

Mr. ESCH. If the gentleman will allow me, I can answer that question.

Mr. GOOD. I yield to the gentleman from Wisconsin, who perhaps has kept more closely in touch with the work of this commission than I have.

Mr. ESCH. Mr. Chairman, the Federal Power Commission was organized shortly after the enactment of the water power bill. It is composed of the Secretary of War, Secretary of Agriculture, and Secretary of the Interior. They have established a personnel within the limits of the appropriation, which is only $100,000. Since they have been organized there have been 134 applications for water-power development in the United States, aggregating possibly 10,000,000 horsepower. The trouble is that with the small personnel allowed under the small appropriation they are not able to make the preliminary surveys and thus expedite the construction of water-power plants. We have a bill before the Committee on Interstate and Foreign Commerce upon which a hearing will be had possibly this week, the purpose of which is to try and meet that situation.

Mr. SNELL. What I had in mind was to find out how much they intended to expend, and how large an organization would be necessary in order for them to supervise and carry out the provisions of the act properly.

Mr. ESCH. When we passed the original act we thought they might get along by having transferred to them the engineering personnel of the three departments, but we have found in actual experience that the engineering forces of those three departments are so much taken up with their own work that they can give little or no attention to the water-power commission.

Mr. SNELL. I noticed in reading the hearings that that was the condition which was stated to exist, but I supposed that we had plenty of engineers in connection with the War Department who could make the necessary preliminary estimates to be presented to this commission.

Mr. ESCH. We have not. One engineer officer has been detailed to act with the water-power commission.

Mr. SNELL. I take it from the hearings that they think it necessary to have a personnel costing perhaps half a million dollars a year to do this work.

Mr. ESCH. Very likely, but the gentleman must remember that under the water power act we authorized the commission to make charges for the development of water power, and that will develop a fund which will meet this expense.

Mr. SNELL. The gentleman thinks that eventually we will get enough return to meet that?

Mr. ESCH. Yes.

Mr. SNELL. And the gentleman thinks it is necessary to have so large a personnel?

Mr. ESCH. Yes; and unless it is created soon, all water-power development will be deferred.

Mr. SNELL. But we are not going to get the help out of the departments that we expected we would get?

Mr. ESCH. No; we are not.

Mr. SNELL. That is what I wanted to find out. Of course, I want the commission to be able to do the work required, but am sorry it will be necessary to spend quite so much money for additional engineers, and so forth, when we have so many now in the Government employ.

Mr. CHINDBLOM. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. CHINDBLOM: Page 32, at the end of line 24, insert: "*Provided further*, That no portion of this appropriation shall be available for any expense connected with the leasing for private use of any water-power facilities in any national park."

Mr. GOOD. I reserve a point of order on the amendment.

Mr. CHINDBLOM. Mr. Chairman, I think the attention of all of us has been called to the situation with reference to the leasing of water power in the national parks. I believe quite inadvertently on the part of most of us the water-power bill was allowed to pass containing provisions which render it possible for water power in the national parks to be commercialized. At the present time the only thing which prevents such a course of action is the position taken by the Water Power Commission, who have declared it, as I understand, to be their purpose not to permit the leasing or development of water power in the national parks for private uses. However, there is a widespread apprehension that the mere announcement of a policy by the present Water Power Commission is not a sufficient guaranty against the possibility of such use of water power in the national parks.

In addition to that, we all know that there are bills pending here which appear constantly upon the Calendar for Unanimous Consent, to which vigilant objections must be made in order to prevent their consideration and whose direct purpose is to authorize the use of the water power in the national parks for commercial purposes. I think the apprehension which is felt so extensively throughout the country would be allayed by the adoption of this amendment, establishing the policy that the Congress does not intend that the natural resources in the national parks shall be commercialized for private use.

Mr. GRAHAM of Illinois. I notice the gentleman uses the word "private." Does he want to include municipal uses?

Mr. CHINDBLOM. Yes.

Mr. GRAHAM of Illinois. Suppose some city or village or municipality wanted to have a lease of water power or wanted to get water-power privileges, is the gentleman's amendment broad enough to cover that?

Mr. CHINDBLOM. I think it is. I think that, as far as the National Government is concerned, use for a municipality would be a private use.

Mr. MADDEN. There is a provision in the law that exempts municipalities from the payment of fees.

Mr. CHINDBLOM. Oh, yes.

Mr. MADDEN. This has nothing to do with that.

Mr. CHINDBLOM. No; but I think this amendment would prevent the use of water power in national parks by a municipality as well as by individuals and private corporations.

Mr. GRAHAM of Illinois. The question would be whether the municipal use would be a public use or private use. That would be a question of construction.

Mr. CHINDBLOM. If there is any doubt about it, Mr. Chairman, I ask unanimous consent to modify my amendment by striking out the words "for private use."

The CHAIRMAN. The gentleman from Illinois asks unanimous consent to modify his amendment in the manner which the Clerk will report.

The Clerk read as follows:

Modify the amendment so that it will read as follows: Page 32, line 24, after the word "commission," insert "*Provided further*, That no portion of this appropriation shall be available for any expense connected with the leasing of any water-power facilities in any national park."

The CHAIRMAN. Is there objection to the modification of the amendment?

Mr. McKENZIE. Reserving the right to object, I would like to ask the gentleman a question. Is it the purpose of my colleague to prevent the development of any water power that might happen to exist in the national parks?

Mr. CHINDBLOM. Exactly; not only to prevent developing it but to prevent leasing it, so that the parks may not be commercialized for that purpose. I will say this, that if representatives of the National Government find it necessary to develop some power for their own use within the park, that would not come within the amendment, but any development of any water power in any national park to be utilized and extended outside of the park would come within the prohibition.

Mr. McKENZIE. The gentleman's object is to prevent the utilization of water power that may exist in national parks that could be used for the benefit of a citizen of this country who might make use of it, and to preserve the park for the benefit of those who may go there to see the park?

Mr. CHINDBLOM. My object is to have the national parks maintained for their natural scenery.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois to modify his amendment? [After a pause.] The Chair hears none.

Mr. ESCH. Mr. Chairman, I move to amend the amendment by adding to it the words "and national monuments."

The CHAIRMAN. The question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The amendment as amended was agreed to.

The Clerk read as follows:

For five commissioners, at $10,000 each; secretary, $5,000; in all, $55,000.

Mr. BLANTON. Mr. Chairman, I move pro forma to strike out the paragraph. Mr. Chairman, this provides for the salary of five commissioners at $10,000 each. In my efforts a moment ago to try to get Congress to cease the policy of giving high-salaried Government employees hundreds of automobiles and maintaining them at Government expense all over the United States, unfortunately I referred to them as department heads and bureau chiefs. The distinguished gentleman from Illinois, Mr. MANN, in playing upon words, tried to draw a legal distinction between tweedledum and tweedledee and called attention to the fact that there were no bureau chiefs drawing such high salaries.

The people of the United States think of the high-salaried officers of the United States Government and of the department

heads as heads of bureaus, regardless of what bureaus mean to the Members of Congress. We know that there are 10 departments of Government, and at the head of each is a Secretary, a member of the Cabinet, drawing a salary of $12,000 a year. That was the point I was making when the distinguished gentleman from Illinois intimated that if the employees of the Government drew as much salary as the gentleman from Texas, to wit, $7,500 a year, they could buy their own automobiles, and yet the very point I was making was that many of the ones who are furnished automobiles are drawing more than a Member of Congress—the heads of our 10 departments are drawing $12,000 apiece. I did not have opportunity then, but I tried to call the attention of the gentleman from Illinois to the fact that in this very bill he was seeking to renew the salaries of various individuals at high figures which he, by his vote, had caused to be fixed at high figures.

Now, I want to call attention to some of these high salaries in this bill. Five commissioners of the Federal Trade Commission, at $10,000 a year each. Eleven members of the Interstate Commerce Commission, at $12,000 a year each. Nine members of the Railroad Labor Board, at $10,000 a year each. Seven members of the Shipping Board, at $12,000 a year each. Six members of the Tariff Commission, at $7,500 a year each.

I do this only to prevent the remarks of the gentleman from Illinois from absolutely squelching me in the RECORD, for when the gentleman from Illinois jumps on a man on the floor the man usually had better take his medicine and sit down. I am not so timid as some of my colleagues, for I will answer the distinguished gentleman, although I do it at a great disadvantage.

Mr. MANN of Illinois. Mr. Chairman, the gentleman from Texas is the last man in the House whom I would seek to squelch or whom I desire to keep still. I think he is a valuable man in the House in talking and working, although sometimes I think he talks too much. [Laughter.]

Mr. BLANTON. Having gotten the record straight, I will take the gentleman's advice and quit. [Laughter.] Mr. Chairman, I ask unanimous consent to withdraw my pro forma amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The Clerk read as follows:

For scientific research, technical investigations, and special reports in the field of aeronautics, including the necessary laboratory and technical assistants; traveling expenses of members and employees; office supplies, printing, and other miscellaneous expenses, including technical periodicals and books of reference; equipment, maintenance, and operation of Langley Memorial Aeronautical Laboratory, and construction of additional buildings necessary in connection therewith; maintenance and operation of one motor-propelled passenger-carrying vehicle; and purchase, maintenance, and operation of one passenger-carrying motor cycle; personal services in the field and in the District of Columbia: *Provided*, That the sum to be paid out of this appropriation for clerical, drafting, and messenger service for the fiscal year ending June 30, 1922, shall not exceed $50,000; in all, $260,000.

Mr. MANN of Illinois. Mr. Chairman, I reserve the point of order on the paragraph. I do not know whether it is provided for by law or not. I do not know when this was named the Langley Memorial Aeronautical Laboratory. That probably may be a very good name.

Mr. GOOD. It is authorized by the naval act for the year 1916. It is a permanent authorization.

Mr. MANN of Illinois. For what? For a national advisory committee? But I take it not for all of the purposes named in this paragraph—certainly not all of them. Outside of that I would like to ask a question. I know this is said to be scientific work, and I would like the attention of the gentleman from Nebraska [Mr. REAVIS] for a moment. Here is the proposition: We have now an aeronautical service in the Navy, an aeronautical service in the Army, an aeronautical service in the Post Office Department, and a proposition for an aeronautical service under the Smithsonian Institution, or wherever it is to be—under a special permit. I suppose all of these services do some good, and yet there is no one who does not know there might be some combination between these different services, but instead of having a combination we have a tendency to separate and spread out still more. These are not the only ones who are doing this work. Why can not this be stopped? The war is not going on, and while the gentleman from Nebraska [Mr. REAVIS] may later report upon this subject, I should think he would now have enough information to know that it is not necessary to have four branches of the Government working at the same thing.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. REAVIS. I have information enough to tell the gentleman that through the kindness of the President in losing the resolution for reorganization, this thing can be stopped, and that the purpose of the resolution was to appoint a committee to ascertain wherein these foolishly expensive duplications consisted.

Mr. MANN of Illinois. What does the gentleman mean by the President "losing" the resolution?

Mr. REAVIS. The press had it that the resolution for reorganization became a law because the President "lost" it, until after the 10 days had expired.

Mr. MANN of Illinois. Oh, I thought the gentleman meant that the resolution had been really lost. If it is a press story, then it ought not to be taken seriously. The President allowed the gentleman to function, and that is the most thankful thing that the gentleman can find in any of the President's recent actions.

Mr. REAVIS. The President has not allowed the gentleman to function, because he has no particular desire to do so; but the President has doubtless allowed the commission to function, which I hope will bring something before the Congress that will answer the gentleman's question about why these duplications can not stop.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MANN of Illinois. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MANN of Illinois. The gentleman from Nebraska in his investigation, which covers all branches of the Government service, will probably not find any in the thousands of services investigated to which he will be able to give as much needed attention as he can to these four plain cases right now.

Mr. REAVIS. Mr. Chairman, will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. REAVIS. I will state to the gentleman that with reference to the duplication of these various services on aeronautics, three of them have already been to me to assure me of the utter necessity of each particular service being continued, and not being done away with.

Mr. MANN of Illinois. And the fourth one is in this bill.

Mr. REAVIS. Probably they have not yet had time to reach me.

Mr. MANN of Illinois. Oh, undoubtedly they have a good friend somewhere.

Mr. REAVIS. But they are on their way.

Mr. MANN of Illinois. I do not know whether there is any hope of ever stopping any of the duplications, but I make the point of order anyway.

Mr. SNELL. I think it is a good place to stop it right now.

The CHAIRMAN. The gentleman from Illinois makes the point of order on the paragraph. Does the gentleman from Iowa desire to be heard on the point?

Mr. GOOD. What is the gentleman's point of order?

Mr. MANN of Illinois. That it is not authorized by law. Of course, there are special things in the paragraph that are subject to a point of order, but I will not take them up separately.

Mr. GOOD. Mr. Chairman, the naval appropriation act, approved March 3, 1915, contains the following provision:

An advisory committee for aeronautics is hereby established, and the President is authorized to appoint not to exceed 12 members, to consist of two members from the War Department, from the office in charge of military aeronautics; two members from the Navy Department, from the office in charge of naval aeronautics; a representative each of the Smithsonian Institution, of the United States Weather Bureau, and of the United States Bureau of Standards; together with not more than five additional persons who shall be acquainted with the needs of aeronautical science, either civil or military, or skilled in aeronautical engineering or its allied sciences: *Provided*, That the members of the advisory committee for aeronautics, as such, shall serve without compensation: *Provided further*, That it shall be the duty of the advisory committee for aeronautics to supervise and direct the scientific study of the problems of flight, with a view to their practical solution, and to determine the problems which should be experimentally attacked, and to discuss their solution and their application to practical questions. In the event of a laboratory or laboratories, either in whole or in part, being placed under the direction of the committee, the committee may direct and conduct research and experiment in aeronautics in such laboratory or laboratories: *And provided further*, That rules and regulations for the conduct of the work of the committee shall be formulated by the committee and approved by the President.

Mr. Chairman, I suppose a great deal of money—more money was wasted during the war with regard to aeroplanes and aeronautics than anything else. The Committee on Appropriations listened very patiently to the scientific men who came before it; men who are giving their time, without one cent of compensation, like Dr. Ames, of the Johns Hopkins University, and men of his character; men whose standing in the scientific world can not be questioned, and they impressed the committee with the fact that they are attempting at least to solve the big mili-

tary as well as civil question with regard to aeronautics. And scientific problem with regard to aeronautics, whether the plane is to be used for carrying mail or in the Army or the Navy, is to be studied there and there only. That scientific problem, it was intended, should be solved here. I think it was the purpose of the Naval Committee in so reporting this bill so that duplication of this kind of work could be avoided, and I commend the committee for its work in providing for this establishment.

Mr. BUTLER. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BUTLER. I recall the act of Congress distinctly, and we supposed this service would end. We understand that the same sort of service is being performed in the Navy Department now under an appropriation made directly in the naval appropriation bill.

Mr. GOOD. Well, it certainly ought not to be. The service was provided here and provided at the commission's expense. The gentleman knows men like Dr. Ames are performing this service without any compensation at all. They have a field down here—Langley Field. There is a change in this respect, but if it is objectionable we will take that part out.

Mr. BUTLER. If an appropriation is to be made in this bill for that service, if I have anything to do with the naval appropriation bill, I certainly would see it was taken out.

Mr. GOOD. Here are men like Dr. Walcott, who receive no compensation at all; men like Dr. Stratton, of the Bureau of Standards, who receives no compensation for that work, and they say it is desirable work and work that ought to be done. Certainly we ought to know something about it.

The CHAIRMAN. Does the gentleman from Iowa desire to discuss the point of order?

Mr. GOOD. I thought I was discussing the point of order. I am discussing the proposition——

The CHAIRMAN. The gentleman is discussing the merits of the paragraph, but the Chair desires to ask the gentleman from Iowa if there has been any amendment to the act to which he referred in the beginning of his remarks when he was discussing a point of order?

Mr. GOOD. I do not know of any. I will say to the Chair that there may be some legislation in this paragraph, but if there is objection to changing the name of the field to the Langley Field—that is the place where the laboratory is located and there is a large field there that was established in memory of Prof. Langley—that may be legislation. I will say to the gentleman that I am just advised that the President has changed the name of the field, and this amendment is in conformity with the Executive order which changes the name of the field, and therefore it would not be subject to the point of order.

The CHAIRMAN. The Chair has examined the act referred to by the gentleman from Iowa, and he finds there is a paragraph in the act referred to by the gentleman which reads as follows:

That the sum of $5,000 a year, or so much thereof as may be necessary, for five years is hereby appropriated, out of any money in the Treasury not otherwise appropriated, to be immediately available for experimental work and investigation undertaken by the committee, clerical expenses and supplies, necessary expenses of the members of the committee in going to and returning from and while attending meetings of the committee: *Provided*, That an annual report to Congress shall be submitted to the President, including an itemized account of expenses.

The Chair also notes that the paragraph in the bill carries language for the construction of additional buildings necessary in connection with the equipment, maintenance, and operation of the aeronautical laboratory. In the view of the Chair that language of the paragraph goes beyond the authorization of the law and the Chair sustains the point of order.

Mr. GOOD. Will the Chair indulge me for a minute? I would like to amend the provision, because I think there is no provision in the bill that will save more money than this provision here; and I would like to know in what respect the Chair rules the paragraph is legislation. Because the paragraph the Chair has read did make provision for five years, it seems to me it can not be reasoned from that fact that at the conclusion of the five years the appropriation should then remain at $5,000. Does it not fix a permanent agency? Here is a permanent agency, and for the first five years only was there a limitation on the expenditure, but no limitation after that. I will ask the Chair if the building down there of one large wind tunnel with quite extensive apparatus for making scientific investigations in regard to aeronautics is not permanent. Last year we appropriated $200,000 for that purpose, which was to carry on that work, and the position we have taken was that that was only limited for the first five years. Now, if the Chair will indulge me, I would like to ask the Chair if that is the provision, the limitation of $5,000, to which he refers?

The CHAIRMAN. The Chair will state that one of the provisions which does not conform to existing law is an authorization with reference to the construction of an additional building in connection with the maintenance and operation of the laboratory, and the Chair is not prepared to state that because an authorization limits an appropriation to a certain sum each year for a stated definite term that at the expiration of that period there is continued an authorization for appropriating money beyond that fixed in the limitation. It might well have been that the intention that this work was to continue for five years required a further authorization for its continuance beyond that period.

Mr. GOOD. I want to call the attention of the Chair to the fact that the first paragraph of the law itself provided that if there were a laboratory or laboratory place there that the money should be available for their operation. Here is the laboratory, and they have already constructed a wind tunnel. The law provides that in the event such laboratory or laboratories are there in whole or in part it should be placed under the direction of the committee and they were directed to conduct research and experiments in aeronautics in such laboratory or laboratories.

The CHAIRMAN. But that language would not seem to authorize the construction of laboratories above the amount appropriated. In the Chair's opinion it says that if the laboratories are placed, they are placed there under the direction of the committee. Certainly, the gentleman will not contend that that is broad enough language to authorize the construction of additional laboratories.

Mr. CAMPBELL of Kansas. Will the Chair allow me to suggest?

The CHAIRMAN. Certainly.

Mr. CAMPBELL of Kansas. The laboratories were to be constructed under the direction of the War Department and direction of the Navy Department. I would like to ask if we have not extensive laboratories——

Mr. GOOD. Where have they got a 6-foot wind tunnel in the United States?

Mr. CAMPBELL of Kansas. They have one at Dayton, Ohio.

Mr. GOOD. No; they have not.

Mr. CAMPBELL of Kansas. They have wind caves.

I do not know the size of it. They have all the facilities for demonstration——

Mr. GOOD. They have facilities——

Mr. CAMPBELL of Kansas. At Dayton, Ohio.

Mr. GOOD. No; they have not all the facilities for demonstration at Dayton, Ohio, or anywhere else.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The expenses of the United States Shipping Board Emergency Fleet Corporation during the fiscal year ending June 30, 1922, for administrative purposes, the payment of claims arising from the cancellation of contracts, damage charges and miscellaneous adjustments, maintenance and operation of vessels, the completion of vessels now under construction, and for carrying out the provisions of the act entitled "An act to provide for the promotion and maintenance of the American merchant marine, to repeal certain emergency legislation, and provide for the disposition, regulation, and use of property acquired thereunder, and for other purposes," approved June 5, 1920, shall be paid from the following sources: (a) The amount on hand July 1, 1921; (b) the amount received during the fiscal year 1922 from the operation of ships; and (c) not to exceed $55,000,000 from deferred payments on ships sold prior to the approval of this act, from plant and material sold during the fiscal year 1922, and from ships sold during the fiscal year 1922: *Provided*, That after the approval of this act no contract shall be entered into or work undertaken for the construction of any additional vessels for the United States Shipping Board or the United States Shipping Board Emergency Fleet Corporation.

Mr. DAVIS of Tennessee. Mr. Chairman——

Mr. BLANTON. Mr. Chairman, I make a point of order against the paragraph.

Mr. DAVIS of Tennessee. I make the point of order against the language on page 39, lines 23 and 24; on page 40, lines 1 and 2; and in line 22, page 39.

The CHAIRMAN. The gentleman from Tennessee makes a point of order on the language indicated.

Mr. MANN of Illinois. I could not understand.

The CHAIRMAN. The gentleman will state the language.

Mr. DAVIS of Tennessee. The language contained on page 39, beginning with lines 23 and 24, and on page 40, lines 1 and 2, and line 3, to the figures "1922," and also in line 22, page 39, beginning after the word "sources."

The CHAIRMAN. The gentleman from Tennessee makes a point of order upon the language contained in the paragraph, beginning with line 22, "the amount on hand July 1, 1921," down to and including the figures "1922," page 40, line 3.

Mr. GOOD. Mr. Chairman——

The CHAIRMAN. Does the gentleman——

Mr. MANN of Illinois. A point of order was also made on the whole paragraph.

The CHAIRMAN. The point of order was reserved by the gentleman from Texas [Mr. BLANTON].

Mr. MANN of Illinois. I make a point of order on the whole paragraph.

Mr. GOOD. It is subject to a point of order. I concede it.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

No contracts for ship construction to be entered into shall provide that the compensation of the contractor shall be the cost of construction plus a percentage thereof for profit, or plus a fixed fee for profit.

Mr. GARNER. Mr. Chairman, I want to move to strike out the last word for the purpose of asking a question.

Mr. CALDWELL. Mr. Chairman, a parliamentary inquiry. I would like to inquire if it would not be highly proper to strike out the last four paragraphs?

The CHAIRMAN. That is not a parliamentary inquiry.

Mr. GARNER. As I understand the paragraph just now, to which a point of order was made, was made on the ground that it changes existing law, and the gentleman from Iowa [Mr. GOOD] conceded that the point of order was good. I want to ask the gentleman from Iowa just how far he intended to go as chairman of the Committee on Appropriations under the present rules of the House in the matter of bringing in legislation on appropriation bills?

Mr. GOOD. The provision that is carried in the bill was similar to the provision now in existing law, placed in there with the intention to compel the Shipping Board to sell the ships as Congress had directed them to do. So far as the chairman is concerned—I can not speak for the committee—I am willing to go to almost any length to compel the Shipping Board, which is an agency of the Government, to do what Congress has many times directed it should do.

Mr. GARNER. I have no quarrel with the gentleman as to the merits of his proposition. What I am trying to get at, and what I think the House is entitled to know, is how far the Appropriations Committee, as now constituted under the rules, is going to undertake to invade the rules of this House?

Mr. MANN of Illinois. As far as the Appropriations Committee always has while the gentleman from Texas has graced the floor of the House.

Mr. GARNER. I did not ask the gentleman from Illinois.

Mr. MANN of Illinois. The gentleman was foxy. He was trying to put a gentleman in the hole. He can not put me in a hole.

Mr. GARNER. I can not put the gentleman from Illinois in a hole. I will admit that. I am trying to get information so that the House can understand just how far this committee, which I helped to create, is going toward continuing a policy of bringing in legislation on appropriation bills?

Mr. GOOD. I am sorry I can not speak for the committee.

Mr. GARNER. I want to say to the gentleman as one who helped to create that committee and believes in that policy, and believes it would redound to the economy in the conduct of the business of the House, if your committee is going to usurp the powers of other committees of the House I am in favor of going back to the old rules.

The CHAIRMAN. The time of the gentleman from Texas [Mr. GARNER] has expired. Without objection, the pro forma amendment is withdrawn.

Mr. CALDWELL. I make a point of order against the paragraph. It is legislation on an appropriation bill.

The CHAIRMAN. The Chair will state that the paragraph has been read, debate has been had upon it, and it is too late to make the point of order. The Clerk will read.

The Clerk read as follows:

No part of the funds of the United States Shipping Board Emergency Fleet Corporation shall be available for rent of buildings in the District of Columbia during the fiscal year 1922 if suitable space is provided for the said corporation by the Public Buildings Commission.

Mr. CALDWELL. Mr. Chairman, I make a point of order against that paragraph.

The CHAIRMAN. The gentleman will state it.

Mr. CALDWELL. It is legislation upon an appropriation bill.

The CHAIRMAN. The Chair will state that this language in the bill seems to be in the nature of a limitation upon the use of funds.

Mr. CALDWELL. If the Chair please, if the Chair will hear me, under the Holman rule there must be a tendency to reduce the amount to be expended. Under this there is no tendency of that kind but an increase.

Mr. MANN of Illinois. The Chair will notice this is not a limitation upon the appropriation at all. A limitation upon the appropriation is in order. This is not a limitation upon the appropriation. There is no appropriation. It is a limitation upon funds the Shipping Board has. I think it ought to be in the bill. I do not suppose it makes a cent's worth of difference one way or the other.

The CHAIRMAN. The Chair stands corrected. It refers to an appropriation other than that contained in the bill, and therefore it is merely legislation, and not a limitation on the appropriation bill. The Chair therefore sustains the point of order. The Clerk will read.

The Clerk read as follows:

No part of the funds made available in this act for the Shipping Board or the Emergency Fleet Corporation shall be expended for the preparation, printing, or publication of any bulletins, newspapers, magazines, or periodicals, or for services in connection with same, not including preparation and printing of reports or documents authorized by law.

Mr. GOOD. Mr. Chairman, I move to strike out lines 17 to 22, inclusive.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 40, line 17, strike out the paragraph beginning on line 17 and ending with line 22.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

In all, National Museum, $534,120.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word.

I call attention to the total. While it is not important, the total here is incorrect. The total for the National Museum should be "$415,120." Whoever made the computation included in the total the Astrophysical Observatory. That is on page 42, line 14, the total.

Mr. GOOD. Yes; my attention was called to that by a letter. It should be "$415,120."

Mr. MANN of Illinois. Yes; the same as it is now.

Mr. GOOD. Mr. Chairman, I move, on line 14, page 42, to strike out "$534,120" and insert "$415,120."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Iowa.

The Clerk read as follows:

Amendment offered by Mr. GOOD: On page 42, line 14, strike out "$534,120" and insert "$415,120."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For salaries and expenses of the United States Tariff Commission, including purchase and exchange of labor-saving devices, the purchase of professional and scientific books, law books, books of reference, and periodicals as may be necessary, as authorized under Title VII of the act entitled "An act to increase the revenue, and for other purposes," approved September 8, 1916, $300,000.

Mr. DENISON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois moves to strike out the last word.

Mr. DENISON. I do so for the purpose of asking the chairman of the committee, if he is able to do so, to tell us how much has been appropriated by Congress for the use of the Tariff Commission?

Mr. GOOD. One million four hundred thousand dollars.

Mr. DENISON. Since its creation?

Mr. GOOD. Yes; since the creation of this Tariff Commission.

Mr. DENISON. Yes.

Mr. GOOD. There was some appropriation for a former Tariff Commission, which was abolished, and since the creation of this present Tariff Commission the appropriations have amounted to $1,400,000.

Mr. DENISON. Can the chairman give the House the benefit of his information as to what work the commission is accomplishing, and whether it is turning any output that may be of any benefit to the country?

Mr. GOOD. Yes. The commission, as I understand, during the past year has made a great many studies with regard to numerous questions upon which a tariff is based, preparatory to the work of helping the Committee on Ways and Means, so far as its investigations are concerned. The commission is not permitted under the law to make recommendations with regard to tariffs, or any matter of that kind. Its only function is to ascertain the facts and report the facts. They have made studies on a great many articles and a great many subjects, both here and abroad; and my recollection is that there were some-

thing like 40 or 50 pamphlets printed during the year, giving the results of those investigations. They asked for $500,000, but under the law they are limited to $300,000, which is the amount they have had every year since the creation of the commission save one.

Mr. DENISON. You do not mean that this commission came in and wanted $200,000 more than was authorized by law?

Mr. GOOD. Yes. They have asked for $200,000 more than was authorized by law for several years.

Mr. DENISON. What is the salary of the commissioners?

Mr. GOOD. Each member of the commission under the law receives a salary of $7,500, and the secretary to the commission receives a salary of $5,000.

Mr. GREEN of Iowa. Mr. Chairman, if the gentleman will permit, I will say that the commission has now almost finished a report on practically every paragraph contained in the present tariff law, and with reference to every article that might be subject to a tariff, for the use of the Committee on Ways and Means and for the use of Members of the House. I mention that particularly at this time, for the use of such Members of the House as desire at this time to study up the tariff question in advance and prepare themselves on the various sections of a tariff measure which will doubtless be taken up in the summer.

Mr. DENISON. The gentleman thinks these investigations will be of real service to the committee in the preparation of a new tariff bill?

Mr. GREEN of Iowa. Oh, yes. These investigations have been of great service to the committee. We could not do without them unless we had some force of our own in the committee to make the investigations.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

Mr. MONTAGUE. Mr. Chairman, I would like to ask the gentleman from Iowa [Mr. GREEN] a question, if I may be permitted.

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 44, after line 20, insert the following caption: "War Department."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. GOOD. Mr. Chairman, I yield to the gentleman from Virginia.

Mr. MONTAGUE. I wish to ask the gentleman from Iowa [Mr. GREEN] how is this matter published or distributed that is printed by the Tariff Commission? How is it obtained? I understand it is at the service of the Committee on Ways and Means. Is it at the service of the average Member of Congress, and if so, how is it obtained?

Mr. GREEN of Iowa. These reports are printed separately, something like the reports made with reference to tungsten, and with reference to laboratory glass, and other matters that came up at the last session of Congress in the House. They are printed in the form of pamphlets.

Mr. MONTAGUE. How are they obtained?

Mr. GREEN of Iowa. The gentleman can obtain them of the clerk of the Committee on Ways and Means.

Mr. TREADWAY. Is it not a fact that the chairman of the Committee on Ways and Means [Mr. FORDNEY] introduced a resolution authorizing the publication of several thousand copies of the various pamphlets from the Tariff Commission?

Mr. GREEN of Iowa. The gentleman from Massachusetts is correct, and the printing of these documents is now carried on as a part of the printing of the Ways and Means Committee, because I understand the Tariff Commission claim that they have exhausted the funds that they have for the purpose of printing.

Mr. MONTAGUE. The reason of my inquiry was this: I thought obviously they would send these reports of their scientific findings to the several Members of the House.

Mr. GREEN of Iowa. No; I do not think that would be advisable as a blanket proposition, because a great many Members would not care to go through them, and it would be a great deal of work for Members to do so; but probably each Member has some particular item as to which he would like information. If so, he can obtain a report on the particular subject in which he is interested by applying to the clerk of the committee.

Mr. MANN of Illinois. Under the law does not the commission make a report to the President on these matters, and is not that what the law requires?

Mr. GARNER. No; the law requires them, when directed, to make reports to the Ways and Means Committee of the House of Representatives and the Finance Committee of the Senate.

Mr. MANN of Illinois. The Ways and Means Committee of the House and the Finance Committee of the Senate may have them directly by requesting them, but does not the law require them as a matter of course to make their reports to the President? Sometimes their reports are transmitted to Congress. I occasionally get one through the document room.

Mr. GARNER. Let me say to the gentleman from Virginia and other members of the committee that they will recall probably that this item was opposed by some of the Members of the House two years ago and even a year ago. That opposition seems to have faded away. It may arise again after the information given by the Tariff Commission to the next Congress, or it may not. If this commission fulfills its mission as the Members of the House who created it hope it will, I imagine they will give it all the money that it may need to continue its work. It largely depends upon its activities, and what the House may approve within the next six months.

Mr. GARRETT rose.

Mr. MANN of Illinois. If the reports of the Tariff Commission are satisfactory to the gentleman from Texas [Mr. GARNER], I am sure they will not be satisfactory to the gentleman from Tennessee [Mr. GARRETT]. [Laughter.]

Mr. GARRETT. I move to strike out the last two words, in order to answer the inquiry of the gentleman from Illinois, not the suggestion he has just made.

Section 703 provides that—

The commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command.

There does not seem to be anything in the act which requires it to report to anybody in particular.

Mr. MANN of Illinois. I was under the impression that there was a provision in the act requiring them to report to the President. I think they make an annual report.

Mr. GARRETT. That may be. I have read the provisions of the statute.

Mr. FESS. Will the gentleman yield?

Mr. GARRETT. I yield to the gentleman from Ohio.

Mr. FESS. I think the commission have made a practice of attempting to distribute their reports by sending letters to Congressmen asking them whether they desired a particular report. I think every Member of Congress will recall receiving such letters.

Mr. GARRETT. I know that has been done in some cases.

Mr. GOOD. If gentlemen want to clear this matter up, the law provides that the duties of the commission shall be—among other things—

And, in general, to investigate the operation of customs laws, including their relation to the Federal revenues, their effect upon the industries and labor of the country, and to submit reports of its investigations as hereafter provided.

Mr. GARNER. "Hereafter provided" means when they are called upon by the Ways and Means Committee of the House, the Finance Committee of the Senate, or the Secretary of the Treasury?

Mr. GOOD. I suppose so.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the construction and installation of fire escapes, $4,000.

The CHAIRMAN. Without objection, the Clerk will correct a typographical error in the spelling of the word "escapes," in line 12, page 45.

There was no objection.

The Clerk read as follows:

Ordnance reservations, civilian schools: For the maintenance and operation of schools for children on ordnance reservations, $28,500.

Mr. BYRNS of Tennessee. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Tennessee offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Page 46, after line 8, insert a new paragraph, as follows:

"Nitrate plant. For continuing construction of locks, dams, power house, and appurtenances authorized by the national defense act approved June 3, 1916, $10,000,000."

Mr. GOOD. Mr. Chairman, I reserve a point of order. The gentleman from Illinois [Mr. GRAHAM] wanted to make it, and I only reserve it in the momentary absence of the gentleman from Illinois.

The CHAIRMAN. The gentleman from Iowa reserves the point of order.

Mr. GOOD. Pending that I ask unanimous consent that the consideration of this amendment be postponed until we reach the end of line 8, page 166. That is the end of the bill, excepting the Panama Canal and a few other items. There are many Members who want to be present when this matter comes up.

Mr. BYRNS of Tennessee. I am informed by one or two Members who are very anxious to vote on this proposition that they are likely to leave within the next day or two.

Mr. GARNER. Let me suggest to the gentleman that if I understood the gentleman from Wyoming [Mr. MONDELL]——

The CHAIRMAN. Has the gentleman from Iowa made any request?

Mr. GOOD. I asked unanimous consent that the amendment offered by the gentleman from Tennessee be postponed until we reach the item "Panama Canal," at the end of line 8, on page 166.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the consideration of the amendment offered by the gentleman from Tennessee be postponed until after line 8, page 166, is reached. Is there objection?

Mr. CALDWELL. I object.

Mr. QUIN. I object.

Mr. GARNER. Mr. Chairman, may I make a suggestion to the gentleman from Iowa and the gentleman from Tennessee? I understand from the gentleman from Wyoming that the veto message of the President, as to the war-finance legislation, will be voted on immediately after the reading of the Journal tomorrow morning. If that is true, this is a very important matter, and I imagine that every Member of the House would like to be present, and I suggest that this be taken up immediately after the veto message is disposed of and that we vote upon it.

Mr. GOOD. If we can not postpone it to the end of the bill I think we had better go to the mat now.

The CHAIRMAN. The gentleman from Iowa reserves a point of order on the amendment.

Mr. BYRNS of Tennessee. I suggest, Mr. Chairman, that the gentleman make his point of order that it may be settled now.

Mr. GOOD. I will say to the gentleman from Texas that I have agreed with certain Members of the House that there shall be pretty liberal debate on this amendment, and that it will take at least two hours, and it would come in immediately after the disposition of the veto message anyway.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask unanimous consent to proceed for half a minute.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. GRAHAM of Illinois. Mr. Chairman, I have investigated this matter as thoroughly as I could in the time I have had at my disposal, and while my purpose was to urge the point of order to the amendment, I have satisfied myself that it is within the rule and is not subject to a point of order. Therefore, I shall not press the point of order.

Mr. GOOD. Then, Mr. Chairman, I withdraw the reservation of a point of order.

Mr. BYRNS of Tennessee. May I ask the gentleman from Iowa how long he expects to run this evening?

Mr. GOOD. I thought we ought to run until about 6 o'clock.

Mr. BYRNS of Tennessee. I am perfectly willing to do that.

Mr. GOOD. We ought to begin the new year right.

Mr. BYRNS of Tennessee. Mr. Chairman, I take it that there is going to be more or less extended discussion on this amendment. If we are not to conclude it this evening, it seems to me that it might be possible, if the entire committee is willing, to put it off until to-morrow after the disposition of the veto message and then consider and dispose of it.

Mr. GOOD. How much time does the gentleman feel will be required on that side of the House in favor of the amendment?

Mr. BYRNS of Tennessee. I have had a number speak to me, but I am not able to answer the question. It has been suggested that we have an hour and a half on a side.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that debate on this amendment and all amendments thereto be limited to two hours, one-half to those speaking in favor of the amendment and one-half to those opposed.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the debate on this amendment and all amendments thereto be limited to two hours, one-half to be controlled by those in favor of the amendment and one-half by those opposed. Is there objection?

Mr. FREAR. Reserving the right to object——

Mr. MANN of Illinois. To save time, I object.

The CHAIRMAN. The gentleman from Illinois objects. The gentleman from Tennessee has two minutes remaining of his five minutes on the amendment.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to be allowed to proceed for 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Chairman, this proposition was discussed quite fully under general debate. The amendment which I have offered seeks to provide the funds necessary to continue the work now in progress on this dam at Muscle Shoals on the Tennessee River. I do not know that there is anything I can add to what I said at that time in support of this amendment.

Under section 124 of the national defense act the President of the United States was authorized to select a site and to construct a nitrate plant for the purpose of manufacturing explosives and fertilizer and other useful products, and also to select a site to begin the construction of dams, locks, power house, and other appurtenances necessary in his judgment for the operation of the plant.

Under that authority a commission was appointed, consisting of several members of the Cabinet and others who made an investigation of all sites available for the purposes indicated and reported to the President of the United States, and he selected a site at Muscle Shoals, near Florence, Ala., for a nitrate plant. The plant was commenced and has now been completed. More than $70,000,000 was expended in the construction of plant No. 2, and nearly $15,000,000 was expended in the construction of plant No. 1. A steam-power plant was also erected in connection with the plants.

Acting also under that authority the President in February, 1918, ordered that a dam be constructed, and he has allotted from the national-defense fund $17,000,000 for commencing the construction of that dam. Twelve million dollars of that sum has been expended up to the present time, and those in charge of it state that by June 1 of next year the remaining $5,000,000 will have been expended, and unless Congress makes a further appropriation the work on the dam must stop at that time.

They have there now an organization of more than 4,000 laborers employed. Very large sums have been spent in work necessary as a preliminary to the construction of such a large dam—in preparing the hillsides on either side of the river, laying necessary trackage, placing a number of cofferdams, constructing a temporary bridge, providing temporary shelter for the large force of men employed, and other preliminary work necessary in so great an undertaking. The dam is now 30 per cent completed. Col. Hugh L. Cooper, consulting engineer, in charge of the work, and Gen. Taylor state that if the work is stopped it will involve a loss of more than $4,000,000. In addition to that, the Government will run the risk of losing all the money that has been expended in the way of cofferdams and other property belonging to the Government which is necessary to construct the dam if a flood should occur.

It is inconceivable to me that Congress intends to abandon this work. Everybody agrees that the Government should maintain the nitrate plant at Muscle Shoals as a war emergency, because you gentlemen all know that when this war broke out we were absolutely dependent on Chilean nitrates for the manufacture of explosives. We were in a precarious situation, because if anything had happened to cut off the base of our supplies, or anything had happened to interfere with the shipment of these supplies on the high seas we would have been in a very unfortunate situation so far as the war was concerned.

The act which was passed in 1916, the national defense act, recognized that the interest and safety of our Government depended on maintaining that plant in time of peace, and it was therefore provided that this plant should be constructed not only with a view of providing explosives but with a view of manufacturing fertilizer and other useful products, if the Government should deem it necessary and proper to do so. If you do not make this appropriation and construct the dam, you can not run that plant in peace times. Everyone is agreed that steam power is too expensive, and that you must have the cheaper water power if you expect to manufacture nitrates for commercial purposes. The result will be, if you stop this work on June 1 or sooner, by failing to make this appropriation, the Government will have a large investment there of $85,000,000 which you expect to be maintained as a war emergency, lying idle, depreciating both as to its machinery and its buildings and requiring a large and expensive guard force to protect it, and in addition you will be denying to the farmers of this coun-

try the cheaper fertilizer which they expect to receive as a result of the operation of that plant. I take it that every one of you gentlemen when you reached your office this morning found on your desk a copy of the letter which I hold in my hand, which is signed by Gray Silver, the Washington representative of the American Farm Bureau Federation; Charles Lyman, secretary of the National Board of Farm Organization; and R. F. Bower, legislative agent, National Farmers' Union. What do they say? I will read it:

THE NATIONAL FARMERS' ORGANIZATIONS DESIRE TO CALL YOUR ATTENTION TO THEIR CONCLUSIONS ON THE MUSCLE SHOALS PROJECT.

In deciding upon the item for $10,000,000 to continue the work at the Muscle Shoals Dam, which has been debated before the House, you will determine the success or failure of the whole Muscle Shoals nitrate project as to its ability to furnish the farmer with cheaper fertilizer, and thus the consumer with cheaper food.

This is a clear-cut issue between the American producer and the American consumer jointly, on the one hand, and the great commercial interests on the other hand. In every instance where this project has been investigated by competent authorities it has proved to be unassailable, both from an engineering standpoint and from that of its economic return to the country as a whole.

As an illustration of its ability to stand criticism we wish to quote from the report returned to us from Prof. Stevenson, of Iowa:

"* * * Therefore farmers, farm organizations, and all those interested in securing cheaper foodstuffs should be interested in the passage of the Wadsworth-Kahn bill. The opposition of the fertilizer manufacturers and distributors to the bill is certainly not justified on the basis of the facts involved."

Similar reports have been returned to us from Illinois, New Jersey, and Virginia.

Our conclusions have been reached after careful investigation and study and were presented to each Member of the House with a request for their consideration in May of last year. They are contained in the farmers' presentation before the Senate Agricultural Committee on the Wadsworth bill, now the unfinished business before the Senate.

These conclusions are summed up as follows:

1. Nitrate plant No. 2, operating with cheap water power, can produce nitrogen compounds cheaper than any other source from which we now receive them.

2. This result can not be secured without the water power being made available.

3. With these cheaper nitrogen compounds increased amounts of food and clothing can be produced on the American farm without corresponding additional cost.

4. Government activity to increase crop production and safeguard fertility is a proper one and has official precedent in the irrigation projects.

The facts on which our conclusions are based have never been successfully contradicted, and the bitter opposition of the combined private interests to be affected demonstrate to us the correctness of our position, and this present definite attack upon the completion of the water power shows us how necessary the water power is to carry out our program.

In voting on this item for the continuation of the work at the Muscle Shoals Dam no Member of the Congress of the United States has ever had a better opportunity to register his position as between the interest of the consuming and producing public and the monopolistic interests that have in the past dominated the field of fertilizer manufacture.

While the issue may seem to you to be clouded, to us it is crystal clear and we ask you to trust to our judgment and give us support by your vote.

GRAY SILVER,
Washington Representative American Farm Bureau Federation.
CHAS. A. LYMAN,
Secretary National Board of Farm Organizations.
R. F. BOWER,
Legislative Agent National Farmers' Union.

Gentlemen, this is a clean-cut issue as to whether or not you are going to respond to the demand of the entire farming interests of the United States or going to yield to the demand of the Fertilizer Trust and refuse to complete this dam and give to the farmers that opportunity to secure cheaper fertilizer for the production of their products, which they are asking. [Applause.]

I have received many letters on the subject. I wish to read just one, as a sample to show how the farmers regard this proposition. It comes from a prominent citizen of Nashville:

NASHVILLE, TENN., *December 31, 1920.*

Hon. JOSEPH W. BYRNS, M. C.,
Washington, D. C.

MY DEAR MR. BYRNS: I am part owner in a 320-acre farm in Tennessee River Valley. It requires fertilizer yearly or production is limited.

We have all been looking forward to the power development of Muscle Shoals to produce nitrates at a price we can afford.

Fight for the money to complete the work and never give up. Been too much spent now to stop. It would be criminal.

Yours, truly,

L. G. WALDROP.

It was stated the other day in the general debate that the people of Tennessee are greatly interested in this matter. The people of Tennessee to a unit are interested in this matter, and why? Not only because the farming interests are interested in it, but because the Tennessee River touches the richest section in the whole United States in so far as mineral resources are concerned, and the construction of this dam will remove the chief obstacle to navigation on the river.

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I ask unanimous consent to proceed for two minutes more.

The CHAIRMAN (Mr. TILSON). Is there objection?

There was no objection.

Mr. BYRNS of Tennessee. Mr. Chairman, we have coal, we have iron ore, we have zinc, we have copper, we have marble, and other minerals in Tennessee that can reach the market and enrich this country if the river is made navigable from above Knoxville to its mouth.

I do not as a general proposition favor the Government entering into competition in business with its citizens. I have had occasion to say so many times. But this is a different proposition. It means the salvaging of the immense investment of the United States. It means the maintenance of this plant as a war emergency and its operation during peace times, saving maintenance cost to the Government, and increasing production on the farm, benefiting not only the farmers but the consuming classes in the cities.

I want to say to the Republican Members of this House, you are in the majority and the responsibility will rest upon you, and you alone, if this proposition is defeated. The State of Tennessee in the last election, over my protest, it is true, for the first time since the Civil War gave recognition to the Republican Party. I want to ask you gentlemen whether or not in voting down this proposition and denying this great boon to the farmer and to the entire section, this is going to be your answer to the recognition which the State of Tennessee gave you in the last election? [Applause.]

Mr. FREAR. Mr. Chairman, I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. FREAR. Mr. Chairman, I may say that never in my experience have I before heard on this floor an appeal to vote for a proposition of this kind on the ground that a State will cast its electoral vote for President HARDING. That is the argument just offered. It only indicates how far removed from fairness in discussion has been this statement and others that have been made on the floor in favor of the Muscle Shoals proposition.

Mr. Chairman, on December 22, 1920, we voted here for an agricultural project—the emergency tariff bill to protect farmers. Many Members on both sides voted for it, but where was the gentleman from Tennessee who has just spoken at that time?

Mr. BYRNS of Tennessee rose.

Mr. FREAR. He was paired with Mr. GOOD against it. A gentleman who has led in the fight for the Muscle Shoals $10,000,000 amendment now proposed, Mr. GARRETT, voted against that bill to aid farmers, and the gentleman from Alabama, Mr. ALMON, who has plead for this amendment, he, too, voted against it.

Mr. BYRNS of Tennessee. Will the gentleman say that I was paired against it? The gentleman wants to be fair.

Mr. FREAR. The gentleman was paired with Mr. GOOD.

Mr. BYRNS of Tennessee. Oh, certainly; I was paired with Mr. GOOD.

Mr. FREAR. There was only one gentleman from Alabama who voted for that emergency agricultural tariff bill, Mr. STEAGALL, and that was a fair issue with the farmers' emergency tariff bill. If I am not correct, I ask to be corrected by gentlemen present. The question now comes on this Muscle Shoals proposition, and its supporters have been bringing all kinds of arguments of farmers' interests, sectionalism, and pressure of every kind to force this thing through Congress.

What is this proposal, Mr. Chairman? Originally the River and Harbor Committee were persuaded, in 1914, to bring in a bill for $18,750,000 to put through a project down there in Alabama for water power, at Muscle Shoals on the Tennessee River. We took that up on the floor of the House and voted it out of the bill, although reported unanimously by the committee, and we beat it fairly. Then it came in a different form the next year in the military bill. It was brought in the House by a unanimous report of the Military Committee, this time for nitrates, with a $20,000,000 joker proposal for Muscle Shoals water power. We exposed it again and beat it, in spite of the unanimous recommendation by the Military Affairs Committee. The proposal next went to the Agricultural Committee, this time for fertilizer. First, it was for water power, then for the benefit of nitrates; and, lastly, for fertilizer. Then the Secretary of War and President resurrected it for "war purposes," in time of war. I do not know how much money has been spent there since 1917 by the administration, but I understand it is all the way upward of $120,000,000, while $60,000,000 more are asked to be put in, which will run it eventually to two hundred millions or over for this Tennessee-Alabama water power.

It is now demanded of Congress that we must take this wasteful proposal and continue it because we have put so much Government money in it. Mr. Chairman, $100,000,000 is a great deal of money to waste at Muscle Shoals, but we put over a billion dollars in air craft and got nothing in the shape of fighting craft. It was an awful chapter of public waste, amid many other wasteful war activities, but we wiped the slate and called it off.

We wasted hundreds of millions of dollars in Shipping Board projects. We might as well wipe that off the slate. Now, in the case of the Muscle Shoals project in Alabama the President of the United States, under the wide powers conferred on him during the war by law, has put over a hundred million in this Tennessee River project. Let us wipe that off the map in like manner, unless we know what policy is going to be pursued in respect to the manufacture of air nitrates by the Government. The gentleman from Tennessee says his friends in that State voted the Republican ticket, against his protest. This he confesses, much to his and, I believe, their credit. Was it not with the hope down in Tennessee that the party on this side of the aisle, my Republican brethren, would discontinue wasteful expenditures which have been so notorious during the past eight years? If that be true, and I believe the average Tennessee voter is against waste and extravagance, then here is a $10,000,000 Muscle Shoals proposition you propose to saddle right on them in this bill for the taxpayers of the country to shoulder, without knowing what policy the country is going to pursue with this project. I admit the money is in there, a hundred million, largely wasted we are told. We could not stop it during the war; our hands were tied because of the war and power exercised by the administration, but now we do know the situation, and we act with due notice that this $10,000,000 amendment is only throwing open the floodgates for the future. Determine the policy of this Government on the proposal to throw away sixty or eighty million dollars more before you spend one cent more money on this project. What are you getting? We heard the gentleman from Illinois [Mr. GRAHAM] discuss this matter the other day at length when he showed it is impossible for the Government to carry this project through economically.

He was followed by Mr. JEFFERIS, also on the war investigating committee. They took over 3,000 pages of record evidence, disclosing the awful waste and in an effort to determine whether or not this was a good proposition for the Government to continue. Their judgment is that it is not, decidedly not. The gentleman who just spoke and for whom I have the highest respect, my friend from Tennessee [Mr. BYRNS], declared, as I understood, that there was no one to question but what this would be a proper project for the Government to continue. Yet the other day man after man arose in his place and dissipated that idea, protesting against the project, because they believed this is both wasteful and useless. Although I believe it is money thrown away, I will not say junk the proposition until we decide what we are to do with it. I know that lobbyists year after year sat up in the gallery day after day when the bill came up in some form with the Muscle Shoals project in, and they got it only by the action of the administration as a proposed war measure. I do not know what influence was brought to bear upon the President. It was in time of war and it might have been thought a proper thing to do in war to try and make some effort, however wasteful, to manufacture air nitrates. It was shown the other day that in the by-products of coal a more economical manufacture of nitrates could be had at small expense.

That was discussed by my friend from Illinois, Mr. GRAHAM, who said there is no question but what that was the wise thing to do if we were going to undertake a speedy effort to get nitrates. The question of sectionalism has been raised by my friend from Tennessee, Mr. GARRETT. He says his friends so regard opposition to this amendment. We have given a hundred million dollars for the lower Mississippi River for an insignificant water traffic. That assuredly was not sectionalism. We have given over $10,000,000 or $12,000,000 for the Tennessee River in Government appropriations, and they have practically no waterway traffic to-day An analysis of the reports so shows. Millions upon millions have been given to the Warrior River down in Alabama, with little result, and yet there is talk now of sectionalism because of opposition to this $200,000,000 wasteful war project. Why, no more generous treatment could have been had. There is no sectionalism, except that the section named is always demanding more money. Now, you say that having this money invested, let us finish it. That is no investment. It is largely money thrown away. The people of the country will hold the party on this side of the aisle responsible for their action on this $10,000,000 amendment, and let me urge as strongly as I can that we stop this extravagance before we get in deeper. There is no question of sectionalism, nor of investment, nor of any benefit to farmers. There is a matter of heavy taxes to be paid, and judgment must be exercised before we spend more money on Muscle Shoals after having sunk already $100,000,000 in this Tennessee River proposition.

How much are you going to put in? Two hundred million dollars? What are you going to get then? Not one man in Congress knows. You have not any experience to base it upon. It means a continual waste of the taxpayers' money.

My friends, that is all I have to say. I do not care to discuss it further. We should have a policy and have it determined, not from the viewpoint of these people who want something down on the Tennessee River, but we should begin fundamentally to do things right in a business way, to do things because they are going to be profitable to the Government, and not sit here day after day fighting over an automobile or a clerkship, or some little insignificant expenditure, and then swallowing a wasteful, useless proposal continued by an annual expense of $10,000,000 and have nothing at the end except experience.

Our professions of public economy will be judged by our acts and not by lip service.

Mr. GOOD. Mr. Chairman, may I submit a request? I think it would be to the best interests of everybody if we knew about when the vote on this amendment would come to-morrow. Men are asking me, those in favor and those opposed, how much debate will be had to-morrow. I can not tell them. I want, so far as I am concerned, to give ample opportunity to discuss it. It is a big item. I am going to ask that one hour and a half be allowed to-morrow on this amendment and all amendments thereto, one-half of the time to be divided among those in favor of the amendment and one-half by those opposed.

Mr. BLANTON. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLANTON. Why will not the gentleman agree to stay here until 10 or 11 o'clock to-night and finish this matter and expedite the business?

Mr. GOOD. The gentleman knows that nobody would want to do that.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that debate on this item be limited to one hour and a half, one-half of the time to be consumed——

Mr. GOOD. The request was for one hour and a half to-morrow. We will run some time yet this evening.

The CHAIRMAN. The gentleman asks unanimous consent that debate to-morrow be limited to one hour and a half on this amendment and all amendments thereto. Is there objection?

Mr. STEVENSON. With the provision that time is to be equally divided between those in favor and those opposed?

The CHAIRMAN. The time to be equally divided between those in favor of the proposition and those opposed. Is there objection? [After a pause.] The Chair hears none. The gentleman from New York [Mr. CALDWELL] is recognized for five minutes.

Mr. CALDWELL. Mr. Chairman, the last gentleman who spoke said this was a war measure and that it had been injected into legislation purely as a war proposition. I want to call the attention of the House, particularly of the new Members of the House, to the fact that this proposition originated in the Sixty-fourth Congress before the United States went into the war, and that it has been continually and consistently fought by the little Army and little Navy men on that side even during the war period, and, notwithstanding this opposition, this proposition has had sufficient merit that its proponents have been able to defend it on all occasions. Now, I remember very distinguished Members of this House, and particularly those on that side of the aisle, who during the year 1917 derided the Democrats in this House because they had not prepared this country in the time of peace for its defense.

I notice with a feeling of regret that the very men who had those criticisms in their mouths every day of that Congress are here to-day criticizing the Democrats of this House because we have too much preparedness now, and the opposition on that side of the House comes from those people who are opposed to the United States being in a condition to defend itself against all comers at all times.

How are you going to fight a war unless you have ammunition to fight it with? And how are you going to have ammunition unless you have the nitrate with which to make it? Somebody says you can make it from coal. And yet, during the war, when our great coal plants were being used and developed for this purpose, only a very small percentage of the nitrate that went into our ammunition came from the coal production.

Who is it in this House that is always criticizing this proposition, saying that there is a lobby here promoted and paid by

a certain power company that is in favor of it? Have you heard anybody in this House retaliate by referring those gentlemen to the fact that there is a very large interest in America that is opposed to this proposition because their assets and their affairs are tied up in the importation of Chilean nitrates, and that with the right kind of a factory here in the United States those people would not have the monopoly that they now enjoy? Who has been in favor of this proposition that has ever tried to raise any issue of that kind? Not one. No improper motive has been suggested by this side of the House to any person who has opposed this proposition. The merit of the Muscle Shoals proposition is good enough to stand on its own feet. It is good enough to stand in the light of day; it is good enough——

Mr. FREAR. In fairness, I want to say that was in a past day, when Mr. Washburn and others always sat up here in the gallery; not during the consideration of the present bill. I want that understood.

Mr. CALDWELL. I want the gentleman to understand that I cast no reflection on him or his motives, because I know they are of the highest. I will say, gentlemen, that there are men in this House who will live to rue the day that they opposed the preparation of this country against its possible enemies.

Has any one of you recently taken stock of the military affairs of the world or its economic necessities to determine whether or not America has anything to take consideration of? Do you know who has the largest army, and who has the smallest, according to its population? Do you know who has the largest commerce and the biggest carrying trade? Have you examined into the history of the world and found out what was the cause of all the wars we have had in the past, and determined whether or not America was fast walking into that situation where all the world must necessarily either bow to her commercial power or fight her? Do you know that even to-day there are treaties extant between the great naval powers of the world which almost in terms—if not in words themselves—provide that they shall join their forces, even against the United States? And I say to you that if the two greatest navies in the world next to the great Navy of America are combined against us, it will no longer be possible for you to carry in merchant shipping the necessary nitrates from the Chilean ports to the United States to defend ourselves.

The nitrate importers are against this measure, the producers of nitrate from coal are against this measure, the Anglomaniacs are against this measure, and the pacifists and false economy howlers of this House are their easy dupes.

When America went to war in 1917, I contemplated with horror our utter helplessness once we lost control of the sea, either by reason of the U-boat or Zeppelin. I am leaving public life and returning to the private practice of my profession. There is no politics in this vote on my part. I vote for this proposition because I love my country and I do not want her ever to be in the helpless condition she was in in 1916.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. CALDWELL. Mr. Chairman, I ask leave to extend my remarks.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD. Is there objection?

There was no objection.

Mr. GOODYKOONTZ. Mr. Chairman, the select committee, of which the distinguished gentleman from Illinois [Mr. GRAHAM] is chairman, raised to investigate war expenditures, has turned its attention to the activities of the War Department in relation to the production of nitrogen, an essential element in the manufacture of explosives.

The hearings of the committee cover fifteen hundred printed pages and deal with every phase of the subject. The volume embracing these hearings constitutes a very distinct and most valuable contribution to the literature, affording information as to the nitrate industry throughout the world.

The investigation has served to expose to public view, by laying bare the inner facts, the methods adopted in procuring the authorization of the appropriation and the selection of a site for a plant to take nitrogen from the air.

The Muscle Shoals project, it is now apparent, was originally a "pork-barrel" proposition. Exigency of war was the excuse for entering upon the vast scheme of river improvement and expenditure of public money. The committee has found that the Government has expended for construction upon its nitrate program $116,194,974.37 and produced no nitrate prior to the armistice and contributed nothing thereby toward the winning of the war.

One hundred millions of the sum I have mentioned were spent on the Tennessee River at or near Muscle Shoals. In order to proceed with the construction of what is known as the Wilson Dam, designed to afford water power for the plant, gentlemen are now asking for an appropriation of $10,000,000. It is conceded that if this appropriation were made that many more millions would be required to complete the project.

The record will disclose that there are in Chile vast quantities of sodium nitrate, easily transportable to this country either to the Pacific coast or by way of the canal to the Atlantic seaboard, and, furthermore, that our coal by-products plants are producing a very great quantity of ammonium sulphate, convertible into nitrate, but in the main this was a scheme to secure to promoters hydroelectric power at Government expense. Had this not been so, the advice of experts and the findings of boards that Muscle Shoals was not the place for such a plant would not have been ignored, and the opinion of the President, acting at the behest of politicians, substituted. The construction of the plant reveals the same old methods that obtained at Nitro, W. Va., and elsewhere. Waste and incompetence, if not graft and crime, characterized these vast expenditures of the people's money. One hundred and sixteen millions, the amount expended, as graphically shown by the chairman, would have been more than sufficient to have constructed a great paved public highway from the Atlantic to the Pacific. While the people were working and stinting, straining and saving, in order to invest in Liberty bonds, we find that the Government agents, like drunken sailors, were spending that money with a lavish hand, as, for example, in building sumptuous clubhouses for the officers, one of these clubhouses, at plant No. 2, costing $360,000. The scheme was not so much to extract from the air nitrogen as it was to put life into the river project, which had been turned down by almost every Congress for the past 20 years. This vast expenditure of moneys was based upon a comparatively obscure and innocent-looking phrase to be found in the fortifications act—page 2580, committee hearings:

> For purchase, manufacture, and test of munitions for mountain, field, and siege cannon, including the necessary experiments in connection therewith, the machinery necessary for its manufacture, and necessary facilities.

The Secretary of War, in his testimony before the committee, justified his action by insisting that the statute I have quoted, by a little "twisting," was a sufficient warrant for the course pursued. His precise language I quote, as follows:

> So that if you twist that section around and get it to read less legislatively but more intelligently, I think it authorizes the department to spend this money to manufacture munitions for field cannon and to make necessary experiments to do that and to buy the necessary machinery and the necessary facilities.

My observation, here in Washington, is that it is frequently the case that those seeking to secure favorable action of Congress upon a given matter find it to their advantage to somewhat camouflage their object by insisting that their scheme comprehends the accomplishment of some worthy end. A celebrated French woman once had occasion to say, "Oh, Liberty, what crimes have been committed in thy name." In these latter days legislative crimes have been committed in the name of "winning the war," and of "assisting the soldier," and of "helping out the farmer." "Helping out" is about the right expression, for my experience teaches me that the farmer, suffering from ill-advised spokesmen in and out of Congress, is "helped out" more often than he is helped in. A few days ago there was an agitation here for the restoration to action of the Federal War Trade Board upon the ground that this "would help the farmer," when, as a matter of fact, if it shall help anybody, it will help the copper, iron, lumber, or other producer just as much, if not more, than it will the farmer. But I have digressed.

The old promotion scheme, known as the Muscle Shoals project, having by legislative action, administrative interpretation, and political pull, paraded through the war under the guise of patriotism, is now masquerading under the pretext of rendering service to the farmer. The backers of Muscle Shoals say that if Congress will give them money enough they will take nitrogen from the air and that such nitrogen will be useful in the manufacture of fertilizer for the farmer.

Mr. Chairman, the great source of supply of ammonium sulphate for the people of the United States and of the world is coal. Ammonium sulphate, convertible into nitrate, is a by-product of coal. Ammonium sulphate is the essential element in fertilizer and in explosives. The corn and cotton plant when fed upon it are given growth and strength. When compounded with other ingredients, its chemical action becomes a terrible force for the propulsion of a projectile, from a great gun, through miles of space. Coal, therefore, is a sufficient source for nitrates necessary for use in times of peace as in time of war.

UMI

Mr. Chairman, I have now arrived at the point in my argument where I propose to consider, somewhat in detail, the subject of "By-products of coal." The great majority of our people but little, or only vaguely, appreciate the composition of a lump of coal, its analysis, derivatives, and their uses.

Mr. Wightman D. Roberts, editor of the West Virginia Mining News, in an article of recent date published in that journal, says:

* * * * * * *

In fact, by-product coke ovens were not taken seriously by the steel industry until 1906, when the United States Steel Corporation appointed a committee of well-known engineers and works managers to investigate the manufacture of by-products coke for blast furnace use.

The committee, after months of the most thorough investigation of the principal by-product coke plants in the United States and Europe, finally selected from the European field the Koppers Cross regenerative oven. On the basis of this selection a plant of 280 Koppers ovens was built at Joliet, Ill., and put into operation in 1908.

The effect of this committee's work has been far-reaching. Its approval brought about the large development of the by-product coke industry in the United States and the consequent conservation of one of our most valuable natural resources. The furnace results procured with the coke from these ovens caused blast-furnace managers quite generally to reverse their former position on by-product coke, and it is now universally conceded that better furnace operation with higher iron production and lower coke consumption can be secured by the use of by-product coke than with beehive coke. * * *

The by-product recovery plant serves to clean the gas and to recover from it as by-products tar, ammonia, and benzols. The ammonia may be recovered either in the form of ammonia liquor or as ammonium sulphate.

The ammonium sulphate formed in the saturator is pumped into drain tables and then dried by means of centrifugal driers. After being dried, the salt is carried to a storage pile, from which it is delivered for shipment. Ammonium sulphate has many industrial uses, but its most important use is as a nitrogen carrying fertilizer.

* * * * * * *

To enumerate the various uses of coal tar would require a volume in itself.

Mr. Chairman, it is therefore clear that it has not been so many years since the coke made in this country was manufactured in what is known as the beehive oven. The coal was put into the oven and burned, and all of the volatile matter and essential oils were destroyed or went up into the air. Within the past 15 years a great change has been wrought in respect to the manufacture of coke. There have been introduced and installed in various parts of the United States plants dealing with the by-products of coal. These great plants have grown and developed until they are producing articles that are numbered not only by the hundreds but by the thousands. That great industry has expanded until during the year 1919 over half of the coke produced in the United States was made in by-product ovens.

One of the products of these ovens is ammonium sulphate, and in the year 1919—we do not have the statistics of 1920—over 500,000 tons of ammonium sulphate was produced in by-product ovens. It is a great and growing industry, and it is believed by competent authority that within the next 10 years we shall see the disappearance of all of the old beehive ovens and the coke manufactured in by-product plants located around the great cities, where the gas may be extracted and distributed through pipes to the people; where the tar may be made that goes to pave our highways; where the medicines may be made, the ingredients of our drugs, and so forth; where the paints and colors may be made for the use of the people.

This great industry, now in its infancy, needs to be fostered and developed in a broad way. As I understand it, the plant in Alabama is only estimated to produce about 80,000 tons of sulphate, and it can not produce that, at least the water power can not, because there must be installed an auxiliary steam plant to augment the hydraulic power in order even to get the comparatively insignificant amount of 100,000 tons, as estimated by some gentlemen, and 80,000 tons as estimated by others, of ammonium sulphate.

Mr. ALMON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from West Virginia yield to the gentleman from Alabama?

Mr. GOODYKOONTZ. I yield to the gentleman, with pleasure.

Mr. ALMON. The statement there in the hearing about 80,000 tons of ammonia sulphate to be produced there is for a certain number of units. The capacity is 110,000 tons of nitrate and about twice that amount of sulphate of ammonia.

Mr. GRAHAM of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GOODYKOONTZ. Yes.

Mr. GRAHAM of Illinois. The facts brought out before my committee show that the plant in full operation, according to the Glasgow plan, would produce about 83,000 tons; that is all.

Mr. ALMON. But other units of the same plant would be used for the manufacture of other things.

Mr. GRAHAM of Illinois. The evidence shows that the plant would produce that much ammonium nitrate.

Mr. ALMON. If other parts of plants were used for the manufacture of ammonia sulphate, the amount produced would be 200,000 tons.

Mr. GRAHAM of Illinois. The specifications of the plant call for only 83,000 tons of ammonia sulphate.

Mr. GOODYKOONTZ. We can get all the chemicals we need for the manufacture of powder from the by-products plant. We can get all the chemicals we need for the manufacture of fertilizer from the by-products plant. Therefore I see no necessity of creating a great capitalized concern that will never pay operating expenses, much less interest on the investment, and which will serve to retard the progress of by-product development and constitute a great burden upon the taxpayer.

From coal tar come wonderful cosmetics which add to the softness, smoothness, color, and consequent beauty of the skin of our lady's face and hands, and the most delightful perfumery to lend its exquisite fragrance to her dainty and delicious personality. The delicate aroma of her soap is from the oil of mirbane—nitrobenzene. One of her perfumes, catalogued as "coumarine," "has the scent of new-mown hay."

It will thus be seen that the derivatives of coal, in so perfecting the beauty, purity, and charm of woman, make for domestic happiness in this, that it gives unto the femme covert of advancing years the power of holding in leash the ravages of old Father Time and by rendering herself beautiful and attractive to her husband and to all others as well.

Mr. Chairman, I have before me a chart published by the Solvay Collieries Co., of which Mr. A. B. Rawn is the general manager, of Huntington, W. Va., in the form of a tree springing out of a bed of coal. The figure, bowl, limbs, and twigs, by proper designations, admirably represent the by-products of the coal. I am under obligations for the use of this chart in the study of the proposition with which I am attempting to deal.

DYES.

Of the coal-tar products used for painting and coloring we may mention blue, green, black, indigo, malichite-green, Bismark-brown (used for dyeing leather), yellow, orange, red, violet, mauve (used in English postage stamps), and others, there being over 500 shades. These dyes are useful alike to the great painter, who delineates the landscape or the human form upon canvas, and to the little boy and girl who color their Easter eggs. They serve the dyers of cotton, woolen, linen, and silk fabrics, no less than the workman who paints the exterior or decorates the interior of the habitations of man. We should build up the dyeing industry of the United States.

MEDICINES AND DRUGS.

Of medicines and drugs we find aspirin, salol, salicylic acid, phenol, oil of wintergreen, antipyrin, acetanilid, phenacetin, and many others. We, therefore, see that coal comes to persons sick and suffering, and soothes their pain, remedies their ills, and helps to restore them to health and happiness.

PITCH.

Pitch used for paving our streets and public highways, for roofing, insulation, concreting, and general water-proofing purposes. Coal, in producing pitch, proves itself to be the friend of both the home builder and the road builder, doing service alike to those who live in the city and those who dwell in the country, furnishing as a facility for transportation good roads for the farmer as also for the man living in the village or the city.

COKE AND GAS.

Metallurgical coke for furnace, foundry, and smelting purposes. The production and manufacture of iron and steel, of copper, zinc, and lead, and the smelting of gold and silver ores, depends upon coke, the chief by-product of coal. Domestic coke, coke breeze, briquets, and so forth, for fuel purposes, and gas for domestic and general uses.

GRAPHITE.

Graphite for lead pencils and to lubricate the journals of railroad cars and the bearings of machinery.

LAMPBLACK.

Lampblack for writing and printer's ink, the blacking and polish for shoes, harness, and many other purposes.

ANTISEPTICS.

Also antiseptics, including carbolic acid, cresol, phenol, and so forth.

CLEANSING.

For cleansing purposes there are to be found naphthalene and benzol.

FLAVORS.

For flavoring purposes, saccharine, also useful as a drug, being substituted for sugar in the case of patients afflicted with certain ailments.

PRESERVATIVES.

As preservatives, creosote for railroad ties and fence posts, and benzoic acid for foodstuffs.

Also chemicals for use in hair tonics and in the art of photography.

Anhydrous ammonia for ice making and refrigeration generally. How could we get along without ice? If we had no ice, of what use would be our refrigerators? What would we do for ice cream?

To these may be added varnish, sulphur, paint thinners, denaturants, solvents, shingle stains, disinfectants (formaldehyde); also insecticides for use of orchardists (in spraying fruit trees); cattle and sheep growers in dipping their animals; truckers (in destroying predatory pests); for the householder, as a poison for rats, bedbugs, and other vermin.

EXPLOSIVES.

The coal-tar products of greatest importance as raw materials in the explosive industry are benzine, toluene, naphthalene, and phenol (carbolic acid). From these come picric acid (also employed in surgical dressings for burns and wounds) and trinitrotoluene (T. N. T.), an explosive of powerful and deadly energy.

FOR MOTOR ENGINES.

Benzol is finding an increased use as motor fuel in the place of gasoline, for an authority says it is capable of producing 20 per cent more mileage per gallon than gasoline.

There is being extracted from natural gas about 1 gallon of gasoline for every 1,000 cubic feet of gas. Natural gas is rapidly approaching exhaustion and nature does not reelaborate it. Wherefore the world must look to benzol or other products of coal for its source of motive power for motor-driven land, sea, and air vehicles.

To catalogue all of the derivatives of coal tar thus far discovered—and chemists tell us that the subject is still in its infancy and will be developed to almost undreamed-of proportions—would require a volume.

The specific uses and purposes of the coal-tar derivatives now being produced are almost beyond imagination. Coal, therefore, is the great friend of man, contributing to him in matters of light, heat, power, color, medicine, locomotion, manufactories, lubricants, germicides, cleansing agents, preservatives, photography, cosmetics, perfumery, denaturants, solvents, refrigeration, self-defense, food, raiment, and shelter. For what one other product of the earth do we owe the Creator so great a debt of gratitude as we do for His bountiful gift of coal? Coal is perhaps America's greatest material asset. It is the factor that will render her preeminent in the affairs of the world, for she holds 52 per cent of the coal supply of the world.

Mr. O. P. Austin, statistician of the National City Bank of New York, says:

On this question of world's supply of coal it is well enough to say that expert estimates of the world's stock of existing coal, the "reserve," so called, while probably familiar to the readers of the West Virginia Mining News, are worth repetition in this general survey of future possibilities. The World Geological Congress held in Canada just prior to the war put the United States coal "reserve," or stock remaining underground, at 3,839,000,000,000 tons, or 52 per cent of the world's total; Canada, 1,234,000,000,000 tons, or 17 per cent of the total; China 996,000,000,000 tons, or 14 per cent of the total; and Great Britain, which formerly led the world as a coal exporter, only 190,000,000,000 tons, or less than 3 per cent of the world's total.

These statistics would leave 14 per cent to the nations other than those mentioned. In my State alone—West Virginia—according to Dr. I. C. White, the celebrated geologist, there exists from sixty to seventy-five billions of tons of merchantable, recoverable coal, a volume equal to one-third of the supply of Great Britain. But according to Mr. C. E. Krebs, geologist and mining engineer, of Charleston, W. Va., the State has a further supply of one hundred billions of tons in thin veins, not estimated by Dr. White, making the ultimate recoverable coal supply almost equal to that of Great Britain. In this particular I direct your attention to the fact that in Belgium coal 15 inches thick is shafted for to a depth of 1,200 feet.

It is proper at this juncture to note, Mr. Chairman, that all coal is not adapted to by-product treatment. The principal supply of by-product coal in this country is found in four States, which, in order of the volume of their supply, are Pennsylvania, West Virginia, Kentucky, and Virginia. These States have an almost inexhaustible supply of coal fit for by-products use. By-product coals are those that have from 25 to 34 per cent of volatile matter and are low in sulphur and ash.

In West Virginia the seams adapted to by-products use are the War Eagle, Little Eagle, Eagle, Pond Creek, Powelton, Pocahontas, Alma, Cedar Grove, Chilton, and the No. 2 Gas.

Dr. Chester G. Gilbert, curator of mineral technology, National Museum (in Bulletin 102, pt. 1), in contrasting the advantages of the by-products oven over the beehive, tells us, at page 12:

More definitely expressed, the contrast means a saving of around 200 pounds of coke, about 5,000 cubic feet of gas, some 15 gallons of tar, and the ammonia in 20 pounds of ammonium sulphate along with 2 gallons of benzol for every ton of coal coked.

And further, in relation to the industry, he says, at page 13:

* * * a storehouse affording essentials in agriculture, pharmacy, photography, textiles, disinfection, explosives, refrigeration, painting, paving, waterproofing, wood preservation, and an ever-widening circle of more specific requirements touching every aspect of human life. The magnitude of the contrast is precisely the measure of coal product potentiality.

* * * * * * *

Coal product manufacture, with its elaboration of complex irrelationships calling for coordination of development along scores of directions at once highly specialized and widely diversified, represents the most advanced order of industrial evolution thus far attained.

Mr. Chairman, I have before me five statistical tables which, by the permission of the committee, I will insert in the RECORD. Table I, covering the years 1910 to 1919, inclusive, indicates the coal used for coke manufacture in the United States. This table is of the highest value in showing the departure from the beehive to the by-product oven. For example, in 1910 there were used for coking 63,088,327 tons of coal, of which 53,559,285 tons—more than 80 per cent—were used in beehive, and 9,529,042—less than 20 per cent—in the by-products ovens, whereas, according to the estimates for 1919, there were used for coking 66,747,216 tons of coal, of which 31,051,716 tons—about 45 per cent—were used in the beehive and 35,695,500—or about 55 per cent—in the by-products process. Wherefore, we may be reasonably safe in predicting that by the end of the next decade the beehive oven will have become a thing of the past.

Table II illustrates the yield of coke and other fundamental by-products of coal.

Table III shows the tonnage of ammonium sulphate used in fertilizers in this country during certain years.

Table IV shows the production in the United States of ammonium sulphate for years 1901 to 1919, inclusive.

Table V shows the imports of Chilean nitrates for the years 1901 to 1908, both inclusive.

TABLE I.—*Coal used for coke manufacture in the United States.*

Year.	Coal used for beehive coke.	Coal used for by-product coke.	Total.
1910	53,559,285	9,529,042	63,088,327
1911	42,831,664	10,446,584	53,278,248
1912	50,810,319	14,767,543	65,577,862
1913	52,143,821	17,095,369	69,239,190
1914	36,123,729	15,500,021	51,623,750
1915	42,278,516	19,554,382	61,832,898
1916	55,084,958	26,524,502	81,609,460
1917	52,246,612	31,505,759	83,752,371
1918	48,166,719	36,867,721	85,034,440
1919	[1] 31,051,716	[1] 35,695,500	[1] 66,747,216

[1] Estimated.

TABLE II.—*Yields of coke and by-products in Koppers ovens.*

From a typical coal mixture of:		
Pittsburgh high volatile coal	per cent	85
Pocahontas low volatile coal	do	15
Metallurgical coke	per cent of coal	69
Domestic coke	do	2
Breeze	do	4
Surplus gas	cubic feet per net ton	6,600
Gas for heating ovens	do	4,400
Tar	gallons per net ton	9
Ammonium sulphate	pounds per net ton	25
Pure benzol	gallons per net ton	2.08
Pure toluol	do	0.56
Pure xylol	do	0.32
Crude solvent	do	0.40

TABLE III.—*Ammonium sulphate used in fertilizers in United States.*

	Tons.
1913	215,000
1918	103,000
1919	190,000
1930 (estimated)	780,000

TABLE IV.—*Productive of ammonium sulphate in United States.*

	Tons.
1901	29,279
1902	36,124
1903	41,873
1904	54,664
1905	65,296
1906	75,000
1907	99,309
1908	83,400
1909	106,500
1910	116,000
1911	127,000
1912	165,000
1913	195,000
1914	183,000

	Tons.
1915	250,049
1916	288,265
1917	370,044
1918	450,000
1919	500,000

TABLE V.—*Imports of Chilean nitrates into the United States.*

	Tons.
1900	180,000
1901	192,000
1902	221,000
1903	264,000
1904	274,000
1905	305,000
1906	361,900
1907	351,600
1908	308,800
1909	399,000
1910	503,600
1911	537,000
1912	469,100
1913	560,010
1914	521,030
1915	727,867
1916	1,232,308
1917	1,376,693
1918	1,800,000

In view of the fact that the gentlemen demanding the vast appropriation for Muscle Shoals with lusty voices are proclaiming that this is all in the interest of the farmer, the tables have an important bearing; for example, they indicate that there were used in 1919 for fertilizer only 190,000 tons of sulphate, whereas the by-products plants produced during the same year 500,000 tons of sulphate, more than double the quantity needed for fertilizer. In addition thereto the Government had on hand, and I presume still holds, over 500,000 tons of Chilean nitrates for such use as the interests of the people may require.

Mr. Chairman, I insist that the interest of the farmer as regards a proper source for an adequate supply of fertilizer, the interest of the Government in the production of explosives, and the interests of the whole American people in very many ways, especially as regards the conservation of our natural resources, will, each and all, be promoted by permitting the coal by-products process to continue its course and to reach its normal development unhindered by governmental restraints and barriers. [Applause.]

Mr. QUIN. I move to strike out the last word. I ask unanimous consent to proceed for 10 minutes.

The CHAIRMAN. The gentleman from Mississippi asks unanimous consent to proceed for 10 minutes. Is there objection?

There was no objection.

Mr. QUIN. Mr. Chairman, the opposition to this amendment comes in a peculiar way. After all the talk the other day about being friends of the farmer, gentlemen on the other side came forward with a bill to rob the farmer under the pretense that they were going to protect him, and some gentlemen on the Democratic side fell into that trap. Now, at the first opportunity that you gentlemen have to demonstrate that you propose to be of some assistance to the farmers of this country you turn a deaf ear and kill the proposition in the committee.

I happen to know something about this legislation because it came through the Military Committee, of which I have the honor to be a member, and after having been defeated three times before that committee, and after being defeated on the floor of the House, it went over to the Senate and was there put into the bill. In the meantime the legislative representative of the farmers had caused word to be sent here from some of the agricultural districts of the United States, and fires had been built under certain gentlemen sufficiently so that they were caused to vote for the proposition, and a majority of them did vote for it and enacted it into law. After that, acting on the best expert advice in the United States, this plant was located down at Muscle Shoals, Ala., for two purposes; to make powder in the event of war; and, secondarily, for commercial fertilizers for the farmers of this country. Although we were at war and needed nitrates for powder certain gentlemen on this floor who are still Members of the House fought the proposition at every stage, and some are fighting it to-day. Now, what is the real reason for that? The gentleman from West Virginia [Mr. GOODYKOONTZ] told you the reason. It happens that this plant will come in competition with some men who have money invested in coke plants and chemical works and fertilizer factories. The reason they are fighting it is because they know it will be a competitor in producing fertilizer for commercial purposes, to place on the lands of this country to help produce food and raiment for the people.

Every man who has any judgment at all knows that Muscle Shoals, Ala., far from the danger of invasion from the sea, away yonder in the mountains, is a safe place to have this splendid plant to produce nitrates to protect this country in time of war. But, laying that aside and coming now to peace times, about $100,000,000 have been expended, great plants have been erected, and with the dam across the river unfinished, a simple appropriation of about $10,000,000 is asked in this bill to continue that work, and it is estimated that the total cost to complete it will be perhaps $35,000,000 more. Then this splendid plant, with $100,000,000 already expended upon it, will stand as an asset of this country to make fertilizer in competition with the private companies that the gentleman from West Virginia seems so anxious about. Why, some gentlemen say that they can not produce these things at Muscle Shoals at an economical price. Yet the men who seem to represent the gentlemen engaged in the manufacture of this fertilizer for commercial purposes are on this floor fighting it. If the friends of the farmer throughout the United States desire that this plant shall be completed and the fertilizer placed on the market, why should those object to it who say that it can not be manufactured at a price that the farmers can pay? After all this waste which you have gone through, after all the extravagance you have stood for, after all the extravagance you are still standing for, now you talk about economy to keep the farmers from having some fertilizer. This method drags the fertilizer down out of the atmosphere and places it on the fields of this country to produce food for the people to eat and cotton for them to wear and sugar to sweeten their coffee. Yet gentlemen oppose it on the pretext that it is not economy to complete it.

Would it be economy to allow $100,00,000 to go to waste; would it be economy to let that dam, one-third completed, go to ruin? Can any man who has any business intelligence conclude by any process of ratiocination that it would be better to allow this enormous and valuable investment to go to destruction? For what? No excuse has been given up to this hour why that plant could not be a success and why it would be an economy to throw away $100,000,000 that is already invested there when there is staring us in the face the fact that throughout the United States the agricultural classes are crying for cheaper fertilizer.

Some gentleman said that we could get all the fertilizer we needed from the Chilean plains. Do they know that there never was a supply so great that it could not be exhausted? Do they know that while that great field has been opened the farmer has been paying very high prices for fertilizer? Do they know that the nitrates that the Government brought in during the war is all that saved the farmers of the country? Yet with all that experience in the past before them, gentlemen are here against the completion of this splendid plant that they know will make fertilizer for all the United States.

Now, this plant is not in my State, and I have no selfish motive in advocating it. I know that the plant will afford fertilizer that will go out all over every State in the Union. I know that the farmers of the United States have been exploited by the fertilizer producers of the United States, and that exploitation will be continued unless there is some kind of competition. I know that what the Government proposes here will be a most beneficial competition to the farmers. And yet some gentlemen object to it because they do not want the Government to help do anything. Why, you have turned the Government Treasury over to a lot of different things in the United States. You turned it over to the railroads. You gentlemen passed a railroad bill where you guaranteed the dividends for a certain length of time to stockholders of these roads. You made Government guarantees to banks; and yet when we come with this twofold purpose to help the farmers, ask that the improvement be continued, gentlemen object. Gentlemen, I think this amendment ought to be adopted and the nitrate plant completed and fertilizer furnished at cost to the farmers of the United States. I thank you. [Applause.]

Mr. GREEN of Iowa. Mr. Chairman, if we knew anything about what we were going to get as a result of the expenditure of I know not how many millions more on this plant, I might be in favor of it. But there never was a proposition brought to this House as to which Members knew less about what the final result might be than the one that is now proposed.

There are many processes for the manufacture of nitrate from the air or of obtaining nitrate compounds. Of all the processes that have been proposed the cyanamid process is the most expensive. Of all the processes that require a great deal of power the cyanamid process requires the most power, and of all that require expensive machinery to carry it out the cyanamid process requires the most expensive machinery in the obtaining of nitrates from the air. I am speaking now of the cost of the plant, not of the ultimate product. What that would

cost I do not claim to know, and I do not think anyone can properly estimate what it would be at Muscle Shoals.

An extremely simple and comparatively inexpensive process was invented by Prof. Boscher and offered to the Government without any expense whatever as far as royalties are concerned. So far as the cyanamid process is concerned, if any gentleman has stated what the royalty will be, I do not know of it. All I know is that the royalties will have to be paid to the concern pushing this process, the concern that is back of the propaganda that has been going on.

Mr. GARRETT. Will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. GARRETT. I can say to the gentleman, if I may be allowed, that the royalties will amount to something over a million dollars. I can further state to the gentleman in this respect that the concern to which it will go is not back of the effort to bring this about, but, on the contrary, is bitterly opposed to it.

Mr. ALMON. I will state that there is a stipulated price of $5 a ton royalty up until June, 1921, but after that it is to be a subject of arbitration and they expect it to be very much less, depending on the amount.

Mr. GREEN of Iowa. Here is $5 per ton to start with. Then there will be a large amount of calcium carbide used. In the process air is compressed and cooled until it liquifies. Then the nitrogen is boiled off at 194° C. But then you only have nitrogen gas, and we can not use it in that form. The next operation in the process is to pass the gas over pulverized and heated calcium carbide in a retort. The gas is absorbed by the carbide, forming calcium cyanamid, from which the process gets its name. Calcium cyanamid can be used in making fertilizer, or ammonium sulphate, which is better, can be made from it. But calcium carbide is expensive. How expensive those who use it to make acetylene gas well know. How fertilizer can be manufactured cheaply by any process that requires its use in the way described is more than I can imagine.

As the plant is expected to turn out 110,000 tons a year of ammonium sulphate, $5 per ton would amount to over half a million dollars a year. The claim that the owners of the patent are not working to get this measure through is incredible to me. No one else wants their patents. As I was about to remark, Prof. Boscher invented a simple process of obtaining nitrate. It was not to obtain nitrate from the air, because that would require immense power and expensive material. His process required neither great power nor expensive materials. The Government did make a small appropriation for the purpose of carrying out the experiment with reference to his process, but it never got far enough to complete any of the operations under this process, which, I think, was to be carried on at Virginia. The end of the war ended that also. So far as the cyanamid process is concerned, it is an experiment, and an experiment that has been discarded practically by those that have had the most experience. Germany tried it, and instead of using it used the Haber process, a simpler process, one which requires far less power. It is said that Germany has not the power that we have and could not obtain it as cheaply. But when you commence to talk about power, only about 3 per cent of the power is finally transmitted into nitrate under the cyanamid process.

Of course, all processes making nitrates from the air require a great amount of power. We need none to make ammonium sulphate from the by-products of coke ovens, when this style is used. We ought to encourage the building of this kind of ovens in order to save the tar and other by-products so necessary in the dye industry and also useful for making explosives. We need these ovens far more both in war and in peace than we need this plant at Muscle Shoals. But private initiative will furnish us the coke ovens, all the ammonium sulphate, the material for dyes, if we do not put the Government in competition by the expenditure of $20,000,000.

The other processes which might be used in this country have all of the advantages that they would have in Germany, because they do not require so much power and consequently would be less expensive. Power costs money, whether in this country or in Germany, and extensive experiments with the use of coal and water have failed to show that water power after all is really so much cheaper than coal, except in some very favored localities where the water power can be very cheaply obtained. Muscle Shoals is not such a place.

What do we know about this plant? Have any definite figures been given to prove how much ammonium sulphate would cost when manufactured by this plant? None. The figures given are merely estimates.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. GREEN of Iowa. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. ALMON. Mr. Chairman, will the gentleman yield?

Mr. GREEN of Iowa. Yes.

Mr. ALMON. All of that information is in the hearings of the Senate.

Mr. GREEN of Iowa. I have read that.

Mr. ALMON. The gentleman stated with reference to the cyanamid processes not being good, and I would state that there were 14 cyanamid processes in operation before the war commenced in 1914, and now about 35 in operation in different countries, and Germany to-day is producing about 135,000 tons a year.

Mr. GREEN of Iowa. Germany is producing several times that amount by the Bader process. It really never has been produced in Germany in a commercial way unless the factory was manufacturing more of something else than ammonium sulphate, when the cyanamid process was used. My understanding is that Germony has used waste gas from other products to obtain power for this process, and thus obtained cheap power. All figures given are merely war capacity. I repeat that no gentleman knows and no one has attempted to give the figures as to what this would cost the Government. The figures that we have are merely estimates.

No board of engineers has considered and deliberated on the various processes for making nitrates either from the air or obtaining them by some other process to determine which is the better, which is the more economic, and which is the best suited to our use. Individual engineers, it is true, have given their opinion with reference to these particular processes and as to what could be done, and it is said they could manufacture nitrates or ammonia sulphate, I suppose, the substance ordinarily used for fertilizer, for one-half the price at which it was sold when it was at the high price which it brought during the war. Suppose that to be true, still we can obtain our ammonium sulphate much cheaper than by that method, and we can obtain it in abundance from the products of the coke ovens, which we have not yet half developed, and by which we could obtain far more sulphate than we could from the air.

Mr. FESS. What is the amount that we now produce from the coke ovens?

Mr. GREEN of Iowa. The gentleman from Illinois [Mr. GRAHAM] gave the figures. I think about 500,000 tons.

Mr. GRAHAM of Illinois. That was the figure for last year.

Mr. FESS. Is that anywhere near the maximum of our ability to produce?

Mr. GREEN of Iowa. It is not near the maximum of our ability, not one-half, if use could be found for it.

Mr. ALMON. I would state to the gentleman that heretofore the price for nitrate of sodium or Chilean nitrate has been the same as a general rule as for the ammonium sulphate, for the nitrogen contents. There has been a uniformity of price between the by-products of the coke ovens and the Chilean nitrates. There has been no competition.

Mr. GREEN of Iowa. There will be other competition. I received a letter from a concern this morning stating that they are manufacturing nitrates by the arc process, and have invested already three-fourths of a million dollars in their plants. The letter was addressed to me, evidently in ignorance of what is going on at this time, because what they wanted to know was whether there was likely to be tariff on the cheaper German products which have been recently dumped at New York at low price. This concern said that they would be able to manufacture all that would be demanded in this country, and yet we propose to put the Government into competition with these private concerns to manufacture this substance.

If ammonium nitrate could be in fact cheaply made, as gentlemen claim, there would be no trouble in finding a corporation that would buy the plant as its stands and pay a round sum for it. Instead it is conceded that nobody would give a copper cent for it except to junk it, nor would anyone lease it when completed, rent free, to make ammonium nitrate.

Mr. Chairman, this whole proposition is the most unbusinesslike of any I ever saw submitted to Congress; it is simply a continuation of the wasteful methods used during the war by the present administration, and I am utterly opposed to it. The plant is not needed either in war or peace.

Mr. BLANTON. Mr. Chairman, I make the point of order that there is no quorum present.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15422, the sundry civil appropriation bill, and had come to no resolution thereon.

EXTENSION OF REMARKS.

Mr. HICKS. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD on present business conditions. I desire to include therein the inaugural address of Gov. Miller, of New York, a very able address on financial and governmental problems, free from partisanship and political discussion.

The SPEAKER. Is there objection?

There was no objection.

Mr. HICKS. Mr. Speaker, in every field of our social and economic life there are signs of unrest, discontent, and uncertainty. Business prospects appear unfavorable; falling prices, decreasing wages, and increasing unemployment continue; industry hesitates and enterprise falters, pending the adjustment of conditions incident to the transition period through which the Nation is passing. We are in the process of change from a period of extravagance and inflation to a period of economy and retrenchment. How long it will be before normal conditions again prevail no one can say, but it is evident that the prevalent opinion on the part of economists and experienced business men indicates that improvement will come with the passing of the winter, and that the advance once established will be continual from that time onward.

These times of stress and doubt call for steady heads and courageous hearts; for patience and steadfastness; and for an abiding faith in the perpetuity of our institutions, the stability of law, and the ability of achievement of the American Nation. This is the hour for the optimist; for the man of vision; for the man with confidence and determination; for the man who is unafraid; for the man who can read in the future the majestic sweep forward of his country. Standing on the threshhold of a new year, the faith of America is undiminished and her spirit is undaunted. The Nation faces the to-morrows with supreme confidence that the period of travail will be passed in safety and that the future offers an assurance of peace, prosperity, and a return to normal conditions.

On Saturday last the Hon. Nathan L. Miller was inaugurated governor of the State of New York. His address was such an able document and so replete with sound political and economic wisdom that I feel a wide opportunity should be given for its perusal. I have therefore asked that it be inserted in the RECORD.

INAUGURAL ADDRESS OF GOV. NATHAN L. MILLER, OF NEW YORK.

In taking up the reins of the government I have a profound sense of responsibility and a genuine feeling of personal limitation. The problem of government has grown so complex, the questions presented are so varied and multitudinous, time and human capacity are so limited, that one would cease effort for despair of achievement did he not take note of the slow stages of human progress.

NECESSITY OF SAVING.

We have reached a time in the affairs of government when it is necessary to pause and take stock. We have passed through an era of spending; we are now confronted with the economic necessity of saving. The dollar has been so cheap that there has been little thought of denying any want, public or private, and our wants have grown by what they fed on until we have reached a stage of spending whose very extravagance will help to effect its cure. The State has embarked on new activities and undertaken new functions to satisfy almost every demand vociferous enough to appear popular, and to apply theoretical cures to almost every ill capable of arousing emotion or appealing to sentiment, and in my judgment the State has wandered far afield from the true function of government.

We all agree that the purpose of government is to secure the greatest happiness of the greatest number. We differ only as to how that can best be done. I belong to the school which holds that human happiness depends upon human progress, which the State can best promote by affording free play and maintaining fair play of individual effort of initiative. The publicists of the day are numerous who appear to think that progress consists in changing fundamental concepts.

TRUTH DOES NOT CHANGE.

Truth does not change. Error alone is variable. A principle of government if sound to-day will remain sound until human nature changes. It is only the application of the principle that needs to be varied to fit the changing conditions of society. But too many of our political philosophers, as it seems to me, in their eagerness to keep on the crest of so-called progressive thought, confuse the principle with its application.

I was surprised recently to read from the pen of a prominent publicist that principles grounded in the very bedrock foundation of our institutions had been proven unsound and discarded everywhere else in the world but in America. The truth is that they have never been really tested anywhere else in the world but in America, and I am proud to proclaim the belief that the Constitution of the United States is still the greatest charter of human liberty ever struck off by "the brain and pen of man."

Our very humanitarianism leads us to try experiments at the expense of those whom we wish to serve, for it must be remembered that the mistakes of government and the extravagance of government bear heaviest upon the least able. Those who are now unfortunately seeking employment must appreciate the truth that they pay for burdensome taxation which withdraws capital from industry and restricts the means of employment.

PERIOD OF FEWER LAWS.

We have passed through a period of legislative activity. I hope we are entering upon a period of fewer laws and better observance of the law.

Disorder, extravagance, and waste inevitably attend a rapid extension of government activities. The world is now facing the task of reestablishing order, and our first concern should be to establish order and to restore economy in the public administration.

To that task of State government I promise to devote myself, and I invite the cooperation of the legislature, the heads of departments, and all civil employees of the State, and the support of the public. With that cooperation and support we shall succeed. Without it little can be done.

I may have occasion to criticize methods, but they are usually a product of the times, and criticism of them does not necessarily involve personal reflection. Indeed, in demanding order and economy I am merely voicing what is already so vocal in the land that the public official is deaf indeed who does not heed it.

HEW TO THE LINE.

We have got to hew to the line, let the chips fall where they may. The business of the State has grown to such huge proportions that there is little room for sentiment and no place whatever for favoritism, personal or political, in the ordering of it.

By that I do not mean that party considerations are to be ignored. The Republican Party has been charged with undivided responsibility for the conduct of the State government, and we, who for the time being are intrusted with the duties of government, can serve our party efficiently only by efficient service to all the people of the State. We are necessarily a government of parties, and the two-party system is best suited to our institutions. It is therefore in the public interest to strengthen party organization, to make it responsive to the public needs, and to promote order in the conduct of its affairs.

RESPONSIBLE TO PUBLIC.

But when we cross the threshold of public office our responsibility is to the public, not to the party, and we have a right to demand party support in the discharge of that responsibility, while we in turn respect the true functions of party organization, through which alone that support can be made effective.

We who enter upon the discharge of official duty to-day are on trial. Our party is on trial. The task is heavy. The responsibility is great, because undivided. We shall be judged solely by results—by success or failure. On behalf of the legislature, the coordinate branch of government, as well as on behalf of my associates and myself in the administrative branch, I feel that I can promise the people that we shall at least try to serve them.

WAR FINANCE CORPORATION.

The SPEAKER laid before the House the following resolution of the Senate and message of the President of the United States, which were read, as follows:

IN THE SENATE OF THE UNITED STATES,
January 3, 1921.

The President of the United States having returned to the Senate, in which it originated, the joint resolution S. J. Res. 212, "Joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes," with his objections thereto, the Senate proceeded, in conformity with the Constitution, to reconsider the same, and has

Resolved, That the joint resolution do pass, two-thirds of the Senate agreeing to pass the same.

Attest:

GEORGE A. SANDERSON,
Secretary.

To the Senate of the United States:

I am returning, without my signature, Senate joint resolution 212:

Joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes.

The joint resolution directs the revival of the activities of the War Finance Corporation. This corporation is a governmental agency. Its capital stock is owned entirely by the United States. It was created during hostilities for war purposes. The temporary powers which it is now proposed to revive were conferred in March, 1919, to assist, if necessary, in the financing of exports. The general powers of the corporation expire six months after the termination of the war, and the special powers with respect to the financing of exports expire one year after the termination of the war. While we are technically still in a state of war, it unquestionably was presumed, when this added power was granted, that peace would have been formally proclaimed before this time and that the limitation of one year would have expired.

In May, 1920, in view of the fact that export trade had not been interrupted but had greatly expanded, and that exports were being privately financed in large volumes, the War Finance Corporation, at the request of the Secretary of the Treasury and with my approval, suspended the making of advances.

This resolution was passed by the Congress apparently in view of the recent sudden and considerable fall in prices, especially of agricultural commodities, with the thought that some European countries to which certain products were customarily

shipped before the war might again be enabled to resume their importation and that larger masses of domestic exports to European countries generally might be stimulated, with the resulting enhancement of domestic prices. I am in full sympathy with every sound proposal to promote foreign trade along sound business lines. I am not convinced that the method proposed is wise, that the benefits, if any, would offset the evils which would result, or that the same or larger advantages can not be secured without resort to Government intervention. On the contrary, I apprehend that the resumption of the corporation's activities at this time would exert no beneficial influence on the situation in which improvement is sought, would raise false hopes among the very people who would expect most, and would be hurtful to the natural and orderly processes of business and finance.

Large Government credits were extended during the war to certain European governments associated with us in the struggle. These ceased several months after the armistice, except for commitments already made. They should not now be resumed, either directly or indirectly. The recent Brussels conference, composed of experts from many European countries and from other nations, itself expressed the opinion that further credits should not be accorded directly by governments. I do not believe that they should be accorded indirectly.

Exports of domestic products have not declined since the armistice. On the contrary, they have greatly increased. From an aggregate value before the war of less than two and one-half billions of dollars, and of about six billions the last year of hostilities, they rose in the calendar year 1919 to more than $7,900,000,000, and this figure will probably be exceeded for the last calendar year. For the first eleven months of the last calendar year we exported more than seven and one-half billion dollars' worth of domestic merchandise. These have been largely privately financed. The difficulty in the way of still larger exports does not seem to lie so much in the lack of financial ability here as in Europe's lack of means to make payment. Her productive energies and the services which she renders have not yet reached a point where they balance the value of commodities taken from this Nation, and her ability to furnish for additional exports securities which business men would feel justified in taking is restricted. The experts of the Brussels conference reported that "one of the chief obstacles to the granting of credits is the absence in borrowing countries of sufficient securities for ultimate repayment." Until this obstacle is removed it is difficult to see how materially larger exports to Europe are to be made even if exporters, aided or unaided by Government finance, stand ready to do their part. It is remarkable that Europe is able to make an effective demand for as large a volume of our goods as she is making. It is gratifying evidence of her recovery and progress toward full production and sounder financial conditions.

Under the law, if the activities of the corporation were resumed, no direct advances could be made to producers and, if they could be, they would not accomplish the objects in view. They would not create demand for our products. They could be made only to exporters or to banks engaged in financing exports, and if they did in some measure stimulate exports they would probably not have the effect apparently most desired of substantially increasing those of agricultural commodities. Already, with the larger volume of exports which Europe is taking from us, she is exercising her option of taking a smaller volume of some of our principal agricultural products, such as meats, presumably because she herself has become more largely self-sufficient, or is again providing herself with supplies from distant countries which, with the opening up of shipping since the armistice, have once more found their place in the markets of the world.

It is highly probable that the most immediate and conspicuous effect of the resumption of the corporation's activities would be an effort on the part of exporters to shift the financing of their operations from ordinary commercial channels to the Government. This would be unfortunate. It would continue the Government as an active factor in ordinary business operations. If activities of any considerable magnitude resulted, they would necessitate the imposition of additional taxes or further borrowing, either through the War Finance Corporation or by the Treasury. In either case new burdens would be laid upon all the people. Further borrowing would in all likelihood tap the very sources which might otherwise be available for private operations or which the Treasury is now compelled to reach to meet current obligations of the Government. There is no question that the borrowing of the Government should be limited to the minimum requirements, and that the Government should not be called upon further to finance private business at public expense. To the extent that Europe is able to furnish additional securities, private financial institutions here will doubtless find means of giving the necessary accommodation. The way has been opened for added legitimate efforts to promote foreign trade. Financial agencies in aid of exports, privately financed, have already been planned to operate under the act approved December 24, 1919, authorizing the organization of banking corporations to do foreign banking business. One corporation has been organized in the South and a second of large scope is in course of development. These agencies may be expected to act as promptly and as liberally and helpfully as sound business conditions will permit. Through reliance on such enterprises, rather than through Government intervention, may we expect to secure a return to stable business relations. For many months there has been a demand that war agencies should be abolished and that there should be less Government interference with business. I have sympathized with this view, and believe that it is applicable to foreign trade as well as to domestic business. I am of the opinion that now, more than two years after the armistice, the Nation should resume its usual business methods and return to its reliance on the initiative, intelligence, and ability of its business leaders and financial institutions.

We shall not witness an immediate satisfactory adjustment of domestic and international trade relations. The burdens of war are not lifted when the fighting ceases. One sad thing about war is that it leaves behind it a legacy of economic ills and of suffering from which there is no escape. Conditions, however, are improving both here and abroad. The difficulties with which we are now confronted are of small consequence in comparison with those which we have met and overcome. Fuller restoration awaits the adoption of constructive measures of large consequence: the secure establishment of a just peace in the world; the cessation of fighting everywhere; the more complete resumption in Europe of the normal courses of industry, the return of her people to sounder fiscal and banking policies, and the breaking down within her borders of harmful restrictions.

WOODROW WILSON.

THE WHITE HOUSE,
3 January, 1921.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted—

To Mr. DREWRY, for one week, on account of sickness in family.

To Mr. HICKS, for three days, on account of important business.

To Mr. BELL, for two weeks, on account of important business.

To Mr. PARK, for Tuesday, January 4, 1921, on account of important business.

ADJOURNMENT.

Mr. MONDELL. Mr. Speaker, in view of the lateness of the hour, and with the understanding that the President's veto message shall be the first matter considered to-morrow, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 5 o'clock and 34 minutes p. m.) the House adjourned until to-morrow, Tuesday, January 4, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

289. A letter from the chairman of the Federal Trade Commission, transmitting report of the Federal Trade Commission of an inquiry into the petroleum industry in Wyoming; to the Committee on Interstate and Foreign Commerce.

290. A letter from the Secretary of War, transmitting letter from the Chief of Engineers containing an additional report of publications prepared under his direction during the fiscal year 1920; to the Committee on Printing.

291. A letter from the Secretary of the Treasury, transmitting supplemental estimate of appropriation required by the Bureau of Entomology, Department of Agriculture, for control and prevention of spread of the Mexican bean beetle for the fiscal year 1922 (H. Doc. No. 952); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. WEBSTER, from the Committee on Interstate and Foreign Commerce, to which was referred the bill (H. R. 14158) granting the consent of Congress to H. H. Haynes to construct a dike across Mud Slough on Isthmus Inlet, in section 23, township 26 south, range 13 west, of Willamette meridian, in Oregon, reported the same with amendments, accompanied by a report (No. 1158), which said bill and report were referred to the House Calendar.

REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. SELLS, from the Committee on Pensions, to which was referred the bill (S. 3747) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy and wars other than the Civil War, and to certain widows and dependent relatives of such soldiers and sailors, reported the same with amendments, accompanied by a report (No. 1159), which said bill and report were referred to the Private Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, the Committee on Invalid Pensions was discharged from the consideration of the bill (H. R. 15078) granting a pension to Elizabeth B. Rebhun, and the same was referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. VARE: A bill (H. R. 15492) to amend the national prohibition act to prevent the sale for medicinal purposes of all liquor testing at less than 90 proof; to the Committee on the Judiciary.

By Mr. CALDWELL: A bill (H. R. 15493) to provide for the return to the original owners of money and property seized under an act entitled "An act to define, regulate, and punish trading with the enemy, and for other purposes," approved October 6, 1917, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. SNYDER: A bill (H. R. 15494) providing for the reservation of certain lands in Utah for two bands of Paiute Indians; to the Committee on Indians Affairs.

Also, a bill (H. R. 15495) providing for the reservation of certain lands in New Mexico for the Indians of the Zia Pueblo; to the Committee on Indian Affairs.

By Mr. STEPHENS of Ohio: A bill (H. R. 15496) to amend an act entitled "An act to amend and modify the war-risk insurance act," approved December 24, 1919; to the Committee on Interstate and Foreign Commerce.

By Mr. ELSTON: A bill (H. R. 15497) to amend the act approved December 23, 1913, known as the Federal reserve act, and to amend section 5236 of the Revised Statutes; to the Committee on Banking and Currency.

By Mr. BRITTEN: Joint resolution (H. J. Res. 433) requesting the President of the United States to transmit protest against the retention of the French colored troops in the occupied area of Germany; to the Committee on Foreign Affairs.

By Mr. HULL of Iowa: Joint resolution (H. J. Res. 434) directing the Secretary of War to cease enlisting men in the Regular Army of the United States until the number of enlisted men shall not exceed 175,000; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15498) granting a pension to Mary Costin Kinnevan; to the Committee on Invalid Pensions.

By Mr. DICKINSON of Missouri: A bill (H. R. 15499) granting a pension to Nannie B. Turner; to the Committee on Invalid Pensions.

By Mr. DOWELL: A bill (H. R. 15500) granting a pension to Mary Florence Pugh; to the Committee on Invalid Pensions.

By Mr. DUNBAR: A bill (H. R. 15501) granting a pension to Mahala Winn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15502) granting a pension to Henrietta Sheumacher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15503) granting a pension to Elizabeth Pfeifer; to the Committee on Invalid Pensions.

By Mr. FERRIS: A bill (H. R. 15504) granting an increase of pension to William J. Givens; to the Committee on Pensions.

By Mr. FESS: A bill (H. R. 15505) granting a pension to Lewis Powers; to the Committee on Invalid Pensions.

By Mr. KEARNS: A bill (H. R. 15506) granting a pension to Ruth B. Adamson; to the Committee on Invalid Pensions.

By Mr. RADCLIFFE: A bill (H. R. 15507) granting an increase of pension to John H. Doremus; to the Committee on Pensions.

By Mr. SMITHWICK: A bill (H. R. 15508) granting an increase of pension to Hannah E. Brainard; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 15509) granting an increase of pension to Anis Apple; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4784. By Mr. DYER: Petition of Merchants' Exchange of St. Louis, regarding barge-line facilities; to the Committee on Interstate and Foreign Commerce.

4785. Also, petition of St. Louis Chamber of Commerce, favoring the budget system for the National Government; to the Committee on Budget.

4786. Also, petition of Railway Mail Association, Kansas City, Mo., favoring an increase in the salaries of railway postal clerks; to the Committee on the Post Office and Post Roads.

4787. Also, petition of Lund-Mauldin Co., of St. Louis, Mo., favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4788. Also, petition of the Council of Jewish Women, St. Louis, Mo., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4789. Also, petition of Robert C. Brinkman, R. J. Ludwig, H. A. Dodson, Harry Schuessler, H. C. Henger, F. A. Cammann, Western Construction Co., National Enameling & Stamping Co., R. W. Van Pelt, E. R. Henckler, Emma Tabb, L. McMaster, James B. Hill, Charles Kell, A. J. Cammann, E. H. Rosemlit, and A. C. Schuchardt, all of St. Louis, Mo., urging the passage of the Smith-Towner educational bill; to the Committee on Education.

4790. Also, petition of Mr. C. S. Longacre, editor of the Liberty Magazine, Washington, D. C., opposing the passage of Senate bill 635 and House bill 12504, regarding the Sunday laws; to the Committee on the District of Columbia.

4791. Also, petition of National Association of Letter Carriers, Branch 343, St. Louis, Mo., regarding increase in salaries, a court of appeals for civil-service employees, and sick and annual leave; to the Committee on the Post Office and Post Roads.

4792. Also, petition of G. C. Taussig, St. Louis Smelting & Refining Works, St. Louis, Mo., urging passage of House bill 11716; to the Committee on War Claims.

4793. Also, petition of St. Louis Refrigerating & Cold Storage Co., St. Louis, Mo., urging passage of House bill 12886, providing for an extension of the mineral trust period of the Osage Nation from 1931 to the year 1956; to the Committee on Indian Affairs.

4794. By Mr. ESCH: Petition of South St. Paul Live Stock Exchange, South St. Paul, Minn., opposing the live-stock commission act; to the Committee on Agriculture.

4795. Also, petition of South St. Paul Live Stock Exchange, South St. Paul, Minn., declaring a temporary embargo on live stock and live-stock products; to the Committee on Ways and Means.

4796. By Mr. KING: Petition of Post A, Travelers' Protective Association of Quincy, Ill., concerning recognition of the de facto Irish republic; to the Committee on Foreign Affairs.

4797. By Mr. MOONEY: Petition of Akron Council, No. 87, United Commercial Travelers of America, Akron, Ohio, favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4798. By Mr. MORIN: Petition of Major McKinley Council, No. 90, Sons and Daughters of Liberty, Pittsburgh, Pa., urging the restriction of all immigration for a period of two years; to the Committee on Immigration and Naturalization.

4799. By Mr. O'CONNELL: Petition of New York Board of Trade and Transportation, New York, favoring the passage of Senate joint resolution 161 to end Federal operation of canals in New York; to the Committee on Interstate and Foreign Commerce.

4800. By Mr. SNYDER: Petition of Utica Candy Co., Utica, N. Y., protesting against the excise tax on candy; to the Committee on Ways and Means.

4801. By Mr. TAGUE: Petition of W. N. Weston Co., Boston, Mass., protesting against the excess-profit regulations; to the Committee on Ways and Means.

4802. Also, petition of Bernard J. Rothwell, Boston, Mass., regarding emergency agricultural tariff; to the Committee on Ways and Means.

4803. Also, petition of Frank N. Nathan and Frederick T. Widmer, of Boston, Mass., protesting against an increased tax on jewelry; to the Committee on Mays and Means.

4804. Also, petition of the Holtzer Cabot Electric Co., Roxbury, Boston, Mass., favoring passage of Nolan Patent Office and salaries bill (H. R. 11984); to the Committee on Patents.

4805. Also, petition of Cadillac Automobile Co. of Boston, Boston, Mass., favoring an appropriation for the Bureau of Foreign and Domestic Commerce; to the Committee on Interstate and Foreign Commerce.

4806. Also, petition of American Board of Commissions for Foreign Missions, Boston, Mass., favoring the passage of the Jones-Miller bill (H. R. 14500) prohibiting traffic in morphia, etc.; to the Committee on Ways and Means.

4807. Also, petition of David Barry, Boston, Mass., favoring an appropriation for carrying on the work of steam gauging; to the Committee on Appropriations.

4808. Also, petition of William A. L. Bazeley, State forester, Statehouse, Boston 9, Boston, Mass., urging appropriation of $1,000,000 for cooperation with the States in fire protection; to the Committee on Appropriations.

4809. By Mr. WINSLOW: Petition of Local Union No. 180, International Union of United Brewery, Flour, Cereal, and Soft Drink Workers, Worcester, Mass., favoring a repeal of the war-time sedition laws and favoring amnesty for all political prisoners; to the Committee on the Judiciary.

4810. By Mr. ZIHLMAN: Petition of Home Interest Club, of Takoma Park, Md., and the Women's Club, of Friendship Heights, Md., favoring the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

TUESDAY, *January 4, 1921.*

Rev. J. J. Muir, D. D., of the city of Washington, offered the following prayer:

Our Father, we thank Thee for another day and its privileges and opportunities. Enable us to realize how better we can understand the obligations of the hour and so serve Thee acceptably that Thy well done shall be received. For Thy name's sake. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

REPORT ON PETROLEUM INDUSTRY IN WYOMING.

The VICE PRESIDENT laid before the Senate a letter from the chairman of the Federal Trade Commission, transmitting a report of the Federal Trade Commission of an inquiry into the petroleum industry in Wyoming, which was referred to the Committee on Interstate Commerce.

PETITIONS AND MEMORIALS.

Mr. CURTIS presented a petition of the Abraham Lincoln Branch of Friends of Irish Freedom, of Topeka, Kans., favoring the recognition of the republic of Ireland as a de facto government, which was referred to the Committee on Foreign Relations.

He also presented a petition of sundry citizens of Concordia, Kans., favoring an amendment to the bill to provide for the promotion of physical training in the United States, which was referred to the Committee on Education and Labor.

He also presented a petition of the Chamber of Commerce of Newkirk, Okla., praying for the enactment of legislation appropriating sufficient funds to furnish necessary buildings to accommodate 300 more children in the Indian school on the Chilocco Reservation, Okla., which was referred to the Committee on Indian Affairs.

He also presented a petition of the board of directors of the Chamber of Commerce of Ottawa, Kans., and a petition of the Pittsburg Chamber of Commerce, of Pittsburg, Kans., praying for an increased appropriation for the Weather Bureau station at Topeka, Kans., which were referred to the Committee on Agriculture and Forestry.

He also presented a memorial signed by sundry citizens of Otis, Kans., remonstrating against the enactment of legislation for the protection of maternity and infancy, which was ordered to lie on the table.

Mr. TOWNSEND presented petitions of District No. 24 of the United Mine Workers of America, of Saginaw, Mich., and International Brotherhood of Electrical Workers, Local Union No. 352, of Lansing, Mich., praying for the enactment of legislation granting amnesty to all political prisoners, which were referred to the Committee on the Judiciary.

He also (for Mr. NEWBERRY) presented a petition of the Washington Grange, No. 1655, of Washington, Mich., favoring the so-called French-Capper truth in fabric bill, which was referred to the Committee on Interstate Commerce.

He also (for Mr. NEWBERRY) presented a petition of the Washington Pomona Grange, No. 7, of Ypsilanti, Mich., favoring the so-called French-Capper truth in fabric bill, which was referred to the Committee on Interstate Commerce.

He also (for Mr. NEWBERRY) presented a memorial of the Catholic Study Club, of Detroit, Mich., remonstrating against the enactment of legislation to create a department of education, which was referred to the Committee on Education and Labor.

CALL OF THE ROLL.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gronna	McLean	Smith, Ariz.
Ball	Harris	McNary	Smith, Ga.
Beckham	Harrison	Nelson	Smith, Md.
Borah	Heflin	New	Smith, S. C.
Brandegee	Henderson	Norris	Smoot
Calder	Hitchcock	Nugent	Spencer
Capper	Jones, N. Mex.	Overman	Stanley
Culberson	Jones, Wash.	Page	Sterling
Curtis	Kellogg	Penrose	Sutherland
Dial	Kendrick	Phipps	Thomas
Dillingham	Kenyon	Pomerene	Underwood
Edge	Knox	Reed	Wadsworth
Fletcher	Lenroot	Sheppard	Wolcott
Glass	McKellar	Simmons	

Mr. PAGE. I wish to announce that the Senator from Washington [Mr. POINDEXTER], the Senator from Maine [Mr. HALE], the Senator from Virginia [Mr. SWANSON], the Senator from Montana [Mr. WALSH], the Senator from Nevada [Mr. PITTMAN], and the Senator from Rhode Island [Mr. GERRY] are engaged in a meeting of the Committee on Naval Affairs.

Mr. FLETCHER. I announce that my colleague [Mr. TRAMMELL] is unavoidably absent.

Mr. HARRISON. I was requested to announce the absence of the Senator from South Dakota [Mr. JOHNSON], the Senator from Oregon [Mr. CHAMBERLAIN], and the Senator from Utah [Mr. KING] on account of illness, and the necessary absence of the Senator from Tennessee [Mr. SHIELDS].

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present.

BILLS AND JOINT RESOLUTIONS.

Bills and joint resolutions were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. NELSON:

A bill (S. 4762) to authorize the improvement of Red Lake and Red Lake River, in the State of Minnesota, for navigation, drainage, and flood-control purposes; to the Committee on Commerce.

By Mr. CURTIS:

A bill (S. 4763) granting a pension to Lucy A. Richards;

A bill (S. 4764) granting a pension to Alvin E. Owens;

A bill (S. 4765) granting an increase of pension to George M. Younger;

A bill (S. 4766) granting an increase of pension to Julia S. Webb;

A bill (S. 4767) granting a pension to John H. Riley;

A bill (S. 4768) granting a pension to Melissa S. Lemon;

A bill (S. 4769) granting an increase of pension to Eveline Washington;

A bill (S. 4770) granting a pension to Mary E. Martin;

A bill (S. 4771) granting a pension to Harry Hawkes;

A bill (S. 4772) granting a pension to Caldona Doan; and

A bill (S. 4773) granting an increase of pension to Maggie Moss (each with accompanying papers); to the Committee on Pensions.

By Mr. FLETCHER:

A bill (S. 4774) granting an increase of pension to Sarah V. Cribb (with accompanying papers); to the Committee on Pensions.

By Mr. UNDERWOOD:

A bill (S. 4775) to authorize Louis M. Tisdale to construct and operate a ship canal or channel from Mon Louis Island, Mobile County, State of Alabama, to the deep-water basin in Mobile Bay, between Fort Morgan and Fort Gaines, Ala., through the lands and waters of the United States, and to grant to said Louis M. Tisdale the right of way for that purpose, and for other purposes; to the Committee on Commerce.

By Mr. ASHURST:

A bill (S. 4776) for the establishment and maintenance of a forest experiment station in Arizona; to the Committee on Agriculture and Forestry.

By Mr. COLT:

A bill (S. 4777) granting a pension to Elizabeth M. Reynolds (with accompanying papers); to the Committee on Pensions.

By Mr. TOWNSEND:

A bill (S. 4778) granting a pension to Belva Furgason (with accompanying papers); to the Committee on Pensions.

By Mr. SPENCER:

A bill (S. 4779) for the relief of Philippine Scout officers; to the Committee on Military Affairs.

By Mr. NELSON:

A joint resolution (S. J. Res. 235) prohibiting the Commissioners of the District of Columbia from obstructing the parks, reservations, streets, avenues, and sidewalks in said District, and for other purposes; to the Committee on the District of Columbia.

By Mr. NEW:

A joint resolution (S. J. Res. 236) directing the Secretary of War to cease enlisting men in the Regular Army of the United States until the number of enlisted men shall not exceed 175,000; to the Committee on Military Affairs.

AMENDMENT TO IMMIGRATION BILL.

Mr. FLETCHER submitted an amendment intended to be proposed by him to the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, which was referred to the Committee on Immigration and ordered to be printed.

AMENDMENTS TO REVENUE ACT OF 1918.

Mr. HENDERSON submitted two amendments intended to be proposed by him to the bill (H. R. 14198) to amend and simplify the revenue act of 1918, which were referred to the Committee on Finance and ordered to be printed.

AMENDMENT TO ATMOSPHERIC NITROGEN BILL.

Mr. HARRIS submitted an amendment intended to be proposed by him to the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production; and for other purposes, which was ordered to lie on the table and be printed.

AMENDMENT TO SUNDRY CIVIL APPROPRIATION BILL.

Mr. NELSON submitted an amendment proposing to appropriate $13,000 for buildings, equipment and machinery, etc., at the Duluth (Minn.) station of the Bureau of Fisheries, intended to be proposed by him to House bill 15422, the sundry civil appropriation bill, which was referred to the Committee on Appropriations and ordered to be printed.

WITHDRAWAL OF PAPERS—SCHUYLER C. MORGAN.

On motion of Mr. THOMAS, it was

Ordered, That the papers accompanying the bill (S. 2642, 66th Cong., 1st sess.) granting a pension to Schuyler C. Morgan be withdrawn from the files of the Senate, no adverse report having been made thereon.

RECRUITING FOR MILITARY SERVICE.

Mr. DIAL. I submit a resolution, which I ask to have read.

The resolution (S. Res. 418) was read, as follows:

Whereas during the year 1920 there were recruited into the Army of the United States 162,484 men, into the Navy 76,342, and into the Marine Corps 14,156, a total of 252,992; and

Whereas the army of occupation, now stationed in Germany, now numbers 500 officers and 15,000 men; and

Whereas the cost of securing and maintaining such enlistments in the Navy and Marine Corps and recruits for the Army is a heavy burden upon the taxpayers of this country; and

Whereas the enlistment now is much greater than the appropriations; and

Whereas a very large deficit already exists; and

Whereas the people of the country are overburdened with taxation; and

Whereas it behooves the Congress to dispose of the services of any unnecessary officials and employees and to curtail expenses in every manner consistent with efficiency; and

Whereas many of those now being taken into the different branches of the military service of the United States are drawn from the farms, causing thereby a serious lack of help and creating much trouble by their absence at a time when all available farm help is necessary in order to produce our crops that we may raise more of the necessities of life at home: Therefore be it

Resolved, That upon the adoption of this resolution all enlistments or recruiting for any and all branches of the military service of the United States shall immediately cease.

The VICE PRESIDENT. The resolution will lie over for one day.

INAUGURAL EXPENSES.

Mr. KNOX. Mr. President, I am instructed by the Joint Inaugural Committee to introduce a joint resolution, and I ask for its present consideration.

The joint resolution (S. J. Res. 237) to enable the Secretary of the Senate and Clerk of the House of Representatives to pay the necessary expenses of the inaugural ceremonies of the President of the United States on March 4, 1921, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That to enable the Secretary of the Senate and Clerk of the House of Representatives to pay the necessary expenses of the inaugural ceremonies of the President of the United States, March 4, 1921, in accordance with such program as may be adopted by the joint committee of the Senate and House of Representatives, appointed under a concurrent resolution of the two Houses, including the pay for extra police, there is hereby appropriated, out of any money in the Treasury not otherwise appropriated, $50,000, or so much thereof as may be necessary, the same to be immediately available.

The VICE PRESIDENT. The Senator from Pennsylvania asks unanimous consent for the present consideration of the joint resolution. Is there objection?

There being no objection, the joint resolution was considered as in Committee of the Whole.

Mr. KNOX. Mr. President, I think I ought to state to the Senate that the amount arrived at here is after a thorough investigation of the cost and after having adopted a program of procedure that complies literally with the precedents of the past. Four years ago the appropriation was $35,000, or so much thereof as might be found to be necessary. We have allowed an additional $15,000 to cover the increased cost of material, the increased cost of labor, and the increased cost of the wages of such extra policemen and watchmen as may be necessary for the function. The committee hopes and feels that perhaps it can perform its duties well within the limit prescribed, but believes that it is not asking an undue amount to have intrusted to its discretion an additional $15,000 over and above what was appropriated for the last inauguration.

I may state for the benefit of the Senate that this has nothing whatever to do with the civic functions which may be incident to the inauguration. The Congress of the United States for over 100 years has taken upon itself the conduct of the actual installation of the President of the United States into office. It has nothing to do with the civic parade or the erection of stands or the giving of balls or anything of that nature. This is to cover the expense incident to the inauguration proper. After the oath of office is administered the President elect will be turned over to the civic authorities, and all expenses incident to and relating to it are to be borne by them or from some other separate fund.

Mr. NORRIS. Mr. President——

The VICE PRESIDENT. Does the Senator from Pennsylvania yield to the Senator from Nebraska?

Mr. KNOX. Certainly.

Mr. NORRIS. I did not hear the reading of the entire joint resolution. I wish to inquire of the Senator from Pennsylvania whether the expenses mentioned in it includes the transportation expenses, for instance, of different branches of the military service that may be brought here?

Mr. KNOX. Not at all.

Mr. NORRIS. It has nothing to do with that?

Mr. KNOX. Not at all. The main item of expense is for the construction of the great stand in front of the Capitol that will seat as many people as have been heretofore seated there. The fact is, we are not increasing the size of the stand at all; it is to be just the same size that it was at the last inauguration four years ago.

Mr. NORRIS. Does it include the turning over of any building of the Government for the so-called inaugural ball, or anything of that kind?

Mr. KNOX. Not at all; it has nothing whatever to do with any ceremonies after the actual administration of the oath of office to the President elect.

Mr. BORAH. Mr. President, I think I ought to say that when I called attention to this matter some days ago, suggesting that some amount ought to be fixed for this purpose, I had no intention of criticizing the committee or suggesting that the committee would not act as economically as it could. As I understand the pending resolution, it covers but one item, and that is the erection of the stand here at the Capitol to provide for seating the audience. It does not cover the item with reference to bringing the cadets from the Military Academy or of the midshipmen from the Naval Academy. There is already an estimate of $37,000 for bringing the cadets here, which has been sent in by the Secretary of War. I presume the cost of bringing the midshipmen to Washington may be estimated as being twenty-five or thirty thousand dollars; and the proposition to turn over the Pension Building for inaugural purposes, it is estimated, will cost, when there are taken into consideration the delay in the service, the interruption of public business, the moving out and moving in, something like $200,000. So the joint resolution covers but a single item, while we see some $300,000 in view which must inevitably follow if we start the program. If we could confine the entire expenditure to $50,000, it would be a different matter, but we shall not be able to do that.

Mr. THOMAS. Mr. President, may I ask the Senator whether a great portion of the expense to which he has just referred will not be liquidated by the inaugural committee, which is composed of citizens of Washington?

Mr. BORAH. No part of it will be, I think.

Mr. THOMAS. Then, what becomes of the fund which the newspapers say that committee is raising by subscription?

Mr. BORAH. It is finally returned to those who raise it.

Mr. THOMAS. They secure reimbursement through the levy upon visitors?

Mr. BORAH. I understand that they try to protect themselves by proper methods, but nevertheless in a business way; but no part of the expenses to which I have called attention, as I understand, are to be taken care of by the citizens. The expenses which I have mentioned will be taken care of out of the public funds, as they always have been. A great many other additional expenses also will be incurred which will be taken care of out of the public funds.

Mr. THOMAS. Mr. President, if the newspapers are to be credited at all, a veritable army of men and women, who propose to serve their country, if possible, under the new administration, is about to invade Washington. Does not the Senator think it would be a good idea to levy a toll of about $5 a head upon these gentlemen and ladies, and by that means to safeguard the Treasury?

Mr. NORRIS. That will be levied all right.

Mr. BORAH. Mr. President——

Mr. NEW. Will the Senator from Idaho yield to me for just a moment?

Mr. BORAH. Yes.

Mr. NEW. In order that there may be a full understanding on the part of the Senate in regard to this matter, I desire to say that I have been informed by the local committee having the inauguration celebration in charge that there will be additional appropriations asked for amounting to something like $60,000. That will include the cost of all extra police, of whom there must, of course, be a large number at that time.

Mr. BORAH. The pending resolution refers to extra police.

Mr. KNOX. Those are only the additional Capitol police, and have nothing to do with the matter to which the Senator from Indiana refers.

Mr. NEW. The police of whom I speak are to be in addition to the police force of the District. Of course, a large number of extra police will be required to handle the crowds which will be here on that occasion. Then, it will also be necessary to erect comfort stations, information booths, and things of that kind; and while I do not know the exact amount that will be asked for in order to cover those items, I think it will be somewhere in the neighborhood of $60,000. That will be in addition to the amount which is carried by the resolution offered by the Senator from Pennsylvania.

Mr. BORAH. Then, we have the $50,000, the $60,000, the $37,000 for the cadets, the $25,000 for the midshipmen, and $200,000 for the Pension Office. Mr. President, that is a good beginning for an administration which is pledged, or you might say consecrated, to economy.

Mr. NORRIS. The Senator from Idaho must not omit from those expenses the cost of bringing to Washington various branches of the Army to participate in the inaugural parade, which will cost several hundred thousand dollars more.

Mr. BORAH. I have a list of 10 governors who are going to bring the State militia here, which, it is estimated, will cost $100,000 in each instance.

I anticipate, Mr. President, that out of the public funds, the Federal funds and the State funds—which are all paid by the same citizens after all—there will be a million dollars expended upon the inauguration under the present program.

Mr. NELSON. Mr. President, will the Senator from Idaho yield to me?

Mr. BORAH. Yes; I yield.

Mr. NELSON. Mr. President, for the protection of the American public and to put all citizens of the United States attending the inauguration ceremonies on a footing of equality I have introduced a resolution, which has been referred this morning to the Committee on the District of Columbia, prohibiting the District Commissioners from allowing the streets and sidewalks and parks of the city to be encumbered with platforms and stands, in order that there may be no opportunity afforded those desiring to erect such structures to speculate upon the public. We who have been here for years know that the citizens of the District form themselves into committees, secure control and possession of the public streets and sidewalks of the city, erect platforms and stands, and sell the seating space thus provided at speculative prices to the American public attending the inauguration. Nor is that the worst of it, for the tickets frequently pass into the hands of speculators, as in the case of theater tickets in some of our cities, and are sold to the public at exorbitant advances over the original prices.

We all know that the people who occupy seats in the stands which are erected constitute only a small portion of the public. The remainder of the people have to stand behind the structures erected and are unable to see the parade as well as those occupying the seats, notwithstanding the fact that those who stand constitute the bulk of the people who come here. I wish an investigation could be made to ascertain what profits the speculators to whom I refer made at the last inaugural ceremony upon the sale of space in the stands and platforms in the city. I trust that the District Committee, of which the Senator from Indiana [Mr. NEW] is a member, will put a stop to this species of speculation, to the end that the American people who come to attend the inaugural ceremonies may be placed on a footing of equality, without being bled by ticket and other speculators in Washington.

Mr. BORAH. Mr. President, there are not many American people who can afford to come at this time, owing to railroad rates and other conditions, so that the number from outside the immediate vicinity of Washington will not be large.

We have all served here with Senator HARDING, and we know that his severest critic would not charge Senator HARDING with being fond of ostentation and display. I have not a particle of doubt, if he could be consulted and could be permitted to have his way about it, that the inaugural ceremonies would be conducted along very simple and dignified lines and in accordance with the conditions which are now confronting the country.

Mr. President, I should never have said a word about this matter if the condition of affairs in which we find ourselves had been an ordinary one, but we have $24,000,000,000 of indebtedness, we have $4,000,000,000 of current expenses, and we have $2,000,000,000 of deficit staring us in the face. The business men of the country, even those who are supposed to be men of competency, are greatly disturbed as to how they shall continue to meet the burdens which must be imposed upon them by the Government. The mere $50,000 or $100,000 or $300,000 or the $1,000,000 which we may appropriate is not alone the objection, but it is the psychology of the public mind in regard to these matters. They expect something, and, regardless of party, they feel that those who represent them here ought to take into consideration the conditions at home.

I have before me a statement, coming out of Marion, which is interesting to me in view of the discussion of this matter. It says:

> The plans for the HARDING inauguration, as outlined here to-day, contemplate the most dazzling celebration in the memory of the present generation. Senator HARDING, it is said, was originally in favor of a severely simple inaugural ceremony—

And I have no doubt at all that that is true—

> but has been prevailed upon to accept a program which he was assured would bring the greatest amount of pleasure to the greatest number of people.

I am interested to know whence the influence comes that prevailed upon the President elect to depart from his idea of a simple and dignified inauguration to that of the most dazzling display "within the memory of the present generation" and one designed to serve the pleasure of the greatest number of people.

Mr. President, I am going to vote against the joint resolution which has been reported. I will vote against it because I know that if we set the pace that which will follow in connection with the inauguration will involve an expenditure of a million dollars to be paid out of public funds. I venture to say that when it is over the items for the inauguration presented here, together with the items which will come out of the State treasuries of the different States, will aggregate a million dollars. I look upon it as almost a crime; there is no defense for it.

Mr. KNOX. Mr. President, I regret very much that in presenting one proposition my distinguished friend from Idaho has seen fit to discuss another and entirely different one. The committee of which I have the honor to be chairman was created by the Houses of Congress, and it was instructed to take proceedings necessary to conduct the inaugural ceremonies of the President of the United States. When we were instructed to take the necessary steps we had but one lamp to guide our feet, and that was to find out what were the customary steps. I have taken the trouble since I discovered that there was likely to be some opposition to the passing of the necessary appropriation to run back as far as 1817, and I have found that from that date down to this the Congress of the United States, of its own volition and without any logical relation thereto, has taken upon itself the inauguration of the various Presidents.

The President of the United States needs to do but one thing in order to be able to discharge the functions of that high office, and that is to take the oath prescribed by the Constitution. He could send out from his hotel room—if that is where he will lodge before induction into office—for a notary public and, perhaps for 50 cents, subscribe the oath which clothes him with all the powers.

I had the honor to be connected at one time with the simplest inauguration that has ever transpired, and that was after the death of the lamented McKinley, when the Cabinet were discussing great ceremonies to be held in the city of Washington for the inauguration of Mr. Roosevelt. Upon my calling attention to the provisions of the Constitution and showing that the devolution of office had been automatic, and that all that was required was to take the oath, they followed my advice and the oath was administered in a private house at no cost whatever.

But, Mr. President, Congress has taken this step, and this committee, in obedience to the mandate received from Congress, has proceeded to do the usual thing. We are not building a stand seats upon which are to be sold to the public at an extravagant or at any other price. We are building a stand that will accommodate 10,000 people, who will be seated there without charge upon the invitation of the Members of the Senate and House of Representatives. It is decent and appropriate, in a great ceremony of this kind, that a number—not all of the American people, because all of the American people could not assemble, and only an infinitesimal percentage of the American people could witness the ceremony under the most favorable circumstances—but that at least 10,000 of the American people, a number that the grounds of the Capitol will accommodate, may, without money and without price, at the invitation of the Congress of the United States, which has taken charge of the ceremony, witness that ceremony. In order that the thing may be done decently and in order expensive engraved invitations and tickets have to be circulated in order to convey the wishes of Congressmen to their constituents or to their friends. An adequate number of policemen have to be employed in order to protect the crowds that may assemble around the Capitol. Provision must be made for the members of the press, so that that portion of the public who can not witness the ceremony may read accurate accounts of it. And, indeed, Mr. President, we have studied simplicity even to the degree that we have shorn the incoming President of some of the prerogatives and privileges that have in the past attached to that ceremony.

Why, I read from a description of the ceremony of 1861 that after Mr. Lincoln had delivered his inaugural address, and Chief Justice Taney had administered the oath, Mr. Lincoln turned and kissed the 34 young ladies representing the 34 States. We provide nothing of that kind for Mr. HARDING. [Laughter.]

I hope, Senators, that you will stand by your committee that has endeavored to carry out your mandate; and I hope that this particular proposition will not be involved with anything pertaining to the civic ceremonies or anything pertaining to any ostentation or display, if you may choose to call it so, which may follow the inauguration.

Mr. FLETCHER. Mr. President, I find myself very much in sympathy with the views expressed by the Senator from Idaho [Mr. BORAH]. It seems to me that now, when the whole world is staggering under debt, and there is suffering and distress everywhere, when our own people are complaining about taxes, and properly so, many of them unescapable as the necessary consequences of a world upheaval and the greatest war in all history, we ought to endeavor to hold down these expenditures out of the Public Treasury to the very last limit.

This is no time, Mr. President, to indulge in these extravagant parades and demonstrations and celebrations, costing the people an enormous sum, approaching, as the Senator from Idaho has said, in this instance, before we are through with it, a million dollars.

It is all right for the people of Washington, the merchants, the street car companies, the taxicab companies, the hotels, and that sort of thing, to raise a fund. The more people they can have here, and the longer they can keep them, the better for them. It is perfectly proper, and a manifestation to some extent of public spirit—I do not mean to say it is entirely selfish—for them to arrange to entertain the people who come here, and take care of them, even though they get back what they contribute to that end. But it is a different proposition to go into the pockets of the taxpayers of the country at large and ask them to pay this enormous sum of money for this inauguration.

The Senator from Idaho has said, and I quite concur with him, that he does not believe that Senator HARDING himself wants this proposed tremendous demonstration. It is a bad example to set to the country. We have been talking here on this floor for some time, and in the press and elsewhere, about waste and saturnalia of extravagance, and rather scolding the people for their lack of thrift. We claim that the high cost of living and a good many of our troubles have been due to the extravagance that prevailed in 1919 and previous years. Now, the Government undertakes to set an example of unparalleled extravagance at the very opening of a new administration. It seems to me unthinkable.

The Senator from Pennsylvania [Mr. KNOX] refers to past history. Let me at this moment call attention to an administration that was ideal, that accomplished great results, that was perhaps the most historic and important in many respects in the lifetime of the Republic; and let me admonish that we now, under existing circumstances and in view of conditions prevailing here and throughout the world, hark back as far as we can to Jeffersonian simplicity.

I hold in my hand a work which is very interesting and instructive, by a distinguished Member of this body, the senior Senator from Mississippi [Mr. WILLIAMS]—a series of lectures delivered by him at Columbia University on "Thomas Jefferson, his permanent influence on American institutions," and I beg to read just a few extracts from these lectures.

At page 228 he says:

> Earlier in his life, when about to take his seat as Vice President, Jefferson had illustrated his dislike of public scenes. He wrote to Senator Tazewell, of Virginia, saying that he had heard that on the former elections of President and Vice President "gentlemen of considerable office were sent to notify the parties chosen," and expressed the hope that in his case "the Senate would adopt that form of notification which would always be least troublesome and most certain," the post office.

On page 230 he says:

> The Republicans were more rejoiced at Jefferson's abolition of pomp, ceremonies, parade, and cavalcades than they were in consequence of many other more important things. The Federalists viewed what they called "a Jacobin wreck" with alarm and despair. Little things that seem to us now, with the glamor of the past about them, interesting, if not beautiful, meant more then than they would mean now and would have grown by now to mean more than they did then. Adams, unfortunately, did not see what Jefferson did, that George Washington constituted a whole class by himself.
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> In a chapter headed "Jeffersonian simplicity," evidently put in quotation marks with a view of ridiculing the subject matter and Jefferson, Curtis opens: "The inauguration of Jefferson as President of the United States was attended with as much pomp and ceremony as the conditions would permit." I submit that this is beneath the dignity of history. If the statement had been true, it would not have made much difference; but it is not true. Jefferson carefully eschewed all pomp and ceremony and did it for a purpose—the purpose of demolishing the "frénésie quasi monarchique." He walked from his boarding house, which was on New Jersey Avenue north and not far from the Capitol, and a few friends, among them some Senators and Representatives, accompanied him to the Senate Room to be sworn in. It is idle to say that he could not have ridden in his own coach, sent up from Monticello, or in any sort of a state coach he might have fancied to have built. It is equally idle to say that he could not have had a thousand men on horseback if he had wanted them.
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> Curtis very properly exposes the story of Jefferson's going to the Capitol on horseback and "tying his horse to the fence." This was not true for three reasons: First, because the distance was too short to make it necessary to have his horse; and, secondly, because, from the best information I can get, there was no fence there at that time; and, third, because a good horseman—and Jefferson was about the best—would not hitch his horse to a fence if he could find a swinging limb or even a hitching post under a shed.
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> After Jefferson had taken the oath he went back to his boarding house, taking his old seat, and declining amid laughing protest to go to the head of the table. He stayed there several days before he went to Monticello. He rode meantime freely and unattended around Washington. Afterwards, when President, if he wanted to see a Senator or a Member of Congress, he rode up to the Capitol and saw him, hitching his horse under one of the construction sheds on the uncompleted House wing side of the Capitol; hence, perhaps by confusion, the horse was given him at the inauguration.
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> Jeffersonian simplicity was a real thing and not a thing to put in quotation marks.
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> His "democratic simplicity," as Curtis calls it, was not "affectation," as he stigmatizes it. Jefferson was trying to teach a useful lesson to officeholders in a Republic—to show that a plain man who was elected President had nothing to do except to go on being just what he had been—a plain man—a man "for a' that." It was the very contrary of affectation. He saw no reason why he should "affect" something new to him and therefore unnatural, just because he had been elected President. The people hadn't sent him to Washington to "put on airs."
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> Unfortunately, these troublesome, expensive inaugural processions that Jefferson thought to do away with have gradually come back to plague us. It is to be hoped that some strong, wise man on being elected President will do away with them. They do no good and result generally in several deaths from pneumonia caused by exposure to the weather. They are, at best, an "idle, foolish parade"—a weak imitation of "coronation" proceedings—resulting in nothing of any benefit to anybody except a temporary increase of revenues to Washington hotels and boarding houses and saloon keepers and street cars.
>
> Jefferson did not want the image of a President impressed on the coinage. He did not want birthdays celebrated, and never would permit his own to be celebrated where he could help it.
>
> He seemed to be afraid of the effects of hero worship of any description. It is the great danger of democracy. It will remain so until the end of time. Men ought to be taught more and more to reverence laws and institutions and less and less to reverence offices and men.

I shall quote from page 122 of Merwin's Thomas Jefferson:

"The ascendancy of Jefferson and the Republican Party produced a great change in the Government and in national feeling; but it was a change the most important part of which was intangible, and is therefore hard to describe. It was such a change as takes place in the career of an individual when he shakes off some controlling force and sets up in life for himself. The common people felt an independence, a pride, an elan which sent a thrill of vigor through every department of industry and adventure.

"The simplicity of the forms which President Jefferson adopted were a symbol to the national imagination of the change which had taken place. * * *"

Now, for substantial results of Jeffersonian simplicity in the public business. There must be, to use the words of his inaugural address, "a wise and frugal Government." It behooved him first, then, to simplify our bookkeeping and to unmystify our finances, to render all plain of comprehension to the people. It was their right, because it was their money. Let us, then, instruct our Secretary of the Treasury.

The outcome of Jeffersonian simplicity, the results following the putting into operation of his plans and ideas throughout his administration, are indicated in the summary at the conclusion of that chapter, so admirably expressed by the author of this book, to wit (p. 242):

Meanwhile his administration had paid off thirty-three millions of the public debt, which had been somewhat increasing before he came in; it had reduced taxes very much; it had reduced patronage, thereby simplifying the Government a great deal, and had added to the national domain the vast area of the Louisiana Territory and put down Burr's conspiracy without war or bloodshed so adeptly that the Federalists were beginning to deny that there ever had been a conspiracy at all; it had laid the foundations for the future successful contention for the possession of the Oregon country; it had benefited its own commerce and that of the civilized world by putting down the Barbary powers; it had kept the peace amid untold difficulties and with unspeakable benefit; it had captured the common sense and imagination of the country; it had destroyed quasi monarchial forms, ceremonials, cavalcadings, and "demnition nonsense" generally; it had given a practical illustration of the fact that government can be carried on successfully without tying to itself the monied or any other special interest, and that it could be carried on by those who regarded it as a public trust; he had given practical demonstration of the fact that a democracy is not irresponsible or dangerous and that restraints upon freedom of speech and of the press are not necessary to make a government strong; he had put the example of George Washington in declining a third term upon a basis of reason and general principle, destined to appeal for all time to the American people, and although his embargo policy had pressed hard upon the navigating States the pressure had been no harder nor the dissatisfaction any greater than war would have brought in its train, as was afterwards demonstrated.

Mr. KNOX. Mr. President, may I ask the Senator a question?

Mr. FLETCHER. I yield.

Mr. KNOX. Will the Senator from Florida be good enough to bring Jeffersonian simplicity down to date by reading the expense account of Mr. Wilson in Paris?

Mr. FLETCHER. I have not that expense account at hand; but it has nothing in the world to do with this situation here. We are discussing the inauguration of a President. That was an occasion when the affairs of the whole world were being adjusted around the table at Versailles—1,700,000,000 people were involved in it—the economic conditions and questions of vital significance arising throughout the unsettled world were being considered and adjusted and, of course, considering the people involved and the questions which arose, necessitating a sitting of six months 3,000 miles from home and the number of men required, and the force of assistants needed in dealing with those problems we ought to expect the expenses would be necessarily large. Here it is a question of a few hours, when the President is to be inaugurated, and the wheels of the Republic go on moving just the same whether you spend a million dollars in display or whether you spend a hundred dollars to bring the incoming President to the Capitol and administer the oath.

I am not in favor of any parsimony or any picayunish affair. I am in favor of a dignified, proper inauguration; but I am opposed to taxing the people of this country in order that we may have an extravagant display and an unnecessary demonstration.

Mr. OVERMAN. Mr. President, this discussion has gone very far afield. Congress has done at this session what it has done every four years for a hundred years. It has provided a committee to take steps to provide for the inauguration of the President of the United States, one of the greatest events in this country. We have nothing to do with, and have never considered, the question of a ball in the Pension Building; we do not intend to deal with a parade, or seats, or anything of the kind, because those things are out of our jurisdiction. All we have done is to estimate the actual cost of providing for seats in front of the Capitol, for the invitations to be sent out to the friends of Senators, and also to provide the necessary policemen here in front of the Capitol on that day. That is the only question before us.

Mr. BORAH. May I suggest to the Senator that that is not the only question before us, if I may be permitted to say so. Nobody desires to criticize the committee; nobody has sought to criticize the committee. Congress is responsible for whatever takes place, and we know that the moment we start this program we will follow it up item by item, expense by expense, until it will reach the sums I have suggested.

Mr. OVERMAN. Mr. President, I join with the Senator in some of the things he has said, in stopping expense when it is unnecessary; but this is a necessary expense, and Congress has already acted in appointing this committee and putting this responsibility upon us. We have estimated for a simple inauguration, just as has taken place for a hundred years, and we ask the necessary funds to pay for it. That is the only question raised by this joint resolution.

As to the other questions raised, that will be a matter for the consideration of Congress, and this committee will have nothing in the world to do with it; each Senator can vote hereafter as he desires upon these great questions of appropriating money for bringing here the midshipmen or bringing the West Pointers or having a parade or erecting seats on the sidewalks or in parks. This is simply to pay the necessary expenses of inaugurating the President at the Capitol, right here, and that is all there is in it.

Mr. REED. Mr. President, I believe in the exercise of economy in the affairs of Government. I wish we might return to the example of Thomas Jefferson. I wished that about eight years ago, but I saw no evidence of it. I wished it about four years ago, but I was not impressed with the fact that the spirit of Thomas Jefferson was hovering over the inaugural ceremony. I did not then hear on this side of the Chamber any protest against building a stand in front of the Capitol on which some citizens could sit and from which the President could deliver his address. It seems to me that the Jeffersonian eruption appears on the skins of some Democrats only when they are in the minority. We vote away $150,000,000, we put it into the hands of one man, we tell him to expend it in Europe for the benefit of starving people, and we sit quiescent while with unblushing effrontery the same gentleman in substance tells us that he expended—I have not the exact figures, but I think something like $40,000,000—of that money for the support of Poland and the Polish army while engaged in a war we never authorized, with a nation with which we were in a condition of profound peace, as far as the action of the Congress was concerned, and Congress is the only body authorized to declare war.

Mr. BORAH. Mr. President, may I ask the Senator a question?

Mr. REED. Yes.

Mr. BORAH. Do I understand the Senator to say that the report shows that forty million of the hundred million dollars we appropriated to feed the children of Europe went to the Polish army?

Mr. REED. I think it is approximately that amount which it is said went to Poland. I will not undertake to state the figures accurately; but it was a very large sum, and I shall be glad to get the figures and put them into the RECORD.

Mr. BORAH. It is not a question as to the exact figures, but that it went for the support of the Polish army.

Mr. REED. The statement of Mr. Hoover in substance was that it was necessary to expend the money to sustain Poland to keep the Polish army which was in the field supplied.

Mr. BORAH. That is the same thing.

Mr. REED. Whether it was turned over to the commander in chief, or whether it was used to feed the civil population in order to relieve the strain upon the Polish Government, so that the army could be kept in the field, deponent sayeth not. It seems that nobody takes the trouble to find out. I have the papers on my desk in my office, and I shall be glad to send and get them. I did not intend to mention the matter to-day. I intended to hereafter refer to it. I have not brought the data with me.

Mr. SMITH of Georgia. I do not want to interrupt the Senator at this time, but I wish he would give us the exact reference as early as he can do so.

Mr. REED. I think there will be no dispute about it when we get at it. If I am mistaken, I will retract everything I have said, and do it as publicly as I have made the statement.

Now, we are talking about Jeffersonian simplicity with the Republican Party——

Mr. BORAH. Before the Senator leaves the Polish reference, may I ask him if he has been able to secure the report in full upon this expenditure?

Mr. REED. I have on my desk a number of documents which I asked my clerk to get for me, and he reported to me orally the substance of them as he interpreted them. As I said, I did not suppose there was any question about the matter, or I would not have mentioned it. I shall be glad to give

the Senate the benefit of what information I have as soon as I can take an hour to go through the documents.

Mr. BRANDEGEE. Do the documents disclose a complete account of the expenditures?

Mr. REED. I do not think they do. They disclose the gross amount. There is one report which discloses the gross amounts which went to different countries. It does not disclose the individuals to whom it went, but there was some testimony taken before a committee of the House which was exceedingly illuminating, I think.

Mr. President, I have wandered afield from the question. If we are ever to inaugurate Jeffersonian simplicity, it seems a little hard that we should expect the Republican Party to undertake the job. That party has never been celebrated for following the examples of Thomas Jefferson. They have followed a different leader and a different idea.

Before I leave the floor I want to exonerate President Lincoln from the charge that Lincoln was extravagant when he kissed 34 young ladies representing 34 States.

Mr. KNOX. It was not a charge; it was a privilege.

Mr. REED. It must be conceded that Lincoln could do that without suspicion; and I take it he did it without offense or expense, and that the girls were "willin'." [Laughter.]

I am heartily in favor of simplicity, but I do not think we need pause at the platform to be erected in front of this Capitol. There is more in example than we often think, and the trappings of royalty ought to have no place in this Republic. Yet we have witnessed year after year a growing disposition to ape the habits of kings.

A great many years ago there was abandoned the habit of the President addressing the two Houses of Congress in person. A message was sent to these bodies. There was no attempt at parade. There was no effort to exercise the dominance of personality. There were no speeches from the throne and nothing that imitated speeches from the throne. The President, in obedience to the Constitution, laid before Congress his message as to the state of the country.

Congressmen were regarded as the representatives directly of the people. The offices they held were regarded as positions of great dignity, not because of the persons who occupied them, but because the individual, whoever he might be, was the representative of a great people, armed and clothed with authority to speak for them and in their name with reference to the important matters consigned to their keeping.

It was recognized that Congress was the real source of all legislative action and that no Executive had the right to go further than merely to suggest by his messages the matters to be considered and the course of conduct which in the opinion of the Executive ought to be followed. There was no attempt to concentrate power in the hands of the executive department. Senators used to refer to themselves then as ambassadors from sovereign States. It would be difficult to imagine one of the Senators of the old days trekking about the White House grounds and being denied admission to the White House by uniformed policemen. It would be difficult to imagine one of the Senators of the old days, who represented great States, who were not proud themselves, but were always considerate of the great people they represented—it would be difficult to imagine one of those Senators cooling his heels at a department, waiting to see a third, fourth, fifth, sixth, seventh, eighth, or tenth assistant secretary of some kind to graciously grant him an audience.

It is now also difficult to recall the days when a State was a sovereignty that had yielded to the Federal Government only certain specific powers and had retained to itself all other powers of government. It was difficult a few years ago to conceive of the possibility that a treaty should be declared to be the supreme law of the land and to override the rights of States always reserved to them, always held by them under principles of the common law, upon the ground that the Senate and the Executive had not been expressly prohibited from assuming the particular power in question.

A new principle of constitutional law was written in the so-called migratory bird case which absolutely nullified the language of the Constitution, which declares that "all powers not therein granted are reserved to the States and to the peoples thereof." It is difficult for us to bring ourselves back to this old ground.

There is nothing the Republican administration can do that will more endear it to the people of the United States and entitle it to their respect than to turn back the clock of time and reinaugurate some of the old policies, customs, and philosophies of the past.

But, Mr. President, I am going to vote for this "stand." I am going to do it because the item we have under consideration only concerns the putting of a platform in front of the Capitol and furnishing seats to people in order that they may witness the ceremony. If I had been called upon in advance for an opinion, as a friend of the President elect, I would have suggested to him that he refuse all ceremonials of every kind. But the proceedings have taken this course, the committee has been appointed, and it has followed the precedents, and to refuse now to allow it money would seem to me like an unnecessary unkindness and possibly a reflection upon the President elect.

Mr. BORAH. I do not think it would be a reflection upon the President elect. I think he would be very glad to have the matters settled.

Mr. REED. If Senator HARDING will say that he desires to have no ceremony whatever then, of course, I shall be very glad indeed to accord with that suggestion, but I do not think he has taken that position.

The bringing here of cadets from West Point and midshipmen from Annapolis is another question.

We furnish the police at the Capitol. What is the estimated expense for additional police of the Capitol? There must, of course, be proper police protection.

Mr. KNOX. It is impossible to make any estimate of it. The vast crowds that will be in and about the Capitol on that day will have to be protected, and the Capitol itself will have to be looked after with much more care than usual, and that takes a very large force. I suppose the Senator from North Carolina [Mr. OVERMAN], who had charge of the last inauguration, can perhaps give a better estimate than I can.

Mr. OVERMAN. We authorized the Superintendent of the Capitol to employ the necessary force to take care of the Capitol Grounds and the Capitol itself and to protect the crowds. He paid them $3 a day. It is impossible to get competent men now to serve in that capacity for $3 a day. His policy was to bring in men from other cities who were familiar with the criminal element. How many men he employed I do not know, but I know he employed a great many to look after the situation. They were selected and employed by the Superintendent of the Capitol, Mr. Woods.

Mr. REED. That comes out of the $50,000 proposed to be appropriated?

Mr. OVERMAN. Yes.

Mr. REED. That is all I have to say on the subject. With regard to the question of expenditures of money in Poland, I shall be glad within the next day or two to lay before the Senate facts which have been given me. I prefer doing it in that way, although I have my papers here now. But I do not want to undertake to speak from a memorandum which I have not had the opportunity to carefully consider.

Mr. NORRIS. Mr. President, I think we have had demonstrated to us the power and the force of precedent. Because Congress has always in the past appropriated large sums of money for inaugural ceremonies, it is now given as a reason why we should do the same this year. I concede that precedent ought to have its proper weight. I believe it is a sufficient reason for the committee to act as they evidently have done. So when I oppose the resolution in its present form, I do not want to be understood as in any way reflecting upon the committee which has brought in the resolution; but, Mr. President, with all the power and force of precedent, and with the respect that we ought to pay to it, we ought to consider the condition of the country at the present time before we blindly follow precedent.

We are confronted now with the promises of economy which have been made by the incoming administration; we are confronted with the demands that are made upon Congress by all classes of citizens, regardless of party, for economy in governmental affairs. We have all, on both sides of the Chamber, pledged ourselves that we would do the best we could to bring about economy and cut out every appropriation that is not necessary. We are confronted with a proposition of raising taxes with which to meet the interest on our bonded indebtedness and to provide for the running expenses of the Government; a proposition that, from whatever angle we may view it, is one of the most difficult that has ever been presented to a Congress in the history of this country. We are taxing our ingenuity in order to find new articles to tax in order to bring in revenue; and intimately connected with the question of taxation and revenue is expenditure. If we can strike out an appropriation, if we can save an expenditure anywhere, we are relieving the burden of taxation to that extent when we have to reach that question and provide for it.

I believe that the present condition of the country demands that every useless expenditure of money should be avoided. This is one which it is conceded can be avoided to a great extent. I know that as appropriations go $50,000 is a small amount of

money, and were this the only appropriation involved I should not take the time of the Senate to object to it, but it is merely the opening wedge. If we pass this resolution, it, in turn, will be cited as a precedent for other resolutions of expenditure which must follow.

It has been said, and I think truly, that a large number of American people have become extravagant in the last two or three years. Extravagance, Mr. President, is a disease; it is like the "flu"; it is contagious. That there has been an era of extravagance amongst all classes of people no one who has studied the subject will for a moment deny. In my humble opinion, that extravagance on the part of the people came about from following the precedent established by the Government of the United States. Every investigation that has been made into public expenditures has disclosed that our officials had been spending money as though money were simply leaves on trees and we had unlimited forests. Reference has been made by others to the expenditures made by the President in Paris, and I myself have heretofore referred to the same matter. I think the danger arising from that transaction lies not so much in the amount of money which the President spent as in the precedent that he established in spending it like a drunken sailor.

Now, we are confronted with a proposition that because at other inaugural ceremonies and because in other directions money has been uselessly expended we should not stop at providing money for the approaching inaugural ceremonies in accordance with the history of the past. If that is to be the rule, Mr. President, there will be no stopping place. Somewhere, at some place, somebody must call a halt; and while this item is comparatively small, it seems to me, to a great extent, such a useless one that this ought to be the proper place to begin.

It is said that even when Lincoln was inaugurated there was extravagance; and to fortify that assertion the claim is made that Lincoln kissed 34 girls on that occasion. Nobody, however, has claimed that the Government had to pay for that osculatory process; the taxpayers were not burdened by it. Nobody will deny the same privilege to President-elect HARDING, if he can find the girls who are willing—and I presume he can—so long as it is not charged up to the taxpayers of the country and they do not have to pay for it.

Mr. President, coming down now to this particular appropriation, it is conceded, I believe, that the bulk of it practically is going to be used to erect on the east side of the Capitol a stand that will have a seating capacity of 10,000; and it is understood, I think, that the seats on the stand shall be given free to the friends of Members of the House of Representatives and of the Senate. If there is anything in the economy plea, Senators and Members of the House of Representatives ought not to provide from public funds money to pay for the erection of a stand the seating capacity of which is to be used by their friends who come here. Such a stand, Mr. President, will not seat one-tenth part of the people who come here; it will only seat those who are enabled, through one method or another, to get accommodations from Members of Congress. If Senators will harken back to times of the past when that great platform has been erected in front of the Capitol, they will recall that it was used for less than an hour, and that not one person in one thousand who sat in those seats heard a dozen words of the President's inaugural address. The same will be true this time. It will be found that half of the seats will be vacant before the President is midway in his address; that people will not be sitting in the seats, but will be standing up in groups talking and visiting with each other.

Mr. KNOX. Mr. President——

Mr. NORRIS. I yield to the Senator from Pennsylvania.

Mr. KNOX. The Senator from Nebraska would not refer to that matter unless he thought it important; so I will correct him by stating that, without any cost to the Government of the United States at all, on this occasion there will be installed a modern amplifier, which will enable everyone to hear all that the President says.

Mr. NORRIS. I am glad to hear that. That is not provided for in this appropriation, is it?

Mr. KNOX. No; the telephone company has offered to install it without cost.

Mr. NORRIS. If it be true, Mr. President, that we are going to have a new plan, and by some new system of telephoning the President may be heard over a 10-acre lot, then we shall not need any seats. Instead of 10,000 people hearing the President, there could be 100,000, who would stand for 30 minutes or 45 minutes or even an hour while the President is delivering his inaugural address; and by the use of that new method we could accommodate many more people without seats than we could with them.

Mr. President, I remember particularly the first inauguration of President Wilson, when a great platform constructed in front of the Capitol—I think it was almost a thousand feet in length, reaching nearly from one end of the building to the other—was filled with people to begin with, while out in front, held back by the police, were thousands and thousands of people standing up. The platform from which the President delivered his inaugural address was facing that standing multitude. Those in the seats are behind the President, and even those close to him can not hear him unless he turns around. It is absolutely absurd to think for a moment that the people who are going to occupy the seats on the platform are going to hear the inaugural address. It never has been done and it will not be done on the 4th of next March unless the new invention to which the Senator from Pennsylvania has referred is able to accomplish what is claimed for it, and in that event the space occupied by the stand can just as well be used for standing room, so that ten times as many people may hear as would hear if the seats were there for them to occupy if they wanted to occupy them. If the stand is constructed, many will not occupy the seats, but will be standing on top of the seats. I am not blaming those who do that because I have been in that crowd myself, and I know that however anxious one may be to hear, he can not hear because of the conversation going on around him. It is natural, too, that there should be conversation, because only an occasional word can be caught by those in the stand, so that most of the people leave their seats before the President has concluded his address. If the people want to hear the President's inaugural address—and I hope they will want to hear him, as I think we will—for the little time that it is going to take they will be glad and willing to stand up, especially when by that means more can be accommodated and more can hear.

Mr. President, I realize that on the occasion of the inaugural ceremonies it will be necessary to provide for some extra police, and I want to expend whatever money may be necessary to protect the people who come here. I realize that other expenses are going to be necessary, but if a stand is going to be built—and it is conceded it will be one of the main items of expense under the proposed appropriation—space for the President to speak, it seems to me, is all that is necessary and all that ought to be provided for. If we do not stop somewhere now, we are going to see, in addition to what the Senator from Idaho has enumerated, thousands of soldiers brought here from all parts of the United States, with cannon and guns and equipment—we all know how the parade is constituted—and all that expense will have to be paid for out of the Treasury of the United States.

Without enumerating the expense involved in bringing the cadets from the Military Academy and the midshipmen from the Naval Academy to Washington, without enumerating the expense to which it will be necessary for the States to go to bring their troops and others here to take part in the parade, with bands, and so forth, there will be detachments, battalions, and regiments of the Regular Army carried in special trains across the country at enormous expense, to be fed and provided for in Washington at additional great expense, and then they must all be returned at still further expense. Furthermore, we are going to see the demand made a little later on that the Pension Office, or some similar building, shall be turned over to the inaugural committee. The cry is going to be made that there will be no expense attached to the use of such building, but we will have to pay the expense of taking out the furniture and storing it while it is removed from the building, the expense of putting it back, and the salaries of all the clerks of the bureau while they are unable to perform their work during the time when the building is turned over to the inaugural committee.

This is only the beginning. If Congress should take some action now to limit inaugural expenditures, for instance, to render it impossible to go to the great expense of constructing this useless pavilion for 10,000 people, on which they may sit for a few minutes, it would have an effect on every other branch of the Government.

Mr. President, I wish to appeal to the Senate that if we are going to have economy, somebody, somewhere, at some place, must begin. Let us begin now to practice economy in connection with a proposed expenditure that everyone knows is useless.

I am not going to object to the consideration of the joint resolution, although I understand unanimous consent for its consideration has not been given, but when it is formally before the Senate for consideration I hope an opportunity will be afforded us to offer amendments. I wish, when the proper time

comes, to offer an amendment to strike out "$50,000" and insert "$10,000."

Mr. BORAH. Mr. President, I beg the indulgence of the Senate for just a moment.

Yesterday I had on my desk a resolution which I drew limiting the amount to $10,000. At the request of the Senator from Pennsylvania [Mr. KNOX], who desired to itemize the probable expenditures, I deferred its introduction. After talking with people here in Washington who knew something about the situation, I thought that $10,000 would cover the expenses for policemen, and so forth, and that, as the Senator from Nebraska said, the erection of this stand was wholly unnecessary and of very little benefit. But even with the amount which is included in the resolution of the Senator from Pennsylvania, I should not have objected any further if it had not been, as I say, that it is simply the beginning of the expenditure.

I have gone to some trouble about this matter with those who have known something of inaugurals and those who are in a position to estimate the probable expense of this inaugural, and I know what it is going to cost the Public Treasury, either the Federal Treasury or the State treasuries, to a reasonable certainty. As I said a moment ago, it will cost the taxpayers of the country a million dollars. I know that that will be an embarrassment to President-elect HARDING, and nobody is his friend who undertakes to impose it upon him. I know that it will be a distinct embarrassment to the Republican Party, and no one is its friend who undertakes to impose any such program upon it in the beginning of its administration.

If the Senator from Pennsylvania will undertake to join with us in curtailing all future expenditures in regard to this program, and if those who are going to support this program here to-day will join with us in cutting out and curtailing the other expenditures which will naturally come along, I shall have no criticism whatever and no objection to the measure; but if we are going to the full expenditure as it is calculated by those who have the matter in charge, we shall pursue a most unjust and indefensible course.

I have upon my desk this morning a letter from a committee which is appealing for funds to feed the dying children of Europe. The letter states that $10 will save the life of a child. I also clipped from a newspaper day before yesterday a statement to the effect that in one of our large cities there are 110,000 children of school age who are being kept out of school because they have not the clothes nor the food to permit them to be sent. I presume that is characteristic of a great many other communities in the United States at this time.

Mr. THOMAS. What community is that?

Mr. BORAH. I can advise the Senator. It is estimated that a million men are out of employment in this country, and a very distinguished leader of this body—a man who has been absent for some time, but who undoubtedly has been giving great attention to this situation—said that in his opinion there will be 4,000,000 men out of employment by the 1st of March. For us to spend money in this way under those conditions is to indicate to the country that we are wholly unmindful of the situation which confronts us, which is the most discouraging and demoralizing thing that the community can get into its mind—that its representatives here are not in sympathy with the situation as it actually exists in this country.

I therefore want to urge in all sincerity upon those who feel that by reason of the fact that certain obligations have been undertaken they must vote for this joint resolution that they join with us in opposing any further expenditures in regard to this inaugural. I believe that it is our duty to do it, and so far as I am concerned I shall continue to urge it during the time that the preparations are going on.

Mr. POMERENE. Mr. President, I realize the great force with which many things have been said in opposition to extravagant expenditures. There is no expenditure that can be made by the Congress of the United States which could not be very well made for some other legitimate and proper purpose. The same thing may be said of the present appropriation. I have no brief to speak for my distinguished colleague who after March 4 is to be my President; but my belief is that if he were to consult his own wishes alone he would prefer to take the oath of office quietly and proceed to the business of the hour.

But it is not President-elect HARDING alone whose wishes must be considered. This is an event in the lives of one hundred and six millions of people. It comes only once in four years, and my judgment is that the people of the United States want these inaugural ceremonies to be conducted with simplicity, but at the same time with proper dignity.

I am not unmindful of the fact that in the short life of this Nation three of our Presidents have been shot down, and no Member of the Senate would forgive himself if some untoward act should befall our President elect on March 4 next. That will indicate the necessity for proper and complete police protection. Of course, we can have the President go down to a livery stable and be sworn in, or to a garage; but is there anyone who wants that done?

Mr. BORAH. And nobody has suggested it.

Mr. POMERENE. No; no one has suggested it.

I think we can perhaps remember, with some advantage to ourselves in coming to a conclusion, what occurs in every family in the land. When some event occurs in the family that is of special interest to it or to some member of the family—as, for instance, a wedding—some interest is naturally taken in it; it is attended with some ceremony. The family indulges itself just a little bit further than it would on ordinary occasions.

It may be, when we are considering the erection of a platform, that we are perhaps making it a little bit too pretentious. I do not know about that; but I have never heard of any objection being made to the carrying out of these ceremonies in keeping with the proper dignity of the Nation.

The chairman of this committee has presented here a joint resolution calling for $50,000. That is a goodly sum, considered from my standpoint. I recognize that every time an appropriation is made some one says something about how little it is going to cost each individual. There is a good deal of force in it, but at the same time I am not sure that is the proper way in which to determine this particular question.

This $50,000, if appropriated, is going to cost each man, woman, and child in this country less than one-half of 1 mill. I confess I am out of harmony with some of the propositions that have been made looking to other festivities with which the Congress of the United States has nothing whatsoever to do, but I do not think we are going far afield when we limit the expenditures of the Congress of the United States so far as they relate to the ceremonies here in the Capitol to $50,000. I do not think that is going too far, and I expect to support the joint resolution.

Mr. JONES of Washington obtained the floor.

Mr. NORRIS. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. NORRIS. Is the joint resolution before the Senate or is the matter pending on a request to take it up?

The VICE PRESIDENT. While the Chair did not formally announce that there was no objection to the present consideration of the joint resolution, the Chair thinks it is before the Senate.

Mr. NORRIS. Then will the Senator from Washington permit me to make a motion now, in order that it may be pending when a vote is about to be taken?

Mr. JONES of Washington. Certainly.

Mr. NORRIS. I move to strike out "$50,000" and to insert in lieu thereof "$10,000."

Mr. JONES of Washington. Mr. President, I trust that the committee which has reported the resolution will not take it as any reflection upon them that Senators should oppose the joint resolution. They have simply done their duty. The Senate passed a resolution a short time ago, and it went to the House, providing for a joint committee to look after the inauguration of the President elect. That was very proper. Pursuant to that resolution the committee has brought in this resolution for the consideration of the Senate. It has discharged its duty. It now becomes the duty of the Senate to discharge its duty with reference to this resolution, and I do not desire that anything I should say or any action I should take shall be taken by the committee or any member of it as any reflection.

Mr. President, I am in general accord with practically everything that has been said in opposition to this resolution. One appropriation bill has come over from the House of Representatives and is now under consideration in the Committee on Appropriations. That bill is one to take care of the needs of the District of Columbia. We have been having hearings for many days of the representatives of the different departmental activities of the District urging the needs of the District. We find that appropriations have been cut to the bone for activities considered absolutely essential to the well-being and the happiness of the people of the District.

It has been urged upon us that the schools of the District need more money. I think they do. I think the school facilities of the District of Columbia are really a disgrace to a Nation of a hundred and ten million people and the wealth of this country. I do not think there is a school system—in the Western States, at any rate—but is far superior to the system here in the District of Columbia, not only in school facilities, but in many other respects. If there is anything in which the Capital of the Nation ought to be a model to the other parts of the country it seems to me it should be in its school system; yet we

are lagging far behind. It is said that we can not get the necessary facilities, because the appropriations required would be too great.

Then I think that in the District of Columbia we are more backward in the care of feeble-minded children than in any other section of the country. We have urged upon the committee the imperative necessity of additional facilities to take care of these unfortunates. Yet the committee is hewing down appropriations for purposes like that to a point where, in my judgment, the service will not be anything like it ought to be. Many other lines of governmental activities of that character, which imperatively need greater appropriations, are being cut down in the interest of economy.

Mr. President, it seems to me that if we are going to economize and insist upon economy in directions like these, we should also insist upon reasonable economy in matters like this now before the Senate. I recognize that this appropriation relates only to the situation here at the Capitol, and that it is necessary that we should have ample police protection upon inauguration day. I do not know how much extra it ought to take for that, but I think we could take care of the situation here, outside of the police, at a far less expense than that proposed in this joint resolution. I think $10,000, as suggested by the Senator from Nebraska [Mr. NORRIS] would be ample to provide an adequate stand to do what I think ought to be done here.

In 1889 I was one of the humble spectators who came from the country to view the inauguration. I had no Senator or Representative as a friend of mine to extend me an invitation to the stand which was erected in front of the Capitol, but I stood out in the crowd in front of the President who was being inaugurated, with the water from somebody else's umbrella running down my back, and I venture to say, Mr. President, that I heard more of that inaugural address than I have heard of the five inaugural addresses which have taken place since 1901, every one of which I have had the honor to attend in quite a different capacity from that in which I attended the one in 1889, and when I had a splendid seat in the inaugural stand.

You can not hear there, because the President who is being inaugurated does not speak to the people in that stand. As the Senator from Nebraska [Mr. NORRIS] said, he talks to the people who are in front of him, people who are standing up, who have no seats. They are the ones who hear. I venture to say that these seats in this stand would be prized very little were it not for the fact that it gives a rather advantageous place from which to view the great parade which is expected to be a part of these inaugural ceremonies. It is a useless expense to provide so many seats.

I want the President elect to be inaugurated with befitting dignity. I may be entirely wrong, but it seems to me that it would be fitting if provision were made upon the stand from which the President is to speak for the Members of the House and the Senate, for the retiring President and his Cabinet, for the members of the Supreme Court of the United States, and for the diplomatic representatives of the different countries, and then leave the rest of the space for the public to get as near to the President who is being inaugurated as possible, and for as many of them to hear as is possible. I think that would be a fitting and dignified ceremony. A stand of that sort could be constructed properly for ten or fifteen thousand dollars, and probably less. So, Mr. President, I am going to vote for the amendment offered by the Senator from Nebraska [Mr. NORRIS].

Then I think we should take into account another matter with which everybody is familiar—the uncertainties of the weather on the 4th of March. I remember 12 years ago when the seats on the grandstand were not desirable at all, when the snow was falling and the wind was blowing, and everybody was seeking to remain indoors rather than out. I hope it will not be that way this year; but nobody can tell. We could guard a little bit against that with a much smaller stand. We could put a covering upon it to protect the dignitaries who surround the President who is being inaugurated without any very great expense. We might save a good many valuable lives in that way. I know one year when a very prominent Representative of the United States, of very long service, attended the inauguration and went home and died from exposure. I venture to say there have been many others whose death could be traced directly to exposure on these occasions.

So I think, Mr. President, we can at very much less expense than $50,000 not only inaugurate the President in a very fitting and dignified way, but we can show to the people of the country that those of us who professed so much abhorrence of the extravagance of this administration, and promised them that we would devote our administration to economy are setting an example at the very outset of the administration which will be a very splendid one, not only from the governmental standpoint, but from a personal standpoint.

Mr. President, I wish there was some way we could advise the people of the District of Columbia who are preparing for this inaugural occasion as to what attitude we are going to take with reference to it, and how far we are going to facilitate or interfere with what they think ought to be done. I do not know how we could do it, but I am going to say that, so far as I am concerned, I am going to do everything I can to discourage extravagant preparations for it. I am going to support the idea that was presented by the Senator from Minnesota this morning, that our streets will not be blocked or filled with grandstands with my consent.

Another thing that has just come to my mind. Twelve years ago, when we had a foot of snow over the Capital and throughout the country, and when it was still snowing and blowing on inauguration day, there were thousands of soldiers in this city, National Guard and others, who had no place that was suitable for people to sleep. They ought not to have been exposed to weather of that kind. They should not be brought here to be subjected to such conditions again and to stand for hours in the cold and snow simply to make a show.

Mr. NORRIS. Mr. President, can the Senator from his recollection give the Senate the number of soldiers who lost their lives from exposure to the weather on that occasion?

Mr. JONES of Washington. I can not.

Mr. NORRIS. I have heard it stated several times, but I have forgotten the number. Quite a number of soldiers died on account of that exposure.

Mr. JONES of Washington. I do not remember that I have ever seen any figures in that regard, but from our common knowledge of things we know that there must have been a great many.

Then, Mr. President, it is difficult to get a place to sleep in this city now, especially at a reasonable rate. How will it be if we attract a hundred or hundred and fifty thousand people here? Thousands of them will walk the streets all night. Those who are able to pay the exorbitant charges which will be asked will probably do so, and have comfortable places to stay; but there will be thousands and thousands of people of this country who come in here who will have no place to sleep and will sit around in chairs or on benches or more likely walk the streets all night.

Mr. President, I hope that this will not be made a great Roman triumphal parade. I want to see the President elect inaugurated in a dignified way, consistent with the simplicity of a hundred million American people who boast of their free institutions, of their form of Government, and I think this Congress can well set the example and do whatever it can properly do to limit and restrict not only these initial expenses but to set its face against additional expenditures we are going to be asked to meet.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Nebraska [Mr. NORRIS].

Mr. NORRIS. I ask for the yeas and nays.

Mr. KNOX. I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gerry	McCumber	Sheppard
Ball	Gore	McKellar	Smith, Ariz.
Beckham	Gronna	McNary	Smith, Md.
Borah	Hale	Nelson	Smith, S. C.
Brandegee	Harris	New	Smoot
Calder	Harrison	Norris	Spencer
Capper	Heflin	Nugent	Stanley
Curtis	Jones, Wash.	Overman	Sutherland
Dial	Kellogg	Page	Thomas
Dillingham	Kendrick	Phipps	Underwood
Edge	Kenyon	Poindexter	Wadsworth
Elkins	Knox	Pomerene	Walsh, Mont.
France	Lenroot	Reed	Wolcott

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. There is a quorum present. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

The VICE PRESIDENT. The Senator from Kentucky [Mr. STANLEY] is recognized.

Mr. SMOOT. Mr. President, would the Senator object to temporarily laying aside the unfinished business that we may

finish the consideration of the joint resolution which has been before the Senate?

Mr. UNDERWOOD. If there is going to be a vote on the joint resolution, I can see no objection to that course. If, however, the debate is to go on, I think the unfinished business should not be laid aside.

Mr. SMOOT. The Senator would not object to laying it aside for a few minutes.

Mr. UNDERWOOD. Not if we are going to get a vote.

Mr. JONES of Washington. Mr. President, I am inclined to think that I shall oppose laying aside the unfinished business. I wish to consider the question of offering an additional amendment to the joint resolution, and, therefore, I ask that it may go over until to-morrow.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by D. K. Hempstead, its enrolling clerk, announced that the House having proceeded, in pursuance of the Constitution, to reconsider the joint resolution (S. J. Res. 212) entitled "Joint resolution directing the War Finance Corporation to take certain action for the relief of the present depression in the agricultural sections of the country, and for other purposes," returned to the Senate by the President of the United States, with his objections thereto, and sent by the Senate to the House of Representatives, with the message of the President returning the joint resolution:

Resolved, That the joint resolution do pass, two-thirds of the House of Representatives agreeing to pass the same.

ENROLLED JOINT RESOLUTION SIGNED.

The message also announced that the Speaker of the House had signed the enrolled joint resolution (S. J. Res. 227) extending the time within which the special joint committee appointed to investigate the advisability of establishing certain naval, aviation, and submarine bases in the United States is required to make its report to Congress, and it was thereupon signed by the Vice President.

ATMOSPHERIC NITROGEN.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

Monday, January 3, 1921.

Mr. STANLEY. Mr. President, it will be interesting when, perhaps, some future and ingenious historian shall elaborate the theory that democracy in its last analysis owes quite as much to a few drams of saltpeter and an ounce of lead as to all the wisdom and eloquence of poets, writers, and philosophers.

The utilization of the explosive power of nitrogen gas in the middle of the thirteenth century destroyed the feudal system, with the class distinctions that had marked it since the days of the Roman knights by making the panoplied rider and his horse the same size as the yeoman who had discarded his crossbow for a blunderbuss or a flintlock rifle.

About 35 years ago black powder, which had been used as the only explosive since the thirteenth century, was superseded by the discovery that nitric acid applied to cellulose or purified cotton, to toluol, or other like substances, would produce an explosive of infinitely greater destructiveness than the old munition of past centuries. From the time of the use of smokeless powder, T. N. T., and other like explosives the retort and the crucible have become quite as much a part of the wise preparation for war as the production of guns or the building of battleships or provision for coast defense.

The secret of the successful prosecution of the next war may be found in the laboratory of the chemist rather than in the calculations of the strategist. With the discovery of explosives of tremendous power the use of nitrogen as an essential of war has advanced and increased literally by leaps and bounds. In one month in 1918 the English and French engaged in the World War consumed over two and one-half times the number of rounds of artillery ammunition consumed by the Union forces during the entire war, a ratio of consumption of 120 to 1.

During the year 1918 we were consuming inorganic nitrogen in the United States at the rate of some 420,000 tons, and of this over 60 per cent was for strictly military purposes and over 75 per cent was imported in the form of sodium nitrate from far-away Chile.

The necessity for an ample supply of nitrogen has become a sine qua non to every hope of security or preparedness or success in any future war in which the United States may become engaged.

In the now celebrated Glasgow report to the Secretary of War, Arthur Glasgow, who has investigated this question in Europe and America and was the head of a commission selected for that purpose by the Secretary of War, states:

BRIGHTON HOTEL,
Washington, D. C., October 27, 1919.

To the honorable the SECRETARY OF WAR:
Washington.

DEAR MR. SECRETARY: 1. With the return of our military and agricultural commissions from Europe, our investigations have at last reached conclusions which can now be interpreted into definite recommendations regarding the disposition of

UNITED STATES NITRATE PLANT NO. 2 AT MUSCLE SHOALS.

A convincing feature of these recommendations is that each and every line of investigation, however distinct and whatever the predisposition of investigators, has led invariably to the same conclusions.

2. The war has demonstrated beyond dispute that no nation is safe which is dependent upon a foreign supply of nitrogen. National security demands an adequate domestic supply of high explosives, the consumption of which in modern warfare has been found vastly to surpass all expectations. The cause of the Allies was in constant jeopardy because of the necessity of importing nitrates from Chile. It does not need Lord Fisher's recent articles regarding the future of submarine warfare to demonstrate the uncertainty of importing military supplies; but, while the fundamental requirement of national defense demands self-sufficiency in explosives, this necessity places the United States in a position of some comparative advantages, because only nations able to provide an adequate supply of fixed nitrogen can wage successful war against the United States.

The capture of atmospheric nitrogen in efficiently utilizable form is a new and undeveloped art. Unless the United States nitrate plants now completing are brought into continuously developing service they and their products are likely to be obsolescent and useless in the strenuous competition of future warfare. The only way to secure that these plants shall be always immediately available for most efficient military service and for most efficient and economical extension in case of need is to operate them continuously, whether in peace or war. Fortunately, from this point of view, nitrogen is as essential in peace as in war. It is as necessary to preserve life as to destroy life, and is the most expensive component of standard fertilizers. (Hearings, p. 83.)

In discussing the dangers incident to a lack of nitrogen, Mr. Baruch stated that—

If at this time—

During the last war—

Germany or the Germans had grasped their opportunity and bought this nitrate through a period of a year or six months, it would be most horrible to contemplate what would have happened, because the whole world was depending on one place to get its nitrates; and if the Germans had seized this opportunity and bought this nitrate, or bought the officinas and shut down the production, there would not have been sufficient propellants for us to have fought the war with, because there was no other reasonable situation that could have been developed and action taken in time.

Maj. Gen. Clarence Williams, Chief of Ordnance of the War Department, speaking along the same line, says:

We are, of course, greatly concerned with nitrogen, because of its exceeding military importance, and one can easily picture the importance of it by thinking of what Germany would have been without the process of fixing nitrogen from the air, which they already had established. Germany could not have carried on the war for six months except for her preparation in that regard.

In the early days of the use in the United States of inorganic nitrogen for explosives, fertilizers, and chemicals we were practically 100 per cent dependent upon importations from one country or another, but especially from Chile. In 1916, although we had gradually increased the production of fixed nitrogen mainly through the construction of by-product coke ovens, we were still some 75 to 80 per cent dependent upon importation.

Ernest Kilburn Scott, one of the greatest engineers of the world, says, speaking of this very question:

Of course, one line that I have been taking all along is that you have got to have that Muscle Shoals plant for national defense; you have got to have a factory for making nitrogen from air so that in the next war, if it comes, you will not have to depend upon Chile nitrate.

UNPREPAREDNESS FOR WORLD WAR.

It is appalling that in the face of the enormous expense to which this Government was put in the preparation of arms and armament, in the construction of ships and guns and airplanes and torpedo-boat destroyers, and all that sort of thing, we were totally without an adequate supply of ammunition and without any available means of obtaining it; and had communication with far-away Chile been interrupted, the whole costly plan essential to our national defense would have proven utterly abortive.

The great plant at Muscle Shoals was constructed under the supervision of Frank S. Washburn, the head of the American Cyanamid Co. of the United States. Speaking of our unpreparedness at the time of our entrance into the late war, he says:

The War Industries Board and the Ordnance Department appealed to the American Cyanamid Co. in September, 1917, six months substantially after we had entered the war, to provide them with an escape from a situation which they assured me could only be provided for by a willingness of the staff of the American Cyanamid Co., in effect, to absolutely subscribe themselves to this governmental effort.

The whole Government of the United States was helpless and forced to look to the head of a subsidiary company of an inter-

national trust to provide this Government with the one most essential element for the prosecution of a successful war—

They had found, as other nations had found in this war, that it was impossible to provide explosives under the artillery program that had become a necessity in carrying out the type of war that was being waged and to secure those explosives from anything like the ordinary sources. There was a particular kind of material which must be had in enormous quantities, and there was only one source, and that was from the atmosphere, from which it could be secured, and there was only one organization in the United States that knew the first thing about fixation of atmospheric nitrogen. Outside of the staff of the American Cyanamid Co. there was no one who knew anything about it except what they could take out of literature as to secret processes, and all such literature, broadly speaking, was three years old in its development anyway.

When you consider this utter unpreparedness in the production of this basis of all explosives—propellants and bursting charges—in the light of the preparedness of other countries against a like contingency it is positively criminal to risk a like happening in case of future war.

The nitrogen from coke ovens and gas works and from organic substances, such as tankage, cotton-seed meal, being totally inadequate to supply this demand, it became absolutely necessary that this country should take immediate steps to secure these essential supplies of nitrogen.

The construction of this plant became absolutely necessary. This great work was undertaken with ardor, wisdom, and celerity.

Says the Secretary of War:

During the war we spent approximately $85,000,000 in building two nitrate plants at Muscle Shoals. Plant No. 1, the smaller of the two, is known as the Haber process plant, and the larger of the two, or No. 2 plant, upon which something over $70,000,000 has been spent, is known as the "cyanamid-process plant."

These plants were constructed. The Haber plant did not prove successful.

Mr. KENYON. Mr. President, may I ask the Senator a question?

The VICE PRESIDENT. Does the Senator from Kentucky yield to the Senator from Iowa?

Mr. STANLEY. Certainly.

Mr. KENYON. I wanted to get the Senator's figures with regard to the cost of the two plants. How much has been spent on both?

Mr. STANLEY. Eighty-five millions.

Mr. KENYON. On both plants?

Mr. STANLEY. Yes, sir.

Mr. KENYON. And how much is required to complete them?

Mr. STANLEY. They are complete and in operation.

Mr. KENYON. I did not so understand the testimony we had the other day. It was to the effect that they are far from complete.

Mr. STANLEY. These plants are making cyanamid now. They propose to make sulphate of ammonia, which will require an additional appropriation for the improved fertilizer; but the plants are complete for the purposes for which they were constructed.

Mr. UNDERWOOD. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly.

Mr. UNDERWOOD. The Senator is correct, and yet there is a further word to say.

Plant No. 1 was an experimental plant, an attempt to follow the Haber process without the information with which to follow it. It has not been a successful plant. Plant No. 2 is absolutely complete so far as making nitrate of ammonia is concerned, which is the process that is used for powder; but if the cyanamid that is made in that plant is to be pursued to a point where it will make sulphate of ammonia, then it requires an expenditure of a few million dollars more in the way of adapting it to the production of fertilizer from the present completed plant, where it makes nitrate of ammonia, ready to make powder.

Mr. KENYON. How many millions more does the Senator understand it will require?

Mr. UNDERWOOD. This bill does not ask for any appropriation, but it proposes to sell a certain amount of Chilean nitrate, which it was estimated at the time the amendment was offered would produce twelve and a half million dollars, which, it is said by the experts who prepared it, will be a sufficient sum of money to build and inaugurate that portion of the plant which would be used for fertilizers, at the same time leaving a working capital.

Mr. KENYON. So it will be $12,500,000 in addition to what has been expended?

Mr. UNDERWOOD. The $12,500,000 would include the working capital.

Mr. KENYON. And has about $116,000,000 been expended?

Mr. UNDERWOOD. Not on these two plants. I have seen various estimates, but I think the statement the Senator has just read is substantially correct—that $85,000,000 has been expended on the two nitrate plants. Of course, that does not include the money which has been spent on the dam at Muscle Shoals. That is a different proposition. My remark applies only to the nitrate plants.

Mr. WADSWORTH. Mr. President, will the Senator permit me to make an observation in connection with something the Senator from Alabama just said?

Mr. STANLEY. Certainly.

Mr. WADSWORTH. The Senator from Alabama said that this bill provides for the sale of some of the Government's Chilean nitrates, so that the sum of $12,500,000 can be raised in that way without having a direct appropriation from the Federal Treasury. It is fair to say in that connection that when the committee had this bill under consideration the Chief of Ordnance and the Secretary of War told us that the War Department had in storage 300,000 tons of Chilean nitrate, which they thought was the necessary amount to keep in reserve in time of peace, but that 150,000 tons of that could be sold, and that that would bring approximately $12,500,000. The Chief of Ordnance thought that that might well be sold, provided the plant was to go into operation, and the year following the plant through its production could replace the 150,000 tons; but it is well for us to remember that since that testimony was given the market price of Chilean nitrate has fallen from $83 a ton to $52 a ton, so that if we are to get $12,500,000 by the sale of some of our reserve Chilean nitrate we shall have to sell 240,000 tons instead of 150,000 tons, and we shall have only 60,000 tons left as a reserve for the Army. So the amendment adopted by the committee has been made absolutely valueless, due to the change in market conditions in Chilean nitrate.

Mr. STANLEY. That is predicated upon the idea that the estimate of $12,500,000 for the installation of this plant, and other things included, would make it as costly as ever. The estimate was based upon the same conditions as the price of Chilean nitrates was based upon.

In addition to that this Government will be put to an expense in buildings and in warehouses of over $2,000,000 for the care of this enormous quantity of nitrates. If this nitrate is turned over to commercial users, we will save in the neighborhood of $2,000,000.

Mr. WADSWORTH. That is not the testimony.

Mr. STANLEY. The hearings before the Committee on Military Affairs abundantly showed it.

Mr. WADSWORTH. The committee was informed that it was the set policy of the War Department to have at least 300,000 tons on hand; that they would be willing to let 150,000 be sold in one year if they had the assurance that the Muscle Shoals plant would replace it the next year, and still keep in storage 300,000 tons, storehouse expense and everything to continue. Nothing is to be saved there in warehousing and storage.

Mr. STANLEY. I will reach that point further on in the argument. The experts who appeared before the committee were not under that impression, and if I am not mistaken—and I have the record here—the Secretary of War stated that this enormous reserve of 300,000 tons of Chilean nitrate is based upon the idea of an inadequate supply in this country, and it stands to reason that if 300,000 tons will supply us with munitions now, with a plant in perfect condition, and producing, as this plant can produce, over 200,000 tons of sulphate of ammonia, which would be 40,000 tons of nitrogen for war purposes, this reserve would necessarily be only half as great.

If we have to import 300,000 tons of Chilean nitrate now we do it in order to get about 50,000 tons of nitrogen, and if we have the 40,000 tons of nitrogen available no such reserve is necessary. I think it is so stated in the hearings, and if it is not, it follows as a matter of course.

For that reason I am perfectly convinced that it is a legitimate saving. In addition to that, when this plant is a going concern it is estimated by the greatest engineers in the world and by those engineers of the Army who have given it careful study, that the net earnings of this plant will approximate $3,000,000 a year, and that can be taken from that $12,500,000.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. WOLCOTT in the chair). Does the Senator from Kentucky yield to the Senator from North Dakota?

Mr. STANLEY. Certainly.

Mr. GRONNA. Does the Senator understand that the testimony of the experts of the War Department was that it would be necessary at all times to keep 300,000 tons on hand in case the Muscle Shoals project were completed?

Mr. STANLEY. I have such profound respect for the thorough knowledge of this subject by the chairman of the committee that I hesitate to differ with him, but I did not gather from a study of the hearings any such conclusion, and I do not think it is warranted by the statements of the witnesses before the committee. But I assume his conclusions and mine are reached alike from a study of the hearings before the Agricultural Committee, and I will insert the statements made by the Secretary of War, Dr. Lamb, Mr. Glasgow, and others in the RECORD, and they speak for themselves.

Mr. GRONNA. If the Senator will permit me, I simply want to state what I understood to be the situation.

If the Government of the United States completes these projects there will be no necessity for the keeping of the 300,000 tons referred to by the Senator from New York [Mr. WADSWORTH]. The necessity of keeping such a large supply on hand simply comes from the fact that we must purchase all of our nitrates at the present time from foreign countries—all of them, I say—from Chile, and it is for that reason, and for that reason only, that such a large supply as 300,000 tons is required. I do not believe, at least, I do not wish to be understood as stating, that it was the testimony of the experts of the War Department that 300,000 tons would be required to be kept in storage in case these plants were completed. We know that it would not be necessary if these plants were completed, and the 60,000 tons the Senator referred to would be an abundant supply to be kept on hand at one time if we were in a position to go on and manufacture, as we will do when the plants have been completed.

Mr. WADSWORTH. Mr. President, may I remind the Senator from North Dakota that the capacity of the plants is only to be 200,000 tons a year? This country can not rely completely upon one plant, whose capacity is 200,000 tons, with which to fight a war, when it has been shown by the Senator from Kentucky [Mr. STANLEY] that many hundred thousands of tons are needed in war. We have to have a reserve, in addition to a turn-out capacity.

Mr. GRONNA. I do not want to take the time of the Senator unnecessarily——

Mr. STANLEY. That is all right. I am perfectly willing to have the Senator take the time.

Mr. GRONNA. But again, in order to correct what I think is a mistaken idea, 200,000 tons of cyanamid does not mean 200,000 tons of Chilean nitrate.

Mr. WADSWORTH. Not anywhere near. That is worse yet.

Mr. GRONNA. No; I do not think it is worse yet.

Mr. WADSWORTH. From the high explosive standpoint it is.

Mr. GRONNA. I think the Senator is absolutely mistaken. If we had 60,000 tons of Chilean nitrates on hand it would be ample at one time, providing we had these plants completed and could go on and manufacture our own materials. We would then be able to have a sufficient quantity on hand, because we would be constantly manufacturing explosives, and we would be more certain of keeping a supply; we would be certain of having an ample supply if we were to make our own explosives, although the supply may be somewhat limited at any one plant, as the Senator says. But the Senator knows that while we are only manufacturing under the cyanamid process at present, there is water power at Muscle Shoals sufficient to manufacture not only with that process but with the arc process and with the Haber process, giving us an abundant supply. No one knows how much we can manufacture if that project is completed, and I do not think the Senator from New York will disagree with me on that.

Mr. WADSWORTH. There is no limit, Mr. President, to that process. The cyanamid process is out of date now, and we have this $7,000,000 invested in it.

CYANAMID PROCESS NOT OBSOLETE.

Mr. STANLEY. The statement has been repeatedly made in the House that the cyanamid process is out of date. I think the statement is not warranted when we take into consideration the efficiency of the cyanamid plants and the action of other Governments. If it is out of date, it has gone out of date since the signing of the armistice. There are about 46 or 48 plants in the world to-day. According to the hearings before the Committee on Military Affairs, outside of the United States there was only one plant using the Haber process in the world in efficient operation.

France, immediately after the beginning of the late war, with every opportunity to adopt any plan she chose, installed nine plants using the cyanamid process. Of the 46 or 48 plants in the world, 35 are cyanamid plants. The only reason that Germany ever attempted to use the Haber process was on account of her lack of water power. Her necessities, not the excellence of the plant, required it. Every expert who testified before the committee presided over by the Senator from New York [Mr. WADSWORTH] dwelt upon the intricacy, the delicacy, the complications, the multitudinous difficulties and failures that had followed the use of this process everywhere. The trouble was that Germany had no water power, and she was bound to perfect this intricate process, and she was the only country in the world then, and she is the only country in the world now, which has the technical skill, the trained experts, the chemists, and the engineers to do what Dr. Lamb stated is the most intricate and difficult engineering problem in the world, the operation of the great Haber process at Oppenau in Germany. No other country would attempt it, and Germany would not have attempted it but for the fact that she has no water power.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator yield to the Senator from Ohio?

Mr. STANLEY. Certainly.

Mr. POMERENE. Are the experts of the War Department unanimous in the belief that the cyanamid process is the better of the two?

Mr. STANLEY. There was no question about it. My knowledge of the subject goes to this extent, that at the time we went into this work the War Department could not build a fixation plant any more than the Senator from Ohio could build a watch, and there was but one company in this country extracting nitrogen from the air, and that was the company using this cyanamid process, and we secured the services of this cyanamid company in building the plant.

Mr. POMERENE. I asked the question not in a contentious spirit, but for the purpose of eliciting information.

Mr. STANLEY. I understand. That is my information.

Mr. POMERENE. I know that there was a good deal of dissatisfaction during the period of the war because we did not hurry up these nitrate plants, and one of the reasons for the delay was the difficulty the War Department had in determining whether we should have the cyanamid process or the Haber process, and whether they had come to a very definite conclusion or not in that behalf I did not know, except as I would infer from the fact that the cyanamid process was adopted or was expected to be adopted.

Mr. STANLEY. I will say to the Senator from Ohio that he could not have put into operation any plan, I presume, without the assistance of private concerns which understood this process.

Germany has the Haber processes installed. She has 7 plants in which the cyanamid process is installed. Austria has 2, France has 9, Norway and Sweden have 3, Italy has 5, Switzerland has 3, Canada has 1, Japan has 4, the United States has 1, making 35.

There are eight plants using the arc process—in France 2, in Norway and Sweden 2, in Italy 1, in Canada 1, and in the United States 1. There is only one Haber process in successful operation in the world, and that is in Germany; and the Germans boast that this operation is so intricate and requires such technical skill that they told the American commissioners when they were over there that they were perfectly willing to allow the French to come in there, have their formulas, and inspect their machinery, and take the plant over, and they said there were not experts enough in France to learn how to run them in years. It is described as operating like a watch. Any part of this machine is highly corrosive to steel, likely to explode the containers at various times, which operate, as I understand, under a pressure of 1,500 pounds to the square inch. Even if it were a question now as to whether we should install the Haber process or the cyanamid process, I believe the latter is the better. But that, as has been pointed out by the experts, is not the question. We have both processes there. We have the Haber process, or a modification of it, and we have the cyanamid process.

This plant is complete. It is larger than this Capitol—one building 1,000 feet long and 100 feet wide, constructed at a cost of over $60,000,000, and said, according to the testimony of experts, to be the finest plant of the kind on the face of the earth. I wish to call attention to the character of the plant.

Arthur Glasgow, after a review of plants and their construction the world over, said:

> This will realize the utmost peace-time advantages of the war investment of $70,000,000 in United States nitrate plant No. 2, and of the current investment of $18,000,000 in hydroelectric and navigation development; while, at the same time, it will promote national security by making this plant always the most advanced example of the art—supplying current military requirements, and a model for efficient multiplication in case of need.

Dr. Lamb, director of the Fixed Nitrogen Research Laboratory, Nitrate Division, Ordnance Department, United States Army, and certainly capable of judging, said:

We have got the best plant in the world. We did not see a better plant anywhere in Germany, or elsewhere, than this one of our own. On the other hand, the other processes, which will compete with this process, are pretty nearly unknown to us. The Germans got their information on these processes more or less as a matter of necessity, as has been pointed out, but they are now making full use of the advantage which they have gained.

Gen. Pershing, in a letter to the Secretary of War, dated March 29, 1920, speaking of this plant, said:

In the Muscle Shoals nitrate plant the Government has a permanent installation which is of the greatest importance. In another war a plant assuring a domestic supply of nitrogen might well be a decisive factor in maintaining our security. It is understood that this plant can be utilized in peace for the commercial manufacture of nitrogen products and that such use would return a reasonable profit on the investment represented by the plant, while maintaining it constantly available for military purposes. * * *

Now, Mr. President, I am not only convinced that the Secretary of War was wise in his selection of the plant, but I am thoroughly convinced that if we were to do it over again it would be wise to select the same process. In the language of Col. Joyes Dr. Lamb said:

The cyanamid process has been growing in many countries for 15 years or so, and the apparatus and procedure have been so long studied that they are well established, and revolutionary changes are not probable.

While the Haber process, as Dr. Lamb has well described it—

must be worked on a very large scale, due to its very complicated nature and elaborate apparatus, and to the fact that it must be tuned up and has to run like a watch to operate successfully. Even at the time we were there they told us that the various units, the various parts of the plant, required practice; they had to get going for a week or two weeks before the whole plant got into operation, so as to get everything running at the right rate, and then they all started.

PLANT SHOULD NOT BE SALVAGED OR PLACED IN "STAND-BY" CONDITION.

Three courses are left open to us with reference to the disposition of this great plant at Muscle Shoals. We must salvage it, junk it, or put it in a stand-by condition, or operate it. The choice strikes me as being so manifest that it is hardly necessary to argue it. The statement should be sufficient.

The technical and scientific apparatus at this great laboratory would be comparatively worthless if it were salvaged. To paint the parts, guard this great property, and leave it in idleness for approaching obsolescence would cost $500,000 a year. To that must be added the loss of the profit incident to its operation, estimated by Col. Joyes and others at approximately $3,000,000 a year. So that to put the plant in a stand-by condition would entail a total loss to the Government of not less than $3,500,000 a year.

In speaking of the courses left open to the Government, Secretary Baker said:

If I may continue as I was going, there are three possibilities: One is the disassembling and salvaging of the plants, and because of the loss involved that is quite out of the question. The second is to put the plants in stand-by condition, paint its corridible parts, and let it stand there idle and do nothing with the plant until another emergency arise, if any does arise, and keep as an emergency reliance of the Government. That, of course, is a tremendously expensive thing to do, because we would get no interest at all upon the $85,000,000 invested, and it is not unlikely that by the time another emergency would arise it would require us to resort to plants using processes developed in the future by other people and so changed as to make those we have an obsolete or obsolescent reliance.

So that the third course which I am going to suggest and the course which I recommend, and upon which this bill is based, seems to be the only practicable one, and that is to operate the plant with such slight additions to its machinery as to make its products more readily available as fertilizer, and by the process of continuous operation and the development of processes it may be possible in the operation to keep it constantly up to date, making it increasingly useful for the purposes of agriculture and for fertilizers, and keeping it constantly ready for any emergency of war, so that the Government may have a reliance for its explosive needs.

* * * * * * *

Senator KENDRICK. I would like to ask you a question or two here, Mr. Secretary. There is one which it seems to me is of extreme importance in connection with the operation of this plant. As I understand it, the primary purpose that the Government wishes to serve in operating this plant is to perpetuate it and to have it ready and available in case of an emergency?

Secretary BAKER. Yes, sir.

Senator KENDRICK. With that idea in view, will it not be almost necessary to have the plant operated, as against having it stand idle?

Secretary BAKER. For three reasons, Senator: In the first place, it will cost us about $400,000 a year to take care of it standing idle, with all the guarding and the rest of it. That would be perfectly wasted. In the second place, if we operate that plant, this being a new art and in process of development, when you come to rely upon it in a war emergency it will be up to date.

Senator KENDRICK. And is not that the fundamental reason?

Secretary BAKER. It is the fundamental reason for this bill, to continue the development process, both in the interests of agriculture and for military purposes.

The third reason is that no matter how much we may safeguard it from rain, etc., the deterioration is such that if you were to go in and unlock the doors after four or five years and try to use it in an emergency, you will find it not worth operating.

* * * That is true of every machine, from the sewing machine your wife uses to the largest industrial machine in the world. If you lock it up and leave it, it goes to pieces.

This plant was constructed under the supervision of the president of the cyanamid company, Mr. Washburn. He is qualified to speak of the industrial and commercial advantages and disadvantages incident to the obsolescence and the neglect of the plant. It must be remembered that in case of war we not only need the plant, which would disintegrate by disuse, but we need the skilled operators, we need the skilled chemists, we need the men who understand this difficult process. If the plant is painted and closed, the great force there now ready to operate it would be scattered, and when it is needed months and perhaps years will be required to reassemble an experienced personnel.

In discussing that question in 1916 Mr. Washburn said:

The staff that would steadily be employed in this plant would be 10 per cent to 15 per cent of the number that would be required in the event of war for its full operation. Chemical plants of this kind require a trained body of men, and in the event of war threatening the country we should have the almost insuperable difficulty of training from green hands substantially 90 per cent of the requisite directing and working force. It is fairly a matter of grave doubt whether, under the unsettled conditions and excitement of approaching war, and the exigent demands on everyone connected with the Army and the Navy, such a plant could be placed in full stride in less than a year. It may be conceivable that a plant of this sort could be maintained in idleness without such degree of deterioration as to render it useless, but it is highly improbable that it would be so maintained, and a country which should rely for its powder supply upon practically the indefinite maintenance in working order of an idle plant composed of highly delicate and complicated appliances would be taking a most extraordinary risk which if it could be avoided would be wholly unwarranted. A minor objection would be the cost of maintaining such a plant in readiness for operation, its upkeep, and the interest on the idle capital.

I will insert in the RECORD, with the consent of the Senate, a statement of Dr. Arthur Lamb, director of the Fixed Nitrogen Research Laboratory, on the same subject of the necessity of keeping the plant in an up-to-date condition, together with a description of the manner in which Germany maintains like plants, even after the signing of the armistice.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

STATEMENT OF DR. ARTHUR B. LAMB, DIRECTOR OF THE FIXED NITROGEN RESEARCH LABORATORY, NITRATE DIVISION, ORDNANCE DEPARTMENT, UNITED STATES ARMY.

THE NECESSITY OF GOVERNMENTAL RESEARCH ON NITROGEN FIXATION.

Other representatives of the Nitrate Division have demonstrated that the Government should operate the splendid plants at Muscle Shoals for the sake of the abundant supply of nitrogenous fertilizer which they will provide. Still other representatives have shown that these plants should be operated so that they may be maintained in a state of instant readiness and efficiency and so afford that military security which was the chief motive for their erection. It is my special purpose to demonstrate that the Government should operate the plants so that we may acquire promptly in this country knowledge of and experience with the important industry of nitrogen fixation.

Such knowledge and experience is of the utmost importance. You will concede, gentlemen, that we must be able to compete successfully with foreign countries in this essential industry, at least in our home markets. In peace times we can not afford to pay more than they do for the fertilizer on which the productivity of our land depends; in war times we can not with safety rely on foreign supplies for the chief ingredient of our explosives. If we are to compete successfully we must not only understand the chemistry of the processes but we must have experience in their operation.

Moreover, the science of nitrogen fixation is still in its infancy: it has problems which are difficult and numerous. There must be extensive research by the chemists in the laboratory. The products which they produce must be tested by agricultural experts on a convincing scale, and the methods of manufacture developed in the laboratory must be translated by the engineer into large-scale operation. Irrespective of whether the Muscle Shoals plants are to be operated or not, these investigations should be supported actively and aggressively by the Government; but evidently they would be greatly facilitated and simplified if carried on in connection with the Government operation of the Muscle Shoals plants.

In conclusion, I do not know that I can do anything better than to tell you how the Germans have faced this problem and what attitude they have taken toward it. The Oppau plant—that is, the Haber plant—was constructed about 1913, and it had an output of approximately seven or eight thousand tons a year. Then, as the war sentiment grew, the plant was greatly increased. They had operated this process at that time for some years, and they already had a plant of a size comparable to your own plant at Sheffield; and yet when they designed the building for their new enlarged plant, the one that is now working, the largest and most expensive building that they constructed—it cost 3,000,000 marks even at that time to build—was the research laboratory. It is 300 feet long, 100 feet wide, and five stories high. When we were there in the summer of 1919, this last summer, when everything was over and the plant was shut down, they still had 75 chemists working in that building on research problems, while during the war we were told that they had 250 chemists working all the time on research problems, not including the control chemists, who were housed elsewhere in the plant. So that is the scale on which Germany continued her studies at a time when she had already solved the problem and was engaged in large-scale operations. So we must not forget that in facing this matter we have got a good deal of study and investigation before us if we are going to hold our own.

NEED FOR IN TIME OF PEACE.

Mr. STANLEY. This plant is not only needed in case of war, but it is absolutely essential to the production of fertilizer in time of peace. During the hearings before the committee the Chief of the Bureau of Plant Industry, Dr. Whitney, said:

I want to say, Senator KENDRICK, that the Department of Agriculture, as I have attempted to show you, is vitally interested not only in the method but in the operation of a plant of this kind. It comes right into and supplies a need which we have felt in the Department of Agriculture must be supplied, and we would look with great and grave concern upon any proposition to keep idle any plant that could help in the development of American agriculture, to keep it idle just because it happened to belong to the Government.

THE BEST PLACE.

The War Department was wise not only in the selection of the process but in the selection of the place. The Secretary of War has stated that after a thorough investigation of commanding and available sites for the construction of this great water power he found Muscle Shoals the most available.

I know that at one time—

Said Secretary Baker—

Mr. Washburn was quite extensively interested in the power developments there. During this war I had occasion to survey the power situation in the United States. I surveyed that around Niagara Falls, in the Northeast, the Middle Atlantic, the South Atlantic, and some of the Western sections of the country. The power shortage in this country now is very large, and large in every section of the country, so that those companies which by foresight and activity have installed hydroelectric plants anywhere or large central generating stations have practically a monopoly situation in their field of operation. And I am frank to say that the Muscle Shoals dam, to me, is the greatest opportunity that I know of for the Government, in a fair, nonconfiscatory way to control a monopoly situation of the sources of power upon which the industries of the country depend.

It is located in the one place where the essentials of plant fertilizers can be most readily assembled. I know of no other spot on this continent where the three things essential to a complete fertilizer can be found within a radius of 150 miles, namely, phosphoric acid, potash, and nitrogen. If we are to maintain such a plant in competition with other plants making fertilizer and operate it at a profit its location near the natural resources enumerated is essential. Dr. Lamb says:

The compound of ammonia and phosphoric acid, ammonium phosphate, or "ammo-phos," as it is called commercially, has very desirable qualifications. It is many times as concentrated as ordinary commercial mixed fertilizer. This means that the freight charges upon it will be very much less, and since freight charges are a limiting factor in the fertilizer supply for many parts of the country, it means a much wider utilization of fertilizer, and an increased production of food.

Not only is this ammonium phosphate a nearly ideal fertilizer, but it is ideally suited for manufacture at the Muscle Shoals plants. In the first place, the cheap electric energy required for the electric furnaces is directly available; and, in the second place, there are rich deposits of high percentage phosphate rock within 100 miles of the plants.

Finally, to cap the climax, there are extensive deposits of potash-bearing feldspars in Georgia, also quite near the Muscle Shoals plants. Potash is the third of the three important ingredients of a complete fertilizer. It is possible by electric-furnace treatment to volatilize the potash from these materials, and it is not at all improbable that by a suitable combination of this procedure with the electric-furnace method for the manufacture of phosphoric acid, both potash and phosphate could be obtained, and when combined with the ammonia from the lime-nitrogen would constitute a complete fertilizer, containing all three of the necessary plant foods.

The above research possibilities all have to do with the utilization of the lime-nitrogen. There are also important possibilities for improvements in the actual process of manufacturing this substance.

There has been some question, Mr. President, about the probability of operating this plant at a profit. The experts who have investigated the question thoroughly are all convinced that we can produce a ton of sulphate of ammonia or a ton of cyanamid at much less than the essential cost of the mining and importation of a ton of Chilean nitrates. If that can be done, the question is settled, because there are no other sources of nitrogen in this country worth mentioning except the by-products of coke ovens and organic matter. The supply of organic nitrogen is now practically exhausted, as I shall show further on; the use of tankage and cottonseed meal is out of the question; and if we can produce cyanamid or sulphate of ammonia at less than the cost of importing it, the success of this project is assured.

Mr. George J. Roberts, who investigated this question thoroughly, states that after the construction of the dam—

If it is used in conjunction with the nitrogen-fixation plant No. 2, the annual profit to the Government from this combined operation is $2,900,050, and so employed will absorb all the electric power of this first installation.

COST OF PRODUCTION.

Mr. Arthur Glasgow, following his exhaustive investigation of this question, in his recommendations to the Secretary of War, and referred to by Mr. Roberts in his statement, says:

We propose to maintain and continually enhance the military value of United States nitrate plant No. 2 at Muscle Shoals, while substituting its peace-time output for imported nitrogen compounds on terms highly beneficial to American agriculture. This will be accomplished not only without additional cost to the United States, but while earning interest on about one-half of the total war cost of this plant and accessories.

The consideration of the Muscle Shoals plant covers three progressive stages:

First, the period prior to June 1, 1921. During this period we have to pay an operating fee to Air Nitrates Corporation equivalent to $5 per short ton of ammonium nitrate produced (say, $2.48 per ton of dry cyanamid), and, in addition, a royalty of $2.53 to American Cyanamid Co. and a royalty of 57 cents to Air Reduction Co. per ton of dry cyanamid produced.

Secondly, the period from June 1, 1921, until the completion of the hydroelectric power development. During this interim the operating fee is no longer payable, and the royalty payable to the American Cyanamid Co. (nominally about $6.33 per ton of dry cyanamid, or 26 per cent more than the combined operating fee and royalty previously payable) is subject to arbitration. Inasmuch, however, as royalty is measured by superearning power, it seems certain that little if any royalty would be assessed for the use of a process which does not pay Government bond interest upon the reproduction value of the essential plant required.

Thirdly, the continuing period of cheap water power subsequent to the completion of the hydroelectric development. During this future period we shall have not only the relief from royalty due to arbitration, but the more positive relief due to expiration of patents. It is to be noted that Air Reduction Co.'s royalty of 57 cents per ton of dry cyanamid is payable until January 13, 1931.

To ascertain the financial results of the general plan of operation outlined above, we must figure in terms of ammonium sulphate, that being a readily salable commodity of well standardized value. The prewar price of ammonium sulphate was about $60 per ton; it is our best judgment that the postwar prices will average over $70 per ton. (See pl. 17.) Sulphate of ammonia contains about 20.6 per cent and dry cyanamid about 21.1 per cent of nitrogen; whereas ammonium nitrate contains nearly 35 per cent, or more than double the nitrogen content of sodium nitrate from Chile. Moreover, cyanamid contains over 60 per cent of lime, which is a valuable fertilizer in many soils. On the basis of nitrogen content alone, with sulphate of ammonia selling at $70 per ton, hydrated and oiled cyanamid (containing 19.2 per cent of nitrogen) would be worth $65 and ammonium nitrate would be worth $117.50.

* * * * * * *

17. For any useful conclusion regarding the future financial possibilities of the plant we must look to the permanent water-power costs subsequent to, say, January 1, 1923.

Taking the "inclusive water-power costs," given in paragraph 14 above, and reducing the selling prices of cyanamid, ammonium sulphate, and ammonium nitrate, respectively, to $37.50, $65, and $90 per ton, we have the following balance sheet, with eight furnaces, or 80 per cent of the capacity of the plant, in operation:

	Tons per annum.	Cost.	Per ton sale.	Profit.	Total profit.
Cyanamid	49,000	$27.00	$37.50	$10.50	$514,500.00
Nitrate	22,000	75.35	90.00	14.65	322,300.00
Sulphate	86,000	48.20	65.00	16.80	1,444,800.00
Annual profit for 8 furnaces (80 per cent)					2,281,630.00
Balance sheet when whole plant is in operation:					
Cyanamid	73,500	27.00	37.50	10.50	771,750.00
Nitrate	22,000	75.35	90.00	14.65	322,300.00
Sulphate	107,500	48.20	65.00	16.80	1,806,000.00
Annual profit for 10 furnaces (100 per cent)					2,900,050.00

This $2,900,050 is 5 per cent interest on $58,000,000; while ammonium sulphate at $65 per ton (instead of $70) still costs 6¼ per cent more, per unit of nitrogen, than cyanamid at $37.50 per ton, and 21¼ per cent more than ammonium nitrate at $90 per ton (pp. 89, 90, 91, 92).

Mr. Washburn, to whom I have referred, and who operated the plant at Muscle Shoals, estimates that that plant can produce a ton of cyanamid material containing the same amount of nitrogen found in the Chilean nitrates, for about one-third of the market price of the Chilean nitrates, or $17 a ton. That he states is the result of 16 years of development. I ask to insert a portion of his statement in the RECORD.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

What has been obtained, economically speaking, is this: That the factory cost under most favorable conditions, those which are not only theoretically obtainable, but actually obtainable in some parts of the world, everything, including overhead and superintendence and all that sort of thing inside the factory, but not including interest on the investment, for producing nitrogen, comparable to the nitrogen that is in the Chilean nitrate, is about one-third of the ordinary market price of the Chilean nitrate.

Senator SMITH. You mean to say that the factory cost is about a third of the selling cost?

Mr. WASHBURN. Of the selling cost of Chilean nitrate.

The CHAIRMAN. Suppose you put that in figures, giving the price in ordinary times.

Mr. WASHBURN. I am talking of Chilean nitrate at the rather low figure of $2.40 to $2.60 per unit of ammonia, which is the unit that is employed universally in agriculture, equal to 20 pounds of ammonia; and the cost in a well-placed, well-conducted cyanamid factory is 80 to 90 cents a unit.

Senator SMITH. Expressed in tons, it would be about $50 a ton for the Chilean nitrate?

Mr. WASHBURN. About $50 a ton, and for a ton of cyanamid material having the same amount of nitrogen it would be about one-third of $50, or, say, $17.

That is the result, one might say, broadly speaking, of 16 years of development (p. 472).

Mr. STANLEY. Secretary Baker states:

Then they will have to sell their Chilean nitrate at $27 while we are getting for our cyanamid $37.50, and as I have been informed by one of the big firms who own the mines in Chile that it can not be brought into this country under $40 without any profit to them on their investment (p. 11).

I will further state that there is no question that the production of cyanamid at $27 a ton will preclude the danger of competition from Chilean nitrates.

As to the profit to be derived, I quote further from Mr. Roberts, as follows:

I do not feel any hesitancy in saying that we have made liberal estimates. We have our estimates, which we will present to you in the greatest detail, so far as that goes. We also have got here in our sulphate ammonia $16.80 profit to go on, and we certainly will be self-sustaining in any condition I can conceive of.

* * * * * * *

There is no doubt in my mind, sir, at all that this plant can more than carry itself. I feel no hesitancy in saying that. I certainly expect it to make $3,000,000 a year (p. 23).

In a letter to me from Mr. Frank B. Davis, clerk to the Secretary of War, he sets forth the cost of producing cyanamid and Chilean nitrates in 1912 at $1.36 per hundredweight. The London Statist of June, 1920, gives the figure at approximately $2.16 per hundredweight. Commerce Reports, dated Washington, D. C., October 15, being the consular and trade reports issued by the Department of Commerce, refer to the sale of Chilean nitrates for 1920 as follows:

Nitrate production for the balance of 1920 has been successfully sold by the Association of Nitrate Producers, and fair sales for early 1921 shipments have also been made. No announcements of very recent large sales have been made. The price of nitrate is now about 17 shillings (shilling=$0.243 at normal exchange) per quintal of 101.4 pounds.

Mr. SMOOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Utah?

Mr. STANLEY. Yes.

Mr. SMOOT. I desire to ask the Senator if he intends to conclude his speech to-night, or would he prefer that an adjournment be had at this time and go on with his remarks the first thing to-morrow?

Mr. STANLEY. I should like to proceed for about five minutes in order to get through with the particular branch of the subject I am now discussing and then to have the Senate adjourn.

Mr. SMOOT. Very well.

Mr. STANLEY. Mr. G. J. Roberts, of the Ordnance Department, a skilled engineer, who has given this subject exhaustive study, makes this statement as to the cost of production:

Now, after the water power is developed—when we have water power developed the cost of the cyanamid is $27 a ton; but the cost of the sulphate $48.20 a ton, $21.20 difference (pp. 58 and 59).

If the great plant at Muscle Shoals will deteriorate by disuse, as it will; if the Government will lose interest upon $85,000,000 expended by it; if the personnel of skilled chemists and engineers so essential to the operation of the plant will be disbanded and scattered; if it will take a year, at least, in case of war to put this plant in a going condition; if it can be operated at a profit of $3,500,000, or more than 4 per cent on the cost of its construction, it strikes me as the sheerest piece of folly, of mismanagement, even if there be no other motive and no higher purpose than the profitable use of the apparatus, to lock the doors of this great laboratory.

As it is, the national security involved would justify us in keeping this plant in operation even at a loss.

When I resume this subject again I shall take up the next phase of the question, namely, the peace-time needs of a plant of this character. Nitrogen can preserve life as well as destroy it. It is as necessary to the prosperity of the agriculturist in time of peace as to the success of the Army in time of war.

[At this point Mr. STANLEY yielded the floor for the day.]

Tuesday, January 4, 1921.

Mr. STANLEY. Mr. President, on yesterday I called the attention of the Senate to the fact that the Government had expended $85,000,000 in the erection of two plants for the purpose of extracting nitrogen from the air to be used in time of war for munitions and in time of peace for the making of fertilizer.

The Muscle Shoals plant is at this time in a completed state. It is perhaps the greatest and the finest apparatus of its kind in the world for the making of cyanamid and of fertilizer. The question now arises whether the plant shall be salvaged, being of no further use for the making of munitions, shall be put in a stand-by condition, or shall be operated.

To put the plant in a stand-by condition would deprive us of the profits on the making of fertilizer, estimated by those who know best at about $3,000,000, and would entail an expense of not less than $400,000 a year for guarding and the like, with the result that if left in that stand-by condition the personnel of skilled operatives who are now in charge of it would be scattered and in 5 or 10 years, it is estimated by the Secretary of War, the plant itself would become more or less impaired by disuse, obsolete and worthless.

I discussed at some length yesterday, and shall not repeat to-day, the necessity for the maintenance of the plant as a provision for supplying without delay an absolutely necessary amount of nitrogen for the furnishing of fertilizer in time of peace. As a war measure, its operation is necessary, without regard to the cost of operation and without regard to the profits derived from the manufacture of sulphate of ammonia. If the plant were necessarily operated at a loss, and at a great loss, the necessities for the use of nitrogen for the purpose of explosives in time of war, the difficulty in obtaining them from foreign ports, the peril to which the country would necessarily be exposed by lack of an adequate supply of fixed nitrogen, that loss would be justified. However, the plant is as necessary, in my opinion, and it is as wise to operate it for its uses in time of peace as to maintain it in a going condition on account of the necessities of war.

BY-PRODUCT COKE OVENS.

It is maintained that the by-product ovens of the United States are now producing a sufficient amount of sulphate of ammonia, more, in fact, than the market demands or the public will take, and that by the operation of the plant at Muscle Shoals, producing about 200,000 tons of fertilizer per annum, the value of the product will be impaired, the great steel industry and the operation of blast furnaces will be rendered unprofitable, and that irreparable damage will be done to private enterprise.

This position, in my humble opinion, is not well taken, and there is nothing in the facts to warrant that conclusion. In the first place, the manufacture of ammonia is not the purpose for which by-product ovens are erected. A by-product oven producing a ton of coke would produce about 6 pounds of nitrogen, about 10 gallons of tar, about 50,000 cubic feet of gas that can be used for illuminating and other purposes, and a small amount of lubricant or motor oil. The production of nitrogen is no more the purpose for the erection of by-product ovens than the making of glue is the prime purpose of erecting slaughter-houses and packing houses. The production of 200,000 tons of sulphate of ammonia will no more affect the by-product industry than the destruction of the price or the value of bristles would affect the killing of hogs and the packing of pork.

More than that, the by-product oven can not be depended upon for the production of fertilizer. There is a constant demand for the use of fertilizer. The tiller of the soil, who is in the habit of using fertilizer, needs a fixed amount each year, and in order to extend the use of fertilizer—and nothing is more essential at this time—we must be assured of an adequate amount. There is no business that is more vacillating or more uncertain, or that more depends upon industrial conditions and financial conditions than the making of pig iron. Whenever there is an overproduction of pig iron or loss in demand, the blast furnace closes, and with the closing of the blast furnace would be destroyed for the time the production of an essential fertilizer.

Maj. Gaillard has given this question careful and exhaustive study. He states:

The expansion of nitrogen supply from coke ovens and gas works, even though abnormally stimulated by the war demand, will not furnish in the future half of the nitrogen used in this country, and unless this source of supply is supplemented as soon as possible by the operation of the Government fixed-nitrogen plants, and further supplemented by such development of the private fixed-nitrogen industry that there may be, this country will be even more dependent on imported nitrogen 10 years from now than it is at present, and not only will the country be less prepared from a military point of view but the American consumers, which include directly a very large proportion of the farmers of this country as well as many of the most fundamental chemical industries, and indirectly the greater part of the population, will find it harder than ever to get an adequate supply of nitrogen at a cost within reason.

According to the United States Geological Survey, we produced in 1918, 218,194 tons of sulphate of ammonia as a by-product of coke ovens; in 1919 we produced 211,300 tons of sulphate from coke ovens, with a total production of 25,171,000 tons of coke. At a time when the war demands made it absolutely necessary that those coke ovens should be run to the maximum of output, they did not produce one-third of the necessary sulphate of ammonia required as fertilizer and in industrial enterprises. It is claimed by those who oppose this bill, Mr. Washburn and others, that in 1920 the coke ovens will produce 500,000 or 600,000 tons of sulphate of ammonia, the claim being predicated upon the idea that the blast furnaces will run to full capacity, both those that are now in operation and those that will become producers during this year; and

that that sulphate of ammonia will be all used for the production of fertilizer. Taking that as true, it is estimated that we can produce 36,800,000 tons of coke from ovens run at 85 per cent capacity, which will give us 977,100,000 pounds of ammonia sulphate, or 487,000 tons. But 45 per cent of that output will be absorbed by industrial enterprises, leaving 268,000 tons for fertilizer purposes.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER (Mr. SMITH of South Carolina in the chair). Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. STANLEY. Certainly.

Mr. McNARY. I am much interested in the very intelligent discussion of the Senator from Kentucky. I think one of the important features of the pending bill, if it passes, will be its ability to provide fertilizer. I desire to know from the Senator if he has given that matter ample consideration, and is able to say to the Senate that as a fertilizer nitrate has proven practicable, and within the easy reach of the farmer, and can sell at competitive prices with other fertilizers?

Mr. STANLEY. I will say to the Senator that I shall discuss that question at some length in a very short time. Nitrate is an ideal fertilizer, as has been demonstrated by 50 years of practical experience.

Maj. Gaillard, of the Agricultural Department, has made a careful survey of the future needs of sulphate of ammonia for fertilizer purposes. He has taken into consideration the product of coke ovens, fertilizer from inorganic sources, imports from Chile, and all other sources from which this material may be obtained. He estimates that in 1924 agriculture will demand 172,000 tons of nitrogen, the industries 120,000 tons, and for military explosives 2,500 tons, making a total of 294,500 tons of nitrogen. The deficiency in the domestic supply, if the Government does not operate, will be 172,000 tons of nitrogen, or the equivalent of between 700,000 and 800,000 tons of Chilean nitrate.

Maj. Gaillard's statement illustrating the total inadequacy of coke ovens to supply the country's future need for inorganic nitrogen is in full, as follows:

The preceding consideration of the probable future consumption of inorganic nitrogen for agricultural, industrial, and military purposes and the supply to be expected from the coking of coal and the fixation of nitrogen within this country and the importation of sufficient nitrogen to meet the deficiency in domestic production may be summarized for 1924 and 1930, the two years for which figures have been previously given, as follows:

	Nitrogen.	
	1924	1930
	Tons.	*Tons.*
Estimated peace time consumption in—		
Agriculture	172,000	285,000
Industries	120,000	150,000
Military explosives, assumed	2,500	3,000
Total consumption	294,500	438,000
Estimated domestic supply from—		
Coking of coal	122,500	159,500
Privately owned fixed nitrogen plants		25,000
Total domestic supply	122,500	184,500
Deficiency in domestic supply if Government plants do not operate	172,000	353,500
Estimated supply from—		
Government fixed nitrogen plants	45,000	55,000
Deficiency in domestic supply if Government plants operate	127,000	198,500
Estimated imports necessary:		
Canadian cyanamid	15,000	15,000
Chilean or European nitrate, if Government plants not operated	157,000	238,500
Chilean or European nitrate, if Government plants operated	112,000	183,500
Proportion of total consumption furnished by domestic supply:		
If Government plants not operated.....per cent	41.6	42.2
If Government plants operated.....do	56.9	54.7

NOTE.—Nitrogen exported from the United States is not included in the above, as amount of future exports uncertain, and if included only make the deficiency of domestic supply more marked.

EXHAUSTION OF ORGANIC NITROGEN.

Mr. President, hitherto this essential material to the profitable cultivation of the soil has been obtained in great measure from organic sources. I will, with the consent of the Senate, insert in the RECORD, from page 145 of the hearings before the Agricultural Committee, a table quoted by Mr. Washburn, who is opposing this measure and whose statements may be taken, at least from this viewpoint, as correct, showing the average annual production of organic compounds from which fertilizer is made from 1912 to 1917, and giving a total of over 2,500,000 tons of organic fertilizer, obtained principally from cottonseed meal, tankage, dried blood, fish, and miscellaneous substances.

The PRESIDING OFFICER. In the absence of objection, permission to do so will be granted.

The table referred to is as follows:

Average consumption of organic compounds (1912–1917).

Product.	Tons of product.			
	Used as fertilizer.	Used as feed.	Per cent of total.	
			Fertilizer.	Feed.
Cottonseed meal as direct fertilizer	500,000	840,000	23	39
In fertilizer industry	300,000	.....	14	.....
Exported	.....	520,000	.....	24
Tankage	240,000	80,000	75	25
Dried blood	27,000	6,000	75	17
Fish	50,000	.....	100	.....
Miscellaneous organics	600,000	.....	100	.....
Base goods, garbage, etc	1,717,000	926,000	54	29
Exported	.....	520,000	.....	17

Product.	Tons of nitrogen.			
	Used as fertilizer.	Used as feed.	Per cent of total.	
			Fertilizer.	Feed.
Cottonseed meal as direct fertilizer	29,000	55,000	21	40
In fertilizer industry	18,000	.....	13	.....
Exported	.....	34,000	.....	25
Tankage	18,700	7,000	73	27
Dried blood	3,000	700	75	17
Fish	3,300	.....	100	.....
Miscellaneous organics	30,000	.....	100	.....
Base goods, garbage, etc	102,000	62,700	51	32
Exported	.....	34,000	.....	17

References: Federal Trade Commission Report on Fertilizer Industry; Fertilizer Control Survey of Fertilizer Industry; American fertilizer handbooks; United States Census of Manufactures, 1914.

Mr. STANLEY. More than 2,500,000 tons of organic fertilizer, which have hitherto been available for agricultural purposes, can no longer be obtained. In the beginning the fertilizer used by the farmer came almost entirely from organic sources. In 1899 five-sixths of the nitrogen in our fertilizers came from organic sources; in 1904, about three-fourths; in 1909, slightly over one-half; in 1914, slightly under a half; and in 1919, somewhat over one-third was obtained from organic materials. This substitution of inorganic for organic materials is due in great measure to the constantly increasing demand for cottonseed meal, tankage, and other like substances for stock feed, and "'tis a consummation devoutly to be wished."

Cottonseed meal now is approximately of the same value as corn, about three-fourths that of oatmeal, about two-thirds that of wheat flour; and at these prices it will naturally be evident why cottonseed meal is going into feed rather than into fertilizer.

Figures compiled by the Agricultural Department show that in 1917 and 1918 about half of the high-grade animal tankage was being used for feed and about two-thirds of the cottonseed meal. Since then this proportion has undoubtedly increased.

In 1917, according to statistics gathered by the Department of Agriculture, a little less than half of the total nitrogen in mixed fertilizers was furnished by inorganic materials, Chilean nitrate supplying about three-fifths of this, sulphate of ammonia about one-third, and miscellaneous materials the remainder. I will incorporate in my address a portion of the statement of Dr. Whitney, Chief of the Bureau of Soils.

He gives a very interesting account of the change to which I have referred. He says:

Another change came, however, that we had not foreseen; that is, the use of the organic ammoniates for feeding cattle. One of the first necessities was increased production of meats and of fats. After this country entered the European war the demand for meat and for feedstuffs were so great that the War Industries Board asked me if it would be possible to entirely stop the use of cottonseed meal for fertilizer and have it all used for feeding purposes. I told them it would not be possible unless they could provide a substitute in the fertilizer

industry; that that was one of the supplies we counted on for the farmer. As the result of the war, however, the amount of cottonseed meal, of tankage, of dry blood, and of fish scrap that has gone into feeding has far exceeded our wildest idea of what could be possible. And as the result at present these materials are very hard to get; they are very high priced.

The price of ammonia and of organic ammoniates was formerly controlled by the price of nitrogen and nitrate of soda. In the middle of 1919, or after the armistice was signed and things were coming into more normal conditions, the price of nitrogen and of nitrate of soda fell materially, and, as I remember it, in October it was about 25 per cent higher than the prewar prices. Ammonium sulphate came down, but the price of organic ammoniates went up. We called a conference of the producers of the main organic ammoniates, tankage, cottonseed meal, and fish scrap and asked them why it was that prices had not come down but were still going up. They very coolly replied: We are not interested in fertilizer; we are out of that class; we are selling now not on the basis of ammonia, as we did to the fertilizer people, but are selling on the basis of the protein content, based on the price of the protein that is in these concentrated feeds, and the price of cottonseed meal, although very high for fertilizer, is very low for feeding purposes. Now, gentlemen of the committee, we find that the greater proportion of these organic ammoniates is going into feeding, over which we have no control.

If this Government can by the use of inorganic material taken from the air supply necessary fertilizer, leaving 3,500,000 tons of valuable feed for the stock raiser, it will be indeed "a consummation" whose value it is difficult to estimate.

It must be remembered that when tankage and cottonseed meal and other protein substances—when these cheaper materials are put into that balanced ration it makes the whole mixture more valuable and increases the product from the animal at the same time, while lessening the cost of production to the farmer, enabling the consumer to purchase at a lower cost.

DEMAND FOR SULPHATE OF AMMONIA AS A FERTILIZER.

In response to a question as to the ease of handling sulphate of ammonia, Mr. George J. Roberts, of the Ordnance Department, who it has been thought by some would take charge of the great plant at Muscle Shoals and who is an acknowledged expert on the subject, in response to a question by the Senator from South Carolina [Mr. SMITH], who asked if it could be easily handled, said:

Just as easily as the Chilean nitrate. It has been known and used for 50 years by the farmers, and by all the users of Chilean nitrate.

As to whether or not this product will be marketable, and as to the danger of producing an oversupply of sulphate of ammonia, Mr. Roberts continues:

That is just like gold dust, so far as selling is concerned. I can sell it and get plenty of people to sell it at 2 per cent commission. It is so easy to market it that they will sell it on a 2 per cent commission basis. I have already had a big firm in New York come to me and offer to take it on that basis (p. 12).

In response to a question by the Senator from New York [Mr. WADSWORTH] as to what effect it would have on the chemical fertilizer industry of this country, he replied:

None. The demand for nitrogen is growing right along, and we will have to import larger and larger quantities of Chilean nitrate, even with this plant running.

Senator WADSWORTH. There is room for everybody?

Mr. ROBERTS. There is room for everybody. Mr. Myers, who represents the Chilean nitrate industry in this country, says the demand for nitrogen is going to be so great that this would not affect his interests at all.

Senator SMITH of South Carolina. That is the ingredient in all fertilizer that is not only in greatest demand but it is the costliest.

Mr. ROBERTS. Yes, sir.

Senator SMITH of South Carolina. Nitrogen, as every agriculturist knows, is the very life of the grain itself. It is not so important in the fibrous plants, but for cereals of all sorts with the proper use of nitrogen the crops can be doubled and, in some instances, quadrupled.

Mr. ROBERTS. I know of nothing, sir, that does not require nitrogen just as much as grain. Tobacco certainly requires it, and you can not successfully grow tobacco without it. Certainly your truck gardens could not exist without it.

In 1916, out of an expense bill for fertilizer of $175,000, Mr. Washburn states, $75,000 of it, or 40 per cent, was spent for nitrogen. The nitrogen content of a perfectly balanced fertilizer—phosphoric acid, potash, and nitrogen—is the most essential and the most costly, being approximately 40 per cent of the cost of the whole mixture.

The three essential elements of a complete plant food are fixed nitrogen, phosphoric acid, and potassium, according to a statement of Col. Burn, and of these three nitrogen is claimed to be the most important and it is the most expensive.

The first use of inorganic manures occurred about 1850 as a result of German research development, and it was some 25 or 30 years later that the use was taken up in the United States. It has, of course, very rapidly expanded, until to-day some 8,000,000 tons are used per year, having a value of approximately $400,000,000. Of this amount some 100,000 tons are fixed nitrogen, with a value of approximately $40,000,000.

GROWING DEMAND FOR FERTILIZERS.

If we can consume 8,000,000 tons of fertilizer, if we can import and do import and will import this year 800,000 tons of Chilean nitrate—and a ton of Chilean nitrate supplants only a part of a ton of sulphate of ammonia—it will be readily seen how utterly impossible it is for the blast furnaces to accommodate this enormous and growing demand.

The Department of Agriculture and those most interested in the use of nitrate as a fertilizer, understanding how totally inadequate is the supply, have not brought this matter home to the agriculturists of the country.

The use of fertilizer on a broad scale is confined at present to only a small section of the country. If we did use fertilizer as we will use it and as we should use it, the demand would infinitely exceed the supply. It has been estimated by the Department of Agriculture that if nitrate were to be used next year on all the cultivated lands of the United States to the same extent that it is now used in Georgia—a use about the same as in England and less than in Germany—there would be required more than 400,000 tons of nitrogen in addition to what is now used in fertilizers. To furnish this nitrogen would take 2,000,000 tons of sulphate of ammonia, or nearly 2,500,000 tons of Chilean nitrate. With a normal need for 2,000,000 tons of sulphate of ammonia, you can readily see what from two to five hundred thousand tons of blast-furnace production would do to satisfy this essential demand. If mixed fertilizers were used to the extent of one-half the amount used in the State of Georgia, then the shortage would be at least 150,000 tons of nitrogen, to supply which would take approximately a million tons of Chilean nitrate.

Mr. President, before the use of nitrogen as a fertilizer the soils of Germany, France, and England produced about 15 bushels of wheat to the acre. To-day England uses about as much fertilizer as Georgia. Germany uses more. The average production of wheat per acre in England is 30 bushels; in France and Germany it is 28 bushels.

In my own country, southwestern Kentucky, described by Savoyard at one time as having the fatness of Egypt, we produced 25 or 30 years ago from 20 to 30 bushels of wheat to the acre. That country has exhausted its nitrogen supply. Those same fields to-day, for the lack of that nitrogen, will not produce half that amount—not over 15 or 18 bushels of wheat to the acre. The cost of cultivation of an acre of land in grain is practically the same whether you use fertilizer or not. The labor is the same; and yet with no increase in labor, with a slight increase in cost, you can in this country, as they have done in Europe, absolutely double the production of the staff of life.

To-day we are seesawing in the Senate, seesawing in the country. One great army of millions is crying for a lowering of the high cost of living and the price of bread. The other is protesting against the lowering of the price of wheat, since it is now below the cost of production. Here is the solution of the problem. Increase the fertility of the soil, and you at once lower the cost of the finished product, lower the cost of flour and bread, without decreasing in any degree the profits of the producer.

Mr. McNARY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Oregon?

Mr. STANLEY. Certainly.

Mr. McNARY. I appreciate the Senator's statement that the soil of the country in many localities has been worn out by constant use. There are a great many fertilizers, such as the nitrates we get from Chile, barnyard manure, and bean manure or legumes, that have proven very satisfactory and cheap in many parts of the country. I want the Senator to answer this question, if he can: Has any nitrate been produced at the Muscle Shoals plant as fertilizer? If so, has that fertilizer shown itself to be able to compete on the market with other fertilizers that we may call standard fertilizers?

Mr. STANLEY. By an actual test this plant has shown that it can produce 215,000 or 220,000 tons of sulphate of ammonia.

Mr. WADSWORTH. Mr. President, this plant can not produce a pound of sulphate of ammonia. It can only produce cyanamid.

Mr. STANLEY. I stand corrected. This plant can now produce cyanamid, a known, recognized commercial fertilizer. The sulphate of ammonia, however, is better known and is more easily handled. The lime in the cyanamid is objectionable. It is hard to handle; but in the form of sulphate of ammonia you rid it of those objectionable features. It has the same content, and is a merchantable fertilizer, in demand by the mixers of fertilizers and the users of simple fertilizers, and it is only a matter of a small expenditure for the installation of known processes, and there is no question about their efficiency to convert the cyanamid into sulphate of ammonia.

Mr. McNARY. Mr. President, I understand from the Senator that the finished product of fertilizer has not been produced at this plant at Muscle Shoals.

Mr. STANLEY. No.

Mr. McNARY. Therefore, no practical test has been made of the product as fertilizer?

Mr. STANLEY. Oh, I beg the Senator's pardon. Sulphate of ammonia has been produced for years by by-product coke ovens, and it is now in general use. You produce the same substance that is produced by the coke ovens.

Mr. McNARY. That is true in the respect that the Senator speaks of, but no product from the plants at Muscle Shoals has been used for the purpose of enrichment of the soil?

Mr. STANLEY. No. No sulphate of ammonia——

Mr. McNARY. Therefore, how do you estimate the cost per unit of this fertilizer to the farmer, so as to judge whether or not it will sell in competition with the other well-known fertilizers on the market? In other words, what is the inducement to the Government to put up this money to make fertilizer, unless it can readily compete with the other fertilizers of the country?

Mr. STANLEY. I went into that question at great length on yesterday. I shall be glad to advise the Senator in regard to it.

Arthur Glasgow, who investigated this question in Europe and elsewhere abroad, the ablest engineers of the Army and of the Ordnance Department, and experts of known ability in Europe and America have thoroughly investigated that question. Secretary of War Baker has stated that cyanamid can be produced in this plant by the use of water power at $27 a ton. It can be produced at a little increased cost by the use of steam power. Sulphate of ammonia can be produced at $42 and some cents a ton, or at a profit over the then cost of sulphate of ammonia of about $16.80. There is no question about the capacity of this plant to produce cyanamid. There is no difficulty in ascertaining the cost of converting cyanamid, by a comparatively simple process, into sulphate of ammonia, and that cost is easily estimated; so that the cost of producing this product at this plant are well known, and have been definitely ascertained.

Mr. McNARY. Mr. President, if the Senator will permit another question, I assume that the figures he has offered here in demonstration of his arguments were prepared during the war, when there was a great shortage in the tonnage of our merchant marine and the tonnage of the world?

Mr. STANLEY. Yes.

Mr. McNARY. In view of the plentitude of ships at present, would not the competition of Chilean nitrate be very much more keen than would be indicated by the figures the Senator has offered here?

Mr. STANLEY. Chile can not export nitrate of soda at a price that is anything like competitive with the sulphate of ammonia produced by this plant. I have some figures here on that subject.

DANGER OF DEPENDENCE UPON CHILEAN NITRATE.

As you understand, this Chilean nitrate is produced from a salt called caliche, found in northern Chile. This salt is subjected to a process by which the merchantable commodity is extracted. In 1901 the Chilean nitrate imported into this country contained 28 per cent of nitrogen. In 1909 it contained 19 per cent. In 1919 it had 15 per cent; so that within 30 years the nitrogen content—the only thing that has any value in this Chilean nitrate—has decreased approximately 50 per cent. The total production per man in 1881 was 73 tons. In 1911 it was 56 tons. At present Chilean nitrate can not be imported into this country for less than $40 a ton. I put in the RECORD yesterday a statement from the London Statist to that effect and an itemized statement giving the details of every item of this expenditure.

More than that, there is an export duty on Chilean nitrate of over $12.53 a ton. You must remember that when you buy a ton of Chilean nitrate for, say, $55, you have 15 per cent of nitrogen. That is what you pay for. When you get a ton of sulphate of ammonia you have 20 per cent, so that a ton of Chilean nitrate, say, at $75 would be the equivalent of a ton of sulphate of ammonia at $100. At $42 the actual cost of that Chilean nitrate is equivalent to sulphate of ammonia at $60. So that even if Chilean nitrate should sell for the same price in this country as sulphate of ammonia—and that is impossible—the sulphate of ammonia would be one-third more valuable on account of its nitrogen content.

More than that, we must look to the future, and it is a matter of very great importance, as I see it. The total production of Chilean nitrate to-day is about 3,000,000 tons. During the war we took annually over 2,000,000 tons of it. To-day we are absorbing one-fourth of the entire production of Chilean nitrate. Chilean nitrate is rapidly decreasing on account of the leanness of the ore and the increasing expense of producing it. The demand for nitrate is increasing in this country by leaps and bounds, and it is estimated that within a few years our normal demands will be over 10,000,000 tons. For the last 20 years the demand for fertilizer has increased 7½ per cent, and if that demand increases for 5 years we will take one-half of the production of Chilean nitrate; if that demand increases as we think it will increase, in less than 10 years we will be using in this country more nitrate for agricultural purposes alone than is produced in the entire Chilean field. I will return to the question of the production of Chilean nitrate at a later time.

As I stated, it is estimated that in 1924 our consumption of nitrogen for agricultural purposes will be 10,500,000 tons.

The United States statistics available show that in 1899 we used 2,887,000 tons of fertilizer; in 1914 we used 8,432,000 tons.

Now I wish to call the attention of the Senate to another matter. We can not afford to endanger a dependable supply of nitrogen. We are utterly unprepared in case of war, no matter how many guns we have, no matter how many ships, no matter what our coast defenses or our fortifications are, we are utterly unprepared unless we have an available supply of nitrogen for the making of munitions and explosives.

France understood the necessity of the use of nitrogen, and has installed nine great plants, using the same process, as the backbone for her enterprise.

Great Britain was greatly concerned over the insecurity of nitrogen supplies and early appointed a committee of prominent business men and eminent scientists to investigate and advise. In its full report, in May, 1919, the committee, after complete analysis of all comparative data as to the cost, yields, and so forth, and a recognition of the scarcity of water powers in Great Britain, recommended, as an economic provision for the safeguarding of the future and for meeting a portion of the growing demand for the various nitrogen products, the establishment without delay, under private enterprise, if necessary, and if not, then supported by the Government, of plants for the production of 60,000 tons of sulphate, or 12,000 tons of nitrogen.

Italy before the war had a capacity of 7,000 tons of nitrogen by the cyanamid process. The present capacity is probably 20,000 tons.

Japan has fully doubled her capacity. Germany has forbidden the export of nitrogen without the consent of the Government. The Japanese are working very hard on this problem, and they are now working on all processes.

I include a statement from Col. Joyes as to the activities of other nations.

The matter referred to is as follows:

PREPAREDNESS AND GOVERNMENT OWNERSHIP BY OTHER NATIONS.

[Statement of Col. Joyes, hearings, pp. 52–53.]

This information, which comes from most reliable sources and is not to be disputed, shows that beyond question anyone outside of Germany producing or desiring to purchase nitrogenous fertilizers or similar compounds will have to deal with a single organization, essentially a branch of the German Government, which will have an absolute monopolistic control of all such products produced in Germany, or whatever surplus there may be for export.

In France, the Government found itself in somewhat similar position as to actual governmental investment in fixation plants, although on a much smaller scale. During the war the Government became interested financially in nearly all of the expansion of nitrogen fixation, and it owned completely two of the cyanamid plants.

At the time of the commission's visit to France the subject of utilization of the large cyanamid producing capacity created during the war, and especially of that part of it which was owned by the Government, was being discussed in the Chamber of Deputies and in the press. The urgent need for more use than previously of nitrogenous fertilizers by French agriculturists, on the one hand, and, on the other hand, the advisability of some measures to assure the continued operation of the war-created manufacturing facilities were being urged by men of such prominence as M. Pottevin, M. Roux, and M. Tisserand. There seemed to be very strong public opinion in favor of some arrangement which would insure the operation of the cyanamid plants. At the time of our visit no decision appeared to have been arrived at as to a definite plan of operation, but it appeared very probable that there would be some action by the Government, perhaps not as systematic and comprehensive as the German arrangement above described, but nevertheless one that would provide some basis of organization of the industry to meet the commercial outlook, possible German competition, etc.

Our commission saw installations in French Government plants for making ammonium sulphate out of cyanamid, and at one there was a very large scale installation of apparatus then (July, 1919) in process of erection for this same purpose. The French Government is, therefore, unquestionably in the market to some extent as a producer of ammonium sulphate.

Mr. STANLEY. There is not a nation in the world that is not prepared to supply nitrogen to-day by artificial means in case of war. Germany is now producing 300,000 tons of nitrogen by the Haber process, 120,000 tons by the cyanamid, and 150,000 tons from her coke ovens. She has installed seven cyanamid processes and two Haber processes. France has nine great plants for the production of fixed nitrogen. Germany is

now producing 8,700 tons of nitrogen per million of her population; Norwary, 7,250 tons per million of her population; Great Britain, 2,240 tons; Canada, 2,000 tons; France, 1,850 tons; Switzerland, 1,840 tons; the United States, 1,480 tons, less than one-third of Germany and less than one-half of Norway and Sweden.

Mr. President, if we were to-day engaged in war, if our relations with Great Britain or Japan or with South America were strained, we would be utterly unprepared, no matter how many hundreds of millions you put in your appropriations for the Army and Navy.

There is no adequate supply of nitrogen obtainable to-day that is not absolutely controlled by Great Britain.

ENGLAND'S WORLD-WIDE CONTROL OF CHILEAN AND OTHER NITRATES.

The only known natural fields of potassium nitrate are located in British India. The only other supply is in the Chilean field. This Chilean nitrate is controlled by an ironclad trust. Unlike most trusts, it makes no secret of its existence and of its purposes. I hold in my hand a report from the American embassy, of date October 15, 1920, in which it is said, among other things:

According to the organization of the association, it will cease in its functions on the 30th day of June, 1921, if by that date it does not include in its representation 90 per cent of the nitrate producers. At present the organization has about 85 per cent of the total number of producers, the balance being represented by American and German firms.

While we purchase one-fourth of all the nitrogen produced in Chile, of the 118 nitrate plants in the nitrate district of Chile America owns but 3; in production it produces about 2½ per cent. Undoubtedly the largest producers of nitrate in Chile are British. British nitrate plants now number 45 out of a total of 118, or close to a half.

In addition to the companies designated as British, there are many of the so-called Chilean companies, such as the Agua Santa Nitrate Co., which are controlled entirely by British capital. However, a glance at the statistics will show that while the British own they do not buy, for the entire United Kingdom, with all its new possessions, does not consume over 20 per cent of the amount sold to the United States.

A recent statistical publication gives the following list of nitrate companies, with the nationality of their ownership:

Chilean companies, 54; British companies, 43; Slavic companies, 8; German companies, 6; American companies, 3.

I hold in my hand a consular report, whose authenticity no Senator can question, which states:

The nitrate association virtually a cooperative trust. The present nitrate association (Asociacion de Productores de Salitre de Chile) was formed in 1919. It is engaged in propaganda work to increase consumption, and also collects much valuable data. Its principal function is, however, the fixing of prices, and in that function there is considerable danger to our interests. The workings of the association, its rules and regulations, are beyond the scope of this report, so that no attempt will be made to describe them here. However, practically every nitrate company is a member of the association with the exception of American and German companies. The former because it was believed to be against the Sherman law, and the latter because they were not permitted to enter. The German companies are to be admitted to the association within the near future.

Not only that, but the railroads which operate between these fields and mines in which this nitrate is produced and the port of Iquique are controlled and owned by the British Government.

Mr. WADSWORTH. Will the Senator yield for a question?

Mr. STANLEY. Certainly.

Mr. WADSWORTH. The Senator is speaking of Chilean nitrates. He does not contend, does he, that the product which may be made at Muscle Shoals, after the plant is put in position to turn out ammonium sulphate, will take the place of Chilean nitrate in all respects?

Mr. STANLEY. Practically so.

Mr. WADSWORTH. The Senator knows that the product to be made at Muscle Shoals can not be used for propellant powders, does he not?

Mr. STANLEY. Certainly. I know you can not use sulphate of ammonia for munition purposes, but it can be converted to that purpose. But you can use cyanamid for that purpose, or you can use that plant for the purpose of making nitric acid. You have your towers there, and I am told this plant could be utilized for the making of nitric acid and the making of explosives whenever the Government so chooses.

Mr. WADSWORTH. Do I understand the Senator to say that ammonium sulphate can be used in both propellant and explosive powders?

Mr. STANLEY. No. This plant can make nitric acid. It can make cyanamid, or it can make the fertilizer, sulphate of ammonia. But the plant is available for the production of 40,000 tons of nitrogen, which can be used for propellants, or at least for a bursting charge, whenever you get ready to use it.

Mr. WADSWORTH. Only bursting powder. I ask this question because in a little colloquy which was had on the floor of the Senate yesterday the suggestion was made that we could spare more than 150,000 tons of our reserve of the Chilean nitrate in view of the plant, but that the plant can not take the place of the Chilean nitrate without more extensive alterations, not contemplated in the estimates given in connection with this bill at all. It would be unwise to dissipate more than one-half of our military reserve of Chilean nitrates.

Mr. STANLEY. I have not contemplated that, or asked it.

Mr. WADSWORTH. Mr. President, it would be absolutely necessary to change the bill, because the 1,600,000 tons of Chilean nitrates which it was estimated would be sold will not raise $12,500,000, which is required under this act.

Mr. STANLEY. That could be attended to as a mere detail by an amendment.

Mr. WADSWORTH. It is a very important detail. It is $12,000,000, but I know that is so small that we can look over it.

Mr. STANLEY. No; the difference in the fall in the price of Chilean nitrate would make a difference of one or two million dollars in the appropriation.

Mr. WADSWORTH. Has it fallen 40 per cent?

Mr. STANLEY. Compared with the necessity for the use of this plant.

Mr. WADSWORTH. The price of Chilean nitrate upon the market has fallen, and if you sold 150,000 tons of Chilean nitrate to-day you would only get seven and a half million dollars instead of $12,000,000.

Mr. STANLEY. What is Chilean nitrate now selling for—$55 a ton?

Mr. WADSWORTH. Fifty-two dollars. It was estimated at $83 at the time the bill was drawn and it is going lower than $52.

Mr. STANLEY. It may.

Mr. WADSWORTH. It is sure to do so.

Mr. McKELLAR. Would it not go back if there is no competition in the future?

Mr. WADSWORTH. There is no competition now except the by-product coke oven, which is a very important competition.

Mr. STANLEY. Whether the appropriation is made or whether the 150,000 tons be utilized for the purpose is a detail that can be determined later. The question I am calling to the attention of the Senate and that I regard of prime importance is that in time of war all our preparations in the way of ordnance and arms are useless unless the gun is loaded, and we can not load the gun without nitrogen, and there are only two sources of supply, domestic and imported. The Chilean fields are the only natural source from which we can import nitrogen. With those fields constantly diminishing, with the ores growing leaner and leaner all the time, now practically in the hands of the British Government—with all the potassium nitrate in the hands of the British Government—if we become involved either with a South American country or with Great Britain or with any country that she can control, or if we lose control of the sea without an adequate supply of fixed nitrogen, prepared as those foreign countries have prepared it by the installation of these plants, we are not in a position for self-defense, the country is not secure, and our arms are rendered comparatively worthless.

It is foolish, as I see it, to spend hundreds of millions or billions of dollars for instruments that are to use nitrogen and then leave the gun unloaded. As Gen. Williams has well said:

In so far as the Ordnance Department is concerned, our prime interest in this plant is maintaining it as a war insurance, on account of the fact that we are absolutely dependent on foreign sources for our supply of nitrogen, and we can imagine our position in case we got into a war and lost control of the sea. We would not then be able to maintain a war for six months unless we have plants of this kind.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). Does the Senator from Kentucky yield to the Senator from South Carolina?

Mr. STANLEY. Certainly.

Mr. SMITH of South Carolina. I would like to ask the Senator—further carrying out the question of the Senator from New York [Mr. WADSWORTH], when the estimate of $12,000,000 was made to complete the plant and it was also estimated that the 150,000 to 160,000 tons that we might dispose of on account of the duplication or supply of that quantity by the plant—if that estimate of $12,000,000 was not then predicated upon the present price of material and the cost of labor; and I was just wondering if the drop in the price of nitrate of soda was not almost equal to the drop in the price of the material that might be necessary to complete the plant, so that the sale of itself would practically take care of the necessary improvements.

Mr. WADSWORTH. Will the Senator from Kentucky permit me to ask a question of the Senator from South Carolina?

Mr. STANLEY. Certainly.

Mr. WADSWORTH. Surely the Senator from South Carolina can not point out any building materials that have decreased 40 per cent.

Mr. SMITH of South Carolina. There are some building materials that the Senator will find have decreased 40 per cent.

Mr. WADSWORTH. I should be very glad to hear of them, because I have myself been interested in building recently and I wish I had at hand that information.

Mr. SMITH of South Carolina. I think the Senator will find that brick, concrete, the wood that would go for the trusses——

Mr. WADSWORTH. Forty per cent since last spring?

Mr. SMITH of South Carolina. I rather think the Senator upon investigation will find they have fallen 40 per cent or more.

Mr. WADSWORTH. And labor?

Mr. SMITH of South Carolina. I expect in some forms of labor utilized the Senator will find it is a great deal more than 40 per cent.

Mr. WADSWORTH. A decrease of more than 40 per cent?

Mr. SMITH of South Carolina. Yes, sir.

Mr. WADSWORTH. That is very interesting.

Mr. SMITH of South Carolina. I am not speaking of skilled labor. That, of course, has a very slight variance at any time, but the common labor that will take the orders and carry out the purposes of the skilled labor, I think the Senator will find 40 per cent or more reduced.

Mr. WADSWORTH. It would be very interesting to look it up, because it has a bearing on the bill. It also has a bearing on the completion of the dam. But I notice that the Army Engineers estimates, instead of decreasing, are increasing.

Mr. SMITH of South Carolina. They are for another purpose.

Mr. WADSWORTH. What other purpose, except to construct?

Mr. SMITH of South Carolina. I am not pretending to speak authoritatively. I am only speaking from things that come under my own observation as to the relative prices paid now for unskilled labor, as compared with those that were paid during the time that this very estimate was made. I think the Senator will find that there is a decrease of 40 per cent or more.

Mr. WADSWORTH. I have not found it so in my personal experience.

Mr. SMITH of South Carolina. Perhaps the Senator is in a different locality from myself. I do not know that I could say that it is general. I do not know that there has been any reduction where there is organized labor, but when we come to the question of material, a great proportion of which would be necessary in this construction, I think it has gone down quite as much as the price of the nitrates.

Mr. LENROOT. Mr. President, I should like to ask the Senator a question.

Mr. STANLEY. I yield.

Mr. LENROOT. If it is true that sodium nitrate has dropped 40 per cent, would it not require an entire revision of the figures to determine whether this plant can be operated commercially at a profit?

Mr. WADSWORTH. May I say that the figures contained in these hearings are all out of date as a result in the change in the price of Chilean nitrate?

Mr. SMITH of South Carolina. May I state, if the Senator from Kentucky will allow me, that a question was asked by the Senator from New York or some one a moment ago in the colloquy, if there had been any practical demonstration in commercial channels of the use of products from this plant. Quite a good while before the war broke out the cyanamid from the only plant in America, which is the Niagara plant, was shipped across the country and sold to the fertilizer manufacturers along the whole South Atlantic seaboard and utilized in their balanced fertilizer and sold to the farmers. That was also true during the war. They tried to use the cyanamid as they had used the nitrate of soda, not that it was as rich in its nitrogenous content as the soda; but on account of it having lime as its carrier for nitrate, it was dangerous in its use, and quite a number of lawsuits grew out of its effect on the human skin. But so far as being used as a mixer in producing a balanced fertilizer, there is nothing in the world about its availability and the practicability of its use.

As to the cost of its production, I can not conceive why a great plant already installed, and installed under the pressure of war necessity, now equipped with the greatest water power perhaps in this country outside of Niagara Falls, which we partially own, can not produce as cheaply as or cheaper than the plant at Niagara Falls.

I think one should take the time to read the testimony of Dr. Whitney, who is an expert on this matter, showing the possibility of a combination of the phosphoric acid produced from low-grade phosphate rock by the discovery of a process of converting the phosphorus in low-grade rock into phosphoric acid by the sulphuric-acid process, sulphuric acid being the costly ingredient in converting phosphorus into phosphoric acid, which he intimated had been superseded by the use of silica in high pressure and great heat in a great retort, where they liquefy the air and extract the nitrogen. By the use of common red sand they produce phosphoric acid, and by the use of this heat they combine it so as to produce phosphatic nitrate, and by the same process they could extract potash or potassium from the green shales of the Appalachian and from the greensands of New Jersey. The Senator from New York [Mr. WADSWORTH], who was present, will remember that he displayed samples of the actual work done, in an experimental way, it is true, but showing the possibility of so developing from our own natural resources an unlimited supply of the very thing that the country is rapidly coming to depend upon absolutely.

At the proper time I wish to go a little further into this, believing, as I firmly and honestly do believe, that the conservation of our natural resources is going to largely depend upon conserving them by making the soil rich and fertile by artificial methods.

Mr. STANLEY. In further answer to the question as to whether it can be operated at a profit or not, Arthur Glasgow, an engineer of international standing and who has given the subject the most exhaustive investigation, when at present we are paying royalties to the cyanamid companies, which royalties were to be paid to June 9, 1920, and all of them to be subject to arbitration after that time, gives this calculation. He shows it by the use of steam power, and of course if water power is installed the cost will be much less. I am quoting now from the report of Arthur Glasgow to the Secretary of War. He says:

> For the middle period, from June 1, 1921, until water power is available (say until December, 1922, or 18 months), we may add 10 per cent to "Cost of product" for the first period, in substitution for operating fee, royalties, and contingencies, making—
>
> Total costs from June 1, 1921, until water power is available:
>
> | | |
> |---|---|
> | Cyanamid | $36.16 |
> | Nitrate | 96.90 |
> | Sulphate | 58.27 |

If cyanamid should go to $40 a ton instead of $55 a ton, we still would have in this sulphate of ammonia a better product at a cheaper price. The whole question of profit from this operation was discussed by Mr. Roberts, of the Ordnance Department, at great length.

He was asked all about this in the investigation. The Senator from Oklahoma [Mr. GORE], on page 11 of the hearings, which are printed in pamphlet form, asked this question:

> That $65 a ton that you mentioned, is that on the cost basis? Does that allow anything for interest on the investment?
>
> Mr. ROBERTS. We have figured here the cost price of the sulphate of ammonia, as soon as we get the water power running, as $48.22 to us, and if we sell it at $65 it will give us $16.80 profit per ton.

The Senator from South Carolina [Mr. SMITH] asked him what percentage of nitrogen there was in cyanamid. His reply was that it was from 19½ to 20 per cent. The Senator from Oklahoma again asked him this question:

> Would that allow enough now on the manufacturing cost of sulphate to pay interest on the investment?
>
> Mr. ROBERTS. Well, sir, we have figured this way, and I will answer your question. I have the figures before me. We have figured that cyanamid which can be sold—we have only calculated on using one of the units producing a very small quantity, a very small number of tons—73,000 tons of it—that is going to cost us oiled, hydrated, and made suitable for the farmer, $27, which gives $10.50 profit, because we are going to sell it at $37.50. The price of $37.50 for cyanamid means about 11 cents a pound for nitrogen, which is an extremely low price.

Mr. WADSWORTH. Mr. President——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from New York?

Mr. STANLEY. I do.

Mr. WADSWORTH. Does not the Senator recall upon examining these hearings that the estimate leaves out absolutely all charges for interest?

Mr. STANLEY. Yes.

Mr. WADSWORTH. Does not the Senator know that that will reduce the estimated profits; that it will cut them squarely in two?

Mr. STANLEY. We have $100,000,000 invested down there, speaking roundly, on which the interest charge would be, say, $5,000,000.

Mr. WADSWORTH. I am not speaking of the interest on money already invested; I do not believe we shall ever get that back; I refer to the money yet to be invested before the plant is completed. That is utterly left out. Mr. Roberts estimated that later in the testimony and according to the figures of that day there are $38,000,000 more to be invested at Muscle Shoals and in this nitrate plant before it can produce the ammonium sulphate which is mentioned by Mr. Roberts. That money has got to be taken from the taxpayers, probably in the form of bonds or something of that kind, and at least they are entitled to interest on it. The Government has got to pay interest on it, and we have got to charge interest on at least $38,000,000. It will be more than that, because we now hear that the dam is going to cost $45,000,000 instead of $20,000,000 as originally estimated.

Mr. STANLEY. I beg the Senator's pardon. The estimate of profit which I have read, of $16.80, is not based upon operating by the use of the dam. I read the estimate which was based on the use of steam power. If the dam is used the power will be produced at a much less cost.

Mr. WADSWORTH. No, Mr. President; we shall have to pay interest on the cost of the dam the year around, whether water power from the dam is used or not. That is chargeable against the product.

Mr. STANLEY. I understand that; but the estimate I read as to the cost of producing cyanamid is based upon the use of steam. If, for instance, they should use water power, they would produce this commodity at much less cost.

Mr. WADSWORTH. But the Senator remembers perfectly well that the estimate of Mr. Roberts was that this plant could be run at an annual profit of $2,500,000.

Mr. STANLEY. Yes.

Mr. WADSWORTH. That is, by the use of both water and steam?

Mr. STANLEY. Yes.

Mr. WADSWORTH. And that he failed to include in that interest on the money yet to be invested, which cuts it squarely in two. Then he did not include any deterioration on the acid plant.

Mr. STANLEY. That would be 5 per cent, say, on $38,000,000 if the dam shall be erected?

Mr. WADSWORTH. I am reckoning 5 per cent interest on $38,000,000, and I should like to know—and the knowledge could be gained only from experience—what would be charged for the deterioration of the plant itself, which is an item every business man has to take into consideration.

Mr. STANLEY. We have the plant in any event.

Mr. SMITH of South Carolina. Mr. President, will the Senator from Kentucky yield to me?

Mr. STANLEY. I shall be delighted to have the interruption of the Senator from South Carolina.

Mr. SMITH of South Carolina. I should like to ask the Senator from New York a question. I think I was the Senator who asked Mr. Roberts if it were contemplated that the plants now nearing completion should consume all the power which was to be developed. Is it not a fact that these plants, which it is estimated will produce the amount of fertilizer ingredients contemplated, will only consume a portion of the power, and that it is proposed selling the surplus power for commercial purposes? Is it not the statement incorporated in the hearings that there will be a tremendous surplus power which is going to be sold? I remember asking the question: How much of this cyanamid or sulphate of ammonia could be produced if they were to utilize the entire maximum power that is to be developed at the plant?

If an income of $2,500,000—I believe that is what the estimate was in reference to the profit arising—may be derived from a partial use of the power generated, what would be the estimated income from the sale of the surplus power that will not be utilized in producing fertilizers?

Mr. WADSWORTH. Nothing is said about that. That is a very curious thing in reference to this whole proposition from the business man's standpoint. As I recollect, the cost of producing the ammonium sulphate by water power was figured upon the basis of horsepower at something like five or six dollars a horsepower.

Mr. SMITH of South Carolina. No.

Mr. WADSWORTH. Yes; I think so; anyway, not over $7 per horsepower. If the surplus power is going to be sold in the vicinity of the plant at the same price that it is proposed to sell it to the plant, it will be necessary to charge the plant with horsepower at the same value at which it is charged to customers outside.

Mr. SMITH of South Carolina. That is a mere matter of bookkeeping.

Mr. WADSWORTH. But it involves millions of dollars.

Mr. SMITH of South Carolina. It might and it might not. It would not involve anything, in a way, if a reasonable profit could be made for the Government by using the plant and incidentally keeping it up and furnishing fertilizer for the basic industry of this country. There is quite a distinction between that and selling the product to some artificial corporation that is capable of taking care of itself.

Mr. WADSWORTH. Does not the Senator know that this plant is not going to sell fertilizer to the farmers? It is going to sell one-tenth of the value of the fertilizer to the fertilizer manufacturers.

Mr. SMITH of South Carolina. Not necessarily.

Mr. WADSWORTH. That is the testimony of the Secretary of War. It is not intended to establish selling agencies; it is not intended to turn out a finished fertilizer; it is intended to make ammonium sulphate which in value is one-tenth of commercial fertilizer.

Mr. SMITH of South Carolina. Yes; but ammonium sulphate is available to the individual farmer.

Mr. WADSWORTH. But it is to be sold to the fertilizer manufacturers and the fertilizer manufacturers are to sell the fertilizer to the farmer.

Mr. SMITH of South Carolina. Will the Senator from Kentucky allow me to interrupt him further?

Mr. STANLEY. Certainly.

Mr. SMITH of South Carolina. The Senator from New York must understand that the sulphate of ammonia is already available to the farmer. He can purchase it as well as can the fertilizer companies. What is there in the bill that requires the corporation which is going to be created to sell to the fertilizer companies alone if a farmer presents to it an order to purchase the material?

Mr. WADSWORTH. Now, we are talking about a different kind of business. It is contemplated, then, to establish selling agencies and distributing agencies, but the expense of such agencies must be charged against the cost of the product.

Mr. SMITH of South Carolina. I beg the Senator's pardon.

Mr. WADSWORTH. Those items are not charged against the cost of the product in Mr. Roberts's estimate, and the Secretary of War testified—and he was backed up by Mr. Roberts and all of the others who proposed this particular organization—that it was not the desire nor the intention of the United States Nitrate Corporation to do anything more than to sell to the manufacturers of fertilizer.

Mr. SMITH of South Carolina. I should like to ask the Senator from New York what is the difference between the selling of a minimum amount—a carload lot, for instance—to a farmer and selling it to a fertilizer manufacturer? If I can purchase it and have it shipped to my farm, there is no more necessity for a selling agency in that operation than there would be if it were sold to a fertilizer manufacturer. The fertilizer manufacturer might not want more than two carloads.

Mr. WADSWORTH. I am astounded that the Senator from South Carolina can not see that it costs something to sell commodities.

Mr. SMITH of South Carolina. The corporation will have to sell to the fertilizer manufacturers.

Mr. WADSWORTH. Yes; but there are only a few of them.

Mr. SMITH of South Carolina. Exactly.

Mr. WADSWORTH. But there are thousands upon thousands of farmers, and if we try to reach them by selling agencies, to coax them to come and buy what they need, or to place orders for delivery, it is going to cost money; it will be necessary to advertise; it will be necessary to employ agents; it will be necessary to send out literature. There is not a business concern in the United States that will not testify that it costs money to sell goods.

Mr. SMITH of South Carolina. That is true as a matter of course, but what is the reason why, if the plant is operating and I know that they have the goods at a certain price, I can not send in my order without their soliciting it?

Mr. WADSWORTH. Has the Senator thought anything of the clerical help that will be necessary? In other words, the Senator contends that it costs no more to sell goods at retail than it does at wholesale.

Mr. SMITH of South Carolina. No; I am not contending anything of the kind.

Mr. WADSWORTH. That is the contrast between the two.

Mr. SMITH of South Carolina. I am not proceeding on any such line as that. I am taking issue with the Senator's statement that it is contemplated only to sell as an ordinary commercial organization would sell to the manufacturer because the manufacturer takes it in great bulk.

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Mr. WADSWORTH. That is all the estimate contemplates; that is what I have been talking about; that is all that Mr. Roberts's estimate contemplates. If it is now contemplated to sell to individual farmers, there must be added selling expense; but nothing is estimated for selling expense.

Mr. SMITH of South Carolina. Even if they have to go out and solicit what we call retail lots—and carload lots, I presume, would come under the head of wholesale—the clerical force necessary to take care of and ship the orders would amount to a mere bagatelle, if included in the estimate; the clerical force would not need to be increased by one-tenth of 1 per cent.

Mr. WADSWORTH. Under a Government corporation?

Mr. SMITH of South Carolina. Yes; under a Government corporation.

Mr. GRONNA rose.

Mr. McKELLAR. Will the Senator from Kentucky yield to me to ask the Senator from New York a question?

The PRESIDING OFFICER. To whom does the Senator from Kentucky yield?

Mr. STANLEY. I yield first to the Senator from Tennessee.

Mr. McKELLAR. I desire to ask the Senator from New York if I understand him to say that it is provided in the bill that the Government can only sell to fertilizer companies the nitrates produced by it?

Mr. WADSWORTH. No; the Senator from New York did not say that.

Mr. McKELLAR. I have not myself seen anything of that kind in the bill.

Mr. WADSWORTH. I was asking the Senator from Kentucky about the accuracy of the estimate made by Mr. Roberts as to the cost of producing this commodity and selling it, and in connection with the testimony I reminded him and the Senator from South Carolina that it was the purpose of the proposed corporation, as outlined by the Secretary of War and Mr. Roberts himself, not to sell to farmers, but to sell only to the manufacturers of fertilizer, thereby avoiding the creation of an elaborate selling organization. Then I went on to say that if the policy of the corporation were later changed and it was determined to sell to the farmers direct, a selling organization must be erected as a part of the machinery of the corporation, and the cost of that selling organization must be charged against the cost of the product. It is simply business, that is all.

Mr. McKELLAR. I can understand that; but I did not understand this bill to provide that the views of the two gentlemen who happened to be testifying would be controlling at all; but whoever is to control the organization, its directors or managers, shall determine to whom the product shall be sold.

Mr. WADSWORTH. The management of the corporation under the terms of the bill is solely and entirely in the hands of the Secretary of War. He is to appoint the directors, and at his pleasure may remove the directors.

Mr. McKELLAR. The Secretary of War is not a fixed institution. He is changed every once in a while.

Mr. WADSWORTH. Yes; there is going to be a change very soon.

Mr. GRONNA. Mr. President, will the Senator yield to me?

Mr. STANLEY. I yield to the Senator from North Dakota.

Mr. GRONNA. I dislike very much to interrupt the Senator and break the continuity of his remarks; but I want to say that while it is true that the Secretary of War did make the statement before the committee that he had never thought it wise to sell this product at Muscle Shoals directly to the farmer at retail, the Senator from New York has overlooked a very important matter, and that is that we are discussing wholesale prices, prices to the trade, prices to the merchant. We are not discussing the price to the farmer, and as a man who has had some experience in this connection, I should be very glad to sell the product at the profit which is generally received by the fertilizer corporations, the difference between the price which we are discussing and the price which the farmer has to pay. I was going to suggest to the Senator from South Carolina that there would be no danger of not being able to get sufficient money if you take the difference between the price which we are discussing here and the price that the farmer actually must pay.

Mr. HEFLIN. Mr. President, if the Senator will yield to me——

The PRESIDING OFFICER. Does the Senator from Kentucky yield to the Senator from Alabama?

Mr. STANLEY. I shall be delighted to yield.

Mr. HEFLIN. I shall take only a moment, because the Senator is making a very interesting and able speech.

Before the Committee on Agriculture of the House, of which I was a member, Mr. Washburn, an expert upon this matter, appeared. I asked him if the cost of fertilizer to the farmer would be reduced by the establishment of such a plant as this, and if so, about how much. He closed his statement by saying:

It will give the farmer his fertilizer for one-half of what he otherwise would pay for it.

So, whether we should sell to the fertilizer company and it should sell to the farmer or not, a statement is in the hearings to the effect that the farmer will receive the fertilizer ultimately for half of what he paid for it formerly.

Mr. WADSWORTH. Mr. President, will the Senator say who gave that testimony?

Mr. HEFLIN. Mr. Washburn.

Mr. WADSWORTH. What page is it on?

Mr. HEFLIN. This was in the hearings before the Agricultural Committee in 1916. It is in response to a question that I asked him, and is quoted in the CONGRESSIONAL RECORD.

Mr. WADSWORTH. 1916?

Mr. HEFLIN. 1916 or 1917; 1916, I think.

Mr. WADSWORTH. That is four years ago. Was not Mr. Washburn talking about his own company then?

Mr. HEFLIN. I was talking about the establishment of a nitrate plant in Alabama, at Muscle Shoals.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly.

Mr. LENROOT. That was at the time when the American Cyanamid Co. made the proposition that if the Government would spend $20,000,000 for the dam, the American Cyanamid Co. would spend $24,000,000 for the cyanamid factory; and then, as an inducement to get that $20,000,000 from the Government, did not Mr. Washburn say that if we would do that the result would follow?

Mr. WADSWORTH. Certainly. It has nothing to do with this bill.

Mr. HEFLIN. My point is that wherever this plant is established, the farmer will get his fertilizer for half of what he paid before.

THE VITAL QUESTION.

Mr. STANLEY. Mr. President, whether or not there is included in this calculation 5 per cent on $38,000,000, while that is an item of importance in itself, it is a mere detail when you consider it in connection with the importance of the great measure involved. The vital question before the Senate and the country is, Shall we be prepared to produce a sufficiency of fixed nitrogen to supply in a measure the needs of the country in time of war and to supply a needed fertilizer for the rehabilitation of the soil in time of peace? If we fail to do it we shall be the only civilized country on earth that has ever depended upon a remote country for a substance that is a saver of life unto life and death unto death, whether in peace or in war. We shall be the only civilized country in the world that will look for the rehabilitation of her soil in time of peace and for the success of her armies in time of war to the lean and diminishing fields of far-off Chile.

I readily concede that it is better to save a million dollars in interest than to pay it. Do you know that we paid in bounty to the Chilean Government in a single year during the war the enormous sum of $20,000,000—not for nitrate but for bounty? We have paid to the Chilean Government since 1878, $163,647,680 for bounty.

Following is a statement of export duty paid to the Chilean Government from 1867 to 1919. It is estimated that this year will be paid not less than $11,277,000 in bounty to this Government.

Fiscal year—	Long tons.	Value.	Average value per 100 pounds.	Export duty.
1867	13,150.00	$563,624.20	$1.92	(1)
1868	8,230.00	282,785.00	1.54	(1)
1869	12,900.00	600,691.00	2.08	(1)
1870	13,900.00	752,604.00	2.42	(1)
1871	22,400.00	1,254,963.00	2.49	(1)
1872	16,000.00	934,118.00	2.61	(1)
1873	26,700.00	1,469,243.00	2.46	(1)
1874	27,700.00	1,338,141.00	2.16	(1)
1875	23,300.00	968,855.00	1.85	(1)
1876	23,100.00	1,055,357.00	2.04	(1)
1877	24,300.00	1,324,299.00	2.44	(1)
1878	18,800.00	973,223.00	2.32	(1)
1879	34,100.00	1,348,880.00	1.76	$142,338.00
1880	30,400.00	1,830,396.00	2.69	380,912.00
1881	43,800.00	2,356,167.00	2.40	548,814.00
1882	82,300.00	3,911,610.00	2.12	1,031,219.00
1883	57,200.00	2,336,681.00	1.82	716,716.00

[1] None.

Fiscal year—	Long tons.	Value.	Average value per 100 pounds.	Export duty.
1884	54,000.00	$1,983,378.00	$1.64	$676,620.00
1885	48,800.00	1,696,055.68	1.55	611,464.00
1886	45,100.00	1,681,824.14	1.67	565,103.00
1887	76,800.00	2,614,162.00	1.52	962,304.00
1888	80,000.00	2,449,639.40	1.37	1,002,400.00
1889	67,500.00	2,275,993.00	1.51	845,775.00
1890	91,300.00	2,709,130.72	1.33	1,143,989.00
1891	98,091.67	2,929,759.78	1.34	1,229,087.3721
1892	105,341.47	2,976,818.00	1.26	1,319,928.6191
1893	93,436.55	3,063,012.00	1.46	1,170,759.9715
1894	88,079.00	2,785,048.00	1.42	1,103,629.87
1895	124,803.00	4,124,712.00	1.48	1,563,781.59
1896	127,557.00	3,870,724.00	1.35	1,598,289.21
1897	83,231.00	2,640,389.00	1.42	1,044,137.43
1898	125,081.00	2,729,750.00	.98	1,567,264.93
1899	122,314.00	2,054,805.00	.75	1,532,594.42
1900	184,247.00	4,736,807.00	1.15	2,308,614.91
1901	203,609.00	5,776,566.00	1.27	2,551,220.77
1902	192,321.00	5,565,361.00	1.29	2,409,782.13
1903	252,084.00	7,737,405.00	1.37	3,158,612.52
1904	293,574.00	9,259,656.00	1.41	3,678,482.22
1905	282,229.00	9,683,396.00	1.53	3,536,329.37
1906	373,986.00	13,117,887.00	1.56	4,688,044.88
1907	342,073.00	14,041,202.00	1.83	4,286,174.69
1908	330,090.00	12,546,611.00	1.69	4,136,027.70
1909	353,494.00	12,583,417.00	1.68	4,429,279.82
1910	550,495.00	16,874,682.00	1.37	6,897,702.35
1911	546,525.00	17,101,140.00	1.40	6,847,958.25
1912	481,739.00	15,431,892.00	1.43	6,036,189.67
1913	589,136.00	20,718,968.00	1.57	7,381,874.08
1914	564,049.00	17,950,786.00	1.42	7,067,533.97
1915	577,122.00	16,335,701.00	1.26	7,231,338.66
1916	1,071,728.80	32,129,397.00	1.35	13,428,751.84
1917	1,261,659.00	44,231,240.00	1.57	15,806,587.27
1918	1,607,020.00	70,129,026.00	1.95	20,135,900.00
1919	1,346,679.00	68,229,548.00	2.27	16,873,887.87
	13,313,673.59	480,087,147.92	.....	163,647,680.6827

NOTE.—The value given here is based on the value at the port in Chile, and does not include export duty paid to the Chilean Government, ocean freight, insurance, commissions, etc. Before 1914 freight from Chile to the United States was about $7.50 per ton; at the present time it is about $17.50. In 1879 an export duty was put on nitrate shipments from Chile, and amounted to about $4.18 per long ton. In 1880 this duty was raised to $12.53 per long ton, and has not been changed since that time. The export duty paid to the Chilean Government on all nitrate of soda coming to the United States up to July 1, 1919, would amount to $163,647,680.6827.

Mr. NORRIS. That is in addition to the fertilizer?

Mr. STANLEY. That is not for the fertilizer. That is an export duty that we pay on the fertilizer. To compete with the American manufacturer, these concerns must not only produce the fertilizer but must pay $12.53 a ton for the privilege of taking it out of Chile. Any interference with our control of the sea, any interference on the part of the Chilean Government, any effort on the part of Great Britain to prevent the exportation of this product by the Chilean Government, any purchase of this 3,000,000 tons of nitrate of soda by any Government in the world, would be fatal to this country. It is stated in the hearings by those who are qualified to know that, if the German Government had purchased the output of the Chilean mines before we went into the war, at the time we went into the war we would have been utterly helpless in so far as the production of an adequate amount of nitrogen for the needs of the Army was concerned. It strikes me as absurd that this Government should have her arsenal in Chile, with the key to that arsenal in the hands of the British Government.

Mr. LENROOT. Mr. President, will the Senator yield?

Mr. STANLEY. Certainly.

Mr. LENROOT. Where did Germany get her explosives?

Mr. STANLEY. I am delighted the Senator has asked that question. She produces it as we should and can. Germany produces 300,000 tons of nitrogen per annum by the Haber process, the equivalent of 1,800,000 tons of Chilean nitrate. She produces 150,000 tons of nitrogen from her coke ovens. She produces 120,000 tons of nitrogen from her cyanamid processes. Germany, as the Senator understands, was cut off from the sea. She is absolutely dependent upon domestic production. Not only that, but Japan, France, Great Britain—every other civilized country except this—with any eye to the future, has, at Government expense or by Government aid, made arrangements for the fixation of nitrogen from the air. If we demolish this plant, if we close its doors, we shall be the only country in the world that is not producing fertilizer for the use of the people in time of peace, and that is not prepared with an adequate supply of nitrogen in time of war.

Mr. LENROOT. Mr. President, can the Senator state what percentage of Germany's explosives was made from nitrogen procured by fixation from the air?

Mr. STANLEY. No.

Mr. LENROOT. Was it a small percentage?

Mr. STANLEY. It may have been, because this Haber plant was completed in the latter part of the war. At the beginning of the war Germany's great plants were not in operation.

Mr. LENROOT. Germany had no great water powers. She did not require any such great amount of power with such a large investment as is here contemplated, did she?

Mr. STANLEY. That is the reason why she went to the Haber process. It only needs one-quarter of 1 horsepower to produce a ton.

Mr. LENROOT. And if we had the same knowledge of the Haber process that Germany has, we would be in quite as good a position as Germany, would we not?

Mr. STANLEY. We certainly would not, because we would not have the Haber plant.

Mr. LENROOT. We have all the constituent elements, except that they know some things that we have not yet discovered.

Mr. STANLEY. We do not know how to operate the Haber plant and nobody else knows. The experts have testified that they would be perfectly willing to allow the Frenchmen to take their formula and operate their plant if they could.

Mr. LENROOT. Our own people are hoping to make that discovery at almost any time, are they not?

Mr. STANLEY. Mr. Scott, who I understand is one of the six greatest engineers of the world, and is a member of the British munitions commission, has testified that he believes that with a little effort on the part of American chemists and engineers we can take the plant we have now at Muscle Shoals, the smaller of the two plants, and soon learn to operate it.

Mr. LENROOT. Then, if we could, we would not need this very large investment that is contemplated by the water power to be created at Muscle Shoals, would we?

Mr. STANLEY. Why, certainly we would need it.

Mr. LENROOT. Not any such amount of power.

Mr. STANLEY. The 40,000 tons of nitrogen which this plant would produce is nothing in comparison with the production per annum of the countries with which we are likely to be at war.

Mr. LENROOT. The Senator does not get my point. If we should get what Germany has, we could manufacture this product without any such amount of power as is necessary under present conditions.

Mr. STANLEY. Oh, that goes to the erection of a dam?

Mr. LENROOT. Yes, sir.

Mr. STANLEY. If we should discover how to use the Haber process, we might produce nitrogen by that process. Whether we could produce it as cheaply as it can be produced by the cyanamid process is the question. It is a strange thing—I went into that matter yesterday, I will say to the Senator from Wisconsin—that no country in the world except Germany has ever depended upon the Haber process. France has erected with Government aid a good many of these plants since the signing of the armistice. The French Government, in fact, either on its own initiative or behind private concerns, has erected nine great plants for the fixation of nitrogen from the air, and every one of them is a cyanamid plant. Canada has utilized the cyanamid process. There are about 46 of these plants, I think, in operation. There are in the world 8 of the arc-process plants, 35 of the cyanamid-process plants, and 1 of the Haber-process plants, outside of our attempt in the United States.

So I am firmly of the opinion that if we understood the Haber process it would pay us to utilize our water power.

Mr. President, there are two dangers which face every civilized country in the world.

SOIL EXHAUSTION.

All the obliterated, all the civilizations of the past, owe their destruction to one of two causes. One, the force of arms, overthrowing the political institutions of a country; and the other, the depletion of its soil. The barrenness of the soil ends the national life of a country dependent upon it. A political revolution may restore a people whose soil is still fertile. The soil of this country is being depleted, is being robbed of the most essential element of its productivity and its life, and that element is nitrogen. As I have said, there are wheat fields to-day in France that were golden in the days of Charlemagne. There are wheat fields in England that were garnered in the time of Alfred the Great. There are wheat fields in Germany older than the feudal system that are to-day producing 30 bushels of wheat to the acre. Your wheat fields in the United States without the use of nitrogen will produce little more than half of it. What would be the result? What would be the effect upon our industrial life and our prosperity if we would learn some of the wisdom of the intensive farmers across the sea, if we would utilize this great fertilizer simply in the production of cereals alone? We could double the production of wheat per acre in the United States without any

material increase in the cost and with no material increase in the labor.

Before this question, so infinite in its future, so beneficent in its effects, so vital to the life and puissance of the Nation, it does not matter so materially whether our estimates are correct to the cent, whether the sheet balances to the mill. The great question is, Shall we utilize this great instrumentality, this great apparatus, the greatest of its kind in the world, or shall we junk it or lock it up to the needy agriculturists of America?

The letter from Mr. Davis is as follows:

WAR DEPARTMENT,
Washington, December 3, 1920.

MY DEAR SENATOR STANLEY: I believe the data set out below are what you desire with regard to the nitrate situation.

The only information available here with regard to the cost of production of Chilean nitrate is derived from three different sources and for different dates. The figures given include the export duty imposed by the Chilean Government.

Federal Trade Commission report of 1916 on the fertilizer industry gives the price, as of 1903, at approximately $1.16 per hundredweight.

A paper read by Prof. Belisario Dias Ossa, before the Eighth International Congress on Applied Chemistry, in 1912, gave the price at that time as $1.36 per hundredweight.

The London Statist gives the price, as of 1920, as approximately $2.16.

Information as to how the above costs are arrived at is available only with reference to the paper read by Prof. Ossa. His figures of $1.36 is divided as follows:

Item.	Per cent.	Cost.
Export duties	41	$0.5576
Miscellaneous supplies—sacks, powder, etc	6	.0816
Freight and lighterage and commissions	11	.1496
Administration and general expense	3	.0408
Labor	19	.2584
Fuel	11	.1496
Amortization	9	.1224
Total	100	1.3600

Ocean freight rates to Atlantic and Gulf ports before the war were approximately 33 cents per hundredweight; during the war, 78 cents per hundredweight; and now, from 29 cents to 40 cents per hundredweight. You asked for rates to San Francisco, but I find that practically all nitrates came through Atlantic and Gulf ports, because of the prohibitive cross-continental freight rates.

The cost of nitrate in this country in 1912, on board cars at seaboard, was from $2.25 to $2.60; during the war this price rose as high as $5 per hundredweight. The present price is approximately $2.75 per hundredweight.

With regard to freight rates from seaboard to munitions plants, I take two routes as examples: New Orleans to Old Hickory, governmental rate $3.98 per net ton, which is about $1 lower than commercial rates because of land-grant railroads. The rate from Norfolk to Hopewell, Va., was $2.38, which governed both governmental and commercial shipments.

I assume that you have before you the Senate hearing held some months ago with reference to the nitrate situation. The Secretary of War believes this hearing to contain about all the available information with regard to the subject.

Cordially, yours,
FRANK B. DAVIS,
Confidential Clerk.

Hon. A. O. STANLEY,
United States Senate.

Mr. WADSWORTH. Mr. President, I offer an amendment to the pending measure, and ask that it be printed and lie on the table.

The VICE PRESIDENT. The amendment will lie on the table and be printed.

Mr. SMOOT. Does the Senator from New York offer just the one amendment, or all the amendments he intends to offer to the bill?

Mr. WADSWORTH. Just the one I regard as more important. Those I intend to offer later on are so voluminous that I doubt if they could be displayed in print very well. They all have to do with a certain theory I have about the pending legislation.

Mr. SMOOT. The Senator has not put them in form so that he can offer them as a whole?

Mr. WADSWORTH. No; not as a whole.

Mr. LENROOT. May I ask the Senator whether it is his intention to offer all his amendments a sufficient time in advance to give Senators an opportunity to consider them?

Mr. WADSWORTH. Yes.

Mr. LENROOT. There may be some of us who might offer amendments, but if we knew what his were we might find that they cover the points. That is all I had in mind.

Mr. WADSWORTH. The amendment I have just offered has to do with the capitalization of the proposed corporation. Then I intend to offer amendments later on which will withdraw this corporation entirely from the jurisdiction of the War Department and place it under the Treasury Department, because I believe that soldiers ought not to be running a business concern.

Mr. SMOOT. I wish the Senator had his amendments prepared and would offer them en bloc, so that we could take the bill and see just the differences between the bill itself and the amendments offered by the Senator.

Mr. WADSWORTH. I will try to get them ready before we adjourn.

Mr. SMOOT. I wish the Senator would, because I would like to see them. I would like to take the bill and see what effect the amendments have upon the bill, for in discussing it I may want to refer to the amendments which the Senator proposes to offer.

Mr. McKELLAR. Mr. President, I have listened with a great deal of interest to the splendid speech of the Senator from Kentucky [Mr. STANLEY]. It is a very learned statement of the case, and I do not feel that I can add to it, except to give what seems to me a common-sense view about these plants which have already been established at Muscle Shoals and about the dam which is also under construction.

This Government has depended for all time for its nitrates for war purposes upon the nitrate beds of Chile. If our communication with Chile were cut off at any time, we would be without sufficient nitrates to wage a war. Naturally, that is a condition no country ought to be in. It is surely a position the United States of America ought not to be in. We ought not to be dependent for our nitrates for war purposes upon any other Government in the world, and especially so when we are able to prevent it.

That was the view we took of it when the World War broke out. We knew it was not right, it was not the sensible thing, to be dependent upon the Chilean nitrate beds for our supply of nitrates to go into gunpowder, and therefore we immediately established these two great plants at Muscle Shoals. It was an ideal place for them, for the reason that at the same time we started to build the dam there so as to get enormous water power by which the nitrogen from the air could be fixed. Those two works have gone on in a measure hand in hand. Appropriations have been made from time to time by which the work has proceeded on the dam, which is not yet completed. Work has continued upon these power plants, which also are not entirely completed.

The question is whether we shall go on with these power plants and go on with the work on the dam at Muscle Shoals and complete the work now nearly finished. Both of those propositions are not in this bill, but both of those propositions are before Congress and must be determined at this session.

Mr. President, it just happens that the same nitrates which are used for gunpowder in times of war are absolutely essential for the manufacture of fertilizers in time of peace. The United States is dependent upon the Chilean nitrate beds for her fertilizers in times of peace. It is almost as essential, certainly just as essential, for this country to have unlimited supplies of nitrogen for fertilizer purposes in time of peace as it is to have the nitrogen for gunpowder in time of war.

What should we do about it? Here the plants are nearly completed. Shall we finish those plants and use them for the manufacture of nitrates for fertilizer purposes, or shall we abandon the plants? We have spent some $85,000,000 on those two plants. Are we going to throw all this money away? Are we going to scrap the $85,000,000 plants? Is it possible we are going to do what we have done in the cases of other plants—sell them out for about 5 per cent, or less than 5 per cent, of their cost? I have no doubt that will be the best we can do if we scrap them. It does seem to me that no sensible Government on earth would take plants that cost $85,000,000 and throw them away when they can be utilized for the manufacture of that ingredient in fertilizer which is most necessary to the American farmer, and especially when that ingredient is now controlled by a trust. It would be hardly less than criminal for us to throw away these plants at this stage of the game. Again, it has been proposed that we should just keep them there.

Shall we just keep them there and let them rust, and not do anything with them, looking forward to another war? It seems to me that plan also would be equally foolish and quite as criminal. It does seem to me that the only businesslike and sensible thing to do is to complete the plants and let them make fertilizer for the farmers of the United States in times of peace, because a great trust has gotten control of the nitrate beds of Chile, and our farmers, in the matter of fertilizers, are virtually in the hands of this trust. If we complete these plants we will have the manufacture of fertilizers on a competitive basis at all times, and surely, it seems to me, that is a condition that is very greatly desired.

The Senator from New York [Mr. WADSWORTH] said that this corporation is not likely to make the profits that is expected, that the Government is not going to make the $2,000,000

that has been estimated as profit. Suppose the Government does not make a profit on it. If it furnishes an inexhaustible supply of fertilizer to the farmer at a low price, and at the same time guarantees a guaranty of our having our own nitrate plant in time of war, we have done well to continue these plants, whether the Government does more than break even on them or not.

Talk about making money out of it! If we scrap the plant, we deliberately throw away about $85,000,000, because you are not going to get over four or five million dollars for those plants. We might as well look the facts straight in the face; that is all we will get out of them. Whenever you scrap those plants down there, you are not going to get over four or five million dollars at the outside for what has been done, and I doubt very much whether you will get that much out of it.

Under those circumstances it does seem to me that there is but one thing for us to do, and that is to do the business-like thing and complete the plant and manufacture the fertilizer for the benefit of the farmers of the country, and be guaranteed an American supply of nitrates in time of war.

Mr. STANLEY. At that point, it is admitted this plant is not as valuable as salvage as the nitro plant in West Virginia, and that brought in about $3,000,000.

Mr. McKELLAR. I think it brought a little more than that, but at the outside I would say these plants if salvaged would bring somewhere between three and five million dollars, five at a high estimate, and three at a low estimate; and the Government would be facing a loss of some $80,000,000 or more. Here we not only stand to prevent the Government from losing that money but the money itself will be used for the best purposes possible—namely, to furnish fertilizer at a low cost to the farmers in peace times and held as a plant almost immediately convertible into use for war purposes.

Who is against it? The American Cyanamid Co., of course, is against it, because it would interfere with their business.

The Fertilizer Trust is against it, and why? Because it interferes with their business. The Chilean nitrate industry is against it—why? Because it interferes with their business. Everybody whose business is interfered with is against it, of course. The farmers are not against it. They want it. If we are the true and genuine friend of the farmer, we will show it by voting to complete these plants and to complete the big dam at Muscle Shoals, which will produce so much water power that can easily compete with the Chilean Nitrate Trust in the production of nitrates.

Mr. LENROOT. Mr. President——

Mr. McKELLAR. I yield.

Mr. LENROOT. Does the Senator know the position of the Alabama Power Co. with reference to the bill?

Mr. McKELLAR. No; I do not. I am not privy to their inside views and I do not know what their view is. If the Senator knows their position, I would be delighted to have him state it, because I would like to know.

We say a great deal about the farmers. We talk about our friendship for them. Yet at the same time we do very little for them. They are intensely interested in this matter. The appropriations that we make for the farmers of the country are less than one-half of 1 per cent of the entire appropriations that the Congress makes. One-half of 1 per cent of the appropriations that are made by the Congress are made in the interest of the farmers, and the farmers compose nearly one-half of our population—about 40 per cent, I believe. That is all that Congress does for the farmers in the matter of appropriations.

Mr. THOMAS. Mr. President——

Mr. McKELLAR. I yield to the Senator from Colorado.

Mr. THOMAS. What is the basis of the Senator's computation?

Mr. McKELLAR. I take the entire amount of annual appropriations by the Congress; I then take the $31,000,000 which I think we appropriated last year for agriculture, and by simple arithmetic arrive at that result.

Mr. THOMAS. The basis of the computation, then, is——

Mr. McKELLAR. The amount appropriated for agriculture.

Mr. THOMAS. The amount carried by the Agricultural appropriation bill?

Mr. McKELLAR. It is.

Mr. THOMAS. The Senator then does not admit that any of the other appropriations benefit the farmer?

Mr. McKELLAR. Oh, yes; but I was speaking of those that go directly to the farmer. I think we could compare it in this way. For instance, we appropriate so much for the Army, so much for the Navy, so much for agriculture, so much for the Indians, and so much for various other activities of the Government.

Mr. THOMAS. The Department of Commerce carries how much every year?

Mr. McKELLAR. It is a very small amount, less than one-fourth of 1 per cent, as I recall. It is wholly an inadequate amount. I believe that it would pay us a great deal better to appropriate larger sums for agriculture and for commerce in the country instead of devoting billions to our Army and Navy, having them always ready to fight a war which may or may not come and which is always costly and destructive, even when we win it, and for which, because of discoveries and inventions, we can never safely prepare in advance.

Mr. THOMAS. I think that is true.

Mr. McKELLAR. Yet the Senator knows that some 90 per cent of all the great appropriations of the Government are for war purposes, and not 1 per cent, not three-fourths of 1 per cent, for both commerce and for agriculture together. We ought to pay more toward building up our commerce and agriculture, and especially so since we have just had the luxury of a great war, and will not likely have another for several years.

Mr. THOMAS. I know, Mr. President, that more than 90 per cent of all the revenues of the United States are appropriated either for wars that we have fought or wars that we expect to fight.

Mr. McKELLAR. Yes; either for wars past, present, or future.

Mr. THOMAS. I have always assumed that our appropriations for general agricultural and commercial and manufacturing and other purposes were interrelated with each other and mutually beneficial. I think they are.

Mr. McKELLAR. I think the Senator is correct to some extent, but in segregating appropriations and in forming computations the best method of getting at it is by taking what is appropriated for the Department of Agriculture, which is $31,000,000 and which is less than one-half of 1 per cent of what we appropriate for all purposes.

As I said, the primary purpose of establishing the plants was both for war purposes and for peace purposes—nitrogen for gunpowder in time of war and nitrogen for fertilizer in time of peace. When the plants were started that was the professed purpose. We carried it on so as long as the war lasted, but now that the time comes when the plants will be beneficial to the farming interests of the country, we find a disposition on the part of some not to carry out that peace purpose. It seems to me that peace purpose ought to be carried out.

Mr. President, I do not always agree with Secretary Baker; I frequently disagree with him, but I wish to call the attention of the Senate to his testimony on the subject of these plants as it occurs in the hearings. He sets out with remarkable clearness and ability and thoroughness, as it seems to me, the benefits that will accrue from operating these plants by a Government corporation. I am not going to read it all, but I ask permission to insert as a part of my speech quotations from the testimony of Secretary Baker on this very important subject, reading the more important excerpts.

The VICE PRESIDENT. Without objection, permission is granted.

The matter referred to is as follows:

SECRETARY BAKER'S TESTIMONY ON THE SUBJECT.

Excerpts from the testimony of Secretary Baker, given in the hearings, are as follows:

"I want, however, to open the hearing, if I may, by a statement which will show the committee the importance of the project under consideration. During the war we spent approximately $85,000,000 in building two nitrate plants at Muscle Shoals. Plant No. 1, the smaller of the two, is known as the Haber Process Plant; and the larger of the two, or No. 2 plant, upon which something over $70,000,000 has been spent, is known as the Cyanamid Process Plant.

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"If I may continue as I was going, there are three possibilities: One is the disassembling and salvaging of the plants, and because of the loss involved that is quite out of the question. The second is to put the plants in stand-by condition, paint their corrodible parts and let them stand there idle and do nothing with the plants until another emergency arose, if any does arise, and keep as an emergency reliance of the Government. That, of course, is a tremendously expensive thing to do, because we would get no interest at all upon the $85,000,000 invested, and it is not unlikely that by the time another emergency would arise which would require us to resort to plants using processes developed in the future by other people and so changed as to make those we have an obsolete or obsolescent reliance. * * * The third course which I am going to suggest, and the course which I recommend, and upon which this bill is based, seems to be the only practicable one, and that is to operate the plant with such slight additions to its machinery as to make its products more readily available as fertilizer, and by the process of continuous operation and the development of processes it may be possible in the operation to keep it constantly up to date, making it increasingly useful for the purposes of agriculture and for fertilizers, and keeping it constantly ready for any emergency of war, so that the Government may have a reliance for its explosive needs.

"I think probably I need not say this, because I think everybody knows it, but history shows that every nation which has disappeared out of civilization of the world went out by one or the other of two courses: It was either vanquished or destroyed by military processes,

or it exhausted its soil and had to move. So far as I know, there is no exception of that in the history of nations.

* * * * * * *

"The principal product which we are at present equipped to make, Senator, is cyanamid. There are many people who believe that cyanamid is in itself a fertilizer. It undoubtedly is a fertilizer, but it has not yet been accepted by the agriculturalists of the country as a complete fertilizer or an adequate and available fertilizer so that the possibility of disposing of the entire product of the plant if it were run to capacity and produced nothing but cyanamid is not at present good. But what the future of that may be, we do not know. Therefore, we are proposing to add to that additional processes and machinery to be installed which will enable us to produce the sulphate of ammonia, which is a very much better product for commercial fertilizers than cyanamid, because it is a better drillable product, less hygroscopic than the products that we are now making, than ammonium nitrate, for instance, which we make there in large quantities, and it is therefore better adapted to the commercial agricultural-fertilizer market.

"The amount of Chilean nitrate which this country in prewar times has imported is estimated to be about 500,000 tons.

"Senator WADSWORTH. Per year?

"Secretary BAKER. Per year. My associates here have charts which show the nitrate consumption of this country from a prewar period down to the present, and forecasting the consumption up to 1930. The line of increase is steadily mounting, and they have in that chart—which is a very instructive chart—undertaken to estimate all the available sources of nitrate supply, showing what remains to be imported from Chile after we have gotten all the nitrates that we can get in this country from by-product coke-oven processes and things of that sort.

"Senator SMITH of South Carolina. About what is the capacity of this plant now in the production of sulphate of ammonia, in tons?

"Secretary BAKER. As soon as the sulphate process is installed, which it is proposed to install by this bill, it would be about 215,000 tons a year.

"Senator SMITH of South Carolina. What percentage of nitrogen does the sulphate of ammonia contain?

"Secretary BAKER. Twenty and one-half.

"Senator SMITH of South Carolina. And that of the Chilean nitrate is 15 per cent?

"Secretary BAKER. The Chilean nitrate nitrogen content is 15.

"Senator SMITH of South Carolina. So that we would have approximately 300,000 tons on the basis of Chilean nitrate at 15 per cent?

"Secretary BAKER. Yes; that is, if the needs of the country for nitrogen remain constant, we would have to import about 300,000 tons less of Chilean nitrates. As a matter of fact, the need in the country for nitrate is constantly growing, and even with the production of this great plant as proposed it is likely we would continue to import Chilean nitrate at about the same rate we do now, if we are to fill the full demands for the agricultural interests for fixed nitrogen.

"Senator GORE. What do you estimate to be the additional cost of preparing this plant to successfully produce nitrogen?

"Secretary BAKER. This bill is proposed to carry $12,500,000, only a portion of that, however, is for the installation of additional facilities.

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"Secretary BAKER. These figures, Senator, are all prepared in very accurate tables here and will be put into the record by my associates, who have them arranged so that they can be followed through. But the outstanding fact was the one I was about to give Senator GORE, that we can sell sulphate of ammonia if we put in this sulphate process at $65 a ton, which is to be compared with a price for the imported Chilean nitrate of $75 per ton. The Chilean nitrate has 15 per cent of fixed nitrogen, while our product has 20 per cent of fixed nitrogen, and our product is therefore 30 per cent higher in relation to nitrogen content, and our product sells at $65 and theirs at $75 per ton.

"Senator GORE. What was the price of the Chilean nitrate before the war, do you remember?

"Secretary BAKER. The price varied, but my recollection is that it sometimes went as low as $55.

"Senator SMITH of South Carolina. It went as low this year as $56 or $57. Before the war it fluctuated between $49 and $55. It has been some lower than that, but not after its use became general and its efficiency as a fertilizer had been established. But the price fluctuates, and it has varied this year very radically, from $56, $58, to $78. It is not quoted, delivered—that is, coming to the ultimate consumer, around $78 a ton.

"Secretary BAKER. Those figures, Senator, are all in the tables which my associates have, so that the record will contain all the figures.

"Senator GORE. That $65 a ton that you mentioned, is that on the cost basis? Does that allow anything for interest on the investment?

"Mr. ROBERTS. We have figured here the cost price of the sulphate of ammonia, as soon as we get the water power running, as $48.22 to us, and if we sell it at $65 it will give us $16.80 profit per ton.

"Senator GORE. Would that allow enough now on the manufacturing cost of sulphate to pay interest on the investment?

"Mr. ROBERTS. Well, sir, we have figured this way, and I will answer your question. I have the figures before me. We have figured that cyanamid which can be sold—we have only calculated on using one of the units producing a very small quantity, a very small number of tons—73,000 tons of it—that is going to cost us oiled, hydrated, and made suitable for the farmer, $27, which gives $10.50 profit, because we are going to sell it at $37.50. The price of $37.50 for cyanamid means about 11 cents a pound for nitrogen, which is an extremely low price.

"Senator SMITH of South Carolina. What percentage of nitrogen is in the cyanamid?

"Secretary BAKER. It is about the same as sulphate, which rates according to how you make it up, 19½ to 20 per cent.

"Senator SMITH of South Carolina. Available nitrogen?

"Secretary BAKER. Yes, sir; all of it is available. And on the sulphate, as I say, we make $16.80 profit. The total profit from this plant, selling at these prices, will give $2,900,000 to the Government.

"Senator NORRIS. Per annum?

"Secretary BAKER. Per year.

"The CHAIRMAN. On how large an output?

"Secretary BAKER. That is using 10 of the carbide furnaces out of 12, which will give you 73,000 tons of cyanamid, 22,000 tons of nitrate of ammonia, and 107,000 tons of sulphate.

"Senator GORE. Of course, in this business you will have to meet the Chilean competition if the price goes down; you will have to meet that competition even though you have to sell below cost.

"Secretary BAKER. Very good. Then they will have to sell their Chilean nitrate at $27, while we are getting for our cyanamid $37.50, and, as I have been informed by one of the big firms who own the mines in Chile, it can not be brought into this country under $40 without any profit to them on their investment.

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"Now, Senator, you are striking the exact point I was just about to make in reply to Senator GRONNA. He asked me why the Government itself chose to operate the plant rather than to sell it to some private individual or rely upon private enterprise. This whole business is in a nascent state. The Germans are the only people who have so developed the fixation of nitrogen as to practically free themselves from the necessity of Chilean supply. Every other nation in the world relies on Chile. The Germans practically exonerated themselves from that reliance, although during the war they did have to import large amounts of nitrates from the Scandinavian countries, where they produced it in large quantities.

"From a military point of view, it is of the very greatest importance that we should not be dependent upon Chile; but from the agricultural point of view these processes are all now being developed by scientific research, and I think it is to the interest of the agricultural people of the United States to have the Government itself, which has no interest in the matter except their interest, has no commercial interest in continuing an inefficient process or in advertising an inefficient process, but has every interest in developing the best process, and that the Government itself should continue the operation of these plants and proceed with a continuous system of scientific inquiry, with the idea of perfecting the product so that it will be the very best that can be gotten for agriculture and will be produced under the most favorable conditions.

"* * * but in order to free this commercial enterprise from the limitations which are supposed to inhere under governmental direction, we have suggested the creation of a corporation of which the Government shall be the only stockholder, like the Panama Railroad enterprise, which operates in competition and in contact with the general industry of the maritime interests of the world; and we want to have that private enterprise operating the plant and conducting scientific inquiries, perfecting the processes, and turning out the product and distributing it to the large distributors who, in turn, will distribute it throughout the country, thus obviating the general distributing system and dealing direct with the farmers. That is the plan which this bill provides.

"Senator NORRIS. Is the German system still a secret system?

"Secretary BAKER. The German system is not so much a secret system; as a matter of fact, the Germans had several systems. They had the cyanamid process, the same as we have at plant No. 2; they had the Haber process, which is in effect the process which we have at No. 1, except that they used very much higher pressure in their Haber process.

"Senator NORRIS. Are we familiar with all their methods?

"Secretary BAKER. So far as I know, we are familiar with every one of fixation processes which they used.

"Senator NORRIS. The Germans have made themselves free from the Chilean nitrate beds, and we know all they did or do, and there is no reason why we should not do it?

"Secretary BAKER. None in the world. There is no mystery, no secret; it is just going ahead.

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"Secretary BAKER. The power problem, Senator, is complicated. At present the plant is operated by steam-generated power. We have a very large power plant down there, one of the largest power plants I know of anywhere in the world, so far as its units are concerned. There is one unit there of 60,000 kilowatts, which is equal to 80,000 horsepower. We are using that while the water-power plant is being built. We ran in power lines which were coupled up with private sources of distribution of power developed on the various rivers—hydroelectric power developed by some southern power companies. We have steam power enough of our own now to operate our plant at the proposed capacity. In the meantime the Muscle Shoals Dam is being built, and some day, probably very much earlier than anybody had previously supposed, we will have the great hydroelectric power of the Muscle Shoals Dam across the Tennessee River, one of the most imposing water powers possibly in America. * * *

"And now comes the question that undoubtedly will impress Congress most, and that is the cost of it. This bill undertakes to carry $12,500,000, and I know there will be very great reluctance on the part of Congress to spend $12,500,000 for any project, which is a very proper reluctance, with which I have complete sympathy.

"We have figured in the War Department that the necessary safety reserve of Chilean nitrate for us to keep on hand against an emergency is 300,000 tons, and we have sold the Government's surplus stocks of nitrate down to 300,000 tons, or we are in process of doing it. We have now figured in the War Department that if this plant is kept going, and in addition to that we can rely upon it in an emergency to produce half of what would otherwise be required to keep as a safety reserve; in other words, if this plant is continued according to the plan proposed here we will be required to keep on hand only 150,000 tons rather than 300,000 tons.

"I am going to ask you, therefore, to bring in a committee amendment to this bill which will authorize the War Department to dispose of 150,000 tons of the nitrate which it has on hand and use that money, instead of a fresh appropriation of $12,500,000, to carry out the purposes of this bill.

"Senator NORRIS. How much money will that bring you?

"Secretary BAKER. It will bring us $12,500,000. We can sell 150,000 tons and get enough money to put in the additional appliances, have the working capital, and keep the company going until it begins to earn.

"Senator NORRIS. That would save an appropriation then?

"Secretary BAKER. It would save us the necessity of any appropriation.

"Senator SMITH of South Carolina. I would like to say, Mr. Chairman, that I got an appropriation of $20,000,000 to purchase Chilean nitrates for the farmers during the war, and it was made a revolving fund. That was handled by the Agricultural Department. The demand for it was so great that they sold it all, and the Government had all the appropriation and was reimbursed with all the expenses attached, so that the $20,000,000 is back in the Treasury without a cent's loss to the Government. That was one time when the Government appropriated money and got every cent of it back without any loss.

"Senator CAPPER. Mr. Secretary, what would be the chances for this project being self-supporting after you got it started?

"Secretary BAKER. We believe it will be self-supporting from this on. We have asked for a $12,500,000 capital, which we believe will carry the project on until its net earnings recoup, and from then on it will be continuously self-supporting.

"Senator GORE. Will there be other sources of revenue from the sale of power?

"Secretary BAKER. There will always be the possibility of selling power. Of course, the power will have to be fed into the lines that run all through that part of the country.

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"Mr. ROBERTS. There is no doubt in my mind, sir, at all that this plant can more than carry itself. I feel no hesitancy in saying that. I certainly expect it to make $3,000,000 a year.

"Senator WADSWORTH. What effect do you think it will have on the chemical fertilizer industry of this country?

"Mr. ROBERTS. None. The demand for nitrogen is growing right along, and we will have to import larger and larger quantities of Chilean nitrate, even with this plant running.

"Senator WADSWORTH. There is room for everybody?

"Mr. ROBERTS. There is room for everybody. Mr. Myers, who represents the Chilean nitrate industry in this country, says the demand for nitrogen is going to be so great that this would not affect his interests at all.

"Senator WADSWORTH. What are his interests, do you say?

"Mr. ROBERTS. The importation of sodium nitrate into this country, and he made that statement before the Graham committee. We will not interfere with any private interests at all; there is plenty of room for all of us."

FACTS CONCLUSIVE.

Mr. McKELLAR. Mr. President, from the foregoing facts there can not be any doubt that this plant, including both the steam plant and the water plant, should be completed at an early date and used for the benefit of the agricultural interests of this country. To scrap the machinery there would be folly. Next, to hold it without doing anything with it would be hardly less than folly. The only possible business proposition is to continue the work, and I think the plan proposed in this bill is manifestly the business way to do it.

THE FARMERS ENTITLED TO IT.

Mr. President, many talk about legislation in favor of farmers. Some of the proposed legislation this year will be very beneficial to them I believe. Other legislation that is alleged to be in their behalf is of very doubtful value to them, but this measure is almost a necessity to them. Chile now has what might be called a corner on nitrates. The Chilean nitrate trust is supreme in its control of the nitrate situation. When private power plants are erected, it is perfectly natural for them to form some kind of combination with the Chilean nitrate trust and the farmers have to pay large prices for this necessary component part of fertilizers and will continue to do so indefinitely unless these plants are completed and operated. On the other hand, if the United States Government through this corporation manufactures nitrates, the farmers would be assured that they would always get them at the lowest possible cost and under highly competitive conditions. They would also be assured that no combinations can be made that will raise the price unduly. The greater portion of the lands of this country need fertilizers. Right next by Muscle Shoals are the wonderful phosphate beds of Tennessee. These phosphate beds are unusually large. They are near and can be used in conjunction with the nitrates secured from this plant and at the lowest possible cost. Muscle Shoals is an ideal situation, therefore, for such a plant as this.

Mr. President, the farmers of our country bear the heat and burden of the day. They are hewers of wood and drawers of water. In order to produce what the rest of the world consumes, they must rise early and work late and constantly; in the cold of winter they have to keep and feed their stock and cattle and hogs and poultry. They have to feed them and water them and give them their constant care and attention.

As spring advances they have to prepare the lands for planting, and from that time on until the crops are finally gathered, in heat and in cold, in rain and in shine, in season and out of season, if they succeed, they must work, work, work. They have no time to lobby about legislatures or about the Congress. They have little time for even meeting among themselves in their various localities. They are not adepts in getting legislation that is favorable to them passed, but they are the backbone of our country. If they are prosperous, the whole Nation is prosperous, and if they are not prosperous the whole Nation is not prosperous. Congress has done much for them in the way of teaching them, through the agents of the Department of Agriculture, how to fertilize their lands, how to produce the greatest quantity of crops on them, and how to care and preserve and market them, and all this is important, but nothing is more important than that they should be assured of an inexhaustible supply of fertilizers at reasonable prices. Except in especially favored localities, these farm lands have to be constantly reinvigorated by fertilizers. As the years go by the amount of fertilizers must be constantly increased. It would never do for the American farmer to be dependent upon a trust-controlled supply of fertilizers, as is the case now.

Mr. President, our farmers only want fair treatment. They do not want the best of it. They must have better facilities for securing money with which to make their crops. They must secure it at less interest rates than they now have to pay. I hope that the farm loan act will be declared legal; but if it is not legal, then the Congress should speedily pass one that is constitutional. They must have an ample supply of fertilizers at a reasonable cost. The Government should take no backward step in its farm extension and agency work or its work in home economics. Federal aid to road building should be continued. The teaching of the value and use of improved farm machinery, of improved stock and cattle and hog breeding should be continually emphasized. We must make every farming community a safe, a fit, an attractive, and a prosperous place to live in. The recent census shows an enormous exodus of population from the rural districts, and a consequently enormous increase in the population of our cities. For the first time in our history our city population is larger than our country population. This is not a favorable condition. It is a condition which is national in its character, and should be dealt with nationally. We must find the proper methods and means to make country life more inviting and more attractive, so as to keep more of our boys and girls on the farms. The war did much to bring this condition about, though it would have occurred without the war. But the war accentuated it. It is one of our most important readjustment problems. We must meet it squarely and take steps to checkmate it. More of our people are engaged in farming than in any other industry. As I said to the Senator from Colorado, the National Government appropriated for its upbuilding and improvement last year only $31,000,000, not much more than one-half of 1 per cent of its entire appropriations. But then the farmers own no great metropolitan newspapers to put their needs before Congress and the country. They have no money to invest in magazine propaganda in their interest. They have no money to employ college professors to secure and present statistics to aid them. The result is that every time a legislator speaks out for the farmer, representatives of the other interests are always on the job and ready to cry out, "Oh, he wants the farmers' vote!" Mr. President, it is time for the Congress to become alive to the needs of our great industry, that upon which every other industry depends. We must do more to build up, dignify, make attractive, and make prosperous the farm life of our people.

Mr. President, it is not my purpose to discuss this matter at length. It has already been done by members of the committee. It seems to me it is a great opportunity to benefit the farmers of the country. Our lands are getting poorer every day. They are wearing out. They have got to be reinvigorated. They can only be reinvigorated in a scientific and proper way in order to make the crops that are necessary to sustain our people. We ought to leave no stone unturned to give to the farmers of the country a cheap and excellent fertilizer, when such an opportunity offers as the one which now confronts us. If we do not give it to them the Government does not make anything except the three or four million dollars that it will get as compensation and for the sale of this $85,000,000 plant.

How any man can believe that it is better to junk or scrap these new plants than to use them for the benefit of the farmers of the country I can not imagine. It is inconceivable to me that any business man would feel that he ought not to make an effort to give the farmers of the country the benefit of cheaper fertilizer.

It is said by the Senator from Kentucky that fertilizers may or will go down. Of course they may go down. I hope they will go down. They are certain to go down if we pass the bill and let it be known that Congress intends that the Government itself will operate these plants. The farmers will get their nitrates cheaper. But if by any chance or mischance the bill should not pass or an intention is shown on the part of Congress to defeat it, we will see fertilizers going up instead of down. We will find that the trust feel that they could increase their prices of fertilizer to the farmers. The farmers have to have fertilizers. In order to get along they are obliged to have them. It is a question of competition, and the greatest good that will be done will be along a competitive line upon a competitive basis, because as long as the Government operates the plant the trusts and everybody else will know that the farmers are going to get these fertilizers at about cost.

I think it would be wholly immaterial—not wholly immaterial either, but certainly not a reason for not organizing this corporation and not carrying on this work—that the Government does not make anything out of it. If it does not

make a cent out of it, if it can pay running expenses and just keep down the cost of fertilizer to the farmers of the country, it will pay for itself a thousandfold. The Senator from Kentucky [Mr. STANLEY] gave the figures showing that the country has paid an enormous tax to Chile because of its purchase of the Chilean nitrates in the manner that we have been purchasing them for many years. We ought not to pay that tax. It should not be inflicted upon the American farmer. If a profit can be made out of nitrates for fertilizers, let us make it for the American Government, not pass it into the coffers of the Chilean Government. It is a good time to be for America first.

Mr. STANLEY. Mr. President——

Mr. McKELLAR. I yield.

Mr. STANLEY. I am very much impressed with what the Senator is saying. Does the Senator see any material difference in principle between spending hundreds of millions of dollars for the building of dams to restore arid lands in the West and spending thirty or forty million dollars for the restoration of formerly fertile lands all over the United States?

Mr. McKELLAR. There is no difference in principle. One is a great deal easier to be done, of course. This project means much more to all the people. The returns are far greater.

Mr. STANLEY. The reason I ask the question is that it seems to be assumed that if for any reason the Government should not make a restoration of our soil by the increased use of fertilizer, possibly that it would be a bad investment. We have been spending millions and millions of dollars for the development of arid lands and the improvement of lands without any hope or expectation of direct reward.

Mr. McKELLAR. Why, of course. The Senator is exactly right in his illustration. I do not see how in the world a Senator who has voted for the reclamation of arid lands and to devote the money of the Government to building dams in order that they might be reclaimed could object to voting for a bill of this kind, which allows the farmer at his own expense to reclaim, in substance, the fertility of his own soil. I do not believe our western friends who have done so much in the matter of reclamation of arid lands in their States will make a distinction when it comes to a like proposition that will benefit all the farmers and all the people.

Mr. JONES of Washington. Mr. President——

Mr. McKELLAR. I yield to the Senator from Washington.

Mr. JONES of Washington. I think probably the idea I was going to suggest is covered, and that is that all the money that is pledged to reclamation of lands comes back and must be paid back by the settler. However, I think this thought is probably covered in the proposition the Senator was discussing.

Mr. UNDERWOOD. If the Senator from Tennessee will allow me, the money that is appropriated for this purpose never goes out. It belongs to the Government all the time as a national-defense item.

Mr. McKELLAR. The Senator from Alabama is exactly right. The great asset we have is that we have there constantly and at all times a plant that will make us independent of the Chilean nitrate beds in times of war, while we will have a highly beneficial fertilizer plant in times of peace.

It is inconceivable to me, when at such a small expense we can complete these plants and keep them ever ready for time of need for war purposes, why we should destroy them, why we should scrap them, or why we should leave them idle, when by running them without a loss we can keep them there at all times ready, and in the meantime benefit the farmers by giving them cheaper fertilizers.

One of the first effects of the formation of this corporation is told by Mr. Secretary Baker. We now keep on hand some 300,000 tons of Chilean nitrate for war purposes. He said that if the plant is completed there is no reason in the world why that supply of Chilean nitrate may not be reduced to 150,000 tons, at an immense saving, not only of 150,000 tons of nitrate but an immense saving of warehouse room and of expensive storage protection of all kinds that is necessary in regard to it. I believe that we could well afford to reduce the reserve amount of Chilean nitrate to considerably less than 150,000 tons if we had a plant running at all times that could be depended upon for a sufficient supply of nitrate. That is an additional reason why these plants should be completed.

While I am on the subject let me suggest that the dam, the water power at Muscle Shoals, the second largest water power in the country, I believe, will produce 200,000 primary horsepower, whenever it is completed, and 200,000 secondary horsepower. After going to the expense we have of almost completing the plants, to stop now, to throw away what we have already done, to throw away this water-power plant and these steam plants, seems to me little less than madness. We ought to have guardians appointed for us, as it seems to me, if we do a thing so foolish. Mr. President, I sincerely trust that this bill will pass. I do not see how any friend of the farmer can vote against it.

Mr. WADSWORTH. There is lying on the Secretary's desk one amendment which I prepared and which I desire to offer to the pending measure and to have printed. I now present three more amendments, which I desire also to have lie on the table and be printed.

The PRESIDING OFFICER. That course will be taken as to the four amendments to which the Senator from New York refers.

Mr. SMITH of South Carolina. Mr. President, I have been out of the Chamber for a minute or two, and I now wish to inquire whether any Senator has given any notice of an intention to speak on the pending bill to-morrow?

The PRESIDING OFFICER (Mr. SHEPPARD in the chair). No such notice has been given.

Mr. SMITH of South Carolina. If I may be permitted to say so, I intend to try to keep the bill continuously before the Senate until it can in some way be disposed of. I hope that all Senators who desire to offer amendments to the bill will prepare and present them, in order that they may be printed and put into such shape as to be readily understandable. I make this suggestion for the reason that I think the pending measure is one of the most important pieces of constructive legislation which has ever been brought before this body. Whether we are going to foster the nitrate enterprise as best we may in the hands of the Government or turn it over to private individuals, it is a duty on the part of Congress to see that this development shall be made for the benefit of the agricultural interests of this country, upon which everything rests. I think the condition of the present plant is such that it would be a piece of stupidity for us not to have the Government take charge of it at this time and run it during peace times specifically for the interests of agriculture.

We need it in war for the purpose of producing explosives; we need it in peace for the purpose of producing fertilizers with which to enrich our soil. The proposition is in an empirical stage; it is a matter so technical and so costly that it is almost impossible to depend upon private initiative for its development. The Agricultural Department is working along experimental lines, and when they have developed an idea to a point where it is of practical benefit turning it over to those whom it will benefit.

Fertilizer is something which underlies all other agricultural activities. I do not propose this afternoon to take up any of the time of the Senate, but simply desire to say that this is one instance in which a part of the country at this time does not appreciate the terrible handicap under which another part of the country is producing. There is a certain section of the country which without artificial fertilization does not produce greatly, but which with artificial fertilization produces more than the richest sections of the country. It is a peculiarity of the South Atlantic Coastal Plain that with the proper fertilization it will produce more per acre than the richest valleys of the West. That is an asset of the Government, of the whole people of the United States. It is a tremendous drain on the agriculturists of that section to get the proper ingredients for fertilizers.

We have a plant which the necessities of war caused us to build. Although in an experimental stage, it is now so equipped that we may take from the inexhaustible supplies of the air a necessary plant food. As the years go by it will be more and more perfected, and as it contributes to the enrichment of the soil its cost will be returned to the people in a hundredfold profit. It would be a paying investment if the Government were to spend out of its general funds every dollar necessary to produce this material and to give it to a helpless class, 60 per cent of whom are tenants, to produce that which in the aggregate spells the prosperity of the country.

For Senators to stand here and attempt to thwart this proposed legislation and endeavor to turn over into the hands of certain corporations this plant forever, to exploit the great mass of helpless agriculturists of this country, does not speak very well for them. I am not more of a socialist than is any other Senator in this body, but I do contend that at this time we should develop this enterprise under Government auspices. When it shall have become perfected, then a different proposition will present itself.

Mr. LENROOT. Mr. President, will the Senator yield to me?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Wisconsin?

Mr. SMITH of South Carolina. I yield.

Mr. LENROOT. The Senator is aware, is he not, that the bill now before the Senate does not require the manufacture of one single pound of fertilizer by the Government or by the corporation representing the Government?

Mr. SMITH of South Carolina. Oh, well, as I read the bill, as a matter of course, such provision is contemplated. The corporation, if it sees fit to do so, may manufacture sulphate of ammonia. Besides that I have some amendments which I myself propose to offer and leave it to the Senate as to just what it is going to do as to that phase of the proposition.

Mr. LENROOT. I am very glad of that.

Mr. WADSWORTH. I hope the Senator from South Carolina will have his amendments in order so that we may read them.

Mr. SMITH of South Carolina. I will have them in order so that the Senator may read them.

PENSIONS AND INCREASE OF PENSIONS—CONFERENCE REPORTS.

Mr. McCUMBER submitted the following conference report, which was read and ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7775) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 8, 12, 16, 18, 19, 26, 28, 29, 30, 42, 43, 48, 67, and 73.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 6, 7, 9, 10, 11, 13, 14, 15, 17, 20, 21, 22, 23, 24, 25, 27, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 44, 45, 46, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 64, 65, 66, 68, 69, 70, 71, 72, and 74, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 5 and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Sophie Reimuller, widow of George Reimuller, late of Company C, Forty-seventh Regiment New York Infantry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of the said George Reimuller until he reaches the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Jean N. Roach, widow of Ernest S. Roach, late first lieutenant of Company A, First Regiment Oklahoma Infantry, National Guard, border defense, and pay her a pension at the rate of $17 per month and $2 per month additional on account of each of the minor children of the said Ernest S. Roach until they reach the age of 16 years."

And the Senate agree to the same.

P. J. McCUMBER,
REED SMOOT,
Managers on the part of the Senate.
SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

Mr. McCUMBER submitted the following conference report, which was read and ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 9281) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 22, 28, 30, 34, 35, 40, 50, 55, 57, 61, 66, 79, 83, 85, 92, 98, 99, 102, 106, 112, 113, 127, 130, 142, and 148.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 29, 31, 32, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 51, 52, 53, 54, 56, 58, 59, 60, 62, 63, 64, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 80, 81, 82, 84, 86, 87, 88, 89, 90, 91, 93, 95, 96, 97, 100, 101, 103, 104, 105, 107, 108, 109, 110, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 132, 133, 134, 135, 136, 137, 139, 140, 141, 143, 144, 145, 146, 147, 149, 150, 151, 152, 153, 154, 156, 157, 158, 159, 160, and 161, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Jasson Adkins, late of Company D, Fourteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Martha E. Waldsmith, widow of William A. Waldsmith, late of Twenty-first Company, United States Coast Artillery Corps, Regular Establishment, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said William A. Waldsmith until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Ethel A. Kane, widow of William M. Kane, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of said William M. Kane, until she reaches the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Fanny Weill, widow of Julius Weill, late of Battery M, Fifth Regiment, United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Julius Weill until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Susan J. Purcell, widow of John J. Purcell, late of Company F, Twenty-first Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said John J. Purcell until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Katherine G. Manning, widow of Michael Manning, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Michael Manning until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Sarah J. Holley, widow of Charles W. Holley, late of Tenth Company, United States Coast Artillery, and Company M, First Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Charles W. Holley, until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Alice F. Travis, widow of Charles T. Travis, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Charles T. Travis, until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an

amendment as follows: In lieu of the matter stricken out insert:

"The name of Christine E. Geiger, widow of Austin Geiger, late of the Fortieth and Eighty-fifth Companies, United States Coast Artillery Corps, Regular Establishment, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of the minor child of said Austin Geiger, until she reaches the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Mary Michel, widow of John N. Michel, late of Company A, Twelfth United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of the minor child of said John N. Michel, until she reaches the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Anna M. Neill, widow of Jesse A. Neill, late of Company E, Eleventh Regiment, United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Jesse A. Neill until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Bridget Reynolds, widow of James C. Reynolds, late of Company F, Thirty-fifth Regiment, Michigan Infantry, and Company H, Forty-second Regiment United States Volunteer Infantry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said James C. Reynolds, until they reach the age of 16 years."

And the Senate agree to the same.

P. J. McCUMBER,
REED SMOOT,
Managers on the part of the Senate.
SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

Mr. McCUMBER submitted the following conference report, which was read and ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10515) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 12, 21, 22, 34, 53, 64, 66, 91, 94, 104, and 107.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 92, 93, 95, 96, 97, 98, 99, 100, 101, 102, 103, 105, 106, 108, 109, 110, and 111, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Islay T. Pittman, widow of George L. Pittman, late first lieutenant, Second Regiment North Carolina National Guard Infantry, border defense, and pay her a pension at the rate of $17 per month, and $2 per month additional on account of each of the minor children of said George L. Pittman until they reach the age of 16 years."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Mary Furfey, widow of Edward A. Furfey, late Battery I, Seventh Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Edward A. Furfey until they reach the age of 16 years."

And the Senate agree to the same.

P. J. McCUMBER,
REED SMOOT,
Managers on the part of the Senate.
SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

Mr. McCUMBER submitted the following conference report, which was read and ordered to lie on the table:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11554) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 8, 9, 12, 14, 16, 39, 66, 67, 71, 76, 80, 85, 87, 91, 96, 97, 101, 111, 140, 151, 152, 156, 172, 192, 194, 196, and 197.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 10, 11, 13, 15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 68, 69, 70, 72, 73, 74, 75, 77, 78, 79, 81, 83, 84, 86, 88, 89, 90, 92, 93, 94, 95, 98, 100, 102, 103, 104, 105, 106, 107, 108, 109, 110, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 131, 132, 133, 134, 135, 136, 137, 138, 139, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 153, 154, 155, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 193, 195, and 198, and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Emma R. Foster, widow of Benjamin Foster, late of Company I, Eighteenth Regiment United States Infantry, Indian war, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Charles H. Heimlich, alias Charles H. Henderson, late of Company E, Third Regiment United States Infantry, Indian war, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving."

And the Senate agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of May A. Sanders, widow of William J. Sanders, late of Company F, Thirty-fourth Regiment Michigan Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of the said William J. Sanders until they reach the age of 16 years."

And the Senate agree to the same.

P. J. McCUMBER,
REED SMOOT,
Managers on the part of the Senate.
SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

KERENSKY GOVERNMENT OF RUSSIA.

Mr. NORRIS. Mr. President, yesterday I submitted a resolution calling on the Treasury Department for certain information, and it went over under the rule on the suggestion of the senior Senator from Alabama [Mr. UNDERWOOD]. I have talked with him about it to-day, and he said he has no objection to it; that he had talked it over with his colleague, and there was no objection to its passage. He authorized me to make this statement if I could get the floor this afternoon, and ask that the resolution be taken up and passed. I therefore ask for its immediate consideration.

The VICE PRESIDENT. Is there any objection?

There being no objection, the resolution (S. Res. 417), submitted yesterday by Mr. NORRIS, was considered and agreed to, as follows:

Resolved, That the Secretary of the Treasury be, and he is hereby, directed to furnish to the Senate the following information:

1. Are funds of the United States being used either directly or indirectly to support or maintain an embassy in the city of Washington, D. C., representing the so-called Kerensky government of Russia, and if so, how much money has been thus expended and what authority is there for such expenditure?

2. Was money advanced from the Treasury of the United States to established a credit on behalf of the Kerensky government, and if so, in what amount, and for what purpose was it used?

3. What amount of money, if any, does the Kerensky government owe to the Government of the United States; how is it secured; what rate of interest does it bear, and when does it mature?

4. After the downfall of the Kerensky government did the Government of the United States purchase war material or other supplies from the officials of the Kerensky government with funds of the United States, and if so, what was the nature of the supplies; how much money was paid for the same; and was the purchase made at a time when the Kerensky government was indebted to the United States, and, if so, in what amount?

5. Has the Government of the United States taken any steps to reimburse itself for money advanced or loaned to the Kerensky government?

TARIFF ON ZINC.

Mr. SPENCER. I desire to present an amendment which I shall propose at the proper time as a substitute for the bill (H. R. 6238) to provide revenue for the Government and to establish and maintain the production of zinc ores and manufactures thereof in the United States. I ask that the proposed amendment may be referred to the Committee on Finance for their consideration.

The VICE PRESIDENT. Is there objection to the request of the Senator from Missouri?

Mr. UNDERWOOD. What is the request?

The VICE PRESIDENT. The request is that his proposed amendment, in the nature of a substitute for House bill 6238, be referred to the Finance Committee.

Mr. SMOOT. Let me suggest to the Senator from Missouri that he does not desire the original bill to be taken from the calendar, does he?

Mr. SPENCER. No. The original bill, as I understand, is left upon the calendar unaffected. The amendment is sent to the Secretary's desk to be printed, with a notice that it is intended to be offered as a substitute when the original bill comes up for consideration. In the meantime, for information and for such consideration as the committee may desire to give it, it is requested that the amendment be referred to the Finance Committee.

The VICE PRESIDENT. The Chair will suggest that the Senator ask that his proposed amendment lie on the table, to be called up when the bill to which it is offered is reached on the calendar.

Mr. SMOOT. That is what I was going to suggest.

Mr. SPENCER. That is quite satisfactory to me.

The VICE PRESIDENT. Without objection, that will be the procedure.

THE OIL SITUATION.

Mr. McKELLAR. Mr. President, if no other Senator has given notice of an intention to address the Senate after the morning business on Thursday next, I desire to give notice that I wish to make a few remarks in reference to the subject of oil on that day after the morning business shall have been concluded.

ADJOURNMENT.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Wednesday, January 5, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

TUESDAY, *January 4, 1921.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

Our God and our Father, constant in Thy ministrations unto Thy children, faithful, kind, generous, just, and merciful, impart upon us plenteously of these gifts that we may live together in harmony and peace, according unto others every natural right we claim for ourselves, that honesty, justice, and truth may harmonize all differences, that love may be in the ascendancy after the manner of the world's great exemplar, our Lord and Master. Amen.

THE JOURNAL.

The SPEAKER. The Clerk will read the Journal of the proceedings of yesterday.

The Clerk began the reading of the Journal.

During the reading,

Mr. CANNON. Mr. Speaker, the Clerk is reading the Journal; is it a long message from the President?

The SPEAKER. The message was read last night.

Mr. CANNON. But is it a long one?

The SPEAKER. Quite long, requiring about 10 minutes to read, the Chair is informed.

Mr. CANNON. Mr. Speaker, I ask for a reading of the Journal in full. I did not happen to be here, and I have no time to read it nor the eyesight to read it.

The SPEAKER. The Clerk will read the message of the President.

Mr. CLARK of Missouri. Mr. Speaker, is that the same message read yesterday?

The SPEAKER. Yes.

Mr. CLARK of Missouri. Why is the Clerk reading it again?

Mr. CANNON. It is part of the Journal, and I demanded it be read.

Mr. CLARK of Missouri. The gentleman wants to hear it twice, does he?

Mr. CANNON. I did not happen to be here.

Mr. McFADDEN. Mr. Speaker, this is an important message, and I make the point of order there is no quorum present.

The SPEAKER. The gentleman from Pennsylvania makes the point of order that there is no quorum present, and the Chair will count. [After counting.] It is obvious there is no quorum present——

Mr. McFADDEN. I withdraw it.

The SPEAKER. The Chair has already stated there is no quorum present.

Mr. MONDELL. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

Andrews, Md.	Dunn	Lonergan	Rainey, H. T.
Babka	Ellsworth	Lufkin	Reber
Bacharach	Emerson	McAndrews	Reed, W. Va.
Baer	Evans, Nev.	McCulloch	Riddick
Bell	Fields	McKenzie	Riordan
Bland, Ind.	Fuller, Mass.	McKeown	Robinson, N. C.
Bland, Mo.	Gallagher	McKinley	Rouse
Booher	Ganly	McLane	Rowan
Bowers	Greene, Vt.	McPherson	Sabath
Britten	Hamill	Maher	Sanders, N. Y.
Brooks, Pa.	Hamilton	Major	Sanford
Brumbaugh	Harreld	Mann, S. C.	Scully
Burdick	Hicks	Mason	Sells
Burke	Hill	Mead	Smith, Ill.
Caldwell	Hoey	Monahan, Wis.	Smith, N. Y.
Campbell, Pa.	Houghton	Moon	Snyder
Carew	Ireland	Mooney	Steagall
Carss	James, Mich.	Moore, Ohio	Stiness
Casey	James, Va.	Moore, Va.	Strong, Pa.
Cole	Jones, Pa.	Morin	Sullivan
Costello	Jones, Tex.	Mott	Swope
Crago	Juul	Mudd	Vare
Crisp	Kennedy, R. I.	Nelson, Wis.	Ward
Currie, Mich.	Kettner	Nicholls	White, Me.
Dale	Kincheloe	O'Connell	Williams
Davey	Kitchin	Park	Wilson, Pa.
Dempsey	Kleczka	Peters	Wise
Donovan	Kreider	Porter	Wright
Dooling	Lehlbach	Pou	Yates
Drewry	Lesher	Rainey, Ala.	Young, Tex.

The SPEAKER. Three hundred and eight Members have answered to their names, a quorum is present.

Mr. MONDELL. Mr. Speaker, I move to dispense with further proceedings under the call.

The motion was agreed to.

The SPEAKER. The Clerk will resume the reading of the Journal.

The Clerk resumed and completed the reading of the Journal in full.

The SPEAKER. Without objection the Journal will stand approved.

There was no objection.

FINANCING AGRICULTURAL OPERATIONS.

The SPEAKER. The unfinished business when the House adjourned yesterday was the reconsideration of Senate joint resolution 212 notwithstanding the objections of the President. The question before the House is, Will the House on reconsideration pass the joint resolution the objections of the President to the contrary notwithstanding?

Mr. STRONG of Kansas. Mr. Speaker, I yield to the gentleman from Wyoming [Mr. MONDELL].

Mr. MONDELL. Mr. Speaker, we have all listened to the President's message with a great deal of interest. I think we all realize that while the President has presented a very excellent argument in support of the position he has taken, he has

not raised any new questions or issues with regard to this matter which has been so fully considered in the House heretofore. Therefore it seems to me it would be well to proceed to vote on the measure without further debate at this time, and therefore I move the previous question. [Cries of "Vote!"]

The previous question was ordered.

The SPEAKER. The question is, Will the House on reconsideration pass Senate joint resolution 212 the objections of the President to the contrary notwithstanding?

The question was taken; and there were—yeas 250, nays 66, answered "present" 3, not voting 112, as follows:

YEAS—250.

Almon	Evans, Mont.	Lanham	Schall
Anderson	Evans, Nebr.	Lankford	Scott
Andrews, Nebr.	Fairfield	Larsen	Sears
Anthony	Ferris	Lazaro	Sells
Ashbrook	Fish	Lea, Calif.	Sherwood
Aswell	Fisher	Lee, Ga.	Shreve
Ayres	Flood	Linthicum	Sims
Bankhead	Focht	Little	Sinclair
Barbour	Fordney	Longworth	Sinnott
Barkley	Foster	Luhring	Sisson
Bee	Frear	McArthur	Slemp
Begg	French	McClintic	Small
Benham	Fuller, Ill.	McDuffie	Smith, Idaho
Benson	Gandy	McKenzie	Smith, Mich.
Black	Gard	McKinley	Smithwick
Blackmon	Garner	McLaughlin, Mich.	Steagall
Bland, Va.	Garrett	McLaughlin, Nebr.	Stedman
Blanton	Godwin, N. C.	McLeod	Steenerson
Boies	Goodwin, Ark.	Magee	Stephens, Miss.
Bowling	Graham, Ill.	Mann, Ill.	Stephens, Ohio
Box	Green, Iowa	Mansfield	Stevenson
Brand	Greene, Mass.	Martin	Stoll
Briggs	Griest	Mays	Strong, Kans.
Brinson	Hadley	Michener	Strong, Pa.
Britten	Hardy, Colo.	Miller	Summers, Wash.
Brooks, Ill.	Hardy, Tex.	Milligan	Sumners, Tex.
Browne	Harrison	Mondell	Sweet
Buchanan	Hastings	Montague	Swindall
Butler	Haugen	Murphy	Taylor, Ark
Byrnes, S. C.	Hawley	Neely	Taylor, Colo.
Byrns, Tenn.	Hayden	Nelson, Mo.	Taylor, Tenn.
Campbell, Kans.	Hays	Newton, Mo.	Thomas
Candler	Hernandez	Nolan	Thompson
Cantrill	Hersey	O'Connor	Tillman
Caraway	Hickey	Oldfield	Timberlake
Carter	Hoch	Oliver	Tincher
Christopherson	Holland	Osborne	Towner
Clark, Fla.	Howard	Overstreet	Upshaw
Clark, Mo.	Huddleston	Padgett	Vaile
Classon	Hudspeth	Parrish	Venable
Collier	Hulings	Patterson	Vestal
Connally	Hull, Iowa	Purnell	Vinson
Cooper	Hull, Tenn.	Quin	Voigt
Copley	Humphreys	Radcliffe	Volstead
Cramton	Hutchinson	Rainey, J. W.	Watkins
Crowther	Ireland	Raker	Watson
Curry, Calif.	Jacoway	Ramsey	Weaver
Darrow	Johnson, Ky.	Ramseyer	Webster
Davis, Minn.	Johnson, Miss.	Randall, Calif.	Welling
Davis, Tenn.	Johnson, S. Dak.	Randall, Wis.	Welty
Denison	Johnson, Wash.	Ransley	Whaley
Dickinson, Iowa	Jones, Tex.	Rayburn	Wheeler
Dickinson, Mo.	Kahn	Reavis	White, Kans.
Dominick	Kearns	Reed, N. Y.	Wilson, Ill.
Doughton	Keller	Reed, W. Va.	Wilson, La.
Dowell	Kelley, Mich.	Ricketts	Wingo
Drane	Kelly, Pa.	Robsion, Ky.	Wood, Ind.
Dupré	Kendall	Rodenberg	Woods, Va.
Dyer	Kennedy, Iowa	Romjue	Woodyard
Eagle	Kinkaid	Rubey	Young, N. Dak.
Elliott	Knutson	Rucker	Zihlman
Elston	Lampert	Sanders, Ind.	
Esch	Langley	Sanders, La.	

NAYS—66.

Ackerman	Good	MacGregor	Rose
Burroughs	Goodykoontz	Madden	Rowe
Cannon	Gould	Mapes	Siegel
Chindblom	Graham, Pa.	Merritt	Snell
Cleary	Greene, Vt.	Minahan, N. J.	Steele
Coady	Griffin	Moores, Ind.	Tague
Cullen	Hersman	Newton, Minn.	Temple
Dallinger	Husted	Ogden	Tilson
Dewalt	Igoe	Olney	Tinkham
Dunn	Johnston, N. Y.	Paige	Treadway
Eagan	Kiess	Parker	Volk
Echols	King	Pell	Walsh
Edmonds	Kraus	Perlman	Walters
Fess	Layton	Phelan	Wason
Freeman	Luce	Reber	Winslow
Gallivan	McFadden	Rhodes	
Glynn	McGlennon	Rogers	

ANSWERED "PRESENT"—3.

Doremus	Dunbar	Rainey, H. T.

NOT VOTING—112.

Andrews, Md.	Burdick	Currie, Mich.	Fields
Babka	Burke	Dale	Fuller, Mass.
Bacharach	Caldwell	Davey	Gallagher
Baer	Campbell, Pa.	Dempsey	Ganly
Bell	Carew	Dent	Goldfogle
Bland, Ind.	Carss	Donovan	Goodall
Bland, Mo.	Casey	Dooling	Hamill
Booher	Cole	Drewry	Hamilton
Bowers	Costello	Ellsworth	Harreld
Brooks, Pa.	Crago	Emerson	Hicks
Brumbaugh	Crisp	Evans, Nev.	Hill
Hoey	McAndrews	Mott	Sanford
Houghton	McCulloch	Mudd	Scully
James, Mich.	McKeown	Nelson, Wis.	Smith, Ill.
James, Va.	McKinlry	Nicholls	Smith, N. Y.
Jefferis	McLane	O'Connell	Snyder
Jones, Pa.	McPherson	Park	Stiness
Juul	Maher	Peters	Sullivan
Kennedy, R. I.	Major	Porter	Swope
Kettner	Mann, S. C.	Pou	Vare
Kincheloe	Mason	Rainey, Ala.	Ward
Kitchin	Mead	Riddick	White, Me.
Kleczka	Monahan, Wis.	Riordan	Williams
Kreider	Moon	Robinson, N. C.	Wilson, Pa.
Lehlbach	Mooney	Rouse	Wise
Lesher	Moore, Ohio	Rowan	Wright
Lonergan	Moore, Va.	Sabath	Yates
Lufkin	Morin	Sanders, N. Y.	Young, Tex.

So, two-thirds having voted in the affirmative, the bill was passed, the veto of the President to the contrary notwithstanding.

The Clerk announced the following pairs:

On this vote to override veto:

Mr. NELSON of Wisconsin and Mr. CRISP (against) with Mr. RIORDAN (to sustain).

Mr. COLE and Mr. ROBINSON of North Carolina (against) with Mr. CAREW (to sustain).

Mr. DREWRY and Mr. JAMES of Virginia (against) with Mr. O'CONNELL (to sustain).

Mr. HOEY and Mr. KLECZKA (against) with Mr. LUFKIN (to sustain).

Mr. YOUNG of Texas and Mr. WILLIAMS (against) with Mr. DOOLING (to sustain).

Mr. WISE and Mr. KITCHIN (against) with Mr. SMITH of New York (to sustain).

Mr. MOTT and Mr. NICHOLLS (against) with Mr. SULLIVAN (to sustain).

Mr. MOORE of Virginia and Mr. MOORE of Ohio (against) with Mr. DUNBAR (to sustain).

Mr. PARK and Mr. BELL (against) with Mr. DONOVAN (to sustain).

Mr. WRIGHT and Mr. HARRELD (against) with Mr. CALDWELL (to sustain).

Mr. POU and Mr. KINCHELOE (against) with Mr. MCKINIRY (to sustain).

Until further notice:

Mr. MONAHAN of Wisconsin with Mr. BRUMBAUGH.

Mr. BLAND of Indiana with Mr. MCKEOWN.

Mr. COSTELLO with Mr. HAMILL.

Mr. YATES with Mr. MOON.

Mr. KENNEDY of Rhode Island with Mr. WILSON of Pennsylvania.

Mr. JUUL with Mr. FIELDS.

Mr. BROOKS of Pennsylvania with Mr. CAMPBELL of Pennsylvania.

Mr. HICKS with Mr. GALLAGHER.

Mr. WHITE of Maine with Mr. MEAD.

Mr. KREIDER with Mr. BABKA.

Mr. DEMPSEY with Mr. MAJOR.

Mr. LEHLBACH with Mr. KETTNER.

Mr. JONES of Pennsylvania with Mr. DAVEY.

Mr. CURRIE of Michigan with Mr. MAHER.

Mr. MCPHERSON with Mr. BLAND of Missouri.

Mr. BACHARACH with Mr. SABATH.

Mr. VARE with Mr. CASEY.

Mr. JEFFERIS with Mr. MOONEY.

Mr. SNYDER with Mr. DENT.

Mr. JAMES of Michigan with Mr. ROWAN.

Mr. PORTER with Mr. MANN of South Carolina.

Mr. MASON with Mr. MCANDREWS.

Mr. BOWERS with Mr. RAINEY of Alabama.

Mr. RIDDICK with Mr. CARSS.

Mr. HOUGHTON with Mr. GANLY.

Mr. BURDICK with Mr. GOLDFOGLE.

Mr. HILL with Mr. EVANS of Nevada.

Mr. MUDD with Mr. DALE.

Mr. ELLSWORTH with Mr. BOOHER.

Mr. MORIN with Mr. SCULLY.

Mr. PETERS with Mr. MCLANE.

Mr. SANDERS of New York with Mr. LONERGAN.

Mr. SMITH of Illinois with Mr. LESHER.

Mr. DUNBAR. Mr. Speaker, I desire to withdraw my vote of "nay" and answer "present." I am paired.

The result of the vote was announced as above recorded.

LEAVES OF ABSENCE.

By unanimous consent, leaves of absence were granted as follows:

To Mr. PARK (at the request of Mr. BRAND), for to-day, on account of important business.

To Mr. MOORE of Virginia (at the request of Mr. BLAND of Virginia), for to-day, on account of death of relative.

SUNDRY CIVIL APPROPRIATIONS.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422—the sundry civil appropriation bill—with Mr. WALSH in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the sundry civil bill, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes.

Mr. GOOD. Mr. Chairman, the time for general debate on the pending amendment and amendments thereto for to-day was limited to 1 hour and 30 minutes, one-half to be used by those in favor of the amendment and the remaining one-half by those opposed to it. I ask unanimous consent that the distribution of that time be left to the gentleman from Tennessee [Mr. BYRNS] and myself, the gentleman from Tennessee to have control of one-half of the time, to be distributed among those in favor of the amendment, and the remaining one-half to be controlled by myself, to be distributed among those opposed.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the one hour and a half for general debate on the amendment be controlled one-half by the gentleman from Tennessee [Mr. BYRNS], in favor, and one-half by the gentleman from Iowa, opposed to the amendment. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, I yield five minutes to the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The gentleman from Illinois is recognized for five minutes.

Mr. MADDEN. Mr. Chairman, for a great many years efforts have been made to develop water power and electrical energy at Muscle Shoals. Every kind of device to reach the Treasury that it was possible to think about was used to accomplish that end. During the war every committee in the House that was thought to have appropriating power was applied to to make an appropriation to begin this activity. It was finally begun through the national defense act. Seventy-seven million dollars so far has been exended in the construction of a nitrate plant at Muscle Shoals, to be used for war purposes only; and the war-purpose plant is complete, and so far as war purposes go, there is nothing more to be desired. Peace has come and we no longer need nitrates for war purposes. But if war should come we have the plant complete with which to make the nitrates.

The business people of the United States have been induced to make fertilizer from coke-oven by-products. They have a capacity now of 500,000 tons a year. The plants proposed to be erected in addition to the one now at Muscle Shoals, it is said, would have a capacity of 86,000 tons. The plants already erected by private capital will, in the next few years, be able to develop 900,000 tons. The investment of more money at Muscle Shoals at this time would mean a charge on the Treasury that is not justifiable. The construction of a dam to create electrical energy to sell to manufacturing plants is what it would amount to, and if we manufactured nitrates for fertilizer purposes there we would come into competition with those who pay the taxes to maintain the Government, and we could not manufacture enough nitrates there to justify the expenditure.

It will cost, if we proceed with this improvement, $120,000,000 more than we have already invested, and there is not a leading man anywhere, in the Government or out, who has been able to tell the Committee on Appropriations when the plant can be completed, what it will be when it is completed, how much money it will cost, or how much revenue can be derived from the expenditure.

This proposal to do something for the farmer is a subterfuge. You are throwing sand into the farmers' eyes in order that you may be able to put your hands up to the elbows into the Treasury of the United States. The time has come when we must know the facts before we impose further burdens upon the taxpayers of the country. Economy must be the watchword. Facts should be the basis of action here, and not fancy, and we must under no circumstances pay any more money for this iniquity until we know more about it. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield 10 minutes to the gentleman from Iowa [Mr. HULL].

The CHAIRMAN. The gentleman from Iowa is recognized for 10 minutes.

Mr. HULL of Iowa. Mr. Chairman and gentlemen of the House, I consider the proposition before us one of preparedness for national defense, and as such I shall vote for this appropriation.

I dislike very much to disagree with my colleague [Mr. GOOD], chairman of the Committee on Appropriations; but considering it, as I do, a question of national defense, I can do nothing else than vote for the appropriation.

Mr. LONGWORTH. Would it interrupt the gentleman if I asked a question at that point?

Mr. HULL of Iowa. I prefer the gentleman would not, but I will answer the question.

Mr. LONGWORTH. The gentleman says this is a preparedness measure. Does he claim that water power is necessary to produce nitrate?

Mr. HULL of Iowa. I will answer that question in a few minutes, when I get to it.

I want to say a few words about some of the arguments used against this appropriation. The first one, and the one that has been used most, is that there has been extravagance in the building of this plant. Why, my friends, in company with other members of the Committee on Military Affairs, I have traveled all over this country and a portion of Europe, and I have found practically everywhere there has been a great deal more extravagance than should have been in the conduct of the war; but because we find extravagance are we going to scrap our Army? [Applause.] Because they are extravagant at West Point, perhaps, do we refuse them appropriations? Because they were extravagant at Camp Grant are you going to sacrifice what you have paid for there?

The other day I went down to Camp Eustis; we could see where they had been extravagant there. But you have this camp paid for, and you will have to keep up running expenses. We are in the position of a man who has hired a superintendent to run a farm, for instance. He has been extravagant. He has purchased things that he does not need. We have found it out. He has practically ruined us. We have discharged him. Somebody else is coming in. The question now is, Are you going to sacrifice the things that you have, or are you going to conserve them for future uses? By this appropriation we furnish an opportunity to a Republican administration to conserve or salvage this plant.

The answer to the question of the gentleman from Ohio [Mr. LONGWORTH] is this: It is not necessary to have water power. But the gentleman from Ohio knows full well the result. You refuse this appropriation, and in a few years the corporations of this country that control nitrates will buy that steam plant, because it is worth nothing to the Government in peace times unless it is developed. [Applause.]

Mr. LONGWORTH. That is no answer.

Mr. HULL of Iowa. That is my answer to it. I know full well that the corporations of this country control the supply systems of the Army. They have done it for 20 years.

Mr. LONGWORTH rose.

Mr. HULL of Iowa. Wait a minute.

Mr. LONGWORTH. If the gentleman wants an answer, I will give it to him.

Mr. HULL of Iowa. I can tell you about control by the corporations. Mr. Chairman, I refuse to yield. I want to tell the gentleman what it costs this Government to have the supplies controlled by the corporations. We went into this war without a blue print of modern artillery in our Ordnance Department, and in consequence of that we paid out $2,000,000,000 for artillery ordnance, and we never fired one piece over our boys in Europe.

Mr. LONGWORTH. Why does the gentleman point to me?

Mr. HULL of Iowa. You are the one that asked the question.

Some gentlemen want to postpone action. They say, "Wait, wait." That is the same argument I heard in the Committee on Military Affairs for years before the war: "Wait, and we will produce something a little better, and our corporations, privately controlled, can produce everything that you need." We waited, and the result was that it cost us $5,000,000,000, for which we never received one thing that we could use. I refer to the aeroplanes and to the ordnance. That is the result of waiting for national preparedness. I am opposed to it. I am unalterably opposed to this Government letting a foreign nation control one of the fundamental things that you need for national preparedness. [Applause.] When we went into the war we had to go down to Chile, 5,000 miles away from our nearest port, to get nitrates, and they spent many sleepless nights down in the War Department wondering whether they were going to get them. I am opposed to that kind of preparedness.

Mr. McKENZIE. Will the gentleman yield for a question?

Mr. HULL of Iowa. Certainly.

Mr. McKENZIE. The gentleman from Iowa believes in the Government manufacturing rifles and guns for the Army as a preparedness proposition. Would the gentleman favor the Government manufacturing guns in our arsenals to sell to sportsmen and citizens generally?

Mr. HULL of Iowa. I suppose the gentleman's idea is that the farmers are sportsmen. [Laughter.] If he thinks that, he had better go out and see some of his farmer friends and ascertain their sporting qualities. Mine are not. [Applause.] The gentleman from Illinois would spend $100,000,000 to erect a factory for powder to kill men with and then refuse to spend $28,000,000 more to make it useful for food production.

Mr. HUSTED. Will the gentleman yield?

Mr. HULL of Iowa. Certainly.

Mr. HUSTED. Is it not true that more nitrates are now produced by private concerns in this country than this plant No. 2 at Muscle Shoals would be capable of producing? And if that is true, what effect does the gentleman think it would have upon those private plants to have this plant No. 2 run by the Government in competition with them?

Mr. HULL of Iowa. I will answer that by saying I am not worried about the ability of the United States Steel Corporation to take care of themselves on peanut propositions. [Applause.] There is no question about it. The gentleman is worrying about the United States Steel Corporation manufacturing a by-product, and he is afraid it will go broke. [Laughter.] I am much more worried about the common people than I am about rich corporations, and the Republican Party had better be, if it expects to retain itself in power.

Mr. MADDEN. Will the gentleman yield to me for a question?

Mr. HULL of Iowa. Yes.

Mr. MADDEN. The farmers of the United States now use 190,000 tons of fertilizer a year. The by-product coke ovens make 500,000 tons a year, and it is proposed in several years from now, after we have spent another $100,000,000 on this plant, to produce 86,000 tons. How much benefit is the farmer going to get from that expenditure?

Mr. HULL of Iowa. Let me answer that. Although I did not intend to argue this from the farmers' standpoint, I believe that if you appropriate the money necessary to complete this water-power plant, as you should, you will reduce the price of nitrates to the farmer over $30 a ton, and that will be of direct benefit to the food producers and the food consumers of this country. [Applause.]

Now, looking at it again from the standpoint of preparedness, the War Department has just asked for an appropriation of something over $800,000,000. I am not in favor of giving it all to it, but it is safe to say that we will appropriate more than $300,000,000 for this purpose during this session of Congress. We have over 200,000 enlisted men and some 12,000 officers, but we might as well send them all back to civil life and forget the Army appropriation bill if we do not have an adequate supply of what this Muscle Shoals plant will produce.

We are now dependent entirely on Chile for our supply of nitrate. All that we use must come from a country some 5,000 miles away. It is true we are getting a sufficient supply at the present time, but I want to ask these gentlemen who are opposing this measure if they think it is a good policy for the United States to depend solely upon a foreign Government for a supply of material upon the possession of which might depend our national safety?

There are no nitrate beds in the United States. The only way therefore that we can obtain it is from the air. There are no plants in the United States that manufacture nitrate, or rather there is only one or two whose output is so inconsiderable that it need not be considered. We have then only one of two courses to follow, either keep on depending upon Chile for our supply or build this plant and be in a position to supply our own demands if the occasion demands.

What is the use of appropriating money for an army of men if we have no guns, and what is the use of spending money for guns if we have no powder? We can have powder only if we have a supply of nitrate, and we can have this supply at the present time only if we can get it here from Chile, a country that lies on the west coast of South America. I know some people think that we can keep on getting our supply from a foreign country indefinitely, but it seems to me that it is a poor policy for this country to turn down a proposition that will give us an opportunity to develop what we need within our own doors. This is from a military point of view only. Now, let us look at the other side for just a moment.

So far we have expended, in round figures, $100,000,000 to develop a great water power and nitrate plant. All of the preliminary work has been done on the water-power project and the nitrate plant is about completed. Twenty-eight million more will complete this great project, and it is now proposed that we refuse any appropriation, which means that the work must stop, the working force disintegrate, and the immense supply of materials and machines on hand lie idle and deteriorate in value while we speculate on whether it is a good thing for the United States to manufacture its own explosive material or not.

There have been charges of extravagance in the building of the nitrate plant and in the work that has already been done on the power plant. I do not know whether it is true or not. It is quite probable that there was, although I am told that the elaborate officers' quarters that were referred to in the argument a day or two ago were not built from the funds appropriated, but from lumber that was salvaged when the first plant was built. This is beside the question now, however, for I see no economy in throwing away what we have simply because extravagance was allowed when it was being built. As near as I can learn the power plant is now about 30 per cent completed. All of the preliminary work has been done. The machinery has been assembled, an immense bridge built, the cofferdams erected, and we are in a position to go ahead and lay the concrete, and finish the dam. Why not do it?

We can be as economical in finishing the work as the present administration was extravagant in starting it. Because the people who have had the matter in charge are said to have been extravagant is no reason why we should continue to be so.

A new administration is coming into power, an administration that has pledged itself to economy and a businesslike policy. To refuse to complete the work on the ground that there has been extravagance is an admission that we are not able to do it more economically, an admission that we can not do what we have pledged ourselves to do—get a dollar's return for a dollar expended.

If we are to be economical, how are we going to justify our action of allowing a hundred million dollars go to waste when by spending a few million more we can develop one of the greatest water-power plants in the world and supply our country with one of the most essential products necessary for our self-protection? How are we going to justify our action in refusing to complete a project that will produce a material for which there is an enormous demand at the present time, and produce it as cheap if not much cheaper than we can now bring it from another country whose supply we are almost wholly dependent upon for our needs?

Now, let us go into a little detail in regard to the expenditures on this proposition, for I have been digging into them a little myself. We spent $83,000,000 for the nitrate plants. They are completed and ready to operate.

The total appropriation for the water-power plant to date has been $17,159,610.42. Of this amount $11,423,388.84 has been expended, $1,288,359.50 contracted for but not paid out, leaving a balance on hand of $4,447,862.08. This amount, it is estimated, will keep the work going until the new appropriation will be available.

Of the eleven million and some odd thousand that has been expended, $1,682,500 went for camp construction and operation. This includes the roads that have been built, the bringing of the water supply from Florence, a town some 7 miles away, and the erection of 30 permanent houses and 308 temporary houses. This work is now complete, and so far as it goes we are ready for business.

It was also necessary to build a railroad 25 miles in length, and this, with the cost of operation and equipment to date, has cost $1,075,100. The road is now in operation and brings to the camp the supplies, material, and so forth.

We have spent another $2,980,000 on the general plant, including the enormous cranes, the barges that bring in the sand, and all the numerous other things that go to make up a big plant such as it is necessary to operate there. We have paid out $421,000 for flowage rights, which means that we have paid that amount to the landowners whose land has been overflowed or will be when the dam is constructed. Another $300,000 went for the big cofferdam that it was necessary to construct, and another $606,000 for the bridge across the river.

So far we have placed 70,000 yards of concrete at a total cost of $614,000. We now have a plant that has a capacity of laying 5,000 yards of concrete at an approximate cost of $7 per yard. It will be necessary to lay 1,000,000 yards to complete it. Here we are with the preliminary work all done, everything ready to build a mighty dam, millions expended in preparation, and some of you now propose to stop the work because it is hinted that the houses might have cost too much, the officers' quarters are perhaps too commodious, or the bridge too expensive.

I have devoted some little time also to analyzing what the plant will produce when it is completed.

We are going to have a water-power plant that will produce 100,000 primary horsepower and 500,000 secondary horsepower. We now have a steam plant with a capacity of 80,000 primary horsepower.

I am advised that we can sell all our primary power, which means the power we can furnish continually, and still have left about 400,000 secondary power, which would produce 110,000 tons of nitrate a year. Thus we have a market for our surplus power, and there is no doubt about the market for the nitrate.

There is also no doubt but that we can produce the fertilizer cheaper than it can be imported. There is no doubt but that we will. To acknowledge otherwise would be to admit that we were incompetent. There are many details that I could explain if I had the time, but I think they are matters that each Congressman should investigate for himself. If he will take the pains to do so, as I have done, I have no doubt but that he will come to the conclusion, as I have, that not to proceed with this project now would not only be failing to provide for the military policy and safety of the Nation but it would be an economic waste that we can not afford and that we have no right in justice to wish onto our constituents.

I want to add right here a statement from Mr. Hugh Cooper, one of the greatest engineers this country has ever produced and a man with an ability so great and a character so high that his words can be taken without reservation.

NOVEMBER 27, 1920.

Gen. HARRY TAYLOR,
Office of the Chief of Engineers,
War Department, Washington, D. C.

DEAR SIR: 1. You have asked us for a general statement with respect to the value to the general public of the Muscle Shoals project as a water power, and you have also asked us for a statement as to what losses would probably be met with if the construction of the works should be interrupted by the failure of Congress to make necessary appropriations to carry on the work vigorously and thoroughly as now under way.

2. With reference to the first question, we have carried out under your instructions an exhaustive analysis of the value of the power element in this project. Our investigations have included a thorough check of the Florence rating curve, involving 45 separate checked quantitative measurements for different elevations of the gauge. This gauge, as you know, has been the basis for determining accurately the flow of the Tennessee River during the last 21 years. Based upon the flow of the Tennessee at Muscle Shoals thus determined, and based upon the operating heads as they will occur at the Wilson Dam, we find, as previously reported to you, that the average primary power production in the future would be 700,000,000 kilowatt hours per annum, and for the secondary power 1,470,000,000 kilowatt hours per annum.

3. In the territory reachable from the Wilson Dam the present coal consumption in steam-operated industries will be found in excess of 6 pounds of coal per kilowatt hour and is probably more than 8 pounds per kilowatt hour. Assuming 6 pounds, the saving in coal by the complete installation of the works as now planned will amount to more than 6,500,000 tons per annum if this energy is used for standard normal domestic purposes. If the plant is used otherwise than above indicated (for fertilizer, for instance) such other use will not, of course, be adopted unless the resulting benefits are found to be in excess of those incident to the conservation of 6,500,000 tons of coal per annum, and therefore you should be safe in submitting the coal-saving quantities as a basis for congressional determination of future action.

4. In determining the amount of power that should be developed at the Wilson Dam we have carried out your instructions to figure that 10 years of time will be required to load the plant after it is completed, and that after the works are completed interest should be figured until the product of the plant is fully marketed. We have also carried out your instruction to use the unusually low selling price of 1.2 mills per kilowatt hour for the secondary power and 4 mills per kilowatt hour for the primary power at the low-tension bus bars of the generating station in order that Congress may always be certain that the final results will fully justify the money to be here invested.

5. Under your instructions we have figured that the plant when completed must earn 5 per cent for interest and 5 per cent for depreciation and operation, or 10 per cent of the cost of the power end of the enterprise. Both of these assumptions are conservative. The kilowatt hours in paragraph 2 multiplied by the selling prices in paragraph 4 will produce a gross annual income of $4,554,000, which is 10 per cent of a cost price of $45,540,000. The best estimate that can be made at this time of the total cost of the project, including the two lift locks and all of the navigation facilities, is around $50,000,000, and thus leaves about four and one-half million dollars as the amount applicable to the navigation account.

6. All of the above quantities are accurate and are not to be considered as assumptions or approximations. The values for the secondary and primary kilowatt hours are about 50 per cent of prewar steam costs in the territory under consideration.

7. On the second question, as to the cost of closing down the work at this time, this is difficult to answer. It is not conceivable that the Government would withdraw from this project entirely in view of the more than $12,000,000 already invested and the showing in the foregoing paragraphs. In order to estimate the cost of a shut-down it would be necessary to have a basis as to the date when work would be resumed so that the loss in interest might be computed. If the work should shut down at this time to be resumed, say, in three years, I am of the opinion that the combined losses to the Government would be around $4,000,000, and without any compensation therefor unless the Government might claim there was a compensation to be expected in waiting for a lower interest rate three years from now than can be obtained at this time. This amount of saving would be very small as compared to the $4,000,000 loss. The $4,000,000 would represent a loss of interest during three years on $12,000,000, and on the construction side the loss of all of the cofferdams which are now in place, the loss of the construction bridge, the removal and reerection of a large amount of construction derricks, tracks, concrete mixers, and rock crushers, and other construction equipment. The job would also have to suffer the losses incident to the breaking up of the construction organization which has been assembled at necessarily large expenses, and I feel very certain that, collectively, the above losses would be a minimum of $4,000,000 and might easily amount to four and one-half million dollars.

8. If the work should be shut down now or at any future time, there would result only a small loss to the Government on account of the engineering division on the Muscle Shoals work being suspended because of the 30-day cancellation clause in our contract therefor.

Very truly, yours,
HUGH L. COOPER.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, I yield four minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, one of the first statements I ever made on the floor of this House was against the Muscle Shoals proposition. I did not believe it was a feasible business proposition then, and I do not believe it is now.

This proposition has been before the House in several different forms. It came here first as a river and harbor proposition, then as a military proposition, and now I believe it is here as a farm proposition. Every single time it has been before this House the Members by a very decisive vote have disapproved it; they have always voted it down; and the only way it got started was as a war emergency proposition, through Executive order, and out of money over which we had no control. That war emergency is a thing of the past, and now is the time for us to get together and get back to earth and consider things from the standpoint of common sense and business judgment. If we do that, there is no possibility of the membership of this House voting at this time to appropriate $10,000,000 more for the Muscle Shoals proposition. It is simply another attempt to continue the Government in business; and if there is one lesson above all that we have learned in the last few years, it is that the Government can not conduct business properly. Our business in conducting the railroads——

Mr. UPSHAW. Will the gentleman yield?

Mr. SNELL. No; I can not yield. Our experience in conducting the railroads and telephones and telegraphs during the last few years ought to be lesson enough in that direction, and it is my understanding that the people of this country last November, by a most decisive vote, showed that they are absolutely opposed to continuing the Government in the conduct of business operations in competition with private concerns. Furthermore, from any information I can obtain, no man knows how much it is going to cost to complete this project, and before we go any further we should first define what the final Government policy is going to be in regard to this proposition, how much it is going to cost, what we will have when it is finished, and then put the proposition fairly up to Congress and let them decide what they want to do. I am positively opposed to making piecemeal appropriations of $10,000,000, $15,000,000, or $20,000,000 for this proposition, when no man knows what it is going to cost or what he is going to get when he has it. I am absolutely opposed to this amendment and hope the economists of the House will not vote to include this in the bill. [Applause.] I yield back the remainder of my time.

The CHAIRMAN. The gentleman from New York yields back one minute.

Mr. BYRNS of Tennessee. I yield five minutes to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Chairman and fellow Members, I am not going to attempt to make an address upon this subject. I wish to call attention to one or two facts, and to quote from a letter which I received this morning from a very distinguished gentleman in Philadelphia for whose opinions I have the highest regard, because of his competency to judge and the intelligence with which he does it. This has been spoken of as a military operation, it has been spoken of as a farmer's operation, and I might introduce a new term and say it ought to be spoken of now as a salvage matter. If this measure were presented to Congress for the first time I believe my vote would be cast against attempting to do this work, but since it has been passed upon, authorizing a large amount of money which has been expended upon it I know of no reason why we should not attempt to salvage what has been done and put it to the best use possible. Some one has said that there are so many hundred tons of nitrates used by the farmers and that there is a production that nearly equals it or will soon equal it. That is no argument why, if the Government has a plant on its hands, it should not utilize it to the best advantage even in making nitrates through private enterprise and letting the nitrate produced come in competition, if you please, with the manufacturing of by-products from the coke oven.

That is one suggestion, in other words, the war feature of it is completed and that part of it need give us very little concern. The water power and the nitrate products are the elements for the future. A developed water power could be let and produce some income to the Government on what has been expended.

Now, I wish to quote from a letter written by J. H. Mull, president and general manager of the William Cramp Shipbuilding Co., of my city:

> Among all the war projects carried out by the Government at a cost of billions of dollars, much of which must be written off as a dead loss as far as any peace-time value is concerned, here is one project which will be of as great use in time of peace as in time of war. Here is an opportunity to salvage some small part of what otherwise would be lost. One of the greatest needs of the country to-day is the saving of coal and the providing of power for our industries.
>
> The failure to complete this great project, upon which many millions of dollars have already been spent, would certainly be an act of folly. It would surely be greatly to the discredit of our Government if after having entered upon a useful project of this kind they should stop before finishing the job and let all the work that has been done go to waste. This is one of the few great water powers available in the eastern part of the United States. The Government has elected not to permit the development of this power by private initiative, but has assumed the work itself. The power will be available not only for general industrial needs of the community, but for the manufacture of nitrates to supply our agricultural needs during time of peace and explosives in time of war. The use of this power will save many thousands of tons of coal at a time when the lack of coal is becoming continually more acute.

[Applause.]

Mr. GOOD. Mr. Chairman, I yield three minutes to the gentleman from Massachusetts [Mr. TREADWAY].

Mr. TREADWAY. Mr. Chairman, one of the first measures that came to my attention when I first appeared in this House was the effort to develop the Muscle Shoals proposition as a navigation feature. I made a visit to that neighborhood and was thoroughly convinced of the hospitality of the people residing near Muscle Shoals. So far as the merits of the proposition from the viewpoint of navigation, I was not convinced that it was a good offer to have the Government go into its development. Congress saw fit not to adopt the Muscle Shoals navigation proposition for the development of water power at the expense of the Government. It refused to put its hand into the Public Treasury for the sake of development along the line of war needs.

Again we find this measure before us as of very great value to the agricultural interests of this country. So far as I am able to see into the action of our friends outside of Congress, in my experience here there never has been a more strongly lobbied proposition than the development of Muscle Shoals at Government expense. If there is such a great value to Muscle Shoals for the development of navigation and water power, war protection, agriculture, or some other method likely to be pressed for, why have none of the private interests of the country seen fit to go into the business of developing Muscle Shoals? I, for one, think we ought to get out of this business as a Government.

Now, then, the gentleman from Iowa [Mr. HULL] says that in a short time some private corporation will benefit by the amount of money we have already spent there. Well, that does not scare me one bit. I am not one of those who believe in putting a good dollar after a bad one. The Government has spent $70,000,000, call it, if you will, bad money; do not let us spend a hundred and fifty millions more of good money. We are here advocating economy in the expenditure of the people's money, and the very first thing we do is to bring forward these measures of piecemeal legislation similar to this one carrying $10,000,000. I say it is false economy; let us salvage Muscle Shoals. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three minutes to the gentleman from Michigan [Mr. SMITH].

Mr. SMITH of Michigan. Mr. Chairman and gentlemen of the committee, I am much interested in the discussion of this question as it has proceeded in the House for the last two days. I consider it a very important question. Since the Great War I have been surprised many times at the wonderful waste there has been in the salvage of the materials and property that came to us by reason of the war.

We have spent $116,000,000 on this Muscle Shoals proposition. It will create a greater power than there is at Niagara Falls. This power if it is developed will do the work of a million men. I am for saving the work of a million men. There will be over 400,000 horsepower. I am for putting the harness on this water power instead of putting harness on the men. One gentleman says you must have an auxiliary plant in order to operate this dam. The way to avoid that, where they do not develop enough water power to operate for the full year is to provide in the contract that the users of the power shall provide their own auxiliary. For instance, if they agree to use the whole power during the high water, then the purchaser of the power must provide for the auxiliary during the low water that will be needed by him; but the larger part of the time for eight or nine months this dam will have 400,000 horsepower. The Government does not have to operate the plant. It can be leased to private individuals. I understand we purchase 30,000 horsepower from the Warrior River for the manufacture of nitrate at one of the plants when it is operated. I am against the junking or abandonment of 116,000,000 hard-earned dollars already invested by the United States for the purpose of saving $10,000,000 or $20,000,000. That is just the proposition. We have a great power there, and if we can save the labor of a million men we ought to do it. [Applause.]

The Secretary of War at the hearings before the Senate testified in relation to the power, and I wish to incorporate a part of his testimony:

> Senator NORRIS. How much power will it develop?
> Secretary BAKER. It will develop 200,000 primary horsepower.
> Senator NORRIS. The year around?
> Secretary BAKER. That is primary power; yes, sir.
> Senator NORRIS. When that is developed, the steam units will be of no consequence, will they?
> Secretary BAKER. The steam units will be of consequence, because they will be used to supplement the low stage of the river.
> Senator NORRIS. Then the horsepower developed by water power that you have given applies only to the maximum and not to the steady flow?
> Secretary BAKER. That was the primary power. Then, in addition to that, they have 200,000 horsepower secondary power.
> Mr. ROBERTS. They claim it can go up to 400,000, but that 400,000 can only be used, a part of it, for six months.

Others testified that the stream would only produce 100 horsepower the year through. While none of these estimates were backed up by the figures, and the figures were wanting as to the exact volume of water that would flow over the dam when constructed, they give some idea. Whatever it is, the whole of the Tennessee River, near its mouth, is fairly comparable with the Ohio in volume, and the entire current will flow over the dam when completed.

The gentleman from Tennessee [Mr. GARRETT], who was on the subcommittee that held hearings on the Muscle Shoals proposition, tells us that there has been expended on this project already about $116,000,000. Gentlemen, this is too much to abandon when the plant is nearly one-third completed and the construction of the dam will only require upward of $20,000,000 additional. It is claimed that the completion of the main dam will call for the construction of two other dams. As the other dams have not been started and no expenditure has been made on them, as an original proposition I would not favor constructing more dams at this place, and that can easily be brought about by denying any appropriation therefor.

The construction of dams by the United States Government is not a new program and does not present a new policy. There are already scores of them constructed in the Western States, used for irrigation purposes, and the following is a table covering the projects in the various States. These dams are all used for irrigating purposes, and it is estimated that in the one project of the Imperial Valley alone they raised more than $50,000,000 worth of products last year as the result of the reservoir there.

Reclamation project investments to June 30, 1919.

State.	Project.	Total investment of United States.	Reimbursements and credits.	Net investment of United States.
Arizona	Salt River	$14,738,768.28	$4,597,289.88	$10,141,478.40
Arizona-California	Yuma	10,491,156.17	1,384,435.55	9,106,720.62
California	Orland	1,142,775.82	262,285.10	880,490.72
Colorado	Grand Valley	3,638,306.40	123,755.05	3,514,551.35
Do	Uncompahgre	7,500,573.50	941,185.43	6,559,388.07
Idaho	Boise	13,818,129.69	2,065,497.76	11,752,631.93
Do	King Hill	653,828.22	17,837.55	635,990.67
Do	Minidoka	7,152,963.40	2,500,397.80	4,652,565.60
Kansas	Garden City	402,424.80	59,014.76	343,410.04
Montana	Huntley	2,322,584.94	771,833.28	1,550,751.66
Do	Milk River	3,448,555.50	155,623.91	3,292,931.59
Do	St. Mary storage	2,696,879.42	134,175.64	2,562,703.78
Do	Sun River	4,040,415.07	390,854.44	3,649,560.63
Do	Lower Yellowstone	3,577,571.06	258,244.93	3,319,326.13
Nebraska-Wyoming	North Platte	11,924,724.39	1,825,559.61	10,099,164.78
Nevada	Newlands	7,195,680.51	1,015,471.89	6,180,208.62
New Mexico	Carlsbad	1,720,306.28	515,728.93	1,204,577.35
Do	Hondo	407,745.12	35,750.26	371,994.86
New Mexico-Texas	Rio Grande	10,396,711.35	1,100,746.60	9,295,964.75
North Dakota	North Dakota pumping	1,376,345.42	417,859.85	958,485.57
Oklahoma	Lawton	14,774.99	877.13	13,897.86
Oregon	Umatilla	2,931,431.20	655,256.24	2,296,174.96
Oregon-California	Klamath	3,454,702.40	749,301.66	2,705,400.74

Reclamation project investments to June 30, 1919—Continued.

State.	Project.	Total investment of United States.	Reimbursements and credits.	Net investment of United States.
South Dakota	Belle Fourche	$4,104,082.40	$800,031.64	$3,304,050.76
Utah	Strawberry Valley	3,908,218.17	555,605.22	3,352,612.95
Washington	Okanogan	1,128,384.53	209,960.55	918,423.98
Do	Yakima	12,935,413.10	4,033,299.44	8,902,113.66
Wyoming	Shoshone	6,631,353.38	1,018,007.04	5,618,346.34
Various	Secondary	1,362,125.54	211,853.08	1,150,272.46
Subtotals		145,136,931.05	26,802,740.22	118,334,190.83
Wyoming	Jackson Lake enlargement.	850,945.96	856,706.44	[1] 5,760.48
General expense		4,992,981.79	4,899,407.55	93,574.24
Indian projects		3,147,046.68	3,145,068.66	1,978.02
Total		154,127,905.48	35,703,922.87	118,423,982.61

[1] Deduct.

The utility of water power is no longer of questionable value. We hear much of the value of the water power in the improvement of the St. Lawrence River for commercial purposes. It is proposed to utilize this Muscle Shoals power in the manufacture of fertilizer in aid of agriculture. The great farm organizations are in favor of it, among which are the American Farm Bureau Federation, the National Grange, the Farmers' Educational and Cooperative Union of America, the National Board of Farm Organizations, and, in the interest of good husbandry, the request of these out-of-door organizations ought to be granted. It is as well of equal interest to those living in our great cities that they be furnished food at reasonable cost.

None of you gentlemen who have addressed the House on this proposition claim that we ought to scrap and abandon the project. If not, then why not develop it? That is one of the questions that concerns me. I am not in harmony with the proposition of abandoning this great improvement and shall vote for its continuation. When constructed it will be operated by private capital.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. GOOD. Mr. Chairman, I yield seven minutes to the gentleman from Ohio [Mr. LONGWORTH].

Mr. LONGWORTH. Mr. Chairman and gentlemen of the committee, if you want to vote for an absolutely unjustifiable expenditure of money now is your chance. If you want to dump into a sewer millions of dollars of the people's money, this is your opportunity. You speak of salvage propositions. To my mind the great salvage problem that this Congress has before it is the salvage of the people's money in the Treasury. Now, you propose, instead of salvaging that money, to add to the already tremendous burden. I know something about this Muscle Shoals proposition. I have known about it for years. I am not going to repeat what has been said here, because it would be a useless expenditure of time.

This Muscle Shoals proposition started out first as a navigation scheme. It then developed into a "preparedness" scheme. Now it is a fertilizer scheme. You talk about this being necessary for preparedness. I asked my friend from Iowa [Mr. HULL] whether he regarded water power as being necessary to make nitrates. His answer was hardly satisfactory. He said that, while he agreed it was not necessary, yet if we did not do this, some corporation would do something or other, not divulged. I have from the beginning asked this question in this House, and I have never had an answer to it: If water power is necessary to produce nitrates when a country is deprived of an outside supply of nitrates, how was it possible for Germany throughout the war to produce every ounce of nitrates necessary for complete preparedness, when there is not an ounce of water power in Germany? Will some one answer that question now or at any other time? Germany was able from the beginning of the war, cut off from Chilean nitrates supply, to manufacture in complete and adequate quantities all the explosives necessary. Now, you come at this late day, when the war has been over for two years, except technically, and say that this is a preparedness scheme.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. SNELL. Is it not a fact that we have a plant that is already equipped that is adequate for preparedness?

Mr. LONGWORTH. For manufacturing nitrates in another way, but this cyanamid method of manufacturing nitrates is antiquated, and there is no other country in the world that uses it to any extent.

Mr. BRITTEN. Is it not a fact that Germany did manufacture nitrates with water power in Sweden for a number of years, and finally abandoned the idea?

Mr. LONGWORTH. A German syndicate controlled the greatest water-power site in the world, the one in Sweden, which could produce infinitely more power than this Muscle Shoals project if completed, and yet that syndicate sold their interest in that water-power site because they found it was not necessary to produce their nitrates. They produced them by other methods, upon which scientists here and elsewhere are now experimenting, infinitely better and more cheaply.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. HUSTED. Does the gentleman consider the plants at Muscle Shoals practical plants for the manufacture of nitrogen, considering the present state of the industry?

Mr. LONGWORTH. As a matter of fact, as it stands to-day that plant at Muscle Shoals can not produce commercial fertilizer. This is one of the entering wedges for the whole scheme. They are asking here for more power. In a few days they will come along with another entering wedge and ask you to spend $12,500,000 to so change this plant that it can produce commercial nitrates. We have spent God knows how much money already. Some one says $80,000,000, probably more, and you have spent nearly $20,000,000 on a dam which does not yet appear above water. You are now asked to spend $10,000,000 more on the dam, and nobody knows whether that will make it appear above water. The truth of the matter is that the money spent on this dam so far was taken out of an appropriation which did not contemplate water power in any shape. The plant was built out of an appropriation which had nothing to do with nitrates.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. LINTHICUM. The gentleman from Pennsylvania [Mr. GRAHAM] spoke about the water power which was to be generated here. Is not that of great interest and value to the people in that section?

Mr. LONGWORTH. Oh, to the people of that section; precisely.

Mr. LINTHICUM. Wherever you save coal, is it not beneficial to the whole country, whether saved in that section or wherever you save it?

Mr. LONGWORTH. Of course, if the gentleman advocates the expenditure of a hundred and fifty million dollars to benefit one particular section only in times like these, he is entitled to his opinion, but my opinion is contrary to that.

Mr. CHINDBLOM. Mr. Chairman, will the gentleman yield for a suggestion?

Mr. LONGWORTH. Yes.

Mr. CHINDBLOM. We have some water power in Illinois that we would like to have the Federal Government come and develop.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GOOD. Mr. Chairman, I yield two minutes more to the gentleman.

Mr. ALMON. Mr. Chairman, will the gentleman yield?

Mr. LONGWORTH. Yes.

Mr. ALMON. The gentleman intimated that the cyanamid process was obsolete. Will the gentleman answer why it is that Germany is making 130,000 tons per year by that process now, and why, at the beginning of the war, there were 14 cyanamid plants in the world and now there are 35?

Mr. LONGWORTH. In the first place, I think the gentleman's figures are absolutely incorrect, but I do know this, and I think the gentleman does, that manufacture by the cyanamid process is absolutely impossible commercially unless you have a great water supply. That being so, why did you put a cyanamid plant 90 miles away from any water supply, as you did in this case? Why did not you put it where there was water power? There is no water-power supply there now. There is none nearer than the Black Warrior River, which is 90 miles away. It is true there is a river that goes by Muscle Shoals, but there is no water power there and will not be for years, and yet you talk about this as a matter of preparedness. This plant was expected to be run half by water power and half by steam power. You have spent millions for a steam plant at a water-power site, and you have spent hundreds of thousands of dollars in getting electrical current from the Black Warrior River power plant 90 miles away.

Mr. MADDEN. If you create water power that can be developed there, will you not also have to have steam plants in reserve?

Mr. LONGWORTH. Unquestionably. I do not like to bring a personal question into this, but it appears of record that the reason of the authorities for putting a certain nitrate plant in my congressional district was because it was thought that possibly it might remove my opposition to the expenditure of

further money at Muscle Shoals. I think I have given an exhibition of the fact that I can not be influenced in that way. [Applause.]

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three minutes to the gentleman from Mississippi, Mr. SISSON.

Mr. SISSON. Mr. Chairman, this project was commenced as a national-defense proposition, and those of us who are members of the subcommittee on deficiencies shortly after we got into the war with Germany found ourselves confronted with this proposition. It was extremely doubtful at that time whether or not after we got into the war we would be able to get nitrates from Chile at all. Quite a good deal of negotiations were had, and we were holding our breath here because for six weeks we were without any supply of raw material out of which to make explosives. With the utmost care we guarded the terrible condition in which we found ourselves and when the first shipload of nitrate reached this country from Chile, and we found that notwithstanding the German diplomatic opposition that we were able to get nitrates from Chile we all breathed better. Now, we already have expended within $21,000,000, I believe, of all that is necessary to complete the project which we now have on hand. Now, the most wasteful, the most extravagant man in the world is the man who is not willing to spend enough money to care for his property. We have spent in the neighborhood of something over $100,000,000 on all the propositions there are, including the appropriation which is now being used, and you propose to stop that. Of course, I can not discuss this proposition in three minutes, but there is one proposition I want to call to your attention, and that is that while this plant is not needed in time of peace it can be kept every moment ready to make nitrates for war purposes, and during the time as a secondary matter you can make fertilizers for the farmers. One great thinker has said that the greatest problem involved in the world, a problem now confronting us, is for America to be able to feed herself.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BYRNS of Tennessee. I yield the gentleman one additional minute.

Mr. SISSON. Do not take the flattering unction to your souls that you are going to be able to keep these farms in operation, keep them productive and keep the boys upon the farm unless you can by some method, scientific or otherwise, develop the soil and make the conditions of the farm prosperous. Now, if the Republican Party wants to go on record now, if you want to stamp your disapproval upon this proposition because, forsooth, some man says it is for the purpose of benefiting the American farmer, go take this course. You Republicans control both the House and the Senate and can do it. But when you do, every farmer should hold you to a strict account. The first man to suffer when agriculture begins to fail is not the man living on the farm, but it is the man living in the crowded cities, where all the opposition to this amendment comes from. I see New York, with its mighty pile of brick and mortar, towering toward the vaulted heavens, filled with millions of people, and I see other cities with mighty buildings filled with busy people that would soon be hovels of destitution if farm products fail to find their way there to feed them. [Applause.]

The CHAIRMAN. The time of the gentleman has again expired.

Mr. GOOD. Mr. Chairman, I yield five minutes to the gentleman from New York [Mr. MAGEE].

Mr. MAGEE. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. SMITH of Michigan. Mr. Chairman, I make the same request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MAGEE. Mr. Chairman, having been a member of the subcommittee that drafted this bill, I feel that I should state to the House my position. I am not satisfied that it would be wise for the Government to spend $40,000,000 more for the purpose of making and selling fertilizer and generating and selling electric light and power. Business of that character might well be left to private enterprise. I feel that we should leave the matter at this time to the Senate that has investigated the project, rather than to determine under the pending amendment what the governmental policy shall be.

When our Democratic friends were in power they not only wasted billions of dollars but they milked the Government's cow into a pending deficit of several billions more; that is a grave menace to the business interests of this country. Being now in the minority their raids upon the Treasury should cease. And they can not conceal their real purpose by raising the cry of sectionalism. I am fond of the South, of its people, and of its Representatives in the House, many of whom I count as my personal friends. But they must quit sandbagging the Treasury. [Applause on the Republican side.]

They remind me of an article that recently appeared in a Washington newspaper about a farmer in North Carolina whose cow was milked at night by a marauder. The farmer took the cow out of the stall and placed therein a young mule. A few nights later, hearing a devil of a racket in the stable, he rushed out with a shotgun only to find in the stall an old stool kicked to pieces, an old slouch hat, and a battered milk pail. Thus ended the felonious assaults upon that cow. [Laughter.]

I want to say to my Republican colleagues that the country expects us to do our duty, which is as clear as God's sunlight. We must put the Government upon a healthful financial foundation which will be a real basis for a new era of prosperity in this country. We can do this only through the most rigid economy in public expenditures. I am strongly in favor of placing a young mule in the stall of the Government's cow. [Applause.]

Mr. Chairman, I yield back whatever time may be remaining.

The CHAIRMAN. The gentleman yields back two minutes.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield three minutes to the gentleman from Tennessee [Mr. SIMS].

Mr. SIMS. Mr. Chairman, I have never been euthusiastic in the effort to improve a navigable stream in order to enable private interests to make money at public expense. I feel about Muscle Shoals, Niagara Falls, and everywhere else wherever there is navigation as does the gentleman from Pennsylvania [Mr. GRAHAM]. This is not an original proposition, and I have seen hundreds of thousands, if not millions, voted out of the Treasury to improve some unimprovable watercourse in the name of competition to the railroads in order to bring down rates. Now, I suggest that it is just as important to have competition to bring down the prices on fertilizer manufactured by private concerns in order that the farmer may get his supplies as near cost as is possible as it is to spend public money on dry branches in the name of navigation in order that privately owned and privately operated railroads may be forced to cut down rates. The gentleman from Illinois [Mr. MADDEN] speaks of private corporations making all the nitrates we need. Perhaps they will, at a profit. And who pays the profit? The man who owns rich land that does not have to be fertilized is not the purchaser. It is poor land, and such lands are usually owned by poor men, because rich men will not invest in these poor lands.

Now, why not let this Government plant, for whatever purpose it was erected, be converted into that which at least would have a tendency to hold down the price of private manufacture of a public necessity, as it is admitted that fertilizer is a public necessity. Why should we not do so? As private interest begins to be menaced by the nitrate from Chile, its owners, that operate for profit, will come here and ask for a prohibitive protective tariff against Chilean nitrate so that they may be able to make more and more money. [Applause.]

The CHAIRMAN. The time of the gentleman from Tennessee has expired.

Mr. GOOD. Mr. Chairman, I yield seven minutes to the gentleman from Illinois [Mr. GRAHAM].

Mr. GRAHAM of Illinois. Mr. Chairman and gentlemen of the committee, I have heretofore at considerable length taken time in this House in giving my views on this matter. It is not a matter of any particular interest to me, except the interest which every Representative ought to have in the affairs of his country. Anyone who votes for this amendment, gentlemen of the committee, is voting for an appropriation not of $10,000,000, but for an appropriation of $55,000,000. When we have once taken this step there is no going backward from the other steps which we must take to carry out the object that is intended by this amendment.

Let me call your attention to the steps you will necessarily take if you take this one. This amendment calls for an appropriation of $10,000,000, a bagatelle, perhaps, in the way we ordinarily spend money for national needs. Originally Mr. Cooper, who was called in consultation on this Muscle Shoals Dam, said, a year ago before my committee, under oath, that the dam would cost approximately $25,000,000. To-day the Secretary of War says it will cost $45,000,000. Already there has been taken from the funds of the Government $17,000,000 and allotted for this purpose. This calls for $10,000,000 more. You will observe after this appropriation of $10,000,000, $27,000,000 will have been put into it, and approximately $20,000,000 more will be necessary to complete it.

In addition to this, what else was thought necessary? There is pending now in the Senate and before the Committee on Military Affairs in this House a bill to appropriate $12,000,000

to turn this into a fertilizer plant—that is, to make certain ammonium sulphate units, to be added to this plant, and $12,000,000 is to be appropriated for the purpose of organizing a semipublic corporation to conduct it.

Mr. ALMON. Will the gentleman yield?

Mr. GRAHAM of Illinois. No; I have not the time. I would like to proceed.

In addition to this, the engineers have concluded that two more dams must be erected, one below and one above the dam that is now being constructed, the lowest estimate for which is $15,000,000. Add, if you please, $10,000,000 and $20,000,000 and it makes $30,000,000, and $12,000,000 is $42,000,000, and $15,000,000 more is $57,000,000. That is the program you are starting on if you take this step. What ought we to do about it as reasonable, rational men? The administration of this country is about to change. In two months there will be a new President and a new Secretary of War. The question will arise before them, very pertinently and very appropriately, as to what ought to be done with this nitrate plant at Muscle Shoals. It ought to be the duty and pleasure of the new Secretary of War and those acting under him to determine some policy, if Congress has not already done so. But this is not an appropriation for the purpose of changing the present Muscle Shoals plant into a fertilizer factory but is an appropriation of $10,000,000 to carry on work on the dam, that may or may not be a part of the general plan.

I do not know what the Secretary of War and those under him may conclude is the proper thing for us to do. I simply know that those who are at present in charge of these affairs are biased and prejudiced in favor of the view they have taken, that the thing for us to do is for the Government to operate this plant. But the new administration may have a different view. Gentlemen, it is a wise and safe thing for us to do to wait two or three months and see what the policy shall be as to this before we take the step that must ultimately lead to the appropriation and expenditure of $55,000,000.

You say it is wise for us to do this on behalf of the farmers. Do you know how much this plant can be replaced for? It was the sworn testimony before the committee that investigated this thing that the whole Muscle Shoals plant could be reconstructed to-day for $30,000,000. And yet you are about to spend $55,000,000 in order to conserve a plant which can be built to-day under present conditions for $30,000,000. You say that it will go back and that it will be harmful to let it stand by. The Secretary of War testified before my committee, as did many others, that this nitrate plant can be allowed to stand by indefinitely without additional expense.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GRAHAM of Illinois. Mr. Chairman, I ask leave to extend my remarks.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield four minutes to the gentleman from Alabama [Mr. DENT]. [Applause.]

Mr. DENT. Mr. Chairman and gentlemen of the committee, this proposition has passed, it seems to me, beyond the stage of statistics. It is too late to talk about the amount of money that is necessary in order to establish a benefit of this kind. Yet I would like to correct the statement made by the gentleman who has just preceded me, the gentleman from Illinois [Mr. GRAHAM], in regard to the transformation of the plant. If the committee will recall the reading of the Kahn-Wadsworth bill and the hearings on that bill, they will remember that the original proposition provided for an appropriation of $12,500,000 to put these plants in proper workable shape. Subsequently the Secretary of War came before the committees, both of the House and the Senate, and stated that he had a sufficient supply of surplus Chilean nitrate which, if he was allowed to sell, he could get a sufficient sum from to put those plants in condition without asking Congress for a single dollar.

Mr. GRAHAM of Illinois. Will the gentleman yield?

Mr. DENT. I dislike to refuse, but I have only four minutes.

Mr. GRAHAM of Illinois. I do not want to take the gentleman's time, but I would like to supplement that——

Mr. DENT. I have not misstated that fact.

Mr. GRAHAM of Illinois. No; but if the gentleman will yield——

Mr. DENT. I can not yield.

Now, here is the whole proposition: The depletion of the soil of any country has been the cause of the ruin of that country, because it has made the people move away. After the soil has been exhausted it needs something to renew it, and every nation that has failed to do that has gone down in disaster, because its population has moved away.

No civilized nation in the world to-day except the United States is depending on the importation of saltpeter from Chile. They are manufacturing nitrate from the air. We are the only great civilized Nation in the world that has not developed this process. Unquestionably it can be developed more cheaply by water power than it can be by the burning of coal.

In 1912 this Congress passed a bill authorizing the construction of a dam for the purpose of establishing a cyanamid plant on the Coosa River, in Alabama, known as Lock 18. That bill unfortunately was vetoed because of the fact that there was a so-called conservation fight then on in the country. It was a family row. It was among Democrats and among Republicans. It was not a party question, but it was a row involving the question of the Government giving up water rights. The conservationists claimed that the stream ought to run on to the sea unutilized rather than that the Government authorize it to be utilized for the benefit of the whole people. [Applause.]

The CHAIRMAN. The time of the gentleman from Alabama has expired.

Mr. BYRNS of Tennessee. Mr. Chairman, I yield to the gentleman one additional minute.

The CHAIRMAN. The gentleman from Alabama is recognized for one additional minute.

Mr. DENT. Mr. Chairman, not being able to conclude my remarks except to say after the defeat of this measure for a plant on the Coosa River the plant was located in Canada, and now let me ask, Is it possible that this Congress is going to repudiate a proposition for the manufacture of nitrogen from the air, thereby making us independent of Chile in any future emergency and giving the farmer a cheaper fertilizer? [Applause.]

Mr. GOOD. Mr. Chairman, may I inquire how the time stands at present?

The CHAIRMAN. The gentleman from Iowa has 15 minutes remaining, and the gentleman from Tennessee [Mr. BYRNS] has 14 minutes.

Mr. GOOD. How many speeches has the gentleman yet to come? There will be two speeches on this side.

Mr. BYRNS of Tennessee. I yield 10 minutes to the gentleman from Illinois [Mr. MANN].

The CHAIRMAN. The gentleman from Illinois is recognized for 10 minutes.

Mr. MANN of Illinois. Mr. Chairman, I have heard so many statements and cross-statements in regard to this matter that I feel somewhat at sea on the particular facts. I suppose I feel the same resentment toward what has seemed to me the gross, wasteful extravagance of many departments of the Government during the war that most of the Members on my side of the House feel. I do still have a resentment against continuing things that seem to me to have originated in extravagance and wastefulness. And yet I hope my common sense will not lead me to throw away advantages which may exist or to destroy property which we may own, no matter how extravagantly acquired.

The fertility of the soil is, after all, the matter of supremest importance in any agricultural country. We have not so much felt the need of artificial stimulants because the prairie soils of the West were so filled with the necessary chemicals that they furnished ample plant growth without aid. And yet many portions of the country are now absolutely dependent for good crops upon added soil fertility.

Take a plant: What does it consist of? It grows out of the ground into the air, and in its live state it is composed mostly of water and carbon, the carbon being taken from the air. When it is dry, it is composed mostly of carbon taken from the air. But the plant can not assimilate either the water or the carbon, it can not grow successfully without some chemicals in solution in the soil—nitrogen, phosphorus, and potash.

Now, the air is full of nitrogen; but the plant does not have the power to take the nitrogen from the air and convert it into plant form except a few plants, such as clovers and other legumes, which by the aid of bacteria attached to the roots of the plants are able to take nitrogen from the air and use it for plant life and use it for the fertility of the soil. Hence we have the rotation of crops all over the country, where clover comes in once in three or four years.

But if we add to these chemicals in the soil less than 3 per cent in the completed plant, more than 97 per cent of the plant is either water or, taken from the air, in the form of carbon. But the ability of the plant to make use of the carbon in the air and the water in the soil is dependent upon its power to assimilate nitrates or nitrogen, phosphorus or phosphoric acid, or potassium or potash in the ground; and where we want to double or add to the plant life, where we wish to increase the crop growth and produce, we add to these chemicals in the ground which constitute such a small portion of the final

growth, but which enable the plant to utilize the waste materials in the air.

Now, gentlemen say that there may be enough nitrate manufactured without the use of this plant. Why, sirs, as time goes on and the people who till the soil learn better the use of the artificial aids to growth, the demand will always far exceed the supply. [Applause.] We can do nothing in all that we legislate which will be of such value and supreme importance to the country at large, to the producers of farm products, to the consumer of farm products, as to aid them in securing as cheaply as possible these additional chemicals which give the plant the power to produce more. [Applause.] They used to rely upon manures largely. That is largely disappearing with the disappearance of the horse and of farm labor by horses. But we continue to use these products. We import I do not know how many tons of saltpeter now, nitrate of soda. That is the main dependence for our artificial fertilizers. But we never have enough.

Shall we now scrap a plant simply because we feel resentment at its cost? Shall we throw away an opportunity because we do not like the men who have created it? Shall we waste the thing that we have because, perchance, we have not liked the methods that have been followed? We ought to rise above that. [Applause.] We ought to be bigger than that. We ought to be willing to continue the work which is of benefit to the country and to utilize nature's power, the water power, in its power to draw from the air the power to make grain and other farm products. [Applause.]

The CHAIRMAN. The gentleman from Illinois yields back one minute.

Mr. GOOD. Mr. Chairman, I yield five minutes to the gentleman from Wyoming [Mr. MONDELL].

The CHAIRMAN. The gentleman from Wyoming is recognized for five minutes.

Mr. MONDELL. Mr. Chairman, one of the great issues in the extraordinary campaign through which we have just passed was that of the expenditure of the public money. From every platform in the country the administration was assailed vigorously by everyone speaking for the Republican ticket, because of its willful waste and criminal extravagance. In my opinion that issue had more to do with the enormous total of votes cast for the Republican candidates than any other single issue before the people.

Of all the examples in the land of this wicked, wasteful, extravagant, unnecessary expenditure of public money, the expenditures at Muscle Shoals and thereabouts were perhaps the worst. After a careful, painstaking investigation of the whole matter, it developed that every practice of wastefulness and extravagance which has been charged against the administration anywhere was the rule rather than the exception in and around Muscle Shoals.

And now, as though this were not the case, without further examination of the matter, without any evidence before us that the program started at Muscle Shoals should be continued, we are asked to spend $10,000,000 more, the beginning of an ultimate expenditure of at least $50,000,000 to $60,000,000 of the people's money in this enterprise.

I do not know what may ultimately happen with regard to these projects. It is possible that having spent so much and gone so far it may be necessary to go on. But I do know this, that there is money enough available to carry on this enterprise as rapidly as it is now being carried on until at least the 1st of June and probably until the 1st of July. I do know that during the remainder of this Congress and in the beginning of the new Congress it will be possible to examine into this matter carefully, thoroughly, and in a painstaking manner, and then we can decide intelligently whether or no this enterprise should be carried forward, and if so on what plan.

An appeal is made to us from the standpoint of national defense. And yet everyone knows, who knows anything about the enterprise, that from the standpoint of national defense the project now stands completed, and the capacity of the plant will not be increased by the substitution of water for steam power.

The farmer has been appealed to, and those who pretend to speak on his behalf have claimed that further great expenditure is necessary in order to furnish the farmer with fertilizer. Ah, we know the American farmer. We know first that he is not much given to paternalistic enterprises and undertakings of state socialism. We know further that he has never asked the American Congress to embark upon great enterprises on his behalf or on behalf of anyone else when those enterprises were questionable in character.

Gentlemen, there is time enough to determine what we ought to do in this matter without taking action now. Before any harm can have come to the dam at Muscle Shoals there will have elapsed several months of the new administration, during which time we may determine intelligently what should be done in this matter. [Applause.]

Mr. BYRNS of Tennessee. May I ask the gentleman from Iowa how many more speeches he has on his side?

Mr. GOOD. Only one.

Mr. BYRNS of Tennessee. I yield to the gentleman from Tennessee [Mr. DAVIS].

Mr. DAVIS of Tennessee. Mr. Chairman and gentlemen of the committee, I have listened with interest to the debate upon the amendment proposed by my colleague [Mr. BYRNS of Tennessee] looking to the completion of the Wilson Dam at Muscle Shoals, Ala. It appears that there is practically no divergence of opinion as to the importance of the Muscle Shoals project from the standpoint of national defense—for the production of nitrates to be employed in the manufacture of explosives in case of war. However, in spite of the criticism of the lack of preparedness on the part of this Government prior to the time it was drawn into the recent World War, many of those very critics seem to now lose sight of the importance of preparedness for a future war, which we hope to escape, but may not be able to do. When we entered the World War we were wholly dependent upon importations from Chile—5,000 miles away—for the essential compounds entering into the manufacture of war explosives. The completion and preservation of the Muscle Shoals plant would make us independent in that regard if we should again unfortunately become involved in war. While many preparations can and should be made only when war is immediately impending, yet the construction of a plant for the production of nitrogen can not be accomplished in a day or a month or a year, for that matter.

Some of those opposing this amendment profess to favor the retention of the existing plant at Muscle Shoals for the production of nitrates to be used in the manufacture of explosives in case of war, but insist that the plant should in the meantime remain idle and the Government and the people lose the use and benefit of the $77,000,000 investment already there made. With regard to this proposition Senator GRONNA, a broad-minded Republican and chairman of the Committee on Agriculture of the Senate, in a debate in the Senate said:

> I suggest to the Senator from Alabama that it has been demonstrated, I think quite satisfactorily, to the Committee on Agriculture that it would cost the Government approximately a half million dollars annually to take care of this plant if it is locked up.

On the other hand, it is estimated by competent engineers that the Government would realize approximately half a million dollars from the operation of this plant during the first year following the completion of this project.

Those of us supporting this proposed amendment are not only in favor of preserving this great plant for use in case of war emergency, but we favor the completion and utilization of same in peace times, so as to not only bring in sufficient income to avoid what would otherwise be a heavy cost of maintenance, but also for the production of nitrogen fertilizer, as specifically provided for in the original resolution authorizing the construction of such a project. I have been impressed with the wide divergence and even conflict of opinions expressed by opponents of this measure as grounds for their opposition. Some of them profess to be against the proposition because the Muscle Shoals plant will not produce a sufficient amount of nitrogen; others because it will produce too much and thus come into competition with the private corporations producing nitrates. Some claim to oppose the bill because nitrogen could not be produced cheaply enough at this plant to compete with the imported Chilean nitrates; still others express the fear that nitrates will be produced so cheaply at the Muscle Shoals plant that it will undersell and put out of business the private concerns producing nitrates. Some Members express opposition to the measure on the ground, as they claim, that the improvement is sectional and the benefit local in character.

However, there is no divergence of opinion among the farmers of this country as to the propriety or wisdom of the completion and operation of this valuable plant for the production of nitrogen fertilizer.

As the farm organizations correctly insist, this is a clear-cut issue between the American farmer and the American consumer, jointly, on the one hand, and the powerful monopolistic interests, who have heretofore controlled the importation and manufacture of fertilizers in this country, on the other hand.

During the past five years the American Farm Bureau Federation, the National Grange, the Farmers' Educational and Cooperative Union of America, the National Board of Farm Organizations, the National Farmers' Union, in fact, all of the important farm organizations in this country, have unanimously

adopted resolutions in favor of this proposition, and have in various ways earnestly, and with perfect unanimity, urged the completion and operation of the Muscle Shoals project for the production of nitrogen fertilizer. They have done this regardless of the sectional location of these great organizations or their members. They have correctly treated the matter as one of national importance, one of direct benefit to the large and important agricultural interests of the country, but of equal, although indirect, benefit to every consumer in the country. Last April representatives of these great organizations appeared before the Agriculture Committee of the Senate and urged the enactment of two, and only two, matters of legislation then pending. This request from the farmers was expressed before the said Senate committee by Mr. R. F. Bower, representing the National Board of Farm Organizations, the National Farmers' Union, and so forth, as follows:

> There are two matters of legislation pending before this present Congress which offer assistance along two different lines to the agricultural problems of the country—production and distribution. One of them is this pending legislation for the operation by the Government of the nitrate plants and the power being developed at Muscle Shoals in the interest of agriculture, an accomplishment which we earnestly believe will give us much-needed assistance to meet the present production conditions that the farmer is forced to meet, the most difficult of which is labor. The other is the Capper-Hersman bill, now pending before the Judiciary Committees of the Senate and House, which grants us the undisputed right to cooperatively market our products once they are produced. No other legislation is before this Congress or has been adopted by this Congress that attempts in any way to come to the relief of the serious agricultural situation in the country, and it is our earnest request that these two pieces of legislation be promptly enacted into law during the present session of Congress.

With regard to the productural capacity of the Muscle Shoals project, it is estimated by those qualified to speak on the subject that with the completion of the dam in question there could be developed over 400,000 horsepower, as compared to 385,000 horsepower available on the American side of Niagara Falls; so that it would be the largest water-power development in this country. With regard to the question of cost of production, it is a matter of common knowledge that the cheapest form of power is hydroelectric power, when available.

In reply to the argument that the production of nitrogen fertilizer by this plant would be in competition with the private interests producing nitrates, I wish to state that I am not as deeply concerned about the profit which may be made from their by-products by the United States Steel Corporation and a few other concerns as I am in the welfare of the whole people. Entirely too many voices are raised in this chamber in behalf of special interests; the masses of the people have entirely too few friends and champions. In my humble opinion too many members of this body forget or disregard the fact that the true function of Government is to serve and protect the interests of the whole people, and not a few people or corporations. Whether it always is or not, this should be a Government "for the people," and not "for the classes." During my brief service in this Congress I have been most unfavorably impressed by a subserviency to special interests and classes and an utter disregard of the interests of the masses.

Furthermore, the amount of nitrates for fertilizer produced by private interests in this country are wholly insufficient to meet even the present demand. There is not only a scarcity of fertilizer, but the cost to the farmers is so great as to absolutely prevent or materially curtail its use. We not only need a much larger supply, but we need competition with the imported Chilean nitrates as well as the nitrates manufactured in this country, to the end that some of the enormous profits may be squeezed out and the farming interests enabled to procure fertilizer at reasonable cost.

Even if this proposition be merely in the interest of the farmer, as some insist, we very gladly and proudly align ourselves on the side of the farmer, for the reason that the agricultural interests compose by far the largest and most important industry in this country—yea, greater and more important than all other interests combined. The importance of this amendment to the agricultural industry alone is sufficient to fully justify the adoption of the proposed amendment. However, as vitally important as it is to the farmers, it is, as a matter of fact, none the less important to the whole people, regardless of residence or vocation, in that every man, woman, and child in this Republic is a consumer of farm products. Many people, including a large number of the Members of this body, seem to be unable to grasp the fact that increased and cheapened production of farm products lessens the cost to the consumer of such products, and consequently decreases the cost of living.

The manufacture and use of fertilizers are in their infancy. We are just now beginning to learn of the importance of soil analysis and the addition in the form of fertilizer of the elements needed for proper food production. The successful and profitable use of fertilizer is practically without limit even now if the price of fertilizer be reduced to a reasonable basis, and the need of fertilizer will grow more acute as the different farm soils throughout the country, by long use or improvident cultivation, are gradually robbed of the elements requisite for crop production. With regard to this feature of the subject I quote from a letter written by Mr. Frank I. Mann, of Illinois, who is recognized as one of the greatest experts in this country on soil and farming, to his brother, a distinguished Member of this House, who is supporting the amendment under consideration. While this letter has been inserted in the RECORD, yet it is of sufficient importance to warrant repeating, and I read from it as follows:

> Ever since I learned of the Muscle Shoals project, when in Tennessee a few years ago, I have felt quite an interest in its success, because of the great opportunity it seemed to present for an increased and economical production of crops by supplying a cheaper form of fixed nitrogen. The value of nitrogen and phosphorus in the production of crops has not been properly realized. Take an example of corn for instance: In 100 pounds of corn there are but about 3½ pounds of materials which were taken from the soil; the balance of the dry weight is made of compounds formed from carbon taken from the air by the leaves of the plants and formed into sugars, starches, oils, and so forth. The amount of these carbon compounds that can be formed are measured, however, by the amount of materials that could be secured from the soil. If the same plants, which produced 100 pounds of corn, could have secured another 3½ pounds of soil materials—mostly phosphorus and nitrogen—they could have formed another 100 pounds of corn, without any further effort on the part of the grower, and the yield would be increased 100 per cent. On the best corn-belt soils we find it is comparatively easy to double the yields of crops by doubling the phosphorus available to the crops, where there is sufficient nitrogen to match such an amount of phosphorus. The soils which contain such an amount of nitrogen, however, are small in area. On the early glaciated and the unglaciated soils nitrogen is in small amount, and the crops will grow in proportion as they can secure nitrogen, except on the natural rich soils, which are usually alluvial and limited in extent. As a rule, the soils south of the Ohio and Missouri Rivers are unglaciated and low in nitrogen, except the alluvial types. A large part of southern Illinois, Indiana, Missouri, Kansas, Iowa, and Ohio is composed of soil types on which crops—other than legumes—will grow in proportion as the plants can secure nitrogen from the soil.
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> This increase in yield, which comes from the proper element of fertility, increases food production without an increase in area or of man labor, and is real economic production if the cost of the fertilizing element is small.
>
> A good deal of the corn-belt soils have already or will soon reach a nitrogen limit to their production, and, while we will be able to profitably maintain a nitrogen supply for some time by using legume crops for the purpose, it might also be profitable and economical to supplement this legume nitrogen with a fixed commercial nitrogen. In the South, however, with the high average temperature and rainfall, it is doubtful if it would be possible to maintain enough legume nitrogen in a soil to secure a high production of food products, because of the great destruction of the organic matter in which such nitrogen must be held from the bacterial action and leaching when crops are not taking food from the soil.
>
> I know of no one thing which could add so much to the production of more and cheaper food, and in such an economical way, as to supply cheap nitrogen for these lands so poor in humus. I do not know how cheaply nitrogen might be fixed at Muscle Shoals, but it would certainly be much cheaper than to secure it through legume growth. I figured out once the relative horsepower equivalent at Niagara Falls in fixing nitrogen compared to a clover field. The nitrogen fixed by an 80-acre field of clover, under favorable conditions and a large growth, could be fixed by a 28-horsepower engine working throughout the season. If the Tennessee River can be properly harnessed, it should be able to fix nitrogen at a small fraction of the cost of fixing it by means of bacterial or legume energy.
>
> In these days of low man power on the farms and the need of more food economically produced, it would seem to be almost a crime against civilization to not heed this great need for cheap nitrogen.
>
> If there is any possible and fair way to provide that the Muscle Shoals power might be used for fixing nitrogen, and that it might be obtained cheaply for farm use, it would be a wonderful step in the production of cheaper food and help to quiet the unrest of the present and future.

Our needs will furnish ample market for all nitrogen that can be produced by the Muscle Shoals plant and by all the private interests in this country which have or can provide facilities for its production, and even then, at least for many years, we will probably be compelled to import much nitrate from Chile, although the increased production and competition at home would doubtless result in being able to obtain the Chilean nitrates at a more moderate price.

In reply to the argument that this project is sectional and would only benefit a certain section, I respectfully submit that the same objection would apply with much greater force to innumerable other improvements which have been made at Government expense. For instance, there has already been expended on reclamation projects in the West over $154,000,000. The completion and operation for the production of nitrogen of the Muscle Shoals plant would undoubtedly result in the reclamation of more unproductive soil and at much less comparative expense than resulted from the said expenditures upon irrigation projects.

While, of course, the South would perhaps obtain more direct benefit than any other section, because of its greater need at this time for fertilizers, yet that fact in itself does not consti-

tute the proposition "an iniquity," as it was described by that beloved friend (?) of the South, the gentleman from Chicago, Mr. MADDEN. Furthermore, we submit that while the South is the only section in this country producing cotton, yet this cotton is absolutely required and universally used by every citizen in every State in the Union.

While this proposition is not sectional in character, yet most of the opposition to it is. I have enumerated some of the reasons advanced as grounds for opposition to the completion and operation of this great plant for the production of nitrogen. However, in spite of the broad-minded view of the subject taken by the national farm organizations and by several Members on the Republican side of this Chamber, yet it is quite apparent that the opponents of this proposition have failed to specifically state the real ground of objection impelling most of them, although the partisan bias of some of the speakers was such that they could not conceal the fact. The ground of opposition referred to was very aptly stated in a recent editorial appearing in the Nashville Banner, as follows:

> Unfortunately for Muscle Shoals, it is located in a Southern Democratic State. Were there such power available in Ohio, Indiana, Pennsylvania, or anywhere else than in the South, there would be proper and profitable Government aid. There is little or nothing, however, to be hoped for from a partisan Republican Congress, and the tremendous project will suffer accordingly.

In another recent editorial the same paper correctly and aptly stated:

> The Republican opposition to the completion of the Muscle Shoals Dam seems to be clearly prejudiced and partisan. The two facts, its Southern location and that it was begun under the Wilson administration, plainly weigh more than anything else in creating opposition to the completion of the work.

In fact, the animus impelling this opposition to the completion of the great Muscle Shoals project is so palpable and despicable that it called forth a severe condemnation from a very prominent Republican of my State, who formerly served as a Member of this House, and who is now a member of the Tennessee State Senate, Hon. John C. Houk. Some months ago Mr. Houk was in Washington, and, duly appreciating the importance of the development of the Muscle Shoals project, spoke to some of the Republican leaders in the House in its behalf; upon learning their attitude, he expressed himself in a statement appearing in the press at the time, as follows:

> There seems to be a tendency on the part of the Republicans north of the Mason and Dixon line to interfere with any public work of this kind in the South. They seem to have a prejudice against the South receiving any aid from the Federal Government.

If this appropriation for a continuance of the work on the Wilson Dam is denied, it will be the first of many jolts that will be received by those Southern business men who in the last election turned to the Republican Party under the delusion that they were voting in their own interests.

Mr. BYRNS of Tennessee. I yield the remainder of my time to the gentleman from Tennessee [Mr. GARRETT].

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] is recognized for six minutes. [Applause.]

Mr. GARRETT. Mr. Chairman and gentlemen of the committee, those who did me the honor of listening to the remarks I made upon this subject in the general debate have really heard substantially all that I have to say upon the matter. In those remarks I endeavored to point out the peculiar situation with which the country is confronted in regard to this project. For the benefit of those—if it be a benefit—who were not present at that time, it is perhaps not out of place to reiterate for the purpose of emphasis that this is not a new thing upon which the Government is being invited or requested or urged to embark. This is a proposition, so far as the dam alone is concerned, one-third of which has been completed, and more than one-third of the expenditures that will be required have either been made or allotted.

No one will question the value that the power to be developed there will be to that section of the country, and therefore to the country as a whole. So it seems to me one element that should be seriously pondered by Members of the House in passing upon this great question is, Shall we deliberately throw away $17,000,000 that has been expended or allotted, or shall we complete a work confessed by everybody to be a great outstanding enterprise for the benefit of all the people?

I do not believe in Government operation of the things that can be operated by private parties. I expressed myself upon that the other day, as I have frequently before. But no such situation as this has ever confronted any Congress before. Not only as for the dam but for the nitrate plant itself, if we are wise, we may not lose sight of the military concept in connection with it. We must not be at the mercy of foreign countries in the future with regard to the supply of the elements of explosives and of propellants. If we throw this away, as the years go by it will become of less and less value.

Just here I wish to correct an impression that may have been made by some of the remarks of some of the gentlemen. It seemed to me that the argument of my friend from Illinois [Mr. GRAHAM] was devoted almost entirely to an effort to bring this House to a state of mind where it would stop this work, first, because of the fact that he did not like the point at which it was placed, and second, because of the fact that the American Cyanamid Co., or Mr. Washburn, who is at the head of the American Cyanamid Co., had been responsible for the original movement to bring about this great development. If any have got in their minds that which was so deftly thrown out by the gentleman from Illinois, let me say this: That the institution that would probably profit most by this amendment being voted down, by the plant being abandoned, peculiarly enough happens to be the American Cyanamid Co., at whose head Mr. Washburn yet is.

I might go into the question as to the cost of the different processes of development—the Haber process, as compared with the cyanamid process. As a matter of fact, if I am not mistaken in my memory, half or more of the ammonium nitrate produced in the world, as a whole, by artificial means has been produced by the cyanamid process. The Haber process has never been brought to an effective working condition in the United States. It is predicted that it will be. It may be. It may be that the genius of man will develop it. I think the Government was amply justified in the experimentation it made on plant No. 1, but the fact remains that on this side of the Atlantic Ocean the cyanamid process is the only process which has been effective and successfully developed. I think it would be the height of folly to stop this great work. [Applause.]

The CHAIRMAN. The gentleman from Iowa is recognized for 10 minutes.

Mr. GOOD. Mr. Chairman, in 10 minutes it will be impossible to make an argument, and I shall be content if I can make a statement that will give a fairly clear idea of this nitrate situation. Keep this in mind, that there is no proposition before this House to throw away the $17,000,000 Woodrow Wilson threw away, and for that and similar acts he and his party received the condemnation of the American people on November 2 last. It is seriously proposed by this amendment to throw away $10,000,000 more, and every man who votes for it, who votes to throw away more good money after bad will receive, and ought to receive, the same condemnation that the President and his party received for wastefulness and extravagance in this nitrate expenditure and other similar extravagances.

Gentlemen, the Secretary of War said that this proposition rested on three grounds: First, navigation; second, nitrates for war-time needs; and third, nitrates for fertilizer. Let us analyze the first, for the first will be rather typical of what we find in the others. You have down at Muscle Shoals now a canal 30 miles long that cost $8,000,000. Last year there were 8,000 tons of freight passed over that canal. If you compute interest on the cost of that canal at the current rate the Government is paying of 6 per cent, it cost the Government $40 for every ton of freight it sent through the canal just in interest charges alone. Now, they do not propose by the construction of this dam to increase the availability of the river for traffic by a single ton of freight, because there are 30 miles of shoals, and this will only raise the water for 18 miles, and therefore you will have to build two more dams after you complete this one. If you will multiply the forty-five millions that the plant cost by 6 per cent you will get an annual interest of $2,700,000 on the cost of the dam. Two per cent for depreciation, that adds $900,000 and brings the total annual carrying charges up to $3,600,000 for 8,000 tons of freight. It would cost therefore according to their own estimate $450 to move a ton of freight through the locks of this dam, and yet they are asking for $10,000,000 toward the completion of the dam in aid of navigation.

The gentleman from Michigan says that we want to protect the investment we have made. In that conclusion he is in error. Now, what are the facts? The plant at Sheffield, plant No. 1, is a failure, and it is doubtful if the expenditure of an amount of money equal to the original cost can ever make it a success.

Plant No. 2, at Muscle Shoals, has a capacity of 86,000 tons a year at its full capacity. It has one of the best and biggest steam plants in the world, a plant sufficient to turn every wheel and produce ample power necessary for the operation of the entire plant. That plant will produce just as much cyanamid with steam power as it can possibly produce with water power. It is there complete and for military purposes; it is just as complete and will produce just as much nitrate as if we should spend $45,000,000 more for a dam and for water power. They say it will cost $45,000,000. Col. Cooper

makes that estimate. But Col. Cooper estimated the cost of the Keokuk Dam, and he only missed one of the big items involved in that dam by 125 per cent; and if he was there too low in his estimate, how do we know that he is correct here? The Keokuk Dam has not in its earning power done anything like Mr. Cooper estimated it would.

Now, in regard to fertilizer, the Secretary of Agriculture came before the Committee on Appropriations in 1917, when he asked for $10,000,000 for nitrates for the farmers, and I asked him this question:

Mr. GOOD. The reason for the question was whether or not by the adoption of the methods advocated by the Department of Agriculture (rotation of crops) they would not accomplish results just as quickly as they would accomplish them by purchasing nitrate of soda, and at a great deal less expense.

Secretary HOUSTON. Yes. In another measure, with a view to stimulate production, we are asking for funds and power to extend our farm demonstration force, to put one or more county agents in each of the 2,850 rural counties in the Union. I should think we might get larger results through such efforts than by using nitrate under existing conditions at prices prevailing.

But because the farmers in the South will not farm in a progressive way we are asked to expend $45,000,000 for a dam to generate cheap power in order to secure fertilizer for farmers who will not help themselves. We must keep in mind that even if we build this dam we will not be able to produce nitrate of soda or a fertilizer that can be used in a cold soil or cold climate but can be used in the South and warm soils successfully.

Mr. Chairman, Mr. Rushmore, probably the best-known authority in the United States on hydroelectric power development, in a new work says that it will take from 15,000 to 60,000 kilowatt hours to produce 1 ton of nitrogen. He says it all depends on the atmospheric and other conditions. The average is 37,000 kilowatt hours per ton of fixed nitrate. Assuming that it will take but 30,000 kilowatt hours to produce 1 ton of ammonium nitrates, it will require 2,580,000,000 kilowatt hours, or 358,330 kilowatts, to produce 86,000 tons—the capacity of plant No. 2—of fixed nitrate.

Reducing it to horsepower, it means that it will require 475,000 horsepower, according to the best authority upon the subject, to produce nitrogen by the cyanamid process. We do not have 475,000 horsepower at Muscle Shoals. No such water power exists in the Tennessee River.

The Secretary of War, when he appeared before the Senate committee on March 22 last, said the primary horsepower was 200,000. When he came before the Committee on Appropriations the other day he said that it was 100,000 horsepower. Mr. Roberts said that the low-water, or primary, horsepower was about 89,000 horsepower, and Gen. Taylor, in the committee, said that the low-water mark, which is the primary production, was only 85,000. If this plant were running 24 hours per day for 300 days in a year, 89,000 horsepower would produce only 16,440 tons of fixed nitrates, according to the standard set up by Rushmore. Gentlemen must not conclude that we are at an end in appropriating money for Muscle Shoals; when we appropriate $10,000,000 we will have just commenced. There is a bill now pending in the Senate making provision for a working capital amounting to $12,500,000 more. If you figure interest on the Government's investment, to say nothing about the operation expenses at all—and they will be very large—the interest upon the investment in the dam and working capital alone, if you produce but 16,440 tons, will make a carrying charge equal to $264 per ton for the total capacity of the plant by water power. If we build the dam and run the plant to the full capacity, we will be compelled to furnish 75 per cent of the power from the steam plant, because the water power will not be sufficient. Anyone who knows anything about this subject knows that you must supplement your horsepower with steam power if you are going to produce anything like 86,000 tons of nitrates. They ran that plant at one-fifth of its capacity to a short time ago to test how much it would cost. How much do you gentlemen think it cost to produce nitrates down there when they were running the plant to test it? It cost over $160 per ton, not allowing anything for depreciation, not allowing anything for maintenance, and not allowing one penny on the tremendous cost for interest.

Mr. Chairman, if there is an item which will come before this body that ought to receive the condemnation of the Congress, it is this wasteful and extravagant item, for which you are now asking us to appropriate $10,000,000. Vote for this, and then forever keep your tongue still with regard to economy. It is all very well to talk economy, but it is better to practice economy.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The question is on the amendment offered by the gentleman from Tennessee.

The question was taken; and on a division (demanded by Mr. GOOD) there were—ayes 107, noes 121.

Mr. BYRNS of Tennessee. Mr. Chairman, I demand tellers.

Tellers were ordered; and Mr. BYRNS of Tennessee and Mr. GOOD were appointed to act as tellers.

The committee again divided; and the tellers reported—ayes 125, noes 132.

So the amendment was rejected.

The Clerk read as follows:

For pay of superintendent of Antietam battle field, said superintendent to perform his duties under the direction of the Quartermaster Corps and to be selected and appointed by the Secretary of War, at his discretion, the person selected for this position to be an honorably discharged Union soldier, $1,500.

Mr. CALDWELL. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD upon a bill which I dropped in the basket yesterday.

The CHAIRMAN. The gentleman from New York asks unanimous consent to extend his remarks in the RECORD upon a bill he introduced. Is there objection?

There was no objection.

The Clerk read as follows:

Disposition of remains of officers, soldiers, and civilian employees: For interment, cremation (only upon request from relatives of the deceased), or of preparation and transportation to their homes or to such national cemeteries as may be designated by proper authority, in the discretion of the Secretary of War, of the remains of officers, cadets, United States Military Academy, including acting assistant surgeons and enlisted men in active service and accepted applicants for enlistment; interment, or of preparation and transportation to their homes, of the remains of civil employees of the Army in the employ of the War Department who die abroad, in Alaska, in the Canal Zone or on Army transports, or who die while on duty in the field or at military posts within the limits of the United States; interment of military prisoners who die at military posts; for the interment and shipment to their homes of remains of enlisted men who are discharged in hospitals in the United States and continue as inmates of said hospitals to the date of their death, and for interment of prisoners of war and interned alien enemies who die at prison camps in the United States; removal of remains from abandoned posts to permanent military posts or national cemeteries, including the remains of Federal soldiers, sailors, or marines interred in fields or abandoned private and city cemeteries; and in any case where the expenses of burial or shipment of the remains of officers or enlisted men of the Army who die on the active list are borne by individuals, where such expenses would have been lawful claims against the Government, reimbursement to such individuals may be made of the amount allowed by the Government for such services out of this sum, but no reimbursement shall be made of such expenses incurred prior to July 1, 1910; expenses of the segregation of bodies in permanent American cemeteries in Great Britain and France; in all, $1,000,000: *Provided*, That the above provisions shall be applicable in the cases of officers and enlisted men on the retired list of the Army who have died or may hereafter die while on active duty by proper assignment and also to citizens of the United States who may have died while serving in the armies of the Allies associated with the American forces: *Provided further*, That, in addition to the foregoing sum, the unobligated balance of the appropriation "Disposition of remains of officers, soldiers, and civil employees" for the fiscal year 1921 is made available during the fiscal year 1922 for the above purposes and for the care and maintenance of graves of officers, soldiers, and civilian employees of the Army abroad and for the preparation and shipment of their remains to their homes or to national cemeteries.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word for the purpose of inquiring of the chairman of the committee whether this is the item covering the expense of bringing back the bodies of the soldiers in the late war who died abroad.

Mr. GOOD. Yes; and for taking the bodies of those who will not be brought back and placing them in certain cemeteries in France and Great Britain. The bodies are now scattered, buried in a great many cemeteries. It is not intended by the Government to allow them to remain in that way, but to place them in a few American cemeteries. It is proposed here to keep 550 bodies permanently in cemeteries in Great Britain. They are buried in a great many cemeteries throughout Great Britain, and it is proposed to take the bodies and inter them in one cemetery in Great Britain and have that an American cemetery and provide for its maintenance.

Mr. CHINDBLOM. Can the gentleman state approximately what is the unobligated balance of the appropriation of 1921?

Mr. GOOD. There was a balance on hand, appropriated for 1921, in December, of $20,400,000. There were obligations aggregating $3,676,000, leaving an unobligated balance available for the rest of this year and next year of $16,724,000.

Mr. CHINDBLOM. I believe the department this year asked for an appropriation of $20,000,000 in the original estimate?

Mr. GOOD. That is correct; but they stated at the hearings that under no circumstances could they use more than $1,000,000, and I doubt very much if they can use that.

Mr. CHINDBLOM. Did they give any reason for having originally asked for $20,000,000?

Mr. GOOD. They wanted the money appropriated so that they could have that money and know that they could carry out certain plans, but the committee felt that inasmuch as Congress

would make liberal appropriations to carry out any reasonable plan with regard to the disposition of the remains of the soldiers, it was not wise to have a large sum appropriated that was unused for any purpose.

Mr. CHINDBLOM. Mr. Chairman, I think this is an opportune time to call attention to the unwarranted agitation and propaganda to which all of us were subjected more or less at the time the last sundry civil appropriation bill was under consideration. Somehow the impression was quite broadcast in the country that this Congress was not appropriating adequately for the care in France and in England and elsewhere and for the return to this country of the bodies of the men who fell in the war. We find that at the time the last sundry civil appropriation bill was under consideration the department asked for more money than has been proven to be necessary, and at this time they made a request for $20,000,000, but subsequently admitted that they can use only approximately $1,000,000 in addition to the unexpended balance that will be on hand at the end of this fiscal year. It simply shows one of those occasions when, because of the failure of the department to make proper estimates for expenditures, the purposes and actions of Members of Congress are brought into question. It always was and always will be the purpose of the Congress of the United States to appropriate adequately for the soldiers who died abroad in the late war or engaged in any war in which the Republic has taken part. It is very gratifying that the committee has given proper consideration to the necessities of the case and has not been carried away by the clamor of the day.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. HULL of Iowa. Mr. Chairman, I move to strike out the last three words, for the purpose of asking unanimous consent to revise and extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. DICKINSON of Missouri. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GREEN of Iowa. Mr. Chairman, I make the same request.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. BYRNS of Tennessee. Mr. Chairman, I desire to make a similar request.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. MANN of Illinois. Mr. Chairman, I renew the motion to strike out the last word, if I may be recognized. May I ask the chairman of the Appropriations Committee in reference to this paragraph as to American cemeteries in Great Britain, and especially in France? Does the Government of the United States own the cemeteries, own the ground where the bodies are interred, and are we maintaining those cemeteries and the salaries of the necessary employees?

Mr. GOOD. My understanding is that certain areas were set aside by the Government of France and ground and property donated to the United States for that purpose.

Mr. MANN of Illinois. I have the same sort of an understanding, but that does not give me the information. I do not know whether it came out in the hearings or not. For instance, a lady said to me the other day that her son, who had been killed in the war, was buried in France. She desired to have his remains stay in France if they were to be in a cemetery of the United States and cared for where other American boys were buried. The information has been very indefinite.

Mr. GOOD. There are now 4,000 bodies interred, or were a little while ago, at Suresnes, 20,000 graves at Romagne, 4,000 at Belleau Wood, and 4,700 at Bony. American soldiers who died in France were also buried in other cemeteries in France. Now, it is proposed to give up some of those cemeteries, but in all cases where the bodies are to remain in France they are to be interred in a cemetery owned by the United States and maintained by appropriations made by the Government of the United States. There is no question about that.

Mr. MANN of Illinois. Well, do we own any cemeteries there? That is what I want to know. Do we own the ground, and, if so, what is our jurisdiction and authority there?

Mr. GOOD. Inquiry was made of the department and they answered the question by stating that the land was donated by France to the United States for cemetery purposes. Now, just exactly what we own abroad and the nature of our title I do not know. It may be simply a right to use that ground for cemeterial purposes or we may have absolute title.

Mr. MANN of Illinois. We own, I believe, a cemetery at Mexico City; at least, we provide for a superintendent of a cemetery there. Now, are we taking care of these cemeteries which we are supposed to own in France now, and is anyone able to tell us how much we are spending in that way and whether we are properly caring for them?

Mr. GOOD. At the present time they are removing a great many of these bodies, and removing them very rapidly, and for that reason not so much is being done now in regard to the maintenance. I have forgotten how many thousand bodies they are now removing, but they propose to remove the bodies very rapidly and bring them back when the relatives want them brought back, and while that is being done they are not spending much money in the care of cemeteries. At present they are badly torn up and will continue to be until the work of removal and consecration is over. At Suresnes, I understand, we do own that land. We own the cemetery there. That is the cemetery just outside of Paris, where it is proposed to make a permanent American cemetery.

Mr. MANN of Illinois. Now, the War Department and Congress have assured people that where the relatives desired the remains of a soldier who died in the war it would be brought home. That is a comfortable assurance, so far as that goes. But there are many relatives in the United States who would like to be sure as to whether the remains which stay in France are to be cared for in American cemeteries, where the bodies are segregated, and where they are not scattered around in local cemeteries and never cared for. That assurance would be of great value to many people in the United States, and would probably prevent the disinterment of a good many bodies which would otherwise be brought home.

Mr. GARD. Will the gentleman yield for an inquiry?

Mr. MANN of Illinois. Certainly.

Mr. GARD. I notice the language in the bill provides for the segregation of bodies in permanent American cemeteries. Does not the gentleman have the idea that this means the cemeteries themselves are permanent and belong to America, and that the segregation of the bodies means the grouping of the bodies of soldiers in cemeteries which really belong to America?

Mr. MANN of Illinois. I could draw that inference, but I prefer to have the facts. It is much better to have facts than an inference.

Mr. GARD. I am entirely in accord with the gentleman.

Mr. GOOD. I think they have that assurance. The Government of France has turned over these cemeteries to the United States. Now, as to the legal title to the land, just how it is, whether acquired by an act of the legislature or not, I can not advise the gentleman; but they are to be American cemeteries, owned by this country and maintained by this country, and it is proposed to erect some chapels and to permanently improve these cemeteries and erect monuments or gravestones at the graves. They will be American cemeteries and maintained in a first-class way. There has been a great deal of moving of bodies over there; in some instances bodies of American soldiers interred in France have already been removed three times. The bodies have been interred in a great many cemeteries, and they are trying to segregate those bodies that are to remain there and inter them in the cemeteries to be owned by the United States.

Mr. MANN of Illinois. Evidently the War Department did not give the information I desired to get. "Are to be" is different from "being."

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Arlington Memorial Amphitheater and Chapel: For care and maintenance of the Arlington Memorial Amphitheater and Chapel and grounds in the Arlington National Cemetery, Va., including a custodian at $1,200, $12,000, to be expended under the direction of the Secretary of War.

Mr. FESS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word.

Mr. FESS. I would like to ask the chairman of the committee who determines who is to be buried in the National Cemetery over here in Arlington? For example, last Tuesday, I understand, there were 84 soldiers buried there, and they have burial days twice a week, on Tuesdays and Fridays. The question that came to me is, Who is buried there, and who determines it?

Mr. GOOD. I can not give the gentleman the law in the case, but the law determines largely who may be buried there. The

administration of that law is left with the War Department and the Navy Department.

Mr. FESS. The bodies of many of those people which have been brought from Europe are buried there?

Mr. GOOD. Yes. With respect to officers of both the Regular Army and Navy there is the right of interment at Arlington. The administration of the law is left with the War Department, but I think the family of a deceased soldier has something to say in regard to whether or not they desire that to be done.

Mr. FESS. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Vicksburg National Military Park: For continuing the establishment of the park; compensation of civilian commissioners; clerical and other services, labor, iron gun carriages, mounting of siege guns, memorials, monuments, markers, and historical tablets giving historical facts, compiled without praise and without censure; maps, surveys, roads, bridges, restoration of earthworks, purchase of lands, purchase and transportation of supplies and materials; and other necessary expenses, $27,500.

Mr. FESS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Ohio moves to strike out the last word.

Mr. FESS. Does this bill take care of all of our national parks?

Mr. GOOD. All the national parks and all the national military parks. But what we are now considering is just the military parks of the United States. There are quite a number of military parks in the United States.

Mr. FESS. They are not all included in this bill, are they?

Mr. GOOD. All the national military parks are.

Mr. FESS. Is there not a national military park just outside of Richmond?

Mr. GOOD. I think not. I do not think that is a national military park. It has never been so designated. I do not know where it would get its appropriation if not in this bill.

Mr. FESS. Is there not one down at Martinsburg, W. Va.?

Mr. GOOD. Not one supported by the Government. I never heard of any that is not carried here.

Mr. FESS. I do not see it here. There are 60 or 70, all told. There are some, I think, that are not designated here, which are very small. I understand they are cared for out of a lump appropriation for cemeteries.

Mr. BYRNS of Tennessee. There is one at Fort Donaldson. It is not a park, but a cemetery.

Mr. FESS. A custodian is kept there, I understand, at the expense of the Government.

Mr. BYRNS of Tennessee. It is a cemetery. They have a custodian there. That is under another appropriation.

Mr. FESS. My question is whether all the national military parks are carried in this bill, or whether there are some carried in another bill?

Mr. GOOD. They are not carried in any other bill.

Mr. BYRNS of Tennessee. Those that are not specifically mentioned are covered by a general fund.

Mr. GOOD. We are carrying an appropriation of $1,250 for Confederate plats, and in addition to that there is an appropriation for these separate national military parks.

The CHAIRMAN. The time of the gentleman from Ohio has expired. Without objection the pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For placing and maintaining special portions of the parks in condition for outdoor sports, $15,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. Mr. Chairman, I have been patiently waiting during the reading of all of these items in amazing amounts of $30,000, $35,000, $45,000, $65,000, $75,000, and $100,000, to see whether or not some economist on the other side of the aisle would not rise to try to strike out some of these items for maintenance of parks and memorials here, and to prevent some of these duplications.

This particular item, to which I have interposed the pro forma amendment so that I may discuss all this waste and extravagance, is for $15,000 for placing and maintaining special portions of the parks in condition for outdoor sports, such as tennis, polo, cricket, golf, and other outdoor games. When I was checking up some of the departments here last August and September and October and trying to find out where all of this money goes and how it is expended, one of the wastes that attracted my attention was a bunch of men down here on the Potomac Park tennis court. I saw one day a whole group of colored citizens on the Government pay roll, presumably at work inside of those grounds, and I walked up and heard an extended argument on some church question during which no work was done; and to see how long that would prevail, I watched the bunch quite a little time. Not an attempt was made to do one single lick of work. There was a whole bunch of them. I went on to another place, and came by there, and called aside the foreman in charge, who was a colored man, who by the way was the only man there who was industrious, and I asked him who employed those men. He said, "Col. Ridley." I said, "You are the foreman?" He said, "Yes." I said, "Do you permit them to fritter away all this time that way?" He said, "I can not help it. It would be dangerous for me to make complaint about them. They do it here every day." I asked him, "Have you ever told Col. Ridley?" He answered, "No; I am afraid to tell him." I watched them as I went back and forth there for several days, and I do not believe outside of the foreman, who is industrious and a good hand—I have watched him frequently during the last year—I do not believe the others worked half an hour during a whole day. I went to Col. Ridley and asked him out of what bill they were paid. He said they were paid out of this sundry civil bill. I told him about the incident, and asked if it could not be stopped.

That is the way that most of these men perform their services in all these parks. There are hundreds of such employees who idle away most of their time. Look at these items for park and memorial maintenance; just casually go back under this head, Engineering Department——

Mr. PELL. Will the gentleman yield?

Mr. BLANTON. Not now. I will yield in a moment, if I can have more time. Here is an appropriation of $4,000 under the engineer department; another of $2,000, another of $3,000, another of $2,000, another of $1,500, another of $2,000, another of $7,000, another of $2,500, another for $18,550, another one for $35,000, another one for $4,000, another one for $2,500, another one for $3,500, another for $10,000, another one for $2,000, another for $30,000, another one for $45,000, another one for $8,000, another one for $45,000, another one for $5,000, another for $15,000, to which I have already called attention—

for placing and maintaining special portions of the parks in condition for outdoor sports, $15,000.

Then another appropriation for $30,000, another one for $1,500, another one for $1,000, another for $4,000, another for $2,500—

For operation, care, repair, and maintenance of the electric pump which operates the memorial fountain to Admiral Dupont, in Dupont Circle.

Then we get to this very illuminating item of appropriation on page 57:

To provide for the increased cost in park maintenance, $65,000.

Then there is another appropriation for $2,500, another for $15,000, another for $7,000, another for $5,000, another for $12,000, another for $100,000, another for $75,000, another for $1,000, another for $1,000, another for $4,000, another for $5,000, another for $2,400, another for $1,000, and so on.

Mr. LAYTON. Will the gentleman yield for a question?

Mr. BLANTON. Just a minute.

Mr. LAYTON. I do not want more than half a minute.

Mr. BLANTON. I yield because I believe the House will give me a little more time.

Mr. LAYTON. Do you not think that is the easiest speech you ever tried to make—by reading the bill?

Mr. BLANTON. I am just calling attention to the enormous sums of money that we are wasting here, under this one head of maintenance of parks and memorials here in Washington.

Mr. LAYTON. I know it.

Mr. BLANTON. I know you know it, and your chairman knows it, and yet you majority colleagues continue to do it, and it is almost useless to make a motion to strike them out, because you will vote to keep them in.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLANTON. I ask unanimous consent for five minutes more.

The CHAIRMAN. The gentleman asks unanimous consent for five minutes additional. Is there objection?

Mr. SMITH of Michigan. Will the gentleman yield for a question?

The CHAIRMAN. Just one moment, please. Is there objection?

Mr. MOORES of Indiana. I object.

The CHAIRMAN. Objection is made. The Clerk will read.

Mr. BLANTON. I am not going to punish the gentleman in charge of the bill because some one objects, because I know how I can get more time in a few minutes.

Mr. GOOD. Mr. Chairman, no one who has followed the improvement of the parks of this city, if he knows anything about the subject, will criticize the small appropriations made here as being extravagant. Take, for instance, Lafayette Park. The only appropriation is $2,000 a year to keep in a magnificent condition 7 acres of beautiful park. Now, as labor conditions became more difficult and labor costs increased, it was not the policy of the Committee on Appropriations to increase the amount for each park, but Col. Ridley suggested the granting of a lump sum to provide for the increased cost in park maintenance. I want to say that we shall regret it exceedingly when Col. Ridley leaves that service. He is one of the most efficient men in the Government service. He has done a wonderful work and has held down the expenditures for our parks in this city, and at the same time has given Washington very beautiful parks. The amount we spend per acre for parks like Lafayette Park is not half the amount spent per acre for similar parks in large cities like New York, Chicago, Boston, and other places where they take pride in their parks. Now it is true that they have made some provision for outdoor sports. That has been the policy. It is the policy in every progressive city. They have something like 15 or 20 tennis courts. They have a number of ball fields down there, and places where young men and young women can go and engage in healthful recreation, and the amount appropriated for that purpose is the small pittance of $15,000 a year. I would be almost ashamed to be a Member of this House and attempt to have the Capital City of the Nation get along in a niggardly way and not have any parks at all, as the gentleman from Texas seems to desire.

We have not gone wild with regard to park development. Our growth has been meager, and I believe the amount expended has been at all times economical, and every dollar of the appropriation for this purpose can be justified. There may be men employed to work on the parks, as there always are, who are not doing a full day's work. That has been true not only of men in public parks but it is true in private establishments.

Under the rules of the War Department Col. Ridley can not stay after this year in the position he now occupies, and I think it will be a distinct loss to the Government, because Col. Ridley, who is trained for the service, whose heart is in this work, and who is able to maintain these parks at a minimum expense, is compelled to leave this work and take some other position in the War Department.

Mr. SNELL. Will the gentleman yield?

Mr. GOOD. I yield to the gentleman from New York.

Mr. SNELL. I notice on page 56 an item of $30,000 for improvement, care, and maintenance of Meridian Hill Park. Does the gentleman remember how much more will be necessary to complete that park and when they expect to have it completed?

Mr. GOOD. It depends on how rapidly we appropriate the money. That is going to be a very costly park.

Mr. SNELL. I imagined that it was.

Mr. GOOD. It seems to me the Government took on a white elephant when it took on that park, so far as appropriations out of the Treasury are concerned. They ask $165,000 this year, and we gave but $30,000.

Mr. GARD. A point of order, Mr. Chairman. We have not yet reached the paragraph which gentlemen are discussing.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. PELL. Mr. Chairman, I move to strike out the last two words. I do that in order to ask the gentleman from Texas if in his interview with the foreman of these workmen in the park, who said that he would be afraid to report the idleness of his men, he thought that the foreman was afraid of physical violence from his subordinates or of political violence from his superiors?

Mr. BLANTON. I can tell the gentleman from New York what I think now. These friends of ours on the other side of the aisle are always preaching economy. One of their distinguished Members yesterday jumped on the President of the United States for extravagance, and said he was the most hated man in the universe, and yet every time a Member of Congress seeks to stop the extravagance he or the chairman of the Committee on Appropriations will eulogize the man who has spent the money and then vote to continue spending it. The poor Negro thought he would have the gentleman from Illinois or the gentleman from Iowa astraddle of his neck if he ever said anything about where the money was going in wasteful extravagance. He was afraid of them, but I am not.

Mr. GOOD. Mr. Chairman, I want to say to the gentleman from Texas that when his party was in control of the House it gave $20,000 for the playgrounds for which we are appropriating $15,000, and the gentleman from Texas did not raise his voice against it.

Mr. BLANTON. Oh, I have been fighting ever since I have been here.

Mr. GOOD. Yes; but the gentleman said nothing about that item.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word. The gentleman from Texas has called attention to extravagances under the Democratic administration, but he never criticized the administration. He is now seeking to strike out of the sundry civil appropriation bill a small appropriation for the maintenance of places in the park for the outdoor sports. I am not ordinarily unduly extravagant, and I should suppose that even my distinguished friend from Texas would be willing to let the clerks and other citizens of the District of Columbia who desire an opportunity to pay—for that is what this amounts to—to pay for tennis courts where they can get outdoor sports during the hot season in Washington while most of us go to a hotter place, in Texas, or a cooler place in the North. Give these people an opportunity to play tennis; give them an opportunity to play ball; give them an opportunity to play golf where they do not have to belong to high-priced clubs. This is to give the poor people a chance to contribute money for their own support. Even the gentleman from Texas ought to be willing to do that.

The CHAIRMAN. The pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

For improvement, care, and maintenance of Meridian Hill Park, $30,000.

Mr. SNELL. Mr. Chairman, I move to strike out the last word. How much is it estimated it will take to complete Meridian Park?

Mr. GOOD. The estimated cost is approximately $500,000, if the plans of the Fine Arts Commission are carried out. This appropriation carries $15,000 for maintenance and $15,000 for the purchase of plants, shrubs, and so forth.

Mr. SNELL. It would take about 30 years then.

Mr. GOOD. Longer than that the way we are now appropriating. We have not carried anything in the bill to do anything along the line of work planned by the Fine Arts Commission.

Mr. SNELL. Fifteen thousand dollars is a considerable amount for trees and shrubs.

Mr. GOOD. I used to think so, but it seems that a small tree, planted, costs about $10 or $15.

Mr. SNELL. The committee has not been very extravagant up to this time.

Mr. GOOD. No.

Mr. MANN of Illinois. Let me say that the most unsightly structure in the city of Washington, or probably anywhere else, is the stone wall at Meridian Park. It takes the cake over anything else that I have ever seen, although it was approved by the Fine Arts Commission.

Mr. GREEN of Iowa. I think if the gentleman from Illinois would cast his eye on the so-called park between here and the Union Station he will find a more unsightly place.

Mr. MANN of Illinois. Not as unsightly as this stone wall at Meridian Park.

Mr. GREEN of Iowa. There are old buildings and windows with glass knocked out——

Mr. MANN of Illinois. Yes; that is bad enough, but not so unsightly as Meridian Park.

Mr. GARD. Mr. Chairman, I move to strike out the last word. In this item there is appropriated $30,000 for maintenance of Meridian Hill Park, and in line 8 the improvements on Rock Creek Park and Piney Branch Park the same amount, $30,000. I am led to inquire, in the interest of the Public Treasury and in the interest of those who believe in a better and more beautiful Washington, just how much this monstrosity on Meridian Hill, the name of which the gentleman from Illinois indicates should be changed to White Elephant Park—how much has the park already cost?

Mr. GOOD. There has been appropriated up to date $210,000.

Mr. GARD. What is the acreage of the park?

Mr. GOOD. Eleven and four-tenths acres.

Mr. GARD. And the improvement outside of the original cost has been $210,000. I understand from the reading of the hearings that Col. Ridley said it would cost at least half a million dollars to complete it.

Mr. GOOD. He said it would probably reach $500,000.

Mr. GARD. Is that in addition to the cost of the land?

Mr. GOOD. Yes. He was asked how much it would cost to complete it, and he said:

Mr. VARE. How much will it cost to complete this park in accordance with the comprehensive plans prepared?
Col. RIDLEY. I have not the details of the whole thing. If I were to make estimates now they would be no good when we reached them. It would probably reach $500,000. We have made rough estimates in the neighborhood of $500,000.
Mr. VARE. What is the area?
Col. RIDLEY. Eleven and four-tenths acres.

Mr. MADDEN. Oh, it is more than that. The cost of the ground was $400,000.

Mr. GARD. I am glad to have that information.

Mr. GOOD. But here is a park that the Government bought. Congress authorized its purchase, and we have spent now over $500,000 on it. Just a little while ago the gentleman was very greatly moved by the thought that when you spend a little money on a thing of this kind we ought to keep on spending in order not to lose what you had invested.

Mr. GARD. But this is an entirely different procedure. I am entirely in sympathy with appropriations for the maintenance of tennis courts, baseball diamonds, golf grounds, where the people may play, where they may have good wholesome outdoor recreation, but just what there is inside of that stone wall up on the Sixteenth Street hill I never have been able to determine. It seems to me that the committee in charge of public moneys ought to make a halt somewhere in respect to this park of 11 acres, whose utility is of some question, to say the least, which is to cost over $1,000,000 of the taxpayers' money.

Mr. MANN of Illinois. Then strike it out.

Mr. GARD. It seems to me there is no adequate compensation in benefit from this great expenditure.

Mr. GOOD. Mr. Chairman, I will say to the gentleman that the subcommittee that heard the statements in support of this item did not think that we ought to appropriate $155,000, but we did feel that inasmuch as Congress had authorized the purchase and had been appropriating money year after year for the park while this wall was being built and the improvements going on, the planting of shrubs and some of that grading ought to be continued. We have not given here enough money to continue building that wall. They propose to build a great gateway a little further down Sixteenth Street. My recollection is that it is to cost about $80,000 for the rest of that wall. We did not approve of that item for this year. We felt that inasmuch as the ground did need grading and some trees ought to be planted, and some maintenance work done, we should make an appropriation to carry on such work.

Mr. GARD. I am very sure that everyone should be grateful for that interest. What I particularly want to know is this: Is it to be the continued policy of the Committee on Appropriations to appropriate large sums of money yearly so that ultimately the sum total spent will be over a million dollars for this park, which is of questionable benefit in any event?

Mr. GOOD. The big and costly improvement is going to be the continuation of that wall. We are not carrying enough to start that, and have appropriated only for the grading and planting next year, and for work that ought to go on.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. LINTHICUM. Mr. Chairman, I renew the pro forma amendment. I happened to live for some time at 2400 Sixteenth Street, opposite this park. A very fine gentleman came down from the great State of New York to see me and spend a couple of days with me. I remember one morning as we were at the entrance to that big apartment house he looked across the street at that wall and said, "What institution is that across the street" I had to explain to him that it was not an institution, but that it was a park. It seems to me that if we would appropriate some money to remove that wall and grade that park it would be better than to appropriate money to continue those so-called improvements, because they are not improvements to a great city like Washington. No piece of concrete work in its raw state is an improvement to anything. Something ought to be done by which we can get God's green grass to grow there instead of having this concrete work put there. I am particularly anxious that that should be a beautiful park because Members of the House will remember that the great monument to James Buchanan is to be erected in Meridian Park. I want to see the park beautified. I do not want to see those walls extended any farther. I wish the committee would outline some definite policy by which we could at least lessen the expenditures on the park and at the same time improve it in a beautiful and nature like way.

Mr. BYRNS of Tennessee. The gentleman is aware that the Fine Arts Commission approved the erection of that wall.

Mr. LINTHICUM. I am quite aware of that, but I do not always agreed with them.

Mr. STEVENSON rose.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. STEVENSON. Mr. Chairman, I think the gentlemen who have criticized this park have criticized it from the standpoint of Sixteenth Street. If they will travel on the other side and come in on the level and see the great residential section that is right on the level of the park and the splendid advantages the park will be to that section, which is one of the choice residence sections of the city, they will see that a proper development of the park will be of great benefit. It all depends upon which way you look at it. If you go down in a well and try to look out of the top, the horizon is not very big, and that is what you do when you go to the big apartment house across the way on Sixteenth Street. If you will travel up Fifteenth Street and come in on the level, you will see that there are a great many people who live up there—I live there myself—who enjoy going out into the park on Sunday afternoon. The thing I can not understand is how it costs so much money to get so little grass. I have been living up there for about four years. They have been spending about $30,000 a year on shrubs and grass. They have not yet a good stand of grass. I think what they ought to do there is to direct attention to a little more horticultural skill and not spend so much money in cement walls. I will admit that the Sixteenth Street entrance looks like the entrance to the South Carolina Penitentiary, and that is one reason why I have never gone in that way.

Mr. MANN of Illinois. I suggest that they use a liberal supply of nitrate of soda.

Mr. STEVENSON. Yes; or of nitrogen produced at the plant which will soon be completed at Muscle Shoals, and then we will get a proper growth of grass, and the inhabitants of that section will enjoy it.

The CHAIRMAN. The time of the gentleman from South Carolina has expired. Without objection the pro forma amendment will be withdrawn and the Clerk will read.

The Clerk read as follows:

For operation, care, repair, and maintenance of the electric pump which operates the memorial fountain to Admiral Du Pont in Du Pont Circle, $2,500.

Mr. MANN of Illinois. Mr. Chairman, I make a point of order against the paragraph.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard?

Mr. GOOD. What is the point of order?

Mr. MANN of Illinois. That it is not authorized by law.

Mr. GOOD. Mr. Chairman, the act of Congress that authorized the removal of the old Du Pont Monument authorized the erection of a new memorial, the erection of it to be at the place selected by the Fine Arts Commission and the design of the memorial to be selected or approved by the Fine Arts Commission. The Fine Arts Commission in selecting a memorial for Admiral Du Pont selected a fountain. Now, it is fundamental that where Congress authorizes the erection of a building or of a memorial that carries with it the authority to maintain it. It might as well be said that items for lighting the Capitol Building or lighting other works are not authorized by law. In this case, if Congress made a mistake, it was a mistake of leaving the design—and the word "design," as I recall, is carried right in the act—to some one else and not providing what that design should be. The act provides:

That the Chief of Engineers, United States Army, be, and he is hereby, authorized and directed——

The CHAIRMAN. Can the gentleman give the date of that?

Mr. GOOD. Approved February 26, 1917.

That the Chief of Engineers, United States Army, be, and he is hereby, authorized and directed to grant permission for the removal of the statue and pedestal and foundations of Admiral Du Pont in Du Pont Circle, in the city of Washington, D. C., and the erection in place thereof within the circle of a memorial to said Admiral Du Pont: *Provided*, That the present statue and pedestal may, after the completion of the memorial in place thereof, be turned over to the donors of the memorial for relocation outside the District of Columbia: *Provided further*, That the site and design of the memorial shall be approved by the Commission of Fine Arts.

Now, this memorial is a fountain. Certainly it would be very foolish for Congress to authorize the erection of a fountain and then have it said, as a matter of fact, we did not also authorize the expenditure necessary to allow water to run over the fountain. It is necessary to have these pumps to supply the water, otherwise you can not——

The CHAIRMAN. If the gentleman will permit, if the Fine Arts Commission had approved the erection of a small building which required an elevator, does the gentleman contend that there would be authority to appropriate under the language of the act quoted for an operator to run that elevator?

Mr. GOOD. I assume if the Fine Arts Commission had authorized the erection of a memorial building wherein Government work in part could be transacted, that carried with it as an incidental authority for the maintenance of the memorial. I think there is no question about it. Any other conclusion would lead us into all kinds of trouble with regard to the maintenance of Government property. This is simply the maintenance of a thing that Congress has authorized. If the Congress is foolish enough to allow some one outside to select the design and thereby throw on the Government an increased cost in the way of maintenance, that is the fault of Congress, but the authority to maintain always goes with the incidental right and authority to construct.

Mr. LAYTON. Is not a fountain necessarily something where water is flowing?

Mr. GOOD. I suppose so, yes; if it is a fountain of that kind. I think there are electric fountains.

Mr. MANN of Illinois. Mr. Chairman, the resolution which authorized this work to be done, Public Resolution No. 41, Sixty-fourth Congress, was Public Resolution No. 51 in the Sixty-fourth Congress, although the War Department, with its usual inaccuracy in sending an estimate to Congress, located it as Public Resolution No. 41. That resolution authorized the removal of the Du Pont statue and the giving of a new monument by the Du Pont people and provided among other things that the site and design of the monument shall be approved by the Commission of Fine Arts and "that the United States shall be put to no expense in or by the removal of the statue, pedestal, and foundations, and the erection of said memorial complete." Of course, the approval of the Fine Arts Commission of this fountain was itself a fraud upon the Government and only illustrates the fact that it is never safe in this House to let anything go through on the supposition that the people who will deal with it will deal with it honestly. We were told there would be no expense to the Government by the change of the Du Pont statue for some other form of memorial.

Mr. GOOD. Will the gentleman yield?

Mr. MANN of Illinois. I did not interrupt the gentleman.

Mr. GOOD. I just wanted to call attention——

Mr. MANN of Illinois. I will yield.

Mr. GOOD. Call attention that the language of the statute is that the Government should be put to no expense——

Mr. MANN of Illinois. I just read the language.

Mr. GOOD. By reason——

Mr. MANN of Illinois. I have just read the language and here it is in the statute.

Mr. GOOD. I wanted the gentleman to know the construction——

Mr. MANN of Illinois. If the gentleman wants to argue that state of facts if he will wait I will meet that question. The passage of the resolution was a fraud upon the Congress. If we had provided in the resolution that there should be an electric pump installed at that place it would have been in order to make an appropriation for the maintenance of it, but we made no such provision. There is no authority for an electric pump at that place, no authority for the maintenance of an electric pump, and the mere fact that the memorial is there is no excuse for saying we have to maintain an electric pump. The memorial will still be there and we will still maintain it without our maintaining an electric pump which is not authorized.

Mr. LAYTON. But it is not a fountain.

Mr. MANN of Illinois. Oh, well, the gentleman sometimes makes a remark that does not add anything—everybody knows a fountain implies water.

Mr. LAYTON. That is all I want you to admit.

Mr. MANN of Illinois. Sometimes water on the brain. [Laughter.]

Now, I contend that where we provide for the construction of a building it does not mean we give authority to make all sorts of appropriations for things not necessary for the building. We authorized here a memorial to be placed there without expense to the Government. The first proposition we get out of it is $2,500 a year expense to the Government for maintenance—$2,500 a year for all time—on the plea that a resolution providing for a memorial without expense to the Government authorizes directly an expense of $2,500 a year.

Mr. GOOD. I wish to call the attention of the Chair to the words to which the gentleman from Illinois [Mr. MANN] has addressed himself, and that is, that the United States shall be put to no expense in or by the removal of the statue, pedestal, and foundation, and erection of said memorial complete. Now, the thought I had in mind was that a strict construction of the language there could not be construed to mean that the Government of the United States should be placed to no expense for maintenance. That provision only goes to the extent that the Government should be put to no expense in the removal or the erection of this pedestal. Nowhere is it provided that the Government shall be placed to no expense in its maintenance. The Government was at an expense in the maintenance of the old monument that stood there. The Government is at some expense all the time in guarding its property and maintaining it, whenever and however authorized. I do not agree with the gentleman from Illinois [Mr. MANN] that the War Department may have placed this matter before Congress in a false light, but it seems to me they have put one over on Congress. They have had Congress authorize this monument, and whether you like it or not we have got to maintain it, it seems to me. Where we authorized the acquisition of property either by gift or by appropriation, are we then to abandon it?

Mr. LAYTON. Mr. Chairman, I do not propose to answer the gentleman from Illinois [Mr. MANN] in the way he has answered me, but I do propose to answer him in as logical and courteous a manner as possible.

I was not in the House at the time Congress, of which I suppose the gentleman was a Member, had this thing "put over" on it. It is a very simple proposition, it seems to me, and there is no need for any hairsplitting or irritation either on the part of the gentleman from Illinois or anybody else. The Congress of the United States, as I understand it, did authorize the removal of a statue in Du Pont Circle, and the substitution therefor of a fountain. That fountain, as I understand it, was to be paid for by the——

Mr. MANN of Illinois. There was no provision for the fountain.

Mr. GOOD. A memorial.

Mr. LAYTON. All right, a memorial. But the law, if I understand it, Mr. Chairman (I am talking to the chairman of the committee), authorized the Fine Arts Commission to select whatever they pleased in substitution for the monument that was already placed in that park. Is that correct?

Mr. GOOD. Yes.

Mr. LAYTON. The law gave to the Fine Arts Commission the right to substitute a memorial in the shape of a fountain.

Mr. GOOD. We gave them the right to select the design and memorial, and they designed it as a fountain.

Mr. LAYTON. They had the right to put back a statue or whatever they pleased. Is not that right?

Mr. GOOD. That is my contention.

Mr. LAYTON. Yes. It is my contention that they had a right to select a design, and did select a design, which was a fountain. But the gentleman from Illinois [Mr. MANN] contends that a fountain is a fountain, though there is no water flowing from it.

This may be true, but the gentleman will have to change the accepted meaning of words in order to substantiate his contention. The facts, as I understand it, are that the Du Pont family offered to remove an old statue which stood in the Du Pont Circle and, at their own expense, to erect another for the purpose of more adequately memorializing the fame of Rear Admiral Samuel Francis Du Pont, a distinguished member of one of the oldest and most notable families in the United States. Rear Admiral Du Pont was born at Bergen Point, N. J., September 27, 1803, died in Philadelphia, Pa., June 23, 1865, and was buried at the family burying ground near Wilmington, Del. He was appointed to Annapolis in 1815; was commander of the United States steamship *Cyane* from 1846 to 1848, which ship was a part of the Pacific Squadron at that time, rendering conspicuously gallant service at Santiago, Mazatlan, San Jose, and other ports, and was recognized by Congress, together with other officers, for gallant service in the War with Mexico. Upon the recommendation of President Lincoln he was retained in active service as flag officer in 1861, and especially thanked by Congress for "decisive and splendid victory achieved at Port Royal, S. C., on the 7th of November, 1861." He commanded the South Atlantic blockading squadron from 1861 to 1863 during the Civil War. Congress twice recognized the high character and the public service of this distinguished officer, so that it was altogether fitting that a memorial should be raised to perpetuate his memory in this the Capital of the country, where the memorials of other distinguished public servants are found. Full authority was granted by this body to the Fine Arts Commission to design such a memorial and have the same erected under their supervision and at the expense of the family of which Admiral Du Pont was a member. With this authority, the Fine Arts Commission designed a foun-

tain, which was accepted by the Government, and by all the rules of common sense, as well as of patriotism, the design and purpose of a former Congress and the Fine Arts Commission should be carried fully into effect by making it a veritable fountain and not a mere mass of stone.

The CHAIRMAN. The gentleman from Illinois [Mr. MANN] makes the point of order upon the paragraph from lines 6 to 8, inclusive, page 57, which is for "the operation, care, repair, and maintenance of the electric pump to operate the memorial fountain to Admiral Du Pont in Du Pont Circle, $2,500." The act referred to by the gentleman from Iowa [Mr. GOOD] confers authority upon the Chief of Engineers to grant permission for the removal of the statue and pedestal and foundation of the statue of Admiral Du Pont at Du Pont Circle, and to also grant permission for the erection in place thereof of a memorial to said Admiral Du Pont. It also provides that the present statue and pedestal may be turned over to the donors of the memorial for relocation outside of the District of Columbia. But the act further provides that the site and design of the memorial shall be approved by the Commission of Fine Arts. And further, that the United States shall be put to no expense in or by the removal of the statue, pedestal, or foundations, and the erection of said memorial complete.

It is the view of the Chair that it would seem that Congress intended, in granting this permission to remove the statue which formerly was there, and permitting persons to donate a substitute in the form of a memorial, that the Fine Arts Commission should first pass upon the site and the design of the memorial that is the substitute for the statue, and, having approved the site and the design, the further qualifying language of the resolution required that that memorial, whatever it should be, after having received the approval of the Fine Arts Commission, should be placed there without additional expense to the United States; that is, so as not to require any additional expenditure for the maintenance of the park, by reason of the removal of the statue and the acceptance of the memorial in its stead. There is still authority to appropriate for the maintenance of this park, but this is a new facility for which the Chair finds no authorization in the resolution which the gentleman from Iowa [Mr. GOOD] has cited. That act does not, in the opinion of the Chair, authorize an appropriation for the operation of anything connected with that memorial, such as an electric pump or any other form of apparatus. The change was to be made and the substitute located and erected complete, without expense to the United States—this would seem to limit the discretion of both the Chief of Engineers and the Fine Arts Commission. The matter of having selected a fountain, it would seem to the Chair, would not authorize an appropriation by the Congress for the operation of anything connected with it unless further authority be given. And the Chair therefore sustains the point of order.

The Clerk will read.

The Clerk read as follows:

To provide for the increased cost in park maintenance, $65,000.

Mr. DOWELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Iowa moves to strike out the last word.

Mr. GARD. Mr. Chairman, I desire to make a point of order against the paragraph.

The CHAIRMAN. The gentleman from Ohio makes a point of order against the paragraph.

Mr. DOWELL. Mr. Chairman, I make the motion in order to make an inquiry of the chairman of the Committee on Appropriations. As I understand the former paragraphs, each park has a specific appropriation for the expenditure on that park for the year. What additional maintenance is necessary, aside from the regular maintenance of the parks as provided in the other paragraphs?

Mr. GOOD. The parks, as a general rule, unless there was some specific thing to be done in a separate park, have been appropriated for uniformly for a period of 10 or 12 years without increase for any park. Take, for instance, Montrose Park. They have had $5,000 for a number of years. There was no increase during the war, but there was an increase granted in pay to the men who worked in the parks, amounting to something between 80 per cent and 100 per cent. The only way that increased pay was taken care of was by a lump-sum appropriation such as we are carrying here.

Mr. DOWELL. May I inquire why the increased cost? If there is an actual increased cost, why is it not placed on each item in each park?

Mr. GOOD. The committee thought we ought to get back to the same costs at which the parks were formerly maintained if wages were reduced, and we felt that if we had a lump sum appropriated we could get back a good deal more quickly in this way than if the increased maintenance of each park was provided for separately, and therefore this was a temporary thing until conditions again became normal. We have reduced the amount by $10,000 over last year.

Mr. DOWELL. This is not a continuation?

Mr. GOOD. Only until it is wiped out, and if the price of labor goes down next year or the year following, this money may not be spent. It simply permits the superintendent to pay the wage, and if that wage is not necessary the money will not be expended. He must pay current wages.

Mr. DOWELL. Then it will not be necessary to increase the other items permanently?

Mr. GOOD. Exactly.

Mr. DOWELL. I withdraw the pro forma amendment.

Mr. BLANTON. Mr. Chairman, I move to strike out the paragraph.

The CHAIRMAN. The gentleman from Texas moves to strike out the paragraph. The gentleman from Ohio [Mr. GARD] reserved a point of order on the paragraph.

Mr. GARD. I reserved a point of order on the paragraph. I will withhold it if the gentleman wants to speak on it.

Mr. GOOD. Mr. Chairman, we must get along with this bill.

Mr. BLANTON. The Chair has recognized me, I believe.

Mr. GOOD. A point of order is pending.

The CHAIRMAN. The gentleman from Ohio is at liberty to make his point of order.

Mr. BLANTON. The Chair recognized me, subject to the reservation of the point of order.

I only wanted to answer some of the lecture that was given to me by the gentleman from Illinois [Mr. MANN] and by the gentleman from Iowa [Mr. GOOD], when I was seeking to eliminate Government waste and extravagance.

Mr. MANN of Illinois. It is a continued story. [Laughter.]

Mr. BLANTON. Yes; it is a continued story. The gentleman from Texas is awfully hard to down by lectures. [Laughter.]

Mr. MANN of Illinois. He is the one who does the lecturing.

Mr. BLANTON. The gentleman from Illinois would intimate to the House and give to the country through the RECORD the impression that I lodged my protest merely against the one little item of $15,000 that was appropriated to maintain the tennis courts and the polo grounds and the golf links. I was pointing out the duplications and waste and extravagance in all of the numerous appropriations I mentioned for park maintenance. My statement was that all these items, some of them amounting to $30,000 and some to $40,000, and this one $65,000, and so on up to $100,000, were extravagant and wasteful. It was the whole aggregate of all these items of appropriation under this head which I stated was wasteful extravagance. That was what I directed my criticism against, and the gentleman knew it. And in his lecture the chairman of the Appropriations Committee saw fit to eulogize Col. Ridley in one breath, and then later on, when the gentleman from Illinois admitted the force of my argument—because by his point of order he struck out this $2,500 for Dupont Circle fountain from the bill, which was one of the items to which I objected—when he admitted it, I say, the chairman of the Committee on Appropriations, after eulogizing Col. Ridley, then in the next breath admitted that Col. Ridley "had put something over" on the Congress.

Mr. GOOD. No; the gentleman is mistaken again.

Mr. BLANTON. Who put it over on Congress, then?

Mr. GOOD. Col. Ridley had nothing to do with it.

Mr. BLANTON. Who had to do with it if it was not the distinguished officer in charge of public buildings and grounds? Some one asked the chairman whom he meant, and he said that the War Department had "put it over on us" in this item.

Mr. GOOD. I hope the gentleman will not understand that Col. Ridley is the entire War Department.

Mr. BLANTON. But Col. Ridley had this item in charge, and he permitted this resolution to pass, as he has charge of all public buildings and grounds.

Mr. MANN of Illinois. He had no more to do with it than the gentleman from Texas. The gentleman from Texas was far away in Texas at the time.

Mr. BLANTON. I know whom it was done by. It was done by this big rich family known as the Du Ponts, who made hundreds of millions of dollars out this Government during the war. They put that memorial there to commemorate one of their kinsmen, and left it as a charge on this Government, and expected the Government to appropriate $2,500 a year to main-

tain a little pump there to water the fountain, and the chairman of the Committee on Appropriations fought to help spend that $2,500 there every year to commemorate that memory. If the Du Ponts, who made hundreds of millions of dollars out of this Government during the war, want to commemorate by such a memorial some of their kinsmen, let them put aside a sum, like $50,000, that would maintain it.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. GARD. Mr. Chairman, the point of order that was reserved is now made, as there is evidently no authority of law for such a provision as that contained in the item on lines 9 and 10, providing for the increased cost in park maintenance.

Mr. GOOD. I do not know why this item is not absolutely in accordance with the laws of the United States. These are permanent parks, and if we wanted to appropriate for every one of them in a lump sum, we could do it. I know of no ruling to the contrary. I know of no statute preventing it. They are parks that must be maintained, and whether we carry an appropriation for each park or provide by lump sum for all the parks, it would not make it subject to a point of order.

Mr. MANN of Illinois. Mr. Chairman, I do not see what the point of order is.

Mr. GARD. The point of order made by me was that there was no authorization for this particular item contained in lines 9 and 10.

Mr. MANN of Illinois. The authorization, of course, is for the maintenance of the parks. It makes no difference whether we carry the appropriation in a lump sum or whether we segregate it among the different items of the bill, so far as the authority is concerned. If it is in order to make an appropriation for the care of Rock Creek Park, $30,000, it is in order to make an appropriation for the same purpose of $40,000. There is no limitation of law upon the amount which Congress may appropriate for these parks, and there is an authorization for the maintenance of the parks.

Now, the Committee on Appropriations—I think wisely—instead of increasing the specific amount for the different parks, which if once increased would probably remain increased from year to year thereafter, put in one item for the increased cost of maintenance, which is just as much in order as any of the other items in the bill, because it is for the maintenance of the parks.

Mr. GARD. The point of order is made because it is apparent, it seems to me, that this item in lines 9 and 10 is not for any item of expenditure, but is an item that is purely speculative.

Mr. MANN of Illinois. The gentleman says the item is speculative. Does the gentleman mean to assure the House that he has lived during the last three years and that he believes the increased cost of maintenance of everything is speculative?

Mr. GARD. I do not understand the gentleman's inquiry. Does he mean to ask me if I appreciate that the cost of everything has increased?

Mr. MANN of Illinois. I say, does the gentleman believe that the increased cost of everything is only speculative?

Mr. GARD. In so far as this item is concerned, emphatically yes, because there is no element of certainty as to how much of this $65,000 is necessary for increase in park maintenance. There is no certainty as to what the labor schedule of the District of Columbia will be for the next month or the next six months.

Mr. MANN of Illinois. That is very true, but——

Mr. GARD. It is entirely speculative, and as the chairman of the committee [Mr. GOOD] said a moment ago, it was their thought to carry this item, and to discontinue it in the event that it was not found necessary. If at any time the condition should arise when it was not necessary, the $65,000 or some part of it would not be carried in the appropriation bill.

Mr. MANN of Illinois. It is reduced $10,000 in this bill. Let us hope it may be reduced more in the next bill.

Mr. GARD. I hope so. I hope it will be a proper measure of economy. I am not interested in economy which cripples parks or anything else.

Mr. MANN of Illinois. Does not the gentleman think it would be better to carry an item like this in one paragraph than to put it into a whole lot of different items which, if once increased, would probably never be decreased?

Mr. GARD. I do not think so, because I believe that an appropriation should be specific and certain.

Mr. MANN of Illinois. Oh, but you never can tell exactly what it is going to cost for the maintenance of a park a year ahead.

Mr. GARD. But when we have provided, as we have provided—take the instance of our old friend Meridian Hill Park, $30,000.

Mr. MANN of Illinois. We have carried an item of $30,000 for that in this bill. Why? Because last year we carried an item of $30,000 for it. Why did we carry the item last year? Because the year before we carried an item of $30,000 for the same purpose.

Mr. GARD. That is little or no argument.

Mr. MANN of Illinois. I know, but it is a fact; and next year we will carry an item of $30,000. It ought to be eliminated entirely, but even the gentleman from Ohio did not make the motion to strike it out. If he had, I would have voted for it.

Mr. GARD. I realize how futile it is to make motions to eliminate things; but I tried to explain to the House my own ideas about Meridian Hill Park.

Mr. MANN of Illinois. The gentleman explained his ideas very succinctly as to why the appropriation ought not to be made.

Mr. GARD. Yes; I think so.

Mr. MANN of Illinois. And yet it passed without a motion to strike it out. Why? Because of the law of inertia, because it is in the present law, and that is the reason the Committee on Appropriations did not increase these amounts on account of the increased cost of maintenance.

Mr. GARD. I do not speak for the Committee on Appropriations.

Mr. MANN of Illinois. I do not, either, of course, because I am not on that committee; but I know the facts, and I assume that the committee have good judgment.

Mr. GARD. The one thing I had in mind when I made the point of order was that appropriations for parks and appropriations for any purpose should be made for specific and certain objects and in certain amounts; and I thought, and still think, that the appropriation in lines 9 and 10 is so speculative, has so many elements which may not be necessary, that it is subject to a point of order as not being authorized by law.

Mr. MANN of Illinois. It is as much authorized as anything else for the maintenance of parks.

The CHAIRMAN. The gentleman from Ohio makes the point of order to the language on page 57, line 9, "to provide for the increase in cost of park maintenance, $65,000," on the ground, among other things, that it is so speculative in character as not to come within the requirements of being authorized by law. There seems to be no limit of cost fixed by any law heretofore passed for the maintenance or existence of any of these parks. This is a general provision covering increased cost in park maintenance, which would be available for any of the parks specifically appropriated for in the bill. There being no limitation to the amount which might be appropriated and expended for the maintenance of the parks, the Chair feels that this is not outside of the requirements, and therefore overrules the point of order.

Mr. BLANTON. Mr. Chairman, I have a motion at the desk striking out the paragraph.

The CHAIRMAN. The gentleman from Texas moves to strike out the paragraph.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For care of the center parking in Pennsylvania Avenue, between Second and Seventeenth Streets SE., $2,500.

Mr. DENISON. Mr. Chairman, I move to strike out the last word. I want to ask why they appropriate $2,500 for that parking upon Pennsylvania Avenue and only $1,000 for the parking on Maryland Avenue, which begins at the same place and runs the same distance in the other direction?

Mr. GOOD. The park on Pennsylvania Avenue SE. is about a mile and one-third long, and if I recall correctly, they plant and cultivate flowers in that parking and keep the park in condition. It is to maintain that park, which would otherwise be an unsightly park along the street car track.

Mr. DENISON. The parking along Maryland Avenue is almost all devoted to flowers.

The Maryland Avenue parking is appropriated for specifically, $1,000, and for Pennsylvania Avenue parking you give $2,500.

Mr. GOOD. The Pennsylvania Avenue parking is a double parking with a car track through the center. For Maryland Avenue I do not know exactly what it is, but we give $1,000, just what was estimated for the cost of maintaining it. In both of these cases that has been the appropriation for a number of years past.

Mr. GARRETT. There is not near as much parking on Maryland Avenue as there is on Pennsylvania Avenue.

Mr. DENISON. The Maryland Avenue parking is devoted almost entirely to flowers and on Pennsylvania Avenue parking there are very few flowers.

Mr. GOOD. The Pennsylvania Avenue park is a double park, a mile and a third long. On Maryland Avenue it is a single

park, a mile long and only 12 feet wide. On Pennsylvania Avenue, as I say, there is a double park, so the gentleman can see the difference.

Mr. DENISON. I do not quite see the difference.

Mr. GOOD. The double parking is 12 feet wide on each side of the track a mile and a third long. That would make a single parking 2⅔ miles in length and would cost twice as much as the parking 12 feet wide and a mile in length.

Mr. DENISON. The Maryland Avenue park, as I say, is devoted to flowers, while that on Pennsylvania Avenue is a tree park.

Mr. GREEN of Iowa. Will the gentleman yield?

Mr. DENISON. Yes.

Mr. GREEN of Iowa. I think the gentleman from Illinois is entirely correct. I walk up and down there a good deal, and I never saw any flowers on the Pennsylvania Avenue park. Nearly all of that park is taken up by street car tracks. It puzzles me why it should cost so much to maintain it.

Mr. DENISON. The park on Maryland Avenue is devoted wholly to flowers.

Mr. GOOD. The members of the Committee on Appropriations can not examine the books of the departments. We have representatives of the departments come up before our committee and ask them if this amount is necessary to maintain the parks. They say that the maintenance costs a certain amount of money, and we have no way of knowing any difference. Of course, no part is spent for the flowers, which are supplied from the greenhouse.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Tidal Basin bathing beach: For purification of waters of the Tidal Basin and care, maintenance, and operation of the bathhouse and beach, $15,000.

Mr. GARRETT. Mr. Chairman, I would like to ask the gentleman from Iowa what process is used for the purification of water there? Have they found a satisfactory method of purifying it?

Mr. GOOD. They have a chemical plant, a chlorination plant at the inlet gate where the water comes in from the river. They chlorinate the water that goes into the basin during the bathing hours. The statement is made that it is operating very successfully.

Mr. GARRETT. I think in response to a Senate resolution a year or two ago on the matter of the inflow into the Tidal Basin an Army engineer reported that a certain amount of sewage was getting in there.

Mr. GOOD. Yes; and that was the reason it was necessary to purify the water by the installation and operation of this plant. The committee asked Col. Ridley with regard to this matter both this year and last year. He says that the operation of that plant has been very successful and that there has been no objection to the water in the Tidal Basin during the bathing season.

Mr. GARRETT. I suppose that there has not been any practical method found of stopping the sewage inflow there, such as it is?

Mr. GOOD. I take it there has not been.

Mr. LINTHICUM. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes.

Mr. LINTHICUM. Why not establish a sewage system instead of dumping it into the Potomac River and ruining all the sea food, for that is what you are doing at the city of Washington and the Naval Academy and all along.

Mr. GARRETT. I regret that I can not answer the gentleman in regard to that.

The Clerk read as follows:

For maintenance and operation of a ferry line from the vicinity of Seventh and Water Streets to East Potomac Park, $7,000.

Mr. TILSON. Mr. Chairman, I move to strike out the last word. Can the chairman of the committee inform me whether it is the intention of the Government to go permanently into the ferry business from Seventh Street over to East Potomac Park?

Mr. GOOD. Oh, the Government has gone permanently into the ferry business. Congress authorized the purchase of the ferryboat and has been operating it for a long time.

Mr. TILSON. It authorized it a little over a year ago.

Mr. GOOD. And they carried about 15,000 persons in the year. They commenced that in 1919, there was an appropriation of $10,000 for the boat, and the receipts this year are pretty nearly $5,000. Last year my recollection is that the receipts were not more than half that amount, and it is estimated that within a year or two the receipts from passengers for taking them over across to the East Potomac Park will pay for the operation of the ferryboat; but we have the boat authorized by Congress, and this appropriation is just for the maintenance.

Mr. TILSON. Is it expected that this will continue to be operated by the Government itself? Is it not a temporary measure? I thought it was originally intended as a purely temporary matter in order to carry certain employees over and to accommodate a certain part of the public who were not being accommodated by anyone else.

Mr. GOOD. No. The Government now owns the ferryboat, and under the law is authorized to operate it. As far as I know there is no legislation pending from any legislative committee to sell the boat or stop its operation.

Mr. TILSON. What does the financial balance for the year show?

Mr. GOOD. We appropriated $7,000 last year, and we took in almost $5,000, which is a loss of $2,000 in operation. The year before there was a loss of about $4,000.

Mr. TILSON. In the hearings Col. Ridley speaks of $712.50 being taken in from the public. To what does that refer? That is on page 1047. I call the gentleman's attention to what is said in the hearings, which does not coincide with what the gentleman has just said.

Mr. GOOD. I am just trying to ascertain where I got my notes. My notes show that the receipts were larger than the amount indicated in the hearings.

Mr. TILSON. As I recall the testimony, they carried something like 17,000 passengers in a year and the total receipts taken in from the public were $712.50.

Mr. MADDEN. How much do they charge?

Mr. TILSON. Five cents a passenger.

Mr. GOOD. My notes are evidently in error. I think perhaps that some of the information obtained there was obtained from Col. Ridley when the stenographer was not taking down the hearings, and that evidently they must be the total receipts for the entire period of operation from 1919 on, because I notice, as the gentleman states, that the actual receipts last year were only $712.50. The gentleman is correct about it, and I am mistaken in regard to the amount of the annual receipts.

Mr. TILSON. So that, as a matter of fact, it is quite a losing business?

Mr. GOOD. Yes.

Mr. TILSON. What is the real necessity for maintaining this small ferry at so great a loss?

Mr. GOOD. Congress has authorized it; that is the principal reason; and it was strongly contended that the growth in passengers carried was on the increase.

Mr. BYRNS of Tennessee. And, if the gentleman will yield, I think the real object in providing this ferry is to enable some one who can not afford to buy an automobile to enjoy the park; to make it available for citizens who are not able to get there in automobiles, who take the car line down Seventh Street and then take the ferry.

The CHAIRMAN. The time of the gentleman from Connecticut has expired.

Mr. TILSON. Mr. Chairman, I ask unanimous consent to proceed for two additional minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. TILSON. I notice that there is a golf course there of nine holes and that it is expected to increase it to 18 holes. Some people do get around by automobiles, but as I understand it this ferry is to accommodate the other golfers who do not happen to own automobiles?

Mr. BYRNS of Tennessee. Not only golfers but people who in the summer want to go over there in the evening and get a little recreation and fresh air.

Mr. TILSON. Well, it would be a fine thing for people to have steamboats put at their disposal to get across the Potomac River over to the beautiful shores of Virginia, but we ought not to go into that kind of business.

Mr. BYRNS of Tennessee. I think it would be a waste of money to appropriate money for the purpose of providing a park for those who are able to go in their automobiles and have this for a private golf course and place of recreation. My object in voting for these expenditures is to enable the people of the city who can not afford these luxuries to have a little chance to secure some recreation.

Mr. TILSON. How far is this paternalism to go? How far is the Government going into this sort of thing?

Mr. BYRNS of Tennessee. This is not a——

Mr. FESS. Will the gentleman yield?

Mr. TILSON. I will yield to the gentleman from Ohio.

Mr. FESS. If we are going to supply the transportation to go across the inlet, why not do it on the street cars for people who can not pay their way?

Mr. O'CONNOR. Or across the ocean?

Mr. TILSON. It would be more economical to send the people around to this park by trolley if we are going into that kind of business.

Mr. MANN of Illinois. Oh, let the poor people walk. The rich can ride in chaises.

Mr. GOOD. Mr. Chairman, I move that all debate on the paragraph and all amendments thereto do now close.

The motion was agreed to.

The Clerk read as follows:

For construction of roads and walks surrounding the Lincoln Memorial and roads and walks leading thereto from existing improved roads, $100,000.

Mr. CLARK of Missouri. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

On page 57, in line 25, strike out the period, insert a comma, and add these words: "to be immediately available and to be expended by the Lincoln Memorial Commission, including compensation of the special visitant commissioner authorized by the joint resolution approved March 29, 1920."

Mr. CLARK of Missouri. Mr. Chairman, the situation is this: There are only two commissioners who are left in the House—ex-Speaker CANNON and myself. We want to get this monument and all the accessories to it fixed, and unless this amendment is adopted the commission can not use one cent of this money until the beginning of the next fiscal year. We want to get it dedicated and through with and off the hands of the Congress before that time. It does not cost a cent; it simply makes it available.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Sixty per cent of the foregoing sums under "Buildings and grounds in and around Washington" shall be paid from the revenues of the District of Columbia and 40 per cent from the Treasury of the United States.

Mr. BANKHEAD. Mr. Chairman, I move to strike out the last word. Mr. Chairman, I do this for the purpose of asking the chairman of the committee what his intentions are about continuing this afternoon?

Mr. GOOD. We have only read a few pages this afternoon. I thought we could read about 10 or 12 pages in the next 10 or 12 minutes.

Mr. MADDEN. Sit until 5 o'clock?

Mr. GOOD. We want to get further than that, because we have not read hardly any to-day, and if we are going to finish this bill we must get something done to-night.

Mr. BANKHEAD. In that connection, is it going to be the purpose of the gentleman to attempt to set aside Calendar Wednesday proceedings to-morrow?

Mr. GOOD. That is the purpose.

The Clerk read as follows:

For improvement and maintenance of Executive Mansion grounds (within iron fence), $5,000.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I notice this item can not be used for the purpose of improving the iron fence. I want to call the attention of the chairman to the condition of the iron fence and the coping on Pennsylvania Avenue that surrounds the Executive Mansion. The coping in many places is broken. No two stones are at the same angle, and it seems to me it is a disgrace for such a fence to surround the Executive Mansion; it does not add dignity to the presidential residence. While the function of the chairman is not to inspect fences, I hope that when the next appropriation bill is reported he will call attention of the one who has authority to present these appropriations to the condition of the wall and the fences.

Mr. GOOD. There was no estimate made for that.

Mr. WATSON. I know, but I was only saying that I hope in the next appropriation bill the distinguished chairman of the committee will make that suggestion.

Mr. GOOD. I will. I will look after the fences. [Laughter.]

The Clerk read as follows:

Lincoln Memorial: Custodian, $1,200; three watchmen, at $720 each; three laborers, at $660 each; heat, light, miscellaneous labor, and supplies, $3,500; extra services of employees and for additional supplies and materials to provide for opening the Lincoln Memorial to the public on Sundays and legal holidays, $1,750; in all, $10,590.

Mr. FESS. Mr. Chairman, I move to strike out the last word. Does the chairman recall what the Lincoln Memorial has cost the Government?

Mr. GOOD. I do not recall the total amount appropriated for the Lincoln Memorial. There was no estimate this year, of course, the building having been completed, and that matter did not come before the committee.

Mr. FESS. When will it be dedicated?

Mr. GOOD. It is proposed to dedicate the monument some time when Congress is in session, during the coming extra session of Congress.

Mr. FESS. The date has not been fixed?

Mr. GOOD. The date has not been fixed definitely, or had not a month ago. It was intended to dedicate it last fall, but there was some objection to dedicating a monument of that kind when Congress was not here, and so the ceremony was postponed.

Mr. FESS. It certainly was a wise conclusion not to dedicate a monument like this in the absence of Congress. How long is it contemplated it will take to complete that reflecting pool?

Mr. GOOD. That ought to be completed well within the year.

Mr. FESS. So that by the end of the year the Lincoln Memorial in its plan and design will be complete?

Mr. GOOD. Unless Congress should desire at some time in the future, when costs are much less, to put the granite coping on the pool, and for which we have never appropriated.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

The appropriation of $5,000 made in the sundry civil act approved August 1, 1914, for unveiling and dedicating the memorial to Gen. Ulysses S. Grant, and for each and every purpose connected therewith, including erecting and taking down viewing stands and putting the grounds in sightly condition is made available for said purposes during the fiscal year 1922, and shall also be available for removal of so much of the iron part of the brick and iron fence on the east side of the Botanic Garden as in the opinion of the superintendent of the garden may be necessary to improve the surroundings of the said memorial. However, the large stone or brick gateposts on the east side of the garden shall be taken down to a level with the substructure which also is made of brick or stone.

Mr. DOWELL. Mr. Chairman, I move to strike out all after the word "Garden," in line 24, page 61.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. DOWELL: Page 61, line 24, after the word "Garden," strike out the remainder of the paragraph.

Mr. DOWELL. Mr. Chairman, I desire to make inquiry of the chairman of the committee as to the reason for submitting this matter to the opinion of anyone with reference to the taking down of that fence. Is it not the opinion of everyone that it should be taken down?

Mr. GOOD. Yes. I have no objection to the amendment. The facts are that it has been discovered recently that a number of years ago Congress authorized the State of Pennsylvania to place a monument to Gen. Meade in the other part of the park, at the corner up along Pennsylvania Avenue, and sooner or later that fence will have to be taken down. It ought to be taken down now.

It is proposed to dedicate the Grant Monument some time this year. The entire monument is completed, except two casts or tablets that go into the side of the monument, and they are working on those now.

Mr. DOWELL. Mr. Chairman, assuming that everyone would agree that this fence should be taken down, I offer the amendment.

The CHAIRMAN. The question is on agreeing to the amendment.

Mr. FREAR. Let me suggest to the gentleman from Iowa that he also wishes to strike out the first three words of line 23, in order to make the text read smoothly.

Mr. DOWELL. That is correct. I ask unanimous consent to modify my amendment.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment. Is there objection? [After a pause.] The Chair hears none.

Mr. FESS. Mr. Chairman, I rise to oppose the amendment. I want first to see whether I am correct or not. Is this fence along the Botanical Garden here, just west of the Capitol?

Mr. DOWELL. Yes.

Mr. FESS. Mr. Chairman, I do not believe there ought to be a summary order for that fence to be taken down. Probably it is not known to the Members of the House that within the inclosure is about as fine a collection of rare shrubs as can be found anywhere, having been brought from all parts of the country, and there certainly ought not to be any movement to take that fence down until there is a place provided for them to be reset. And then, again, there are some exceedingly rare trees in this little plot of ground. I do not know what you are going to do with them, and I am quite certain the membership of the House does not want to see them destroyed. There is a tree planted by Abraham Lincoln. It is a very large one, and it certainly can not be replaced and be kept alive. There is another one planted there, that is known as the Grant tree, that I do not think can be replaced. There is a cedar of Lebanon growing there; probably that could be destroyed and another

put in its place, because there is no particular personal element connected with it. But there are two trees, very large ones, one planted by the famous Edwin Booth and the other by Lawrence Barrett, the noted actors, standing on either side of the walk. There is no possibility of moving these and preserving them. To destroy those trees would, in my judgment, be sacreligious. Especially would it be grossly unwise to destroy these magnificent flowering shrubs that begin to flower early in the spring and continue up to the middle of the summer, the rarest that can be found anywhere. For us summarily to order that fence to be taken down without a provision for the transplanting of these trees and shrubs would be very unwise, it seems to me, and for that reason I think there ought to be some latitude given to the superintendent who has charge of that collection, and who more than any other person knows the significance of the botanical richness of that garden. He should be consulted in whatever is done there.

Mr. GARD. Mr. Chairman, I desire to offer an amendment to the amendment offered by the gentleman from Iowa [Mr. DOWELL].

Mr. GARRETT rose.

The CHAIRMAN. The time of the gentleman from Ohio has not expired. Does the gentleman from Ohio yield?

Mr. FESS. I yield to the gentleman from Tennessee.

Mr. GARRETT. I wanted to ask the gentleman from Ohio if he was familiar with the fact that in order to make room for the Grant Monument a historic tree known as the Crittenden Oak was taken away? As a matter of interest, if the gentleman will procure the debate had in the House here at the time the question was discussed as to whether Congress would give its permission for the Grant Monument to be erected in the Botanic Garden, he will find some interesting reading. There was then standing, and there is still standing and still living, a tree planted by Senator John J. Crittenden, of Kentucky, known as the "Peace Oak."

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. GARRETT. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Tennessee moves to strike out the last two words.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate on the pending paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. The gentleman from Ohio has an amendment.

Mr. GOOD. The gentleman from Iowa [Mr. DOWELL] is going to withdraw his amendment, as I understand. I do not wish to take the gentleman from Tennessee [Mr. GARRETT] off the floor.

The CHAIRMAN. The gentleman from Iowa [Mr. GOOD] asks unanimous consent that all debate on the pending paragraph and all amendments thereto close in five minutes. Is there objection?

There was no objection.

The CHAIRMAN. The gentleman from Tennessee [Mr. GARRETT] is recognized.

Mr. GARRETT. Mr. Chairman, I just wanted to complete my statement. There was quite a warm fight in the House of Representatives when the question came up giving permission to locate the Grant Monument in the Botanic Garden. At that time a gentleman by the name of William R. Smith was the Superintendent of the Botanic Garden, and he had held that position for over half a century. He was a very learned Scotchman. He had the greatest collection of Burns's works in America, I am informed, and one of the greatest collections of its kind in the world. He was very much devoted to that Peace Oak, the Crittenden Oak, and he predicated his whole opposition to the location to the Grant Monument in the Botanic Garden on the fact that that tree would have to be removed, and he thought in that case it would not live. The tree, however, was removed, and it was a very large tree, a larger tree than those that the gentleman from Ohio has mentioned; it was moved a few feet away. It is still living, although there is no assurance how long it will continue to live.

Mr. FESS. Mr. Chairman, will the gentleman yield?

Mr. GARRETT. Yes; I yield.

Mr. FESS. I appreciate the remarks of the gentleman from Tennessee, and I hope the House will appreciate them, especially from the fact that the tree he refers to was planted by Senator John J. Crittenden, whose grandson it was who lashed Admiral Farragut to the mast of the famous *Hartford*. He is still living, now a very old man. I hope the membership of the House will regard a growing tree as a monument equally important to one made of marble or bronze. I hope the fence will not be taken down until proper provision for these trees and shrubs can be made.

Mr. GARD. Mr. Chairman, I offer to amend the amendment offered by the gentleman from Iowa [Mr. DOWELL] by striking out all the language after the figures "1922," on page 61, line 22.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. GARD to the amendment offered by Mr. DOWELL: Page 61, line 22, after the figures "1922" strike out all the remainder of the paragraph.

Mr. GARD. Mr. Chairman, I offer this amendment because I am in accord with what has been said by my colleague from Ohio [Mr. FESS], that we should not make it directory, this important removal of the fence, in this appropriation bill. All this matter, I suspect, was subject to a point of order before we began to discuss it.

But I do not believe we should make it directory in an appropriation bill the matter of the removal of any fence or fences until those on this floor who know more about it than we do have a chance to be heard.

Mr. GOOD. Will the gentleman yield?

Mr. GARD. Yes.

Mr. GOOD. The item carried here was thrashed out a year ago, and is simply reenacted now because the ceremonies were postponed. It is not intended to remove anything except the iron portion of the fence which obstructs the view of the monument. It is not intended to take down any of the brick wall. I hope the gentleman from Ohio will allow the matter to stand as it was.

Mr. DOWELL. Will the gentleman yield for a question?

Mr. GARD. Yes.

The CHAIRMAN. The time of the gentleman from Ohio has expired. All time has expired.

Mr. DOWELL. I ask unanimous consent to proceed for one minute.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for one minute. Is there objection?

There was no objection.

Mr. DOWELL. I ask unanimous consent to withdraw my amendment. I am hoping that the amendment of the gentleman from Ohio [Mr. GARD] will not prevail, because then there would be no authority to remove the fence at all. It seems to me we ought not to prevent it being removed; and with the hope that before the next year it may be removed I ask unanimous consent that my amendment be withdrawn.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to withdraw his amendment. Is there objection?

Mr. GARD. I object, Mr. Chairman.

The CHAIRMAN. Objection is heard. The question is on the amendment to the amendment offered by the gentleman from Ohio [Mr. GARD].

The question being taken, the amendment to the amendment was rejected.

Mr. DOWELL. Now, Mr. Chairman, I ask unanimous consent to withdraw my amendment.

The CHAIRMAN. The gentleman from Iowa again asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The Clerk read as follows:

Monument to Francis Scott Key and others: For dedicating the monument to Francis Scott Key and others at Fort McHenry, Baltimore, Md., $1,200, and for laying out and improving the grounds immediately surrounding the same, $6,800; in all, $8,000.

Mr. LINTHICUM. Mr. Chairman, I have an amendment.

The CHAIRMAN. The gentleman from Maryland offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. LINTHICUM: Page 62, line 9, after the paragraph insert:

"And the President of the Senate is authorized to appoint three of its Members and the Speaker of the House of Representatives five of its Members as a committee to attend said dedication, without expense to the Government."

Mr. LINTHICUM. Mr. Chairman, I offer an amendment providing for the appointment of three Members of the Senate and five of the House to attend, this summer, the dedication of the Francis Scott Key Monument now being erected at Fort McHenry, Baltimore.

This bill wisely provided for a limited expense of the dedication, and ample for the grading and preparation of the grounds surrounding the monument. I offer this amendment because of the fact that the people of Baltimore would not consider the dedication complete nor the Government properly represented without the attendance of a substantial committee from Congress.

To those Members who are not familiar with the legislation passed by Congress in 1914 and approved on the 29th day of July of that year, appropriating $75,000 for a monument to Francis Scott Key and others, at Fort McHenry, Baltimore, I particularly address myself.

On the 12th day of September, 1914, and for a week preceding that time citizens of Baltimore staged one of the greatest centennials of its kind ever held in this country. It was the one hundredth anniversary of the Battle of North Point and Fort McHenry and the writing of the Star-Spangled Banner by that immortal man, Francis Scott Key. Congress, recognizing the importance of those events in the history of the Nation, both cooperated and encouraged the people of Baltimore in this great celebration, and by resolution authorized the inviting of the representatives of the various nations of the world. It caused to be repaired and reconstructed that old frigate *Constellation*, which then lay at anchor at Newport, R. I., at a cost of $50,000, and brought it to Baltimore for exhibition at the centennial.

The building of the *Constellation* was authorized by Congress on July 10, 1797, when Gen. George Washington was President of the United States, and when it appeared in Baltimore it was in splendid shape. It now serves as a student ship at Newport, though 123 years old. It is one of the last links between the administration of the Father of his Country and the present day.

Congress also turned over to Baltimore at that time the Fort McHenry Reservation to be used as a water-front park until the Government might again need it. No one at that time thought the Government would ever require it, but it was only a short time when the Great War broke out between the nations of the earth and Fort McHenry became a Great War hospital reservation, and now acts as such under the Public Health Service.

In one corner of the fort grounds there is also erected, by appropriations made about that time, the model immigration station of the country, for which Congress appropriated $550,000. Its plans and construction have been so approved by the immigration officers that Mr. Caminetti, Immigration Commissioner, said on one occasion that those to be built on the Pacific coast would most likely be built according to the same design.

I say, therefore, that to have the dedication of the Francis Scott Key Monument and not to have present a committee of Congress would not be very agreeable to the people of my city. This monument now to be dedicated by the National Government to that immortal poet is but a fitting tribute from the Government to my native State of Maryland for the heroism, generosity, and support of its people during the troublous times of 1812.

To the strong support of Maryland, and particularly of its metropolis, Baltimore, is largely due the successful termination of that war. It was a Baltimore man—Minister Pinckney—who asked for his leave of England, and was made Attorney General of the United States, and wrote the declaration of war.

Maryland gave to the war more officers, ships, and seamen than any other State. She supplied 46 officers, or nearly one-fifth of all the officers, of the American Navy. Virginia supplied 42, which was more than all New England. Baltimore supplied 51 privateers; Salem, 40; Boston, 32; and Philadelphia, 14; and the State of Maryland equipped over 100 privateers in all. It is estimated that the loss to England's commerce by the Baltimore privateer captures alone was over $16,000,000.

It was Commodore John Rogers, of Baltimore, who commanded the North Atlantic Squadron, and Stephen Decatur, jr., a native of Berlin, Md., who commanded the South Atlantic Squadron. It was Commodore Rogers, of Maryland, on the flagship *The President* who personally fired the first shot of the war at the British ship *Belvedira*. It was a Chesapeake crew, commanding the *Constitution*, better known as *Old Ironsides*, which captured the first frigate *Guerriere*, which was captured from Napoleon by Lord Nelson at the Battle of the Nile in 1798; and it was a Baltimore man, Christopher Hughes, jr., who sailed direct from Stockholm in the schooner *Transit*, landing at Annapolis February 11, 1815, who first bore the glad news of peace to Washington and the Nation before the ratified Treaty of Ghent, signed on December 24, 1814, had arrived.

The merchants of Baltimore loaned to the National Government $3,000,000, which was later assumed by the city of Baltimore, and became its first municipal debt. Finding no part of this fund available for the defense of the city, Baltimore raised $600,000 additional with which to fortify Fort McHenry, Fort Babcock—now Riverside Park—and Fort Covington—now Port Covington—all to-day within the limits of the city of Baltimore.

Because of her zeal and loyalty, Baltimore was singled out as the target for British vengeance. On the 17th of June, 1814, a newspaper published in London stated—

> The great expedition preparing at Bordeaux for America is destined for the Chesapeake direct. Our little army in Canada will at the same instant be directed to make a movement in the direction of the Susquehanna. Both armies will in all probability meet at Washington, Philadelphia, and Baltimore. Our naval and military commanders have no power to conclude any armistice or suspension of arms. They carry with them certain papers which will be offered to the American Government at the point of the bayonet.

After the humiliating sack of Washington, the British turned with renewed anger to attack Baltimore, to which the helpless National Government could offer no resistance.

The British, however, found strong fortifications to protect the city against their attack. Gen. Samuel Smith, a heroic Revolutionary figure, with a large force, had built fortifications over a mile in length from the harbor as far as the present Hopkins Hospital. Behind these were mounted over 100 cannon, with 10,000 troops. The citizens rallied as one man under Gen. Smith and toiled day after day with pick, shovel, and wheelbarrow until a great armament greeted the British when, after the Battle of North Point, they arrived within sight of the city and were compelled to retreat to their ships without a single shot. The Americans were so eager for the encounter they could not await their coming. When news reached Gen. Smith of the anchorage at North Point of a British fleet of 50 vessels, the most formidable fleet ever seen in American waters, Gen. Stricker asked leave to advance with a brigade of 3,000 men to draw them on. It is not recorded whether Gen. Stricker knew the manner of men he was to meet. Those men who landed on the 12th of September, 1814, were picked soldiers of Europe, the Duke of Wellington's Invincibles and Lord Nelson's victorious marines, all fresh from the conquest of Napoleon. The flush of victory had not yet subsided, and they came with the determination to occupy the seaport towns, to defeat the Americans, and to dictate terms, as the London paper said, "at the point of the bayonet." Stricker's brave defenders, however, whether knowingly or otherwise, feared not their enemy. They marched bravely forward to meet the conquerors of Napoleon on the battle field of North Point. Gen. Ross, with his 7,000 men, tarried to lunch. Gen. Stricker, with 300 voluntary skirmish party, advanced to draw them on. Gen. Ross, believing it incredible that the new Republic should have men so fearless as to advance against his British forces, proceeded to investigate, when he was shot down by American riflemen, and the command fell to Col. Brooke. A monument to-day stands for the two young men in Baltimore who brought down Gen. Ross. For an hour and a half the raw militia of the States held in check the veteran army numbering four times its strength. The day closed with a loss to the British of 500, as against 150 of the militiamen, only 20 of the latter being killed, the others wounded or disabled. Thus was fought the Battle of North Point and the retirement of the British to their ships and to the matchless defense that saved the Nation and checked the proposed attack upon Philadelphia and New York.

Then took place the attack upon that historical Fort McHenry; 16 bomb-and-rocket vessels bombarded the fort, throwing a constant shower of rockets and bombs, the latter weighing 220 pounds. Col. Armisted, in command of the fort, was unable to reach them except on one or two occasions when they came nearer. As the Army was retreating, a more severe bombardment than before was executed. Under the cover of darkness, as a last resort, several rocket vessels and barges, with 1,250 picked men, passed south of Fort McHenry and attempted to land. After passing the fort, they threw up rockets of rejoicing and to light a landing place. This, however, was their undoing, and caused Commodore Rogers's "invincible crew" at Fort Covington under Lieut. Newcombe, and Barney's flotilla men under Lieut. John Webster at Fort Babcock to pour into them a pitiless fire, sinking one barge with all on board and compelling the rest to retire. The enemy retired badly damaged under the fire from Fort McHenry and the Lazaretto. At a safe distance they continued to bombard Fort McHenry until morning. The bombardment lasted for 25 hours, and they are said to have thrown 1,500 to 1,800 great bombs, 400 of which landed in Fort McHenry.

Dr. William Beanes, who had encountered the displeasure of the British at Upper Marlboro in their march upon Washington, had been carried off in their fleet. He was a particularly close friend of Francis Scott Key, who visited the fleet at Baltimore to seek the release of his friend. Having boarded the *Minden*, one of the ships of the fleet, the British compelled him to remain until after the bombardment.

There he was during that memorable night when Fort McHenry was being so terribly assaulted. We can well imagine

his anxiety as to the fate of the fort and the attack to be made upon the city wherein resided his family and loved ones. He and his friend paced the deck during that night of September 13. The bombardment ceased just before day. So long as the bombardment continued they knew the fort had not surrendered, but when it ceased before daylight it left them in great suspense as to the result. We may well imagine how earnestly they looked forward to dawn and sufficient light to relieve their anxiety. How happy they must have been when they saw that "the flag was still there." Key was stirred to the depths by patriotic fervor and devotion, and there wrote his song of rejoicing, "The Star-Spangled Banner," which has become the "Te Deum" of the Nation and its national anthem.

During the summer of 1921 this beautiful monument will be dedicated at Fort McHenry under the very shadow of the flag which is the successor of the one that waved to the breeze during that memorable siege of the fort and attack upon the city—a grateful commemoration of a glorious occasion, a monument to a name which is immortal to the millions of people who constitute the Government of the United States. The memory of the old flag which saluted Key on that morning of September 14, 1814, still lives in the hearts of the people, and the flag is stored in the archives of the Government.

To this celebration I take this opportunity of not alone inviting the committee which is to be appointed under my amendment, but in asking each and every one of you to come to Baltimore at that time and to become a part of this great celebration and meet the people of our city as well as enjoy their hospitality.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland [Mr. LINTHICUM].

The question being taken, the amendment was agreed to.

The Clerk read as follows:

Survey of northern and northwestern lakes: For survey of northern and northwestern lakes, Lake of the Woods, and other boundary and connecting waters between said lake and Lake Superior, Lake Champlain, and the natural navigable waters embraced in the navigation system of the New York canals, including all necessary expenses for preparing, correcting, extending, printing, binding, and issuing charts and bulletins, and of investigating lake levels with a view to their regulation, $125,000.

Mr. MACGREGOR. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman what this appropriation is for.

Mr. GOOD. It is for making a survey of the northwestern lakes in the United States. That survey has been going on for a number of years, and it is thought that the entire work of making the survey will have been completed within two years.

Mr. MACGREGOR. It is an incomplete work?

Mr. GOOD. It is an incomplete work, a work in progress.

Mr. MACGREGOR. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Artificial limbs: For furnishing artificial limbs and apparatus, or commutation therefor, and necessary transportation, $50,000.

Mr. PELL. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 64, line 7, strike out "$50,000" and insert in lieu thereof "$60,000."

Mr. GOOD. Mr. Chairman, I think the gentleman from New York is not aware of the fact that this appropriation has to do only with soldiers in prior wars. It has nothing to do with the artificial limbs furnished soldiers in the recent war. It is the same amount that we appropriated in 1920. The present year it was the opinion that they would not use the $60,000. They asked for $60,000, and it was their opinion that they would not need the full $60,000 which they asked for; that they could get along with $50,000 owing to the great number of deaths among the Civil War veterans.

Mr. PELL. I am willing to rely on the gentleman's judgment, but I hate to see the economy made here.

Mr. GOOD. Most of this is paid out in commutation; they do not furnish the artificial limbs any more.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York.

The question was taken, and the amendment was rejected.

The Clerk read as follows:

TRANSPORTATION FACILITIES ON INLAND AND COASTWISE WATERWAYS.

For additional expense incurred in the operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways acquired by the United States in pursuance of the fourth paragraph of section 6 of the Federal control act of March 21, 1918, and operated in pursuance of section 201 of the transportation act approved February 28, 1920, as follows: For terminal dock, South St. Louis, Mo., $400,000; cotton-handling equipment, Memphis, Tenn., $60,000; terminal dock, New Orleans, La., $400,000; storage bins for coal tipple, Cordova, Ala., $40,000; cargo-handling facilities, Demopolis, Ala., $25,000; mooring facilities, immigration station, Algiers, La., $25,000; and for operation, $300,000; in all, $1,250,000, to be available until expended: *Provided*, That not to exceed $17,680 of this appropriation may be used yearly for the payment of experts, clerks, and other employees in the War Department in accordance with the provisions of section 201 (e) of the transportation act, 1920, approved February 28, 1920.

Mr. FREAR. Mr. Chairman, I make the point of order against the paragraph.

The CHAIRMAN. The gentleman will state his point of order.

Mr. FREAR. It is upon the ground that it is new legislation and is not authorized by law. I wish I might have had opportunity to make a further examination into this, but I know that the chairman of the committee is very anxious to proceed with the bill, and, therefore, I am going to make my suggestions to the Chair without any particular preparation. The items are very important to examine, in view of the question that is raised. It is a new policy that the Government is undertaking, and no legislation of this kind, so far as I know, has ever been before the House.

For terminal dock, South St. Louis, Mo., $400,000; cotton-handling equipment, Memphis, Tenn., $60,000; terminal dock, New Orleans, La., $400,000; storage bins for coal tipple, Cordova, Ala., $40,000; cargo-handling facilities, Demopolis, Ala., $25,000; mooring facilities, immigration station, Algiers, La., $25,000; and for operation, $300,000; in all, $1,250,000, to be available until expended.

Mr. DUPRÉ. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; although I would like to make my statement first.

Mr. DUPRÉ. I merely want to call the attention of the gentleman to the fact that the paragraph expressly states that the appropriations are made in obedience to existing law, citing the law, the act of March 21, 1918, section 6, Federal control act, and section 201 of the transportation act approved February 28, 1920.

Mr. FREAR. I thank the gentleman for the interruption, but I am about to read the law and also read from the hearings, if I may, to show the application of the law. I have here the transportation law, and I propose to read from section 201, which is cited as the authority for this legislation.

Mr. BANKHEAD. Mr. Chairman, I think this is going to bring on a pretty long discussion, and I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Alabama makes the point of order that there is no quorum present. The Chair will count.

Mr. GOOD. Mr. Chairman, I hope the gentleman will not do that, because I think we can dispense with the point of order and then go on with the bill.

Mr. DUPRÉ. Does the gentleman from Iowa think that the point of order is not well taken?

Mr. GOOD. I think that it is not.

Mr. DUPRÉ. I am willing to wait.

Mr. FREAR. If that is the point, Mr. Chairman, then I make the point of order. If that is to be the disposition——

The CHAIRMAN. Sixty-two Members present, not a quorum.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15422, the sundry civil appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted to Mr. GRAHAM of Pennsylvania, indefinitely.

REORGANIZATION OF DEPARTMENTS.

The SPEAKER. The Chair appoints on the committee which was authorized by the joint resolution concerning the reorganization of the departments the gentleman from Nebraska [Mr. REAVIS], the gentleman from Pennsylvania [Mr. TEMPLE], the gentleman from Virginia [Mr. MOORE].

ENROLLED SENATE BILLS SIGNED.

The SPEAKER announced his signature to enrolled bills of the following titles:

S. 2371. An act for the relief of Kathryn Walker; and

S. 390. An act for the relief of Peter McKay.

CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with business in order on Calendar Wednesday tomorrow.

The SPEAKER. Is there objection?

Mr. CALDWELL. Mr. Speaker, reserving the right to object, has the gentleman conferred with members of the Committee on Military Affairs, who have the call to-morrow?

Mr. MONDELL. I have talked with them about it, and they are entirely agreeable.

Mr. CALDWELL. I have a little bill that I understood was going to be considered.

Mr. MONDELL. The committee does not lose its place on the next Calendar Wednesday.

Mr. CALDWELL. The bill was objected to when it was reached on the Private Calendar by the gentleman from Massachusetts [Mr. WALSH], I am told. It is a very meritorious case of a very poor woman, whose husband was a very good soldier. He was not a deserter, but his record was erroneously written in the War Department, in that on one part of his discharge it contained a statement that he was discharged on the 3d of July and in another on the 29th of May. I want to ask the gentleman if he will consent to taking up that bill? It will take only a couple of minutes to pass it.

Mr. MONDELL. We could not make that arrangement, because if we started on Calendar Wednesday business the committee, of course, would want to use its day. When the committee starts on Calendar Wednesday——

Mr. CALDWELL. Oh, I did not mean on Calendar Wednesday, but, let us say, one day next week.

Mr. MONDELL. The next day that Calendar Wednesday is reached the gentleman can have his bill called up.

Mr. CALDWELL. I understand; but I can not get here all of the time, for I am trying to restore myself to the practice of my profession.

Mr. MONDELL. It is just a week from now.

Mr. CALDWELL. I wonder if the gentleman will consent to give me the opportunity one day of this week to call up that bill?

Mr. MONDELL. It is not within my jurisdiction to do that. I could not help the gentleman in that regard.

Mr. CALDWELL. Will the gentleman ask unanimous consent for me? I am satisfied the Republicans will agree to his doing so where they would not for me.

Mr. MONDELL. I do not feel I would be justified in asking unanimous consent for the consideration of a private bill. We have unanimous-consent day and we have Private Calendar day. We hope the gentleman's bill will be reached in time, but I think I would hardly be justified in making a request in regard to a particular bill.

Mr. CALDWELL. I really want this case passed and I can have it passed on if I object to dispensing with Calendar Wednesday to-morrow.

Mr. MONDELL. That will not help the case.

Mr. GOOD. Because a motion can be made to dispense with Calendar Wednesday.

Mr. CALDWELL. You will not be able to move it to-day, and I doubt very seriously if you have a quorum to-morrow.

Mr. MONDELL. We would have to do that in the morning, and this would save a roll call.

Mr. CALDWELL. I do not want to be nasty about this thing, but I do like to get a square deal from my colleagues. This is a case of very great merit, and I think it ought to be acted upon, and I am asking the gentleman who leads the majority if he will not help out this poor woman——

Mr. WALSH. Mr. Speaker, I ask for the regular order.

The SPEAKER. Is there objection?

Mr. CALDWELL. Oh, well, I object.

The SPEAKER. Objection is made.

Mr. GOOD. Well, this woman will have her pension.

Mr. CALDWELL. You can do as you please, but we will take our chances of fighting on and endeavoring to secure it.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns it adjourn to meet at 11 o'clock to-morrow.

The SPEAKER. Is there objection?

Mr. CALDWELL. I object.

The SPEAKER. Objection is made.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 29 minutes p. m.) the House adjourned until to-morrow, Wednesday, January 5, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, an executive communication was taken from the Speaker's table and referred as follows:

292. Letter from the Secretary of the Navy, transmitting list of publications of the Navy Department issued for free distribution or sale during the fiscal year ended June 30, 1920; to the Committee on Printing.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 11325) granting a pension to Tinnie A. Gary; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

A bill (H. R. 15174) granting a pension to Peter Edwin Fitzpatrick; Committee on Pensions discharged, and referred to the Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. FAIRFIELD: A bill (H. R. 15510) to provide for the classification of civilian positions within the District of Columbia and the standardization of compensation therefor, and for other purposes; to the Committee on Reform in the Civil Service.

By Mr. HENRY T. RAINEY: A bill (H. R. 15511) to amend section 6 of an act approved January 17, 1914, entitled "An act to prohibit the importation and use of opium for other than medicinal purposes," approved February 9, 1909; to the Committee on Ways and Means.

By Mr. STEPHENS of Ohio: A bill (H. R. 15512) to acquire site for distant-control radio station in Porto Rico; to the Committee on Naval Affairs.

By Mr. FULLER of Massachusetts: Joint resolution (H. J. Res. 435) authorizing the President of the United States to accept the invitation of the Commission of the League of Nations to send a representative to the disarmament commission conference; to the Committee on Foreign Affairs.

By Mr. CRAMTON: Resolution (H. Res. 629) amending the rules of the House of Representatives; to the Committee on Rules.

By Mr. STEENERSON: Resolution (H. Res. 630) authorizing the consideration of a new section in House bill 15441, a bill making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BLAND of Indiana: A bill (H. R. 15513) granting a pension to Mary E. Hulen; to the Committee on Invalid Pensions.

By Mr. CRAMTON: A bill (H. R. 15514) for the relief of Edith Kreger; to the Committee on Claims.

By Mr. GOODYKOONTZ: A bill (H. R. 15515) granting an increase of pension to William Weddington; to the Committee on Pensions.

By Mr. KELLY of Pennsylvania: A bill (H. R. 15516) for the relief of Barton H. Newell; to the Committee on Claims.

By Mr. MANN of Illinois: A bill (H. R. 15517) granting an increase of pension to Clara L. Conklin; to the Committee on Pensions.

By Mr. MONTAGUE: A bill (H. R. 15518) for the relief of J. A. Leslie; to the Committee on Claims.

Also, a bill (H. R. 15519) for the relief of Bessie B. Fowlkes; to the Committee on Claims.

By Mr. SELLS: A bill (H. R. 15520) granting a pension to Sallie Blevins; to the Committee on Invalid Pensions.

By Mr. VOLSTEAD: A bill (H. R. 15521) granting an increase of pension to Sarah E. Fortier; to the Committee on Pensions.

Also, a bill (H. R. 15522) to validate the war-risk insurance of Warren O. Grimm, Dale Hubbard, Arthur McElfresh, and Ben Casagranda, who were murdered while parading in the uniform of the United States Army at Centralia, Wash., November 11, 1919; to the Committee on Interstate and Foreign Commerce.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4811. By the SPEAKER (by request): Petition of several councils of the American Association for the Recognition of the Irish Republic, favoring the recognition of the Irish republic; to the Committee on Foreign Affairs.

4812. Also (by request), petition of Topeka Motor Trades Association, Topeka, Kans., favoring the repeal of the present revenue laws; to the Committee on Ways and Means.

4813. By Mr. DYER: Petition of Supreme Council of Freemasonry, southern jurisdiction, Sixteenth and S Streets, Washington, D. C., favoring the Smith-Towner bill; to the Committee on Education.

4814. Also, petition of the Fortnightly Club of Kirkwood, Kirkwood, Mo., urging the passage of the following bills: Rogers bill (H. R. 12749), Smith-Towner bill (H. R. 7, S. 1017), Sheppard-Towner bill, and the Fess bill; to the Committee on Interstate and Foreign Commerce.

4815. Also, petition of the Banner Buggy Co., St. Louis, Mo., protesting against bill known as H. R. 12037; to the Committee on Interstate and Foreign Commerce.

4816. Also, petition of the Midget Consolidated Gold Mining Co., of St. Louis, Mo., favoring payment of a bonus on gold production; to the Committee on Banking and Currency.

4817. Also, petition of Caradine Harvest Co., of St. Louis, Mo., favoring legislation to permit shrinkages in inventories to be chargeable to income taxes of ensuing years; to the Committee on Ways and Means.

4818. Also, petition of Compton Heights Christian Church, St. Louis, Mo., favoring the Smith-Towner bill; to the Committee on Interstate and Foreign Commerce.

4819. Also, petition of Henry C. Moriarty, recommending that action be taken to protect Mr. Moriarty's interest; he was discharged from the service in an unsound condition, which condition was known to Army officials at the time of his discharge; to the Committee on Military Affairs.

4820. By Mr. GOODYKOONTZ: Papers to accompany House bill 15515; to the Committee on Pensions.

4821. By Mr. MACGREGOR: Petition of Dr. Harrison H. Lynn and sundry citizens of Buffalo, N. Y., protesting against the passage of any of the so-called health bills now before the House and Senate; to the Committee on Interstate and Foreign Commerce.

4822. By Mr. MAPES: Petition of sundry citizens of Grand Rapids, Mich., and vicinity, urging the passage of Senate bill 4596, for the relief of soldiers, sailors, and Army nurses; to the Committee on Military Affairs.

4823. By Mr. MURPHY: Memorial of Local Union No. 2526 United Mine Workers of America, praying for amnesty for political prisoners and the repeal of the espionage law; to the Committee on the Judiciary.

4824. Also, memorial of Woman's Christian Temperance Union of Columbiana, Ohio, praying for the passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

WEDNESDAY, *January 5, 1921.*

Rev. J. J. Muir, D. D., of the city of Washington, offered the following prayer:

O God, Thou art rapidly changing our to-days into yesterdays and thus teaching us how to redeem our time. So help us to understand these passing moments. Speak with importance to others as well as to ourselves, that we may serve our generation by Thy grace. Through Jesus Christ our Lord. Amen.

JOHN SHARP WILLIAMS, a Senator from the State of Mississippi, appeared in his seat to-day.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. SMOOT and by unanimous consent, the further reading was dispensed with and the Journal was approved.

Mr. SMOOT. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Gronna	McKellar	Simmons
Ball	Harris	McNary	Smith, S. C.
Borah	Harrison	Nelson	Smoot
Brandegee	Heflin	New	Spencer
Capper	Hitchcock	Norris	Stanley
Culberson	Johnson, Calif.	Nugent	Sutherland
Curtis	Jones, Wash.	Overman	Swanson
Dial	Kellogg	Page	Thomas
Edge	Kenyon	Phipps	Trammell
Elkins	Knox	Pittman	Underwood
Fletcher	La Follette	Poindexter	Wadsworth
France	Lenroot	Pomerene	Walsh, Mont.
Glass	McCumber	Sheppard	Williams

Mr. MCNARY. I wish to announce the absence of my colleague [Mr. CHAMBERLAIN] on account of illness.

The VICE PRESIDENT. Fifty-two Senators have answered to the roll call. A quorum is present.

REGENT OF SMITHSONIAN INSTITUTION.

The VICE PRESIDENT. The Chair lays before the Senate the resignation of Hon. CHARLES S. THOMAS, a Senator from the State of Colorado, as Regent of the Smithsonian Institution, and appoints as his successor Hon. A. O. STANLEY, a Senator from the State of Kentucky, and directs the Secretary of the Senate to inform the Secretary of the Smithsonian Institution of this action.

JOINT COMMITTEE ON REORGANIZATION.

The VICE PRESIDENT. Under Senate joint resolution 191, to create a Joint Committee on the Reorganization of the Administrative Branch of the Government, the Chair appoints as members of the joint committee on the part of the Senate the Senator from Utah [Mr. SMOOT], the Senator from New York [Mr. WADSWORTH], and the Senator from Mississippi [Mr. HARRISON].

PETITIONS AND MEMORIALS.

Mr. KNOX. I ask unanimous consent to call up Senate joint resolution 237, making appropriations for inaugural ceremonies.

The VICE PRESIDENT. Is there objection?

Mr. JONES of Washington. As I told the Senator from Pennsylvania, I have no objection to taking up the joint resolution this morning, but I do object until routine morning business is disposed of.

Mr. KNOX. Very well.

Mr. HARRIS presented a resolution, in the nature of a memorial, of the faculty of the University of Georgia, of Athens, Ga., remonstrating against the enactment of legislation providing for the exploitation of commercial water power in the national parks, which was referred to the Committee on Commerce.

He also presented a resolution of the mayor and council of the city of Brunswick, Ga., in favor of the enactment of legislation providing for the regulation of the coal industry by the Interstate Commerce Commission, which was referred to the Committee on Interstate Commerce.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. FLETCHER (by request):

A bill (S. 4780) to regulate the practice of the science of chiropractic in the District of Columbia; to the Committee on the District of Columbia.

By Mr. MCKELLAR:

A bill (S. 4781) to amend an act entitled "An act to amend an act entitled 'An act for making further and more effectual provision for the national defense, and for other purposes,' approved June 3, 1916, and to establish military justice," approved June 4, 1920; to the Committee on Military Affairs.

By Mr. SMOOT:

A bill (S. 4782) making it unlawful for unauthorized persons to wear the insignia of any organization of war veterans chartered by act of Congress; to the Committee on Military Affairs.

A bill (S. 4783) for the relief of David Thygerson (with accompanying papers); to the Committee on Claims.

By Mr. KENYON:

A bill (S. 4784) to amend an act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916; and

A bill (S. 4785) to amend an act entitled "An act to declare the purpose of the people of the United States as to the future political status of the people of the Philippine Islands, and to provide a more autonomous government for those islands," approved August 29, 1916; to the Committee on the Philippines.

By Mr. LENROOT:

A bill (S. 4786) to authorize the Secretary of the Treasury to create in the United States Coast Guard the rank or grade of chief gunner, electrical, and to transfer thereto all the present incumbent supervisors and assistant supervisors of telephone lines in the Coast Guard; to the Committee on Commerce.

By Mr. EDGE:

A bill (S. 4787) granting consent for the construction, maintenance, and operation of a bridge across the Delaware River from the city of Philadelphia, Pa., to the city of Camden, N. J., and also to consent to an agreement between the States of Pennsylvania and New Jersey and the city of Philadelphia for the construction, maintenance, and operation of such bridge; to the Committee on Commerce.

By Mr. JONES of Washington:

A bill (S. 4788) for the relief of Charles A. Mayo; to the Committee on Claims.

By Mr. POINDEXTER:

A bill (S. 4789) to reimburse David J. Williams for cash shortage due to theft of public funds; to the Committee on Claims.

By Mr. PAGE:

A bill (S. 4791) providing for the retirement of officers of the Marine Corps by reason of injuries or disabilities resulting from operations against the enemy; and

A bill (S. 4792) providing that warrant officers of the Marine Corps shall be commissioned chief warrant officers under the same conditions as commissioned warrant officers of the Navy; to the Committee on Naval Affairs.

By Mr. SPENCER:

A bill (S. 4793) to extend the benefits of the employers' liability act of September 7, 1916, to Arthur E. Rump; to the Committee on Education and Labor.

By Mr. WADSWORTH:

A joint resolution (S. J. Res. 238) authorizing the President to require the United States Sugar Equalization Board to take over and dispose of 13,902 tons of sugar imported from the Argentine Republic; to the Committee on Agriculture and Forestry.

REGULATION OF HOTELS IN THE DISTRICT OF COLUMBIA.

Mr. McCUMBER. I introduce a bill which I ask may be read by the Secretary, as it is very short. I invite the attention of the Senator from Washington [Mr. JONES], who is a member of the District Committee, to it, as the chairman and the acting chairman of that committee are absent at this time.

The bill (S. 4790) to prevent extortion by owners or proprietors of hotels and public rooming houses in the District of Columbia during the occasion of the inauguration of the President of the United States was read the first time by its title and the second time at length and referred to the Committee on the District of Columbia, as follows:

Be it enacted, etc., That it shall be unlawful for any person or corporation owning, operating, or conducting a hotel or public rooming place in the District of Columbia to charge a higher rate for the use or occupation of a room in such hotel or public rooming place from the 1st day of March, 1921, to the 7th day of March, 1921, inclusive, than the average charge per day made for such room or other room in said hotel or public rooming place of substantially the same character, during the months of December, 1920, and the months of January and February, 1921.

SEC. 2. That it shall also be unlawful for any such person or corporation to demand or exact from any person or guest any agreement that such person or guest shall continue in or pay for the occupancy of such room for a longer period than one full day, as a condition of the letting of such room.

SEC. 3. Any person or corporation violating the provisions of this act shall be deemed guilty of a misdemeanor and upon conviction thereof shall be fined $1,000 for each day's violation thereof.

SEC. 4. That in addition to the aforesaid fine, any person who has been charged a price for the occupation or use of such room in excess of the aforesaid average charge shall have a right to recover in a civil action from such offending person or corporation a sum equal to five times the amount paid by him.

This act shall take effect and be in force from and after its passage and approval.

RESTRICTION OF IMMIGRATION.

Mr. THOMAS. I wish to offer the contents of House bill 14461, which is the immigration bill, as an amendment to House bill 15275, the so-called emergency tariff bill.

I move that it be referred to the Committee on Finance.

The motion was agreed to.

AMENDMENT TO DISTRICT OF COLUMBIA APPROPRIATION BILL.

Mr. KNOX submitted an amendment providing for visual education materials and for increasing the appropriation for said materials, textbooks and school supplies for use of pupils of the first eight grades, etc., from $100,000 to $122,000, intended to be proposed by him to the bill (H. R. 15130) making appropriations to provide for the expenses of the government of the District of Columbia for the fiscal year ending June 30, 1922, and for other purposes, which was referred to the Committee on Appropriations.

TREATY OF PEACE WITH GERMANY.

Mr. KING. I submit a resolution declaring it to be the sense of the Senate that the treaty of Versailles with Germany be ratified with certain exceptions. I ask that the resolution be referred to the Committee on Foreign Relations, and at an early date I shall seek an opportunity to discuss certain provisions of it before the Senate.

The resolution (S. Res. 419) was referred to the Committee on Foreign Relations, as follows:

Whereas the Congress of the United States, by joint resolution passed upon the 6th day of April, 1917, declared that a state of war existed between the United States and Germany and authorized the President of the United States as Commander in Chief of the Army and Navy to prosecute said war to a successful termination; and

Whereas the President of the United States as Commander in Chief of the Army and Navy did upon the 11th day of November, 1918, in conjunction with the Allies and associates of the United States in said war, enter into certain articles of armistice whereby there was a cessation of belligerent operations and the establishment of a de facto status of peace between the United States and Germany; and

Whereas the President of the United States and the delegates of the United States duly accredited did upon the 28th day of June, 1919, at Versailles negotiate and sign certain articles of peace, designated the treaty of Versailles, which articles contain covenants upon the part of Germany which inure to the benefit of the Government and people of the United States and which establish a lawful status of peace between the United States and Germany; and

Whereas Germany has irrevocably signed and ratified said treaty of Versailles and is irrevocably bound upon the covenants therein contained, including the covenants which inure to the benefit of the Government and people of the United States; and

Whereas the Government and people of the United States can not obtain the benefit of said covenants in their favor without a ratification of said treaty and an acceptance upon the part of the United States of said covenants which inure to the benefit of the Government and people of the United States; and

Whereas Part I of said treaty of Versailles comprised of articles 1 to 26, inclusive, being the articles of the League of Nations, constitute in form and effect a treaty between the States which were allied and associated in the war against Germany; and

Whereas Germany is not a party to said articles of the League of Nations and is not a member of the League of Nations by virtue of her ratification of the treaty of Versailles or otherwise; and

Whereas States which were neutral in the war between the United States and Germany and which were not parties to said treaty of Versailles have acceded to said articles of the League of Nations without becoming otherwise parties to said treaty of Versailles; and

Whereas Part XIII of the treaty of Versailles comprising articles 387 to 427, inclusive, is ancillary to the articles constituting the League of Nations and have the same status and relation to said treaty of Versailles as the articles constituting the League of Nations; and

Whereas the establishment of a legal status of peace between the United States and Germany and the acceptance of the covenants upon the part of Germany, which inure to the benefit of the Government and people of the United States, do not require that the United States accede to articles 1 to 26, inclusive, constituting Part I, and to articles 387 to 427, inclusive, constituting Part XIII of the treaty of Versailles, to which articles Germany is not an effectual party; and

Whereas it is impossible at this time that the Senate of the United States, two-thirds of the Senators concurring, agree to advise or consent to the ratification of Parts I and XIII of the treaty of Versailles, or agree, two-thirds of the Senators concurring, to any revision or amendment of the articles comprising said Parts I and XIII of said treaty; and

Whereas the ratification of the treaty of Versailles by the United States can not by means of reservations, qualifications, or conditions be made the instrument of such revision or amendment of the articles constituting the League of Nations as would be acceptable or agreeable to the United States; and

Whereas the revision and amendment of the articles constituting the League of Nations can only be effectuated by the action and recommendation of the assembly of the League of Nations and the ratifications of the States which are members of the League of Nations; and

Whereas the President of the United States, with the advice and consent of the Senate, may hereafter accede to said articles constituting the League of Nations in the event that the same be revised and amended in a form acceptable to the United States, and that the obligations of the United States be defined and qualified as may be agreed upon between the United States and the members of the League of Nations; and

Whereas it is not incompatible with the interests of the United States that the League of Nations discharge the duties and functions committed to the league by the treaty of Versailles, including the granting of mandates with regard to territories in Africa and Asia, the government of the Saar Basin, the government of the free city of Danzig, the control of the Polish communications, the supervision of the internationalized waterways of Europe, and the supervision of commissions and bureaus created by international conventions; and

Whereas it is imperative that the acceptance by the United States of the terms of peace with Germany as embodied in said treaty of Versailles be not longer delayed, that a permanent status of peace with Germany be established and proclaimed, that diplomatic and commercial relations with Germany be resumed, and that impediments to the execution of the treaty of Versailles as affecting the interests of the United States and of the allied and associated powers be removed: Now, therefore, be it

Resolved, That it is the sense of the Senate that the treaty concluded at Versailles on the 28th day of June, 1919, be ratified, excepting the articles 1 to 26, inclusive, constituting Part I, and articles 387 to 427, inclusive, constituting Part XIII of said treaty, and that the aforesaid exceptions be expressly included in the act of ratification.

INAUGURAL EXPENSES.

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). Morning business is closed. The Senator from Pennsylvania [Mr. KNOX] has asked unanimous consent that the Senate resume the consideration of Senate joint resolution 237. Is there objection?

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the joint resolution (S. J. Res. 237) to enable the Secretary of the Senate and the Clerk of the House of Representatives to pay the necessary expenses of the inaugural ceremonies of the President of the United States on March 4, 1921.

The VICE PRESIDENT. The pending amendment is the amendment proposed by the Senator from Nebraska [Mr. NORRIS], which will be stated.

The ASSISTANT SECRETARY. In line 11, after the word "appropriated," it is proposed to strike out "$50,000" and to insert "$10,000."

Mr. NORRIS. Mr. President, on that amendment I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. SMITH of South Carolina. Before the roll call proceeds, if it be in order, I should like to ask that the amendment be again stated.

The VICE PRESIDENT. The amendment proposed by the Senator from Nebraska is to strike out "$50,000" in the joint resolution and to insert "$10,000."

The reading clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the senior Senator from Illinois [Mr. SHERMAN] and therefore withhold my vote.

Mr. KNOX (when his name was called). I transfer my pair with the senior Senator from Oregon [Mr. CHAMBERLAIN] to the Senator from New Hampshire [Mr. KEYES] and vote "nay."

Mr. POMERENE (when his name was called). I have temporarily a general pair with the senior Senator from Iowa [Mr. CUMMINS]. I transfer that pair to the senior Senator from Tennessee [Mr. SHIELDS] and will vote. I vote "nay."

Mr. SMITH of Georgia (when his name was called). I transfer my pair with the senior Senator from Massachusetts [Mr. LODGE] to the senior Senator from Louisiana [Mr. RANSDELL] and vote "nay."

Mr. TRAMMELL (when his name was called). I have a general pair with the senior Senator from Rhode Island [Mr. COLT]. In his absence I transfer that pair to the Senator from Arkansas [Mr. KIRBY] and will vote. I vote "nay."

Mr. UNDERWOOD (when his name was called). I have a general pair with the junior Senator from Ohio [Mr. HARDING]. In his absence I withhold my vote.

Mr. WALSH of Montana (when his name was called). I have a general pair with the Senator from New Jersey [Mr. FRELINGHUYSEN]. In his absence I withhold my vote.

Mr. WOLCOTT (when his name was called). I have a general pair with the Senator from Indiana [Mr. WATSON]. I transfer that pair to the senior Senator from Arkansas [Mr. ROBINSON] and vote "nay."

The roll call was concluded.

Mr. EDGE. I have a general pair with the junior Senator from Oklahoma [Mr. OWEN]. I transfer that pair to the junior Senator from Maine [Mr. HALE] and vote "nay."

Mr. JONES of Washington (after having voted in the affirmative). The senior Senator from Virginia [Mr. SWANSON] is necessarily absent to-day, and I promised to pair with him until he should be here. Therefore I must withdraw my vote.

Mr. SUTHERLAND (after having voted in the negative). I have a general pair with the senior Senator from Kentucky [Mr. BECKHAM]. He being absent, I transfer that pair to the senior Senator from Wyoming [Mr. WARREN], and will let my vote stand.

Mr. DILLINGHAM. I am informed that the senior Senator from Maryland [Mr. SMITH], with whom I am paired, if present, would vote as I intend to vote. I therefore feel at liberty to cast my vote. I vote "nay."

Mr. SMOOT. I desire to announce that the Senator from Kansas [Mr. CURTIS] is necessarily detained from the Chamber on account of a committee meeting.

I also desire to announce the following pairs:

The Senator from Maine [Mr. FERNALD] with the Senator from South Dakota [Mr. JOHNSON];

The Senator from Illinois [Mr. MCCORMICK] with the Senator from Nevada [Mr. HENDERSON];

The Senator from New Hampshire [Mr. MOSES] with the Senator from Louisiana [Mr. GAY];

The Senator from New Mexico [Mr. FALL] with the Senator from Wyoming [Mr. KENDRICK]; and

The Senator from Pennsylvania [Mr. PENROSE] with the Senator from Mississippi [Mr. WILLIAMS].

Mr. GERRY. I desire to announce that the Senator from Wyoming [Mr. KENDRICK] and the Senator from Kentucky [Mr. BECKHAM] are absent on official business; and that the Senator from Oregon [Mr. CHAMBERLAIN] and the Senator from South Dakota [Mr. JOHNSON] are absent by reason of illness.

The result was announced—yeas 8, nays 43, as follows:

YEAS—8.

Borah	Gronna	La Follette	Norris
Fletcher	Kenyon	McKellar	Phelan

NAYS—43.

Ashurst	Capper	Edge	Harris
Ball	Culberson	Elkins	Harrison
Brandegee	Dial	France	Heflin
Calder	Dillingham	Gerry	Kellogg
Knox	Overman	Simmons	Sutherland
Lenroot	Page	Smith, Ga.	Thomas
McCumber	Phipps	Smith, S. C.	Townsend
McNary	Pittman	Smoot	Trammell
Nelson	Poindexter	Spencer	Wadsworth
New	Pomerene	Stanley	Wolcott
Nugent	Sheppard	Sterling	

NOT VOTING—45.

Beckham	Harding	McCormick	Smith, Ariz.
Chamberlain	Henderson	McLean	Smith, Md.
Colt	Hitchcock	Moses	Swanson
Cummins	Johnson, Calif.	Myers	Underwood
Curtis	Johnson, S. Dak.	Newberry	Walsh, Mass.
Fall	Jones, N. Mex.	Owen	Walsh, Mont.
Fernald	Jones, Wash.	Penrose	Warren
Frelinghuysen	Kendrick	Ransdell	Watson
Gay	Keyes	Reed	Williams
Glass	King	Robinson	
Gore	Kirby	Sherman	
Hale	Lodge	Shields	

So the amendment of Mr. NORRIS was rejected.

Mr. JONES of Washington. I offer an amendment to be inserted at the end of the joint resolution.

The VICE PRESIDENT. The amendment will be stated.

The ASSISTANT SECRETARY. At the end of the joint resolution, it is proposed to add the following:

The Commissioners of the District of Columbia are hereby prohibited from incumbering or permitting the incumbering with stands, platforms, seats, benches, or other obstructions any of the parks, reservations, streets, avenues, and sidewalks in said District during the period from February 28, 1921, to March 10, 1921, both inclusive.

The Secretary of War is hereby prohibited from incumbering or permitting the incumbering with stands, platforms, seats, benches, or other obstructions any of the public parks, reservations, streets, avenues, and sidewalks in said District during said period: *Provided*, That the foregoing provisions shall not apply to the White House grounds nor to Jackson or Lafayette Squares.

Mr. KNOX. Mr. President——

The VICE PRESIDENT. Does the Senator from Washington yield to the Senator from Pennsylvania?

Mr. JONES of Washington. I do.

Mr. KNOX. Mr. President, I merely wish to suggest to the Senator from Washington that he is linking together two separate and distinct matters. The committee which has asked for an appropriation to carry out the will of Congress, namely, to conduct the inauguration ceremonies at the Capitol, has nothing whatever to do with what transpires in the city. It seems to me that we ought, out of regard to our own dignity, to conduct our own affairs separately and apart from the affairs of the city in connection with the approaching inauguration.

Furthermore, Mr. President, if the precedents indicate anything, they indicate that the commissioners and the Secretary of War can not do the things that are proposed to be prohibited by the amendment offered by the Senator from Washington, unless they have the affirmative authority of Congress; and the matter will come before Congress, either upon their own application or in some other way, so that we can deal with it in a separate measure. Therefore, I hope that the amendment will not prevail.

Mr. JONES of Washington. Mr. President, the Senator from Pennsylvania takes a very peculiar position. He does not argue anything upon the merits of the amendment, but, simply because it may not be within the jurisdiction of his committee or for some other more or less technical reason, he urges the Senate to vote it down. It is true his committee may not have any jurisdiction over the subject matter of the amendment, but the Senate certainly has, and I am proposing this to the Senate and not to the committee. The Senate can put any legislative provision upon the joint resolution that it sees fit to put there. There is nothing in its rules nor in the law to prevent its doing so, and I have presented the amendment simply because I think that the action it proposes ought to be taken.

The other suggestion of the Senator that the Commissioners of the District of Columbia will have to come to Congress to secure authority before granting permits for the erection of stands, and so forth, I do not understand to be correct. I understand the commissioners now have general authority of law to grant permits for putting up such obstructions, and it is for the purpose of taking away that power of the commissioners with reference to the occasion of the approaching inauguration that this amendment is offered.

Mr. President, this is substantially the joint resolution which was introduced yesterday by the Senator from Minnesota [Mr. NELSON] and referred to the Committee on the District of Columbia. I have taken the liberty of copying that resolution and making some minor changes in it and offering it as an amendment, because I think this is the time for the Senate to express its views with reference to the matter.

If the Senate thinks these stands ought not to be erected, it ought to say so. Of course, if the Senate should conclude, solely for the reasons presented by the Senator from Pennsylvania, not to put this amendment on the joint resolution, the

District Committee would feel justified in considering the measure; but it seems to me that everybody knows the purpose of this amendment. Everybody knows what will be done here if the erection of these stands is not prohibited. Everybody knows what has been done heretofore, and it seems to me that it is a simple matter for the Senate to say whether it desires these obstructions to be placed on the streets and these charges, and all that sort of thing, imposed upon people that come here to see the inauguration.

Mr. NELSON. Mr. President, in view of the fact that I introduced yesterday the joint resolution that has been offered in a modified form as an amendment to the pending joint resolution reported by the committee, I feel that I ought to say that while I am heartily in favor of the joint resolution that I introduced yesterday I do not think it ought to be attached to this measure. This is a single matter. It relates wholly to the construction of a platform and seats in front of the Capitol for the inauguration ceremonies. The committee of which I am a member have confined their work expressly to this and nothing else; and however meritorious this other matter may be, I do not think it ought to be attached as an amendment to this joint resolution.

Mr. LENROOT. Mr. President, I can not agree with the Senator from Minnesota, because there is a committee here that is raising a large amount of money; the various States of the Union are considering the sending of delegations and participating in this great demonstration; and it seems to me that here in the District and elsewhere the people are entitled to know to what extent Congress is in sympathy with the demonstration that is proposed to be had here on the 4th day of March. Therefore, if action is to be had expressing the view of Congress, it ought to be had now, and this is a very proper place in which to express it.

As for myself, I believe this appropriation ought to go through as recommended by the committee; but in view of the condition of the country and in view of the great depression that exists, I think this inauguration ought to be completed in so far as any great demonstration is concerned when the oath of office has been taken by President Harding here in front of the Capitol. I do not believe that Congress should appropriate another dollar for any other purpose than the strictly official proceedings contemplated by this committee.

Mr. President, I noticed in the papers not very long ago the suggestion that in addition to the inaugural ball there should be a popular dance given upon the Plaza here in front of the Capitol, and, while not saying so in those words, it conveyed the idea that the inaugural ball should be held for the aristocracy, that the peasantry would be permitted to dance upon the Plaza, and that perhaps some of the aristocracy might look upon them for a few moments and permit them to view the distinguished personages.

Mr. President, in view of present conditions in the country, it seems to me this ceremony should be made as simple and as dignified as possible. Because I want the opportunity to vote to have the inaugural ceremony as proposed by the committee a dignified, impressive occasion, but do not wish to go any further than that under the circumstances, I shall vote for this amendment.

Mr. KNOX. Mr. President, I think I shall move that the amendment be referred to the Committee on the District of Columbia, because it opens up an entirely new question.

I am not desirous of having it understood that I am at all out of sympathy with the purpose of the amendment. I want this ceremonial to be just as dignified as possible. Personally, I really do not feel at all impressed with the stories I read in the newspapers, which proceed from the imaginations of young reporters, as to what is going to happen to the "peasantry" and the "aristocracy." That makes no impression at all upon me. I do not think there is anything in contemplation along the line that has been suggested by the Senator from Wisconsin. Although I am not a member of the committee having charge of the functions outside of the inaugural here at the Capitol, I am quite in touch with them, and I am sure no such project is on foot.

Mr. NEW. Mr. President, in view of what has been said here about the probability of requests for future appropriations, I think it well enough that the Senate should at this time understand just about what is in contemplation.

I know of no intention on the part of anybody to ask for the use of any Government building for the purpose of giving an inaugural ball. I think Senators may just as well dismiss that from the apprehensions under which some of them appear to suffer. As to future appropriations, all that I know of that is likely to be asked in that line is a sufficient sum to provide for the proper policing of the District of Columbia for whatever crowd shall come for that occasion and making provision for their comfort and safety through the construction of information booths and comfort stations about this town.

Yesterday some Senator on the floor said that it would be necessary to bring here a lot of detectives and police from other cities. That will be necessary. It is necessary, Mr. President, wherever a large crowd is congregated. Of one thing the Senate may rest assured, and that is that whether they want them or not the people from Nebraska, the people from Idaho, the people from Indiana, and the people from other States are coming here for that occasion. They come whenever the administration changes. It is a national event of quadrennial occurrence, and the people come.

They will be here without regard to what action Congress takes, how much or how little Congress appropriates; and the only thing that is contemplated, so far as I know, is to ask sufficient funds of Congress to provide for the safety and the comfort of the people who will be here when that event transpires.

I have said this for the sole reason that I have been asked to present, a little later on, a bill or joint resolution which shall cover the purposes to which I have made reference in these few remarks. That is coming. As I understand at present, it will not exceed $60,000. I think, all things considered, the amount to be asked for in the various bills is not excessive.

Mr. McCUMBER. Mr. President——

The VICE PRESIDENT. Does the Senator from Indiana yield to the Senator from North Dakota?

Mr. NEW. I do.

Mr. McCUMBER. The Senator speaks of $60,000 that he will ask. May I ask him for what purpose it is to be used?

Mr. NEW. For additional police, many of them from other cities, comfort stations, information booths, and things of that kind.

Mr. McCUMBER. And the additional police, I assume, are for the purpose of protecting the people who come here against theft, robbery, and so forth. Is that correct?

Mr. NEW. The ordinary dangers incident to the assemblage of large crowds.

Mr. McCUMBER. What I was trying to get at is what provision is being made for the utilization of this money to prevent the people from being robbed by the hotels and by the rooming houses. I know that if, during this parade, a man holds up on the streets of the city somebody who is visiting here and extracts $50 from his pocket he probably will be sent to the penitentiary for 10 years; but how about the hotel that holds up a visitor for $100 a day, and then commits the offense seven times over during the week, and insists that it shall hold him up seven times for $100 a day? Is any protection being afforded to the public along that line?

Mr. NEW. Mr. President, I do not know that there is. No one has yet presented a bill on the subject, and I think that will be a matter for discussion at the time such a bill is up for consideration, whenever that may be. I merely made this statement in order that Senators might have a thorough understanding about what is to be expected of Congress—the total for this whole event.

Mr. McCUMBER. I was wondering whether the extra police are simply to protect the people against the little pickpocket that is around on the streets, and whether nothing is to be done to protect the people against the big robber who robs a man of six or seven hundred dollars because he desires to come to the city of Washington during the inaugural week.

Mr. FLETCHER. Mr. President, may I inquire of the Senator whether he means to say that the only governmental expenditures contemplated here are the $50,000 provided in this joint resolution and $60,000 for police, to be provided in another joint resolution? Are those the only governmental expenditures contemplated in connection with this inaugural proceeding?

Mr. NEW. The only ones of which I know.

Mr. BORAH. Mr. President, of course, the Senator is speaking simply of those of which he has knowledge as a member of the Committee on the District of Columbia. The Senator, of course, knows that already provision is being made in the appropriation bills to bring the cadets here at a cost of $37,000.

Mr. NEW. That is another matter. I am not speaking of that.

Mr. BORAH. I know it is another matter. It is another matter and another matter that we are dealing with. The fact of the business is, as I said yesterday, that this is just the first step, but the Congress will be responsible for it all.

Mr. McCUMBER. Mr. President, I am in hearty sympathy with the effort of the Senator from Indiana [Mr. NEW] to protect the public who shall be here during the week of the inauguration from the little thefts and injuries and from robbers, if there should be any attempted holdups; but I do hope that the Congress of the United States will take cognizance of the bigger robberies which have been perpetrated ever since I can remember upon the public during the inauguration week. I think we have become so inured to the Treasury being held up and to the public being robbed that we do not take into consideration any large theft at all. It is only the little fellows we are looking after. The Republican committee did a good work for the country, I think, during the recent campaign. At the same time, delegates who were selected for the Republican convention, and attended at Chicago, were, every one of them, held up for five times the value of every room they occupied.

I think the time has come when we should call a halt against offenses of this kind. The District of Columbia is under the complete control of Congress. We Republicans on this side of the Chamber have been condemning the administration because of its awful extravagance, and especially because it allowed the Government to be held up and the people pratically to be robbed for the three years and one-half since we declared war. I think we ought to begin to make good, and the place to start is right here, in the city of Washington, when we inaugurate the President, who has pledged himself, and his party backed him in that pledge, to check the robberies against the Treasury of the United States and of the public themselves.

I am making this little plea at this time in the hope that the Committee on the District of Columbia will take some action, and take it immediately, upon the bill which I have introduced or amend that bill in such a way as to bring it before the Senate and the House and have it acted upon and protect the people who will come here during the inauguration week.

Mr. JONES of Washington. Will the Senator permit a statement?

Mr. McCUMBER. Certainly.

Mr. JONES of Washington. I am in hearty accord with the Senator's suggestion and have an amendment myself prepared along the same line to offer to the resolution now before the Senate. But when the Senator introduced his bill he called my attention to it as the acting chairman of the Committee on the District of Columbia. The Senator is mistaken in that. The Senator from Vermont [Mr. DILLINGHAM] is the ranking member of the committee in the absence of the chairman, the Senator from Illinois [Mr. SHERMAN].

Mr. McCUMBER. I think the Senator misunderstood me. I said he was the only member of the committee present, and that the acting chairman was absent.

Mr. JONES of Washington. Oh, I misunderstood the Senator.

Mr. NORRIS. Mr. President, while I think I shall vote for the amendment offered by the Senator from Washington, yet I believe we will be in somewhat of an inconsistent position if we adopt it. I agree with the Senator from North Dakota [Mr. MCCUMBER] that we ought to protect the public, and I am in favor of the bill he introduced this morning. Of course, we can not add it to this resolution, which is, I understand, a concurrent resolution, and the amendment suggested by the Senator from North Dakota is in the shape of a bill. I hope, with the Senator from North Dakota, that the District Committee will report it, and report it at once, and that we will pass it immediately, although I doubt it very much.

Mr. JONES of Washington. Will the Senator permit an interruption?

Mr. NORRIS. Certainly.

Mr. JONES of Washington. I understand this is a joint resolution; but whether it is a joint resolution or not, we can put such a provision on it.

Mr. NORRIS. The joint resolution can be amended by the addition of the bill the Senator proposes, if that be a proper amendment. I was under the impression that it was a concurrent resolution.

The Senator from Indiana [Mr. NEW] made some suggestions about some necessary appropriations, and what he suggested are necessary. I do not believe anybody will dispute for a moment that proper police protection for the immense crowds who will come here to view the inaugural ceremonies is absolutely necessary, and we ought to provide for it. That is not an unnecessary expenditure of money.

I thought we ought to commence our economy at the beginning; but the Senate by almost a unanimous majority decided against a reduction of the appropriation named in the joint resolution. It voted down almost unanimously an amendment to strike out $50,000 and insert $10,000, so that the Senate has gone on record in favor of building a large platform on the east side of the Capitol which will seat about 10,000 people who will be able to get the favor of Members of the House of Representatives or of the Senate in order to get seats. It does not seem quite right that we should say to the balance of the people who can not find favor with some Representative or Senator that they must stand up. It hardly seems right that we should say that there should be no other seats erected along the line of the parade, after we have accommodated ourselves and our friends by the expenditure of $50,000 of money in order to do it.

Mr. LENROOT. Mr. President, does the Senator say that the parade is a part of the inauguration?

Mr. NORRIS. No; not necessarily; but the parade will take place, and I suppose it will be considered part of the inauguration; at least the people will want to see it. If there is a parade, and there will be one, I would like to accommodate them and let them see it, if I can do it without the expenditure of public money. If seats are built along the parks and along the streets, it is not supposed that we will have to provide for it out of public funds, but what we are doing for ourselves and for our friends we are paying for out of the Treasury of the United States. That is where the inconsistency comes in, and it does not seem to me that I will be quite consistent when I favor this proposition and oppose the other.

Mr. President, we ought to economize somewhere, but when the Senator from Idaho [Mr. BORAH] speaks of $37,000 that is going to be appropriated to bring the cadets here, he probably forgets that there are going to be detachments, regiments, and battalions of Artillery, Infantry, and Cavalry that will be transported from all parts of the United States to Washington and back again, so the $37,000 will be nothing but a bagatelle as compared to the other expenses that must be paid for by the taxpayers of the country. If we erect this great big platform here to seat our friends and pay for it out of the public funds, are we not really in duty obligated to give our friends whom we have provided at public expense a place to sit, something that will pay them for sitting in the seats in the inclement weather? So ought we not really to encourage the balance of the program, and has not our action already encouraged it? Has it not already been decided that we shall have the balance of the program carried out in accordance with the first thing that we have mapped, the erection of a great platform on the east front of the Capitol for our friends, paid for at public expense?

Mr. HEFLIN. Mr. President——

The VICE PRESIDENT. Does the Senator yield to the Senator from Alabama?

Mr. NORRIS. Certainly.

Mr. HEFLIN. Does not the Senator think that it would be better to change the amendment offered to the joint resolution so as to provide that these seats may be built, but that the sidewalks shall not be obstructed so as to prevent people from passing, and also to regulate the charge for the use of such seats? I agree with the Senator that people who shall congregate along the Avenue should have a place to sit, if they desire to be seated, and pay a reasonable price therefor. We should safeguard that matter in the joint resolution.

Mr. NORRIS. Yes; I think if we give them permission to erect the stands, we ought to regulate the price.

Mr. HEFLIN. People who have automobiles will drive up and park along the sidewalk and they will sit and be comfortable while they watch the parade, and other people who desire seats should have the opportunity to obtain them by paying a reasonable price, because this parade will last for hours. It seems to me that there ought to be seats on the sidewalks along the avenue, but they should not be permitted to obstruct the sidewalks.

Mr. ASHURST. If the Senator will pardon me, he is raising up false hopes that are going to be dashed to the ground. I would like to know where you are going to get a seat for 50 cents on that day. They will be nearer $5.

Mr. HEFLIN. The prices of seats should be regulated and Congress should see to it that the prices of these seats are reasonable and not unreasonable.

The VICE PRESIDENT. The question is on the amendment of the Senator from Washington [Mr. JONES].

On a division, the amendment was rejected.

Mr. JONES of Washington. I send to the desk another amendment, which I desire to offer.

The VICE PRESIDENT. The Secretary will report the amendment.

The ASSISTANT SECRETARY. Add, at the end of the joint resolution, the following:

The Commissioners of the District of Columbia are hereby authorized and directed to make all regulations necessary to prevent, during the period from February 28, 1921, to March 10, 1921, both inclusive,

charges by hotel keepers, restaurant keepers, or other persons furnishing lodging, or meals, or lodging and meals, greater than those charged for such or similar service on January 1, 1921. Such regulations shall be promulgated two weeks prior to February 28, 1921, and shall be printed and published in one or more of the daily papers in the District of Columbia to be designated by the commissioners, and in such other manner as said commissioners may deem best to acquaint the public with such regulations.

Any person violating any of such regulations shall be deemed guilty of a misdemeanor and shall, upon conviction of such offense, be fined not less than $100 and not more than $1,000, or sentenced to imprisonment in the workhouse of such District for not more than six months, or by both such fine and imprisonment, in the discretion of the court. Prosecutions for such offenses shall be in the police court of the District of Columbia.

Mr. JONES of Washington. Mr. President, I realize that this is subject to the same objections that were urged to the other amendment, and I have no doubt that the objections urged by the Senator from Pennsylvania [Mr. KNOX] were really the reasons which actuated the Senate in rejecting that amendment. I have the assurance of some of my good friends on the floor here that if we will leave this off this joint resolution, and bring in a bill from the District Committee covering these matters, they will support it and vote for it. That is very encouraging. That would give us some hope that we will be able to get action along these lines.

Mr. BORAH. It is more encouraging now than it will be after you get the bill reported.

Mr. JONES of Washington. I do not think the vote on the last amendment was very encouraging at the present time. I do not think we will lose anything by relying somewhat upon the assurances of our friends who are so heartily in favor of the joint resolution that is pending.

Mr. THOMAS. Mr. President, does the Senator think that this amendment of his will protect our visitors from the extortions which he anticipates will otherwise be imposed upon them?

Mr. JONES of Washington. It is hoped that it will, if it is adopted.

Mr. THOMAS. I understand the amendment limits the charges to those which are now prevailing?

Mr. JONES of Washington. Of course, the Senator knows how high the present charges are. But does the Senator think that what I suppose he would call the robbery going on now would not be increased if we did not try something of this kind?

Mr. THOMAS. It might possibly be increased; but that would only be a relative relief.

Mr. JONES of Washington. That is true.

Mr. THOMAS. The average man who is obliged to come here at present generally has to get his ticket home in advance, if he is to return home at all.

Mr. JONES of Washington. If we do not get something of this kind, we will not even get relative relief.

Mr. THOMAS. I will support the amendment, but I do not see that it is going to help matters.

Mr. JONES of Washington. I was sure the Senator would support it, though it probably will not accomplish all that the Senator would like.

Mr. KING. Would it not be a good idea and answer the purposes of the Senator to have the District Committee report a bill immediately authorizing the District Commissioners to fix the rates of compensation to be charged by public innkeepers, and prohibit them from increasing those rates without an appeal to the commission and obtaining permission so to do?

Mr. KNOX. Mr. President——

Mr. JONES of Washington. If the Senator will allow me a moment, I am going to bring my remarks to a close, and also probably close action on my amendment by stating that the proposition submitted by the Senator from North Dakota [Mr. MCCUMBER] I think covers the situation much better than the amendment which I prepared hastily but which is prepared very much in the language of a resolution which we adopted once before in connection with an inauguration providing especially for the regulation of charges for hacks, and so forth. I think the resolution offered by the Senator from North Dakota covers the matter much better than mine, and in view of the apparent attitude of the Senate and of the very controlling reasons that would no doubt actuate it in voting upon the amendment at this time, and feeling satisfied that we will probably get a unanimous vote in favor of something of this kind in the very near future, I withdraw the amendment which I have offered.

Mr. KNOX. I was only going to suggest the wisdom of sending it to the Committee on the District of Columbia, because I think in its present form it is rather ineffective. What is the use of undertaking to control the price of meals if we do not also control the quantity of the meals? Beefsteaks ought to be of the same size. One egg ought not to be served for breakfast where usually they serve two. If we are going to protect the public, we shall have to go into these details.

Mr. JONES of Washington. If I thought the Senator was really serious I would have a different opinion of him than I really have. I do not think he means that at all in the sense in which he stated it. I withdraw the amendment, and I hope that the District Committee will take up the matter in the very near future.

The VICE PRESIDENT. The amendment is withdrawn. If there are no further amendments as in Committee of the Whole the joint resolution will be reported to the Senate.

The joint resolution was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

THE COMMITTEE ON PATENTS.

Mr. CALDER. From the Committee to Audit and Control the Contingent Expenses of the Senate I report back favorably without amendment Senate resolution 414, authorizing the Committee on Patents to hold hearings. I ask unanimous consent for its present consideration.

There being no objection, the resolution was read and agreed to, as follows:

Resolved, That the Committee on Patents, or any subcommittee thereof, be, and hereby is, authorized during the Sixty-sixth Congress to send for persons, books, and papers; to administer oaths; and to employ a stenographer, at a cost not exceeding $1 per printed page, to report such hearings as may be had in connection with any subject which may be pending before said committee, the expense thereof to be paid out of the contingent fund of the Senate, and that the committee or any subcommittee thereof may sit during the sessions or recess of the Senate.

ANTHONY SULIK.

Mr. PAGE. Mr. President, I am directed by the Committee on Naval Affairs to report back favorably, without amendment, the bill (H. R. 12337) to provide for the relief of Anthony Sulik, former sergeant, United States Marine Corps, and in behalf of the committee I ask for its immediate consideration.

The facts, very briefly, are that the bill passed the House without objection after having received favorable report from the Committee on Naval Affairs of the House, that it was investigated very carefully by the Committee on Naval Affairs of the Senate, and the committee are unanimously of the opinion that the bill is meritorious and ought to pass at this time. I therefore ask that it may receive immediate consideration.

Mr. KING. Reserving the right to object, I should like to have the Senator explain the purpose of the bill.

Mr. PAGE. Anthony Sulik was in the service, and while he was out with an expeditionary force of a dozen men on a very meritorious service he was reported absent without leave, was court-martialed, and the court-martial retired him, of course. The real facts were that when a future investigation took place it was found that he was not away from his service, but was doing an important and very meritorious service, and that everything done by the court-martial was done under a misapprehension. The report exonerates Mr. Sulik fully, and I can not think of a more meritorious case.

Mr. KING. I should like to inquire of the Senator whether officials of the Navy Department have recommended the passage of the bill?

Mr. PAGE. They have. I have here a letter from the Navy Department, in which the matter is set forth fully, and the department recommends the passage of the bill.

Mr. KING. When was the court-martial proceeding had?

Mr. PAGE. Sulik was tried under general court-martial, then in France, on the charge that he ran away from his company, which was then engaging the enemy, and was absent from about 7 a. m. July 18, 1918, until 4 p. m. July 20, after the engagement was concluded. He plead not guilty, but was found guilty and sentenced to be reduced to the ranks, dishonorably discharged, and to forfeit all pay and allowances, and to be confined at hard labor for 20 years. It was actually shown by reliable evidence that during the period of alleged unauthorized absence he was engaged in conducting a number of German prisoners to the rear.

Mr. KING. The bill is only for his restoration?

Mr. PAGE. Yes. I ask unanimous consent for the present consideration of the bill.

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That Anthony Sulik, former sergeant, United States Marine Corps, be, and he is hereby, relieved from all disabilities, including loss of pay and allowances attendant upon the dishonorable discharge received by him pursuant to the sentence of an Army general court-martial, published in General Court-Martial Order No. 103, Second Division, Expeditionary Forces, France, dated October 20, 1918, while detached for duty with the Army by order of the President, the amount of pay and allowances forfeited by him pursuant to said court-martial sentence to be reimbursed to him from the current appropriation for

"Pay, Marine Corps": *Provided*, That the service of the said Anthony Sulik shall be computed as though he had served continuously in the Marine Corps from the 16th day of November, 1914, to the date of his release as a general court-martial prisoner, and as though he had been honorably discharged on that date: *Provided further*, That he shall be granted all the rights, benefits, privileges, allowances, and gratuities to which he would have been entitled had he not been dishonorably discharged pursuant to the said sentence.

The bill was reported to the Senate without amendment, ordered to a third reading, read the third time, and passed.

FORCIBLE ENTRY AND DETAINER.

Mr. BORAH. Mr. President, if there is nothing else before the Senate I ask unanimous consent to call up for consideration the bill (S. 4746) to amend the act entitled "An act to establish a code of law for the District of Columbia, approved March 3, 1901, and the acts amendatory thereof and supplementary thereto, in relation to forcible entry and detainer."

There being no objection, the Senate, as in Committee of the Whole, proceeded to consider the bill, which was read as follows:

Be it enacted, etc., That section 20 of an act to establish a code of law for the District of Columbia, approved March 3, 1901, and the acts amendatory thereof and supplementary thereto, in relation to forcible entry and detainer, be amended so that the same shall read as follows:

"(a) Whenever any person has forcibly entered upon the prior actual possession of real property of another and detains the same; or

"(b) Whenever any person without force unlawfully enters upon the real property of another and unlawfully and forcibly detains the same; or

"(c) Whenever any tenant in person or by subtenant holds over after the termination of his lease or expiration of his term or fails to pay his rent for five days after the same shall be due; or

"(d) Whenever any mortgagor or grantor in a mortgage or deed of trust to secure a debt or any person claiming under such mortgagor or grantor subsequent to the date of such mortgage or deed of trust shall unlawfully detain possession of the real property conveyed after a sale thereof under such deed of trust or a foreclosure of the mortgage; or

"(e) Whenever a judgment debtor or any person claiming under him since the date of judgment shall so unlawfully detain possession of real property after a sale thereof under execution issued on such judgment, it shall be lawful for the municipal court on complaint in writing under oath by the person aggrieved by said unlawful detention, or by his agent or attorney having knowledge of the facts, to issue a summons to the party complained of to appear and show cause why judgment should not be given against him for restitution of the possession of such real property: *Provided*, That in all cases arising under subdivisions (b), (c), and (d) five days' notice to quit, exclusive of Sundays and holidays, must be given to the tenant, subtenant, or party in possession before proceedings in the municipal court can be instituted, such notice to be served in the same manner as provided for the services of notices by section 1223 of said Code of Law for the District of Columbia: *Provided further*, That in any case of failure to pay rent after due as provided in subdivision (c) the notice to quit shall be in the alternative and require the payment of rent or the surrender of the real property detained within five days after the service of such notice. And in the event of the payment or tender of the amount due as rent within such period of five days no action for possession shall be maintained."

SEC. 2. That section 1218 of said Code of Law for the District of Columbia is hereby repealed.

Mr. POINDEXTER. Mr. President, as I understand the bill, it changes the law as to the remedy of owners of property in cases against tenants, which is almost universal throughout the country. Nearly every State in the Union has a system by which comparatively inexpensive and speedy hearings may be had in controversies of this kind. It is a very important matter, and I think there are a number of Senators who are interested in it who are not present at this time. Therefore I make the point of no quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Assistant Secretary called the roll, and the following Senators answered to their names:

Ashurst	Glass	New	Smoot
Ball	Harris	Norris	Spencer
Beckham	Harrison	Nugent	Sterling
Borah	Heflin	Overman	Sutherland
Brandegee	Jones, Wash.	Page	Thomas
Calder	Kellogg	Phelan	Townsend
Capper	Kenyon	Phipps	Trammell
Dial	King	Pittman	Underwood
Dillingham	La Follette	Poindexter	Wadsworth
Edge	Lenroot	Sheppard	Walsh, Mont.
Elkins	McCumber	Simmons	Williams
Fletcher	McKellar	Smith, Ga.	Wolcott
France	McLean	Smith, Md.	
Gerry	Nelson	Smith, S. C.	

The VICE PRESIDENT. Fifty-four Senators have answered to the roll call. There is a quorum present. The bill is before the Senate as in Committee of the Whole and is open to amendment.

Mr. BORAH. Mr. President, on behalf of the committee, I desire to offer an amendment to the bill. The amendment is in print, and proposes to insert an additional section as follows:

SEC. 2. The remedy provided herein shall not be available to any landlord as against a tenant who regularly pays or tenders rent at the rate at which he is occupying, and who offers to pay thereafter the difference between the amount thereof and any sum which the Rent Commission appointed under the act of Congress approved October 22, 1919, shall find to be just and reasonable rental of the premises.

The VICE PRESIDENT. The question is on the amendment offered by the Senator from Idaho.

Mr. KING. I should like to ask the Senator from Idaho what the purpose of this bill is and what its effect will be. Is it for the purpose of enabling tenants who have been occupying and who are now occupying premises in Washington to hold those premises indefinitely if they tender the rent?

Mr. BORAH. No. The proposed change in the law consists of the requirement to give notice to quit and also a 5-day notice before bringing an ejectment suit. We have endeavored so to frame the bill that the landlord may get rid of the tenant who refuses to pay the rent, and, on the other hand, so that the tenant who is willing to pay the rent—either the rent which is fixed by the lease or the rent which is fixed by the rent commission—can not be ousted.

Mr. KING. Does that permit the tenant who is willing to pay the rent previously agreed upon to occupy the premises indefinitely?

Mr. BORAH. No; it does not; but if the amount to which the landlord desires to increase the rent is determined to be fair by the rent commission, then the tenant, if he pays the rent, may continue to occupy the premises; that is, so far as the pending measure is concerned.

Mr. KING. But there is nothing in the proposed act which will prevent the owner of the premises from getting possession of the premises for his own use or for leasing to some other person, is there?

Mr. BORAH. No. Of course, if the landlord increases the rent and the rent is found to be fair by the rent commission, the landlord, under this proposed act, can not exclude the tenant; but if the rent is found to be reasonable and the party fails to pay it, then the tenant can be excluded.

Mr. KING. What becomes of the act if the rent commission shall be abolished or shall cease to function in any way?

Mr. BORAH. Then that part of the act would cease to be effective, of course.

Mr. KING. Then in what manner could the landlord obtain possession of the premises?

Mr. BORAH. He could then take possession of them absolutely, whenever he got ready, by giving five days' notice.

The VICE PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Idaho [Mr. BORAH].

Mr. STERLING. Mr. President, before the amendment is submitted to a vote, I wish to call the attention of the Senator from Idaho to a provision in the present rent commission act. I think his amendment will include a class of landlords which really ought to be excepted from the general operation of the amendment which he now proposes. I call the Senator's attention to a part of section 109 of the present law, which reads as follows:

The rights of the tenant under this title shall be subject to the limitation that the bona fide owner of any rental property, apartment, or hotel shall have the right to possession thereof for actual and bona fide occupancy by himself, or his wife, children, or dependents, or for the purpose of tearing down or razing the same in order immediately to construct new rental property, hotel, or apartment if approved by the commission, upon giving 30 days' notice in writing, served in the manner—

And so forth.

It seems to me that the effect of the amendment of the Senator from Idaho would be to deprive the owner of the property who wants to get possession of the property for his own use and his own occupancy or the occupancy of those dependent upon him from securing such possession.

Mr. NELSON. Mr. President, will the Senator from South Dakota yield to me?

Mr. STERLING. I yield to the Senator from Minnesota.

Mr. NELSON. If I correctly caught the reading of the amendment proposed by the Senator from Idaho I think the Senator from South Dakota is in error. The amendment relates to the question of rent; it only goes to the question of whether the landlord will accept the finding of the commission as to the rent. The commission, as I understand, has no jurisdiction of the other question, whether or not the landlord wants the property for his own use.

Mr. STERLING. The amendment of the Senator from Idaho refers to any tenant "who regularly pays or tenders rent at the rate at which he is occupying, and who offers to pay thereafter the difference between the amount thereof and any sum which the rent commission appointed under the act of Congress approved October 22, 1919, shall find to be just and reasonable rental of the premises."

So that, as I understand its reading, the amendment would prevent the owner of the property who wants to occupy it for himself from gaining possession. I think that is the proper construction.

Mr. NELSON. Mr. President, that does not seem to me to be the proper construction at all. The amendment relates only to the question of rent and the increase of rent. The intention is to reach a case where, for instance, an owner has leased property for a given time at a stipulated rental, and then goes to the tenant and says "I am going to increase your rent; you have got to pay more rent or you have got to get out." If the landlord who asks for an increased rent will not accept the finding of the commission, then he can not have the benefit of this proposed legislation; that is all there is to it.

Mr. STERLING. Mr. President, I must respectfully disagree with the construction put upon this provision by the Senator from Minnesota. The original bill, Senate bill 4746, reported by the Senator from Idaho [Mr. BORAH] from the Judiciary Committee as a substitute for the Ball bill, provides the conditions under which an action for forcible entry and detainer may be maintained. It applies to all classes of cases; it applies to cases where the premises have been forcibly taken from the rightful owner; it applies to those cases where the lease has terminated by expiration of time according to the terms of the lease, and it applies to those cases where there has been a failure to pay rent. It also applies to cases where there has been a judgment and an execution and a sale of property under execution. It applies likewise to cases where there has been a sale of the property under foreclosure of a mortgage or trust deed, and prescribes the notice that must be given.

The main difference between the bill offered by the Senator from Idaho and the present law is that the present law, section 20 of the code of laws of the District of Columbia, which relates to forcible entry and detainer, permits a landlord to resort to court proceedings to evict the tenant in the first instance without giving him any notice at all; but the bill reported by the Senator from Idaho provides that in all cases of the termination of the lease, in all cases where there has been a failure to pay rent when due, in all cases where the party has held over after a sale of the property under execution or foreclosure, notice to quit must be given in order that the tenant, the one holding over, may not be put to the expense of defending a lawsuit without any notice or time to make other arrangements or to find other property which he may occupy. That is the main difference. Now comes the Senator from Idaho with a further amendment, which provides in effect that—

> the remedy provided for herein shall not be available to any landlord as against a tenant who regularly pays or tenders rent at the rate at which he is occupying, and who offers to pay thereafter the difference between the amount thereof and any sum which the rent commission appointed under the act of Congress approved October 22, 1919, shall find to be just and reasonable rental of the premises.

Therefore, contrary to the law as it is now, contrary to section 109 of the rent commission act, the man who owns the premises and has nowhere else to go but to the premises occupied by his tenant whose term has expired or who fails to pay his rent can not get possession of his premises unless the amendment of the Senator from Idaho to the bill reported by him is further amended.

I think the amendment of the Senator from Idaho ought to be amended so as to include this language:

> *Provided, however,* That the rights of the tenant under this title shall be subject to the limitation that the bona fide owner of any rental property, apartment, or hotel shall have the right to possession thereof for actual and bona fide occupancy by himself or his wife, children, or dependents, as provided by section 109 of the rent commission act.

Mr. POINDEXTER. Mr. President——

The VICE PRESIDENT. Does the Senator from South Dakota yield to the Senator from Washington?

Mr. STERLING. I do.

Mr. POINDEXTER. I should like to ask the Senator from South Dakota about the case where the owner of residence property desires to obtain possession of it to convert it into some other kind of property. Neighborhoods are constantly changing. The owner might want to remodel it entirely and make business property out of it and rent it for a store. Ought he not to have a remedy to recover it for that purpose or any other lawful use that the owner sees fit to make of his property?

Mr. BORAH. I think he would be protected in that particular instance. So far as the question of bona fide residence is concerned, I think the Senator from South Dakota is perhaps correct; but if the owner desires to change the property and rent it for business purposes, undoubtedly he could fix the rent accordingly, and undoubtedly the commission could pass upon that, and if the party would not pay it he would have to get out. In other words, I think the man who desired to rent his property for another purpose would be fully protected. The man who wanted to occupy it himself as a bona fide proposition perhaps would not be.

Mr. POINDEXTER. That would depend on the discretion of the rent commission to take into consideration the changed condition the property would be in if the owner had an opportunity to put it in that condition, but which it was not actually in at the time. It would be rather a precarious question, I should say, as to whether or not the rent commission would give him relief under those circumstances.

Mr. BORAH. I invite the attention of both Senators to this proposition: The particular phase of the question which this amendment presents, and which the suggestion of the Senator from South Dakota presents, is that they profess to want the property for themselves when they do not.

Mr. STERLING. It may be, Mr. President, that some men will profess to want it when they do not want it; but, of course, there are cases where they do want the property, and want it to occupy it for themselves. That may be true; we can not avoid some evasions of the law, probably; but it would be a great hardship and an injustice, it seems to me, to prevent the owner of property, on the termination of the lease or on failure to pay the rent by tenant, from getting possession of the property when he wants to occupy it himself, or wants it for the use of his family or his dependents.

Mr. BORAH. Of course, he has the other remedies to get possession of it. It simply takes away this particular remedy.

Mr. STERLING. He has a remedy by ejectment, yes; by going into the Supreme Court of the District of Columbia and perhaps being kept out of possession for a year or two years. He has that remedy.

The VICE PRESIDENT. Does the Senator offer the amendment indicated by him?

Mr. STERLING. Yes; I offer it now. I have not it written out, but I can indicate it. I send the proposed amendment to the desk.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The READING CLERK. It is proposed to add, at the end of the amendment offered by the Senator from Idaho, the following proviso:

> *Provided,* That the rights of the tenant under this title shall be subject to the limitation that the bona fide owner of any rental property, apartment, or hotel shall have the right to possession thereof for actual and bona fide occupancy by himself, or his wife, children, or dependents, or for the purpose of tearing down or razing the same in order immediately to construct new rental property, hotel, or apartment, if approved by the commission, upon giving 30 days' notice in writing, served in the manner provided by section 1223 of the act entitled "An act to establish a code of laws for the District of Columbia," as provided by section 109 of Title II of the act to amend the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, and "To regulate rents in the District of Columbia," approved October 22, 1919.

Mr. WALSH of Montana. Mr. President, I confess my entire inability to follow the reading of the amendment proposed by the Senator from South Dakota so as to understand its significance, although I have in mind clearly the idea that he desires to express. I hope it may be presented in some more readily comprehensible way.

Mr. STERLING. Mr. President, I will state to the Senator from Montana that in the amendment I have followed the language of section 109 of the food control and rent act, which provides that the rights of persons who desire to get possession of property for their own use and occupancy shall not be subject to the limitations of the act. That is the substance of it.

Mr. WALSH of Montana. I understand the idea that the Senator desires to express. He desires to give in this statute the same right that is accorded to the owner under the rent statute.

Mr. STERLING. Exactly; that is the purpose.

Mr. WALSH of Montana. I think we might safely do that; but I have not been able to follow the reading so as to know whether or not the language of the amendment is open to any criticism. Will the Senator himself undertake to read it now so that we can understand it?

Mr. STERLING. I will read it, if I may have the copy that I sent to the desk.

The VICE PRESIDENT. The Chair suggests that the whole amendment be read as it will read if amended.

The reading clerk read as follows:

> SEC. 2. The remedy provided for herein shall not be available to any landlord as against a tenant who regularly pays or tenders rent at the rate at which he is occupying, and who offers to pay thereafter the difference between the amount thereof and any sum which the rent commission appointed under the act of Congress approved October 22, 1919, shall find to be just and reasonable rental of the premises: *Provided,* That the rights of the tenant under this title shall be subject to the limitation that the bona fide owner of any rental property, apartment, or hotel shall have the right to possession thereof for actual and bona fide occupancy by himself, or his wife, children, or dependents,

or for the purpose of tearing down or razing the same in order immediately to construct new rental property, hotel, or apartment, if approved by the commission, upon giving 30 days' notice in writing, served in the manner provided by section 1223 of the act entitled "An act to establish a code of laws for the District of Columbia," as provided by section 109 of Title II of the act to amend the act entitled "An act to provide further for the national security and defense by encouraging the production, conserving the supply, and controlling the distribution of food products and fuel," approved August 10, 1917, and "to regulate rents in the District of Columbia," approved October 22, 1919.

Mr. STERLING. Mr. President, just one word in regard to the further reading. I do not think the whole title of that act need be given, as just read by the Secretary, but it can be referred to as "the food control and rent act" approved on such a date, I do not recall the date.

Mr. WALSH of Montana. Mr. President, I do not think we can act understandingly on this matter without a rather more careful presentation of it. At least, we ought to have the amendment before us. The trouble about it is that the amendment now tendered by the Senator from South Dakota contemplates that the rent commission continues as a regular functioning body. As I understand the purpose of the amendment now tendered by the Senator from South Dakota was to meet the condition that would arise even if the rent commission act were found to be entirely ineffective. In other words, if the tenant offered to submit the matter to the rent commission for determination, not as an official body at all, but practically as a board of arbitrators, then the remedy by forcible entry and unlawful detainer would not be available against the landlord. Now, I am in entire sympathy with the idea proposed by the Senator from South Dakota that that really should not apply to the case of a man who desired to recover premises which he had rented, the term of the lease having expired, which he desired to use for his own family purposes, his living place, or perhaps even if he desired to tear down the building and construct a new building.

But the amendment now tendered by the Senator from South Dakota for that purpose proposes that the question as to whether or not a new building shall be erected shall be submitted to the rent commission for determination. That contemplates that the rent commission is a regular going institution. If it is, we scarcely need any legislation upon this subject at all, because the rent commission will probably take care of it; that is to say, if there is any controversy, and you go to the rent commission, the rent commission will determine it. The idea of the amendment proposed by the Senator from Idaho [Mr. BORAH] was to make the rent commission a stipulated board of arbitration. It might be anybody else, for that matter, just as well as the rent commission. What I am afraid of is that the thing would be entirely inoperative if the rent commission act should be determined to be unconstitutional and ineffective.

I see no reason for including in the amendment of the Senator from South Dakota all of that portion of the language which refers to the procedure which is to be taken before the rent commission if one wants to get a tenant out for the purpose of rebuilding. Apparently he must get the consent of the rent commission to erect a new building. I would not like to encumber the measure with that idea.

Because the Senator from Utah has expressed the idea that he did not apprehend the character of the legislation, I beg the indulgence of the Senator to state briefly my view of it. The bill proposed by the Senator from Idaho is substantially a reenactment of the present forcible entry and unlawful detainer statute of the District of Columbia, except that under that no precedent notice is required before proceedings are instituted. Under this bill five days' notice must be given before the proceedings are instituted and demand upon the tenant either to pay or to get out. If he pays, then the remedy is not available.

The difficulty about it is that the remedy, if thus enacted, would permit a landlord who is demanding an exorbitant rent of his tenant to resort to the act and eject his tenant, and it is supposed to give some protection to the tenant. The amendment proposes, accordingly, that this remedy for forcible entry and unlawful detainer shall not be available to a landlord against a tenant who pays or offers to continue to pay at the rate under which he is occupying and to pay any additional sum which the rent commission may find reasonable. So it will be available against the tenant who refuses to pay his rent, or neglects to pay his rent, but will not be available against the tenant who pays his rent or offers to continue to pay his rent, and also to pay any additional sum that may be held by the rent commission to be reasonable. It is now suggested by the Senator from South Dakota [Mr. STERLING] that it ought to be available to a man who wanted to occupy the premises for his own use, and to that I agree. But it seems to me that the language offered by the Senator from South Dakota will make the whole thing inoperative providing the rent commission act is found to be unconstitutional.

Mr. KING. If the Senator will permit an inquiry, I would like to inquire of him what effect the bill would have upon a case of the character I shall state. The Senator will recall that there has been very much criticism of some lessees who have leased premises and then sublet the premises for extortionate prices. The original landlord gets only a fair rent; but the tenant, through the process of subleasing, obtains extortionate prices. Would the bill permit the original lessee who is subletting to retain possession of the premises if he tendered the amount which was originally agreed upon, or such an amount as might be found to be due by the rent commission, and permit him to continue subleasing at the extortionate prices which he has been charging?

Mr. WALSH of Montana. There is nothing in the bill which meets that situation of affairs. That we will have to try to take care of by some other legislation. Of course, the pending rent bill takes care of it; the price is fixed, but I apprehend that the practice of subleasing is pretty much an affair of the past, and it does not take care of that situation.

Mr. STERLING. Mr. President, let me ask the Senator from Montana how this language would suit him:

Provided, That the rights of the tenant under this title shall be subject to the limitation that the bona fide owner of any rental property, apartment, or hotel shall have the right to possession thereof for actual and bona fide occupancy by himself or his wife, children, or dependents or for the purpose of tearing down or razing the same in order immediately to construct new rental property, hotel, or apartment, if approved by the commission, upon giving 30 days' notice in writing.

Mr. WALSH of Montana. What is the significance of the language "if approved by the commission, upon giving 30 days' notice in writing"?

Mr. STERLING. We want to provide, if not that, "that upon serving the notice as herein provided," or "upon giving the notice as herein provided," referring of course, to the five days' notice heretofore provided of some kind. The question is as to whether there should not be under these circumstances a longer notice required than simply the five days' notice in the ordinary action of forcible entry and detainer.

Mr. WALSH of Montana. Under that a person desiring to build would have to make an application to the rent commission for leave to build and would have to give 30 days' notice that he was going to make the application.

Mr. STERLING. I do not understand that he would have to make an application for leave to build.

Mr. WALSH of Montana. Then, what does it mean?

Mr. STERLING. It may bear that construction.

Mr. WALSH of Montana. Why not stop when you say that it shall be available to the man who bona fide desires the premises for his own use, or for the purpose of razing the building or allowing it to be torn down?

Mr. STERLING. Mr. President, I think I appreciate the objections made by the Senator from Montana. If I have the time, and this matter can go over for the present, I think the amendment can be put in better form, because I think it highly desirable that we protect that class of landlords, those who want the possession of property for their own use, and they are not protected under the amendment offered by the Senator from Idaho.

Mr. BORAH. The Senator from Montana stated the amendment, it seems to me, in very good shape. Would the Senator from South Dakota be willing to accept it as stated by the Senator from Montana?

Mr. STERLING. I think so.

Mr. BORAH. Will the Senator from Montana state it again?

Mr. WALSH of Montana. My suggestion was to cut out the last part of it, which refers to the application to the rent commission, and permission by it, and just end it up with the statement that it shall be available to a man who wants to occupy the premises himself or to tear down the buildings and erect new ones.

Mr. CALDER. Mr. President, as I understand the bill, and the amendment offered by the Senator from Idaho, it would permit the tenant in a building here in the District of Columbia to maintain possession of his apartment or house at the expiration of his lease and that he could not be put out of the house except for nonpayment of rent. Under the Senator from Idaho's amendment the tenant could refuse to pay an increase in rent at the expiration of his lease and could retain possession by depositing his rent and the increase demanded with the rent commission, and they would determine the amount he was to pay. The bill gives to the rent commission the right to say just what the landlord's profit upon his property may be.

I know, Mr. President, that there is great provocation for legislation of this character, and I know, too, a measure of almost the same kind has been enacted in several of the States—in my own State, in Massachusetts, and in New Jersey, in those three States to my knowledge. But the effect of legislation of this character has been to stop the construction of tenement and apartment houses, and while, as I say again, there is need for something to stop the tremendous raises in rents here, as in other parts of the country, as certain as we pass this legislation it will impede the building of any more apartment houses in this city.

I want Senators to understand that and to clearly know what they are voting upon when they pass this bill. I have been studying this subject and endeavoring to afford facilities to encourage men to build houses, because I believe that the way to solve the housing question and the tenantry question is to build more houses. But legislation of this kind will not encourage the building of more houses; it will stop the building of houses. If Senators pass this legislation they will be responsible for stopping building, and Senators should understand this fact before they vote upon it.

Mr. STERLING. Mr. President, in lieu of the amendment already offered, as a substitute therefor, I offer the following amendment, beginning with the sentence "The rights of the bona fide holder" and going to the word "apartment," if the Secretary will read it.

The VICE PRESIDENT. The Secretary will read the proposed substitute as modified.

The reading clerk read as follows:

Provided, That the rights of the tenant under this title shall be subject to the limitation that the bona fide owner of any rental property, apartment, or hotel shall have the right to possession thereof for actual and bona fide occupancy by himself or his wife, children, or dependents, or for the purpose of tearing down or razing the same in order immediately to construct new rental property, hotel, or apartment.

The VICE PRESIDENT. The question is on the amendment to the amendment.

Mr. POINDEXTER. Mr. President, I move as an amendment to insert after the words "tearing down" the word "remodeling."

The VICE PRESIDENT. That is out of order. This is an amendment to an amendment. The Senate can vote on the amendment to the amendment and then add further language.

Mr. STERLING. I would like to change the amendment just offered by inserting the word "remodeling," as suggested by the Senator from Washington.

The VICE PRESIDENT. The proposed modification will be stated.

The READING CLERK. After the words "tearing down" insert the word "remodeling," so that it will read:

Or for the purpose of tearing down, remodeling, or razing the same.

Mr. WALSH of Montana. Mr. President, I object to that amendment. It seems to me that it opens up too wide a field. It would very likely give rise to a question difficult to adjudicate. My landlord may want to remodel my apartment by calcimining the wall, by putting in some inconsequential addition, taking out a partition, or something of that kind, which would be remodeling it. It seems to me it would be resorted to as a pure excuse for an evasion of the law.

Mr. POMERENE. I may say that it came to my knowledge probably two years ago that that very method was resorted to in certain apartment houses here on the theory that they were trying to convert them into hotels, and thereby displace tenants who were prompt in paying a reasonable rent.

Mr. WALSH of Montana. I trust that amendment will not be adopted.

The VICE PRESIDENT. The question is on the amendment to the amendment.

Mr. KENYON. Mr. President, we would like to have a chance to vote on that particular part of that amendment if possible.

Mr. STERLING. Mr. President, so far as I can do so, I withdraw the amendment last suggested, the addition of the word "remodeling."

The VICE PRESIDENT. The modification is withdrawn and the question is on the amendment to the amendment.

The amendment to the amendment was agreed to.

The VICE PRESIDENT. The question is on the amendment as amended.

The amendment as amended was agreed to.

The VICE PRESIDENT. The bill is as in Committee of the Whole and open to further amendment.

Mr. POINDEXTER. Mr. President, I want to call attention to the fact that the Court of Appeals of the District of Columbia, in a case recently decided, the case of Hirsh against Block, which is found in Two hundred and sixty-seventh Federal Reporter, page 614, dealt with the question of the rent commission, which is mentioned in the amendment just adopted, and which was established upon the general proposition of jurisdiction of the Government to regulate the question as to what should be charged by an owner of property for its lease——

The VICE PRESIDENT. The Senator from Washington will suspend. The morning hour having expired the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

Mr. BORAH. Does the Senator from Alabama desire to proceed with the consideration of the unfinished business?

Mr. UNDERWOOD. The Senator from North Dakota, who is in charge of the bill, is absent at this moment, but I think in his absence I can say that he desires to go ahead with the consideration of the bill unless the matter which has been before the Senate can be disposed of in a few minutes; if it is not going to bring on any debate.

Mr. POINDEXTER. I think it will take some time to dispose of the bill which has been under discussion.

Mr. UNDERWOOD. I think we ought to go ahead with the unfinished business.

Mr. POINDEXTER. Mr. President, under the head of unfinished business I would like to complete in just a word the statement which I was making with reference to the decision of the Court of Appeals of the District upon the rent commission and upon the constitutional question of the right of the Government to fix rentals. They held that no such constitutional power was vested in the Government. I cite this case in order that it may be available in connection with the discussion of the bill which has just been before the Senate should it come before the Senate again.

The court of appeals, on page 618 of that case, said:

Coming to the validity of the act, we have held in the recent case of Willson *v.* McDonnell (49 App. D. C., 265 Fed., 432), considering an act of Congress similar to the one before us, that the provisions of the Constitution which protect persons and property are uniform in their operation throughout the United States. In this respect, there is no distinction between the District of Columbia and the States of the Union.

There is nothing in the history of the Constitution or of the original amendments to justify the assertion that the people of this District may be lawfully deprived of the benefit of any of the constitutional guaranties of life, liberty, and property. (Callan *v.* Wilson, 127 U. S., 540, 550; 8 Sup. Ct., 1301, 1304 (32 L. Ed., 223).)

But what are the rights of which plaintiff has been divested, if the present act is held to constitute a valid defense to his action for possession? Plaintiff had a vested estate and reversion in fee in the property in question to come into possession on January 1, 1920. Defendant's right of possession terminated on December 31, 1919, by the express terms of his lease, a contract valid and existing when this act was passed. This right of reversion is a property right, of which plaintiff can not be divested, except by due process of law. The act gives defendant the option of retaining possession of the property at the rental fixed in the lease, which is continued in force; or, if dissatisfied, he may apply to the commission for a reduction of the rent. If reduced by the commission, plaintiff is powerless to have a review of the facts upon which the action of the commission is based. Not only is plaintiff denied any remedy for this continued detention of his property, but he is forbidden to sell his property, except subject to and burdened by the option of the tenant. It would seem, therefore, that if the property clauses of the Constitution are longer to have any restraining power over Congress, the case here presented is one within the inhibition of the fifth amendment.

There is still further discussion of the constitutional question in the opinion of the court to which I have just called attention. I will conclude what I have to say about the matter with the suggestion that originally the regulation of rentals and the interposition of the Government to avoid abuses which seemed to exist, was considered by Congress because we were in a state of war, and there was a certain liberality of action by Congress in addition to the recognized war power which the Constitution of the United States vested in the action of Congress while we were engaged in the war.

But the effort seems to be to continue this governmental interference with private property and with private rights, and with the ordinary laws of supply and demand, frequently defeating its own purposes, as I think was very soundly suggested by the Senator from New York [Mr. CALDER], who is an experienced man in such matters, by reason of the fact that in such a case as this, for example, it discourages people from building houses for rental. We are attempting now to continue that character of legislation in time of peace, actual peace although not technical peace. It seems to me there should be very grave consideration given to the matter before it is acted upon by the Senate.

Mr. KENYON. I wish to ask the Senator from Washington if there was not a dissenting opinion in that case?

Mr. POINDEXTER. The chief justice dissented.

Mr. WALSH of Montana. Before the discussion is closed I merely desire to add that the act to which the Senator refers did not rest by any means solely upon the war powers of the Government; at least it was very urgently urged, when the matter was under consideration, by members of the committee from which the bill emanated, that the power might very properly be exercised under the general power of government to legislate generally concerning the District of Columbia. It was insisted by members of the committee who had the matter in charge that it was not necessary to have recourse to the war powers of the Government at all to justify the legislation. That is the view, as I understand it, taken by the chief justice of the court of appeals.

Mr. POINDEXTER. I had that in mind in the statement which I made a moment ago. I did not confine the reference which I made to the actual invocation of the war powers of the Government, but to the exercise of the discretion of Congress, even under its peace powers, in a much more extensive and more liberal way in time of war than in time of peace.

It is not only a question of power, but it is also a question of policy. What is a good policy for the Nation in time of war, even though it may have the same power in time of peace, which I do not believe it has in this case, may not be good policy in time of peace. That was the point which I desired to make. It is a question of how long we were going to continue the course of governmental intervention in private business and in private property matters after the war is ended.

USE OF GOVERNMENT AUTOMOBILES.

Mr. SMOOT. Mr. President, I am going to take just a few moments to read a letter which I have received from a citizen of Washington, and I do it because I do not want to take the time to call the waste mentioned in the letter to the attention of each one of the departments of our Government. I hope that this statement will be taken as a request that the waste mentioned in the matter will be obviated in the future:

To-day when going down North Capitol Street I saw a Ford mail wagon belonging to the post office here standing at the curb across the street in front of the Government Printing Office. There was no one in the mail wagon and the engine was running. I watched this truck for five minutes by the watch and the driver did not appear. I do not know how long it had been running that way before I saw it, nor how long it continued to run. Are you Senators up there appropriating money to buy gasoline to burn like that? I would like to know, as I am a taxpayer and voter from the West. I understand this is a violation of the law of the District. Now, this is not the first time I have seen mail wagons left standing on the street with the engine running, and I hope you will take this matter up with the police department and have this driver fined. The wagon was No. 1503 and the District license No. 563 and the time was 1.12 p. m., Monday January 3, 1921. The postmaster can doubtless furnish the police with the name of the driver and he can be made an example of.

It is a little thing, but I have noticed it upon the streets of the District of Columbia in going from department to department. While this may be a small item in one case, yet with thousands and thousands of cases it will amount to a great deal. I hope that some instructions will be given by heads of the departments that this practice will cease.

Mr. KING. Mr. President, I would like to invite my colleague's attention to a matter about which a number of taxpayers have written me, so that the Committee on Appropriations may make an investigation. I am not sufficiently advised as to whether the matters criticized are within the law. The letters to which I refer state that there are hundreds, if not thousands, of employees of the Government in the Army, in the Navy, and particularly in the Public Health Service, who have Government automobiles at their disposal and at the disposal of their families, and which are being used indiscriminately; that is to say, without regard to public business. I have seen thousands of automobiles in the District marked "For official use only," which I know were being devoted to private services.

It seems that every officer in the Government, especially in the War Department, must have an automobile. I find that many of the Public Health Service doctors and employees in various other departments have automobiles. I do not know whether the law authorizes the use by Government employees of thousands and tens of thousands of automobiles, and I venture the assertion that there are more than 100,000 Government automobiles employed in the various departments not for public service.

Mr. SMOOT. The law strictly prohibits the use of Government automobiles for private purposes. I know that the statement made by my colleague at least in part is true. The practice ought to cease. When it will I can not say. I do know that there is an awful expense attached to it. I simply hoped, in reading the letter, to call the attention of the departments to the practice and see if it can not be stopped.

ATMOSPHERIC NITROGEN.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes.

Mr. WADSWORTH obtained the floor.

Mr. KING. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. POMERENE in the chair). The absence of a quorum is suggested. The Secretary will call the roll.

The reading clerk called the roll, and the following Senators answered to their names:

Beckham	Heflin	McKellar	Smoot
Borah	Hitchcock	McNary	Spencer
Calder	Johnson, Calif.	Overman	Stanley
Capper	Jones, Wash.	Page	Sterling
Curtis	Kellogg	Phelan	Thomas
Dial	Kendrick	Poindexter	Townsend
Elkins	Kenyon	Pomerene	Trammell
Fletcher	King	Reed	Underwood
Glass	La Follette	Sheppard	Wadsworth
Gronna	Lenroot	Smith, Md.	Wolcott
Harris	McCumber	Smith, S. C.	

Mr. CURTIS. I desire to announce that the Senator from Connecticut [Mr. BRANDEGEE] and the Senator from Nebraska [Mr. NORRIS] are absent on official business.

The PRESIDING OFFICER. Forty-three Senators have answered to their names. There is not a quorum present. The Secretary will call the names of the absent Senators.

The names of the absent Senators were called.

Mr. ASHURST, Mr. KNOX, and Mr. BALL entered the Chamber and answered to their names.

The PRESIDING OFFICER. Forty-six Senators have answered to their names. There is not a quorum present.

Mr. CURTIS. I move that the Sergeant at Arms be directed to request the attendance of absent Senators.

The motion was agreed to.

The PRESIDING OFFICER. The Sergeant at Arms will carry out the order of the Senate.

Mr. SUTHERLAND, Mr. EDGE, Mr. NEW, and Mr. SMITH of Georgia entered the Chamber and answered to their names.

The PRESIDING OFFICER. Fifty Senators have answered to their names. There is a quorum present. Without objection, the order to the Sergeant at Arms is vacated.

Mr. WADSWORTH. Mr. President, shortly before November 7, 1919, the Secretary of War invited Mr. KAHN, of California, and myself to drop into his office, and at the interview held at that time he requested us to introduce into the House and Senate, respectively, the bill which is now the unfinished business before the Senate. I consented to do so, taking pains to say that I could not then commit myself to support all the provisions of the measure. A perusal of the bill at that time convinced me that it related more to an agricultural project than to a military problem; and while it is probable that the Secretary of War asked me to introduce the bill on account of the fact that I happened to be chairman of the Military Affairs Committee, when I introduced the bill I asked that it be referred to the Committee on Agriculture and Forestry. I may say in passing that Mr. KAHN, who introduced the duplicate bill in the House, had it referred to the Committee on Military Affairs of the House; so that the two Houses are approaching the consideration of this very important problem through unrelated committees.

The Committee on Agriculture and Forestry of the Senate held extensive hearings, which are contained in the volume which is at the disposal of Senators, and listened to expert testimony presented by the War Department, including the Secretary of War and his assistants, and by some persons from outside, who discussed the general question of the production of nitrates and their values, and by some persons who appeared in opposition to the measure.

I think it is fair to say that most of the members of the Committee on Agriculture and Forestry were completely bewildered by the maze of technical testimony having to do with the fixation of atmospheric nitrogen. I know, for one, that after I had listened for many hours to the testimony my ideas and opinions were pretty well confused as to just what the truth was and what the future held in the matter of the development of this most important industry.

When the hearings were finished the members of the committee held some desultory discussions concerning the industry and the disposition of the Government property at and near Muscle Shoals, and, if my recollection is correct—and I am quite sure it is—several members of the committee indicated

their disagreement with some of the provisions of the bill. I was among those who stated the belief that it should be very radically amended before reporting it to the Senate. Later on, however, just before the close of the last session of Congress, the committee decided to report the bill practically as it was. I regret that I was not present that day when the committee decided to report it.

I do not think I am inaccurate when I say that the Committee on Agriculture and Forestry has given very little consideration to the structure of this piece of legislation. Certain phases of it were discussed in the most casual and brief manner, and it was perfectly apparent that many members of the committee believed that it was susceptible of vast improvement; but no concerted effort was made in the committee to improve it or amend it in the slightest degree. It was reported practically as introduced, and is before the Senate in that form.

At the time the committee reported the bill I informed several of my colleagues upon the committee that I had hoped to offer amendments, and certainly I would do so when the bill was taken up in the Senate; and I was informed by some of my colleagues on the committee that they, too, expected to offer amendments, and that the committee's action did not forestall such action on the part of individual members.

A study of this volume of hearings is a pretty difficult undertaking. Like many hearings, the topics are not discussed in sequence, and a discussion of strictly practical business problems is interwoven with a discussion of such technical elements in this situation that it is hard for anyone to start at the beginning and read through the 500 pages and form a real judgment when he finishes. I find, however, that in the House of Representatives the so-called Graham committee examined into this Muscle Shoals situation and discussed at some length the proposals of the War Department as reflected in this bill; and the report of that committee, which is No. 998 of the House of Representatives, Sixty-sixth Congress, second session, I recommend to the attention of Members of the Senate, for it is far more compact and understandable than the hearings which were held before the Committee on Agriculture and Forestry of the Senate.

Now, let us see what has given rise to this problem and to this proposed legislation.

Back in 1916, when the national defense act was under discussion on the floor of the Senate, an amendment was offered, I think by the Senator from Alabama [Mr. UNDERWOOD]—perhaps I am mistaken as to that——

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Alabama?

Mr. WADSWORTH. I do.

Mr. UNDERWOOD. I will say to the Senator from New York that I was heartily in favor of the amendment and proposed a similar amendment, but I do not want to take the credit of the amendment that was actually adopted. It was offered by the Senator from South Carolina [Mr. SMITH].

Mr. WADSWORTH. I was mistaken, then.

Mr. UNDERWOOD. But I was heartily in favor of the amendment as offered, and should have been glad to be responsible for it, although I was not.

Mr. WADSWORTH. An amendment was offered to the national defense act of 1916 on the floor of the Senate by the Senator from South Carolina [Mr. SMITH]. It became section 124 of the national defense act as finally passed, and it appropriated the sum of $20,000,000 for the purpose of erecting a dam or a series of dams, I think not to exceed three in number, in the Tennessee River at Muscle Shoals in northern Alabama.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. WADSWORTH. I do.

Mr. SMITH of South Carolina. I hope the Senator will get that part of it correct. The bill which I introduced, and which finally became an amendment to the national defense act, was a bill to appropriate $20,000,000 for the purpose of erecting these plants or developing the power wherever, in the judgment of those charged with the responsibility, it was thought best. No specific place was designated in the bill at all.

Mr. WADSWORTH. Yes; that is quite true.

Mr. SMITH of South Carolina. And it limited to three or four, I think, the number of sites that the Government might consider under the terms of that bill.

Mr. WADSWORTH. Mr. President, perhaps I have technically misstated the purport of section 124 of the national defense act; but there is not a Senator on this floor who does not know that Muscle Shoals was written between every two lines of the discussion. The whole discussion was on Muscle Shoals, and I do not think I am far from the truth, at least, when I say that section 124 of the national defense act was for the purpose of appropriating $20,000,000 to build a dam in the Tennessee River.

Mr. LENROOT and Mr. SMITH of South Carolina addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. WADSWORTH. I yield to the Senator from Wisconsin.

Mr. LENROOT. And, in that connection, was it not well understand that at that time the American Cyanamid Co. proposed to furnish $24,000,000 and the Government $20,000,000?

Mr. WADSWORTH. It was; and the whole discussion was in and around Muscle Shoals.

Mr. SMITH of South Carolina. Mr. President, the Senator from New York is indirectly impeaching the good faith of another Member of this body. I was the author of the bill.

Mr. WADSWORTH. Surely I have no intention of doing that.

Mr. SMITH of South Carolina. That is exactly what I want to correct; and the Senator can not make that statement in the light of the facts that I am going to give, because I know he wants to be fair.

Mr. WADSWORTH. Certainly.

Mr. SMITH of South Carolina. When I introduced that measure it had been brought to my attention that this country, in case of any kind of involvement in that war, was absolutely dependent upon a foreign source for its supply of explosives. It so happened that the very ingredient that we needed for war was the prime ingredient needed for agricultural purposes. I introduced the bill. There was brought to my attention a certain prejudice against Muscle Shoals. I had not given it very great study, and I, in conjunction with my collaborators on that bill, so worded it and put it through this body in such a manner as to give those having the administration of that law and the execution of its purposes the right to examine the different sites throughout the country. The Senator from Alabama, hoping that the site at Muscle Shoals would be the one that would prevail, attempted here on the floor, as he will bear me out, to get certain amendments that tended in that direction. I, on the floor of the Senate, did everything in my power, and the bill was so worded as to give the department having it in charge the power to examine all other sites and to locate it wherever they thought best.

It is not accurate to say that written between each line of the measure was "Muscle Shoals," or that the intent and purpose of it was to have the plant located at Muscle Shoals. I drew the bill myself, with the cooperation of those who were familiar with the technical terms involved, and did all I could to keep from having a taint about it that it was for and in the interest of the cyanamid company. The fact of the business is that the cyanamid company seems to be the one that is now perhaps jeopardizing this splendid piece of constructive work, and that, even if we fail to pass this bill, some Congress will come that will utilize the resources of this country for the benefit of its people.

I hope the Senator will understand that when he makes the statement here that the bill was conceived and born in a spirit and purpose to put this plant at Muscle Shoals it is not true, because I was the author of the initial legislation that started it and had the support of those who were then prejudiced against locating the establishment at Muscle Shoals. After it got out of my hands and out of the Senate, if certain influences were brought to bear that carried it there, the blame does not lie here; but they took 18 months to decide where to put it. My State bid on certain water powers and offered certain facilities, but it finally was placed at Muscle Shoals, as I understand, because the power there is perhaps superior to any other in the whole country at large.

I think we had better discuss this matter from the standpoint of a national asset, and if there is a sinister influence, then let us view it in the light of what is necessary, rather than say that we are suborned here by outside influences.

Mr. UNDERWOOD. Mr. President——

The PRESIDING OFFICER (Mr. WOLCOTT in the chair). Does the Senator from New York yield to the Senator from Alabama?

Mr. WADSWORTH. I would like to have a chance to answer the question of the Senator from South Carolina [Mr. SMITH].

The PRESIDING OFFICER. The Senator declines to yield.

Mr. WADSWORTH. I yielded for a question, but it seems to me the interruption was a little too long for a question.

Mr. UNDERWOOD. The Senator made a personal reference in this matter, and I simply wanted to make a short statement.

Mr. WADSWORTH. In just a moment.

The Senator from South Carolina [Mr. SMITH] has used the word "taint" and the word "sinister" and the expression "subornation by outside influences." I had not the slightest intention of giving the idea that there was anything wrong about building this dam in the Tennessee River at Muscle Shoals. I was simply giving my recollection of the character of the discussion upon the floor of the Senate when section 124 was under discussion, and that discussion did relate almost entirely to the practicability of building the dam at Muscle Shoals in the Tennessee River, and it was generally understood by the Senate that in all probability, if the legislation was adopted, the dam would be built at that point. I do not think that understanding, or my repetition of that understanding at this time, constitutes any reflection upon the motives of the Senator from South Carolina [Mr. SMITH] or of anybody else. In all probability, for the purposes set forth in section 124, Muscle Shoals was the best place in the United States. I do not criticize it. The Senator from South Carolina is oversensitive. I did not intend to put him on the defensive here; he has put himself on the defensive. I simply mentioned the fact that this legislation started in 1916 with the offering of the amendment to the national defense act appropriating $20,000,000; and perhaps I was not technically accurate when I said for the purpose of building a dam at Muscle Shoals, but I am accurate when I say that it was the understanding that in all probability it would be spent there. That is all.

Mr. SMITH of South Carolina. Mr. President, may I ask the Senator a question?

Mr. WADSWORTH. Certainly. I did not hear any other place discussed.

Mr. SMITH of South Carolina. He has answered his question, and made the last condition worse than the first.

Mr. WADSWORTH. I am doing my best to be pleasant.

Mr. SMITH of South Carolina. If the Senator's memory serves him correctly, every amendment offered on this floor looking toward the very object the Senator mentions was defeated. That is the record of the legislation. There were several amendments offered, and they were defeated in order that the thing might go through, because of the necessity of having this work started in this country. If the Senator will recall the remark he made which called me to my feet, it was that it was written in every line that the purpose and object was to put it at Muscle Shoals. I am not on the defensive. I am simply seeking to keep the record straight. I have nothing to defend. I offered the amendment in good faith, believing then, as I believe now, that it is a wonderful piece of constructive legislation, and the incident in connection with Muscle Shoals is outside of the argument, and it does not do to say here that those who were responsible for the legislation were interested in it with the purpose of carrying the project to Muscle Shoals.

Mr. WADSWORTH. Mr. President, the Senator from South Carolina and myself are not very far apart in our understanding of this situation, and I think we are making a mountain out of a molehill.

Mr. UNDERWOOD. Mr. President, I do not like to interrupt the Senator, and I rose not so much because of the remarks the Senator has made as the remark that came a moment ago from the Senator from Wisconsin [Mr. LENROOT]. I think this matter ought to be tried on its merits.

When the original proposition of the national defense act was before the Senate it was not brought up on the proposal to go to Muscle Shoals, but for the President to select the site. I had no doubt in my mind, I am candid to say, that if they selected the best site, the site that would produce the greatest horsepower at the least expense this side of the Mississippi River they were bound to go to Muscle Shoals. There was no other place for them to go to that had such great horsepower; and knowing that, I was interested, because it is in my State, and I wanted to have it developed. But I wanted the other projects brought out.

But the Senator from Wisconsin [Mr. LENROOT] insinuated a while ago, or said, that the cyanamid company was in some way mixed up in this original proposal. As a matter of fact, I was one of the proponents of the proposition. I did not offer the amendment; it was offered by the Senator from South Carolina [Mr. SMITH], but I collaborated with him, and, so far as I know, there was no idea of the cyanamid company putting up any money or cooperating, except that possibly if the Government thought it had the best patent rights it would buy its patent rights. Somebody's patent rights had to be bought. The Government was not committed to anybody's, but it was expected at the time the national defense act was up that this project could be built and operated for $20,000,000. Of course, we were far wrong in the figures. But it was not contemplated that anybody else should put in any money by those who were the proponents of the measure. I am speaking for myself and, I know, for the Senator from South Carolina.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. WADSWORTH. I yield.

Mr. LENROOT. I had as authority for the statement I made the president of the cyanamid company.

Mr. UNDERWOOD. The president of the cyanamid company is cooperating with the gentleman who is trying to defeat this bill.

Mr. LENROOT. He was not then.

Mr. UNDERWOOD. Of course, I can not be responsible for any statement he makes, but I can say to the Senator from Wisconsin that there was no understanding, no contemplation, on the part of either the Senator from South Carolina [Mr. SMITH] or myself—and we are here in the Chamber—that the cyanamid company was to put up any money or to have any control of this operation.

Mr. LENROOT. That may be; but, of course, the Senator must admit that it must have been known to him, as it was known to us, that at that very time there was a proposition from the cyanamid company to expend $24,000,000 if the Government would expend $20,000,000, upon exactly this kind of a proposition.

Mr. UNDERWOOD. But that was a proposition which had gone over the board.

Mr. LENROOT. I am not speaking of one that had gone over the board; I am speaking of this proposition.

Mr. UNDERWOOD. I must say that it is very strange that the two Senators who proposed the proposition in the Senate never heard of such a proposal being made, and now at this late day the man who is fighting the bill conveys the information to the Senator from Wisconsin.

Mr. LENROOT. I ran across it when I was going over the hearings before the committee.

Mr. UNDERWOOD. I do not know where it comes from. I can state absolutely and positively that I never heard of the proposal of the cyanamid company to put up any money in conjunction with the money proposed to be put up by the Government for this project. More than that, I have never been in favor of it. This project should be controlled absolutely by the Government of the United States in the interest of the people of the United States. That is the position I take.

Mr. SMITH of South Carolina. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from South Carolina?

Mr. WADSWORTH. I yield.

Mr. SMITH of South Carolina. If the Senator from Wisconsin will pardon me, from the beginning of its consideration to the passage of the act no intimation of any owner of any patents, from a legislative standpoint, or from any other, so far as I know, as to cooperation between the Government and the owner of these patents, was ever contemplated by the committee or the proponents of the bill. So far as the information that the Senator may have as to any $24,000,000 was concerned, that was elsewhere. The fact of the business is that the arc process was discussed, a modification of the Haber process was discussed, and the cyanamid process was discussed, and the bill was formulated and passed, and it was left to the discretion of the Government as to where to put it, and what method it would pursue on its own initiative, and with the money furnished by the Government, without cooperation with anybody. So far as the cyanamid people were concerned, they were no more concerned than those who had been operating the arc process or the Haber process.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Wisconsin?

Mr. WADSWORTH. I yield.

Mr. LENROOT. In order that the record may appear as it is, I would like to read a paragraph from the hearings before the committee.

Mr. SMITH of South Carolina. Before what committee?

Mr. WADSWORTH. The Committee on Agriculture.

Mr. LENROOT. This testimony was last year, April 8, 1920. It reads:

> Various departments of the Government in the summer of 1915, followed by certain congressional committees—

I do not know what those committees were; this is his statement:

> Various departments of the Government in the summer of 1915, followed by certain congressional committees, invited the assistance of me and my company in the formulation of some plan by which the

Government might safeguard itself by having an internal source of nitrogen supply in case of war. Out of this invitation eventually grew our recommendation for cooperation between the Government and private interests under which a nitrate plant was to be built at Muscle Shoals and operated by the American Cyanamid Co. The Government was to invest $20,000,000 in hydroelectric power plant and such portions of the chemical plant as would be required exclusively for the processing of military explosives. The company was to provide $24,000,000 for a cyanamid and fertilizer plant and for working capital and was to rent power from the Government at a rate profitable to the Government. In times of peace the company was to conduct its business in the ordinary way by the operation of the cyanamid and fertilizer plant and was to keep the whole plant in readiness to turn into the manufacture of military explosives on short notice.

Then dropping down a paragraph, Mr. Washburn said:

Out of this grew the "nitrate supply" section (124) of the national defense act approved June 3, 1916 appropriating $20,000,000 for establishing a nitrate supply, but—

And here is where Mr. Washburn lost his interest in section 124 of the national defense act:

But with the amendment tacked on that the "plant or plants provided for under this act shall be constructed and operated solely by the Government and not in conjunction with any other industry or enterprise carried on by private capital."

I want to say to the Senator from South Carolina, whatever may have been the situation here, the reason why that amendment was put on was because of the understanding had with some of the representatives of the Government that the American Cyanamid Co. was to construct the Muscle Shoals plant and the Government put in $20,000,000.

Mr. SMITH of South Carolina. I would like to state to the Senator, if the Senator from New York will allow me, that the amendment was handed to me and was incorporated in the measure for the very reason, as I have stated, that from the beginning of the legislation to the end of it we were safeguarding the American people, so that it would be a Government function and not be divided up with anyone, and I want to state here now that what the Senator has read from Mr. Washburn's testimony is the first time I have ever heard it intimated, either from Mr. Washburn or anybody else. I was not present at the hearing before the committee; I had not returned at the time of this particular hearing. Mr. Washburn was there one day afterwards, I think, but did not testify. That is the first time I heard it intimated. He did not approach me, as the author of the bill, with any such proposition, and I do not believe he approached any other members of the committee with any such proposition, and that statement of his in that connection is absolutely out of his imagination, unless he approached other Members of the Senate, which I do not believe they would have allowed him to do unless it had been brought to the committee.

Mr. LENROOT. Mr. President, of course in the very beginning I acquitted myself of any intention of reflecting upon either of the Senators. But if the Senator will investigate this matter he will find that the recommendations from the administrative side of the Government came from this source, whatever may have been his connection with it, and the Senator will remember that it was to be left to these same administrative officers as to where the plant should be located.

Mr. SMITH of South Carolina. I admit that. You have to leave it to some one. The Senate can not go out and pick the place itself.

Mr. LENROOT. So everyone knew it was Muscle Shoals, as the Senator from New York has said.

Mr. SMITH of South Carolina. Mr. President, of course it is very easy for us to draw conclusions, and a great many innocent people have been hung on circumstantial evidence when they were absolutely innocent. I myself, and probably the Senator from Alabama [Mr. UNDERWOOD], felt that Muscle Shoals, in the Tennessee River, when it came to a question of horsepower, was capable of developing greater power than any other plant we could get.

But even now, if the Senator will allow me—and I will take my own time hereafter to say what I have to say on this matter—it does not make a particle of difference whether it is at Muscle Shoals or where, the country stands in need of it. It is up to us, if there is any sinister work being done, anything that looks toward jeopardizing the great enterprise of the Government, to eliminate it; and if the cyanamid process was the most available at that time, in spite of what may have been done preceding it, it was our duty to accept it and use it if it was necessary in the prosecution of the war. But we have a proposition here now to utilize a $85,000,000 expenditure of the Government for a beneficent purpose.

Mr. WADSWORTH. Mr. President, as I was about to say, this legislation had its beginning in section 124 of the national defense act, which appropriated $20,000,000 for the building of dams and other structures for the purposes of manufacturing nitrates through the process known as atmospheric fixation.

Various powers were given to the President under section 124, which I am going to refer to later, but as the result of section 124 the Government later on, under the direction of the President, proceeded with the construction of a dam at Muscle Shoals.

In the report of the Graham committee, to which I have already referred, the expenditures thus far made at Muscle Shoals by the Government are set forth in very compact form, and I think I will read them into the RECORD. The number of items is not long. Under the heading "Already expended in Muscle Shoals territory," we find the following:

The Wilson Dam, $13,170,000.
The Waco quarry, $60,000.
The Alabama Power Co., $5,167,277.
The United States nitrate plant No. 1, $12,152,636.
The United States nitrate plant No. 2, $69,985,221.

Making a total thus far expended, or rather expended up to the time this report was made, which was May 18, 1920, of $100,535,135.

Mr. THOMAS. Mr. President, may I ask the Senator if, connected with that statement, there is any report of the extent toward completion that has been accomplished?

Mr. WADSWORTH. In various parts of the testimony taken before the committee, and particularly in the report, we do get an estimate as to the degree of completion in each of the subdivisions of the general project.

Mr. THOMAS. I wish the Senator would read that into the RECORD also.

Mr. WADSWORTH. Perhaps the Senator will permit me to read further from the Graham report as to the contemplated expenditures for the completion of the project.

Completion of the Wilson Dam, $12,000,000; for fertilizer factory under the Glasgow plant, $12,500,000; for Dam No. 1 at Muscle Shoals, $2,455,600; for Dam No. 3 at Muscle Shoals, $12,033,170; for Waco quarry and other works, $1,250,000; making a total of contemplated expenditures of $40,000,000, which, added to the $100,000,000 already expended, will bring the investment of the American people in this project up to the figure of $140,773,000.

Mr. GRONNA and Mr. LENROOT addressed the Chair.

The PRESIDING OFFICER. Does the Senator from New York yield; and if so, to whom?

Mr. WADSWORTH. I yield to the Senator from North Dakota.

Mr. GRONNA. Perhaps the Senator gave the name of the party from whose testimony he is reading?

Mr. WADSWORTH. This is from the report of the Graham committee of the House of Representatives.

Mr. GRONNA. It is just a summary. It is not the testimony of any one particular person?

Mr. WADSWORTH. This is taken from the testimony of the Army engineers who are working on the dams, the testimony of the Ordnance Department officers as to how much money has thus far been expended upon the nitrate plants themselves, and the testimony or the estimates of those officers as to how much more will have to be spent before the project is completed. The total expenditure, including that which has already been expended, will be, as I said, $140,000,000.

Mr. LENROOT. Will the Senator give again the estimate of completing the Wilson Dam?

Mr. WADSWORTH. Twelve million dollars.

Mr. LENROOT. I wish to state to the Senator that I hold in my hand a letter from the engineer in charge of the work which gives an estimate of the total cost as $50,000,000, which will require an appropriation of $33,000,000 more for that purpose alone.

Mr. WADSWORTH. There is no doubt about it that the estimate of May, 1920, is somewhat out of date, but I am using the most conservative figures. Since then the Army engineers have given it as their opinion that the Wilson Dam, or perhaps it is a combination of the Wilson Dam and Dams No. 1 and No. 3, will cost $50,000,000. In any event $140,000,000 is a conservative estimate of the amount of money that the taxpayers will have put into the project.

Mr. POMERENE. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Ohio.

Mr. POMERENE. I am very much interested in the figures which the Senator from New York has given. As he has stated, they are taken from the so-called Graham report. This matter has been under consideration by the Committee on Agriculture and Forestry for a considerable time. They have had very exhaustive hearings. The Senator from New York has just stated that the views therein expressed on various branches of the subject are rather confusing, if not contradictory. Has the committee itself made any estimate as to the probable cost of the project if it were to be completed as contemplated?

Mr. WADSWORTH. No; we have not. We simply had to take the figures given to us by the Government's own representative.

Mr. POMERENE. There has been no report furnished by the committee, as I understand, and I have been trying to gather some light upon the subject. I confess that I have been a good deal confused as to just what I ought to do in the matter. It does seem to me that it would have aided us all in coming to a conclusion if there had been a report as to the wisdom of continuing the project, as to its probable cost, as to its probable output, as to the benefits to be derived. I confess I am very much disappointed that we have not the benefit of the views of the committee, I care not whether it be a majority report or minority report. It would help me very materially in coming to a conclusion as to whether I shall vote for it or against it, if I had the judgment of members of the committee who heard the testimony.

Mr. UNDERWOOD. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Alabama.

Mr. UNDERWOOD. The Senator from New York seems to be in doubt about the figures with reference to the dam. If he would like to have the RECORD state what I think I can assure him is the fact, as it comes from a source which I am sure he is willing to take, I will be glad to put it in at this time.

Mr. WADSWORTH. I will be very glad if the Senator would do so.

Mr. UNDERWOOD. About two or three weeks ago I had a talk with Mr. Hugh Cooper, a noted engineer who built the Keokuk Dam and who is consulting engineer on this dam. He told me that to complete this dam as a whole, with a horsepower of between 400,000 and 500,000, would cost $50,000,000, but that about $8,000,000 of that would be taken up in putting in machinery that was not necessary for the operation of the nitrate plant, and would not be necessary to put in now or hereafter unless the Government desired to sell that surplus power; that there are about $2,000,000 more of incidental matters that would come out in that event, which would leave the present cost of the dam, the immediate cost for the purpose of operating the nitrate plant, $40,000,000, of which $17,000,000 has been allocated. That is an accurate statement of what Mr. Cooper said to me, and he is consulting engineer on the dam, so I think that it is substantially correct.

Mr. SMOOT. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Utah.

Mr. SMOOT. While we are considering these estimates I think it fair to call attention to the estimates that were given to the Senate at the time the first legislation was proposed and when we acted upon it. I have them here, and I will call attention to one item now on plant No. 1, which is under discussion. This is the original estimate that was given by the nitrates supply committee——

Mr. THOMAS. Mr. President, may I ask the Senator from Utah if he will not in the same connection give us the original estimates of the cost of the entire enterprise?

Mr. SMOOT. I have not those figures in tabulated form, and perhaps it would take too long for me to state them now, but I will do so before the discussion ends.

As I was about to say, the original estimate for nitrate plant No. 1, Sheffield, Ala., was that it would cost $3,000,000. That was the estimate given to us when we were asked to pass the legislation. The complete cost of construction up to December 31, 1919, of the No. 1 plant, at Sheffield, Ala., was $12,689,676.99.

Mr. POMERENE. What was the date of the first estimate?

Mr. SMOOT. The first estimate was in 1916; I think about April or May. Taking the estimates which are given out here, and if they are only half correct as compared with the estimates that were given in 1916, the Senate can see what this is going to mean to the Government of the United States. I wanted to call this to the attention of the Senate, as the question had arisen at this time.

Mr. WADSWORTH. Whatever our estimates may be, we can be absolutely certain that the sum involved is huge. I think it will be found that $140,000,000 is a conservative estimate for the completed project.

This amount of money, as I said, has been invested by the taxpayers of the United States in and about Muscle Shoals and Sheffield, Ala. The legislation which is before us seeks to set up a corporation whose stock shall be owned entirely by the United States Government; in other words, a United States corporation, and to turn over to that corporation all this property and to launch that corporation into a commercial undertaking. First, let me call the attention of the Senate to some of the features of the structure of the corporation itself. This was one of the things that was very casually discussed in the Committee on Agriculture and Forestry, but nothing was done. Senators will note on the first page of the bill that the Secretary of War is authorized and empowered to designate an organization committee of five persons, who are to draw articles of incorporation and, I assume, the by-laws and various other matters preliminary to the final launching of the corporate enterprise. There is no check whatsoever upon the Secretary of War as to who he shall choose, whether they shall have experience of any kind whatsoever. Not even the President of the United States is to have anything to say about it.

That organization committee having finished its work, the corporation is launched. We notice on page 3 of the bill that the corporation shall be conducted under the supervision and control of a board of directors consisting of not less than 3 nor more than 11 members, to be appointed by the Secretary of War—no one else is to have anything to say about it—and that the directors so appointed shall hold office at the pleasure of the Secretary of War. They may be put in and put out of office at his pleasure. He will thus have absolute control of assets worth $140,000,000 of the people's money.

Now, Mr. President, I think if the Government is going to go into an enormous undertaking of this kind—and at a little later period I will enlarge somewhat upon the ramifications of the proposal, because I think very few Senators here realize how far it is proposed to go—I think the President of the United States should have some say, and mayhap the Senate of the United States might well confirm the directors upon appointment or nomination by the President.

Then, as a matter of principle, I think it is bad policy to place in the hands of the War Department a strictly commercial enterprise. Senators will notice on the last page of the bill, page 12, line 3, this languge:

> The Secretary of War may appoint any officer of the War Department * * * as a director of the corporation.

That means that soldiers in the Army are to be detailed from their profession as soldiers and made directors of a commercial corporation engaged in the manufacture and distribution of fertilizer ingredients. I think that is a prostitution of the functions of the Army, just as much as it is a prostitution of the functions of the Army to have Army officers running canal boats on the barge canal of the State of New York. The Army has no business taking part in such enterprises. The Army is supported by this country in the interest of the national defense, primarily for the purpose of fighting or of training those who must be called upon in time of great stress and emergency to defend the country. I have presented on this topic an amendment which strikes the Secretary of War out of this equation entirely and substitutes the Secretary of the Treasury, and also strikes out the paragraph on page 12 which would permit officers of the War Department being named directors of the corporation and receiving salaries for being such directors.

Mr. President, let us examine for a moment the capitalization features of the corporation. This matter was also discussed very casually and very briefly by the committee, and varying opinions were expressed, but nothing done. We read on page 8 of the bill:

> The capital stock of the corporation shall be divided into two classes, to be known as common and preferred. The common stock shall be without par value. The company shall have no power to issue stock except that issued to the United States under authority of this act.

Then, after providing for the method of taking up the properties to be turned over to the corporation and various ministerial acts to be performed by the Secretary of War in the execution and delivery of certificates, we find on page 9 the meat in the coconut of the capitalization feature. Beginning in line 11, on page 9, the bill reads:

> The corporation shall have the power to issue and sell preferred stock in any amount not to exceed $12,500,000, of a par value of $100 per share, such stock to be entitled to 5 per cent dividends.

That last line is the only line in the whole bill which would seem to impose any obligation upon the corporation to make any money, and all that it is required to do—and it is only a moral obligation—is to make 5 per cent on a capitalization of $12,500,000, although the people of the United States will have put $140,000,000 into this project when it shall be completed. To my mind, Mr. President, a proposal of that kind is astounding, and that is the criticism I have had against this bill from the beginning—the capitalization feature.

The bill a little later on, in its original print, provided for an appropriation of $12,500,000 out of the Treasury of the United States, that sum being deemed necessary to put in a state of completion plant No. 2, the great cyanamid plant at Muscle Shoals, and equip it to turn out ammonium sulphate, which is useful as an ingredient in fertilizers. The committee being somewhat desperate about the amount of money involved here, and hearing that the United States Government, through the War Department, had a reserve supply of Chilean nitrate

on hand to the extent of 300,000 tons, consulted with the Secretary of War and the Chief of Ordnance, and finally came to an understanding that 150,000 tons of that reserve supply could properly be sold in the open market, and that it would fetch $12,500,000, the committee thereby consoling itself that that would not amount to an appropriation. Of course, it is an appropriation, only it is done with the left hand instead of the right, for the people have paid for the nitrate and when it is sold, of course, the money is gone.

It was estimated that 150,000 tons of Chilean nitrate at the time we were discussing this subject would upon the market bring $12,500,000. Therefore the committee amendment, which starts at the bottom of page 9 and extends over onto page 10, was added to the bill. While it is true that it does not limit the amount of the reserve supply of Chilean nitrate which is to be sold, the clear understanding was that one-half of it should be sold and that it would bring the amount I have indicated. It so happens, however, that since those conversations and since those efforts at high finance the value on the market of Chilean nitrate has shrunk 40 per cent, so that in order to raise $12,500,000 by the sale of nitrate, instead of selling 150,000 tons we shall have to sell 240,000 tons, and the reserve supply of Chilean nitrate upon which the Government would have to fall back if any sudden emergency involving hostilities arose would be reduced to 60,000 tons. In other words, if we reduce our reserve supply of Chilean nitrate to that extent, to the extent which will be permitted by this committee amendment, for the amendment does not limit the sale, the United States could probably fight a war for about three weeks, certainly not more than that. So it will be found that we have to revise our figures if it is intended to sell any of the reserve supply of nitrate.

Of course, the honest, straightforward, manly thing to do is to appropriate $12,500,000 from the Treasury and let everybody know that is what is being done, because we have got to spend that amount of money anyway; we can not camouflage it; we can not deceive sensible people.

Mr. THOMAS. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Colorado.

Mr. THOMAS. If the market price of Chilean nitrate continues to fall, then, in order to secure the $12,500,000, it may be necessary to sell our entire supply of that material?

Mr. WADSWORTH. Yes; and to send to Chile for more.

Mr. THOMAS. We could put an embargo upon the importation of any more.

Mr. WADSWORTH. The market does show every evidence of going downward steadily, and, of course, that is a matter of rejoicing for every man who is interested in agriculture.

Mr. LENROOT. Mr. President——

The PRESIDING OFFICER (Mr. UNDERWOOD in the chair). Does the Senator from New York yield to the Senator from Wisconsin?

Mr. WADSWORTH. Yes.

Mr. LENROOT. Under the language of the bill as it now stands, I should like to ask the Senator if they did not sell any nitrate whether there would not be a legal obligation on the part of the Government to make an appropriation for the $12,500,000?

Mr. WADSWORTH. There is no doubt of that; in other words, the $12,500,000 is going to come out of the pockets of the taxpayers in one form or another, and it amounts to an appropriation, whether it is done by selling the stock of nitrate on hand or appropriating the money anew.

I realize perfectly well that a great plant, such a plant as No. 2 at Muscle Shoals, could not have been built in time of war at normal prices.

As we all know, the price of all materials and labor went sky-high during the war, and the Government, I presume, under the most skillful management could not avoid vast expenditures, particularly as the emergency overtook us absolutely unprepared. So I would not urge upon the Senate that this business corporation which we are about to set up should be required to earn dividends upon the entire investment. I think that would be asking too much; but I do think it is fair to the taxpayer that a corporation such as this, free from taxation, local, State, and national, and from many other burdens which private industry must of necessity carry, should be required, if it is to go into commercial business in competition with private citizens, to earn dividends upon a reasonable capitalization. If we are to adopt any other policy and are to embark upon projects like this—and this may be merely the first—and hand over to Government agencies vast properties belonging to the taxpayers and then say to the governmental agency, "Go out into commercial business and sell goods the best way you can, but you need not make any dividends upon the taxpayers' money," it will simply mean that private industry will be utterly destroyed, for it will not be possible for private industry to compete under such circumstances.

Mr. POMERENE. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Ohio.

Mr. POMERENE. I have not been able to follow the Senator's argument in its entirety, but I was struck by one feature at least of this particular bill, so far as its corporation provisions are concerned. It is true that it provides for the issuance of $12,500,000 of preferred stock, which I take it is to represent the value of the property which is to go into this venture; and then it provides for common stock of no par value, without even suggesting how many shares shall be issued.

Mr. WADSWORTH. That is exactly correct.

Mr. POMERENE. There is nothing in the report of the committee——

Mr. WADSWORTH. There is no report of the committee.

Mr. POMERENE. There is nothing here to tell us what the value of the property is, and I myself do not know what value to place opposite the no par value shares. I should like to have this matter straightened out in some way. Certainly, if shares of no par value are to be issued, we ought to be advised as to the number of those shares, and we ought to be advised as to what the value of the property is which is represented by that number of shares. There is nothing here to give us any light on that subject at all.

Mr. SMOOT. Mr. President, will the Senator from New York yield to me for a moment?

Mr. WADSWORTH. I yield.

Mr. SMOOT. The Senator from Tennessee [Mr. MCKELLAR] in his remarks yesterday told the Senate that if the Government did not proceed with this enterprise and spend the money for the completion of the plants they would be forced to sell them, and there would not be realized more than $3,000,000 or $5,000,000 for the $88,000,000 which the Government has already expended.

Mr. POMERENE. That is one of the subjects upon which I should like some light. I should like to know whether there is a plant there now worth $100,000,000, or $50,000,000, or $25,000,000, or what it is worth. I should like to know what the prospects of success are; I should like to know whether the committee desires us to develop the Haber process or the cyanamid process or some other process that may be in the minds of chemists. I do not know anything about that.

I am very much impressed with the necessity of having nitrates. I have had correspondence with some of the fertilizer companies in my State, and they assure me that we are already producing in this country more fertilizer than we need, and that they can take care of the demand. I was ungracious enough to call their attention to the imports which we have been receiving from Chile for the last seven or eight years, the high prices we have to pay, the fact that we have to pay export duty to the Chilean Government, and to a number of other matters, and I could not reconcile those facts with their statement that we were producing here all of the fertilizers we needed. I confess that when I approach a proposition of this kind I should like to vote upon it with some degree of intelligence at least.

Mr. WADSWORTH. Mr. President, may I say to the Senator from Ohio that he can get more information out of the Graham report on the very matter that he is talking about than he can get out of the entire hearings before the Agricultural Committee.

Mr. POMERENE. I want to pay Congressman GRAHAM the compliment of saying that I read his speech the other day with a great deal of interest. I, of course, assume—and no doubt that is the case—that he stated the facts just as he saw them. I could not believe otherwise with regard to a man of his standing in the House; but I should just like to have the judgment of the members of this committee, whether they are united or not, and I am frank to say that my mind has been going in the direction of asking that this matter be referred back to the committee with a view of getting the result of their matured study of this subject in concrete form. I do not know whether that is the right course to pursue or not.

Mr. WADSWORTH. The Senator from Ohio threatens to impose quite a task upon the committee.

Mr. HEFLIN. Mr. President——

The PRESIDING OFFICER (Mr. MCKELLAR in the chair). Does the Senator from New York yield to the Senator from Alabama?

Mr. WADSWORTH. I should like to proceed, Mr. President. I will yield for a question to the Senator from Alabama.

Mr. HEFLIN. I was going to suggest to the Senator from Ohio that he read the speeches, in reply to Mr. GRAHAM, by Mr. GARRETT, of Tennessee, and Mr. ALMON, of Alabama.

Mr. POMERENE. I read Judge ALMON'S address, and he presents in a very forceful way the need of fertilizer. I read the speech of Congressman BANKHEAD, the son of our late lamented colleague here, and I was particularly impressed with the report of the Ohio experimental station at Wooster with regard to the need of fertilizer, the value of it, even viewing it from the standpoint of labor saving. All of those things interested me very much and impressed me with the necessity of having some nitrate plant; but while I do not want to reflect upon my good brethren here who sit on the Agricultural Committee, I think they could have helped us all very materially in coming to a satisfactory conclusion if they had given us their conclusions as to some of the ultimate facts, and if they will give me the facts I will at least try to come to a conclusion that will satisfy myself.

Mr. SMITH of South Carolina. Mr. President, if the Senator from New York will permit me, I just want to state that in my own time I am going to give my side of this proposition as to a report being made by the committee and the circumstances which perhaps caused no report to be made. This bill has had a curious introduction into the Senate and into the committee and is having a very curious treatment by its parent on the floor.

Mr. POMERENE. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Ohio?

Mr. WADSWORTH. Just a moment, if you please.

The PRESIDING OFFICER. The Senator declines to yield.

Mr. POMERENE. Very well.

Mr. WADSWORTH. I am not going to get half as incensed at the Senator from South Carolina for that last remark as he did a while ago against me. I have already explained my connection with this measure, and he knows as well as I do that from the very beginning I have criticized it. He also knows as well as I do that the bill was reported from the committee when I was absent and was later made the unfinished business of the Senate while I was absent, so therefore I have lost all rights of parentage.

Now, Mr. President, may I resume for a moment the discussion of the capitalization features, which I was discussing a moment ago?

Yesterday I offered an amendment which was printed and lies upon the desks of Senators, to which I want to refer. In fact, I shall read it. It is not long. I do not boast that it is perfect. My only claim is that it is a desperate effort on my part to see to it that if this corporation is to go into business it shall go into business on business principles; for the bill as drafted in its capitalization features is the most sketchy piece of legislation, of financial structure, that I have ever encountered, and is uneconomic from top to bottom.

Mr. President, the amendment which I have offered provides as follows:

> The capital stock of the corporation shall consist of 200,000 shares of common stock of the par value of $100. The corporation shall also issue an amount of 20-year bonds bearing interest at the rate of 5 per cent per annum, equivalent to one-half of the total expenditure of the Government, in constructing and acquiring the properties to be transferred to the corporation under this act, and in addition bonds of like character of a par value equal to the full cost of the completed hydroelectric installation at Muscle Shoals if and when transferred to this corporation.

I said a moment ago that I did not think it would be fair to this corporation to require it to earn dividends upon all the money spent thus far by the taxpayers, because that money was spent under abnormal and peculiar conditions. One hundred million dollars has been spent by the taxpayers. My proposal is that $50,000,000 of bonds be issued by this corporation to cover the $100,000,000 of expenditure thus far made, and that the corporation be required to pay interest annually at the rate of 5 per cent on that $50,000,000 of bonds. Now it is estimated that the taxpayers are going to spend another $40,000,000. In other words, $40,000,000 of new money must be invested in this enterprise before it becomes a going concern. Upon that $40,000,000 I propose that the corporation, which is to use that enormous asset belonging to the people, shall earn 5 per cent in the way of interest upon a like amount of bonds.

Mr. SMOOT. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Utah?

Mr. WADSWORTH. I yield.

Mr. SMOOT. Does the Senator provide in his amendment—I have not had a chance to read it yet—for taking care also of the additional expenditure, estimated at $28,336,240?

Mr. WADSWORTH. I did not understand the Senator.

Mr. SMOOT. Does the Senator's amendment provide for the issuing of bonds not only for the $40,000,000 to which he has referred——

Mr. WADSWORTH. That is just an estimate.

Mr. SMOOT. But also for the $28,336,240 that it is shown will have to be expended before this plant is complete, or, in other words, making $169,110,000 altogether?

Mr. WADSWORTH. Mr. President, my amendment provides that to cover the money already spent on this project bonds shall be issued to the extent of 50 per cent of that expenditure——

Mr. SMOOT. That will be $50,000,000.

Mr. WADSWORTH. And that for all money to be spent or invested in the future bonds shall be issued at 100 cents on the dollar of expenditure.

Mr. SMOOT. That will take in the $40,000,000 and also the $28,000,000?

Mr. WADSWORTH. It will take in whatever other expenditures are made in putting this corporation into business.

Mr. SMOOT. And also the increase of actual cost over what the estimated cost will be, which is likely to be another $100,000,000?

Mr. WADSWORTH. One can not tell what it will be.

Mr. McCUMBER. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Dakota?

Mr. WADSWORTH. I yield.

Mr. McCUMBER. Does the Senator regard the present structure, with all its rights and all its appurtenances, as worth actually $50,000,000?

Mr. WADSWORTH. My opinion of it is not expert. I suppose it is; yes.

Mr. McCUMBER. Could it be sold to any company or to any corporation for $50,000,000 for the purposes for which it is intended?

Mr. WADSWORTH. If the company or corporation were clothed with the powers with which this corporation is to be clothed, it could be sold for $200,000,000.

Mr. McCUMBER. That is, if it were exempted from taxation?

Mr. WADSWORTH. If it were exempted from taxation and clothed with the right to condemn property right and left, to do anything anywhere and anything in any connection with nitrogenous products, it is worth $50,000,000, and much more; there is no question about it.

Mr. McCUMBER. And the right to call upon the Treasury for any deficit?

Mr. WADSWORTH. Yes.

Mr. KENYON. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from Iowa?

Mr. WADSWORTH. I do.

Mr. KENYON. Were not some recommendations made in the report of the Graham committee as to the Attorney General proceeding to recover back some of this money that has been wasted in the construction of this plant?

Mr. WADSWORTH. I am not sure. I have not read it all, I can not answer that question.

Mr. KENYON. Has the Senator read the Graham report in full?

Mr. WADSWORTH. Not all of it.

Mr. KENYON. It is the history of perhaps the worst financial orgy that has ever been carried on in the way of thieving and stealing from the Government. I hope that in some way some of this money will be recovered back by the Attorney General.

Mr. WADSWORTH. Mr. President, my amendment as to the capitalization features then proceeds to deal with the common-stock end of the capitalization, and reads as follows:

> The corporation shall have the power to issue and sell common stock in any amount not to exceed $20,000,000 of a par value of $100 per share representing the actual cash still available for the project and the moneys appropriated in this act.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER. Does the Senator from New York yield to the Senator from North Dakota?

Mr. WADSWORTH. I do.

Mr. GRONNA. The Senator has been interrupted so much that I really do not like to disturb him. I was a member of the Agricultural Committee which considered this bill, although I was not present when it was reported out; but that does not relieve me from any responsibility.

I am in favor of the bill. I do not say that we should not amend it, but so far as the capital stock is concerned the Senator from New York will hardly insist on his amendment that we should capitalize this plant for $50,000,000, because he knows that the greatest authority on this question—and I might just as well say who it is, Mr. Washburn—when he ap-

peared before our committee stated specifically when he was asked by the Senator from Wyoming [Mr. KENDRICK] what the value of this plant was, and whether or not it could be sold, that he did not believe it could be sold at all at this time. Is it not unfair for us to try and fix a value on a plant that can not be sold at any price? I want to read a couple of lines from Mr. Washburn's statement. I am just calling this to the attention of the Senate because I know the Senator from New York wants to be fair; he is always fair. I read from the hearings:

Senator KENDRICK. Do I understand you to say that you would have the Government offer it for sale at the time we require it in an emergency, or offer it for sale now?

Mr. WASHBURN. It would be useless, I believe, to offer it for sale at the present time, because no one would buy it.

Mr. President, we are confronted with this situation: We have property here which is practically worthless when offered for sale. If these people who are familiar with the business and interested in nitrogenous projects show that they will not buy them, who is going to take the risk and pay anything whatever for this property? The plants have been built. It was an emergency measure. We had to build them. We commenced the erection of plants in the State of Ohio, at Toledo and at Cincinnati. When they were about a third completed we were obliged to scrap them. Would it be fair because the Government of the United States has invested millions of dollars for us to say that if some one undertakes to go on with those plants we should capitalize them, and include that wasted capital? It is exactly the same condition with this plant No. 2, as the Senator knows. It has no value when offered for sale. We have testimony of the highest authority that it would cost a large sum of money just to keep these plants from going to decay.

Now we are going far afield. I do not say that the Senator's argument is far afield, because that would not be true. But we are going far afield when we take up the entire question of dealing with Muscle Shoals. This bill provides only for $12,500,000, to do what? To complete plant No. 2, or to improve plant No. 2, so that, as the Senator from New York so well said, we can manufacture sulphate of ammonia.

I do not care, as far as responsibility goes; I am willing to assume my share of the responsibility, but it is hardly fair, it is not fair to the Senator from New York, nor to the other members of the committee, to say that we are responsible for all the costs for the entire project. This has nothing to do with the water power at Muscle Shoals whatever. The dam has not been completed; we all know that. Whatever work was done there in the manufacture of explosives was done with steam power, and nobody knows that better than the Senator from New York.

But if the Senator will pardon me again, I simply want to say to him that it would hardly be fair in this bill to say that the capitalization should be $50,000,000, when men recognized as authorities have made the statements to the committee that the property could not be sold at any price; but we are only asking for $12,500,000 in this bill.

Mr. SMOOT. Will the Senator yield?

Mr. WADSWORTH. Certainly.

Mr. SMOOT. It is not only worthless property now, but they want us to put in $150,000,000 more and then that will be worthless, too. The first loss is always the best loss. It is asked that the United States, having lost every dollar it has in, put $150,000,000 more in.

Mr. GRONNA. I realize I have laid myself open to criticism from those who are opposed to the bill when I said it was worthless. It is worthless to the people of the country who do not want to buy it, but it is not worthless to the Government of the United States, because the Government could go in and manufacture explosives.

There has been a great deal of information given with reference to what explosives can be manufactured. The members of the committee who attended the hearings know that no explosives usable as a propellant have been manufactured at Muscle Shoals except at plant No. 2. Cyanamid is not a propellant; is only used as a bursting explosive. But we need bursting material just as well as a propellant, and when I said the other day that we could safely sell a portion of the supply which we have on hand of 300,000 tons, it was, of course, understood, and it was recommended, that this plant should be put into operation so as to increase the supply and go on and manufacture this product, cyanamid, not only sulphate of ammonia, which we are spending money for here in order to put the plant in shape so that sulphate of ammonia may be manufactured at that plant.

Mr. WADSWORTH. Mr. President, in my own time may I ask the Senator a question?

Mr. GRONNA. Certainly.

Mr. WADSWORTH. And I will thank him for his courtesy if he will answer. Does the Senator recollect that the testimony before our committee was to the effect that the cyanamid plant could not be operated at a profit with steam power?

Mr. GRONNA. With profit?

Mr. WADSWORTH. With steam power, the year round. That was my own recollection, but I did not want to be too certain about it.

Mr. GRONNA. I will not be positive; but my impression is that the report of Mr. Roberts, and also of other representatives of the War Department, was to the effect that they could manufacture cyanamid with steam power and could sell it at a price of $37.50 a ton, which was not figuring interest, as the Senator called attention to the other day. There was no interest included in those figures. But they said they could manufacture cyanamid at $37.50 a ton. I believe I am correct in that.

Mr. WADSWORTH. Col. Burns testified that in his judgment ammonium nitrate could be produced with steam power at $99.67 a ton, and ammonium sulphate at $60.13 a ton. That is by steam power.

Mr. WOLCOTT. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from Delaware?

Mr. WADSWORTH. In just a moment. I would like to complete my statement.

Mr. WOLCOTT. I want to call the Senator's attention to testimony that same day by Secretary Baker.

Mr. WADSWORTH. Very well.

Mr. WOLCOTT. Page 997 of the hearings. He testified that while the plant could be operated with steam power, yet it could not be so operated on a commercial basis for the production of fertilizer.

Mr. WADSWORTH. That was my recollection. My point in asking the question was just this: Three years must elapse before the water power is available. This bill proposes to put this plant in operation with steam power, and keep it in operation with steam power for three years at an admitted loss. It can not be run commercially, and if it can not be run commercially it can not turn out the ingredients of explosives to which the Senator from North Dakota refers. That brings us back to the question, Is it safe to sell 240,000 tons of our reserve supply of Chile nitrates, leaving only 60,000?

Now, Mr. President, I had been discussing the capitalization features of the bill for some time, and due to a great many interruptions my discussion has been chopped up into little chunks.

Mr. LENROOT. Mr. President, before the Senator goes on I would like to ask him, under the bill as it stands, this corporation may have the entire Muscle Shoals Dam?

Mr. WADSWORTH. The whole thing.

Mr. LENROOT. With an additional expenditure of $40,000,000. Does not the Senator think that if this is gone into at all this corporation should have nothing to do with the Muscle Shoals Dam, and that they could buy their power from the dam just the same?

Mr. WADSWORTH. That is just the point I am coming to, and I am glad the Senator emphasized it the way he did. Mr. President, I leave for the moment the capitalization features and the formation of the corporation. Let us examine for a moment the powers of the corporation, now that we have it started and capitalized. I call especial attention to subdivision (e) at the bottom of page 5. Commencing on line 20 we find this language:

(e) By direction of the President, to act as his agent in carrying out and performing any or all of the duties imposed upon him by section 124 of the act of June 3, 1916, known as the national defense act, including, after its completion, the operation of the hydroelectric power plant now being constructed at Muscle Shoals, and the use and sale of the hydroelectric power to be developed under authority of the act of June 3, 1916, aforesaid, and the President is authorized, in his discretion, to delegate to the corporation any and all powers and duties conferred or imposed upon him by said act which relate to the production, development, or manufacture of atmospheric nitrogen products, or which are incidental thereto, and to pay into the treasury of said company any unexpended balance out of the appropriation made by section 124 of the act of June 3, 1916, such funds to be used by the corporation for the purpose of said act as amended by this act.

Mr. President, let us look at section 124 of the national defense act, and get some idea of what power this corporation is to exercise when it becomes the agent of the President in carrying out the powers conferred upon the President in section 124. We find in section 124 that the President, among other things, is "authorized to construct, maintain, and operate, at or on any site or sites so designated, dams, locks, improvements to navigation, power houses, and other plants and equipment, with other means than water power, as in his judgment is the best

and cheapest necessary or convenient for the generation of electrical or other power, and for the production of nitrates or other products needed for munitions of war and useful in the manufacture of fertilizers and other useful products."

The President is "authorized to lease, purchase, or acquire by condemnation, gift, grant, or devise such lands and rights of way as may be necessary for the construction and operation of such plants, and to take from any lands of the United States, or to purchase or acquire by condemnation, materials, minerals, processes, patented or otherwise, necessary for the construction and operation of such plants, and for the manufacture of such products."

That power is all to be lodged with this corporation under the terms of this bill. What does it mean? It does not mean that this corporation will be confined merely to the manufacture of ammonium sulphate by the cyanamid process, as is proposed in plant No. 2. It means that this corporation can exercise the power of condemnation over any plant in the United States engaged in the manufacture of any of these products or any product related to them.

Mr. POMERENE. Mr. President, the Senator has been very generous with his time, and I dislike to interrupt him, but I understand that plant No. 1 provides for the Haber process?

Mr. WADSWORTH. It does.

Mr. POMERENE. And No. 2 the cyanamid process?

Mr. WADSWORTH. It does.

Mr. POMERENE. What are we to conclude? Are we to conclude that the one is better than the other or that both are equally good?

Mr. WADSWORTH. I was going to discuss those two things later, but I will say very briefly, right now, that, comparatively speaking, the cyanamid process, I believe, is somewhat out of date. The Haber process is a growing one and the much cheaper of the two. The testimony so states. At the time the plant was started the Haber process had not reached the state of perfection, in this country at least, that the cyanamid process had reached, and so they built the cyanamid plant and made that the big one, because they felt sure they could work the cyanamid process. The Haber process in No. 1 is somewhat experimental.

But my strenuous objection to this bill lies right in this, that we hereby set up an enormous Government monopoly, clothed with power to condemn property of the people of the United States, condemn not only structures, lands, transmission lines, real property and personal property, but even patents and processes. If some individual or group spends years and years studying this question of atmospheric fixation of nitrogen, and is upon the point of developing some new process which bids fair to be successful, this corporation can reach its long arm across the country and take it away. It is so written in this bill reported by the Senate Committee on Agriculture.

Mr. President, it means the end of all research in this industry in the United States. Not a citizen will dare spend his time and money and his brains in an effort to evolve new processes for extracting nitrogen from the air when this Government corporation stands ready to condemn the patent which he may take out covering his process.

Mr. GRONNA. Mr. President——

The VICE PRESIDENT. Does the Senator from New York yield to the Senator from North Dakota?

Mr. WADSWORTH. I yield.

Mr. GRONNA. I confess that I talked this matter over privately with the Senator from New York, and as far as I am personally concerned, speaking only for myself, of course, I do not think this paragraph is at all essential to the bill. To a certain extent I agree with the Senator from New York, that legislation of this sort ought not to be enacted, because I believe that the States have ample laws to protect any industry set up in the States, and if it is necessary to use the law to condemn property it can be done under the State law.

So far as I am personally concerned, I would have no objection to striking out that portion or to amending it.

Mr. WADSWORTH. The trouble is that the section which I have just read, subdivision E, is hopelessly entangled with the whole proposal. We have just learned that we can not run the plant on steam power profitably. It has to be run with water power eventually. This is the section that makes it possible for the corporation to use the hydroelectric power to be generated at the dam, and a law already stands upon the statute books, in the form of section 124 of the national defense act, which prescribes how the power generated at that dam shall be used and how the President can use his powers in connection with the finished dam after the power is put at his disposal. We either have to repeal section 124 and take away from the President of the United States the astonishing powers that section 124 gives him or else accept this proposal.

Mr. GRONNA. I am sure the Senator will admit that the reason we passed that kind of a law at that time was because it was a war measure providing that the President should have the power during the war to condemn any kind of property, whether patents or not.

Mr. WADSWORTH. No; it was passed before the war. It passed 10 months before we went into the war.

Mr. GRONNA. At the same time it was passed with the idea in view that the President should have the authority in case of an emergency or in case of war.

Mr. WADSWORTH. But it did not say that, and now this proposed legislation appears here to put it into practice in time of profound peace. It was passed in time of peace. It clothed the President with astonishing power to reach out his hand all over the country and seize and take by condemnation proceedings any property that in any way was related to the manufacture of nitrates or of fertilizer or other useful products connected therewith. Now, the bill as drafted gives that power to the Secretary of War, who is to appoint and remove directors of the corporation at his pleasure.

Mr. President, I think it is about time to pause in our effort toward establishing tyranny and oppression in this country, to get back with our feet on the ground and decide how much freedom is to be preserved for us.

I happen to know, as every Senator happens to know, that there are a good many people in the United States very seriously considering the matter of increasing the supply of nitrate. Many a concern, in perfect good faith and at the urgent invitation of the United States Government, has built by-product coke ovens which produce as a by-product ammonium sulphate. Under the bill this corporation can take every oven, every one or any one that it pleases. Will we ever get another by-product coke oven built under those circumstances? Who would be fool enough to build one or to invest any money in such an undertaking?

There are persons in the country and some in my own State to-day who have already commenced to build a plant and to install the Haber process, but under the bill this corporation can reach out and take the patent away from them and ruin their plant and pay them what they can get in court. Yet this is said to be a measure in the interest of the national defense.

This measure as drafted and presented to the Senate means the end of the nitrate industry in this country. No citizen will ever engage in it with this thing staring him in the face and the plant, about which we have heard so much in the interest of national defense, on the figures of the Government experts themselves could only turn out enough explosives to keep the American Expeditionary Forces in ammunition for six weeks.

Mr. POMERENE. Mr. President——

Mr. WADSWORTH. I yield to the Senator from Ohio.

Mr. POMERENE. I am right, am I not, in the assumption that at this time the process is protected by patents?

Mr. WADSWORTH. The cyanamid process is protected by patents and the Government to-day is paying a royalty to the American Cyanamid Co., and will continue to do so.

Mr. POMERENE. Of what amount?

Mr. WADSWORTH. I think it is $5 a unit, or $4.50 a ton. The present agreement expires, I think, in 1923, and is to be rearbitrated as to what they shall continue to pay. I think the patents expire in 1930 or 1931, but I am not very certain about that. However, the Government will pay a royalty to the American Cyanamid Co. as long as it uses the patent.

Mr. POMERENE. Is that the company of which Mr. Washburn is president?

Mr. WADSWORTH. It is. That patent apparently is protected by a contract which the Government made with the American Cyanamid Co. at the time it allowed the company to build the plant for it or to supervise the building of it.

Mr. POMERENE. That is, the American Cyanamid Co. superintended the construction of this plant?

Mr. WADSWORTH. Oh, yes; no one else in the United States knew anything about it. That was entirely proper.

Mr. POMERENE. Do I understand it is this Mr. Washburn who says the plant, the construction of which he superintended, is a worthless plant?

Mr. WADSWORTH. That is an entirely different aspect of the bill——

Mr. GRONNA. Mr. President, I used the word "worthless," and I wish to withdraw it. What he said was that it could not be sold at any price; that no one would buy it.

Mr. POMERENE. Then it means that Washburn superintended the construction of a plant which he says can not be sold at any price.

Mr. GRONNA. I may say, if the Senator from New York will permit me—and I say this with kindness, because I do not believe that we could find another man in the United States that would do the work better than Mr. Washburn did—but the Government paid him well for it. The Government of the United States paid all the cost, paid all the help, and then paid Mr. Washburn a million dollars for setting up that plant.

Mr. POMERENE. And the product of his work is worthless.

Mr. GRONNA. I do not say it is worthless.

Mr. POMERENE. I do not mean to say that the Senator from North Dakota says it is worthless; but, to be exact, Mr. Washburn said it could not be sold at any price. That is an expensive luxury.

Mr. WADSWORTH. I think, perhaps, I can clear that up a little bit, although I do not pretend to be an expert in the matter. We have had so many conflicting figures and so many confusing statements that one hardly knows where one stands. This is to be remembered in connection with the assertion that the plant is worthless. I do not think it is meant that it is actually worthless. As a matter of fact, it is tremendously valuable, looking at it from one point of view, potentially valuable when linked up with this proposed corporation and all the other properties which the corporation may acquire by condemnation.

Mr. POMERENE. I should like to make myself perfectly clear. I do not mean to be understood to indorse the proposition that the plant is worthless, but I wanted my remarks to reflect rather upon the judgment of this millionaire, Washburn.

Mr. WADSWORTH. Perhaps I can throw a little light upon that by reading again from the Graham report. This is rather interesting, because it has to do with the future supply of nitrate. On page 69, in the paragraph next to the bottom of the page, we find this language:

> The product of ammonium sulphate in the United States in the year 1916 was 288,000 tons.

That is, manufactured in the United States.

> It increased, until in 1919 we produced 500,000 tons, or approximately 100 per cent increase. It is probable that all the coke ovens in the United States will be converted into by-product ovens within the next 10 years, as they are much more economical of operation and much more efficient. When all the coal now being carbonized in coke ovens is treated in by-product ovens there will be a production of 900,000 tons of ammonium sulphate per year in the United States.

That is more than we use to-day from all sources. When a private individual is invited to bid upon plant No. 2 at Muscle Shoals, the cyanamid plant, which it is proposed shall turn out ammonium sulphate, he has to remember in the back of his mind that the coke-oven industry is going to be a terriffic competitor with him, and that the cyanamid process for the manufacture of ammonium sulphate is the more expensive of the processes employing atmospheric fixation. The American Cyanamid Co. for many years has made cyanamid by atmospheric fixation and has also made ammonium sulphate, just what No. 2 is expected to make. They went out of the ammonium sulphate business because it did not pay to make it by the cyanamid process. They could not compete with the by-product coke ovens. That was the testimony before the committee.

Mr. POMERENE. May I ask the Senator whether the other members of the committee agree with him in that conclusion?

Mr. WADSWORTH. If they understand the English language as I do, they must, because that is what this man said.

Mr. POMERENE. Well, before we vote on the subject, I want to know how many opinions there are on that fact.

Mr. WADSWORTH. I was merely commenting on this phase of it on account of the discussion as to how much the plant was worth. The plant is exceedingly valuable when linked up with the rest of the project and owned by a corporation clothed with the powers which this corporation is to employ under the terms of the bill. It has the power to destroy every person, partnership, or corporation in the United States engaged in the industry, because it can condemn its plant and take it away, and its patents and its processes.

I have not offered any amendment as to this phase of the bill, because I confess that I do not know how to get at it. Section 124 of the national defense act stands on the statute books to-day. It gives power to the President to do all these things. He could go out to-morrow and seize the patents and processes of every person engaged in the nitrate-fixation business in the United States or in the fertilizer business under the terms of that section. He has never done so, because the President as an agent has not engaged in a commercial business. But here we are setting up a corporation which is to go into commercial business and compete with other people engaged in the same business, and the quickest and most effective way for it to compete with them is to take their plants, and it has the power under the provisions of the bill to do that.

Mr. LENROOT. May I say to the Senator that at the proper time I shall offer an amendment striking out this particular subdivision entirely and inserting in lieu thereof an amendment repealing section 124 of the national defense act.

Mr. WADSWORTH. That is one way of reaching the problem. I call the attention of the Senator from Wisconsin, however, to the paragraph at the top of page 5 of the bill, which reads as follows:

> 2. Any other plants or parts of plant, equipment, accessories, or other properties belonging to the United States which are under the direct control of the President or of the War Department, and which the President or the Secretary of War may deem it advisable to transfer, convey, or deliver to said corporation for use in connection with any of the purposes of this act, or for any purpose incidental thereto.

Under that paragraph the President can turn over the Wilson Dam to this corporation; he can also turn over any of the Government powder factories; he can also, again reverting back to section 124 of the national defense act, condemn dyestuff plants, because they also use nitrates and nitrogen products, and turn them over to this corporation. If he can condemn them and once make them the property of the United States under his control, then he can turn them all over to this corporation and launch them into a great business monopoly. The prospect is somewhat staggering.

Mr. LENROOT. I will say to the Senator that if we are going on with this proposition at all it seems to me it would be going far enough if we give the power to this corporation to operate the plant, with authority to purchase such power as the Government may have to sell from the Muscle Shoals Dam, if it ever is completed.

Mr. WADSWORTH. I think the Senator is right, and one of my amendments provides—and more amendments which I shall offer later will carry out the same idea—that this corporation shall be limited to the manufacture of ammonium nitrate, ammonium sulphate, and cyanamid from atmospheric nitrogen.

Mr. GRONNA. But suppose that the Government of the United States should find it cheaper to manufacture by some other process; for instance, the arc process for making nitric acid?

Mr. WADSWORTH. I do not propose to limit the process.

Mr. GRONNA. Would the Senator prevent the Government adopting some other process which was far better and cheaper?

Mr. WADSWORTH. No; I have made no such suggestion.

Mr. GRONNA. Then I misunderstood the Senator.

Mr. WADSWORTH. No; I am going to limit the products, if I can, but not the processes.

Mr. GRONNA. The Senator knows that with the arc process they can make nitric acid, first in liquid form, and through a synthetic process can then make it into a solid, or what is called in Norway norgesaltpetre, or Norwegian saltpeter. That is very important for the Government, and if we are to set up this plant at all that is probably what will be done.

The Senator knows that Dr. Ernest Kilburn Scott—and I regard him as among the highest authorities in the world outside of Dr. Steinmetz and a few other men of our own country—recommended very highly the arc process. I have no choice in the matter of processes. All I want is to frame the law in such form that the Government of the United States can adopt any method and can manufacture any product that it sees fit and any product which is necessary for explosives. As to the Haber process, the Senator will remember that it was stated that nobody knows anything about the Haber process in this country.

Mr. WADSWORTH. I very much doubt that statement.

Mr. GRONNA. That was admitted by experts.

Mr. WADSWORTH. I know there are some people who believe they know so much about it that they are investing their money in it.

Mr. GRONNA. It is possible that they have secured a lease, just as Mr. Washburn has secured a lease from Mr. Frank and Mr. Caro, the Germans who invented the cyanamid process. They ultimately sold it to the Italian Government and the Italian Government is leasing it to Mr. Washburn. However. I make the statement, and the record will bear me out in that statement, that we do not know anything about the Haber process.

Mr. WADSWORTH. Then there are some foolish people in the United States, because there is a company at Syracuse, N. Y., now building a plant for the use of the Haber process, and they have entire confidence that they can make it run and pay, so long, of course, as the Government does not come along and take it away from them.

Mr. GRONNA. It would not necessarily follow that they would be foolish at all; they simply do not happen to know about that particular process.

Mr. WADSWORTH. The Senator said that they did not know anything about the Haber process; that there was nobody in the country who knew anything about it.

Mr. GRONNA. They can secure the aid of people who do know about it. Mr. Ernest Kilburn Scott, who is an Englishman, and was a member of the munitions board of Great Britain during the war and is also one of the greatest engineers in the world to-day, suggested that the Government of the United States should get the information. He said the Germans would be glad to come over here and show us how to set up such a plant. That was his statement.

Mr. WADSWORTH. Nobody objects to the Government of the United States getting information; I am not objecting to that; but I do not see what that has to do with this case. The Government of the United States to-day has a plant at Sheffield conducting experiments in connection with the Haber process. Undoubtedly they will succeed after a while in perfecting it.

Mr. GRONNA. I hope they will.

Mr. WADSWORTH. So do I, for then the taxpayers may get back a little of their money.

Mr. GRONNA. I was speaking of the testimony before the committee, and it was admitted, I think, by Dr. Lamb, of the War Department, that we have not discovered what the Haber process is. It was admitted and stated that the only people who knew anything about the Haber process were the Germans.

Mr. WADSWORTH. The industry is starting in this country; that I know; but, of course, this bill would kill it. No one would dare invest any money in any nitrate industry if a Government corporation could immediately turn around and condemn its patents and processes. My complaint against this bill is that if it goes through in its present form it will kill all development of the nitrate industry in the United States, and I am glad the Senator from Wisconsin [Mr. LENROOT] is going to offer an amendment which will strike out the power of condemnation.

Mr. President, there are one or two other matters in connection with the bill to which I may call the attention of the Senate, but they are not absolutely basically important and did not receive any attention in the committee. I call the attention of the Senate to the fact that all the employees and officers of this corporation from top to bottom are to be outside of the civil service.

Mr. THOMAS. That is the best part of the bill.

Mr. SMOOT. And they are to be paid any salaries which they may desire to be paid.

Mr. WADSWORTH. There is no limitation upon salaries, although the salaries are to be taken out of the funds of the Government of the United States.

On page 11 we find this:

> The United States shall not be liable beyond its stock subscription for any debts, obligations, or other liabilities of the corporation.

That would seem to remove the corporation, so far as possible, from being termed an instrumentality of the United States; but the very next sentence reads:

> The corporation and all of its assets shall be deemed and held to be instrumentalities of the United States.

So we find a situation which appeals to me, as an amateur, as resulting in this, that the corporation is an instrumentality for some purposes, but not for the purpose of paying its debts.

Then we find later on that—

> The directors, officers, attorneys, experts, assistants, clerks, agents, and other employees of the corporation shall not be officers or employees of the United States within the meaning of any statutes of the United States.

Then over on the next page it is provided that the Secretary of War may detail officers of the War Department to this work.

The bill, Mr. President, needs redrafting from top to bottom if it is to carry out the theory on which it is built.

Mr. GRONNA. Mr. President, I think it only fair to state that this bill was first referred to the Committee on Military Affairs and was then, later on, referred to the Committee on Agriculture and Forestry; and, of course, some of the members of the Committee on Agriculture and Forestry felt that the bill having been before the Committee on Military Affairs, and perhaps considered there, was in fairly good form.

Mr. WADSWORTH. The Senator is mistaken. I saw to the reference of the bill when I introduced it, and it went to the Committee on Agriculture and Forestry in the first instance and has never been to the Committee on Military Affairs. However, Mr. President, that is a very small point which I do not mean to emphasize except merely to show that Mr. Glasgow, who drew this bill, is not the great genius he was depicted to be upon yesterday.

REPORT ON PETROLEUM INDUSTRY IN WYOMING.

Mr. NUGENT. Mr. President, on yesterday there was submitted to the Senate a report of the Federal Trade Commission in regard to conditions prevailing in the oil industry of Wyoming. I have been advised that the report is an important one, in which a very considerable number of people are interested, and that the commission is not in a position to have it printed. Accompanying the report is a letter of submittal on the part of the commission, which contains a synopsis of the report itself, and, in order that some publicity may be given to it, I ask unanimous consent that the letter of submittal may be put in the RECORD.

Mr. SMOOT. The document to which the Senator from Idaho refers was referred to the Committee on Printing, was it not?

Mr. NUGENT. It was referred to the Committee on Interstate Commerce. I have merely asked that the letter of submittal be printed in the RECORD.

Mr. SMOOT. How long is it?

Mr. NUGENT. It is comprised in three pages of typewritten matter.

Mr. SMOOT. Very well; I shall not object.

The VICE PRESIDENT. In the absence of objection, the letter will be printed in the RECORD.

The letter referred to is as follows:

LETTER OF SUBMITTAL.

FEDERAL TRADE COMMISSION,
Washington, January 3, 1921.

To the Congress of the United States:

The Federal Trade Commission herewith submits a report on the production, pipe-line transportation, refining, and wholesale marketing of crude petroleum and petroleum products in the State of Wyoming. The facts set forth in this report were developed in the course of an inquiry into the petroleum industry of Wyoming which was made under authority of section 6, paragraph (a), of the Federal Trade Commission act, which gives it power "to gather and compile information concerning, and to investigate from time to time the organization, business, conduct, practices, and management of any corporation engaged in commerce, * * * and its relation to other corporations and to individuals, associations, and partnerships."

The attention of the commission was drawn to the situation in Wyoming by a complaint regarding certain alleged unsatisfactory conditions in connection with the production and sale of crude petroleum marketed under certain contracts in the Salt Creek, Wyo., field. It soon became evident that there were monopolistic conditions in the production, pipe-line transportation, refining, and wholesale marketing of crude petroleum and its products throughout the entire Rocky Mountain section, and the scope of the commission's inquiry was broadened to include such phases of the petroleum business of that section.

Wyoming is now the important crude-oil-producing State in the entire Rocky Mountain region. Its annual production first became important in 1912, when about 1,570,000 barrels were produced, while in 1919 the production was almost 13,630,000 barrels, and in 1920 it will probably have reached 17,000,000 barrels. The only commercial production in other States of this region during the period covered by this report was in Colorado, and that is comparatively small.

The geographic isolation of the Wyoming oil fields with reference to the prolific Mid-Continent and California fields and the absence of pipe-line transportation to large consuming centers makes it necessary for the producer to sell his crude petroleum to local refining companies. The only refineries outside of the State that purchase Wyoming crude are comparatively small ones, which are largely dependent upon this source of supply. These refineries are located in Colorado, Utah, and the Province of Saskatchewan, Canada.

There is greater concentration in the control of the production of crude petroleum in the Wyoming oil fields than in any other field in the United States. The Midwest Refining interests, which, according to admissions of representatives of both the Standard Oil Co. (Indiana) and of the Midwest Refining Co., are now for all practical purposes under the control of the Standard Oil Co. (Indiana), which, together with other Standard Oil companies, now control the bulk of the crude petroleum produced in Wyoming. This control on the part of the Midwest interests has been largely acquired through long-time contracts which expire January 1, 1934. The Ohio Oil Co., a Standard company, has the largest owned production in the State, and in addition to this controls considerable quantities through working agreements. During the period 1917 to 1919 the Midwest interests controlled from 65 to about 69 per cent of the State's production; the admitted Standard interests controlled

from 27 to 29 per cent; together these two interests controlled from about 93 to 97 per cent of the total production.

The Wyoming oil fields are so distant from large consuming centers of refined products that no extensive pipe lines have been built to such points; and the different oil fields in the State are so widely separated that the pipe lines do not form a complete system, but consist of comparatively short lines which connect a single field with a refinery or railroad.

Two companies directly operate practically all of the pipe-line mileage and transport nearly all of the crude petroleum marketed in Wyoming—namely, the Midwest Refining Co. and the Illinois Pipe Line Co., both of which are now Standard controlled companies. At the present time the Midwest Refining Co. owns and controls under lease about 38 per cent of the trunk-line mileage of Wyoming, and the Illinois Pipe Line Co. about 61 per cent, while the two together control practically 99 per cent of the total mileage. During the period 1917 to 1919 these two companies together transported from 97 to 98 per cent of all the crude petroleum marketed in Wyoming.

Although not required to do so by the State law, the Illinois Pipe Line Co. acts as a common carrier and has filed rates for its different lines. These rates compare favorably, in cheapness, with pipe-line rates in other fields.

At the present time the Midwest Refining Co. and its subsidiary, the Utah Oil Refining Co., own and operate 85 per cent of the refining capacity operating on Wyoming crude petroleum, while the Midwest Refining Co. and other Standard Oil refineries operating on Wyoming crude petroleum own and operate 90 per cent of such capacity. During the years 1918 and 1919 the Midwest Refining Co. and its subsidiary, the Utah Oil Refining Co., purchased and refined approximately 94 per cent of all the Wyoming crude petroleum refined excepting that refined in Canada.

With a large proportion of the crude petroleum production in Wyoming controlled by the Midwest Refining Co. through contracts which run until 1934, and with the Ohio Oil Co. and other Standard companies in control of most of the remaining production, the question naturally arises, how can any independent refining company become a factor in this section and what possible opportunity is there for future competition?

The refineries operating on Wyoming crude petroleum have a vast but relatively sparsely settled area in which to distribute their refined products, where there is little or no competition from refineries operating on Mid-Continent or California crude petroleum; but the demand in this territory has not been sufficient to absorb all the products of these refineries. For example, gasoline produced in Wyoming has been sold as far west as Spokane, Wash., and as far east as Des Moines, Iowa.

The Midwest Refining Co., which alone consumed about 86 per cent of all the Wyoming crude petroleum refined in 1919, not including that refined in Canada, has elected to sell its products f. o. b. refinery to marketing companies instead of building up an organization to sell and deliver to retailers and consumers.

The refined products sold by the Midwest Refining Co. since it began operations in March, 1914, have been largely sold to Standard Oil marketing companies. From March 1, 1914, to December 31, 1917, the value of sales to Standard Oil marketing companies constituted about 73 per cent of the total, in 1918 they were almost 89 per cent, in 1919 they increased to 90 per cent, while for the first half of 1920 such sales equaled about 88.5 per cent of the total value of all sales.

The earnings of the Midwest Refining Co. reflect its position in the petroleum industry of Wyoming; the rate of such earnings in the oil business as shown by the company's records increased from 4.4 per cent per annum in the first year to 33.1 per cent in 1919, with an average for the six-year period of 25.7 per cent.

While control of the Midwest Refining Co. has not been admitted prior to 1920, Standard interests have been alleged to have control, particularly since 1917. In that year W. J. Hanna and H. S. Osler, who have been identified with the Imperial Oil Co. (Ltd.), of Canada, a subsidiary of the Standard Oil Co. (New Jersey), bought 110,000 shares, or about 25 per cent, of the stock of the Midwest Refining Co. The reason given for selling this stock was to bring into the management of the Midwest Refining Co. "strong and experienced oil men, whose ability, experience, and influence in the oil world would strengthen the position of the Midwest Refining Co. in its territory and other territories"; and it was stated that these men were "to be put in control of the affairs of the company."

Soon after this a voting trust was organized with H. S. Osler, John Evans, and R. E. Jones as the trustees. John Evans and R. E. Jones have both been connected with financial institutions, while H. S. Osler, the third trustee, was in 1919 one of the counsel of the Imperial Oil Co. (Ltd.), which is a subsidiary of the Standard Oil Co. (New Jersey).

During the present year, 1920, the Standard Oil Co. (Indiana), which has had close business relations with the Midwest Refining Co. since its formation, purchased 203,053 shares, or about 33 per cent, of the Midwest Refining Co.'s stock. This percentage is admitted by representatives of both of these companies to be sufficient to give the Standard Oil Co. (Indiana) practical control of the operation and policies of the Midwest Refining Co.

The commission transmits this report to Congress under the powers granted it by paragraph (f) of section 6 of the Federal Trade Commission act, which authorizes it "To make public from time to time such portions of the information obtained by it hereunder, * * * as it shall deem expedient in the public interest; and to make annual and special reports to the Congress."

Respectfully, HUSTON THOMPSON,
Chairman.

Mr. CURTIS. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 25 minutes p. m.) the Senate adjourned until to-morrow, Thursday, January 6, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, *January 5, 1921.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

In accordance with the directions of the Master who said when ye pray say:

Our Father who art in heaven, hallowed be Thy name, Thy kingdom come, Thy will be done, in earth as in heaven, give us this day our daily bread and forgive our debts as we forgive our debtors and lead us—not into temptation but deliver us from evil. For Thine is the kingdom and the power and the glory forever. Amen.

The Journal of the proceedings of yesterday was read and approved.

CALENDAR WEDNESDAY.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent to dispense with business under the Calendar Wednesday call.

The SPEAKER. The gentleman from Wyoming asks unanimous consent to dispense with the business of Calendar Wednesday. Is there objection? [After a pause.] The Chair hears none.

SUNDRY CIVIL APPROPRIATIONS.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, the sundry civil appropriation bill.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the sundry civil appropriation bill, with Mr. WALSH in the chair.

The CHAIRMAN. The Clerk will report the bill by title.

The Clerk read as follows:

A bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes.

Mr. FREAR. Mr. Chairman, at the time the committee rose last evening I had raised a point of order against the paragraph on the subject of inland and coastwise waterways, on page 65 of the bill. I wish to discuss briefly the point of order, and to say that I do not care to discuss the policy of the expenditure at this time, because I realize that would more properly come under a motion to strike out. But it is such an important question and a new departure that this Government is taking that I think it ought to be fairly brought before the House now. If it is subject to a point of order, as seems to me probable, it ought to be decided before we pass on to any question of policy. But the law on this subject, with which no doubt the chairman is familiar, seems to be covered by subdivision (c) under the law of interstate and foreign commerce, in which it says:

(c) The Secretary of War is hereby authorized, out of any moneys hereafter made available therefor, to construct or contract for the construction of terminal facilities for the interchange of traffic between the transportation facilities operated by him under this section and other carriers whether by rail or water and to make loans for such

purposes under such terms and conditions as he may determine to any State whose constitution prohibits the ownership of such terminal facilities by other than the State or a political subdivision thereof.

There is only one other paragraph that is important in this connection, and that relates to the operation of boats, and that has relevancy because of the appropriation carried in this paragraph of $300,000. The point that I wish to make particularly is that on page 65, the terminal dock at South St. Louis, Mo., $400,000, is not shown so far as anything appearing in the bill or anything appearing in the hearings is concerned, to be a dock for the transfer of freight, as contemplated in the statute. The same is true of practically every other item in that paragraph, with the exception of one, at Demopolis, Ala., which is otherwise stated in the hearings.

Mr. WINGO. Has the gentleman raised the point of order?

Mr. FREAR. I have. I raised it last night.

Mr. DYER. To what?

Mr. FREAR. To the paragraph on page 65.

Mr. DYER. Will the gentleman yield? Does the gentleman raise the point of order to the whole paragraph or some portion of it?

Mr. FREAR. To the whole paragraph. The subdivision (c) provides that the Secretary of War under the railway act may provide for terminal facilities upon interchange of traffic, not terminal facilities for any other purpose, but simply for the interchange of traffic. Assuming, I presume, that the localities will furnish their own terminal facilties otherwise. But this is the only proposition that is involved, and if the Chair will bear with me I will read just briefly from the hearings to indicate that there is nothing, so far as I can ascertain, that indicates that this is for the interchange of traffic. On page 1113 of the hearings, when Gen. Connor was a witness, he testifies:

About $2,100,000 is for terminal facilities, and from that we expect to put a terminal at East St. Louis, a terminal at Cairo, one at Memphis, Vicksburg, New Orleans, and a coal-handling plant at Mobile. In addition to that, a small coal-handling plant at Cordova, Ala., and an interchange at Demopolis.

The CHAIRMAN. These terminals are not local terminals, are they?

Gen. CONNOR. No, sir; we have not embarked on anything that would commit us to providing local terminals. We have taken the stand that where a terminal is for purely local purposes the terminal must be provided by the locality, and we have confined ourselves to Government construction only where the terminal is an interchange point of material size between rail and water facilities.

That is the only place where the suggestion of interchange comes in. Referring now to page 1114, testifying as to these same terminals, Gen. Connor says:

We have not yet reached a stage where we could say what the total cost will be. In almost every case the terminal we would build will be built in conjunction with the municipal authorities of the place. At St. Louis ours will be a separate terminal; at Vicksburg it will be a separate terminal; and at Mobile and Cordova separate. In all the other places we expect to build a part of the terminal ourselves, which will be a unit in the entire terminal project which the municipality is planning on their water front, or else under the terms of the act we propose to advance funds to the locality to build the terminal themselves.

That seems to be the only reference on the subject of the project.

Mr. BLANTON. Right there, will the gentleman yield for a suggestion?

Mr. FREAR. Yes.

Mr. BLANTON. Now, after Gen. Connor had said that at St. Louis, "Ours will be a separate terminal," if the gentleman will look in the table on page 1115, for the South St. Louis dock, where the appropriation of $500,000 is asked, it shows that it is not to be a separate terminal, because St. Louis is to furnish an additional $500,000.

Mr. FREAR. That may be true; but that does not reach the point I have in mind. Interchange is not because the municipality engages with the Government in the building of the dock, but this is for interchange of traffic either by rail or by water. There is nothing to show here but what this terminal that is proposed to be built is separate and distinct from any other means of communication.

Mr. BLANTON. The point I am trying to make was that previously Gen. Connor had stated that the policy of the War Department under this law was not to attempt to build terminals for the exchange where the traffic was local, and then it is shown in this very title that this is a local proposition for South St. Louis.

Mr. NEWTON of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Just for a moment.

Mr. NEWTON of Missouri. Does the gentleman understand that this is to be a local terminal at St. Louis?

Mr. FREAR. What is a "local terminal" has no specific definition, Mr. Chairman. What I do say, Mr. Chairman, is that there is nothing in the hearing and nothing in the bill that indicates that this is to be an interchange point; that is to say, that it has any connection with any other system, either by rail or water.

Now, I am willing to concede, if this law is broad enough, that the Government can build a belt line all around St. Louis, for illustration, that the Government can go to the extent of involving the Government in any amount of money. But I do insist that the plain reading of the law is that it must be an interchange place where there is carrying of water traffic immediately on to rails or to other water traffic.

Mr. NEWTON of Missouri. Is the gentleman aware of the fact that the purpose of this terminal is to accommodate through freight, and that the city of St. Louis has a local terminal?

Mr. FREAR. It is shown by the testimony that it is purely a terminal building or a terminal belt, without reference to any interchange, except in the case of Demopolis, Ala., where, as I understand, judging from the language, it is to be taken either in connection with rail traffic or some other water traffic.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes; certainly.

Mr. BYRNS of Tennessee. I agree with the gentleman that under the language of the act the purpose must be interchange.

Mr. FREAR. Yes.

Mr. BYRNS of Tennessee. Now the appropriation that is sought to be made here expressly provides that the money must be expended in accordance with that particular section which authorizes the construction of these facilities.

Mr. FREAR. Mr. Chairman, with the recollection that this House has, that notwithstanding its positive acts heretofore the Secretary of War has wiped out the action of the House in the past and has expended moneys other than as directed by law, I fear if this is placed in the discretion of the Secretary of War and without specific limitation the money will be expended in his discretion, whatever the law may be.

Mr. DYER. Mr. Chairman, will the gentleman yield?

Mr. FREAR. Yes.

Mr. DYER. The gentleman surely has no justification for saying that a public official is going to violate the law in this provision?

Mr. FREAR. The "public official" has violated the law in the past, and we all know it; the same "public official." But I do not want to discuss that phase of it further, because I am endeavoring, so far as I can, to compel the "public official" to be bound specifically by the law, and insist that this appropriation shall only be made after the authority has been specifically passed upon by the House.

That is one authority I had in mind. I do not want to take up the time of the House unnecessarily, but on another point I do not understand how broad that law may be, because this is the first time it has ever been put into force. Another provision in the paragraph is for "cotton-handling equipment at Memphis"; I do not know whether that is covered by the terminal facilities, or even by any construction of the law. I am willing to say that it is a very broad law. "A terminal tipple dock at New Orleans." This Government has never built anything of this kind at any other place. What is this tipple dock to be? "Storage bins for coal tipple, Cordova, Ala."; "cargo-handling facilities" may possibly come within the strict reading of the law. "Mooring facilities, immigration station, Algiers, La." How does that affect any terminal facilities, and in what way does it affect the operation of the boats? And then finally, "and for operation, $300,000," specifically. Of course, that is an anticipated deficiency appropriation, because the Government boats on the Mississippi and Warrior are operated at a loss of over half a million dollars a year, some $740,000 deficit paid out of the Federal Treasury in 1919, and this $300,000 is to make up the deficiency. That is the point I wish to raise first.

Mr. HUMPHREYS. Mr. Chairman, will the gentleman yield for a question?

Mr. FREAR. Yes; certainly.

Mr. HUMPHREYS. How does the gentleman interpret Gen. Connor's testimony that he just read a moment ago, this part on page 1113, in which he says:

We have taken the stand that where a terminal is for purely local purposes the terminal must be provided by the locality, and we have confined ourselves to Government construction only where the terminal is an interchange point of material size between rail and water facilities.

How does the gentleman interpret that?

Mr. FREAR. I have endeavored to make it clear, Mr. Chairman, by reading what Gen. Connor said on the next page, after I had read the identical language that the gentleman has just quoted, wherein he says that in almost every case the terminal we would build would be built in conjunction with the municipal authorities of the place. He says:

At St. Louis ours will be a separate terminal; at Vicksburg it will be a separate terminal; and at Mobile and Cordova separate. In all the other places we expect to build a part of the terminal ourselves, which will be a unit in the entire terminal project which the municipality is planning on their water front.

But not so in these cases covered by the $1,250,000 items in the paragraph. It is no part of the unit, no part of the municipality, no part of their project, nor is it shown anywhere that it is to be interchangeable; that is to say, that the traffic is to be interchanged.

Mr. HUMPHREYS. That is what it says. He says:

We have confined ourselves to Government construction only where the terminal is an interchange point of material size between rail and water facilities.

Mr. FREAR. Mr. Chairman, what is the meaning of the word "interchangeable"? If you mean that the wharf at St. Louis offers an opportunity for interchanging traffic, we all concede that, or at any other point. But if it means that this terminal is to be made a part of the terminal which will carry from the same terminal the waterway traffic or the rail traffic—and that is what I believe is contemplated by law—that is not shown by the paragraph which carries the $1,250,000 appropriation. It does show that St. Louis is an interchange place of traffic for the whole city, but I am confining myself to the water terminal. That, with the appropriation of $300,000, indicates that it does not relate to terminals strictly, except to barges, floating apparatus, and so forth. Mr. Chairman, this is a very important question to be decided at this time.

We are embarking upon a proposition that is not a question of a few dollars, but may involve the Government in a great many millions of dollars as we well know, and if subject to a point of order, it disposes of the matter. If not, then the House can determine the policy on a motion to strike out the paragraph.

Mr. GOOD. Mr. Chairman, I do not care to discuss anything at this time except the purely legal question raised by the gentleman from Wisconsin [Mr. FREAR].

Subsection (c) of section 201 of the transportation act reads as follows:

The Secretary of War is hereby authorized, out of any moneys hereafter made available therefor, to construct or contract for the construction of terminal facilities for the interchange of traffic between the transportation facilities operated by him under this section and other carriers whether by rail or water, and to make loans for such purposes under such terms and conditions as he may determine to any State whose constitution prohibits the ownership of said terminal facilities by other than the State or a political subdivision thereof.

The estimate that was submitted to Congress provides for a number of things. The committee have subdivided that estimate and have put in only those specific items that would go to make up a terminal facility or a part of a terminal facility. They have not attempted to carry in the bill and the bill does not carry a single dollar for a terminal that is local and that is not used in the interexchange of freight with railroad and water transportation. Now, Gen. Connor was asked the question whether these were local terminals, and he said:

No, sir; we have not embarked on anything that would commit us to providing local terminals. We have taken the stand that where a terminal is for purely local purposes the terminal must be provided by the locality, and we have confined ourselves to Government construction only where the terminal is an interexchange point of material size between rail and water facilities.

The same testimony was before the committee before, and, so far as I know, the engineers of the War Department have not submitted any estimate for a purely local terminal.

Mr. DYER. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. DYER. I want to say to the gentleman that so far as the city of St. Louis is concerned the facts bear out just what he has said and what Gen. Connor testified, because the city of St. Louis has provided already, at a cost of $800,000, docks for the purpose of handling all local business, so far as river transportation is concerned.

Mr. FREAR. Will the gentleman yield?

Mr. GOOD. I yield for a question.

Mr. FREAR. I think this is really the question at issue, What is the meaning of a local terminal and what is the meaning of an interchange terminal? Is it this: That a local terminal is simply for the local traffic, and an interchange terminal is one that is built for the continuation of the traffic if need be? And then comes the question, Is it to have a connection with rails or a connection with other waterway traffic, or what is to be the basis of an interchange terminal as differentiated from a local terminal?

Mr. GOOD. An interexchange terminal is one where freight can be transferred from water to rail or from rail to water.

Mr. FREAR. That is, the freight is to be brought there?

Mr. GOOD. The freight is to be brought there and transferred to the other system of transportation.

Mr. FREAR. Is there a word in the testimony which shows that that is to be done?

Mr. GOOD. The testimony of Gen. Connor is that it is to be an interexchange terminal, and that is the term they have used all through the hearings on which the transportation act is founded.

Mr. FREAR. Is this terminal to have rail connections—this terminal at St. Louis, for instance?

Mr. GOOD. Why, yes; I understand that is the case with all these terminals on the Mississippi, and the reason the cost is so great is because the level of the river varies as much as 30 or 40 feet, and it is necessary to have a dock extending for a considerable distance along the river, and a railroad track upon it, so that freight can be transferred from one to the other.

Mr. FREAR. I understand that. I have been on the St. Louis docks and on the New Orleans docks as well. The only question is whether or not there is any connection made or contemplated between water and rail. If so, it does not appear in the record except by the use of the one word "interchange."

Mr. GOOD. We have had hearings on this matter several times, and at the short session of Congress we have not had time to go into all the minutiæ of the matter; but the term "interchange terminal" has been used so much here that when it was used it had a perfectly clear meaning which was well understood by the committee, and I assumed that it would be understood by Congress. It is not intended to appropriate a dollar for a local terminal, and there is nothing carried in the bill for that purpose.

Mr. ESCH. Subsection (c) of section 201 of the transportation act I think clearly defines what is meant by the word "terminal" as used on page 65 of the bill. It must be—

to construct or contract for the construction of terminal facilities for the interchange of traffic between the transportation facilities operated by him—

That is, the Secretary of War—

under this section and other carriers, whether by rail or water.

Mr. FREAR. Will the gentleman yield?

Mr. ESCH. Yes.

Mr. FREAR. I want to say that I have read that section twice to the House to-day and we have all agreed upon that. The only question is, What is meant by "interchange" in the particular appropriation item that is to be made?

Mr. SNELL. Mr. Chairman, I desire just a moment's time on this proposition. I believe the point made by the gentleman from Wisconsin [Mr. FREAR] is well taken. A great deal depends upon the decision of the Chairman on this proposition at this time, because if this act is construed too liberally it opens up an avenue of expense far beyond the imagination of any man in this House.

Yesterday we had a proposition of a similar kind in connection with the Du Pont Fountain, and the Chair ruled at that time that the proposition of furnishing water at Government expense for the fountain erected under an act of Congress was not intended in the original act, although it mentions a complete fountain. Now, if he ruled at that time that the water and the pump to furnish the water were not a part of a completed fountain, I think it is very proper that he give very careful consideration to what is meant in this original act, and how far we should go in interpreting the words "terminal facilities for interchange of traffic." The real crux of the whole situation is how liberally these words are interpreted, just what is actually meant. Whether the interchange of terminal facilities means that you can build buildings, inclines, coal trestles, and so forth, or that you can build a railroad 2 miles long, 4 miles long, or 10 miles long, or whether you can build a tunnel under the Mississippi River between St. Louis and East St. Louis. We must decide on some limitation as to what can be done under this act, and now is the time to do it, the first time it has come before the House. Therefore I ask that the Chair and House should give this a thorough and careful consideration, and also in interpreting it I think we should take into consideration the intent of Congress when it originally passed the act. I know that so far as I am concerned personally, and I think it applies to a great number of the Members of the House, that we had no intention when we passed the act of spending countless millions to build docks and coal bins up and down the Mississippi River where there is not now or never will be any commerce. I think also we must take into consideration and decide whether a separate terminal as shown in the testimony before the committee, on page 1114 of the hearings, is also a terminal for the interchange of freight. I also doubt very much whether you could legitimately consider under terminal facilities for the interchange as shown on page 75 of the bill an immigration station, and on this immigration station and the moorings connected with it I hang my

principal point of order. It seems to me that it far exceeds the limits of the law and certainly is beyond the intention of the framers of the law and can not be considered as a part of or be included under terminal facilities for the interchange of traffic.

Mr. DYER. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. DYER. Will the gentleman state how it is possible to carry out the provisions of this act in reference to the inland waterways and interchange of traffic without having facilities such as are presented in this bill for dock facilities, how can the freight be transferred from one to the other?

Mr. SNELL. What I want is for Congress to decide how far it is going in this matter of terminal facilities, and whether it is to build a railroad 1 mile long or 10 miles long. It all depends on the interpretation of this transportation act and how liberal we will be, and now is the time to do it before it is too late and we have started to spend the money.

Mr. DYER. I understand the gentleman is presenting to the Chair material facts which the Chair is not called upon to decide in the point of order.

Mr. SNELL. The Chair is called upon to decide how liberal we will be in determining what the terminal facilities are—that is the real proposition that is now before the House.

Mr. DYER. As provided in the section in regard to the transportation act.

Mr. BYRNS of Tennessee. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. BYRNS of Tennessee. It provides that the Secretary of War is authorized to construct terminal facilities for the interchange of traffic out of any moneys hereafter made available therefor. Does not the gentleman think that that is sufficient to authorize the Congress to make the appropriation? Of course, the question as to the amount and how far Congress will go is one for the judgment of Congress.

Mr. SNELL. My point is that the provision for facilities, as carried in the bill, are far beyond the facilities that Congress intended when it passed the original act, and what I want is to get some proper limitations before it is too late.

Mr. BYRNS of Tennessee. The facilities for interchange of traffic are not only under the express language in the bill but according to the statement made by Gen. Connor.

Mr. SNELL. It is a question whether they are or not, when you say a separate dock. Is that a dock for interchange of traffic? I want to be sure on that point.

Mr. BYRNS of Tennessee. I do not think the question of a separate dock precludes an interchange of traffic from that dock or by means of that dock.

Mr. SNELL. A separate terminal, that does not mean a terminal connection with another terminal.

Mr. BYRNS of Tennessee. They may be used for the interchange of traffic.

Mr. SNELL. What does the gentleman say about this immigration station that is carried in the bill on line 15, page 65—"mooring facilities, immigration station"? Does that come under the provisions of the original act?

Mr. BYRNS of Tennessee. That simply is the location of the mooring facilities. It is located at the immigration station for the interchange of traffic. That language is to identify the place where facilities are to be constructed.

Mr. SNELL. Mooring facilities; is that necessary in the interchange of freight?

Mr. BYRNS of Tennessee. There is no appropriation to be made for an immigration station; that is where the mooring facilities are to be established.

Mr. GOOD. Will the gentleman yield?

Mr. SNELL. Yes.

Mr. GOOD. I will say to the Chair that there is one item which, if the point of order is made to the whole section, is subject to a point of order, and that is that we make it available until expended. So, Mr. Chairman, I concede the point of order and will offer an amendment that will perhaps clarify it.

The CHAIRMAN. The gentleman from Iowa concedes the point of order and the Chair sustains the point of order.

Mr. GOOD. Now, Mr. Chairman, I will offer the following amendment:

The Clerk read as follows:

Amendment offered by Mr. GOOD: Page 65, insert:

"TRANSPORTATION FACILITIES ON INLAND AND COASTWISE WATERWAYS.

"For additional expense incurred in the operation of boats, barges, tugs, and other transportation facilities on the inland, canal, and coastwise waterways acquired by the United States in pursuance of the fourth paragraph of section 6 of the Federal control act of March 21, 1918, and operated in pursuance of section 201 of the transportation act approved February 28, 1920, as follows: For interchange terminal dock, South St. Louis, Mo., $400,000; interchange cotton-handling equipment, Memphis, Tenn., $60,000; interchange terminal dock, New Orleans, La., $400,000; interchange storage bins for coal tipple, Cordova, Ala., $40,000; interchange cargo-handling facilities, Demopolis, Ala., $25,000; and for operation, $300,000; in all, $1,225,000: *Provided*, That not to exceed $17,680 of this appropriation may be used for the payment of experts, clerks, and other employees in the War Department in accordance with the provisions of section 201 (e) of the transportation act, 1920, approved February 28, 1920."

Mr. DUPRÉ. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. DUPRÉ. Was the omission of the item for mooring facilities and immigration station at Algiers, La., intended?

Mr. GOOD. Yes.

Mr. DUPRÉ. Was it done designedly?

Mr. GOOD. I think perhaps there is some question as to whether that is an interchange facility.

Mr. DUPRÉ. The committee, however, of which the gentleman is chairman, has ordered this item to be inserted.

Mr. GOOD. The committee took the items the War Department estimated for, but refused to give the lump sum as the War Department estimated. That is the reason for that.

Mr. DUPRÉ. The committee authorized this particular item to be inserted in this bill, and now the chairman, having stated yesterday that he thought the point of order was badly taken, this morning concedes the point of order and offers a substitute which eliminates one of the items which his own committee authorized to be inserted in the measure.

I would like to insert an editorial from the New Orleans Times-Picayune of January 3 captioned "River terminals," which is very much in point in the discussion of this item:

RIVER TERMINALS.

In arranging for transportation over our inland waterways the House committee, at the suggestion of the War Department, provides in the measure now before Congress, in response to the earnest demand that has gone up from the West and the South, for the construction of river terminals at New Orleans and other important river points. The committee has cut down the total asked for these improvements from $4,000,000 to $1,250,000; but it has left the appropriation of $400,000 for a terminal dock at New Orleans, the same amount at East St. Louis, and lesser amounts at Memphis and other river points.

The chief of the service explains that it has confined itself to points where there is an exchange of freight between the river and the railroads and other means of transportation; but that for other points the terminals should be provided by the cities benefited by these facilities. The subject, however, will be investigated thoroughly to determine how far the Government ought to go in this matter, and to what extent they will relieve and increase the transportation facilities of the country.

The question was discussed in all its aspects some years ago by the friends of river transportation, and the conclusion was reached that the first and most pressing need for river traffic depended upon better terminal facilities at the river towns, for the exchange of freight between the boats and barges on the one hand and the railroads on the other. Appeals were made to the commercial exchanges, merchants, and others interested to stimulate local interest in construction of the better terminals, and considerable improvements were secured in this direction, St. Louis, Cincinnati, and Evansville and other points establishing terminals. The Government has undertaken part, at least, of the work, with terminal docks at New Orleans and East St. Louis, and while it falls short of all that is needed, is so important a move in the direction of better transportation that it will create a feeling of great confidence. It will meet, to a marked extent, the chief weakness in river traffic—the task of providing adequate terminals at which freight arriving by river can be transferred to the railroads and other transportation companies.

Mr. GOOD. When I stated yesterday that the point of order was badly taken, I meant to say that I think it is badly taken as to the main items of the provision. I was not at that time taking into consideration the provision that made the appropriation available until expended, nor the item for mooring facilities, which was not fully explained.

Mr. DUPRÉ. Would the gentleman withdraw his amendment for a moment and allow the Chair to rule on the proposition?

Mr. GOOD. If the gentleman wants to offer an amendment, he may do so.

Mr. BYRNS of Tennessee. Mr. Chairman, I would like to ask this question, with all due deference to the gentleman from Iowa [Mr. GOOD]: Just how far does the chairman of the Committee on Appropriations think he ought to go when the entire Committee on Appropriations has directed a report to this House with a recommendation that this particular appropriation be placed in the bill? With all due deference to the gentleman, I do not think it is within his province, without first consulting and conferring with the members of that committee, to offer as a committee amendment an amendment which has not been approved by the committee. I think the gentleman should stand by his bill as the committee ordered it reported to the House.

Mr. FREAR. Mr. Chairman, the question arises in the House whether or not in discussing a point of order it is proper to lecture the chairman as to the amendment he has offered. I make the point of order against the amendment.

Mr. GOOD. I make the point of order that the gentleman's point of order comes too late.

The CHAIRMAN. The time of the gentleman from Louisiana has expired. The point of order comes too late, as discussion has been had. The question is on the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

Mr. FREAR. Mr. Chairman, I make the point of order against the section as amended.

The CHAIRMAN. It is too late to make the point of order now. The paragraph has been agreed to, and discussion had been had before the gentleman made his point of order.

Mr. FREAR. I made the point of order originally, and I never have withdrawn the point of order.

The CHAIRMAN. The point of order which the gentleman made was conceded by the gentleman from Iowa and sustained. The gentleman from Iowa then offered an amendment in the nature of a new paragraph. The gentleman from Louisiana [Mr. DUPRÉ] obtained the floor and discussed the proposed amendment.

Mr. FREAR. I now make the point of order to the section as amended.

The CHAIRMAN. The Chair rules that the point of order comes too late. The amendment has been agreed to by the committee.

Mr. FREAR. Mr. Chairman, I move to strike out the paragraph as adopted.

Mr. GOOD. But we have already adopted the paragraph.

Mr. DYER. The section has been agreed to.

Mr. MANN of Illinois. There is no section. The whole bill is a section.

Mr. FREAR. This whole paragraph.

Mr. MANN of Illinois. The paragraph went out on a point of order, and a new one has gone in by way of amendment.

Mr. FREAR. I will say this, that it is just as important to discuss a proposition of this kind as it is a fountain in Du Pont Circle.

Mr. MANN of Illinois. Oh, the gentleman has been here long enough to know the ordinary rules of the House.

Mr. KNUTSON. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The regular order is, the Clerk will read.

Mr. SNELL. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. SNELL. When would it have been the proper time to make the point of order against the amendment?

The CHAIRMAN. When it was offered.

Mr. SNELL. I understood the gentleman from Wisconsin [Mr. FREAR] to immediately make the point of order.

Mr. GOOD. The gentleman did not.

The CHAIRMAN. The gentleman from Wisconsin did not rise from his seat to make the point of order when the paragraph was offered as an amendment.

Mr. GOOD. And the gentleman from New York knows he did not.

The CHAIRMAN. The gentleman from Iowa [Mr. GOOD] is out of order. The Chair has answered the parliamentary inquiry, and the Clerk will read.

The Clerk read as follows:

Central Branch, Dayton, Ohio: Current expenses: For pay of officers and noncommissioned officers of the home, with such exceptions as are hereinafter noted, and their clerks, weighmasters, and orderlies; chaplains, religious instruction, and entertainment for the members of the home, printers, bookbinders, librarians, musicians, telegraph and telephone operators, guards, janitors, watchmen, fire company, and property and materials purchased for their use, including repairs not done by the home; articles of amusement, library books, magazines, papers, pictures, and musical instruments, and repairs not done by the home; stationery, advertising, legal advice, payments due heirs of deceased members: *Provided*, That all receipts on account of the effects of deceased members during the fiscal year shall also be available for such payments; and for such other expenditures as can not properly be included under other heads of expenditures, $62,000.

Mr. FREAR. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

Mr. DYER. Mr. Chairman, reserving the right to object, I take it that it will be upon this bill.

Mr. FREAR. Yes; on this paragraph.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. DYER. Mr. Chairman, I ask for recognition.

The CHAIRMAN. For what purpose does the gentleman rise?

Mr. DYER. To move to strike out the last word. In the matter of the soldiers' homes, for which we appropriate from year to year, I want to know if the chairman of the committee has any information on the subject with reference to the management of the homes and who is responsible directly for the management and expenditures in respect to the national homes for which we appropriate a great deal of money from year to year. To whom can we look for the proper and efficient management of the homes and the fair treatment of the inmates, the soldiers who are the charges of the Government?

Mr. GOOD. Mr. Chairman, as I recall there are 10 branches, and they are all under the management of a board of managers. I do not recall the provision of law with regard to their appointment. The matter has been discussed on the floor of the House a number of times, but I do not recall just exactly the length of their term. I think, without question, that the Committee on Appropriations, which considered the estimates of the board of the soldiers' homes, is of the opinion that there is not a department or agency of the Government that has been administered more in a businesslike way than the soldiers' homes have been administered, in the last few years, at least. During the year they have transformed two of the soldiers' homes into homes that are more in keeping with hospitals, the one at Johnson City, Tenn., and the other at Marion, Ohio, the former for tuberculosis patients and the latter for treating nervous patients.

Mr. DYER. The gentleman speaks, no doubt, only from knowledge he has obtained as a member of the Committee on Appropriations from what he has heard.

Mr. GOOD. I will say to the gentleman that we have had men come to us who have been detailed to go to the soldiers' homes for the very purpose.

The members of the committee have gone through some of the branches of the home and the very best kind of treatment has always been accorded the old soldiers. And in these new homes and the one at Dayton, where they are securing the very best medical skill that money can hire, there is no question but what the soldiers who will be treated there will be given a very superior kind of treatment entirely.

Mr. DYER. Mr. Chairman, I have no desire to offer any criticism of the Committee on Appropriations for this item of more than $5,000,000 annually for the management of the soldiers' home without having more testimony, but I have received and do receive numerous letters—I received several within the last couple of weeks—from soldiers who are in some of these homes, and they are complaining bitterly of the treatment, and complain not only that they do not get the treatment which the Government provides through these appropriations, but that in appointments and in positions around the homes, where some of them could be appointed to do some kind of work, they are not given those positions, but civilians are brought into the home and given this employment. I think that is a matter to which the committee should give some investigation.

Mr. SMALL. Mr. Chairman, I move to strike out the last two words of the paragraph. If I may have the consent of the committee, I desire to offer a brief expression upon the paragraph on page 65, transportation facilities on inland and coastwise waterways.

Mr. FREAR. I will concede that, if I may have 10 minutes on the same paragraph.

The CHAIRMAN. The gentleman from North Carolina asks unanimous consent to discuss under the motion to strike out the last two words the provisions of the paragraph on page 65. Is there objection?

Mr. FREAR. I wish to couple with that request——

Mr. GOOD. Oh, I object to that. I am obliged to object in the interest of orderly procedure. I dislike to do it.

Mr. SMALL. Of course, the gentleman will recognize that if I were minded to do so no time would be saved.

Mr. GOOD. I understand that; but the gentleman, I know, will not be minded to do it. We desire to get along with the consideration of the bill. We have been working two days on this bill, and we have not read quite as much as we ought to have. The gentleman will see that if we permit him to discuss a matter that has been passed we will have to permit the discussion of other matters after they are passed, and I hope the gentleman——

Mr. SMALL. Does the gentleman think he ought to take advantage of my disposition not to be retaliatory?

Mr. GOOD. I never take advantage of anyone, and I hope the gentleman will not put me in the position where I take advantage of the House.

Mr. SMALL. Does the gentleman propose in the future consideration of the bill to object to any discussion out of order?

Mr. GOOD. I hope to do so. I think I ought to do so. Does not the gentleman think I ought to do that?

Mr. SMALL. I am asking if the gentleman proposes to do so.

Mr. GOOD. That is my purpose.

Mr. JOHNSON of Washington. Regular order!

The Clerk read as follows:

Danville Branch, Danville, Ill.: For current expenses, including the same objects specified under this head for the Central Branch, $55,000.

Mr. GARD. Mr. Chairman, I move to strike out the last word on page 72 in line 18 for the purpose of making an inquiry of the chairman of the Committee on Appropriations. I am glad to have the word of the chairman of the committee that the present board of managers conducts these homes in a very businesslike and orderly manner and in this I agree with him, but I notice in reading the last report of the board of managers up to October 16, 1919, which is the last report, that in this Danville branch there were certain irregularities, and I had hoped that I might be able to speak in the presence of the gentleman who so honorably and long has represented the Danville district in Congress [Mr. CANNON]. I know he is in sympathy with the proper care of the aged and infirm soldiers. It appears by this report that in the Danville branch they had some one who was treasurer out there, and while these old soldiers had paid $1,697 on Liberty bonds by the partial-payment plan, it shows that he had only turned in $1,320, and on investigation he claimed to have a certificate of deposit for $365 payable to him, and he also was permitted to put in $12 in cash from the general cash box to his credit. It also seems that the Liberty bonds of members were kept in the treasurer's individual safe instead of the safe deposit box in the authorized depository. It shows that the general fund cash book was not kept with care. It shows that the general fund register of checks contained errors; that there were erasures, errors, and uncorrected mistakes. It was reported that a man without bookkeeping experience, who had been a plasterer, worked on this fund for a period of time and made changes in original pay rolls without changing the retained record. Now, all these things I call attention to for the purpose of showing that here we appropriate a great sum of money yearly for a highly proper purpose, and that is the care of these old soldiers of the Civil War primarily, although of course the situation now applies to soldiers of all American wars—but the Congress wants to be sure, I am positive, that the money goes to the right place that is for the benefit of these soldiers. And I desire to know if this inefficiency and bad practice in the handling of the soldiers' funds has been corrected. Just a year or so ago, as disclosed on page 9 of this same report, the man who was, unfortunately, president of the board of managers, bought some $41,633 worth of practically absolutely worthless bonds in a Kansas quarry or a Colorado quarry, paid $41,633 for them, and it now seems the money is being returned at the rate of $1,000 a month, but for $10,000 only. In other words, here is a fund in the hands of a president of the board of managers without responsibility, without bond, and that $41,633 of the public trust money for the care of these aged and infirm soldiers, was invested by him without any authority, simply upon his own belief, in practically worthless bonds——

Mr. DYER. Will the gentleman yield?

Mr. GOOD rose.

Mr. GARD. In a moment. Now this is quite a sum of money, and I believe it is fortunate if we get back as much as $10,000. I first yield to the gentleman from Missouri.

Mr. DYER. I know about that case of which the gentleman speaks. It happened several years ago. Were those funds of the Government or of the old soldiers?

Mr. GARD. Both.

Mr. DYER. They have a post fund?

Mr. GARD. Yes.

Mr. GOOD. It was not out of an appropriation by Congress.

Mr. GARD. It was a post fund, and, of course, the post fund is a fund which is made up by things coming from the operation of the laws affecting members of the home; that is, by effects of deceased members, accumulated pensions, and so forth, all from the property of these soldiers.

Mr. GOOD. It comes from gratuities of the old soldiers themselves.

Mr. GARD. So that it was a fund made up of money which was paid by the soldiers.

Mr. DYER. Which the Government ought to guard as sacredly as the money in the Treasury.

Mr. GARD. Absolutely; even more so, because this fund is made up by the accumulations of these men in the homes, the savings of these honorable men.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARD. Mr. Chairman, I ask to proceed for five additional minutes.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. GARD. According to the report, all the Government gets back is $10,000, at the rate of $1,000 per month; so the post fund stands to lose a total of $31,633.45 without any accumulation of interest. This is simply an example of intrusting money to persons, who should take the greatest care of it, without proper governmental supervision. And in this connection I can only say that it seems to me it should be the expressed wish of this Government to make peremptory the care of funds, whether they come from Congress or are post funds. They are sacred and trust funds which are given to these persons who have charge of these matters and should be accounted for with absolute fidelity and honesty.

Now, there is another matter. These homes are to be enlarged in their scope. They were originally for members who were in the Civil War, and now the history of the United States in the next few years will be that these old men will be taken away by death, and that the homes will be populated largely by the soldiers of the Great War. And it seems to me that the policy of the Congress and the policy of the board of managers should be to so develop these national homes as to be for the best benefit of those who in the very immediate future need them most; in other words, to develop at least a number of these homes as hospitals of the highest merit in order to afford greater care for those who have acquired tubercular trouble, or who have been gassed, maimed, or injured in American service in this Great War, because these are the people who will populate the homes, and every possible thing should be done in them for the rehabilitation in health and spirit of the gallant boys who served and sacrificed. The care of the new men coming in, the care of those who fought in the great World War, is a care requiring the highest medical ability and absolutely the best and most complete treatment which science has been able to devise. Therefore it seems to me that the policy of Congress should be, and the policy of the board of managers absolutely should be, to increase the medical efficiency of these homes and give the required number of them to be so fitted, to be so equipped, that they can afford the proper medical relief to these soldiers of the Great War, and to separately maintain these homes for these soldiers—heroes who have so lately and so signally honored their country.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn.

The Clerk will read.

The Clerk read as follows:

Board of managers: President, $4,000; secretary, $500; general treasurer, who shall not be a member of the board of managers, $5,000; chief surgeon, $4,500; assistant general treasurer, $3,500; inspector general, $3,500; clerical services for the offices of the president, general treasurer, and inspector general and chief surgeon, $19,000; clerical services for managers, $2,700; traveling expenses of the board of managers, their officers and employees, including officers of branch homes when detailed on inspection work, $14,000; outside relief, $100; legal services, medical examinations, stationery, telegrams, and other incidental expenses, $1,700; in all, $58,500.

Mr. OSBORNE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from California offers the following amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. OSBORNE: Page 75, after line 3, insert the following paragraph:

"For the erection of a modern sanitary fireproof hospital at the Pacific Branch at Santa Monica, Calif., $500,000."

Mr. BLANTON. Mr. Chairman, I reserve a point of order on that.

Mr. GOOD. I make the point of order, Mr. Chairman.

Mr. OSBORNE. Will the gentleman withhold it for just a moment or two?

Mr. GOOD. Yes; I will reserve it.

Mr. OSBORNE. Mr. Chairman, this item, to provide for the erection of a sanitary fireproof hospital at the Santa Monica, Calif., home, is one that I have presented here in former years. A new hospital there is very greatly needed. That home has now about 2,500 old soldiers present all the time and a membership of about 3,500. The existing hospital was built 30 years ago. It is a wooden structure. The buildings are a couple of stories high, and some of them are three stories high, and those old men are kept in these inflammable buildings. There is a growing need for a good hospital there. We are liable at any time to have a fire, and it would be almost impossible at night to get all of those people out safely.

Mr. GARD. Mr. Chairman, will the gentleman yield for a question?

Mr. OSBORNE. Surely.

Mr. GARD. Are the buildings at Santa Monica all frame buildings?

Mr. OSBORNE. They are all frame buildings.

Mr. GARD. The fire risk is great out there, with all these frame buildings?

Mr. OSBORNE. It is very considerable, especially with respect to the hospital. The other men, in ordinary barracks, are in better condition, and could get out more easily. The buildings are all dangerous, but the hospital buildings are particularly so. I want to emphasize the importance and great necessity for a proper hospital for that home.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. OSBORNE. I will.

Mr. BLANTON. Can the gentleman tell us how many, on the average, are in the hospital?

Mr. OSBORNE. I am unable to give the exact figures.

Mr. BLANTON. Very few, relatively?

Mr. OSBORNE. I suppose nearly one-third of the members of the home are in the hospital. They are getting very old. The average age is now about 75 years, and a very large percentage of the membership are in the hospital.

There is just one other little point that I would like to call to the attention of the House, and I would like to have Members think of it. A couple of barracks are occupied by the soldiers of the recent World War. I visited the home when I was back there, and I have grave doubts as to the desirability of mixing the old soldiers of the Civil War with those of the recent World War. The conditions with respect to the men of the Civil War and those of the recent World War are so different, as to age and physical condition, that I think it would be desirable not to mix them but to have them separated. They would both enjoy themselves better if they were not put into the same institutions.

Mr. ROSE. Is there any truth in the statement that in many of these soldiers' homes the soldiers of the late war are actually displacing the soldiers of the Civil War? I have had a number of complaints from veterans, who seem to be familiar with the situation, and I shall be glad to be advised by the gentleman from California. Separate buildings should be provided.

Mr. OSBORNE. In this particular home there are two barracks from which the old men have been taken and which are occupied by the soldiers of the late war, but I do not hear many complaints about that.

I hope Members will take this matter under consideration and look into it themselves and see what they think about the proposition of mixing soldiers of the late war with soldiers of the Civil War. I think it would be a good idea if they could be accommodated separately.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. GOOD. I am satisfied that it will be necessary to make some additions to some of these soldiers' homes. It seems to me that the whole subject ought to be studied and a survey made of it, because they have the units there, and in many cases the soldiers could be better treated there. These homes, 10 of them, were acquired at great expense. The average age of the old soldiers of the Civil War in the soldiers' homes is over 77 years. In a few years these homes will be available entirely for the soldiers of the late war. While some additions to the homes will be required, I think it ought to be after a survey is made, and therefore I am compelled to make the point of order.

The CHAIRMAN. The gentleman from Iowa makes the point of order. Does the gentleman from California desire to be heard on the point of order?

Mr. OSBORNE. I do not.

The CHAIRMAN. The amendment offered by the gentleman from California [Mr. OSBORNE] is for the erection of a hospital not authorized by law. Furthermore it is not germane to the paragraph of the bill under consideration. The Chair sustains the point of order. The Clerk will read.

The Clerk read as follows:

In all, National Home for Disabled Volunteer Soldiers, $5,984,800.

Mr. FESS. I move to strike out the last two words. I have had my attention called to certain objections to the administration of the national homes. I had not intended to mention the subject until it was opened up here. A gentleman recently came to my home to confer with me with reference to a certain practice in one of the homes. I asked him later to make a statement to me that I might lay before the Committee on Military Affairs. He made the statement under date of November 29, 1920. This statement is signed by the president of the United Veterans of the Republic, veterans of all wars, and the president is now an inmate of one of the homes.

I will say to the chairman of the committee [Mr. GOOD] and to the Members of the House that this signed statement is very severe. I do not care to read it into the RECORD, because I have not verified it, and I do not know the basis for all the charges. They include those referred to by the gentleman from Illinois [Mr. CANNON] a moment ago, very much more in detail, however, than he gave them.

My attention was also called to the same situation by another gentleman who visited the home to make an investigation of this particular matter. He signed his name as the commander of the Paterson Unit, No. 1, United Veterans of the Republic.

I want to say to the membership of the House that these charges are a little too severe to pass over without attention. I submitted this statement to some members of the Military Affairs Committee. The members of the committee said the matter ought to be gone into, but that committee is a little tardy about taking up a matter of this kind. There is a question whether the management of these homes should not be turned over to the War Department. That, of course, is a mooted question. But I think the Congress owes it to itself to ascertain whether these complaints, which are very severe, are really based upon facts. I simply call the attention of the committee to the matter, and do not intend to ask to insert the statement in the RECORD, because the charges which it contains are so severe.

Mr. GOOD. I am sorry the gentleman did not call the matter to the attention of the Committee on Appropriations. Six or seven years ago, when the loss of funds referred to by the gentleman from Ohio [Mr. GARD] came to the attention of the committee, the wires were used to call those men here immediately, and a hearing was had. We went into the whole matter, but the water was over the dam and the investment had been made.

I will say to the gentleman that I have personally written to a great many of the young men whom I know are in these homes to find out the character of the treatment they are receiving, and almost without exception they say that they have been in State hospitals, in municipal hospitals, and in Public Health hospitals, and that they have never received better treatment in any hospital or better food than they are getting in the soldiers' homes where they are.

These men, the veterans of the Civil War, are very old. I can understand that some of them are cranky. Some of them would not be satisfied anywhere. The gentleman knows that and I know that. Some of the soldiers of this war make complaints, and I have no doubt that in an institution composed of 10 homes, where about 15,000 persons are being cared for, there have been abuses and instances where they have not had the treatment perhaps that they ought to have; but where is the institution in the world that is perfect? It is not a man-conducted institution if it is perfect.

Mr. FESS. I will state to my friend, the chairman of the committee, that the writer says to me:

I am perhaps the most deplorably afflicted member of the National Soldiers' Home, taking everything into consideration, for I am constantly under the care of an attendant and have lost the use of both hands and both feet from disabilities received by disease contracted in line of duty during the War with Spain, for which I receive a pension which is my only income, and with which I pay for my own medication and from which I contribute to my three children.

I sympathize with the statement of the chairman of the committee [Mr. GOOD] that we can not always get the exact facts by reading complaints.

I did not present this matter to the Committee on Appropriations, because I thought it ought to go to the Committee on Military Affairs, and the papers were in the hands of a member of the Committee on Military Affairs until this morning when I asked to have them returned to my office.

The CHAIRMAN. Without objection, the pro forma amendment will be considered as withdrawn and the Clerk will read.

The Clerk read as follows:

Repairs of buildings: For repairs of Patent Office Building, Pension Office Building, and of the General Land Office Building, including preservation and repair of steam-heating and electric-lighting plants and elevators, $30,000, of which sum not exceeding $8,500 may be expended for day labor except for work done by contract.

Mr. WATSON. Mr. Chairman, I move to strike out the last word. I notice this item does not appropriate an amount for the safe care of the documents. The last time I visited the office there were a great many very valuable papers on wooden shelves. We know there have been two fires in that building. I want to call the attention of the chairman to the importance of protecting these very valuable applications. I would ask the chairman if there was any evidence before the committee relative to the protection of documents? I also notice that there is $8,500 appropriated, and I would ask again if that is an elastic fund to be used by the commissioner as he deems proper.

Mr. GOOD. Not by the commissioner; that fund is administered by the chief clerk of the Department of the Interior.

The commissioner has nothing to do with the administration of that fund.

Mr. WATSON. Was the attention of the committee drawn to the condition of the files?

Mr. GOOD. Yes; and the committee was impressed with the necessity for taking some action to secure additional file cases, but at the same time it was also called to the committee's attention that during the war the War Department required an immense number of files. They have been going through some of those files, and there is a great deal of material that is useless and will be destroyed. That is also true of other departments; and it seemed to the committee that it was wise to wait until there could be a house cleaning and see what files might be available.

Mr. WATSON. I do not think there is any other public building in the city in so much danger of fire as the Patent Office.

Mr. GOOD. Well, I think some of the temporary buildings are in more danger.

Mr. WATSON. I am speaking of the permanent buildings.

Mr. GOOD. That may be true.

Mr. WATSON. Mr. Chairman, I withdraw the pro forma amendment.

The Clerk read as follows:

Registers and receivers: For salaries and commissions of registers of district land offices and receivers of public moneys at district land offices, at not exceeding $3,000 per annum each, $450,000.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 77, line 22, strike out $450,000 and insert $475,000.

Mr. HAYDEN. Mr. Chairman, I have every confidence in the judgment of the Commissioner of the General Land Office who has occupied that position for the past eight years and who has labored faithfully and well in performing his duties. No greater industry or ability has been shown by any commissioner than that exhibited by Clay Tallman, of Nevada. I am sure that he knew what he was talking about when he stated at the hearings that the salaries and commissions of the registers and receivers at this time will amount to at least $462,000 a year and that $450,000 will not be sufficient to pay this expense. It will therefore be necessary to incur a deficit under the operation of this bill if the amount authorized is not increased. The business of the district land offices is increasing, the work must be done, and larger salaries and commissions will be earned. That is why I offer this amendment. I can see no advantage in not appropriating an ample sum of money when we know full well that otherwise there must be a deficiency appropriation made before the fiscal year is over.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The question was taken, and the amendment was rejected.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word. I do this to call attention to this fact: I have here a certification from Mr. Martin A. Morrison, president of the United States Civil Service Commission, dated January 3, 1921, giving me the following facts: Just before we entered the war, in the District of Columbia we had 38,227 civil-service employees. About the time of the armistice we had in the District of Columbia 117,760 civil-service employees. By reason of the fight that a few of us have been making in trying to get rid of the useless idle employees in the District of Columbia and elsewhere since the armistice we have removed from the pay rolls 32,115 civil-service employees in the District of Columbia, but now on the 1st day of January, 1921, we still have here in the District of Columbia 85,645 civil-service employees, as against 38,227 just before we entered the war.

In other words, notwithstanding the number we have been able to get rid of, we still have in the District of Columbia 47,418 more civil-service employees than we had just before we entered the war.

Now, outside of the District of Columbia, not counting those in the District, but in the United States elsewhere, Mr. Morrison certifies that just before the war we had 398,054 civil-service employees. During the height of the war just before the armistice we had 800,000 in the United States. We now have on the 1st day of January, 1921, exclusive of those in the District of Columbia, 550,000 civil-service employees in the balance of the United States. In other words, in the United States, exclusive of the District of Columbia, we still have 151,946 more civil-service employees on the pay roll than we had just before we entered the war.

Of course, I know that some of these extra employees are necessary. But we do not need 47,418 extra employees now in the District of Columbia and we do not now need 151,946 extra Government employees elsewhere in the United States, and we must get rid of the surplus that is not needed.

After I had called attention to these conditions yesterday and after all my objections were voted down, the gentleman from Illinois got up and explained why the committee keeps on putting these appropriations in the bill. It is because they have been in every bill year after year that the departments prepare and hand over to our Appropriations Committee, and the Appropriations Committee continues to put in the bills for each fiscal year what appears in the preceding bill.

The CHAIRMAN. The time of the gentleman from Texas has expired. Without objection, the pro forma amendment will be withdrawn, and the Clerk will read.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having resumed the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed without amendment the bill (H. R. 12337) to provide for the relief of Anthony Sulik, former sergeant, United States Marine Corps.

The message also announced that in compliance with the provisions of the joint resolution (S. J. Res. 191) to create a joint committee on the reorganization of the administrative branch of the Government the Vice President had appointed Mr. SMOOT, Mr. WADSWORTH, and Mr. HARRISON as members of the joint committee on the part of the Senate.

SUNDRY CIVIL APPROPRIATIONS.

The committee resumed its session.

The Clerk read as follows:

Contingent expenses of land offices: For clerk hire, rent, and other incidental expenses of the district land offices, including the expenses of depositing public money; per diem, in lieu of subsistence, of clerks detailed to examine the books and management of district land offices and to assist in the operation of said offices, and in the opening of new land offices and reservations, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for actual necessary traveling expenses of said clerks: *Provided*, That no expenses chargeable to the Government shall be incurred by registers and receivers in the conduct of local land offices except upon previous specific authorization by the Commissioner of the General Land Office, $375,000.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment by Mr. HAYDEN: Page 78, line 11, strike out "$375,000" and insert "$425,000."

Mr. HAYDEN. Mr. Chairman, the amendment which I have offered is the amount asked for by the Commissioner of the General Land Office. We have here a Government service which last year collected $1,841,592, as against $1,405,254 the year before, an increase in collections of over $400,000 received from people who are seeking to obtain title to the public lands. Those who are acquiring this land, who are paying the full amount required under the law, are entitled to service. The only way that they can get the service for which they pay is to provide an adequate force in the local land offices to take care of the increase in business. This additional $50,000 would give them such service, in the opinion of the Commissioner of the General Land Office.

Congress has recently enacted two laws which greatly increase the duties of this bureau. The first is the 640-acre homestead act, under which there will be about 30,000 entries this year, and the next is the mineral land leasing act, under which we have already collected $9,000,000 in back royalties for oil.

Leasing the public domain for mining purposes establishes a new policy which must be carried out by the district land offices. How can we expect to collect great sums in royalties and rentals without some additional administrative expense? Is it to be expected that the Government can obtain this increase in revenue and yet provide no additional facilities? It is extremely short-sighted on the part of Congress not to provide adequate funds, particularly when the money is not taken out of the pockets of the taxpayers, but is paid in by people who are anxious to obtain this kind of service. Such being the source of this revenue, why should not Congress pay decent salaries to the employees who collect it? A contented, well-paid, competent force will be sure to see that the interests of the Government are better protected than is now the case when experienced men and women are compelled to leave the service because they can not live on the small pay they are now receiving.

Mr. GOOD. Mr. Chairman, the amount carried in the bill is $25,000 more than the amount carried for 1920, and is the same as carried for the current year; but they ask for increases in pay, increases in travel expenses, and an increased force of 42. The committee felt that under all of the circumstances,

inasmuch as they expended about $370,000 last year, the current appropriation would be sufficient.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. JOHNSON of Washington. The gentleman speaks of travel allowance in the Land Office. Has the travel allowance been changed so that it runs with the travel allowance for other services?

Mr. GOOD. We have not attempted to change the law in that respect.

Mr. JOHNSON of Washington. In other words, the Land Office man gets $3.50 as his travel allowance?

Mr. GOOD. We did change that amount, because that was 50 cents below what was authorized by law. In the hearings it developed that it was costing them more and we struck out the sum of $3.50 and left it at what the law provided.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona.

The amendment was rejected.

The Clerk read as follows:

Depredations on public timber, protecting public lands, and settlement of claims for swamp land and swamp-land indemnity: For protecting timber on the public lands, and for the more efficient execution of the law and rules relating to the cutting thereof; of protecting public lands from illegal and fraudulent entry or appropriation, and of adjusting claims for swamp lands, and indemnity for swamp lands, including not exceeding $15,000 for clerical services in bringing up and making current the work of the General Land Office, $500,000, including not exceeding $25,000 for the purchase of motor-propelled passenger-carrying vehicles for the use of agents and others employed in the field service and for operation, maintenance, and exchange of same and for operation and maintenance of a motor boat: *Provided*, That the compensation of the chief of field service employed hereunder, including his services in the District of Columbia, shall not exceed $3,500 per annum and the compensation of all others employed hereunder shall not exceed $2,700 per annum each, except in Alaska, where a compensation not to exceed $3,000 per annum may be allowed: *Provided further*, That agents and others employed under this appropriation may be allowed per diem in lieu of subsistence, pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and actual necessary expenses for transportation, except when agents are employed in Alaska they may be allowed not exceeding $5 per day each in lieu of subsistence.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. HAYDEN: Page 78, line 21, strike out "$500,000" and insert "$650,000."

Mr. HAYDEN. Mr. Chairman, from my own personal experience I know that the field service of the General Land Office is very much behind in its work because of the lack of necessary personnel. I am continually receiving letters from entrymen in Arizona, where the land in question must be investigated by some representative of the field service, who complain about the delay in issuing their patents. It often takes from six months to a year or more before the field service can possibly make the required examination. The entryman has fully performed his part of the bargain. He has done everything that is required of him by law, but to safeguard the Government against fraud all entries must be examined by some one in the field service. Until such an examination is made a patent can not be issued. The entryman suffers by this delay, although he has paid all the fees and commissions necessary to obtain title to the land. Why is he not entitled to promptly receive the service for which his money has been deposited in the Treasury of the United States?

In the mineral land leasing law there is a provision affecting all of the impounded oil, or cash deposited in lieu thereof, which was held for adjudication by reason of the withdrawals made several years ago. Over $10,000,000 is involved, and to do justice to the Government this whole matter must be carefully investigated by the field service. This bill provides the same amount of money to pay the same force of men, yet it is well known that the duties imposed on the field service have been greatly increased and that vast sums of money are involved where the interests of the Government must be protected. It seems to me that under such circumstances it would be sound business policy on the part of Congress to increase this appropriation, so that the rights of the United States can be amply protected. That is why I offer this amendment, which is the amount asked for in the estimates submitted by the Secretary of the Interior.

Mr. JOHNSON of Washington. Mr. Chairman, will the gentleman yield?

Mr. HAYDEN. I yield to the gentleman from Washington.

Mr. JOHNSON of Washington. Do these delays apply to current efforts to secure land, or to land contests that have been running all of these years?

Mr. HAYDEN. The delays to which I referred apply to current business now pending, where the entryman has submitted his final proof. There may be some question as to the character of the land and it is necessary to send an inspector to see that the entryman is getting nothing more than that to which he is entitled. If there are not enough inspectors, the entrymen suffer, even though in the aggregate they have paid more money into the Treasury of the United States than it costs to conduct the service.

Mr. JOHNSON of Washington. Has it been the gentleman's experience that when it comes to an examination by an inspector there is usually one from the Agricultural Department, one from this service, if possible, one from the Geological Service, and also some map maker from some other service?

Mr. HAYDEN. There might be an inspection by the Agricultural Department if the land is in a forest reserve. If it was an enlarged or grazing homestead entry, the inspection must be made by the Geological Survey, but the ordinary examination is made by the field service of the General Land Office.

Mr. JOHNSON of Washington. Is it not a fact that so many of these land examiners go to examine the land that they can not get together in any office and determine what ought to be done?

Mr. HAYDEN. I do not know about conditions in the Northwest, but in the Southwest the members of the field service have been efficient, but so limited in numbers that they could not possibly do this work as promptly as it ought to be done. The only cause for inefficiency is that, owing to the meager compensation which they receive, many experienced men have been compelled to leave the service and their places have been filled by others not as competent or well trained.

The CHAIRMAN. The time of the gentleman from Arizona has expired. The question is on agreeing to the amendment offered by the gentleman from Arizona.

The amendment was rejected.

The Clerk read as follows:

For the protection of the so-called Oregon & California Railroad lands and Coos Bay Wagon Road lands: To enable the Secretary of the Interior, with the cooperation of the Secretary of Agriculture or otherwise, as in his judgment may be most advisable, to establish and maintain a patrol to prevent trespass and to guard against and check fires upon the lands revested in the United States by the act approved June 9, 1916, and the lands known as the Coos Bay Wagon Road lands involved in the case of Southern Oregon Co. against United States (No. 2711, in the Circuit Court of Appeals of the Ninth Circuit), $25,000.

Mr. JOHNSON of Washington. Mr. Chairman, I move to strike out the paragraph. I desire to ask the chairman of the committee in regard to this item, Oregon and California fire protection, in the Interior Department. The statement was just made in discussing the previous matter that one department does not run over another. Now, here is an appropriation apparently in the Interior Department, and yet it says:

To enable the Secretary of the Interior, in cooperation with the Secretary of Agriculture, or otherwise, as in his judgment may be most advisable, to establish and maintain a patrol to prevent trespass and to guard against said fires upon the lands revested in the United States—

And so forth.

Mr. GOOD. There are about 2,300,000 acres of Government land, estimated to be valued at $30,000,000, and the appropriation has always been about $25,000 to enable them to guard the forests against fire. It is true the Interior Department, as a rule, allots the money when it is necessary to the Department of Agriculture, because the Forest Service there is fully equipped to do the work. This is not a part of the national forest.

Mr. JOHNSON of Washington. Why does not the Forest Service come and ask for the money?

Mr. GOOD. They would not have the power. They only have power in reference to forest fires in the national forests and this is not a national forest; it is part of the Government domain.

Mr. JOHNSON of Washington. Suppose a fire occurs on the Federal domain, whose money will be used?

Mr. GOOD. This is for forest fires; this is all spent for fighting forest fires and protecting the forests——

Mr. SINNOTT. I think this grant is administered by the Interior Department and the Secretary of Agriculture officials in cooperation.

Mr. JOHNSON of Washington. That is just what I charge, that in any number of cases the money is wasted in duplication and the overlapping of one department on another.

Mr. SINNOTT. Furthermore, this is in connection with land contiguous to it.

Mr. JOHNSON of Washington. Separate tracts, individual tracts?

Mr. SINNOTT. No; Government forest lands in the grant and also contiguous to it.

Mr. JOHNSON of Washington. Government forest land, but not forest reserve land?

Mr. SINNOTT. No; forest reserve land.

Mr. JOHNSON of Washington. So there is some reason for having two men employed to run over the tract of land?

Mr. GOOD. No.

Mr. JOHNSON of Washington. I have seen them.

Mr. GOOD. They do not tell us that.

Mr. JOHNSON of Washington. All right.

Mr. BLANTON. Will the gentleman from Iowa yield?

Mr. GOOD. I have not the floor, but I will yield.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word to ask a question. The gentleman stated that the reason for this particular appropriation was that usually every year they appropriated $25,000?

Mr. GOOD. No; the gentleman did not state that.

Mr. BLANTON. That is what he answered the gentleman from Washington, and I am quoting his words.

Mr. GOOD. I stated that the appropriations had been made in this form for a number of years. I do not know whether it makes any difference whether it is made here or made in some other bill, but so far as we can find out the money has been spent in an economical way. Just as the gentleman from Oregon [Mr. SINNOTT] has said, there are forest lands contiguous to those, and perhaps some of it within the boundaries of the Oregon & California Railroad lands, but there are over 2,300,000 acres of this land that the Agricultural Department would not have authority to control under its appropriation.

Mr. BLANTON. The gentleman from Washington did not seem to impress the chairman very much with his suggestions and arguments, but he impressed me with the fact that this is another one of these duplications that the committee headed by the gentleman from Nebraska [Mr. REAVIS] is to seek to do away with, and we have the promise of the gentleman from Nebraska at least that they were going to do away with these duplications in Government expenses, and every time a gentleman on this floor points out a duplication, why, the chairman explains it, because it has been heretofore appropriated, and that is the only argument we have.

Mr. JOHNSON of Washington. The real point to be made concerning joint appropriations in regard to the Agricultural and Interior Departments is this: Congress some years ago yanked the Forest Service up by the breeches and threw it into the Agricultural Department, where it does not belong. I assume this new service means——

Mr. BLANTON. But we are having two expenditures where, on the suggestion of the gentleman from Washington, there ought to be one.

Mr. JOHNSON of Washington. We have two departments to take care of public lands.

Mr. BLANTON. And there ought not to be but one.

Mr. JOHNSON of Washington. That is right.

Mr. BLANTON. It is going to keep on until the gentleman from Nebraska gives us some relief.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Washington.

The question was taken, and the Chair announced the ayes appeared to have it.

On a division (demanded by Mr. GOOD) there were—ayes 10, noes 27.

So the amendment was rejected.

The Clerk read as follows:

For topographic surveys in various portions of the United States, including lands in national forests, $330,000.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report it.

The Clerk read as follows:

Page 84, line 13, strike out "$330,000" and insert "$425,000."

Mr. HAYDEN. Mr. Chairman, the Director of the Geological Survey asked for $600,000 for topographic surveys. My amendment will make the amount $425,000, which was the sum of money regularly appropriated for this purpose prior to the war. I seek nothing more than to get this work back to a peace basis. There is nothing more important to an engineer than a good topographic map, for only by using a flying machine can any man see both sides of a mountain at one time. We are building public roads and highways at great expense all over the United States, and there is consequently a tremendous demand for proper topographical maps for use prior to laying out and constructing these arteries of travel. This mapping should go on as speedily as possible, for it is essential to the proper development of a unified system of public roads. I know that the Geological Survey is short of funds for this purpose for I have been trying for some time to have more topographic surveys made in my State. I once obtained a promise from the director to have a certain area along the Mexican border surveyed, but the money was expended in a survey of a part of the Atlantic coast where some one in the War Department feared that the Germans might land after they had defeated our Navy.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Arizona [Mr. HAYDEN].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For geologic surveys in the various portions of the United States, $352,000.

Mr. HAYDEN. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from Arizona offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HAYDEN: Page 84, line 17, strike out "$352,000" and insert "$400,000."

Mr. HAYDEN. Mr. Chairman, I am again trying to get the appropriation for this activity back to the amount that was allowed by Congress for this purpose before the war, namely, $400,000. Now is the time to put the country back on a peace basis and do things as we did before the war with Germany. I want to direct the attention of the committee to some facts prepared by Mr. E. B. Rosa, of the Bureau of Standards, showing how the appropriations made at the last session of Congress were apportioned. He shows that 68 per cent of the total appropriations were in payment of the expenses incident to the last war or previous wars. Twenty-five per cent of the total was appropriated for the future wars; that is, for the Army and the Navy. Only 3 per cent of the expenses of the Government are occasioned by the operations of the Congress and the departments in Washington, and only 3 per cent was expended for public works, such as public roads, rivers and harbors, and public buildings. Only $1 out of every $100 raised by taxation is expended for the scientific and educational activities of this Government. And it is upon that ultimate $1 that this committee is to-day practicing a cheese-paring variety of economy, because the work of the Geological Survey clearly comes within the last classification. Certainly the committee could find some other place, and it can be found, to reduce the monumental expenses of the Government. But why trim down a scientific activity such as this with a sharp knife to save a few dollars, which will, after all, be absolutely insignificant in the great total that is going to be appropriated by this Congress? There is no more important work performed by any bureau of the Government than that of the Geological Survey. It makes known new natural resources of the United States which materially aid in the progress and development of the country. It is no economy at all to stifle the activities of a great scientific bureau of this kind and then make vast expenditures for a great Army and Navy, as will undoubtedly be done by this Congress. Why not exercise greater care in making appropriations for purposes of destruction instead of so closely scrutinizing small items of expenditure, every dollar of which goes for a constructive purpose?

Mr. GOOD. We allow more than we allowed in 1915; more than we allowed in 1916, 1917, 1918, 1919, or 1920—not very much more, but a little more. And inasmuch as this is to survey, and it is purposed to use it for surveying of coal and oil fields, it seemed to the committee to give them more money for next year would be at least right.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Arizona [Mr. HAYDEN].

The question was taken, and the amendment was rejected.

The Clerk read as follows:

For continuation of the investigation of the mineral resources of Alaska, $75,000, to be available immediately;

For gauging streams and determining the water supply of the United States, the investigation of underground currents and artesian wells, and the preparation of reports upon the best methods of utilizing the water resources, $180,000, of which $25,000 may be used to test the existence of artesian and other underground water supplies suitable for irrigation in the arid and semiarid regions by boring wells.

Mr. HAYDEN. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Arizona offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. HAYDEN: Page 85, line 7, strike out "$180,000, of which $25,000," and insert in lieu thereof "$300,000, of which $40,000."

Mr. HAYDEN. Mr. Chairman, the amendment which I have offered is according to the estimates presented by the Interior Department. In his testimony before the Committee on Appropriations the Director of the Geological Survey says that this appropriation is largely expended in cooperation with the several States, and that to his knowledge $200,000 is now available in appropriations made by the various State legislatures for cooperative work. When the State authorities ask the Geological

Survey for assistance they are told that the appropriations made by Congress are so small that the survey can not meet them dollar for dollar to do such work. It seems but fair that if the States are willing to pay half of the expense the Federal Government should meet them halfway in carrying on investigations of this necessary character.

There can be nothing more important than proper and adequate stream measurements everywhere. There is much talk about water-power development, but no one will invest large sums of money in such enterprises unless a record has been kept for a long series of years—not 5, nor 10, but 20 and 30 years—so that it is well known whether there will be an adequate supply of water for power. The same is true of irrigation. There are numerous projects the feasibility of which is doubtful, because no consecutive record has been kept of the flow of the stream for an adequate period of time. One may see a stream in flood and say that it will irrigate many acres of land, but when the dry years come the project may prove to be a failure. The only safe way is to have accurate measurements made by the Geological Survey. If our country is to be developed, if we want to see water-power sites placed in use, if desert lands are to be irrigated, if the public-land States are to progress, this work of stream measurement must be vigorously prosecuted, because it is the only sound and scientific basis for all such enterprises. There has undoubtedly been a manyfold return to the Federal Government of all the money spent in investigations of this kind. It is poor economy not to continue the work on a scale much larger than the basis provided for in this bill.

The CHAIRMAN. The question is on the amendment of the gentleman from Arizona [Mr. HAYDEN].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. GOOD. Division, Mr. Chairman.

The committee divided; and there were—ayes 16, noes 26.

So the amendment was rejected.

Mr. DUPRÉ. Mr. Chairman, I ask unanimous consent to revise and extend my remarks on the item in the sundry civil appropriation bill on the subject of transportation facilities regarding inland and coastwise waterways, made this morning, and particularly to insert a short editorial from the New Orleans Times-Picayune on this subject.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. HAYDEN. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

The Clerk read as follows:

Government fuel yards: For the purchase and transportation of fuel; storing and handling of fuel in yards; maintenance and operation of yards and equipment, including motor-propelled passenger-carrying vehicles for inspectors, purchase of equipment, rentals, and all other expenses requisite for and incident thereto, including personal services in the District of Columbia, the unexpended balance of the appropriation made for these purposes for the fiscal year 1921 is reappropriated and made available for such purposes for the fiscal year 1922, and of such sum not exceeding $500 shall be available to settle claims for damages caused to private property by motor vehicles used in delivering fuel: *Provided*, That all moneys received from the sales of fuel during the fiscal year 1922 shall be credited to this appropriation and be available for the purposes of this paragraph.

Mr. SNELL. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from New York moves to strike out the last word.

Mr. SNELL. I do so in order to ask the chairman of the committee a question. How much is there of that unexpended balance of the appropriation for the purpose of purchasing fuel at Government fuel yards, and so forth?

Mr. GOOD. That was appropriated as a revolving fund. They have a total investment of $1,154,088, but a part of that may be invested in trucks and equipment.

Mr. SNELL. How are we running on that? Are we paying expenses or making money?

Mr. GOOD. They claim they are furnishing coal to the Government departments at actual cost, plus the administration charges, and that they are simply breaking even.

Mr. SNELL. The Government is getting its coal cheaper than ever before?

Mr. GOOD. That is what they claim, that the Government is getting its coal cheaper than ever before. It should save the dealers' profit at least.

Mr. SNELL. Are you satisfied that it is?

Mr. GOOD. A short time ago the Superintendent of the Capitol, who in my judgment is a very competent man and looks into matters of expense in all the activities he has charge of very closely, felt that he could purchase coal more cheaply outside than he could secure it from the Government fuel yard. But afterwards it seemed that there was some confusion with regard to certain charges that were made by the Government fuel yard. They had not been given credit for the fact that the cartage did not amount to anything for the coal that was furnished to the power people. The power plant is located, as I recall, on the tracks, and there is no charge there for cartage, and they were charging an excessive amount.

As I remember, the complaint was more along that line than it was that he could buy more cheaply from other sources. I think that is the only complaint I have heard, and I have no way of telling except by complaints.

Mr. SNELL. I suppose in making up those figures they make allowance for depreciation or interest on investment, or something of that kind?

Mr. GOOD. I think they do. They make a charge that will make good any of the wearing out or breaking down of the equipment. Of course, the Government fuel yards only furnish the fuel for Government institutions. It is purely an agency to distribute coal among the different departments that have a steam plant.

Mr. SNELL. That is what I supposed; and I was wondering whether it was the judgment of the committee that it was a success and that they were saving money by it.

Mr. GOOD. Of course, it is paying its way, and it should result in a great saving. During the last two or three years the price of coal has gone up; this year considerably more than it was last year. In all these estimates every department came and asked for an increase of from 20 to 25 per cent, and in some cases more, for their fuel, claiming that the cost was greater this year than last year by such percentages, and they felt that the cost would be still more next year. The Committee on Appropriations did not believe that that would be the case.

Mr. SNELL. For commercial purposes you can buy more cheaply now than you could last year. I know that as an actual fact.

Mr. GOOD. I understand so, and as to the amount we put in the bill we concluded that the cost next year would not be any more than it was last year, if as much. Personally I have thought that it will be considerably less.

Mr. DOWELL. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. DOWELL. Do the departments get all their fuel from this agency?

Mr. GOOD. Yes. Under the law they are compelled to do so.

Mr. DOWELL. Is there a purchasing agent for all of them?

Mr. GOOD. Yes; the Government Fuel Yards is such agency. They keep a large supply on hand.

Mr. TILSON. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Certainly.

Mr. TILSON. How much is there of this unexpended balance of the revolving fund?

Mr. GOOD. They have a total cash balance of $1,154,088.

Mr. TILSON. Does it take that amount of money to handle the coal here in the District? I mean does it take that amount of money to conduct the business? As I understand, it can be turned in when a part of the coal is utilized and made to revolve around and around.

Mr. GOOD. I do not believe it would take that much, under the statements made at the hearings, if the departments did what they ought to do. If, when a department placed its order for coal, it would make an allotment or partial payment to the fuel yard, or would pay the bills when the coal is delivered and the bills are presented, that much would not be required. But instead of that they are slow in making payments. We are told by the officer in charge that it is necessary to use all of this fund because some of the departments are so slow in making payments.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word for the purpose of asking a question.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. I would like to ask the gentleman from Iowa [Mr. GOOD] if this provision for a revolving fund is not a war-time provision? Was not that one of the provisions that was brought into existence during the war?

Mr. GOOD. It was intended as a permanent proposition. The gentleman will see that that is so if he will read the discussion at the time when Mr. Sherley presented the proposition.

Mr. BLANTON. It was during the war?

Mr. GOOD. Yes; it was during the war.

Mr. BLANTON. And it was because of the war-time conditions that this was created, was it not?

Mr. GOOD. No. I suppose that if a baby were born during the war the gentleman would call it a "war-time baby." [Laughter.]

Mr. BLANTON. No. I would not think of any such foolishness as that; but I say that now that the war is over these receipts should not be again spent and respent and kept in a permanent revolving fund, but should be turned into the Treasury.

Mr. GOOD. Not if the Government can purchase coal more cheaply than it would have to pay in procuring it from local dealers and operators.

Mr. BLANTON. I was wondering whether we should not abolish this war-time agency, and to that extent get back to a prewar-time basis.

The CHAIRMAN. Without objection, the pro forma amendment will be withdrawn. The Clerk will read.

The Clerk read as follows:

During the fiscal year 1922 the head of any department or independent establishment of the Government having funds available for scientific investigations and requiring cooperative work by the Bureau of Mines on scientific investigations within the scope of the functions of that bureau and which it is unable to perform within the limits of its appropriations, may, with the approval of the Secretary of the Interior, transfer to the Bureau of Mines such sums as may be necessary to carry on such investigations. The Secretary of the Treasury shall transfer on the books of the Treasury Department any sums which may be authorized hereunder and such amounts shall be placed to the credit of the Bureau of Mines for the performance of work for the department or establishment from which the transfer is made.

In all, Bureau of Mines, $1,357,300.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Illinois reserves a point of order on the paragraph.

Mr. MANN of Illinois. I suppose this is another of the war-time provisions which may have been essential at the time, and may still be; I do not know. How far does the gentleman think it is necessary to permit the departments, and not Congress, to determine what shall be done by the Bureau of Mines and the other departments? This authorizes the War Department, whenever an appropriation is made to the War Department, to turn the appropriation over to the Interior Department, to be expended by the Bureau of Mines. It may have been very essential. It may be very desirable now. I do not undertake to say that it is not, though I do not think it is a very good way of appropriating money.

Mr. GOOD. When this matter was presented to the committee several years ago it was found that both in the Bureau of Mines and in the Bureau of Standards a great deal of scientific work could be done if the other departments could send it there and have the work done and pay just what it cost to have the work done there and to make the payments as the work progressed. Before this legislation was enacted they could not pay for the work as the work progressed, and the bureau did not have the appropriation to carry on the work without such payment. A question often comes up in the War Department or in the Navy Department for scientific determination. The equipment for doing the work may be at the Bureau of Mines or it may be at the Bureau of Standards, but they do not have the appropriation with which to employ the men to do it. Now, this language was put in simply to give them authority to have the work done by a Government agency, where the Government agency was equipped to do it, and permit them to transfer the funds to have it done there as the work was being done. Otherwise they would have to go out and pay for the services and then pay for the overhead and for a profit, of course, on the capital invested. It seemed to us that it was a wise provision, and we granted that both to the Bureau of Standards and to the Bureau of Mines.

Mr. MANN of Illinois. Theoretically, of course, it might be wise to say that we appropriate money for one department with authority to that department, if it chooses, to turn it over to some other department. Of course, that generally would be a rather sloppy way of making an appropriation.

Mr. GOOD. I agree with the gentleman.

Mr. MANN of Illinois. Now, can the gentleman tell us—I do not know whether it was shown in the hearings or not—how much money was actually transferred under this provision of the law, or has been at any time?

Mr. GOOD. No. This matter was pretty thoroughly gone into a few years ago when we first placed the provision in the law.

Mr. MANN of Illinois. That was a war measure to provide for war activities.

Mr. GOOD. It was with reference to certain war activities, but it also applies to peace-time activities.

Mr. MANN of Illinois. That may be; but the amount of money that would be turned over during the war would be no criterion of the amount turned over in peace times.

Mr. GOOD. That is very true; but I recall quite a number of items that were mentioned at the time, both by Dr. Stratton and Dr. Manning, where they were equipped to do the work and had the facilities for it if they could bring in some men to do it; but they did not have an appropriation to hire the men to do the work and carry the account. So it was simply provided here that where an appropriation was made for the War Department or the Navy Department or other departments to secure a certain thing—it may have been scientific information—they should allot that money or a portion of it to some of these scientific bureaus to have the work done.

Mr. MANN of Illinois. I withdraw the point of order.

The CHAIRMAN. The gentleman from Illinois withdraws the point of order. The Clerk will read.

The Clerk read as follows:

The following sums are appropriated out of the special fund in the Treasury of the United States created by the act of June 17, 1902, and therein designated "the reclamation fund," to be available immediately:

For all expenditures authorized by the act of June 17, 1902 (32 Stat., p. 388), and acts amendatory thereof or supplementary thereto, known as the reclamation law, and all other acts under which expenditures from said fund are authorized, including salaries in the District of Columbia and elsewhere; examination of estimates for appropriations in the field; refunds for overcollections hereafter received on account of water-right charges, rentals, and deposits for other purposes; printing and binding, including a publication called the Reclamation Record; law books, books of reference, periodicals, engineering and statistical publications, not exceeding $1,500; purchase, maintenance, and operation of horse-drawn or motor-propelled passenger-carrying vehicles; payment of damages caused to the owners of lands or private property of any kind by reason of the operations of the United States, its officers or employees, in the survey, construction, operation, or maintenance of irrigation works, and which may be compromised by agreement between the claimant and the Secretary of the Interior; and payment for official telephone service in the field hereafter incurred in case of official telephones installed in private houses when authorized under regulations established by the Secretary of the Interior.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Illinois reserves a point of order on the paragraph.

Mr. MANN of Illinois. I notice that this paragraph proposes to provide specifically for the publication of the Reclamation Record.

Mr. GOOD. Yes.

Mr. MANN of Illinois. I apprehend that in view of the present law on the subject of publications all of the bureaus will seek to have specific provisions inserted in the appropriation bills for the publications issued by their bureaus; but does the gentleman from Iowa think there is any warrant of law for making appropriations for this specific purpose?

Mr. GOOD. The Reclamation Record is a publication issued by the Reclamation Service, and the water users in the main subscribe for it, and they pay the subscription price. The money gets back into the fund. Now, unless there is authority to publish it they would have no right to publish it.

Mr. MANN of Illinois. They do not let a little thing like that stand between them. It has been published for years without authority, and I suppose will continue to be published in the future without authority; but in view of the law on the subject of publications I suppose all these bureaus would like to have specific authority now.

Mr. GOOD. I suppose so, but I think the gentleman will see that there is a big difference between this and the other matter. In this case the publication is paid for out of the reclamation fund, not out of the Treasury, and the members of the water users' association subscribe for it and pay an amount at least equal to the cost of the publication.

Mr. MANN of Illinois. The gentleman does not mean to say that it is not paid for out of the Treasury?

Mr. GOOD. It is paid for out of the reclamation fund.

Mr. MANN of Illinois. Well, that is out of the Treasury.

Mr. GOOD. Of course, that money, under the law, as the gentleman knows, is to be returned to the Treasury. It is a loan fund.

Mr. MANN of Illinois. I know, but it comes out of the Treasury.

Mr. GOOD. Oh, yes.

Mr. MANN of Illinois. I make the point of order against the language on page 92, lines 5 and 6—

Including a publication called the Reclamation Record.

There is no authority in the reclamation law—no express authority, at least—for the publication of this Reclamation Record.

Mr. GOOD. I think that is true. I concede the point.

The CHAIRMAN (Mr. FESS). The Chair sustains the point of order.

Mr. TAYLOR of Colorado. Will the gentleman permit a suggestion?

Mr. MANN of Illinois. Certainly.

Mr. TAYLOR of Colorado. I have two large reclamation projects in my district, one of 140,000 acres and another of 155,000 acres, and I know that the farmers out there look upon the Reclamation Record with a great deal of interest. It seems to contain a lot of information not only of interest but matter greatly appreciated by the farmers.

Mr. MANN of Illinois. The gentleman from Colorado undoubtedly reads the Reclamation Record. I have read it myself, and I think it is about as valueless as any public document I ever saw in my life. It is mainly devoted to puffing somebody connected with the Reclamation Service. It is almost of no value to anybody. However, I do not apprehend that striking this out of the bill will affect the publication of the Record. It has been published for years in defiance of law, and probably will continue to be published regardless of law, although I hope it will not become the practice with the thousand and one publications issued by the different bureaus to ask for specific authority in each case for the publication of this sort. That will become the practice if we allow this to go in, in my opinion.

Mr. TAYLOR of Colorado. From an irrigation standpoint and the standpoint of drainage and seepage it does contain a good deal of good information.

Mr. MANN of Illinois. I do not say it does not, although I have read it for years to see if I could find anything worth reading.

Mr. TAYLOR of Colorado. Let the gentleman come out on a reclamation project, and then perhaps he will be interested in it.

Mr. MANN of Illinois. Mr. Chairman, was the point of order sustained?

The CHAIRMAN. The point of order was sustained.

The Clerk read as follows:

Boise project, Idaho: For operation and maintenance, continuation of construction, and incidental operations, $1,570,000.

Mr. GOOD. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Page 93, line 12, after the amount, insert a comma and add "together with the unexpended balance of the appropriation for this project for the fiscal year 1921."

The CHAIRMAN. The question is on the amendment.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Minidoka project, Idaho: For operation and maintenance, continuation of construction, and incidental operations, with authority in connection with the construction of American Falls Reservoir, to purchase or condemn and to improve suitable land for a new town site to replace the portion of the town of American Falls which will be flooded by the reservoir, and to provide for the removal of buildings to such new site and to plat and to provide for appraisal of lots in such new town site and to exchange and convey such lots in full or part payment for property to be flooded by the reservoir and to sell for not less than the appraised valuation any lots not used for such exchange, $1,735,000.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the paragraph. Facetiously, if not seriously, with the change of the rules, why should not the Committee on Irrigation have jurisdiction of a subject of this sort and report upon it? Why should the Committee on Appropriations, with all its great work of holding down expenditures of the Government, undertake to tell whether they shall move a town site and build a new one, and how they shall operate it? What is the value of a Committee on Irrigation of Arid Lands if every time a project comes up its details are to be worked out by the distinguished Committee on Appropriations? I thought when the gentleman from Iowa and other members of the Committee on Appropriations succeeded in changing the rules of the House they pledged the House that they would attend to their own work of appropriations and leave legislation to the legislative committees of the House.

Mr. BLANTON. Will the gentleman yield?

Mr. MANN of Illinois. Yes.

Mr. BLANTON. I want to answer for the chairman of the committee, who seems to be speechless.

Mr. GOOD. The gentleman from Texas is never speechless. [Laughter.]

Mr. BLANTON. The chairman, who has pet projects in his State, knows more about the matter than the Irrigation Committee.

Mr. MANN of Illinois. Oh, it is not in the State of the gentleman from Iowa, and he has no pet projects. I will say that for him.

Mr. GOOD. Mr. Chairman, I think the gentleman from Illinois will admit that this appropriation bill has far less of legislation in it than the sundry civil bill has carried for a great many years. It is always necessary, if we are to appropriate wisely, if we are to make efficient appropriations in a way that the money will be expended wisely, to carry some little legislation governing its expenditure. As far as this item is concerned, I do not believe a single member of the committee——

Mr. MANN of Illinois. Knows anything about it.

Mr. GOOD. Yes; they do know about it. We went all over the project. It is going to be necessary to move a town in order to get a reservoir. The men who are to take up the reclaimed land will have to pay for it. If they are going to utilize the water at the American Falls, they have got to flood the town.

Mr. MANN of Illinois. Is not that important enough to attract the attention of the proper committee on the subject? The Committee on Appropriations has to consider these things offhand, while the Committee on Irrigation of Arid Lands would spend a month on it.

Mr. GOOD. We have not passed on this matter offhand.

Mr. MANN of Illinois. I say offhand; I do not mean to say without any consideration, far from it; and I think the sundry civil bill is perhaps as free from legislative provisions as any previous bill; but when it comes to moving a town, I should think that that was important enough to have the proper legislative committee give consideration to the subject. The State of Idaho has as bright men in the House as you will find anywhere in the country. They have been easy about this, because one of them is on the Committee on Appropriations. The proper procedure under the new rules of the House would be for the legislative committee to provide by legislation upon the subject.

Mr. GOOD. It is not a new rule; the same rule has been in operation in this House for a long time. The gentleman knows that it has been the rule of the House ever since he has been a Member that the Committee on Appropriations shall not bring in legislation. It is an old rule.

Mr. MANN of Illinois. It is a new rule forbidding any other committee to bring in appropriations and thereby giving an inference in addition to the actual rule itself that the Committee on Appropriations will confine itself to appropriations.

The Committee on Appropriations brings in an appropriation bill. The Navy or the Army wants something in connection with an appropriation, and they will ask the Committee on Appropriations to give them the legislation, because that bill has to be considered in the House. It has the right of way. It can cut out all other legislative propositions, but if the Committee on Appropriations seeks to do that sort of thing and it gradually works into that practice, it will absorb all of the jurisdiction of the House.

Mr. GOOD. The gentleman is correct about that.

Mr. MANN of Illinois. If I were not correct about it, or at least if I did not think so, I would not say so.

Mr. GOOD. There is no Member of the House who pays closer attention to matters of legislation and appropriation than the gentleman from Illinois [Mr. MANN], and yet the gentleman from Illinois would not have a great deal of the legislation that is in this bill stricken from the bill. He knows that it was put there as a general rule in order to save the money, in order to protect the money, and to properly administer the appropriation. Take this item. Here was a matter that came up, here was a large fund that came into the reclamation fund by the oil leasing act. They estimated the amount at over $10,000,000, and the time had arrived to do this work. A questionnaire was submitted to all those people out there, the water users, and almost to a man the people who are to pay for this, who are going to live on this additional unit, asked for it. The gentleman from Idaho wanted it, but if there is any objection to it from any source, as far as I am personally concerned——

Mr. MANN of Illinois. Of course, anyone can strike it out on a point of order.

Mr. GOOD. Yes.

Mr. MANN of Illinois. However, as I remarked when I started in, I raised the question facetiously and I withdraw the reservation of the point of order.

The CHAIRMAN. The gentleman from Illinois withdraws his reservation to the point of order.

Mr. GOOD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Amendment by Mr. GOOD: On page 98, line 2, after the amount insert a comma and add "together with the unexpended balance of the appropriation for this project for the fiscal year 1921."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

Mr. TILSON. Mr. Chairman, I move to strike out the last word. I am not willing to let this item pass without a word—perhaps "protest" is too strong—but at any rate without a word to call attention to the tendency here disclosed which to my mind is going to be fatal to the new scheme of appropriations, viz, the placing of legislation on appropriation bills. I

for one do not believe that it is impossible to get small bills through both branches of Congress. My experience has been that such bills go through very easily when they have merit. Therefore it is not a good answer to say that they will not get through at all unless they go through in this way. So far as small matters relating to just how the money under a certain item shall be expended are concerned, which carry no real substantive legislation, the objection is not so great; but, after all, it seems to me that the Committee on Appropriations has plenty to do without going outside of its own jurisdiction to investigate legislative matters. The total of appropriations recommended by this committee is, of course, as we all know, very large. The number of items which have to be considered by this committee is perfectly enormous. To turn aside from the consideration of appropriation items and devote the time of the Appropriations Committee to the consideration of legislative matters, when there are a number of legislative committees in this House with plenty of time on their hands capable of taking care of these things seems to me to be a great mistake. I am not willing to let this instance pass without calling attention to it. I fully concur in dead earnest with what the gentleman from Illinois [Mr. MANN] says he said facetiously. It is a matter of real concern to the better conduct of business in this House.

Mr. MANN of Illinois. My facetious remarks are usually the most serious I make.

Mr. GOOD. Mr. Chairman, I desire to oppose the amendment offered by the gentleman from Connecticut [Mr. TILSON]. In formulating this bill it was the intention of the committee to very scrupulously observe not only the new rules but the old rules of the House, the rule that has been the rule ever since the gentleman from Illinois [Mr. MANN] came into the House; that is that no legislation on an appropriation bill is in order. Whenever we have done it in matters of this kind it is with the spirit that it would bring the item to the attention of the House. If any one desired to do so he could strike it out. We frankly admit that this is new legislation and as such may be eliminated from the bill by a single Member. We did not go out and seek a single item. This matter was brought to us by the Reclamation Service. To include such an item would be notice, then, to the Committee on Reclamation that here at least was a matter that ought to be investigated if it went out, and the feelings of no one on the Committee on Appropriations will be hurt if points of order are made to items of that kind where we have attempted to legislate. If they go out, then the Committee on Appropriations has discharged its duty in calling the attention of the House to matters to which the committee's attention was called and for which relief was sought. We do not desire in any respect to usurp any of the functions of any committee. When I see the number of bills that are piling up in some of the legislative committees of the House, I doubt very seriously that some of them will have a chance of being considered or if the committees have thought seriously enough of many of them to consider reporting them out.

Mr. PADGETT. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. PADGETT. I notice on page 95, lines 4 to 5, not yet reached, the following item:

Deschutes project, Oregon: For beginning construction and incidental operations, $400,000.

Is not that new and unauthorized by law?

Mr. GOOD. Yes; it is new, but it is authorized by law. Under the law the President has the power to approve projects, and after the approval by the President then the appropriation is authorized. The President has already approved this project, and it would not have been inserted in the bill if it had not been approved.

Mr. CAMPBELL of Kansas. Mr. Chairman, I move to strike out the last two words. I do this for the purpose of adding a further word to the suggestions that have been made with respect to bringing in legislation on appropriation bills. When this new rule was prepared I know that it was the intention that there should be no legislation of any character brought in on an appropriation bill. The committees that had the power of bringing in appropriations were very reluctant to yield that privilege, and, as was said here a few days ago, if legislative powers are to be assumed by or yielded to the Committee on Appropriations, then the other committees of the House will become absolutely useless.

I have these suggestions to make to all of the legislative committees of the House and to the members of the committees having jurisdiction over matters of legislation. If they will scrupulously watch these appropriation bills and be prepared to make points of order on every item of legislation contained in them, I am sure that the presiding officer will sustain the point of order, and then the legislative committees will have not only the right but upon them will be imposed the duty of bringing in the legislation in question.

I think this should be done by the Committee on Appropriations, if I may make the suggestion, that when persons interested in matters of legislation bring such matters to the attention of the Committee on Appropriations they should be told at once that that matter should be called to the attention of the appropriate legislative committee.

Mr. BYRNS of Tennessee. Mr. Chairman, may I say, so far as the subcommittee that had charge over the details of this particular bill are concerned—and I am sure it is true of the other committees—that just that course was followed. It is true on this bill one or two items of legislation were given, as stated by the gentleman from Iowa, but I do not want the gentleman or the House to understand that we put in this bill all the legislation that we were requested to put in. There were innumerable requests that came to the committee in the form of estimates that were frequently told by the chairman of the committee at the time that they could not go in, although we recognized it was proper legislation for which they were asking, but should go to the proper legislative committee. I think that should be said.

Mr. CAMPBELL of Kansas. I know that it is true for many years many appropriation bills have carried items of legislation, and when such matters have gone out on a point of order they asked for a special rule to make such legislation in order. I hope it will not be necessary for the Committee on Rules to deny a request for such legislation in the future.

Mr. GREENE of Vermont. Mr. Chairman, I rise in pro forma opposition to the motion of the gentleman from Kansas. I want with all respect to bring to the attention of the House once more what doubtless has suggested itself at different times in your experience, that the possibility of the Committee on Appropriations bringing in a positive proposition of legislation is not all the mischief that lies in this matter. There is another mischief in it, and that is that, after certain legislation has been passed and becomes authorization of law for an appropriation, then the Committee on Appropriations may utterly withhold that appropriation and thus indirectly legislate by a repealing amendment in effect, or it may so diminish the appropriation as to make it practically of no avail to carry out the intent of the legislation itself. Moreover——

Mr. GOOD. Will the gentleman yield?

Mr. GREENE of Vermont. I will.

Mr. GOOD. Of course, the House will have its remedy when that may come on the floor. It could move to increase it, so after all it will be a question to be decided by the House.

Mr. GREENE of Vermont. But the odds have passed in favor of the Committee on Appropriations. The control is no longer in the hands of the legislative committee. The offensive has passed, in military parlance, from the committee that proposed the legislation and made it a law and has come into the hands of the Committee on Appropriations, which can thus defeat the enterprise.

Mr. GOOD. Of course, it could be brought before the House in a perfectly legitimate way and an orderly way.

Mr. GREENE of Vermont. Yes; that is true; but we have other rules and practices in the House which are more honored in the breach than in the observance. Theoretically one has the right, but practically it amounts to nothing.

Another phase, it seems to me, and peculiarly important, is that after perhaps months of study on a particular question relating to the interior administration of a department, for instance, or a bureau, the committee that has given years of study to that speciality in legislation may determine as to the relative values and merits of two active agencies within that department and have intended by some legislation to increase the activities of one and perhaps to diminish the activities of the other. Yet when representations are made by the persons interested to the Committee on Appropriations, such legislation may be utterly defeated in its purpose, because those parties in interest may see that the appropriations are reversed in their character and amount and the one that it is intended to give the most to is diminished in appropriations and the other one that is of less value relatively is intensified in its activities by reason of an increased appropriation.

There is here a constant subtle opportunity for an upset of all legislative propositions that become final law after months or years of study by people who are especially intrusted with such study.

I only take this occasion to invite attention to this and also the attention of the House to the fact that we are playing with something here under the substance and form of a budget

that will eventually turn out to be a veritable Pandora's box of mischief.

I favor the budget idea heartily, but I think a solution of the question briefly and broadly stated might be an allowance to each one of the former Appropriations Committees of a lump sum out of the budget as a maximum expenditure for the session or the period of the fiscal year, and then those committees who are more familiar with the interior relative values of agencies and of departments may apportion sums of money within that given it for the several agencies as a whole according to its best judgment. Thus they will have served all the purposes of economy; will not have gone beyond the sum allotted by the budget or appropriating committee; will be able to say from their best efforts and special study whereabouts in the interior branch these several sums of money are to go; and thus legislation of a direct character relating to specialized operations and special bureaus will not be defeated, hindered, or hampered by men who with whatever honest intent—and I am sure that there is nothing else—are driven by the pressure of time to determine the expenditure of enormous sums of money without the opportunity to have special knowledge of or give special attention to many of these details.

The CHAIRMAN. The time of the gentleman has expired: all time has expired.

The Clerk read as follows:

Okanogan project, Washington: For operation and maintenance, continuation of construction, and incidental operations, $33,000.

Mr. GOOD. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Iowa offers an amendment, which the Clerk will report.

The Clerk read as follows:

Page 95, line 20, after the amount, insert a comma and add: "together with the unexpended balance of the appropriation for this project for the fiscal year 1921."

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

All moneys hereafter received from any State, municipality, corporation, association, firm, district, or individual for investigations, surveys, construction work, or any other development work incident thereto involving operations similar to those provided for by the reclamation law shall be covered into the reclamation fund and shall be available for expenditure for the purposes for which contributed in like manner as if said sums had been specifically appropriated for said purposes.

Mr. MANN of Illinois. Mr. Chairman, I move to strike out the last word.

There is a bill pending in the House, under a special rule of the House, proposing to authorize individuals to turn money over to the Treasury as a fund to survey and make an examination of private lands which may be sold, and I heard the other day when the bill was under discussion for a short time so many suggestions from Members against the idea of the Government accepting money from an individual and paying it to a Government employee to do some work, that I supposed, of course, that when this item in this bill was reached there would be a dozen Members on the floor making a point of order against it, as it is clearly subject to a point of order. And yet that is all it does; just authorizes an individual or a corporation to turn over money to the Treasury to do identically the same thing that is suggested to be done by the bill that is pending, and which very likely will not have a chance to pass.

Mr. GOOD. Mr. Chairman, the item here was asked for by the Director of the Reclamation Service to take care of just such cases as were under discussion a few minutes ago with regard to the American Falls, where the State or municipality, or an individual or a corporation, would be benefited, perhaps, by making a donation to get the exchange or something of that kind, that they could receive the fund and the money would go into that fund.

Mr. MANN of Illinois. The money is to be paid out to a Government employee.

Mr. GOOD. Paid out, of course, in the building of these works.

Mr. MANN of Illinois. Of course, the gentleman did not understand I was objecting to the provision, but I wondered when so many people were objecting to the same thing in another bill they were asleep when this bill came along.

Mr. GOOD. I am not objecting to the Government receiving money when somebody wants to pay it to them.

Mr. MANN of Illinois. The members of the Committee on Appropriations were having cat fits the other day when the other bill was up, and yet they all reported this item in this bill, and when they knew it was in the bill.

Mr. GOOD. Oh, no.

Mr. MANN of Illinois. If they knew it was in the bill, it was not consistent.

Mr. BLANTON. That is the usual camouflage.

The Clerk read as follows:

In all, for the Reclamation Service, $20,277,000.

Mr. DUNBAR. Mr. Chairman, I move to strike out the last word. In this bill there is a proposed appropriation for the Reclamation Service of $20,277,000 for one year's projects. Can the chairman inform the committee how much money has been expended by the Government for the Reclamation Service and how much money has been received by the Treasury from persons who have occupied or purchased land that the Government has reclaimed?

Mr. GOOD. The total amount appropriated to date, or in the revolving fund, as I recall, is about $122,000,000. At the present time under the law there is being returned to the Treasury out of that fund every year $1,000,000. Now, that money is not all appropriated for new development work, but a large part of it, not the largest part, but a goodly part of it, is appropriated for operations. At each one of these projects the Government operates the entire works. The Government takes care of the dams, makes the improvements on the canals and the laterals, and looks after the water. The money is expended, first, for operations, and then for extending the laterals and extending the main canals and bringing additional land under cultivation. The reason why it is so large this year is because the oil leasing act which we passed here some time ago provided that 70 per cent of the royalties—leases already executed—should go into the reclamation fund, and, as I recall, 52½ per cent of the royalties for future leases should go into the reclamation; that is, 70 per cent on former leases and 52½ per cent on leases made after the enactment of the law.

Now, that has created in the Treasury a fund of something over $6,000,000 that is available for reclamation objects under the law and can not be used for any other purpose.

Mr. DUNBAR. Does the gentleman anticipate that the money to be received by the Treasury will reimburse the United States Government eventually for the amount of money expended, or will it continue to be an expense upon the Government? In other words, the ground recovered by means of reclamation will ultimately become a source of income to the United States, so that the Treasury will finally be reimbursed for the amount of this appropriation?

Mr. GOOD. I think so. The loss is very small. Very, very few of the projects have been failures.

Mr. DUNBAR. In other words, this development as it progresses will finally reach the point where the Treasury of the United States will be reimbursed for the amount of money which we are now expending?

Mr. GOOD. I think so. Take some of these projects, the people living on them are very prosperous. I do not know just what the receipts are for a project like the Yakima project, but I understand the annual value of the crop is more than the total cost of the project.

The CHAIRMAN. Without objection the pro forma amendment will be withdrawn, and the Clerk will read.

The Clerk read as follows:

Alaskan Engineering Commission: For carrying out the provisions of the act entitled "An act to authorize the President of the United States to locate, construct, and operate railroads in the Territory of Alaska, and for other purposes," approved March 12, 1914, as amended, $4,000,000, to continue available until expended.

Mr. McKINLEY. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. McKINLEY: Page 98, line 24, after the word "expended," insert: "*Provided*, That no one individual shall be paid an annual salary out of this fund of more than $10,000."

Mr. McKINLEY. Mr. Chairman, some eight years ago Congress passed a law proposing to build 600 miles of Government-owned railway in Alaska at a cost of $35,000,000. That would be at a cost of about $60,000 per mile.

Take it in our thickly settled country. Most people hardly realize that a large amount of the cost of a railroad is in the terminals. Take, for instance, the Pennsylvania terminal at New York, which cost about $150,000,000, which would build 7,500 miles of railroad at $20,000 a mile. The principal items in the construction of a railroad out in the country are the ties and the rails and the ballast and the grading. On an ordinary standard-gauge railroad on a given average in the country the requirement would be for about 3,000 ties to a mile. From the time of the commencement of the construction of this road in Alaska ties could be obtained very easily at $1 apiece, or at a cost of $3,000 per mile. A 75-pound rail is a very good rail for

average construction, which, at the prevailing price when this railroad was commenced, would be about $30 a ton, which would entail a cost per mile of about $4,000 for the rails, or about $7,000 as a base proposition. The estimate at that time was $60,000 per mile for the construction of the road. There has been about 410 miles built at a cost of $41,000,000, or a cost of $100,000 per mile.

I make that statement simply to show that I do not think there has been any great amount of saving in the construction of this road. When the law was passed the President was given a rather free rein. He could appoint a commission as he pleased. He could fix their salaries as he pleased. Originally there were three commissioners, two of them civilians and one an Army man, and originally the President fixed the salaries of the commissioners at $10,000 per year.

The civil commissioners have drifted out for some reason or other. The construction now, practically, is in charge of the Army, of an Army engineer, a lieutenant colonel, who in the Army would receive perhaps a total salary of $4,500 a year. Up to perhaps six or eight months ago he received a salary of $10,000 per year as the commissioner in charge of this construction of a railroad building at a cost of $100,000 per mile, and in some way or other the President has gotten rather liberal in the last few months and has increased his compensation to $15,000 per year—for a $4,500 lieutenant colonel. The object of my amendment is to restrict the salary to $10,000 per annum.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the gentleman's amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment to the amendment, which the Clerk will report.

Mr. BLANTON. It is to strike out "$10,000" and insert in lieu thereof "$7,500."

The Clerk read as follows:

Amendment offered by Mr. BLANTON to the amendment offered by Mr. MCKINLEY: Strike out "$10,000" and insert in lieu thereof "$7,500."

Mr. BLANTON. Mr. Chairman, I called attention the other day to the number of salaries that we provide for in this bill that are either equal to or over $7,500. In other words, we provide for 5 commissioners of the Federal Trade Commission at $10,000 a year each in this bill; we provide for 11 members of the Interstate Commerce Commission at $12,000 a year each in this bill; for 9 members of the Railroad Labor Board at $10,000 a year each in this bill; for 7 members of the Shipping Board at $12,000 a year each in this bill; for 6 members of the Tariff Commission at $7,500 a year each in this bill; and now the gentleman from Illinois [Mr. MCKINLEY] seeks to make the limit of salary up in a far-away country at $10,000, or $2,500 a year more than he himself receives.

I want to submit that there is no more responsible position in the United States Government than there is right here in the seats of this House and in the seats of that body at the other end of the Capitol, and creating these high salaries is merely paving the way for an effort which is to come a little later on, either at this session or in the next session, to increase the salaries of the membership of the House and of the Senate up to either $10,000 a year or $12,000 a year. It is paving the way for that measure that would have come up at the last session if some of our friends had not been afraid that there would have been a record vote and that they would have had to go down on record on that proposition.

I say now it ought not to come up in this Congress, and we ought to stop this habit that we are getting into of fixing these salaries up to $8,000 and $10,000 and $12,000 a year. There is not a man here in this House whose place can not be filled by somebody to-morrow if he will resign at the salary, $7,500. Every two years there is always some fellow trying to get our places, and they succeed sometimes, and they spend money to get these $7,500 positions. You may say that they may not be more than $7,500 men, but you spend money here every year to hold your positions. There are men in this House who would spend almost the amount of their salaries sometimes to hold their positions. I want to say right now that we ought to stop paying these high salaries. The time ought to come when we ought either to be willing to work for our salary or to quit, and we ought not to fix somebody else's salary in the Government a little higher than ours and then later on use it as an excuse for raising our own salaries. I voted against each one of these raises above referred to, and shall vigorously oppose any and all attempts that may be made to raise our own salaries.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. MADDEN. Mr. Chairman, I am rather glad to note that my colleague [Mr. MCKINLEY] has introduced this limitation as an amendment fixing at $10,000 a year the maximum compensation of the commissioner who is charged with the responsibility of building the Alaskan railroad. I recall when this legislation was first before the House for consideration, and authority was being sought to build the road, I suggested that it would cost $150,000 a mile. Everybody on the other side of the case said it could be built within the amount authorized, $35,000 a mile. Everybody said that we were building a railroad into a new El Dorado; that we were going into the Matanuska coal fields; that we were going to supply the American Navy with cheap coal. We were then buying coal from Wales at something like $25 to $30 a ton. They said the Matanuska coal had a heating power greater than the coal down here in the Virginia fields; that it could be produced in quantities without end; that we were going also into a great agricultural region from which we would be able to get freight enough to pay for the railroad in no time.

We have not found the coal, and I have not seen any of the agricultural products. Sometimes they say that if you want to get down to where the earth is up there you have got to dig through 70 feet of ice. Now, I do not know whether this railroad is being built on the ice or not, but one section of the road, 25 miles long, was laid in a place where it was washed away within a week after it was laid. That shows the qualities of the engineering forces up there. We had two civilian commissioners cooperating with the military commissioner, neither of whom had ever seen a railroad except when they rode on it. They were getting $10,000 a year. They did nothing for their compensation. They had 47 per cent of the men employed in the overhead force and only 53 per cent of those employed who were doing actual construction work. I think it has been one of the most scandalous enterprises in a small way—for we consider $50,000,000 or $60,000,000 now a small thing—that I have ever known. We have just begun to build the railroad—only 410 miles built out of 600.

You know it was said before this railroad was authorized, and while it was under consideration, that the Guggenheims owned some of the railroads there, that they were stealing Alaska, that they were criminals. I suggested then that if they were criminals they ought to be arrested and put in jail.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. MADDEN. I ask unanimous consent that I may proceed for five minutes more.

The CHAIRMAN. The gentleman from Illinois asks unanimous consent that he may have five minutes additional. Is there objection?

There was no objection.

Mr. MADDEN. I said, "I suspect that the first thing they will do with this money after they get it will be to buy the railroad from these criminals that you are talking about." And that is what they did. I understand they bought the railroad at a reasonable price; that the Guggenheims were glad to get rid of it. They did not have any use for it. There were several other railroads being built up there, and some of those were taken over; and now we are on the edge of a situation that calls for more money and more money to continue the construction of a railroad in the clouds. We have no freight to carry there. Nobody has seen a pound of the coal that we were going to bring down in large quantities to Seattle. Half the American Navy is in the Pacific Ocean. They are burning oil or buying coal from England, but they are not getting any of it from Alaska, and yet this expense is going on. Now, you know an Army officer is not the best kind of a man to put in charge of economical expenditure. He never knows what money means. I recall very well when I was on the Appropriations Committee a great many years ago I went to Panama. Col. Gorgas was on the witness stand for several days, and I inquired from him what it cost to do the sanitation work on the Isthmus. He had spent several million dollars. He did not know much about costs. At the end of the examination I said: "I suppose, Colonel, that you are recognized as the greatest sanitary scientist in the world. I am willing to admit that; but if I had my way I would let you write the prescription and then I would let somebody fill it who knew how to spend the money. You do not know how to spend it." I said to him: "You remind me of a little boy that my niece left when she died. We had him on the farm with us. He used to go six miles and a half to meet me at the train. One day my daughter gave him money to get his hair cut. He was in the automobile when I got off the train, and his hair was cut. I said, 'Hello; you got your hair cut.' He said, 'Yes.' I said, 'How much did it cost?' He said, 'I don't know. I gave the barber all the money I had.' I said, 'How much money did you have?' He said, 'I don't know. I don't know money yet.'" [Laughter.] Now, that is just exactly the situation of

the Army officers. They do not know money, and do not care as long as it does not come out of their pockets.

I am glad this limitation has been placed on the compensation to be paid to this Army officer. Ten thousand dollars is a good compensation. If the amendment of the gentleman from Texas [Mr. BLANTON] should apply, limiting it to $7,500, it would still be a good compensation. I hope that the amendment providing a limitation will prevail, and I hope that some day we will find somewhere in America some civilians who are qualified to act as commissioners to build the rest of this railroad, and that when they are appointed they will go on the job and know how to conserve the public money. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired.

Mr. GOOD. I ask unanimous consent to proceed for two minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to proceed for two minutes. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, I see no objection to the amendment offered by the gentleman from Illinois [Mr. MCKINLEY]. He is accustomed to deal with men in this kind of construction and is better qualified than I to pass upon the adequacy of their compensation.

Mr. CALDWELL. Will the gentleman yield?

Mr. GOOD. I have only two minutes.

Mr. CALDWELL. We will get the gentleman two minutes more.

Mr. GOOD. I yield to the gentleman from New York.

Mr. CALDWELL. Does this Army officer who is to get this salary also draw a salary as an officer of the Army?

Mr. GOOD. No. The position of the committee was this: Here was a big project costing $52,000,000. They have completed more of the road than the gentleman from Illinois has indicated. There are only 83 miles of the main line remaining to be built and a part of that is graded. It was the thought of the committee that no one should ever be able to say if a failure existed that it was owing to the fact that Congress had crippled them in giving them insufficient salaries. I think that to live up in that country and administer a great property, that cost the Government $52,000,000, a salary of $10,000 is not excessive. I am willing to take the judgment of the gentleman from Illinois on that matter. There is only one man that receives more than $7,500, and that is the chief engineer to whom the gentleman referred; the assistant engineer gets $7,500 a year. Those are the only annual salaries, and there are no monthly salaries in excess of $500 except one. There was one monthly salary of $833 last year, but none estimated for next year.

Mr. GARRETT. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. The gentleman from Tennessee asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. GARRETT. Mr. Chairman, I have no objection to the amendment proposed by the gentleman from Illinois and supported by his colleague, but I do not know whether to congratulate the gentleman on his foresight or to express wonder at his lack of confidence in the administration that is to be. [Laughter.]

The gentleman has pointed out that it is within the power of the President of the United States to fix the salary of these commissioners in such sums as he desires with an absolutely free hand. Of course, that applies to the next fiscal year, and at that time there would be another President, who will have the exercise of that power. Perhaps the gentleman is exercising wisdom and great foresight at the beginning of his own administration. [Laughter.] I congratulate the gentleman.

Mr. MILLER. Mr. Chairman, I ask unanimous consent to proceed for three minutes.

The CHAIRMAN. The gentleman from Washington asks unanimous consent to proceed for three minutes. Is there objection?

There was no objection.

Mr. MILLER. Mr. Chairman, I can see no objection to the amendment proposed by the gentleman from Illinois [Mr. MCKINLEY]. I exceedingly regret that the gentleman from Illinois [Mr. MADDEN] is scandalized by the railroads. He probably arrived at that conclusion because of his absolute ignorance of the situation. [Laughter.] I do not know that the gentleman has ever been to Alaska or seen the railroad, or he would know that not a dollar of appropriation made so far has been spent toward getting coal for the Navy. But Congress did make an appropriation, and facilities are under way by which the railroad which is laid to the mine will deliver coal to tidewater, and the coal can be thus made available for the United States Navy.

Mr. MADDEN. That is what I have been dreaming of.

Mr. MILLER. Dream a while longer, but do not explode. [Laughter.] Mr. Chairman, it is a wild country through which the railroad is being constructed. It is a country if the people of the United States knew more about they would not stand aghast at the terrible expenditure, like the gentleman from Illinois [Mr. MADDEN]. There are other places outside of the great State of Illinois——

Mr. MADDEN. Not many. [Laughter.]

Mr. MILLER. I am afraid that is a correct survey of the mental horizon of the gentleman from Illinois. [Laughter.]

Mr. GARNER. There are none outside east of the Mississippi and south of Ohio.

Mr. MADDEN. That territory does pay 84 per cent of the taxes.

Mr. MILLER. Some people, from ignorance, are easily scandalized. Mr. Chairman, I know something about this railroad. I only wish that Members of the House could see it and see the country through which it goes. Alaska is the greatest asset held by any nation in the world. There is not a mineral known to mineralogy but what is produced in Alaska. It contains the greatest gold mines on earth, through which this railroad runs, and coal and copper, and when these minerals are produced in fabulous quantities which are useful in peace and useful in war it will not scandalize the gentleman from Illinois.

I am content with the amendment offered by the gentleman from Illinois [Mr. MCKINLEY] to fix the salary at $10,000 or not to exceed that sum. But I do want to see that road completed, my colleagues. It means a great thing for the American people, and at no distant day you will see the great Pacific Fleet using some of the finest coal produced in the world right from the district tapped by this railroad which is now condemned by the gentleman from Illinois [Mr. MADDEN].

The CHAIRMAN. The question is on the amendment to the amendment offered by the gentleman from Texas.

The question was taken, and the amendment to the amendment was rejected.

The CHAIRMAN. The question now is on the amendment offered by the gentleman from Illinois [Mr. MCKINLEY].

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

Authority is granted to purchase during the fiscal year 1922, from the appropriation made for the construction and operation of railroads in Alaska, articles and supplies for sale to employees and contractors, the appropriation to be reimbursed by the proceeds of such sales.

Mr. DOWELL. Mr. Chairman, I reserve a point of order on the paragraph. I desire to inquire of the chairman what this refers to.

Mr. GOOD. They carry stores there for the working force, and this is to give them the authority to purchase the supplies.

Mr. DOWELL. Supplies for the stores?

Mr. GOOD. Yes; absolutely. They have a sort of a commissary there.

Mr. DOWELL. And it is only for that purpose?

Mr. GOOD. That is all.

Mr. DOWELL. The next paragraph refers to turning it back. Is that for money paid for the original articles placed at these stores?

Mr. GOOD. That provision is just the same as carried in the present law.

Mr. DOWELL. Why is this carried back into the fund for the construction of the road instead of into the Treasury?

Mr. GOOD. This is condemned property that they have no use for, and when they salvage it the money is covered into the appropriation.

Mr. DOWELL. But why should it be covered into the appropriation made by Congress for the construction of the road?

Mr. GOOD. Because they need it.

Mr. DOWELL. But we have made the appropriation on the estimate of what it would actually cost, and this is additional.

Mr. GOOD. No; this is property that has been acquired in the construction of the road for some purpose, and when there is no need for it further they sell it and then use the funds in the construction of the roads.

Mr. MANN of Illinois. There is a limit on the cost of the road, and if they use property for temporary purposes and then can sell it, it is perfectly proper that should not be taken out of the limit of cost. That is the purpose of this.

Mr. DOWELL. That is what I am inquiring about. The temporary structure is purchased out of the fund appropriated for the construction of the road.

Mr. MANN of Illinois. Yes.

Mr. DOWELL. And is a part of the same appropriation, and that is returned to the appropriation fund.

Mr. MANN of Illinois. If they sell that property, salvage it, that money is returned to the credit of the appropriation for the construction of the road. It is not taken out of their limit of cost.

Mr. DOWELL. Mr. Chairman, I withdraw the reservation of the point of order.

The Clerk read as follows:

National Park Service: Director, $4,500; assistant director, $2,500; chief clerk, $2,000; editor, $2,000; law clerk, $2,000; draftsman, $1,800; accountant, $1,800; clerks—2 of class four, 3 of class three (1 transferred from Secretary's office), 1 of class two, 1 of class one, one $1,020, two at $900 each; messenger, $600; in all, for park service in the District of Columbia, $31,020.

Mr. BLANTON. Mr. Chairman, I make the point of order against the following item:

Editor, $2,000; law clerk, $2,000; accountant, $1,800; clerks—2 of class 4 (1 transferred from Secretary's office).

These items are not authorized by existing law.

Mr. GOOD. Mr. Chairman, my recollection is, though I may be in error, that the law creating this bureau did not create any specific force.

Mr. BLANTON. I call the gentleman's attention to the act approved August 25, 1916, and especially to the proviso, which is to the effect that not more than $8,100 annually shall be expended for salaries of experts, assistants, and employees within the District of Columbia, not herein specifically enumerated, unless previously authorized by law.

Mr. GOOD. I do not remember just what positions were specifically enumerated.

Mr. BLANTON. None of these items are authorized by any existing law. They are all extra.

Mr. GOOD. Do these items aggregate more than $8,100?

Mr. BLANTON. Yes.

Mr. GOOD. How much more?

Mr. BLANTON. The items which have always been carried, which were carried under the original law, are for the director, at $4,500; assistant director, $2,500; clerk, $2,000; and this is in addition to the $8,100 limitation.

Mr. MANN of Illinois. That is not included in the $8,100.

Mr. BLANTON. No; but there are other items that aggregate more than the $8,100. These items are: Editor, $2,000; law clerk, $2,000; accountant, $1,800; and clerks—two of class 4, and the one that was transferred. All of these are in addition to the $8,100 authorized by law.

Mr. GOOD. Mr. Chairman, will the gentleman reserve the point of order for a moment?

Mr. BLANTON. I reserve it for a moment.

Mr. GOOD. In regard to these items, as I stated in the beginning, there is but one increase in salary in the bill as I recall. These persons are already there. They have been loaned to the department. They have to have a law clerk and a lawyer to pass on titles. Last year Mr. Mather secured gifts through the National Geographic Society of large areas of land in the national parks where there were private holdings, absolutely given to the Government, that cost the donors, through the Geographic Society, a great deal of money. They are constantly making contracts with concessionaires, and the gentleman can see it is necessary to have some one to go through those title contracts. This lawyer is loaned to them. I do not believe the gentleman wants to cripple the service.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BLANTON. If some generous hearted donor attempted to give the gentleman from Iowa a tract of land, I know that before he accepted the deed he would not stop to employ a lawyer to pass on the title.

Mr. GOOD. Oh, yes; I might.

Mr. BLANTON. He would accept the deed and take the chances on the title being good.

Mr. GOOD. There might be some liability running with the land that I would not want to take on at all.

Mr. BLANTON. The gentleman admits that these items to which I have directed the point of order are not authorized by law.

Mr. GOOD. No; I have not admitted that.

Mr. BLANTON. As a matter of fact they are unauthorized by law. The gentleman stated awhile ago that he was going to help Congress adhere to this new rule, that this new appropriations committee shall not put any more legislation on appropriation bills, and I am just seeking to help the gentleman carry out that promise.

Mr. GOOD. As I stated when I took the floor, I have not had opportunity to look up to see whether these places are specifically authorized or not. I would like to know just exactly which ones the gentleman says are not authorized by law, if he has looked into it.

Mr. BLANTON. First there is the editor at $2,000.

Mr. GOOD. That was carried last year.

Mr. BLANTON. What is the necessity for an editor at $2,000?

Mr. GOOD. The National Park Service last year took in almost $500,000 in concessions and fees.

Mr. BLANTON. Was it necessary to have an editor to do that?

Mr. GOOD. I do not suppose there were a great many of those people who would have been induced to go to the national parks if in some way attractive literature advertising the parks had not been prepared.

Mr. BLANTON. Oh, every time a man gets money enough to take a trip in the summer time, he goes to some of our national parks—if he does not go somewhere else. [Laughter.]

Mr. GOOD. I am sure the gentleman would rather have him go there than go abroad.

Mr. BLANTON. Yes; but he does not need any more advertising.

Mr. GOOD. This does not advertise the gentleman, it advertises the park.

Mr. BLANTON. The people of the United States know about the national parks, and if the gentleman does not believe that, he will do well to open some of these letters coming from some of the good women around the country who are protesting against the possibility of some of them being commercialized. He will find that they know something about these parks, after all.

That they are positions unauthorized by any existing law; an editor at $2,000, a law clerk at $2,000, an accountant at $1,800, two clerks of class 4, then one in parentheses (transferred from the Secretary's office) which the chairman said had been loaned—Congress has never made any provision for loaning out clerks to this service.

Mr. SMITH of Idaho. Oh, yes; there is a general law on that; it is the Overman Act.

Mr. BLANTON. I mean as to this particular service.

Mr. GOOD. The gentleman makes the point of order against the editor and accountant?

Mr. BLANTON. Editor at $2,000; law clerk at $2,000, accountant at $1,800, and then two clerks of class 4.

Mr. GOOD. It is barely possible that the point of order is good as to the editor and accountant and law clerk, but it seems to me that the others may well come within the $8,100.

Mr. BLANTON. If the gentleman will look back he will find that he is mistaken.

The CHAIRMAN. Does the gentleman from Texas make the point of order?

Mr. BLANTON. I make the point of order.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard further on the point of order?

Mr. GOOD. No; I have been trying to find out how many clerks are authorized.

The CHAIRMAN. The gentleman from Texas makes the point of order on certain language in the pending paragraph, and as has been pointed out by the gentleman from Iowa, in the act of August 25, 1916, creating this service it is specified:

That there shall be a director at $4,500 a year, and also the following assistants: An assistant director at $2,500, chief clerk at $2,000, draftsman at $1,800, and messenger at $600, and in addition thereto such other employees as the Secretary of the Interior shall deem necessary: *Provided*, That not more than $8,100 annually shall be expended for salaries of experts, assistants, and employees within the District of Columbia not herein specifically enumerated unless previously authorized by law.

The Chair would think that under that proviso it might be necessary to determine whether the editor was an expert or an assistant.

Mr. BLANTON. I will call the attention of the Chairman that under this act it provides for a director at $4,500, an assistant director at $2,500——

The CHAIRMAN. The Chair has just read that language.

Mr. BLANTON. I am reading from the bill. It provides for a director at $4,500, an assistant director at $2,500, chief clerk at $2,000, draftsman at $1,800, and then three of class 3, to which there is no point of order taken at all; then one of class 2, one of class 1, one at $1,020, two at $900 each, and so on, which aggregates more than the $8,100 provided for in the proviso, and these others are extra and additional to the $8,100 provision.

Mr. MANN of Illinois. Mr. Chairman, under the law it seems to me that the gentleman from Texas might have made a point of order against the paragraph on the ground that the appropriations carried in the paragraph exceed $8,100 for officials not specifically authorized by the law, but is it within

the province of a Member of the House to pick out the office which he thinks should be excluded? Suppose the gentleman from Texas made a point of order against the editor at $2,000 and I had made a point of order against the other provisions for salaries. Who would determine whether the editor——

Mr. BLANTON. Will the gentleman yield?

Mr. MANN of Illinois. Should go out or the other officers should go out in order to reduce the appropriation to $8,100?

Mr. BLANTON. Will the distinguished gentleman yield?

Mr. MANN of Illinois. Certainly.

Mr. BLANTON. In discussing the point of order, to save the other point, I now make the point of order against the paragraph before there should be any argument on the question.

Mr. MANN of Illinois. I think that is the way to get at it.

Mr. BLANTON. I make the point of order on the whole paragraph.

The CHAIRMAN. The Chair was about to state. The gentleman from Texas makes the point of order on the paragraph——

Mr. BLANTON. Mr. Chairman——

The CHAIRMAN. Will the gentleman from Texas please permit the Chair to make a ruling upon the point of order that is lodged against certain items in the paragraph?

Mr. BLANTON. Will the Chair permit me to state——

The CHAIRMAN. Will the gentleman from Texas please answer the Chair's inquiry?

Mr. BLANTON. I will do so. Had I been permitted to explain the position of the gentleman from Iowa, the ruling of the Chair would have been obviated.

The CHAIRMAN. The Chair appreciates the indulgence of the gentleman. [Applause.] The Chair was about to state that the first point of order lodged by the gentleman from Texas seems to make it necessary for the Chair to determine whether certain officers or employees designated in the paragraph to which he made the point of order came within the proviso of the act cited. The Chair would be unable to say just which one should be eliminated under that point of order and intended and does overrule that point of order. The gentleman from Texas now makes the point of order against the entire paragraph on the ground, the Chair assumes, that it provides for more than $8,100 worth of expenditure annually for salaries of experts, assistants, and employees within the District of Columbia not specifically previously authorized by law.

Does the gentleman desire to be heard on the point of order?

Mr. GOOD. No.

The CHAIRMAN. The Chair sustains the point of order.

Mr. GOOD. I ask unanimous consent that this item may be passed over that we may return to it later.

The CHAIRMAN. The item has been stricken from the bill.

Mr. BLANTON. If this is an amendment with these items cut out, there will be no objection.

Mr. GOOD. Then I withdraw that. I offer the following amendment:

National Park Service: Director, $4,500; assistant director, $2,500; chief clerk, $2,000; draftsman, $1,800; accountant, $1,800; clerks—3 of class 3 (1 transferred from Secretary's office), 1 of class 2, 1 of class 1, 1 at $1,020, 2 at $900 each; messenger, $600; in all, for park service in the District of Columbia, $27,020.

The CHAIRMAN. The Clerk will report the amendment, and if the gentleman from Iowa will permit, the Chair would suggest to the gentleman from Iowa that he follow the wording of the amendment, to be sure that the Clerk has got it correctly.

The Clerk read as follows:

Amendment offered by Mr. GOOD:

"National Park Service: Director, $4,500; assistant director, $2,500; chief clerk, $2,000; draftsman, $1,800; accountant, $1,800; clerks—3 of class 3 (1 transferred from Secretary's office), 1 of class 2, 1 of class 1, 1 at $1,020, 2 at $900 each; messenger, $600; in all, for park service in the District of Columbia, $———."

Mr. GOOD. Mr. Chairman, I ask unanimous consent to put in the amount later.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that the Clerk will fill in the total if the amendment is agreed to. Is there objection? [After a pause.] The Chair hears none. The question is on the amendment offered by the gentleman from Iowa.

Mr. MANN of Illinois. Mr. Chairman, I move to amend the amendment by inserting, after the words "chief clerk, $2,000," the words "law clerk, $2,000."

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MANN of Illinois: Page 102, line 18, after the figures "$2,000," insert "law clerk, $2,000."

Mr. BLANTON. Mr. Chairman, I make a point of order against the amendment. If it were added to the amount which the gentleman from Iowa has already included in his amendment, it would make more than the $8,100 authorized by law.

Mr. GOOD. The gentleman stated awhile ago he had already exceeded that.

Mr. BLANTON. I made no objection to the other clerks, because I thought they were needed, but I did object to this clerk.

The CHAIRMAN. The Chair will state that the $8,100, as the Chair reads the statute, does not include the officers provided for on August 15, 1916.

Mr. BLANTON. I understand that; but the other employees provided for in the amendment of the gentleman from Iowa [Mr. GOOD] do, exclusive of those other officers, exceed $8,100.

Mr. MANN of Illinois. Surely; and the amendment was subject to the point of order on the same ground that the original provision of the bill was stricken out on, but the bill not being subject to a point of order and a point of order not having been made, is now subject to any germane amendment.

Mr. BLANTON. I consider this was a kind of gentleman's agreement between the gentleman and myself who were opposing the matter, otherwise I should have made the point of order against the amendment.

Mr. MANN of Illinois. I supposed that was the case, but the gentleman's agreement did not take me in. And I do not know as it takes in anybody else in the House. The fact is that the law clerk is very much needed. The National Park Service is doing exceedingly good work. The original limitation of the amount of expenditure was probably one of those foolish things which people sometimes agree to. But under the present head—the director, as he is called, of this service, a man of wealth himself, I believe, who is devoting his great ability to the National Park Service—it has afforded facilities and has interested thousands of people who, notwithstanding the opinion of my friend from Texas, did not know enough about national parks to go to them. And I am in hopes that an editor may be continued who will be able to write such glowing articles about the national parks that I will be induced to go through some of them myself some day. My wife has urged me to do so for years, but I never got excited enough to go. Now, if I can read glowing enough descriptions written by the editor, maybe I will go, but meanwhile I think there ought to be a law clerk. It is a great deal better to have a law clerk in the bureau than to have one transferred from the Department of Justice.

Mr. BLANTON. May I ask the gentleman a question?

Mr. MANN of Illinois. Certainly.

Mr. BLANTON. Have we not a legislative committee ready and willing to grant a law clerk where the departments need them?

Mr. MANN of Illinois. Undoubtedly; but they grant the appropriation. All I am proposing is an appropriation for the law clerk.

Mr. BYRNS of Tennessee. I will suggest to the gentleman that he might make provision for the others in his amendment.

Mr. MANN of Illinois. I will say to the distinguished gentleman from Tennessee if this amendment should be agreed to it will still be in order to move an additional amendment for the editor and for the accountant.

Mr. BYRNS of Tennessee. The gentleman had such great success in putting this thing in that I think he ought to do so.

Mr. MANN of Illinois. I do not want to impose on the House too far. I will let somebody else offer those amendments if mine is agreed to.

The CHAIRMAN. The Chair overrules the point of order made by the gentleman from Texas. The question is on the amendment to the amendment, offered by the gentleman from Illinois [Mr. MANN].

The question was taken, and the amendment was agreed to.

Mr. BYRNS of Tennessee. Mr. Chairman, I desire to offer an amendment. After the words "chief clerk, $2,000," insert the words "editor at $2,000," and after the words "draftsman, $1,800," insert "accountant, $1,800."

The CHAIRMAN. The gentleman from Tennessee offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. BYRNS of Tennessee: Page 102, line 18, after the figures "$2,000," insert "editor, $2,000." And in line 19, after the figures "$1,800," insert "accountant, $1,800."

Mr. BYRNS of Tennessee. Mr. Chairman, I offer this amendment for this purpose: The National Park Service is now provided with these particular places. They came before the committee with a greatly increased estimate, asking for an increase of clerks. It has been necessary down there to detail clerks at times in order to enable them to get along with the business, but they have been notified to return, and as a matter of fact these clerks have been taken from them. I am satisfied

from the statement made by the director of the service that it will be impossible for that service to function as it ought to function and to maintain these parks as they ought to be maintained without these additional officials. I hope this amendment will be adopted.

The CHAIRMAN. The question is on agreeing to the amendment to the amendment.

The amendment to the amendment was agreed to.

Mr. MAGEE. Mr. Chairman, I offer an amendment on page 102, line 20, after the word "clerk," insert "2 of class 4."

Mr. BLANTON. Mr. Chairman, before we go any further I think we ought to have a quorum to pass on this matter. I make the point of order that there is no quorum.

The CHAIRMAN. The gentleman from Texas makes the point of order that there is no quorum present. The Chair will count. [After counting.] Ninety-four Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

Ayres	Emerson	Kreider	Riordan
Babka	Evans, Nev.	Lampert	Robinson, N. C.
Baer	Ferris	Langley	Rouse
Bell	Fields	Lehlbach	Rowan
Benson	Frear	Lonergan	Sanders, La.
Blackmon	Fuller, Mass.	Luhring	Sanders, N. Y.
Bland, Ind.	Gallagher	McAndrews	Sanford
Bland, Mo.	Gandy	McClintic	Scully
Booher	Ganly	McCulloch	Sims
Brand	Gard	McFadden	Slemp
Britten	Glynn	McKeown	Small
Browne	Goldfogle	McKinley	Smith, Ill.
Brumbaugh	Goodall	Maher	Smith, N. Y.
Campbell, Kans.	Gould	Major	Snyder
Candler	Graham, Pa.	Mann, S. C.	Steele
Caraway	Hamill	Mansfield	Stiness
Carew	Hamilton	Mason	Sullivan
Carss	Harreld	Mead	Swope
Carter	Hersey	Merritt	Taylor, Tenn.
Casey	Hersman	Monahan, Wis.	Thomas
Clark, Fla.	Hicks	Montague	Treadway
Coady	Hill	Moon	Vare
Copley	Holland	Mooney	Venable
Costello	Howard	Nelson, Wis.	Ward
Crago	Hulings	Nicholls	Welling
Crisp	James, Mich.	Nolan	Whaley
Currie, Mich.	James, Va.	O'Connell	White, Me.
Dale	Johnson, Miss.	Olney	Williams
Davey	Johnson, S. Dak.	Padgett	Wilson, Ill.
Davis, Tenn.	Johnson, Wash.	Parker	Wilson, Pa.
Dempsey	Johnston, N. Y.	Patterson	Wise
Dent	Juul	Porter	Woodyard
Dewalt	Kelley, Mich.	Pou	Wright
Donovan	Kennedy, Iowa	Rainey, Ala.	Yates
Dooling	Kennedy, R. I.	Rainey, J. W.	Young, Tex.
Drewry	Kettner	Randall, Calif.	
Dyer	Kincheloe	Rhodes	
Ellsworth	Kitchin	Riddick	

Thereupon the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having under consideration the bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, and finding itself without a quorum, he had caused the roll to be called, whereupon 282 Members answered to their names, and he submitted a list of absentees for insertion in the RECORD.

The SPEAKER. A quorum is present, and the names of the absentees will be printed in the RECORD. The committee will resume its session.

The committee resumed its session.

The CHAIRMAN. The gentleman from New York [Mr. MAGEE] was about to offer an amendment.

Mr. MAGEE. Mr. Chairman, I offer an amendment, which I send to the Clerk's desk.

The CHAIRMAN. The gentleman from New York offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. MAGEE: Amend the amendment as follows: After the word "clerk," on page 102, line 20, insert "2 clerks of class 4."

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from New York.

The amendment to the amendment was agreed to.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to correct the total, "$31,020."

The CHAIRMAN. The Chair would state that the amendment as amended has not yet been agreed to. The question is on agreeing to the amendment of the gentleman from Iowa as amended.

The amendment as amended was agreed to.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to correct the total "$31,020."

Mr. GOOD. I ask unanimous consent that the Clerk be authorized to correct all the totals of the bill.

Mr. BLANTON. I object to the first request of the gentleman from Iowa, but not to the second.

The CHAIRMAN. The gentlemen from Texas objects to the first request. The gentleman from Iowa [Mr. GOOD] asks unanimous consent to correct all the totals. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Hereafter the Hot Springs Reservation shall be known as the Hot Springs National Park.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the paragraph.

The CHAIRMAN. The gentleman from Illinois reserves a point of order.

Mr. MANN of Illinois. I will confess that the term "national park" to me means, perhaps not a definite thing, but a great piece of scenic ground. I wish it were confined wholly to that kind of a park. Now, I suppose the National Park Service would like to have everything under it termed "national parks"; but what other reason is there for calling the Hot Springs Reservation the Hot Springs National Park? So far as I have ever understood, it has nothing that would connect it with the ordinary scenic national park, and the term "reservation" is well known.

Mr. GOOD. What the gentleman has said is largely true with regard to the Hot Springs Reservation. A great many people, however, think there are some very beautiful spots in the Hot Springs Reservation.

Mr. MANN of Illinois. Oh, well, I do not doubt that.

Mr. GOOD. And I assume that it has some great scenic attractions. A few years ago Congress passed a law changing the names of some of the national parks, including the Hot Springs Reservation. The bill went to the Senate, and as I recall it, one of the Senators from Arkansas objected to Hot Springs Reservation being called a national park because the receipts would be covered into the Treasury as miscellaneous receipts and would not go to the park service fund for use on this reservation. Therefore it was left out. It is offered only for the sake of uniformity. I have no opinion about the matter. It was requested on account of uniformity, and the committee saw no objection to it.

Mr. MANN of Illinois. You would think that the last thing on earth that the National Park Service would want would be uniformity. What earthly good would parks be if they were uniform?

Mr. GOOD. I refer to uniformity in language.

Mr. MANN of Illinois. It is because of their entire lack of uniformity that they are interesting.

Mr. GOOD. The gentleman voted once to make it a national park, and we thought the Members wanted to vote that way again.

Mr. MANN of Illinois. That being the case, I want to preserve the attitude of consistency by making a point of order, and I make the point of order.

Mr. GOOD. I concede the point of order.

The CHAIRMAN. Does the gentleman from Illinois make the point of order?

Mr. MANN of Illinois. I make the point of order.

The CHAIRMAN. The Chair sustains the point of order.

Mr. TAYLOR of Arkansas. Mr. Chairman——

The CHAIRMAN. For what purpose does the gentleman from Arkansas rise?

Mr. TAYLOR of Arkansas. I was going to ask the gentleman from Illinois if he would not waive that point of order.

The CHAIRMAN. The Chair will state that the point of order has been sustained, and it is now too late.

Mr. MANN of Illinois. I am willing to reserve the point of order if I may.

The CHAIRMAN. The Chair has sustained the point of order.

Mr. WINGO. I suggest that the gentleman from Illinois has reserved the point of order.

The CHAIRMAN. The Chair asked the gentleman from Illinois if he made the point of order, and the Chair understood him to say that he did.

Mr. MANN of Illinois. I did make the point of order, and when the gentleman from Arkansas [Mr. TAYLOR] took the floor I said I was perfectly willing to reserve it if I might.

The CHAIRMAN. The gentleman from Arkansas [Mr. TAYLOR] is recognized. The Chair understood that previous to the gentleman from Arkansas asking for recognition the gentleman from Illinois [Mr. MANN] had said, in response to the Chair's inquiry, that he had made the point of order, and the Chair sustained the point of order.

Mr. MANN of Illinois. That is all undoubtedly true, and that was before the gentleman from Arkansas rose.

Mr. TAYLOR of Arkansas. I will ask the gentleman now if he will reserve the point of order.

Mr. MANN of Illinois. I say I am perfectly willing to if I may.

Mr. LONGWORTH. I make the point of order that the Chair having once ruled, it is not now in order to reserve the point of order.

The CHAIRMAN. The gentleman from Ohio is correct, that the point of order has been sustained, and there is nothing before the House to which the motion to strike out the last word would apply until a new paragraph has been read. The Clerk will read.

The Clerk read as follows:

Lafayette National Park, Me.: For administration, maintenance, protection, and improvement, including not exceeding $600 for maintenance, operation, and repair of a motor-driven passenger-carrying vehicle for use in administration of the park, $25,000.

Mr. TAYLOR of Arkansas. Mr. Chairman, I move to strike out the last word. I direct my remarks especially to the gentleman from Illinois [Mr. MANN], and ask him if he will not consent to waive the point of order which he has just made?

The Hot Springs is one of the seven wonders of the world. I have the honor to represent the district in which they are located. There are 47 of these hot springs. At least 15,000 people of the United States are to-day at Hot Springs, seeking relief from disease. The people of the Nation own these waters. There is hardly a State in the Union that has not some of its afflicted people there to-day. This is the only Government reservation or park that is self-sustaining. It pays its way. The gentleman from Illinois asks, why change it from a reservation to a national park? My reply is that in consideration of the fact that thousands and thousands of people visit these springs annually for relief from disease, people not only from the United States, but from the world over, we feel that it should be dignified at least to the extent of being called a national park instead of a mere reservation.

People who are not informed think that a reservation means a place located somewhere in the United States that is occupied by uncivilized Indians and refrain from taking the great benefits which God Almighty has given to the world by these wonderful healing waters. Instead of its being uncivilized the city of Hot Springs is filled by as fine people as any city in the United States.

Now, no appropriation is asked for here, it is a mere change of the name of the old reservation to a national park. That is all that is desired by the people of that city and by the people of Arkansas. Why continue the name "reservation" longer? I recognize the fact that a point of order may be well taken, because of its being legislation upon an appropriation bill, but why insist upon it? Why should a special bill be introduced to have this change made when by this bill, which is now before the House, it can be so easily done.

Mr. Chairman, I ask unanimous consent of the House that the language to which the point of order has been made may be restored to the bill. [Applause.]

The CHAIRMAN. The gentleman from Arkansas asks unanimous consent that the language to which the point of order was made by the gentleman from Illinois and sustained by the Chair be restored to the bill. Is there objection?

Mr. MANN of Illinois. Mr. Chairman, I have been very much interested in the statement of the gentleman from Arkansas to whom I always listen with interest and pleasure. I can not quite agree with him about it and I object.

The CHAIRMAN. Objection is made. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

National monuments: For the administration, protection, maintenance, preservation, and improvement of the national monuments, to be expended under the direction of the Secretary of the Interior, $12,500.

Mr. HAYDEN. Mr. Chairman, I have offered a number of amendments to this bill, but the House has been hard-hearted and none of them have been agreed to. In view of the fact that the Committee on Appropriations has increased this item for the care of national monuments by $4,500, I shall not attempt what is obviously impossible at the present time by offering an amendment further increasing this amount to $27,000 as estimated for by the Secretary of the Interior, even though I am convinced that $12,500 is inadequate for the proper administration of all the national monuments.

There are 24 national monuments under the jurisdiction of the National Park Service, and it is not only vain but foolish to expect that they can be administered, protected, maintained, preserved, and improved at an average annual cost of a little over $500 each, as is provided by this appropriation. Six of these monuments are located in Arizona and are annually visited by increasing numbers from all parts of the country. The visitors to the Casa Grande Ruin increased from 3,067 in 1919 to 7,720 in 1920. But $4,000 has been expended for the repair and excavation of this "Great House," built by a prehistoric race, of which the present Indian tribes have no tradition, and which was found as a ruin by Father Kino, the Spanish explorer, in 1694. The amount appropriated herein will provide practically nothing but the salary of the custodian.

Montezuma's Castle is another national monument which is sadly neglected and suffering from vandalism. A custodian should be appointed to protect this wonderful cliff dwelling on Beaver Creek, which is three stories high and contains 16 rooms. The Navajo National Monument is located in such an out-of-the-way place that but little damage has thus far been done by vandals, but with the opening up of an automobile road to these ruins there is now greater need for its restoration and protection.

A custodian should likewise be appointed for the Tumacacori Mission, which is threatened with destruction by those who have from time to time dug up its floor and undermined its foundations in search of gold and silver which, according to tradition, was buried there by the Spanish priests. About $100 was heretofore made available each year for the care of this monument, which is wholly insufficient to prevent even the damage caused by the elements. Unless an ample appropriation is made, this mission, founded about 1730 by Father Kino, will fall into complete ruin. Over 5,000 visitors inspected this ancient mission last year, but the National Park Service has been in such straits for funds that $600 was accepted as a contribution from the Nogales Chamber of Commerce to aid in its temporary improvement.

The 2,000 acres included within the Saguaro National Monument between Phoenix and Tempe should be resurveyed and the boundary lines established by cement posts. Branch roads should be built from the State highway so as to make this monument more accessible to visitors. In passing I might say that a very interesting publication describing the birds of this monument has just been issued by the National Park Service.

In the estimates $3,500 was included for the construction of a bridge across the Rio Puerco near Adamana to provide access to the Petrified Forest National Monument. This river is often impassable because of flood conditions and quicksands, and many visitors are thereby prevented from leaving the railroad station after making a long journey to see this forest which has turned to stone. There remains much work to be done in improving the roads, and a salaried custodian should be appointed to prevent depredations. Last year over 30,000 people visited this monument and during the height of the season it is estimated that from 1 to 2 tons of petrified wood was carried away each day by these tourists, which the Park Service was powerless to prevent.

I thank the committee for this extremely modest increase because it shows that at last some slight consideration is being given to the needs of our national monuments, but I hope that in the future something more substantial will be accomplished. At least $1,500 on the average should be appropriated for the care of the 24 national monuments or a total of $36,000. The Director of the National Park Service has asked for but $27,000, and I sincerely regret that the Committee on Appropriations did not recommend the full amount for the preservation of these long neglected natural wonders and antiquities.

The Clerk read as follows:

Detection and prosecution of crimes: For the detection and prosecution of crimes against the United States; the investigation of the official acts, records, and accounts of marshals, attorneys, clerks, referees, and trustees of the United States courts and the Territorial courts, and United States commissioners, for which purpose all the official papers, records, and dockets of said officers, without exception, shall be examined by the agents of the Attorney General at any time; for the protection of the person of the President of the United States; for such other investigations regarding official matters under the control of the Department of Justice or the Department of State as may be directed by the Attorney General; hire, maintenance, upkeep, and operation of motor-propelled or horse-drawn passenger-carrying vehicles when necessary; per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, including not to exceed $200,000 for necessary employees at the seat of government, and including a Director of the Bureau of Investigation at not exceeding $7,500 per annum, to be expended under the direction of the Attorney General, $2,000,000: *Provided*, That this appropriation shall be available for advances to be made by the disbursing clerk of the Department of Justice when authorized and approved by the Attorney General, the provisions of section 3648 of the Revised Statutes to the contrary notwithstanding: *Provided further*, That for the purpose of executing the duties for which provision is made by this appropriation, the Attorney General is authorized to appoint officials who shall be designated "special agents of the Department of Justice," and who shall be vested with the authority necessary for the execution of such duties.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word. Can the gentleman from Iowa inform me if any provision is made for an appropriation to the Department of Justice for the prosecution of profiteers?

Mr. GOOD. This item would be available for the purpose, and if the profiteer violated the antitrust law another item of the bill would be available for that purpose.

Mr. NEWTON of Minnesota. It is my impression that some time during the previous year there was a special fund set apart for the Department of Justice for the prosecution of violators of the Lever Act. Am I correct in that?

Mr. GOOD. No; it was used out of the regular appropriation. That would be for prosecution under that act. This fund would be available for that purpose.

Mr. NEWTON of Minnesota. Mr. Chairman, I merely called attention to the item because I think a good deal of the money that has been expended by the Department of Justice in investigating violations of the Lever Food Control Act has been wasted. Right in my own State, for example, there have been several investigations made with absolute proof furnished to the Department of Justice of the grossest kind of profiteering—in sugar, for example. I have in mind one particular case where a cooperative association formed of farmers and workingmen, called the Cooperative Wholesale Society of America, purchased 145 barrels of sugar at $14 and some cents a hundredweight. In less than one month's time they sold it to the St. Paul Cooperative Store, another cooperative concern of workingmen, at $25 per hundredweight. There was a profit by a so-called cooperative society of almost 100 per cent and a turnover inside of less than 30 days with hardly any expense whatever, and yet up to this time, so far as I have been informed, there has been no prosecution by the Department of Justice, notwithstanding the fact that investigators of the Department of Justice have those facts. I am only citing one of several such instances which have come to my attention.

I make the inquiry to ascertain if more money is to be used and expended needlessly by the department in that way?

Mr. CHINDBLOM. Will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. CHINDBLOM. The gentleman appreciates that the appropriation is, fortunately, for the next fiscal year.

Mr. NEWTON of Minnesota. That is correct; and we hope to have a complete turnover.

The Clerk read as follows:

For 270 copies each of 2 volumes, Nos. 257 and 258, of the Supreme Court Reports, to continue the sets now in the hands of certain officials, at $1.75 per volume, $945.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word. Can the gentleman from Iowa [Mr. GOOD] inform me as to just why it is that the Government seemingly is paying about 33⅓ per cent more for the printing of its briefs at the Government Printing Office than it was paying before they were prohibited from having them printed in private printing shops? I notice in the hearings that the statement is made that it costs the Department of Justice about 33⅓ per cent more to print in the Government Printing Office than in a private shop.

Mr. GOOD. The committee brought in a provision about a year ago permitting the departments to secure their printing outside of the Government Printing Office when they could secure it more cheaply than they could at the Government Printing Office. Some of the departments testified before the committee that they could have their work done for one-half of the amount paid the Government Printing Office for the same kind and character of work. When the committee brought the bill before the House and that provision was under consideration, which was before we changed the rules about the Appropriations Committee, somebody made the point of order and the provision went out. Notice has been given for over a year to the legislative committee having charge of the matter, and nothing has been done.

Mr. NEWTON of Minnesota. So that to-day the Department of Justice must print its briefs at the most expensive place?

Mr. GOOD. Under the law they must have them printed at the Government Printing Office. And the taxpayer, who pays the bills, waits in vain for the legislative committee to act. Here is a real job for some legislator.

Mr. MILLER. Mr. Chairman, I move to strike out the last word for the purpose of asking a question in reference to the paragraph appearing at the bottom of page 115:

Protecting interests of the United States in suits affecting Pacific railroads: To enable the Attorney General to represent and protect the interests of the United States in matters and suits affecting the Pacific railroads, and for expenses in connection therewith, $5,000.

Does that include the question of the reservation of the mineral claims of the Union Pacific Railroad, which the Union Pacific people have disregarded?

Mr. GOOD. I think not. The testimony before the committee was to the effect that there are one or two old claims in which the Government is interested against the Union Pacific Railroad. There is one lawyer who has been employed in such cases. He is now receiving $9,000 a year. His work is practically ended. When the committee learned that, it thought that instead of carrying $10,000, as had usually been carried for this one attorney, $5,000 would be ample. It practically all goes to pay for the services of one man. I do not remember whether we went into the cases or not.

Mr. MILLER. Is there any provision in the bill carrying any appropriation to enable the Attorney General to contest those legal matters in the interest of the United States, looking toward the preservation of the mineral interests which are reserved in the Union Pacific Railroad grant?

Mr. GOOD. Looking this matter up in the hearings, I find that one case is a suit in which some Indians are also interested, and their rights are being protected there. Then there are two other suits in the southern district of California, involving rather minor matters, one involving a large area of land patented to the railroad company, which is alleged to be of value for white limestone deposits worth a million dollars. There is also involved another suit in California involving a small tract of land alleged to be valuable for marble.

Mr. MILLER. Then there is no appropriation in the bill looking toward the Attorney General appearing and preserving the rights of the United States in the mineral land reserves in the Union Pacific grant, if I understand the gentleman correctly.

Mr. GOOD. Yes; I think the item here for the assistants to the Attorney General and to the United States district attorneys employed by the Attorney General to aid in special cases could be used for that purpose. In fact, I see no reason why any of these appropriations could not be used to protect the interests of the United States where they should be protected.

Mr. MILLER. That is the reason I asked the question. This one item of $5,000 excited my curiosity.

Mr. GOOD. The only reason that we keep that there is that it has been carried for a long time and involves only a few cases, and we cut the appropriation in two, believing that next year we would see the end of it entirely, and that if we put this man on regularly and gave them $9,000 additional perhaps we would never get rid of him at all after those cases were disposed of and that he would then take up other work.

The Clerk read as follows:

UNITED STATES COURTS.

For salaries, fees, and expenses of United States marshals and their deputies, including the office expenses of United States marshals in the District of Alaska, services rendered in behalf of the United States or otherwise, services in Alaska and Oklahoma in collecting evidence for the United States when so specially directed by the Attorney General, and maintenance, alteration, repair, and operation of horse-drawn and motor-driven passenger-carrying vehicles used in connection with the transaction of the official business of the office of United States marshal for the District of Columbia, $2,160,000. Advances to United States marshals, in accordance with existing law, may be made from the proper appropriations, as herein provided, immediately upon the passage of this act; but no disbursements shall be made prior to July 1, 1921, by said disbursing officers from the funds thus advanced, and no disbursements shall be made therefrom to liquidate expenses for the fiscal year 1921 or prior years: *Provided*, That there shall be paid hereunder any necessary cost of keeping vessels or other property attached or libeled in admiralty in such amount as the court, on petition setting forth the facts under oath, may allow: *Provided further*, That marshals and office deputy marshals (except in the District of Alaska) may be granted a per diem of not to exceed $4 in lieu of subsistence, instead of, but under the conditions prescribed for, the present allowance for actual expenses of subsistence.

Mr. HASTINGS. Mr. Chairman, I move to strike out the last word, for the purpose of asking the chairman why the word "Oklahoma" is in line 6, page 116. Is that because it was in an old statute and so carried?

Mr. GOOD. What is that?

Mr. HASTINGS. For services in Alaska and Oklahoma in collecting evidence, and so forth.

Mr. GOOD. That is language which has been carried for a number of years.

Mr. HASTINGS. I imagine it was before statehood perhaps. Well, I just wanted to call the attention of the chairman to it. I do not want to move to strike it out unless he thinks it ought to be eliminated. There is no reason for its being there.

Mr. GOOD. Is the gentleman sure there is no reason for its being there? The wording of that section is quite long and my attention was not called to the word being there until by the gentleman. If the gentleman is sure there is no need of it; it was placed there when Oklahoma was a Territory——

Mr. HASTINGS. I imagine it was, but I do not know.

Mr. GOOD. I have no objection to its going out.

Mr. HASTINGS. I shall make no motion to that effect.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn.

The Clerk read as follows:

For assistants to the Attorney General and to United States district attorneys employed by the Attorney General to aid in special cases, and including not to exceed $30,000 for clerical help for such assistants, and for payment of foreign counsel employed by the Attorney General in special cases (such counsel shall not be required to take oath of office in accordance with section 366, Revised Statutes of the United States), $600,000, to be available for expenditure in the District of Columbia.

Mr. VOLSTEAD. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 117, line 23, after the word "cases" insert "including $200,000 for assistant attorneys to enforce the national prohibition act."

Mr. VOLSTEAD. Mr. Chairman, I think there ought to be a provision of this kind in the law. There has been a great deal of trouble in securing the enforcement of this act and in many instances I have been told when application has been made for action they simply said they did not have the money. It seems to be that something should be set aside for this particular purpose. I do not think it is necessary to make any particular speech in favor of it. I think we all realize that if it stays upon the statute books means ought to be provided, and there ought to be something in the law so parties who are not willing to enforce it can not make use of lack of legislation as an excuse.

Mr. BLANTON. Mr. Chairman, I offer an amendment to the amendment of the gentleman.

The CHAIRMAN. Does the gentleman yield?

Mr. VOLSTEAD. It does not increase the total appropriation; it simply directs that part be used for that specific purpose. I will yield.

Mr. BLANTON. Mr. Chairman, I offer an amendment to strike out "$200,000" and insert "$500,000."

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON to the amendment offered by Mr. VOLSTEAD: Strike out the figures "$200,000" and insert in lieu thereof "$500,000."

Mr. BLANTON. Mr. Chairman and gentlemen of the committee, it is no longer a question of whether we are in favor of prohibition or against it. It is no longer a question of whether we are prohibitionists or antiprohibitionists; it is simply a question of whether we are law-abiding American citizens who believe in the enforcement and the upholding of the Constitution of our land which is the fundamental law of this country. We have adopted an amendment which makes it unlawful to manufacture or sell intoxicating liquor. How on earth are we going——

Mr. TINKHAM. Will the gentleman yield?

Mr. BLANTON. I know the stand of the gentleman on the question. I know what he would say to me—I anticipate him—and having such a little time I can not yield.

The CHAIRMAN. The gentleman declines to yield.

Mr. BLANTON. What is the use of placing such a law in the Constitution of the land and directing the enforcement of a statute such as the Volstead law if we are not going to give the Attorney General sufficient machinery and sufficient money to enforce it? Now, our friends who are against this law are trying to ridicule it and to criticize it because it is not enforced and because in many drug stores you can go there and get alcohol in large quantities. In many drug stores in the land you can find prescriptions which are already signed by doctors, specially prepared for customers. Why, my good doctor friend from Delaware shakes his head. He does not seem to know what goes on in some drug stores in some sections of the country.

Mr. MONDELL. Where does the gentleman acquire this information? [Laughter.]

Mr. BLANTON. I get it from some of the druggists themselves, who happen to believe in enforcing the law of their country, and they say for God sake give the Attorney General money enough to enforce this law.

Mr. VOLSTEAD. I understand the Attorney General asks for $300,000, and there is nothing in this bill providing specifically for the enforcement at all.

Mr. BLANTON. Absolutely nothing in this bill. And whenever you pass this bill as the Appropriations Committee has framed it you absolutely tie the hands of the Attorney General's department, and we leave him almost helpless in enforcing this law. The chairman shakes his head, but that is the fact.

Mr. GALLIVAN. Does the gentleman believe that the gentleman from Iowa [Mr. GOOD] would countenance any such action as he has described?

Mr. BLANTON. The gentleman from Iowa is all right, and a good prohibitionist, but is sometimes influenced by other influences than agriculture and reclamation projects. Some other influences, sometimes even from Boston, seem to kind of get in the way of proper appropriations for the enforcement of the prohibition statute.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. Mr. Chairman, the Department of Justice asks for $300,000 for the enforcement of the prohibition act. Of course, it would not be in the interest of economy, I am sure, to appropriate $200,000 more for this purpose than the department estimated it would require. The committee has given rather a liberal allowance for this amount in the $600,000 for special assistants. In addition to that, the appropriation for detection and prosecution of crimes, amounting to $2,600,000, would also be available for such prosecution. I do think it would be a mistake to take $500,000 of this when the Attorney General asked for only $300,000. But, personally, I have no objection to the amendment offered by the gentleman from Minnesota [Mr. VOLSTEAD]. I am sure they will spend at least that amount in such prosecution.

Mr. BLANTON. With that statement I withdraw my amendment.

Mr. GALLIVAN. I object.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment, and the gentleman from Massachusetts objects. The question is on the amendment offered by the gentleman from Texas [Mr. BLANTON] to the amendment of the gentleman from Minnesota [Mr. VOLSTEAD].

The question was taken, and the amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota [Mr. VOLSTEAD].

The question was taken, and the Chair announced that the ayes seemed to have it.

Mr. GALLIVAN. Division, Mr. Chairman.

The committee divided; and there were—ayes 72, noes 12.

Mr. GALLIVAN. Mr. Chairman, I make the point that there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] Ninety-six gentlemen, including the Chair, are present, not a quorum.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15422, the sundry civil appropriation bill, and had come to no resolution thereon.

LEAVE OF ABSENCE.

Mr. MEAD, by unanimous consent, was granted indefinite leave of absence, on account of illness.

RESIGNATION OF MEMBER.

The SPEAKER laid before the House the following communication:

1089 COMMONWEALTH AVENUE,
Boston, Mass., January 3, 1921.

Hon. FREDERICK H. GILLETT,
Speaker of the House of Representatives,
Washington, D. C.

SIR: I hereby tender my resignation as the Representative in the Sixty-sixth Congress from the ninth congressional district of Massachusetts, such resignation to take effect on the 5th day of January, 1921.

Respectfully, yours,

ALVAN T. FULLER.

Mr. WALSH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WALSH. Referring to the resignation of my colleague from Massachusetts that has just been read to the House and has been made directly to the Speaker, is it necessary that any action be taken by the House accepting that, and relieving an anxious Nation as to what will be done with reference to this vacancy?

The SPEAKER. The Chair finds the precedents are to the effect that when a person resigns he generally resigns to the governor of his State and notifies the Speaker, although there

are precedents where a person has resigned directly to the Speaker; and in that case, at least in one instance, the House has adopted a resolution ordering the Speaker to direct the Clerk to notify the governor of the State. The Chair does not think it necessary that that be done. The Chair presumes the governor of the State will also be notified by the gentleman himself.

Mr. WALSH. The gentleman has been elected to a State office?

The SPEAKER. To a State office.

Mr. WALSH. I trust the governor may discover him filling that office.

Mr. MADDEN. A parliamentary inquiry in connection with this. Is it necessary to notify the Speaker at all when a Member of the House is about to resign?

The SPEAKER. The Chair does not suppose it is necessary, but it is the custom.

RECOMMITTAL OF HOUSE RESOLUTION 415—SUSPENSION OF CERTAIN TAXES.

Mr. GREEN of Iowa. Mr. Speaker, by direction of the Committee on Ways and Means I ask unanimous consent that House joint resolution 415, known as the Edmonds resolution, suspending the penalties for payment of certain taxes, be recommitted to the Committee on Ways and Means. And by way of explanation of this request, I will say the committee has discovered that in considering this resolution it was so worded inadvertently that it does not express the intention of the committee nor of the mover of the resolution, and we ask that it be rereferred. The resolution as it stands is altogether too broad.

Mr. GARRETT. Mr. Speaker, reserving the right to object for a moment, did I understand the gentleman to say that his request was made by direction of the committee?

Mr. GREEN of Iowa. By direction of the committee.

Mr. GARRETT. The minority members have been consulted?

Mr. GREEN of Iowa. Oh, yes; the whole committee.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

HOUR OF MEETING TO-MORROW.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourn to-night it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Wyoming asks unanimous consent that when the House adjourns to-night it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

Mr. LONGWORTH. Reserving the right to object, may I ask the gentleman the reason for his request?

Mr. MONDELL. We hope to conclude the sundry civil bill to-morrow if we can meet an hour earlier.

Mr. LONGWORTH. I might say to the gentleman that the hearings on the tariff question begin to-morrow before the Ways and Means Committee, and most of us desire to be here in the discussion of the latter part of this bill.

Mr. MONDELL. Of course, it would be necessary for the gentleman from Ohio to be here late in the afternoon in any event, whether we met at 11 o'clock or earlier, I assume, under those circumstances.

Mr. LONGWORTH. I shall not object under these circumstances.

Mr. RAKER. Mr. Chairman, I do not see present the gentleman from Wisconsin [Mr. ESCH], the chairman of the Committee on Water Power. He has called a meeting of the committee to-morrow at 11 o'clock, and has notified the members and a number of Government officials of the meeting, to consider the bill concerning a question which relates to the use of water power in national parks. Those people will be present, and the bill in question ought to be disposed of and a hearing had upon it, and we shall have just got started when the House meets, if the hour of meeting to-morrow should be placed at 11 o'clock. I suggest to the gentleman to let it go over until we can dispose of these matters, including the bill I have referred to as pending before that committee.

Mr. MONDELL. I just made the request in order to ascertain the temper of the House. I thought it would be better to-morrow if we could meet an hour earlier, and that we would be more certain to complete the bill.

Mr. GARNER. Mr. Speaker, I wish to say to the gentleman from Wyoming that I hope it will not become a custom to ask the House to meet at 11 o'clock unless it should be necessary on certain days in order to complete the business before the House. The Committee on Ways and Means is composed of 25 Members, and if we are to conduct the hearings from now until the 16th of February it will inconvenience us very much if the House should be in session, and we can not be in two places at the same time.

Mr. MONDELL. It has been suggested to "the gentleman from Wyoming" by a number of gentlemen that we should adopt a resolution to meet regularly at 11 o'clock each day, in order to expedite the business before the House, but I have not thought that that was wise. On the other hand, I had thought that from now on, when we had reached a point where we could conclude the consideration of a bill by meeting an hour earlier, it would be well to do so if it did not inconvenience the Members. However, in view of the situation suggested by the gentleman from Ohio [Mr. LONGWORTH] and the gentleman from California [Mr. RAKER] and the gentleman from Texas [Mr. GARNER], I will withdraw my request.

Mr. GARNER. The gentleman should understand that I did not intend to object to this request.

Mr. MONDELL. The gentleman from California and the gentleman from Texas and the gentleman from Ohio have suggested conditions that might be embarrassing to gentlemen, and I have no disposition to do anything that would cause them embarrassment.

Mr. LONGWORTH. I do not want this to be considered a precedent. I do not object to this request.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 38 minutes p. m.) the House adjourned until to-morrow, Thursday, January 6, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

293. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on examination of the Coosa River, Ga. and Ala.; to the Committee on Rivers and Harbors.

294. A letter from the Secretary of the Navy, transmitting draft of proposed legislation to establish the grades of pay clerk, chief marine gunner, chief quartermaster clerk, and chief pay clerk in the United States Marine Corps; to the Committee on Naval Affairs.

295. A letter from the Acting Secretary of Commerce, transmitting statement of expenditures in the Coast and Geodetic Survey for the fiscal year 1920; to the Committee on Expenditures in the Department of Commerce.

296. A letter from the Assistant Secretary of Labor, transmitting a list of useless papers in that department and requesting their disposition; to the Committee on Disposition of Useless Executive Papers.

297. A letter from the Secretary of the Treasury, transmitting deficiency estimates of appropriations required by the Navy Department, for the fiscal year 1920, and for prior years, on account of the Naval Establishment (H. Doc. No. 953); to the Committee on Appropriations and ordered to be printed.

298. A letter from the Secretary of the Treasury, transmitting supplemental estimates of appropriations required by the Navy Department to complete the service of the current fiscal year on account of the Naval Establishment (H. Doc. No. 954); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII,

Mr. McFADDEN, from the Committee on Banking and Currency, to which was referred the bill (S. 4683) to amend section 11 (m) of the act approved December 23, 1913, known as the Federal reserve act, as amended by the acts approved September 7, 1916, and March 3, 1919, reported the same with an amendment, accompanied by a report (No. 1160), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 14975) granting an increase of pension to Caroline Haines Willis; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

A bill (H. R. 14596) granting a pension to Ackley R. Plumstead; Committee on Invalid Pensions discharged, and referred to the Committee on Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. LEE of Georgia: A bill (H. R. 15523) making an appropriation to be expended under the provisions of the act of March 1, 1911 (36 Stat., p. 961), entitled "An act to enable any State to cooperate with any other State or States, or with the United States, for the protection of watersheds of navigable streams, and to appoint a commission for the acquisition of lands for the purpose of conserving the navigability of navigable rivers," as amended; to the Committee on Agriculture.

By Mr. STEENERSON: A bill (H. R. 15524) to amend an act entitled "An act to provide revenue to defray war expenses, and for other purposes," approved October 3, 1917; to the Committee on the Post Office and Post Roads.

By Mr. ESCH: A bill (H. R. 15525) to provide for the establishment on the Mississippi River, in the State of Wisconsin, of a fish-rescue station, to be under the direction of the Bureau of Fisheries of the Department of Commerce; to the Committee on the Merchant Marine and Fisheries.

By Mr. CROWTHER: Joint resolution (H. J. Res. 436) making June 1 a legal holiday; to the Committee on the Judiciary.

Also, joint resolution (H. J. Res. 437) repealing the tariff act of October 3, 1913, commonly known as the Underwood tariff measure, and reenacting the act of July 24, 1897, commonly known as the Dingley tariff measure; to the Committee on Ways and Means.

By Mr. SINCLAIR: Joint resolution (H. J. Res. 438) requesting the President of the United States to protest against the retention of the French colored troops in the occupied area of Germany; to the Committee on Foreign Affairs.

By Mr. MAPES (by request of the Commissioners of the District of Columbia): Joint resolution (H. J. Res. 439) to provide for the maintenance of public order and the protection of life and property in connection with the presidential inaugural ceremonies in 1921; to the Committee on the District of Columbia.

By Mr. KAHN: Joint resolution (H. J. Res. 440) directing the Secretary of War to cease enlisting men in the Regular Army of the United States, except in the case of those men who have already served two or more enlistments therein; to the Committee on Military Affairs.

By Mr. VOLK: Resolution (H. Res. 632) to investigate the enforcement of the eighteenth amendment to the Constitution; to the Committee on Rules.

By Mr. STEENERSON: Resolution (H. Res. 633) authorizing the consideration of a new section in House bill 15441, a bill making appropriations for the service of the Post Office Department for the fiscal year ending June 30, 1922; to the Committee on Rules.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOIES: A bill (H. R. 15526) granting a pension to Sarah M. Youngs; to the Committee on Pensions.

By Mr. BURROUGHS: A bill (H. R. 15527) granting a pension to Helen I. Tilton; to the Committee on Invalid Pensions.

By Mr. CLARK of Florida: A bill (H. R. 15528) granting an increase of pension to Sarah V. Cribb; to the Committee on Pensions.

By Mr. DALLINGER: A bill (H. R. 15529) granting a pension to Charles W. F. Hamilton; to the Committee on Invalid Pensions.

By Mr. EDMONDS: A bill (H. R. 15530) for the relief of Ephraim Lederer, collector of internal revenue for the first district of Pennsylvania; to the Committee on Claims.

By Mr. HUDSPETH: A bill (H. R. 15531) to authorize the payment of a certain amount for damages sustained by collision with a motor truck of an automobile owned by W. F. Payne, El Paso, Tex.; to the Committee on Claims.

By Mr. HULINGS: A bill (H. R. 15532) to correct the military record of Thomas W. Duerner; to the Committee on Military Affairs.

By Mr. JOHNSON of Washington: A bill (H. R. 15533) to validate the war-risk insurance of Warren O. Grimm, Ernest Dale Hubbard, Arthur McElfresh, and Ben Casagranda, who were murdered while parading in the uniform of the United States Army at Centralia, Wash., November 11, 1919; to the Committee on Interstate and Foreign Commerce.

By Mr. KINKAID: A bill (H. R. 15534) granting a pension to Amelia C. Martin; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15535) granting a pension to Fedilia Avery; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 15536) granting a pension to Julia A. Kelsey; to the Committee on Invalid Pensions.

By Mr. LONGWORTH: A bill (H. R. 15537) granting a pension to Amanda Kenney; to the Committee on Pensions.

Also, a bill (H. R. 15538) granting an increase of pension to Wyman Cottle; to the Committee on Pensions.

By Mr. McKINLEY: A bill (H. R. 15539) granting a pension to Juliaette Boon; to the Committee on Invalid Pensions.

By Mr. MOORE of Ohio: A bill (H. R. 15540) granting an increase of pension to Wood C. Wilson; to the Committee on Pensions.

By Mr. MOTT: A bill (H. R. 15541) granting a pension to Fred J. Griffin; to the Committee on Pensions.

By Mr. WOOD of Indiana: A bill (H. R. 15542) granting a pension to Julia A. Gardner; to the Committee on Invalid Pensions.

By Mr. MANN of Illinois: Resolution (H. Res. 631) appointing Henry N. Couden chaplain emeritus of the House of Representatives; to the Committee on Accounts.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4825. By Mr. FULLER of Illinois: Petition of the United Commercial Travelers' Association, favoring 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4826. By Mr. IRELAND: Petition by various women voters of Peoria, Ill., opposing the passage of House bill 10925; to the Committee on Interstate and Foreign Commerce.

4827. By Mr. LANHAM: Petition of Fort Worth Chamber of Commerce, favoring Mexican immigration for farm labor, same to be provided for in the pending immigration bill; to the Committee on Immigration and Naturalization.

4828. By Mr. NELSON of Wisconsin: Petition of American citizens of Polish descent of Lublin, Wis., regarding the Polish question; to the Committee on Foreign Affairs.

4829. Also, petition of Local No. 2210 of United Brotherhood of Carpenters and Joiners of America, requesting repeal of war-time sedition law; to the Committee on the Judiciary.

4830. By Mr. O'CONNELL: Petition of International Union of Steam and Operating Engineers, Local No. 670, 589 Ninth Avenue, New York City, urging an appropriation of $5,472,900, as recommended by the Secretary of the Treasury, for the operating force for public buildings; to the Committee on Appropriations.

4831. By Mr. TAYLOR of Colorado: Petition of the women voters of Salida, Colo., protesting against the maternity bill (H. R. 10925); to the Committee on Interstate and Foreign Commerce.

4832. By Mr. ZIHLMAN: Petition of Ladies' Cooperative Society of Silver Springs, Md., favoring the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

SENATE.

THURSDAY, *January 6, 1921.*

Rev. J. J. Muir, D. D., offered the following prayer:

Our Father and our God, we bless Thee for every expression of Thy mercy and for the continuance of Thy providence toward us in richness and blessing. Regard us this morning, we beseech of Thee, and help us so to fulfill the day with the tasks appointed that when the evening hour comes we can be assured of Thy benediction. We ask it for Thy great name's sake. Amen.

The reading clerk proceeded to read the Journal of yesterday's proceedings, when, on request of Mr. CURTIS and by unanimous consent, the further reading was dispensed with and the Journal was approved.

ENROLLED BILLS SIGNED.

The message also announced that the Speaker of the House had signed the following enrolled bills, and they were thereupon signed by the Vice President:

S. 390. An act for the relief of Peter McKay; and

S. 2371. An act for the relief of Kathryn Walker.

CALL OF THE ROLL.

Mr. CURTIS. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

UMI

The reading clerk called the roll, and the following Senators answered to their names:

Ashurst	Heflin	McNary	Smoot
Ball	Henderson	Nelson	Spencer
Beckham	Hitchcock	New	Sterling
Calder	Johnson, Calif.	Nugent	Sutherland
Capper	Jones, N. Mex.	Overman	Thomas
Culberson	Jones, Wash.	Page	Trammell
Curtis	Kellogg	Phelan	Underwood
Dillingham	Kenyon	Phipps	Wadsworth
Elkins	King	Poindexter	Walsh, Mass.
Fletcher	La Follette	Robinson	Walsh, Mont.
Gerry	Lenroot	Sheppard	Warren
Glass	McCumber	Simmons	Williams
Gronna	McKellar	Smith, Md.	Wolcott
Harris	McLean	Smith, S. C.	

Mr. GRONNA. I was requested to announce that the Senator from Nebraska [Mr. NORRIS] and the Senator from Connecticut [Mr. BRANDEGEE] are engaged on business of the Senate.

Mr. KING. I was requested to announce the absence of the Senator from Oregon [Mr. CHAMBERLAIN], the Senator from Louisiana [Mr. RANSDELL], and the Senator from South Dakota [Mr. JOHNSON] on account of illness; also the absence of the Senator from Nevada [Mr. PITTMAN], the Senator from South Carolina [Mr. DIAL], the Senator from Wyoming [Mr. KENDRICK], and the Senator from Virginia [Mr. SWANSON] on official business of the Senate.

The VICE PRESIDENT. Fifty-five Senators have answered to the roll call. There is a quorum present.

PETITIONS.

Mr. CAPPER presented a petition of the Chamber of Commerce of Ottawa, Kans., praying for the enactment of legislation providing for a 1-cent drop-letter postage rate, which was referred to the Committee on Post Offices and Post Roads.

He also presented a resolution adopted by the fifteenth annual session of the International Farm Congress, held at Kansas City, Mo., favoring a more restricted immigration policy, which was referred to the Committee on Immigration.

BILLS AND JOINT RESOLUTION INTRODUCED.

Bills and a joint resolution were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. TRAMMELL:

A bill (S. 4794) to amend sections 216 and 223 of chapter 18 of the United States Statutes at Large, being the revenue act of 1918, approved February 24, 1919; to the Committee on Finance.

By Mr. SPENCER:

A bill (S. 4795) granting an increase of pension to John B. Senecal; to the Committee on Pensions.

By Mr. SUTHERLAND:

A bill (S. 4796) for the relief of Emma J. McKusick; to the Committee on Claims.

By Mr. NELSON:

A bill (S. 4797) for the relief of Hans P. Guttormsen (with an accompanying paper); to the Committee on Claims.

SEATS AT INAUGURAL PARADE.

Mr. PHIPPS. I introduce a joint resolution, which I ask may be read at length.

The joint resolution (S. J. Res. 239) prohibiting the Commissioners of the District of Columbia from obstructing the parks, reservations, streets, avenues, and sidewalks in said District, and for other purposes, was read the first time by its title and the second time at length, as follows:

Resolved, etc., That the Commissioners of the District of Columbia be, and are hereby, prohibited from encumbering, or permitting the encumbering, with stands, platforms, seats, benches, or other obstructions, any of the parks, reservations, streets, avenues, and sidewalks in said District, during the period from February 28, 1921, to March 10, 1921, both inclusive.

SEC. 2. That the Secretary of War is hereby prohibited from encumbering, or permitting the encumbering, with stands, platforms, seats, benches, or other obstructions, any of the public parks, reservations, streets, avenues, and sidewalks in said District during said period.

Provided, That the foregoing provisions shall not apply to the White House Grounds nor to Jackson or Lafayette Squares.

Provided further, That permits may be granted, in the discretion of said Commissioners of the District of Columbia, for the erection of stands to be used for viewing the parade of March 4, 1921, on the following conditions, viz: That no seats shall be reserved, and no charge exceeding $1 in cash for each seat shall be made. That no tickets shall be sold, but sales of seats shall be made only to those who are willing to occupy them at the time of purchase; and no return checks shall be issued to anyone desiring to leave said stands at any time.

SEC. 3. That any person violating any of the provisions of this resolution shall be guilty of a misdemeanor, and shall be punished by a fine of not less than $100 or more than $1,000, or by imprisonment in the District of Columbia Jail for a period of not less than three days or more than 30 days, or by both such fine and imprisonment, in the discretion of the court.

Mr. PHIPPS. Mr. President, the joint resolution which I have introduced follows the general line of the resolution introduced by the Senator from Minnesota [Mr. NELSON], with an additional provision which I believe will make it possible for visitors coming to the District for Inauguration Day to be furnished with proper seats in suitable localities without being submitted to extortionate charges. To avoid trading in tickets and speculating it seems to me necessary absolutely to prohibit the use of tickets so that those desiring seats should take their chances, coming in turn on the principle of first come, first served. If for any reason they desire to leave their seats at any time the parade is passing or before they have finished the use of the seats, it will be only necessary for them to pay an additional charge for readmission, which would be limited to the amount of $1.

I move that the joint resolution be referred to the Committee on the District of Columbia.

The motion was agreed to.

RESTRICTION OF IMMIGRATION.

Mr. PHIPPS submitted an amendment intended to be proposed by him to the bill (H. R. 14461) to provide for the protection of the citizens of the United States by the temporary suspension of immigration, and for other purposes, which was referred to the Committee on Immigration and ordered to be printed.

ATMOSPHERIC NITROGEN.

Mr. WADSWORTH submitted five amendments intended to be proposed by him to the bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production, and for other purposes, which were ordered to lie on the table and be printed.

ANNIVERSARY OF LANDING OF PILGRIM FATHERS (S. DOC. NO. 351).

Mr. UNDERWOOD. Mr. President, some time ago in pursuance of a joint resolution passed by Congress, approved May 13, 1920, the Vice President appointed a committee of the Senate to cooperate with a committee of the House at the celebration of the three hundredth anniversary of the landing of the Pilgrim Fathers. The committee consisted of the Senator from Massachusetts [Mr. LODGE], the Senator from Ohio [Mr. HARDING], and myself. The three hundredth anniversary was celebrated in December, and the Senator from Massachusetts [Mr. LODGE], as chairman of the Senate committee, delivered the address. I ask unanimous consent that the address may be printed as a Senate document. It was an occasion of national interest and the address was one to meet it, and I think it should be preserved as a Senate document.

The VICE PRESIDENT. Is there objection? The Chair hears none, and it is so ordered.

CHANNEL TO CHARLESTON NAVY YARD.

The VICE PRESIDENT (at 12 o'clock and 15 minutes p. m.). The morning business is closed.

Mr. BALL. Mr. President, I move that the Senate proceed to the consideration of Senate bill 3395, being Order of Business 331.

The VICE PRESIDENT. The question is on the motion of the Senator from Delaware.

Mr. UNDERWOOD. I should like to have the bill for which the Senator from Delaware asks consideration stated, in order that we may know what it is. I could not tell from the Senator's request, as he merely referred to the bill by number.

The VICE PRESIDENT. The Secretary will read the bill by title.

The READING CLERK. A bill (S. 3395) to discontinue the improvement to provide a channel extending from the sea to the Charleston Navy Yard.

Mr. SMITH of South Carolina. Mr. President, I hope the Senator from Delaware will not press his motion for the consideration of the bill this morning, for the reason that I have asked the Navy Department to furnish me with the data as to what has been done since the adjournment of Congress which bears directly on the subject matter of the bill. The information for which I have asked includes facts as to the width of channel now being dredged from the sea to the Charleston Navy Yard; under what appropriation that dredging is being done; and what work, if any, has been done upon the dry dock at that place which was not begun previously to the adjournment of Congress. I was informed just previously to coming to the Senate Chamber this morning that the department will perhaps by to-morrow noon have this information available for me.

It is very important that the Senate should have all the facts in the proper form in order that a subject of so much magni-

tude not alone to the South Atlantic but to the whole country may be thoroughly and fairly discussed on the floor.

Mr. BALL. Mr. President, I think the senior Senator from South Carolina has had ample time to secure all the information in reference to this bill which he desires. As for the necessity of the Senate having information, I can state exactly the amount which has been spent for this work from the appropriation. At the time this bill was being considered the Naval Committee unanimously passed a resolution requesting that no money be expended from the appropriation until the matter could be investigated. I delayed calling up the bill at the request of the senior Senator from South Carolina during the second session of the present Congress, but I notified the Senator early in this session that I was going to call the bill up at an early date.

I had written to the department, not knowing that they had expended any of the money after having been requested by the committee not to do so, but I find they have expended of the $1,500,000 appropriated for this new project about $1,200,000 up to the 1st of November last. Since that time they have expended a part of the remaining $300,000; I do not know how much.

Mr. President, unless it is the intention to build a dry dock 1,000 feet in length at Charleston, the dredging of that channel for 22 miles to a 40-foot depth and a width of 1,000 feet is simply a waste of public funds. There is already there a channel 30 feet in depth and 500 feet in width, which is ample for any draft of vessels that the dry dock now at Charleston can accommodate.

Mr. ROBINSON. Will the Senator from Delaware yield for a question?

Mr. BALL. Certainly.

Mr. ROBINSON. Would the Senator be interested in stating what is his objection to waiting until the information for which the Senator from South Carolina has asked is furnished to the Senate?

Mr. BALL. I have no objection to waiting until that be done if it is not merely a method of delay. I requested the senior Senator from South Carolina four weeks ago to obtain whatever information he desired.

Mr. ROBINSON. The Senator from South Carolina has just stated that the information will probably reach him by noon to-morrow; and I merely desire to suggest to the Senator from Delaware that, perhaps, in view of that statement of the Senator from South Carolina, no good would be accomplished by pressing action before that information shall have been received. I, for one, should like to have it.

Mr. BALL. I wish to give the Senator from South Carolina every opportunity to secure whatever information he desires, and if he will permit the bill to be called up and disposed of as soon as he obtains the information, I shall be perfectly satisfied that it will be perfectly proper to yield for that purpose.

Mr. SMITH of South Carolina. I wish to state to the Senator from Delaware that I have no disposition to delay the bill, nor have I come here with anything like a subterfuge in order to gain any time. The Charleston project is a great one; it involves great issues; and I have asked the Navy Department to furnish me with certain data of which I believed the Senator from Delaware is not possessed. The department is getting up that data for me now with all proper dispatch. I am not inclined to delay the consideration of this matter. The fact is that it seems to me now is about as good a time as any for us to decide what we are going to do. When the information comes in I shall be very glad to lay before the Senate all the facts relating to the project, the relation of the project to certain other projects; and whether the Senate sees fit to take up the bill to-morrow or to postpone its consideration, I am quite sure the Senate will extend me the right which it has always extended to every other Senator to prepare himself to discuss a matter that is not only of interest to his State but to the entire country.

Mr. BALL. Mr. President, I trust the Senator from South Carolina will receive the information within a few days in order that this matter may be speedily disposed of. A large sum of money is involved, and it is a question either of wasting that money or, if the project is to be continued and the dry dock is to be built, then proceeding with the work in a proper manner. I object to expending money on that channel unless the dry dock is to be built. As matters now stand, there is simply a waste of $1,200,000; and, of course, an additional waste is involved if this matter is to continue from session to session, as it seems to be the disposition of some Senators to carry it along.

I have no objection, Mr. President, to granting a reasonable time to enable the senior Senator from South Carolina to secure the information which he deems proper.

Mr. SMOOT. Mr. President, I wish to ask the Senator from Delaware a question. I understood the Senator from Delaware to say that he has the information already in his possession.

Mr. BALL. I have the information obtained from Admiral Parks, the Chief of the Bureau of Docks and Construction. The figures which I have given are his figures.

Mr. SMOOT. If the Senator has that information, it seems to me it would not take more than an hour for the Senator from South Carolina to receive the same information.

Mr. BALL. That is a question for the Senate to decide.

Mr. SMITH of South Carolina. Mr. President, I have stated to the Senate—and it is not necessary for me to repeat—that I am not trying to postpone this question for the purpose of causing unnecessary delay. There are, however, certain facts which have been sent me by the Navy Department to be used here and which are not in the possession of the Senator from Delaware. Those facts are official, and for that reason I am reserving the right, which is the privilege of any Senator here, of securing the desired information.

Mr. SMOOT. I asked the Senator from Delaware if he had the information that the Senator from South Carolina has asked for, and he replied that he had.

Mr. SMITH of South Carolina. But there is additional information which will come in connection with this matter.

Mr. UNDERWOOD. Mr. President, I understand the Senator from Delaware has withdrawn his motion.

Mr. BALL. I have not withdrawn my motion and will not unless there shall be a reasonable time fixed for the consideration of this matter.

Mr. SMITH of South Carolina. I am not likely to ask for any unreasonable time. I simply am waiting upon the Navy Department to furnish me the information. When it is here, I shall be glad to have the Senator from Delaware call up this matter.

Mr. EDGE. Mr. President, I rise to a parliamentary inquiry. Is a motion to consider a bill before 2 o'clock subject to debate?

The VICE PRESIDENT. It is not.

SEVERAL SENATORS. Question!

Mr. BALL. Mr. President, I withdraw the motion to-day, with the understanding that I shall renew it to-morrow. That will give the Senator from South Carolina an opportunity to secure the information within 24 hours, and I am sure that it will only take a very short time to obtain it.

DISPOSITION OF EUROPEAN RELIEF FUND.

Mr. HITCHCOCK. Mr. President, the question has arisen here upon the floor as to the disposition of certain relief voted by the Congress in the year 1919, and I ask unanimous consent to make a short statement and to have certain information placed in the RECORD, in order that the matter may be cleared up. The appropriation was made by Congress in 1919——

Mr. LA FOLLETTE. Does the Senator refer to the $100,000,000 appropriation?

Mr. HITCHCOCK. I refer to the $100,000,000 appropriation. Mr. President, the facts of the case are that Congress in 1919 appropriated $100,000,000 for the purpose of furnishing food and other relief to the starving people of Central Europe. This work was placed in charge of Mr. Hoover. He used as his fiscal representative the United States Grain Corporation as a business proposition, and he also used such agencies as the Red Cross, Army officers, and others in the actual distribution of the relief.

On the 25th of September of the present year a formal report was made to the President of the United States on the disposition of the amount of money which Congress had appropriated, and, as the report is rather brief and is signed by Mr. Edward M. Flesh, the vice president and treasurer of the Grain Corporation, I will read it. It is as follows:

NEW YORK, N. Y., *September 25, 1920.*

His Excellency WOODROW WILSON,
President of the United States, Washington, D. C.

DEAR MR. PRESIDENT: The United States Grain Corporation, having under Executive order acted as fiscal agent of the American Relief Administration covering European operations, has prepared an accounting as of to-day on the $100,000,000 appropriation which was approved by Congress February 25, 1919 (Public 274, 65th Cong.), and we are forwarding herein statement of account showing proper evidence of expenditure furnished to and approved by the Comptroller of the Treasury in the amount of $94,929,246.77, and a list of cargoes and cost of service covered by the above expenditure.

A large part of the foodstuffs supplied under this appropriation was furnished to the various Governments in central and northern Europe, who have undertaken to give obligations for repayment at the cost thereof, in the amount of $84,014,527.92, which includes the sum of $9,170.28 remaining to be collected, as shown by certified statement

attached. This statement also shows an expenditure in the amount of $10,923,889.13 for child feeding and other charitable services, for which no obligations of repayment were taken. The signed obligations of the various Governments are inclosed herewith.

Please note that these obligations exceed in amount owing by the various Governments on account of our having taken the obligations as security during the delivery of the foodstuffs and at a time when definite values could not be relied on. These excess obligations amount to $13,141,324.24, and are being returned herewith for disposition.

We still have outstanding claims amounting to approximately $100,000, which will be billed against the comptroller on the appropriation just as soon as paid vouchers can be obtained, being the evidence the comptroller requires before reimbursing the Grain Corporation. We hope shortly to be in a position to forward a further statement as to evidence of the $100,000 expenditure referred to, thus closing the entire matter.

Yours, very truly. EDWARD M. FLESH,
Vice President and Treasurer.

Mr. President, that in brief gives the business summary of what was done with the $100,000,000. That is to say, the Grain Corporation, acting as Mr. Hoover's fiscal agent, paid out approximately $95,000,000, and took from certain Governments obligations amounting to $84,000,000. The remaining $10,000,000 was devoted to child relief, and was a donation, being actually distributed largely in milk and child foods to the peoples of those countries.

Mr. WARREN. Mr. President——

Mr. HITCHCOCK. I yield to the Senator.

Mr. WARREN. The information the Senator is giving us is very interesting. I should like to ask him whether he has any statement from the Grain Corporation or from Mr. Hoover as to the amount of money that it was presumed, when we appropriated that money, could be provided from the profits of the Grain Corporation and added to the $100,000,000 appropriation?

Mr. HITCHCOCK. That was a subsequent matter, and was handled in the year 1920, when Congress authorized the Grain Corporation to distribute $50,000,000 worth of flour; and I am not taking that up now, because I do not want to confuse the two. I am dealing now simply with the $100,000,000 that Congress appropriated; and if the Senator will permit me, I should like to finish, so as to show what the disposition of that was.

Mr. WARREN. I have no disposition to interrupt the Senator. I simply wished to know if that appropriation was accompanied in any amount by any other fund.

Mr. HITCHCOCK. Not at all. That is a subsequent matter, as I am stating.

Mr. President, I also ask leave to put in the RECORD at this point, without reading, a communication of Mr. William R. Grove, formerly a colonel of the United States Army, addressed to Hon. JAMES REED, United States Senator, and published in the Herald of this date or yesterday, in which he shows that 11,000 tons of milk and other foodstuffs were shipped from the United States and contributed to the children's fund to the value of approximately $4,700,000. This food was distributed directly under his supervision, as stated, through hundreds of kitchens, canteens, and asylums created for that and other purposes. This charge was borne by the $100,000,000 fund. I will put this letter in the RECORD in full.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

DENIES EUROPEAN RELIEF FUND FED POLISH ARMY—OFFICER IN CHARGE OF FOOD DISTRIBUTION WIRES SENATOR REED THAT ONLY SURPLUS ARMY STOCKS SOLD.

NEW YORK, *January 5.*

Denials that American funds contributed for European relief had been used for supplying the Polish Army, as charged by Senator JAMES REED, were telegraphed to REED to-day by William R. Grove, formerly in charge of food distribution in Poland.

Surplus supplies of the Expeditionary Forces were sold the Polish Army, Grove said, but this had nothing to do with the $100,000,000 congressional relief fund.

Grove's telegram follows:

Hon. JAMES REED,
United States Senate, Washington, D. C.:

From the press account of your statement this morning in respect to the use of a portion of the $100,000,000 relief appropriation which expired in June, 1919, for the purposes of the Polish Army, I am convinced that you have been misinformed.

I was in charge in Poland of the distribution of all food under the $100,000,000 relief appropriation, acting under Mr. Hoover's general direction. There were three distinct activities in Poland which may have led to confusion in your mind:

First. About 11,000 tons of milk and other foodstuffs were shipped from the United States and contributed to the children's fund to the value of approximately $4,700,000. This food was distributed directly under my supervision, through hundreds of kitchens, canteens, and asylums created for the refuge of the children by the children's fund, which was also participated in by public charity.

The above charge was borne by the $100,000,000 appropriation and represents a gift from the American people.

Second. Approximately 266,000 tons of food of the value of about $50,000,000 was shipped to Poland from the United States and was distributed strictly to the civil population. This food was provided from the $100,000,000 relief appropriation, but the Polish Government was charged with the cost thereof and has given treasury notes in payment therefor, so that this item will be recovered to the American people. Thus the only loss to the American people amounts to the $4,700,000 children's service mentioned above.

Despite the undertaking of the Polish Government to pay for this food, my instructions were to see that this food was strictly distributed to the civil population, and this was rigorously carried out under the direction of American Army officers. I may mention that the Polish Government paid the entire cost of distribution and no American money was ever given the Poles, the whole service being in commodities purchased in the United States.

Third. The Army liquidation board, over which the relief administration had no authority, sold to the Polish Government many thousands of tons of surplus American Army rations and supplies, again in return for Polish Government obligations, and some portion of this foodstuff was used for the Polish Army. It had, however, nothing to do with the congressional relief appropriation. The other allied Governments also supplied some food to Poland during this period.

In the broader aspects of the whole question, I may mention that if the whole Polish Army, as it stood during this period, had been supplied with such imported commodities as could be incorporated in their ration, which was not the case, it could have consumed less than 9,000 tons, or probably less than 3 per cent of the totals imported.

In any event, it is of much more importance to note that the objective of the American Government was to preserve life in the midst of famine and to reestablish order and to undermine the stimulus to anarchy and bolshevism then running rampant through a starving country. If Poland had not received this food, and if Poland had not had an army in the winter and spring of 1919, it would have gone bolsheviki, thus joining the bolshevik activities of Germany and Russia, and plunging Europe into irrevocable chaos.

I am sure you will correct this misimpression you have given.

WM. R. GROVE,
Former colonel, United States Army.

105 HUDSON STREET, *New York, N. Y.*

Mr. PHELAN. Mr. President——

Mr. HITCHCOCK. Now, Mr. President, I want to show in a tabulated statement which I produce, furnished by Leslie, Banks & Co., chartered accountants, exactly how this relief was distributed; and I shall ask leave to insert it in the RECORD. I think I can read the whole thing, however:

UNITED STATES GRAIN CORPORATION.

Acting as fiscal agent of the American Relief Administration. Account of receipts from the United States Treasury out of the $100,000,000 appropriation fund, segregated according to country to which relief was furnished.

For commodities delivered and services rendered to European Governments for which obligations of repayment were taken:

Armenia	$8,028,412.15
Czechoslovakia	6,348,653.56
Esthonia	1,785,767.72
Finland	8,281,926.17
Latvia	2,610,417.82
Lithuania	822,136.07
Poland	51,671,749.36
Nonbolshevist Russia	4,465,465.07

For this total of $84,014,527.92 the national obligations of the countries named were taken and turned over to the Treasury of the United States.

Mr. BORAH. Mr. President——

Mr. HITCHCOCK. I yield to the Senator from Idaho.

Mr. BORAH. What part of Russia does the Senator have reference to when he says "nonbolshevist Russia"?

Mr. HITCHCOCK. I presume it was that part of Russia which at the time was in the hands of various generals who at various times opposed the Lenin-Trotski government. I do not know anything further than that about it. It was such parts of Russia as those relief associations had access to, and of course they could not very well have had access to soviet Russia.

Mr. BORAH. Do I understand that they have securities from nonbolshevist Russia also to the amount which they expended?

Mr. HITCHCOCK. I judge so, to the extent of $4,465,000.

Mr. BORAH. I was interested to know how they could get them.

Mr. HITCHCOCK. They were undoubtedly issued by the de facto governments or military officials who were in charge. They had about the same authority that the soviet government had in the rest of Russia, which is the authority of force, or de facto.

Mr. PHELAN. Mr. President——

Mr. HITCHCOCK. Now, then, for commodities delivered for child feeding and for other charitable services for which no obligations of repayment were taken——

The VICE PRESIDENT. Does the Senator from Nebraska yield to the Senator from California?

Mr. PHELAN. I do not desire to interrupt the Senator. I can wait until he finishes reading.

Mr. HITCHCOCK. Yes; I think I ought to put this in consecutively. I shall put it in the RECORD, and I will not read it in detail; but it shows that in Czechoslovakia something over $2,000,000 was distributed as relief.

For commodities delivered for child feeding and for other charitable services for which no obligations of repayment were taken:

Czechoslovakia	$2,261,229.96
Esthonia	376,621.73
Finland	560,275.75
Latvia	493,575.52
Lithuania	279,721.53
Poland	4,743,147.07
Rumania	414,286.43
Nonbolshevist Russia	373,873.72
Serbia	1,035,407.59
Freight on Red Cross supplies	275,287.23
Freight on typhus equipment	110,462.60

The total of those items is $10,923,000, distributed without taking back any governmental securities; in other words, a contribution of the American people.

I shall put that in the RECORD, Mr. President, but I have read this much for the purpose of showing the amount distributed to each country under the direction of Mr. Hoover and by various agencies which he employed.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

United States Grain Corporation, acting as fiscal agent of the American Relief Administration—Account of receipts from the United States Treasury out of the $100,000,000 appropriation fund, segregated according to country to which relief was furnished.

NAME OF COUNTRY, ETC., AND AMOUNT.		
A. For commodities delivered and services rendered to European Governments for which obligations of repayment were taken:		
Armenia	$8,028,412.15	
Czechoslovakia	6,348,653.56	
Esthonia	1,785,767.72	
Finland	8,281,926.17	
Latvia	2,610,417.82	
Lithuania	822,136.07	
Poland	51,071,749.36	
Nonbolshevist Russia	4,465,465.07	
		$84,014,527.92
B. For commodities delivered for child feeding and for other charitable services for which no obligations of repayment were taken:		
Czechoslovakia	2,261,229.96	
Esthonia	376,621.73	
Finland	560,275.75	
Latvia	493,575.52	
Lithuania	279,721.53	
Poland	4,743,147.07	
Rumania	414,286.43	
Nonbolshevist Russia	373,873.72	
Serbia	1,035,407.59	
Freight on Red Cross supplies	275,287.23	
Freight on typhus equipment	110,462.60	
		10,923,889.13
Total		94,938,417.05
Deduct for collection not yet made on account of Government of Armenia (vouchers not received), but included above		9,170.28
Net receipts as list of cargoes and service expenditure approved		94,929,246.77

We hereby certify that the above account of receipts from the United States Treasury out of the $100,000,000 appropriation fund is correctly stated in accordance with the books of the United States Grain Corporation, London office, as of this date.

LESLIE, BANKS & CO.,
Chartered Accountants.

NEW YORK, *September 25, 1920.*

Mr. WARREN. Mr. President——

Mr. HITCHCOCK. I yield to the Senator.

Mr. WARREN. If I may ask the Senator a question, I notice that a pretty large amount—in fact, a very large amount—of this distribution went to Poland. Was that before Poland engaged in war? And is the Senator able to tell us whether any portion of that was either contributed for or used by Poland in the war?

Mr. HITCHCOCK. I think the Senator is as capable of fixing the dates as I am. The appropriation was made early in 1919, so the distribution was made almost entirely in 1919 and the winter of that year.

Mr. WARREN. What I wish to know is whether that distribution has been made at different times up to date, or whether it was made prior to some specific date, which I think the Senator has not yet given.

Mr. HITCHCOCK. I have given the date of the report. I do not know the dates of distribution. It was chiefly in the year 1919.

Mr. PHELAN. Mr. President, may I ask the Senator a question? Is this in the nature of a report to Congress?

Mr. HITCHCOCK. No, sir. This is an effort to set before the Senate the fact that this $100,000,000 fund has been distributed in the most effective, most efficient, and most economical way, in accordance with the orders of Congress. It is intended to put before the Senate the fact which should be put before it, that this great trust has been most admirably administered, and that, instead of giving away this vast sum of money, Mr. Hoover, as the representative of the United States, has done exactly what Congress intended that he should do. He has given the relief. Where it was possible to secure back the bonds of the country he has taken them. Where that was not possible he has made it as a contribution, which was in effect carrying out the intention of Congress, as we all remember from the discussion at the time. Many at that time expected that there would be no return at all to the United States, and nobody now is able to tell what we will realize from the $84,000,000 of securities in the Treasury; but the fact is that the distribution has been most admirably done, largely under the supervision of officers of the United States Army, largely through the cooperation of the wonderful organization of the Red Cross, through the Quaker societies, and through the various other ones of which I shall give the names in a few moments; and not only has that been done, but a most careful accounting has been rendered by chartered accountants to show the exact distribution and the exact destination of all those reliefs.

Mr. PHELAN. Mr. President——

Mr. HITCHCOCK. If the Senator will permit me, I should like to finish this report.

Mr. PHELAN. I understood that the Senator had finished the report.

Mr. HITCHCOCK. No.

Mr. PHELAN. I should like to hear it. I am sure the Senator is speaking of his own knowledge when he indorses all these transactions.

Mr. HITCHCOCK. I do indorse them most fully. To my mind, Mr. President, Mr. Hoover to-day stands as the greatest benefactor of civilization. I think his services in contributing to saving the lives of 6,000,000 European children entitle him to be ranked as one of the great benefactors of the world; and I think we here in the Senate should give him credit, as Europe gives him credit, for the great work he has done and the businesslike way in which the matter has been transacted.

Mr. PHELAN. Do I understand, Mr. President, that these transactions have been questioned, that Mr. Hoover has been accused?

Mr. HITCHCOCK. I do not know, of course, what the Senator is referring to. I am saying that it has been charged here, and it has been charged elsewhere, that Mr. Hoover misused the funds of the United States which were put at his disposal; and I am endeavoring now to state the facts as they are.

Mr. PHELAN. I was not aware that he had been accused. I am very glad to hear that there is some raison d'être for this matter.

Mr. HITCHCOCK. Now, I hold in my hand Table A, consisting of a report of the United States Grain Corporation, acting as the fiscal agent of the American Relief Administration, giving a summary of the commodities delivered and the services rendered to European countries under the $100,000,000 appropriation fund. I will not repeat the names of the countries. I shall ask leave to insert this tabulated statement in the RECORD. It shows that of breadstuffs this organization distributed to the countries which I have already named a total of 404,000,000 tons, 9,000,000 tons of rice, 13,000,000 tons of beans and peas, 26,000,000 tons of meats and fats, nearly 7,000,000 tons of milk, 1,000,000 tons of cocoa and sugar, 5,700,000 tons of cotton, 449,000 tons of miscellaneous supplies, or a total of 468,379,284 tons of these commodities of relief, almost all of them being purchased in the United States and being shipped over there. I could also give the details of how they were shipped, but I deem that not necessary.

In Table B, which I shall ask to have inserted in the RECORD, we find a summary of the total of children's relief deliveries paid for from the congressional fund, for which no funds or securities were taken up; in other words, 3,446,000 tons of breadstuffs, 4,000,000 tons of rice, 4,600,000 tons of beans and peas, 1,500,000 tons of meats and fats, 15,000,000 tons of milk, and 5,000,000 tons of cocoa and sugar.

Mr. WADSWORTH. Mr. President, is it not pounds instead of tons?

Mr. HITCHCOCK. No; tons.

Mr. WADSWORTH. Fifteen million tons?

Mr. HITCHCOCK. Metric tons. It is a perfectly huge affair, and we have no conception of the enormous relief that has been rendered. This organization has actually saved the lives of 6,000,000 children, and Mr. Hoover is engaged at the present time in a gigantic effort to raise $33,000,000 in this country to give relief. He is heroically at work through a number of organizations to raise $33,000,000 to bring needed relief this winter to children in the countries of central Europe

and eastern Europe, and I am stating these facts at this time in order that the Senate may have some appreciation of the tremendous energy this man has put into operation and the wonderful cooperation he has secured from all of the great charitable organizations of the world.

Mr. WADSWORTH. I do not want to seem to detract from anything Mr. Hoover has accomplished, but 15,000,000 tons of milk is much more than a ton of milk per child.

Mr. POMERENE. Two and a half tons.

Mr. REED. Two and a half tons per child for 6,000,000 children.

Mr. WADSWORTH. It must be pounds.

Mr. LA FOLLETTE. Let it go at pounds.

Mr. GRONNA. It is probably as accurate as Mr. Hoover's statement with reference to the cost of grain.

Mr. HITCHCOCK. I shall have to verify the figures, of course. What I hold is a tabulated statement, which just came to me; and it would be an easy matter for an error to be made. Even great Senators here upon the floor make statements equally ridiculous, and I presume that these figures are subject to correction, like everything else.

Mr. GRONNA. May I ask the Senator if he is speaking for the farmers of his State in making this statement here?

Mr. HITCHCOCK. I do not understand the Senator's question. I am speaking in the interest of fairness and justice in order that this man, who has carried out the mandate of Congress to bring relief to these children of Europe, should not be misrepresented.

I think if Congress thought enough of this matter to appropriate $100,000,000, and if the people of the United States think enough of this matter, after their resources have been so largely drawn upon, nevertheless to enter upon a great cooperative effort to raise $33,000,000 more, the Senate ought to take enough interest in the matter to accept a business statement from the man who is charged with the distribution of this money and this relief.

Mr. President, in the summary of what I have attempted to present I may say it is shown that the whole of the purchase, shipment, and financial operation under the $100,000,000 relief appropriation of February, 1919, was carried out by the United States Grain Corporation in accordance with Executive order. Attached hereto are the items I have presented:

(a) Covering letter of final report to the President from the Grain Corporation.
(b) Audited statement of receipts from the Treasury of expenditures, allocated to the different countries concerned.
(c) List of cargoes and expenditure vouchers which were lodged with the approval of the Comptroller of the United States Treasury.
(d) Statement of the destination and character of commodities delivered.

The comptroller's office contains the complete vouchers for all expenditures, and the files of the Grain Corporation contain the vouchers proving the delivery of the commodities to their distribution destinations. The general policy in determination of the volume of foodstuffs to be supplied to different nations under the relief was determined by Mr. Hoover, in cooperation with other officials of the Government. The assurance that the civil populations in these countries received these supplies in accordance with their needs were secured by officers of the United States Army.

It will be observed that a total of $94,929,000 was expended from the appropriation, and that obligations for repayment of $84,014,000 of this were taken, the balance having been almost wholly devoted to children's relief.

The Senator from Delaware [Mr. WOLCOTT] calls my attention to a mistake which I made in reading the tabulated statement, which may relieve some of the anxieties of the Senators who have become alarmed lest too much milk was sent to the children of Europe. He calls my attention to the fact that I mistook a comma for a period, so that the total of milk distributed should be 6,911 tons and eight hundred and fifty-nine thousandths, which probably explains the discrepancy.

The fact is, Mr. President, that there never has been in the history of the world a more careful investigation by men charged with the responsibility of charitable relief. There never has been in the history of the world a more careful organization to see that that relief got to the right individuals; and there never has been a more prompt report of what had been done under that than we find in this particular case.

The statement which I asked to have inserted in the RECORD, contained in a report from Col. Grove, of the United States Army, as set forth in his letter to Senator REED, contains this statement:

Despite the undertaking of the Polish Government to pay for this food my instructions were to see that this food was strictly distributed to the civil population, and this was rigorously carried out under the direction of American Army officers. I may mention that the Polish Government paid the entire cost of distribution, and no American money was ever given the Poles, the whole service being in commodities purchased in the United States.

Third. The Army Liquidation Board, over which the relief administration had no authority, sold to the Polish Government many thousands of tons of surplus Army rations and supplies, again in return for the Polish Government obligations, and some portion of this foodstuff was used for the Polish Army. It had, however, nothing to do with the congressional relief appropriation. The other allied Governments also supplied some food to Poland during this period.

In other words, Mr. President, this fund of Congress was used solely for the purpose of distributing relief directly to the civilian population of Poland, particularly to the children of Poland, and it was done by Army officers of the United States, under Col. Grove, some 50 or 60 in number.

Those who have confused the use of American supplies by the Polish Government and the Polish Army have made the mistake of assuming that it came from this relief, whereas it simply came from certain surplus military supplies which the United States sold to Poland, just as it sold to other countries in Europe, France among them. They were sold as a business proposition, because they were over there, and it was cheaper to sell them than to attempt to bring them back. Whether we will get paid for them at an early date we do not know, but the obligations of the Polish nation were taken in pay for them, and when Poland had paid for them they belonged to Poland, to be used in any way. They were not intended as relief. They were sold to Poland as a business proposition, and Mr. Hoover's organization had no control over them whatever.

Now, Mr. President, I hope Congress will do more than it has done. I think the Congress of the United States, which has already been liberal with the people's money, should adopt a resolution such as has been introduced by the Senator from West Virginia [Mr. SUTHERLAND], which is now before the Committee on Foreign Relations, indorsing the great work of charity relief which is now being carried on in Europe without any Government support. I am not in favor of appropriating more Government money out of the Treasury at this time for that purpose, but I do think the Congress of the United States should give its moral support to this great work. It is not finished. There are still starving children over in Europe by the millions, and those countries in Europe are not able to provide for them altogether. Their moneys are so depreciated that they can not buy the supplies necessary for charitable distribution.

Mr. President, I hold in my hand an appeal to the American people. It is signed by the American Relief Administration, by Herbert Hoover; the American Red Cross, by Livingston Farrand; the American Friends Service Committee—the Quakers—by Wilbur K. Thomas; the Jewish Joint Distribution Committee, by Felix Warburg; the Federal Council of Churches of Christ in America, by Arthur J. Brown; the Knights of Columbus, by James Flaherty; the Young Men's Christian Association, by C. V. Hibbard, international committee; the Young Women's Christian Association, by Miss Mabel Cratty, of the national board; and I want to take the time of the Senate to read this brief appeal. It is as follows:

AN APPEAL TO THE AMERICAN PEOPLE.

Three and one-half million children in eastern and central Europe have no alternative to disaster between now and next harvest except American aid. For months, because the needy were so numerous and the available funds so limited, these most helpless sufferers in the track of war have been admitted to American feeding stations only if tragically undernourished, and have received American medical aid only if desperately threatened by death from disease.

Winter is closing down. The money of many nations is valueless outside of their own boundaries. Economic and crop conditions, aggravated over considerable areas by actual warfare last summer, make famine, with its terrible train of diseases, a certain visitor until next harvest. Inevitably the helpless children will suffer most. No child can grow to health and sanity on the pitiful makeshifts for food with which millions of European adults must content themselves this winter. It is obvious that the remedy can come only from outside.

America saved 6,000,000 European children winter before last. Normal recuperation cut the need nearly in half last year, but unusual conditions have resulted in scant shrinkage of child destitution during the twelvemonth just past. The response of America must now decide whether 3,500,000 of these charges, in acute distress, shall begin to be turned away in January from more than 17,000 asylums, hospitals, clinics, and feeding stations dependent on American support. There would be no tragedy in history so sweeping or so destructive of those who can deserve no evil.

The undersigned organizations, working among every race and creed, many engaged also in other forms of relief, agree unanimously that the plight of these helpless children should have complete priority in overseas charity until the situation is met. This is an issue without politics and without religious lines. There can be no danger of pauperization, for the $23,000,000 for child food and the $10,000,000 for medical service that we seek will relieve only the critical cases. The medical supplies, of course, must be an unqualified gift, but for every American dollar used in child feeding the Governments and communities aided furnish $2 in the form of transportation, rent, labor, clerical help, cash contributions, and such food supplies as are locally obtainable.

America has not failed in the past in great-heartedness. She has never had a more poignant call than this. Contributions should be turned over to the local committees which are now being formed for

this national collection or sent to Franklin K. Lane, treasurer, Guaranty Trust Co., New York City.

American Relief Administration, by Herbert Hoover; American Red Cross, by Livingston Farrand; American Friends Service Committee (Quakers), by Wilbur K. Thomas; Jewish Joint Distribution Committee, by Felix Warburg; Federal Council of Churches of Christ in America, by Arthur J. Brown; Knights of Columbus, by James Flaherty; Young Men's Christian Association, by C. V. Hibbard, International Committee; Young Women's Christian Association, by Miss Mable Cratty, National Board.

Mr. President, the fact stated that 3,500,000 children are in distress is not a mere surmise nor a guess, but is the result of a careful investigation. The Rockefeller Foundation makes this statement, and that is an organization which has been very businesslike as well as very charitable:

The secretary of the Foundation spent the summer of 1920 in central and eastern Europe, making a first-hand study of the situation. He was deeply impressed with the efficiency of the organization which has been created under Mr. Hoover's auspices.

I may say that no American who has visited Europe, and I doubt whether a man from any other country, has failed to be tremendously impressed with the wonderful efficiency of the organization which Mr. Hoover has used as his agency in distributing relief. One thing everyone says who comes back here after an inspection is that the efficiency, the energy, and the care of his relief association is beyond all parallel, and even the worst enemy that Mr. Hoover has, I am confident, will come back with the same story if he visits those countries as Americans have already done. I have talked with a good many men who have been over there and they all say that Mr. Hoover's name is a name to conjure with when all things else fail, because of the deep impression he has made, not only upon the leaders of Europe, but upon most of the European people.

The statement continues:

It represents the maximum of self-help on the part of the countries concerned and a minimum number of salaried American administrators. Every penny of American money is expended for food. It is a satisfaction to contribute to a work which is so wisely and effectively administered.

The trustees were further influenced to contribute to the children's fund by the conviction that at this time the American people have an opportunity to demonstrate their genuine interest in the welfare of children who are the victims of a catastrophe for which they can in no wise be held responsible. In the midst of sharp differences of opinion about economic and political policies, it is possible for all Americans to unite in preserving the lives or safeguarding the health of 3,500,000 European children in both allied and former enemy countries.

Mr. BORAH. May I ask the Senator a question?

Mr. HITCHCOCK. Certainly.

Mr. BORAH. I ask it in perfect good faith and not in the way of criticism. In what particular countries are those 3,500,000 children supposed to be, and what particular countries are we leaving out?

Mr. HITCHCOCK. I shall be very glad to answer the question fairly. They are as follows:

In Poland, 1,500,000. Now, the Senator knows, and we all know, that probably Poland suffered more, and more frequently, than any other country in Europe. First, the Russian armies tramped over Poland with their destructive and ruinous spoliation. Then the German armies tramped over Poland, driving the Russians back. Then again the Russians returned over Poland and Germany again threw them back. Poor old Poland was a mere doormat over which those great countries of Europe fought and was reduced by successive spoliations not only to well-nigh absolute ruin but to such starvation that the children were compelled to get down on the ground and eat the very roots of trees to maintain life. Poland still has 1,500,000 children in need of help. This fact is not a mere loose estimate, but it is an estimate made by those who have been on the ground and who know the facts for which they vouch.

Hungary, 100,000 children; Czechoslovakia, 250,000; Austria, 500,000; the Baltic Provinces, 200,000; Germany, 700,000; Russian refugee children, 200,000; total, 3,450,000; and medical service and clothing to more than 300,000 children of Serbia and other European countries, where food is not so greatly required.

The other day I talked with a man who had recently come back from Germany. He is a German-American, a good American citizen. He came back heartsore, not only because he found his own relatives over there in such desperate plight that they could not even ask him to dinner, because they were ashamed to show him what they had to eat. He told me repeated instances of sickly, half-starved children, little skeletons, whose parents were not able to give them the necessary food to keep them in anything like a healthy condition. He said that this extends up even to the classes that ordinarily have plenty. He spoke, for instance, among other cases, of a man who is a chemist, accustomed in ordinary times to earn a good livelihood. He described his two little girls, whom he saw, frail, sickly little children, and the chemist told him, "I can not even afford an egg a day, which the doctor says this little girl ought to have. An egg costs 2½ marks. I can not afford that egg a day which that child ought to have."

I say that under these conditions and confronted by this situation, not only in the countries that were friends of the United States but in Germany, that was our enemy, it is the American duty to give what relief we can, not so much to the adults, who can survive, but to the children, whose whole future life will be blighted if they are not given the necessary food to enable them to grow and develop.

As to the great work which has been undertaken by the charitable associations that are representative of the whole country and which have been placed in charge of Mr. Hoover, because he has had unheard-of success in the past, I say it is the duty of Congress at least to give its moral support to the raising of the $33,000,000. I understand that something like $11,000,000 has already been raised, but that it needs the help of Congress to secure the balance. I sincerely hope that the resolution of the Senator from West Virginia [Mr. SUTHERLAND] will be acted upon.

My attention is called to the fact at this moment that in reading one of the tabulated statements I made the mistake of using in all cases the term "metric tons." The figures in the statement are in thousands of metric tons, but the last three figures in decimals of metric tons, which I am sure will relieve the minds of those Senators who thought they saw a mare's-nest in a perfectly plain business statement.

APPENDIX.

United States Grain Corporation acting as fiscal agent of the American Relief Administration—Summary of commodities delivered and services rendered to European countries under the one hundred million dollar appropriation fund.

TABLE A.

SUMMARY OF DELIVERIES TO EUROPEAN GOVERNMENTS UNDER THE CONGRESSIONAL FUND, FOR WHICH OBLIGATIONS OF REPAYMENT WERE TAKEN. (METRIC TONS.)

Country.	Breadstuffs.	Rice.	Beans and peas.	Meats and fats.	Milk.	Cocoa and sugar.	Cotton.	Miscellaneous.	Total.
Poland	213,666.237	7,986.844	9,415.879	21,315.085	1,993.713	49.146	5,775.363	.....	260,202.267
Finland	64,851.294	.....	121.576	1,432.694	38.845	.....	.....	.....	66,444.409
Armenia	37,097.987	1,022.327	2,661.768	.....	3,099.154	999.755	.....	431.484	45,312.475
Czechoslovakia	52,285.215	.....	.....	.....	.....	.....	.....	.....	52,285.215
Northwest Russia	14,248.491	.....	379.785	2,266.609	1,055.272	.....	.....	.....	17,950.157
Latvia	11,244.575	233.516	564.388	761.269	500.257	.....	.....	.....	13,304.005
Esthonia	8,116.011	91.633	.....	725.168	127.523	54.976	.....	14.136	9,129.447
Lithuania	2,565.892	84.233	185.150	424.939	97.095	.....	.....	.....	3,357.309
South Russia	394.000	.....	.....	.....	.....	.....	.....	.....	394.000
Total	404,469.702	9,418.553	13,328.546	26,925.764	6,911.859	1,103.877	5,775.363	445.620	468,379.284

SUMMARY OF UNITED STATES ARMY LIQUIDATION COMMISSION STOCKS MOVED FROM FRENCH PORTS TO OTHER EUROPEAN COUNTRIES UNDER THE CONGRESSIONAL FUND, FOR FREIGHT ON WHICH OBLIGATIONS OF REPAYMENT WERE TAKEN.

Country:		Quantity moved.
Poland	metric tons	3,357.246
Czechoslovakia	do	4,985.054
Esthonia	do	2,804.622
Lithuania	do	6,096.344
Northwest Russia	cubic tons (automobile trucks, etc.)	946.740
Total	metric tons and 946.740 cubic tons	17,243.266

United States Grain Corporation acting as fiscal agent of the American Relief Administration—Summary of commodities delivered and services rendered to European countries under the one hundred million dollar appropriation fund—Continued.

TABLE B.

SUMMARY OF TOTAL CHILDREN'S RELIEF DELIVERIES PAID FOR FROM THE CONGRESSIONAL FUND FOR RELIEF (METRIC TONS).

Country.	Bread-stuffs.	Rice.	Beans and peas.	Meats and fats.	Milk.	Cocoa and sugar.	Clothing and shoes.	Miscella-neous.	Total.
Poland	858.183	2,077.285	2,898.170	765.000	6,293.787	2,433.606	826.714	466.124	16,618.869
Czechoslovakia	700.000	318.916	271.271	454.501	4,020.033	741.978	163.503	161.232	6,831.434
Serbia	.....	477.263	287.876	30.000	1,900.048	681.007	.....	69.150	3,445.344
Finland	760.000	221.998	253.894	103.951	687.242	244.978	.....	.....	2,272.063
Latvia	260.192	160.049	341.117	43.168	710.828	206.105	.....	41.672	1,763.131
Rumania	250.000	170.000	130.000	70.046	184.594	627.411	.....	.....	1,432.051
Northwest Russia	60.387	303.910	204.456	20.000	576.227	73.041	.....	20.836	1,261.857
Esthonia	207.000	273.211	151.902	52.934	443.795	295.030	.....	20.836	1,444.708
Lithuania	351.000	83.000	77.826	27.959	307.509	153.011	.....	.....	1,000.305
Total	3,446.762	4,088.632	4,616.512	1,567.559	15,124.063	5,456.167	990.217	779.850	36,069.762

SUMMARY OF RED CROSS AND OTHER CHARITABLE SUPPLIES MOVED UNDER THE CONGRESSIONAL FUND.

From United States to Europe	cubic tons..	13,707
From St. Nazaire to Reval	do....	1,000
From Coblenz to Warsaw	metric tons (approx.)..	10,000

Mr. EDGE. Mr. President, I simply wish to direct the attention of the Senator from Nebraska to the passage of a resolution bearing upon this subject, of which he perhaps is not aware, not having referred to it in his discussion. The Senate on Monday last unanimously agreed to a resolution calling upon the State Department to secure by wire such information as they do not already have and to furnish promptly all possible information, so that the country may be officially informed, so far as that is possible, of the conditions existing on the other side to which the Senator has referred.

I feel that it is our duty, in no way in the world questioning the statements that have been made, to secure all the official information—and when I say "official" I mean through the service of our own diplomatic and consular departments—that it is possible to obtain in a matter where requests are made for millions and millions of dollars from the American people. If the conditions are as appalling as the Senator from Nebraska has outlined, and I have no reason to question it, then there is absolutely no doubt in my mind as to the response of the American people notwithstanding urgent appeals at home. But certainly no harm—quite the contrary—can follow the adoption of the resolution to secure all available information.

If the conditions are as reported by the Rockefeller Foundation and the other societies, then the mere fact that the Government, through its investigation, so gives that much additional establishment to the fact and so reports to the Senate and the country, will, in my judgment, act as a stimulant in raising the money and will make it official in a way; while, on the other hand, if the reports from those countries show that the situation has been to some extent exaggerated and that the countries on the other side are not doing such part as they should in this connection, which information is also asked under the resolution, then the American people should likewise know that. I am entirely in sympathy with the resolution offered by the Senator from West Virginia, but I feel that we should ascertain all the facts in the meantime and that such is our duty to the American people.

Mr. REED. Mr. President, I suppose that the very eloquent and interesting speech of the Senator from Nebraska [Mr. HITCHCOCK] is probably in part occasioned by the fact that I made a remark on the floor of the Senate a couple of days ago to the effect that a part of the money which had been appropriated by the American people had been employed to benefit the Polish armies. I stated, when I was interrogated about it, that I expected to lay the facts before the Senate at an early date. I have been trying to get some information. Partly because the information has not been forthcoming and partly because I have been incapable of doing any consecutive work in the last two days, I was not prepared to make the statement this morning, and I am not prepared now to make it. But I shall do so in the very near future, and as far as the facts are obtainable I intend to lay them before the Senate.

I wish to say now that late last night I received a long telegram from a gentleman calling my attention to what he claimed was a misstatement. I had intended to put it in the RECORD, but I think it has been furnished to Mr. Hoover's defender here this morning, and he has already read it.

I will state one reason why it is difficult to get at the facts, and I am only going to take a moment now. I do not propose to make a reply just at present to the speech which has just been made. The resolution under which the $100,000,000 was appropriated in 1919 expressly required that a report of the receipts and expenditures and an itemized statement of such receipts and expenditures made under that appropriation "shall be submitted to Congress not later than the first day of the next regular session."

This resolution was passed on the 25th day of February, 1919. I should like to see that itemized statement. There has been filed here a document, which I think the Senator read, which merely states that they had expended $57,000,000 in Poland. Then follow gross sums aggregating $88,750,000 of the money that has been expended, for which notes were received. The remainder, they state, was given away. There is no itemized statement, so far as I have been able to find, and if the Senator from Nebraska has an itemized statement that was filed here with Congress, he will confer a favor upon me if he will tell me where I can get it.

Mr. HITCHCOCK. I have not any knowledge of any such itemized statement. So far as I know, the report was made to the President of the United States. Whether or not that has been transmitted to Congress, I do not know. I will say that the report may have been made to Congress, though I do not know.

Mr. REED. If there was such a report, an itemized statement, made to the President of the United States, I should like to see that. Does the Senator from Nebraska know that any such report was made?

Mr. HITCHCOCK. That is substantially what I put into the RECORD to-day.

Mr. REED. That is the condensed statements which the Senator has just put in?

Mr. HITCHCOCK. They were tabulated statements. I did not read them in full.

Mr. REED. Were they ever filed with Congress?

Mr. HITCHCOCK. I do not know.

Mr. REED. Will the Senator from Nebraska tell me where he was fortunate enough to find them?

Mr. HITCHCOCK. They were brought to my office by interested parties.

Mr. REED. By Mr. Hoover or some of his associates who have never given the public the benefit of their contents?

Mr. HITCHCOCK. I do not know. They may have been published for aught I know. They date back to last September.

Mr. REED. I think when you look for a vindication of Mr. Hoover you will have to find it in his private archives; he has not yet put it in the public archives.

Mr. HITCHCOCK. I stated that the report was made to the President of the United States by chartered accountants, furnishing not only a statement of the obligations of the various Governments but furnishing a detailed statement and containing the vouchers which were satisfactory to the Treasury of the United States.

Mr. REED. The Senator from Nebraska and I might differ on what is a detailed statement. If one can put a detailed statement of an expenditure of $100,000,000 on a sheet of paper of the size the Senator has here, he is capable of condensation that, like Mr. Hoover, has never yet been equaled in the history of all the world.

The Secretary of the Senate reports that the document which I hold in my hand, which is House Document No. 449, Sixty-sixth Congress, second session, is all that he has on file with reference to the expenditure of the $100,000,000.

Mr. KELLOGG. Will the Senator from Missouri yield to me for a question?

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Minnesota?

Mr. REED. I yield for a question.

Mr. KELLOGG. Is it not the Senator's understanding of the act of Congress of February 25, 1919, that the money was voted to the President for this purpose, and that the President is the one to make the report of Congress?

Mr. REED. Possibly that is true; but Congress ought to have the report.

Mr. HITCHCOCK. Mr. President, does the Senator from Missouri deny that this is a detailed statement?

Mr. REED. I absolutely deny that it is any such detailed statement as is contemplated by the act of Congress.

Mr. HITCHCOCK. The tabulated statements contained in this report are evidently quite elaborate. They show the wheat flour, cereal flour, rye, barley, rice, beans and peas, pork, lard, lard substitutes, milk, cocoa, sugar, soap, cloth, cotton, and miscellaneous which were purchased and sent to foreign countries. That is shown in considerable detail, and I should call it a detailed statement.

Mr. REED. Well, I should not. If all we have is a detailed statement of that kind we could no more tell what they have done with this money, we could no more check them up than I could be checked up if I had a hundred million dollars of your property and I said that I spent a part of it for beans, a part of it for corn, a part of it for hay, a part of it for cattle, and a part of it for advertising myself. It is not an itemized statement. The language of the act is:

That for the participation by the Government of the United States in the furnishing of foodstuffs and other urgent supplies, and for the transportation, distribution, and administration thereof to such populations in Europe, and countries contiguous thereto, outside of Germany, German Austria, Hungary, Bulgaria, and Turkey: *Provided, however,* That Armenians, Syrians, Greeks, and other Christian and Jewish populations of Asia Minor, now or formerly subjects of Turkey, may be included within the populations to receive relief under this act as may be determined upon by the President from time to time as necessary, and for each and every purpose connected therewith, in the discretion of the President, there is appropriated, out of any money in the Treasury not otherwise appropriated, $100,000,000, which may be used as a revolving fund until June 30, 1919, and which shall be audited in the same manner as other expenditures of the Government: *Provided,* That expenditures hereunder shall be reimbursed so far as possible by the Governments, or subdivisions thereof, or the peoples to whom relief is furnished: *Provided further,* That a report of the receipts, expenditures, and an itemized statement of such receipts and expenditures made under this appropriation shall be submitted to Congress not later than the first day of the next regular session: *And provided further,* That so far as said fund shall be expended for the purchase of wheat to be donated preference shall be given to grain grown in the United States.

There was submitted to Congress the document which I have in my hand, which is not an itemized statement within the contemplation of that statute.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. REED. I yield.

Mr. McKELLAR. Does the document to which the Senator refers show the cost of distribution, what salaries were paid, and items of that kind?

Mr. REED. Oh, no. I will hand it to the Senator, and when he gets through with it he will know just as much about it as he does now, not that he would not be capable of appreciating it if the facts were set forth, but even his acute mind can not elicit much from a vacuum.

Now, there was another appropriation made in this form: On March 30, 1920, a resolution was passed reading as follows:

That, for the participation of the Government of the United States in the furnishing of foodstuffs to populations in Europe and countries contiguous thereto suffering for want of food, the United States Grain Corporation is hereby authorized, with the approval of the Secretary of the Treasury, to sell or dispose of flour now in its possession, not to exceed 5,000,000 barrels, for cash or on credit at such prices and on such terms or conditions as may be necessary to carry out the purposes of this act and to relieve populations in the countries of Europe or countries contiguous thereto suffering for the want of food.

That is directed to the United States Grain Corporation. The following proviso was added:

Provided, That an audited, itemized report of the receipts and expenditures of the United States Grain Corporation for the purposes authorized by this act shall be submitted to Congress not later than the first Monday in December, 1920.

And here is that report. I think the Senator from Nebraska has put it in the RECORD, and it is not necessary to cumber the RECORD again; but it shows the receipt of Government obligations in part, and among those Government obligations are $24,013,695.99 from Poland. It shows flour expenditures, and among the flour that we shipped it shows the shipment to Poland of $24,013,695.99—the same amount as that for which they received the obligations of Poland. There is nothing in this report except the items of flour; that is to say, the different shipments of flour made to Poland.

Mr. SMITH of Georgia. Mr. President, can the Senator tell us whether the statement covers items in addition to the distribution under the $100,000,000 appropriation?

Mr. REED. They are entirely different.

Mr. SMITH of Georgia. Amounting to $27,000,000 more?

Mr. REED. Let me state it correctly—amounting to $24,013,695.99. The only itemization of the flour is that they give us a list of the vessels by which it was shipped, and the only statement that is made in regard to the destination is that it went to Poland or went to some other country. The only certificate we have is this:

Having audited the above report of receipts and expenditures of the United States Grain Corporation, covering the sale of flours authorized under the act of Congress approved March 30, 1920, we hereby certify that, in our opinion, the said report has been correctly prepared so as to show a full accountability of the flour sales in question, and that it is in agreement with the records of the United States Grain Corporation of this date.

So that what we get is this sheet of paper prepared by some public accountant instead of the itemized statement of receipts and expenditures which was to be filed with Congress and not filed some place else.

Mr. KELLOGG. Mr. President——

Mr. REED. I yield.

Mr. KELLOGG. Does the Senator understand that the Grain Corporation distributed the flour to the various consumers in Poland?

Mr. REED. No; I do not understand anything of the kind.

Mr. KELLOGG. Or that the corporation could give any account of the detailed distribution of it in that way?

Mr. REED. No. The Senator does not understand me.

Mr. KELLOGG. The resolution did not require the Grain Corporation to distribute it.

Mr. REED. The Senator did not understand me to say that I expected that if they fed a child we were to have the name of the child given. An itemized statement implies that there shall be shown the organizations or the societies and the amounts given to such societies, and that there shall be fairly laid before the Congress what they did with this material and voucher receipts filed with it. The statement gives us no information. Does the Senator claim that it would be an itemized statement for me to say, "I had $50,000,000 and I sent $24,000,000 of it to Poland"?

Mr. KELLOGG. If the flour was sold to the Government of Poland in bulk and shipped to it, I suppose that would be the only itemized statement that the Grain Corporation would be able to make. I am not advised as to that.

Mr. REED. That may be a matter of opinion; but if it is we will have to find some new method if we are to get any information by which we can check up anybody.

Mr. McKELLAR. Mr. President, if the Senator will yield to me, I notice from reading this statement that it says on its face that it is not an itemized statement, and it gives this excuse for not making one:

These delays, together with the complicated nature of the accounts, make it impossible to present an itemized statement of receipts and expenditures for some little time. At that time the final and complete report will be filed. The totals will not, I believe, vary materially from those given in this report.

This report was made on November 24, 1919; has there been no subsequent report?

Mr. REED. There has been no subsequent report; at least inquiry at the proper places fails to disclose any.

Mr. KELLOGG. Mr. President, is that the report under the $100,000,000, or under the $50,000,000?

Mr. REED. The $100,000,000.

Mr, President, I do not intend to discuss this question to-day. I think we will find some complications in it; and yet I think the circumstantial evidence will point to a particular result with absolute certainty and bear out every statement that I made and every implication from it. But since we have had this rhapsody about Hoover, another outbreak of Hooveritis, let me remark that the mental equipoise and the mental atmosphere—if I may use that expression—of some Senators on this question is well illustrated by the fact that when the Senator from Nebraska read that 15,000,000 tons of milk had been sent to 6,000,000 children, and his attention was called to it, he stood valiantly by his figures and wanted to know who would challenge a statement of that kind. If it had been fifteen thousand millions I have no doubt he would have assumed the same attitude. Anything that comes with this odor of sanctity and with the proper British accent is accepted immediately. It was in the record, as he thought, as 15,000,000 tons of milk, 2½ tons for each child, and when his attention was called to it he asserted that it was all right because it was in the record. When he afterwards discovered that he had misread the figures, then

they were all right as they were correctly read. Whatever there is in this document filed by Mr. Hoover comes to the Senator from Nebraska as a "Thus saith the Lord." I can understand that perfectly since his speech during the League of Nations debate in which he said that the British people had a freer government than the people of the United States of America.

Now, Mr. President, just this one word:

Not by way of an argument, but merely by way of showing that there is another side to this shield, I want to read only a few words from the testimony of Mr. Hoover, given before the House Committee on Ways and Means on January 10, 1920. I am reading a part of an answer, that I may give the context:

In the case of Poland, we had at one time—and have to-day, for that matter—1,200,000 children being fed in this manner. We calculated the costs at about $1 per child per month for imports, and the internal costs are approximately the same amount.

Mr. GREEN.—

A Member of the House and a member of the committee—

What country got most of this $100,000,000?

Mr. HOOVER. Poland.

Mr. GREEN. You found it necessary to apply the most of that in Poland?

Mr. HOOVER. Poland will be represented by approximately $55,000,000 of obligations on account of major supplies.

A little later this gentleman testifies further, as follows—I am reading from page 65 of the report:

Poland's is one of the most appealing situations in Europe. The Poles, until the treaty was ratified the other day, have had no real access to the sea for commercial traffic except such as existed by the convention that I created with the German Government for the use of the railways and rivers, under American supervision, pending the ratification. That has been a very limited use, and because of this and other limiting factors Poland has not been able to make a very great recovery in exports of such commodities as she produces.

Beyond these minor questions, however, Poland is maintaining a front of some 1,600 miles against the bolsheviks. They have over 700,000 men under arms. Those troops are suffering fearfully from inadequate clothing and supplies.

If Poland should collapse from a bolshevik invasion, as has been the recent case of south Russia and Siberia, it is the most direct menace to the whole civilization of Europe. It involves the whole stability of Europe itself. It is a matter, therefore, of first importance to all the other Governments of Europe. It is a case where I am convinced there is a necessity which requires that we join in support, for we alone have a food surplus, and Poland's first need is food.

A little later—I do not pause to read it all—he speaks of the staff over there that is engaged in distributing food, and at the head of it, he says, is Col. Barber.

Those men have made a close study of the necessities of Poland, and they represent to us that Poland needs somewhere in the neighborhood of 700,000 tons of breadstuffs in order to pull through and keep its army and the civil population in the large cities even modestly supplied.

Mr. President, that is the testimony upon which Mr. Hoover asked this appropriation. The argument was that Poland must keep her 700,000 men in the field. I do not care, when they turned this food over to Poland, whether they stipulated that it should feed the population that Poland would have had to feed if we did not do it, and, having thus relieved herself of the burden of taking care of her own civil population, she could take an equivalent amount of food and use it on her army. Whether we went through that form and that pretext or not, there is no man who can read that testimony and read it candidly who does not know when he gets through that the purpose was to bolster up Poland and enable her to carry on her war.

Mr. President, that may be all right; but before the money of the American people is employed for the purpose of sustaining any Government in time of war with a friendly power, Congress ought to have something to say about that particular question. Of course, if somebody had been back of the German lines during this war, relieving the German Government of all the duty of caring for its own impoverished people, Germany's armies upon the front would have been as directly sustained as though food had been sent to them.

With this remark I propose to yield the floor, and I intend to discuss this question at a later time. In the meantime, with trade relations with Russia cut off, with armies sent into Russia without any authority, I am informed—and I am sorry the Senator from Nebraska has left the Chamber—that the Treasury Department has refused to mint the gold of Russia sent here to purchase merchandise. The Senator from Nebraska was asked to investigate that, and I thought he was doing so. Perhaps the former Secretary of the Treasury, who is here, can tell us as to that.

Mr. SMITH of Georgia. Mr. President, there is no dispute about the fact that the Treasury Department has refused to do so.

Mr. KING. Mr. President, will the Senator yield?

Mr. REED. Yes; I yield.

Mr. KING. I think the explanation which attends the action of the Treasury will modify the criticism which is implied in the remarks of the Senator.

Mr. REED. I shall be glad to have their explanation.

Mr. KING. If the Senator will permit me to intrude upon his observations for a moment, I think I can submit a partial explanation at least.

Mr. REED. Very well.

Mr. KING. The Senator knows that the bolshevik government stole the Rumanian gold which was in Russia.

Mr. REED. No; I do not know anything about it.

Mr. KING. Then the Senator is not as well advised concerning European matters as I thought he was.

Mr. REED. I have heard statements of that kind. I do not know whether they are true or not.

Mr. KING. The Government of the United States, well knowing that the bolshevik government was in possession of gold to which it was not entitled—gold which belonged to Rumania, gold which it had stolen from private individuals and melted up—has refused access of that gold to the mints of the United States; and the Senator knows that if we coined that gold and purchased it or acquired it there might be some liability on the part of the Government of the United States if the owners of the gold should make demand upon the Government for restitution. It has only recently been held by a judge in Great Britain, where property was vended which had been stolen by the bolshevists, and suit was brought by the owner of the property, that the person who vended the property could not maintain his title, for the reason that it was clearly shown that the bolshevik government had deprived the owner of that property. So I think the Government of the United States ought to close its mints to the gold of the bolshevik government, because the bolshevik government does not own the gold and because a large portion of that which is in its possession has been stolen from private individuals and from the Rumanian Government.

Mr. REED. Mr. President, I am glad to have that explanation. It is about the one I anticipated the Treasury Department would make. But let us follow it a minute. The old autocratic government of Russia failed, the most cruel and bloodiest government that existed anywhere in the world at the time of its fall. The Czar of Russia was an absolute autocrat, and his predecessors in office had incarnadined every hill and valley of Russia with the blood of the people. Until comparatively recent time 70,000,000 of the population of Russia were serfs, attached to the soil and passing with the title to the real estate. Something like 80 or 90 per cent of those people can not read or write, because learning was almost as dangerous a thing in Russia as direct treason, so that that government stood with its brutal, autocratic hands clutching the throats of 180,000,000 people.

The picture was blacker than that which existed in France in the days of Louis XIV and Louis XV. Just as in France, the people, reduced to ignorance and poverty, and taught the lessons of brutality and crime, rose and waded through almost oceans of blood, so in Russia there have been outrages unspeakable, and there is no man in this Chamber who believes more than I believe that practically every principle of the bolshevik government is destined to bring misery upon that people, and I hold no brief in defense of anything approximating bolshevism.

But they have established a government that has stood for three years against attacks from within and assaults from without. The soldiers of Great Britain have undertaken their overthrow. The soldiers of France have invaded their soil. Japanese hordes have been turned loose upon them, and American soldiers have been sent there to fight against those people, who were our allies in this war, and who lost 6,000,000 men upon the field of battle. If they had not been upon the field of battle, France and England would have been crushed by the German military machine before America ever got into the war. There is not a student of that war who will dispute that statement.

They undertook to set up a government. They set up a very bad one, in my opinion, just as France set up bad governments after the revolution; but they were struggling in an experimental stage, and we sent our troops in there to help destroy them.

It is said that this people, when they rebelled and overthrew their Government, got some money out of banks, confiscated it, and that they got some money from Rumania. But here she is, three years afterwards, with comparative peace in her country. She would probably have been at peace long ago except that Poland invaded her territory for 300 miles, in direct

defiance of the orders of the heads of the great European Governments, and in direct disregard of the line which had been drawn upon the map to indicate Polish territory. The wrongfulness of that invasion has been declared by British statesmen and by French statesmen, and I think even by our own statesmen. She had 700,000 troops upon the field.

Coming back to the gold, I agree to the principle of law that if property is stolen and can be identified it may be taken away from the man in whose possession it is found. Of course, we all know that. But are you going to apply the principle to a Government, under such circumstances as existed here, that when any foreign Government proposes to buy something in America we shall make them furnish an abstract of title with each $10 gold piece they lay down; that we are to institute an inquiry before we will trade with them or permit their money to be minted; and, of course, the United States Government would not be responsible under those circumstances for minting the gold.

What has been the effect of it? The effect has been to deny our merchants and our producers a market in Russia. In the meantime, what is going on? England is trading, and there is not any official English conscience that will be horrified by taking some gold that is handed to him by the Russian Government. France is opening up trade relations. Italy is opening up trade relations. Canada is opening up trade relations—all the other Governments of the world—but the gentlemen down here at the Treasury propose to say that because some Government took some gold from some people at some time—they do not know how much, or when, or where, or what it is—they will not take any gold from that country. It is another piece of official stupidity, of official arrogance, and of official usurpation that has been all too frequent in recent times.

Mr. SMITH of Georgia. Mr. President, if the Senator will yield to me I wish to call his attention to a telegram from London which appeared in the New York Herald of yesterday morning. It is as follows:

BRITONS COMBINE FOR SOVIET TRADE—LONDON GOVERNMENT SAID TO BE READY TO BACK $50,000,000 COMPANY—RUSSIA SUBSCRIBES TOO—PROTESTS EXPECTED BY CONCERNS WHOSE PLANTS WERE CONFISCATED BY LENIN.

LONDON, *January 5.*

Proposals for the formation of a corporation capitalized at $50,000,000 for the purpose of facilitating trade between Russia and Great Britain, which it is understood had been approved by the Government and Leonid Krassine, Russian Soviet representative, is announced by the London Times. The plans await the action of the Russian branch of the London Chamber of Commerce on January 12.

The corporation, the capital of which will be subscribed equally by Russia and Great Britain, the Times says, will be controlled by a board of governors selected by both countries, the Russian organization operating as a department of the soviet government. The expenses of administration will be met by the collection of small percentages upon purchases and sales and upon fiscal operations.

The British Government, the Times adds, is prepared to advance a special credit fund equal to half the British capital as a loan, free of interest, for 10 years. The corporation would buy from and sell directly to British manufacturers and traders at competitive prices, the privilege to be open to all firms whether members of the corporation or not.

I simply thought that that information, just coming from London, would be interesting in connection with the discussion the Senator has presented.

Mr. REED. Mr. President, I thank the Senator. I have seen that and similar articles. Great numbers of them can be produced; but that is a very illuminating one.

Information was given the other day that we had just driven a man out of this country, with the result that millions of dollars worth of contracts were canceled and that immediately he went over to Canada and made $5,000,000 of contracts over there. That is the substance of the statement.

Mr. SMITH of Georgia. If the Senator will pardon me a moment, it appears, therefore, that yesterday morning, or within the past 48 hours, the London Times announced that the British Government, with the soviet government, had subscribed to a $50,000,000 corporation which was to be backed by additional English money, by a loan from the Government, to facilitate trade and purchases from Russia by the soviet government in England. That is the definite statement that I presented.

Mr. REED. Exactly; and, Mr. President, that is the difference between the hard-headed, practical business sense of British statesmen and the tearful sentimentalism of some American Senators. An Englishman will receive a representative of the bolshevist government and receive his gold and will send him back goods at a good round profit. An American will kick the representative out, refuse his gold, have his goods upon his hands, and discharge the labor of the country which would be manufacturing other goods if the market was open. It exactly illustrates what we have been doing here for a long time.

Mr. GORE. Mr. President——

The VICE PRESIDENT. Does the Senator from Missouri yield to the Senator from Oklahoma?

Mr. REED. I yield to the Senator from Oklahoma.

Mr. GORE. The Senator may have said, or he may have intended to say, but I wish to call it to his attention so that he will not overlook it, that the very day our Secretary of Labor, Mr. Wilson, gave out his statement in regard to the deportation of Mr. Martens, the Russian representative, the president of the British Board of Trade entertained the Russian representative to Great Britain at a dinner party. I think his name was Leonine Krassin.

Mr. REED. Mr. President, I rose to talk two minutes, and having talked this long I am going to mention something else.

A good many things have been suggested to benefit American trade and American economic conditions. Anybody who has any sense at all recognizes the fact that when you go through a great war of this kind, when you unsettle the ordinary machinery of trade and commerce, no matter how wisely the war is conducted, no matter how prudently men may act, there is going to result a period of economic distress and readjustment which is bound to be serious to any country, however well managed or financed. The business of government is to reduce to a minimum the disturbance which may come.

Naturally, many people have the idea that the Government should step in and, by direct interference, rectify the evils, make up the losses, and act as a sort of a sister bountiful to the entire country. With people of that type of mind I have no quarrel, except that I do not agree with them that we can do very much in that way. But with the people who interfere with the natural processes of trade and commerce, which would heal the wounds and lessen the blows of war, I have a very serious quarrel.

We have talked here some—and I am not going to debate the question—about helping out by special tariff acts. I am not going to debate it. I simply think it will not do any good. I make that remark in passing. We passed the other day over the President's veto the joint resolution reviving the War Finance Corporation, which was protested against by the Secretary of the Treasury. I suppose he prepared the veto. That may do a little good, and it may not; I do not know. But one thing I do know is this, that if you are to have a great and continuing remedy, you are going to find it in increased production, which gives work to everybody, so that they will have something to buy with. You can not have all that increased production and a market for it and then arbitrarily close the markets of the world.

The VICE PRESIDENT. The morning hour having expired, the Chair lays before the Senate the unfinished business, which will be stated.

The READING CLERK. A bill (S. 3390) to provide further for the national defense; to establish a self-sustaining Federal agency for the manufacture, production, and development of the products of atmospheric nitrogen for military, experimental, and other purposes; to provide research laboratories and experimental plants for the development of fixed-nitrogen production; and for other purposes.

Mr. REED. When any man undertakes to close the markets of 180,000,000 people, a population almost twice as great as that of the United States, and to refuse to accept their gold on the ground that they have not got an abstract of title with each dollar, and then at the same time proposes that we shall carry our goods over there and transmute them into shinplasters, he is a very poor kind of an economist.

My own humble judgment is that the only way to heal the wounds of war is to put into operation the healing processes of peace. If we have a shortage of wheat in the world, transform the battle fields into wheat lands and raise a crop as quickly as we can. If we have a shortage of boots and shoes and enormously high prices, make two pairs of shoes where one is needed and the prices will go down. If we want to pay the debts incurred during the war, manufacture and raise stuff and sell it to somebody for money. If we can have the world for a market, we can start many a spindle and many a wheel in this country that is now idle.

Let us see what our policies have led to. We have certainly encouraged the war of Poland with Russia. We have denied ourselves the market directly of 180,000,000, refusing to take any gold from Russia, whether it was Rumanian gold or Russian gold, and, of course, refusing their shinplasters because they are worthless.

We have maintained for two years, aye, for two years and over a month, a condition of technical war with Germany, and trade has been circumscribed and in some cases prohibited. There are 66,000,000 to 68,000,000 more people that the wise policy of the Government has denied us the opportunity to

trade with freely by delaying peace. In the meantime we do not do this because of hatred, but because while, when we appropriated the first $100,000,000 for charity or aid in 1919 we excluded Germany and Austria, yet in the $50,000,000 appropriation made in 1920 we included Austria and Hungary.

If we are giving people a part of $50,000,000, we are not desiring to punish them or starve them any more. The day of starving people and hating people seems to be partially past. Why should not we have opened up every kind of trade and commerce with them nearly two years ago? England has been doing it, France has been doing it. Germany has been invading Russia and selling her goods in Russia. Now, all this, it seems to me, in a large way accounts for some part, a considerable part, of our present economic disturbance.

I want not to be put in the light of refusing the hand of charity to suffering peoples, but I would not send food to sustain the civil population of a country that was using its resources to maintain a battle line 1,600 miles long unless I was ready to directly enter that war. It is just as long as it is short whether we sustain the family while the old man goes out on the battle field and fights, and thus leave the resources of the family to be all turned over to him, or whether we sustain him directly. I have not any doubt if it had not been for this backing up, this support that we gave to Poland, if Poland had not expected aid—indeed her musical premier, Mr. Paderewski, declared that Europe had abandoned them, the Allies had abandoned them, and I think he included us—if it had not been for that they never would have invaded Russia and we probably would have had much earlier peace in Europe.

I think the thing to do is to get peace with all parts of the world, open up trade with all parts of the world, take good money that is handed us from all parts of the world. Then when these nations have settled down to peace and are trying to help themselves, if we can send them a little additional aid, if we can give clothing for children either out of private funds or public funds, I am ready to contribute and cooperate.

I have taken so much time that I apologize for it.

Mr. KELLOGG. Mr. President, I shall occupy the attention of the Senate only for a moment. I agree with the Senator from Missouri [Mr. REED] that the United States should encourage and expand its foreign trade. We must remember that our balance of trade last year approximated $4,000,000,000, and the foreign commerce of the country was about $14,000,000,000, the largest, I think, by something like $8,000,000,000 that any country ever had in the history of the world prior to the war. Unless we maintain some considerable portion of that foreign commerce we will not be able to find a market for our farm and manufactured products.

I agree that we ought to have declared a state of peace with Germany—I voted for it—and that we ought to have resumed our diplomatic, consular, and trade relations with Germany. All the other Allies have done it and are trading with Germany to-day, but the only trade we have with Germany is carried on through the license of the President. What the world needs is peace and the resumption of business conditions. What we need is to encourage as far as possible our foreign trade to establish a market for the surplus of our farm and manufactured products.

However, I shall not discuss the condition of Russia or Poland or the state of war. I would like to say a word on the subject of the expenditure of the $100,000,000 appropriation and the $50,000,000 worth of flour which we subsequently appropriated to aid starving Europe.

I wish to say here that I am sure that Mr. Hoover and the Grain Corporation officials who shipped these products to Europe and handled them did not misapply them. I believe they were applied as the act of Congress intended they should be applied, honestly applied and efficiently applied.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER (Mr. MCNARY in the chair). Does the Senator from Minnesota yield to the Senator from Tennessee?

Mr. KELLOGG. Certainly.

Mr. McKELLAR. In that case, does not the Senator think that it is proper that Mr. Hoover should render an itemized accounting that anybody can understand, or that any reasonable person could understand, showing what has been done with this large amount?

Mr. KELLOGG. Certainly. I did not know until this morning that a complete accounting of the details had not been made. Until the Senator from Tennessee read it, I supposed it had been made. But the duty is upon the President to make the accounting, and if he wants to call for more details than have been furnished he should do it. I have no doubt Mr. Hoover will furnish every detail that is within his knowledge.

Mr. PHELAN. Mr. President——

Mr. KELLOGG. I yield.

Mr. PHELAN. I understood from the reading by the Senator from Nebraska [Mr. HITCHCOCK] that the report of the Grain Corporation was made to the President of the United States.

Mr. KELLOGG. Yes.

Mr. PHELAN. The money, however, was appropriated by Congress. It was my purpose, if I secured recognition of the Chair this morning, to have moved that it be referred for investigation to the Committee on Agriculture and Forestry or some proper committee, because I am personally aware that the Grain Corporation, under Mr. Barnes, made an injudicious purchase of Japanese beans, to the great injury of the bean industry of my State. The farmers there have petitioned me to bring the matter up on the floor of the Senate to determine the culpability of those in charge of the very Grain Corporation whose virtues are being extolled. I know it to be a corrupt purchase through the agents of the Grain Corporation, because I have seen the evidence in the office of the Attorney General.

Mr. KELLOGG. I do not know anything about the purchase of beans in California. The Senator can air it and talk about it all he pleases. I do know Mr. Barnes, and I know he is not corrupt; I know he is an efficient and able administrator of the Grain Corporation.

Mr. PHELAN. Mr. President——

Mr. KELLOGG. I am speaking now and I decline to yield further. I want to make a brief statement and then the Senator from California can speak the remainder of the afternoon, if he so desires.

Mr. President, we must remember that the hundred million dollars was appropriated by Congress, and the circumstances of the appropriation were as follows: The President cabled here a message asking Congress to appropriate $100,000,000 for the aid of certain countries, excluding the belligerant countries. The President was authorized to expend the money for the benefit of the people in those countries and to make a report to Congress. We voted that money. If it should not have been voted, Congress ought not to have voted it.

I do not believe that that money was expended other than according to the terms of the act of Congress, or that it was expended for the armies of Poland. I do not understand that Mr. Hoover's testimony, which I have heard read, and which was the first time I had ever heard it, contradicts that statement. It is true Mr. Hoover spoke about the armies on the front of Poland with 700,000 men engaged, and that, of course, did not tend to relieve the distress of Poland. We knew the condition of Poland and her armies when we voted the money. If Congress did not wish to vote it, they should not have done so.

Mr. REED. Mr. President——

The PRESIDING OFFICER. Does the Senator from Minnesota yield to the Senator from Missouri?

Mr. KELLOGG. I do.

Mr. REED. If the Senator from Minnesota will read Mr. Hoover's appealing testimony, he will have no difficulty in ascertaining why we did it. It was because Mr. Hoover asked for it.

Mr. KELLOGG. The gentleman who distributed this fund in Poland said it was not furnished to the army, but to the civil population.

So far as the $50,000,000, which was subsequently voted, is concerned, the Senate will remember that that was voted in flour. The Grain Corporation was authorized to sell $50,000,000 worth of flour. It sold that flour to foreign Governments, as it was authorized to do, and received the obligations of foreign Governments. We understood when we made that appropriation the conditions under which it was made, and that we might take a good deal of risk as to whether or not those obligations would be paid. I do not know that there are any details further that could be reported, but I am sure that if the Grain Corporation has any other details and Congress wants them, it will be very glad to give them. It may be that the flour was simply sold to the Government of Poland and the other Governments for a lump sum and their obligations taken for it; it is quite likely that was the case. If that was the case, of course this Government had nothing to do, and the Grain Corporation had nothing to do, with distributing the flour in those countries; I am not advised as to that. I do not believe, however, that the gentlemen who had to do with the distribution of this money, which was voted for charity, misapplied it in order to carry on war in Europe.

Mr. PHELAN. Mr. President, the Senator from Minnesota [Mr. KELLOGG], replying to my observations on the Grain Corporation, said that he personally knew Mr. Barnes, who was the president and in control of that organization, and that he would not believe any ill of him. I have made no accusation

against Mr. Barnes, but I reiterate what I said, or intended to have said, that at a time when the warehouses of California were filled with beans which had been raised by our farmers an agent of the Grain Corporation, representing that corporation, I believe, in the State of Michigan, which is a bean-growing State, contracted through a broker in San Francisco for the purchase of Japanese beans. It developed that there was a corrupt arrangement between these two men, one representing the Japanese bean owners and the other representing the Grain Corporation. Mr. Barnes's attention was called to the matter and he was very much distressed, but that did not cure the situation. There was no exposure and no prosecution, so far as I am aware.

My constituents communicated these facts to me at the time, and I learned that an investigation had been made which verified all that I have stated. I was confidentially permitted to read the findings deposited in the Department of Justice. It is now time for investigation and for the bringing out of their hiding places all those who have perpetrated fraud upon the Government or upon the people. I now state, believing that no confidence is being violated by me, that the report in the possession of the Department of Justice shows that there was such a corrupt agreement. As a result, our bean farmers, who are very numerous in California, were unable, as they might reasonably have expected, to sell their beans to the Grain Corporation for foreign relief because they were purchased from Japan. Whatever may have been the economy in the transaction, I know nothing. I do not think this was material to the traffickers. A corrupt agreement between the agent of the corporation and the representative of the owners of the Japanese beans existed to the loss of our farmers who had been encouraged to grow beans. I think it is a reflection upon the administration of the Grain Corporation that this matter was not ventilated in order to protect other farmers against such practices, vain promises, and consequent betrayal. Why help Europe, and incidentally Japan, at the cost of American distress? "Look to your own home" would be a good motto for charity mongers. The plight of American farmers should be an object also of solicitude.

Mr. KELLOGG. Mr. President, if the information to which the Senator from California refers was furnished to the Department of Justice, I suppose the Department of Justice was the one to prosecute, was it not?

Mr. PHELAN. I am impartial in my condemnation of recreant public officials; if they failed to prosecute, they deserved the blame; but I think that the purpose of the Grain Corporation was not to stir up a matter of that kind at a time when we were at war, thus shaking the confidence of the people. And as I recall, there was no prosecution.

Mr. KELLOGG. But the Senator does not claim that Mr. Barnes was the man who did it?

Mr. PHELAN. I do not; but he was the head of the Grain Corporation, and it was his agent who was involved.

Mr. KELLOGG. He had no knowledge of its being done at the time, had he?

Mr. PHELAN. I should be very sorry to believe that he had; I do not think so; I am making no accusation against Mr. Barnes; but, inasmuch as he was the head of the Grain Corporation, he should have prosecuted or have provided a remedy. Then the farmers asked him, in order to make some reparation, to buy their beans, to take their product off their hands, because they had raised the beans at the instance of the Food Administration, in order to supply the needy mouths of Europe, and having produced them under that stimulation they were denied and defrauded.

Mr. GRONNA. Mr. President, I wish to corroborate the statement of the Senator from California [Mr. PHELAN]. I desire to say that Mr. G. A. Turner, a prominent and respected citizen of the Senator's State and president of the Bean Growers' Association of the State of California, came to this city and appeared before the Committee on Agriculture and Forestry. He made a statement with regard to the production of beans and with regard to the promises made by the Food Administration if the growers of beans in California would go into the industry and produce as large a quantity of beans as they possibly could. I ask unanimous consent to have printed in the RECORD at this point excerpts from the statement of Mr. Turner, which was printed in the hearings before the Committee on Agriculture and Forestry.

The PRESIDING OFFICER. Without objection, permission is granted.

The matter referred to is as follows:

STATEMENT OF MR. G. A. TURNER, STOCKTON, CALIF., PRESIDENT OF THE CALIFORNIA BEAN GROWERS' ASSOCIATION.

We produced last year more than twice the quantity of beans that was ever produced in California and came into the market in a very disastrous season as to weather, with a shortage of help that all farmers encountered, and no market for our product, due primarily to the regulations of the Food Administration, and the trade embargoes on export and other regulations.

The business offered us, the only available business, was through the Food Administration or Grain Corporation, and the first business that was offered us occurred in December. Our crop was harvested in September, October, and November, and the first business was offered through the Food Administration's branch in San Francisco. We were invited to participate in it and questioned as to the prices we wished for our commodity. We told them we had a huge amount of beans and were very anxious to sell them and would be very glad to cooperate with the Government on any reasonable basis; that we felt the price should be regulated by the price that the same variety and quality of beans could be purchased at in the open market. On that basis we furnished something like 4,000 tons to the Food Administration.

We made inquiry to ascertain what the reason was that we were not selling beans when there was such a huge demand for food, and it developed that our Government was purchasing, at prices in some instances above those that the American product could be bought for, oriental beans. These beans were all furnished to the Belgian relief and other reliefs, and it develops in the sale of this surplus Army food that our own Army was supplied with oriental beans, while the American farmers' beans remained on their hands. We still have a huge amount of beans in California that are practically unsalable.

The market was doing very well just before this agitation to reduce the cost of food, but since it started the buyers have ceased to make purchases, and the result is that we are loaded up with a lot of 1918 beans, with a new crop coming on.

An investigation was held at New York by the Grain Corporation in reference to these oriental purchases, and it developed there that some undue influence was used to divert that business to the foreign product without the knowledge of the executives of the Grain Corporation. Mr. Barnes was so exercised over the developments that the chiefs of the bean-purchasing departments were removed. But we still have our American beans.

More than half of the California crop was actually sold below the cost of production. What the remaining crop will be sold at is yet to be determined, but the result of this action has reduced the acreage in California fully 40 per cent. Unseasonable weather will reduce the yield further, and I am confident that we will not produce half as many beans this year as we did last year.

A very, very disastrous situation has developed among the poorer farmers, many of them are renters who have been compelled to give up their ranches and have gone to work for daily wages.

The bean growers have repeatedly offered these goods to the Government, and have done everything they could to cooperate with them, but the situation is just as I have expressed it. It seems, for some reason that no American I have met can justify that American money was spent for the oriental products, and the American product remains in the hands of the producer.

Senator WADSWORTH. By any chance was the oriental bean cheaper?

Mr. TURNER. Not generally. There never was a time when the Government could have presented to the growers an order that we would not have underbid on against the cheap oriental labor when we sold our beans. We never had an opportunity to figure a price in competition with them. If the ruling price in the market was above what the Japanese product was sold to them at, it was because the American producer did not know the business was available and did not have a chance to bid.

Representative VOIGT. Were the 4,000 tons that were sold sold above the oriental price, or do you know?

Mr. TURNER. I would not be able to tell you that. I do not think they were; in fact, I do not think they were as high.

I think there were purchases made in December of oriental beans at prices in excess of what the California beans sold for. We sold beans according to variety, at 5 cents a pound, 6 cents a pound, 7 cents, and 8½ cents. There were lots of oriental beans bought at 8½ cents.

Senator WADSWORTH. Were those oriental beans shipped into this country and then shipped abroad, or were they shipped direct from the place where they were raised?

Mr. TURNER. No, sir. There were lots of those beans brought in here in bond, and the American product was deprived of the protective tariff by virtue of their having been brought in in bond and shipped to Belgium and other reliefs without paying duty here. Of course, that worked, perhaps, to reduce the cost to the Food Administration, but it did not protect the American product by any means, because they exercised that method of depriving the Government of the revenue on imports, and also placed the oriental bean more keenly in competition with the American product.

We do not claim that the Americans can produce beans as cheaply as the orientals, and we feel that with this huge production, which was far beyond any possible domestic consumption, we were entitled at least to the cost of production even if our price was higher than the oriental product.

Representative HEFLIN. Did you offer to sell your beans to Mr. Hoover?

Mr. TURNER. Why, repeatedly. I was in consultation with the Food Administration almost daily.

Representative HEFLIN. What answer did they make to you?

Mr. TURNER. That there was no business at present. That evidence is all tabulated, and I think the findings of that investigation are now before the Department of Justice.

Representative HEFLIN. How many beans do you say you have on hand now?

Mr. TURNER. Personally I have over 600,000 bags in the association.

Representative HEFLIN. If you could get them on the market now, it would help the food situation, would it not?

Mr. TURNER. Very materially. Within the last 30 days I have sold beans to the trade at 3 cents a pound that last year sold for 10 cents a pound—good, wholesome food. We have beans there ranging from—well, the cheap beans are all sold; the 3-cents-a-pound beans are all cleaned up. We have beans at 7 cents and 8 cents, and the 8-cent variety was commandeered by the Government last year at 11½ cents a pound.

Representative HEFLIN. You have no fear, then, that you will be reached in the prosecution of the profiteers?

Mr. TURNER. I have not any fear in the world as to that. If they will only agree to reimburse our loss, they can take them all.

* * * * * * *

Representative HEFLIN. I do not want to see anything done that will injure the producer in any way, and I am in favor of his having a fair and reasonable price, and I think he ought to be encouraged all along the line. You said a little while ago that the Food Administrator bought

oriental beans, destined for the Allies, at a time when you were offering to sell your beans?

Mr. TURNER. Yes, sir.

Representative HEFLIN. And that you would have sold them your beans more cheaply than they bought the oriental beans?

Mr. TURNER. If we had had an opportunity.

Representative HEFLIN. When you offered to sell him your beans at the time he was buying oriental beans, what reason did he give you?

Mr. TURNER. He bought the oriental beans before we knew they wanted them. They kept telling us they did not want any beans, and we never had an opportunity to compete.

Representative HEFLIN. What is your idea of the reason for that step on the part of the Food Administration in your State in buying the oriental beans instead of beans produced in that State?

Mr. TURNER. I would suggest that you get the evidence that was taken at that investigation. I think that will answer the question.

Senator FRANCE. Where can that be obtained?

Mr. TURNER. We had an investigation at the Grain Corporation of that transaction and the evidence is available there.

Representative HEFLIN. Could you tell us in a word just about what that evidence showed?

Mr. TURNER. I would prefer not to. There are newspaper people here and we were told that evidence was not to be given publicly, and while I think you folks ought to have it, I do not feel that I am at liberty to state it.

Representative HEFLIN. I think the country ought to know if the Government has discriminated against an American industry in favor of an oriental industry.

Mr. TURNER. You can certainly get that evidence. There are a thousand pages of it.

Senator FRANCE. It has been printed?

Mr. TURNER. It is typewritten and it is available.

Senator KENYON. Who ordered that it be kept secret?

Mr. TURNER. It was at the suggestion of some of the officials in the Food Administration.

Senator KENYON. Oh, it is in the hands of the Department of Justice, is it?

Mr. TURNER. I believe it is now.

Representative JONES. You did mention, I believe, several gentlemen who were relieved of their duties?

Mr. TURNER. Yes, sir.

Representative JONES. Who were they?

Mr. TURNER. I would prefer not to mention their names. Personally, I am very anxious that you get access to all those findings, but there has been quite a little excitement over this. Certain papers endeavored to get the evidence and publish it, and I know they are eager for the story.

Senator RANSDELL. Have you any practical suggestions to make to Congress? We are all trying to arrive at a solution of these troublesome questions.

The CHAIRMAN. Pardon me a moment; I want to follow this up. At whose request were those hearings held that you refer to?

Mr. TURNER. Well, it emanated from the Michigan bean jobbers, I think. They started the investigation. I came on while it was in session, and Mr. Moore, of the Grain Corporation, invited me to sit in, and I was present for several days.

The CHAIRMAN. Where was it held?

Mr. TURNER. At the Food Administration's offices at 42 Broadway.

The CHAIRMAN. Were there charges made against certain individuals or corporations who were buying beans from your people for speculation, or were there Government officials involved? I do not care to have you mention any names.

Mr. TURNER. None of the officials were involved, but there was a grave question as to the regularity of the actions of some of the personnel of the bean-purchasing department.

The CHAIRMAN. But whatever beans were purchased were purchased for the Government?

Mr. TURNER. For the Government; that is their business.

Representative HEFLIN. Can you tell this committee what reason they gave you for buying oriental beans instead of buying your beans?

Mr. TURNER. The only tangible reason was that certain consumers, or certain interests that they were buying for, specified oriental beans; but we were financing those operations with American money and dictating in large measure what we would give them, and it seems to me, and always has seemed to me, that if the parties who were filling those orders had the American producer in mind, inasmuch as this was American money they were using, they could very easily have used our beans.

Representative HEFLIN. I think they should have purchased American products where they could. But the reason they gave you was the people in Europe, our allies, who wanted beans, designated the kind of beans they wanted?

Mr. TURNER. Yes.

Representative HEFLIN. And that they purchased those beans for them?

Mr. TURNER. According to instructions.

Chairman HAUGEN. Have you any knowledge of any prosecutions in your part of the State?

Mr. TURNER. No, sir; I believe not. There has been a lot of extravagant talk about contemplated prosecutions, but there has never been any definite information to that effect brought to my notice.

Chairman HAUGEN. I think we have it as a well-established fact that the high cost of living is largely due to profiteering.

Mr. TURNER. I have not any doubt of it.

Chairman HAUGEN. We have a statute making it possible to prohibit profiteering, and have had since the 10th of August, 1917. You know of no prosecutions?

Mr. TURNER. Not definitely; no.

The CHAIRMAN. Judge Eames stated before the committee yesterday that the President had had the power from the time the law was enacted. The department has had the information from the Federal Trade Commission, continued in its letter to the President and its report of June 29, pointing out the gentlemen that are responsible for the high cost of living.

Mr. TURNER. I do not know of any definite case.

Senator KENYON. How long has the department had this information concerning the beans?

Mr. TURNER. This investigation was in February.

Senator KENYON. And when was it completed?

Mr. TURNER. It was completed in February, as far as the taking of testimony of various people that were involved, but there were further investigations carried on after we went home. When they terminated the investigation I can not tell you. It was a very intricate proposition, involving lots of side lines, and it is quite illuminating. I think you will have a very good picture of the whole situation once that evidence is before you.

Mr. GRONNA. It is true, Mr. President, that Mr. Turner stated that large quantities of beans had been imported—I think he said from the Orient; at any rate, from some foreign country—when it was known to everybody that the warehouses of the bean growers of the State of California were filled with that product and that they had been promised that their beans would be purchased by the men whom the Senator from Nebraska [Mr. HITCHCOCK] and other Senators have lauded here this afternoon for the splendid work they have done.

Mr. President, I could cite many instances, if I wanted to take up the time of the Senate, where delegations composed of men whose honesty is not and can not be questioned, representing agricultural associations and cattle raisers of the country, and many others in addition to the bean growers and the wheat growers, have condemned in the strongest terms the action of the Food Administration. It is true that statements have been made before committees of Congress by men representing these industries that not only unfair treatment had been accorded but grave injustice had been done to the producers, not only of the State of California but of the entire country.

ACQUISITION OF OIL LANDS BY FOREIGN GOVERNMENTS.

Mr. McKELLAR. Mr. President, on Monday last I introduced a bill, being Senate bill 4747, in reference to the exportation of petroleum. That bill, generally speaking, provides that oil shall not be exported to those countries which decline to permit American oil producers, or, rather, American nationals, to own and acquire oil land in such foreign countries. I may say that I was led into an investigation of this question in this way: During my investigation of the subject of England paying to us the past-due interest on her loans I found that she was spending enormous sums to acquire control of the petroleum supply of the world. She, it seems, has plenty of money to invest in petroleum companies; she has money to invest in petroleum lands and to acquire petroleum fields throughout the world, but she does not have enough money to pay the interest on the debts she owes the United States on account of great sums of money which had been loaned to her for the purpose of protecting her Empire. In making this investigation I found that since the war the British Nation had acquired oil rights in Persia, in Mexico, in the United States itself, in Mesopotamia, in Palestine, in Venezuela, in Rumania, and she was attempting to acquire oil rights in Russia and in various other parts of the world. In other words, wherever in all the world she could acquire oil rights the agents of her Government and her nationals, with her aid and help, were attempting to acquire those oil rights.

I found further that while she was thus attempting to acquire oil rights, and while she was acquiring oil rights in this country, at the same time she was excluding American nationals and the nationals of other Governments from prospecting for oil or acquiring any oil rights in practically all of her Provinces, her dominions, colonies, mandatories, or her spheres of influence. Wherever she had control Americans were excluded from acquiring oil rights.

I found that this was not the result of accident, but that it was the result of a plan which had been adopted by her statesmen looking to the complete and early control of the oil supply of the world, realizing as she did and as they did that the control of the oil supply of the world means her dominance in the commercial affairs of the world.

I found, further than that, that she had recently made a treaty with Persia by which she had acquired oil rights in some 500,000 square miles of territory—indeed, it was the whole of Persia, as the Senator from Oklahoma [Mr. GORE] suggests—and Americans were promptly excluded from acquiring any rights there. I found that she had acquired and was enlarging the Anglo-Persian Oil Co. for the purpose of controlling the supply of oil and the distribution of oil.

I found that she had acquired a majority ownership in the Royal Dutch Shell Co., which owns enormous properties in the United States and elsewhere. It is believed that that company owns one-third of all the enormous supply of oil in California. It owns vast supplies of oil in Oklahoma and in Texas. It is one of the great oil-producing companies of the world. It is backed by the British Government, by money furnished by the British Government. At this time, when it is claimed for her that she is too poor to pay the debt that she honestly owes the United States, or even the interest on it, yet she has the money to invest in oil fields and in oil companies for the purpose of controlling the supply of oil of the world.

I found that last summer she and France had entered into an agreement, known as the San Remo agreement, from the little place in Europe in which it was made, by which she alone was to exploit and control the oil in Mesopotamia and Palestine, of which she had but recently become a mandatory, and she was

to give France 25 per cent of it, and she herself was to keep 75 per cent of the oil supply in those countries, believed to be one of the greatest oil fields in the world. At the same time in that connection I found that an American company had got a concession from the Turkish Government to go there and prospect for oil, and it had already built a railroad for the purpose of carrying supplies in order to do the prospecting in Mesopotamia; but as soon as England became a mandatory for that country that work was stopped, and the American company was not allowed to proceed with it, and it has not proceeded with it yet.

Thus it will be seen, Mr. President, that our nationals have been excluded from the rich oil territories controlled by Great Britain, and at the same time Great Britain is getting more than 50 per cent of her oil supply from the United States, and is being allowed to buy and own and produce oil in our country just the same as our own citizens are permitted to produce oil in our own country.

More than that, I found that she was buying oil in Atlantic ports at from $1.75 to $2.25 a barrel, and in Pacific ports at from $2 to $2.55 a barrel, hauling that oil to her supply stations all over the world, I am told, at a cost of about 50 cents a barrel, and whenever American ships had to have that oil in eastern ports they had to pay from $7.75 to $12 a barrel for the same oil, American oil, that England bought at $1.75 to $2.50 a barrel—some four times as much.

I found, further, that England does not permit American supply stations to be built in territories or dominions controlled by England. For more than a year America has been undertaking to have a supply station at Ceylon for the purpose of supplying our ships with oil. Our ships can not take a supply sufficient to go around the world. They have to renew their supply when they take such long voyages as voyages to India and to other parts of Asia, and it is absolutely necessary that we should have supply stations over there; but England has been holding up those supply stations. An application for a permit at Ceylon that was made by the Shipping Board, as I understand, more than a year ago, has never been acted upon; but it has been suggested that we could have a supply station at some out-of-the-way place where our vessels would have difficulty in getting to.

In other places in English territory she has refused and declined to permit oil stations to be established. I am told that our ships frequently carry cargoes to Egypt and other English territory—especially to Egypt, which my information is about—and that those American ships can not bring back cargoes, because England has prescribed that goods exported by Egypt must be exported in British bottoms and not in foreign bottoms, and that the United States even has to buy sand as ballast in order to bring her ships back home.

Mr. President, this discrimination against American trade and commerce—this discrimination about a product as to which America produces over 60 per cent of the entire production of the world—is a monstrous discrimination. It is a discrimination that this Government ought not to stand for. As early as last March the Undersecretary of State, Mr. Frank Polk, formally complained of it, but nothing was done, and a month or six weeks ago, Mr. Colby, our Secretary of State, formally complained, but England has not listened to the complaint; and she will not listen to the complaint until this Government takes those steps that she ought to take, because the United States has the whip end of the handle, and she is able to make England come to terms if she uses American oil; and she must use it.

Mr. President, the bill that I have introduced simply provides for a reciprocal agreement. I am sure it will be declared a fair bill. All that it states is that other nations must do unto America precisely as America permits other nations to do unto her.

In other words, American oil fields are free to all the world, with the one exception of oil on territory belonging to the Government itself. There is some little modification of that open-door policy on lands closed by the Government, but I understand that restriction is not being adhered to; but virtually all American oil fields are absolutely open to the nations of the world and to the nationals of every nation of the world, whereas all British oil fields are closed to all America. That is a condition that no self-respecting nation should stand for for a moment, as it seems to me, and especially about a matter that is so vitally important to our trade and commerce as oil is.

Mr. President, my only purpose in calling this matter to the attention of the Senate and the country is that American rights might be protected. I have no feeling against England. Some of my forefathers were Scotch and the others English. I admire England. I admire the English character and the English tenacity of purpose. I admire her attempts to obtain control of the oil supply of the world. But I do not think we will be good Americans if we stand idly by and let her gobble up the oil supply of the world if we can prevent, and we can easily prevent it. She is producing, as I understand, in the only well that there is in England, some 32 barrels of oil; and yet this nation, having in her own territory only one well with a product of 32 barrels, is undertaking to control absolutely the oil supply of the world. It seems to me to be a gigantic task under such circumstances, but if she can do it, all honor to her; but I do not want her to do it at the expense of the American people and of American commerce, and that is my justification for bringing these matters to the attention of the Senate and the country at this time.

Mr. President, the petroleum situation in the United States is of vital importance at this time to our whole country and to the world. The oil resources of the United States are nothing like as large as is commonly believed. According to experts we own only about one-sixth of the oil supply of the world. It would thus appear that it would be just a question of time when our oil resources will fail unless we take measures to conserve them, because while we own only one-sixth we are producing some 70 per cent of the whole supply of oil.

We are large consumers ourselves, but practically all the nations in the world that use oil in its manifold uses are dependent largely upon the United States and Mexico for their supply of oil.

Mr. GRONNA. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator yield to the Senator from North Dakota?

Mr. McKELLAR. I yield.

Mr. GRONNA. I am very much interested in the Senator's statement, and if he will pardon me for making just a brief statement, I want to say that the State which I in part have the honor to represent is, of course, deeply concerned over this question of oil.

During recent years what we call tractors have been sold in large numbers in the western country. To a large extent the work has been done by petrol power. But I am frank to state that so far as my State is concerned we are compelled to go back to the old system of using horses or mules. We can not afford to pay 38 cents a gallon for gasoline, which is the price which we had to pay last year. We can not, I say, afford to operate the tractors and pay 38 cents a gallon for cheap gasoline. The cost of gasoline affects not only the farmer but it affects the manufacturers of the tractors; it affects the manufacturing industry just as much as it affects the farmers. I am quite sure that I am correct in making the statement that not one-half as many tractors will be used in my State in the future if the price of gasoline is kept up to the high figure which we paid last year. At least one-half, perhaps more than that, will be compelled to use either horses or mules to operate their farms.

Mr. McKELLAR. I am sure the Senator is correct about the restriction on the uses of machinery in this country due to the high price of oil, and I am glad to have the Senator bring those facts before the Senate.

It will be remembered that other nations are using our oil without let or hindrance and conserving theirs; and when I say other nations I mean principally Great Britain, because Great Britain is rapidly gaining the control of the oil supply of the world.

The demand for oil by our Navy and by our merchant marine and by the navies and merchant marines of the world is constantly increasing. Naval vessels burning oil are enabled to travel about 3 knots per hour faster than vessels of the same kind using coal. Merchant ships using oil can travel faster than those using coal. They can go longer distances. It is more easily carried; it is more easily fed. Therefore it is of the greatest value, and any nation without it is going to be at the most serious disadvantage in the future.

English statesmen realize this fact, and they are perfectly willing for the United States, their only real rival in the commercial world, to use her oil up as rapidly as possible, when they will fall back on their supply and let us have just what they desire us to have.

I say use our supply as rapidly as possible, because the experts of this country unite in stating that if the United States continues to produce and use oil as rapidly during the next 15 years as it has the last two or three years the entire supply of this country will be exhausted. So, if we are going to take our proper place among the nations of the world, if we are going to keep the defense of a great navy, if we are going to have a great merchant marine, as I pray God we will have, to carry our wonderful products to every port in the world, one of two things must come to pass, either we must conserve our own supply or our Government and our nationals must be permitted to obtain and own oil anywhere in the world; and it is that last proposition to which I wish to address myself particularly.

Our supply is being rapidly removed. I want to call the attention of the Senate at this time to the oil resources of the world.

Mr. Eugene Stebinger, formerly of the United States Geological Survey, gives the following figures as the petroleum wealth of the world:

	Barrels.
United States and Alaska	7,000,000,000
Canada	995,000,000
Mexico	4,525,000,000
Northern South America, inclusive of Peru	5,730,000,000
Southern South America, inclusive of Bolivia	3,550,000,000
Algeria and Egypt	925,000,000
Persia and Mesopotamia	5,820,000,000
Southeastern Russia, southwestern Siberia, and Caucasus	5,830,000,000
Rumania, Galicia, and western Europe	1,135,000,000
Northern Russia and Saghalien	925,000,000
Japan and Formosa	1,235,000,000
China	1,375,000,000
India	995,000,000
East Indies, controlled almost entirely by Great Britain	3,015,000,000
Total	43,055,000,000

Mr. President, it is not believed that this is all of the supply. Mr. David White, also of the United States Geological Survey, adds to that when he says this:

The evidence as to the probable presence of additional oil reserves in the areas just reviewed is in most cases insufficient to serve as a basis for more than the wildest forecast. However, these forecasts, or geological guesses, formulated conservatively, with the probability that deficiencies will be very much more than compensated by excesses, lead me to conclude that there are probably 20,000,000,000 barrels of oil available in the world in addition to the 43,000,000,000 barrels contained in the regions covered by Mr. Stebinger's estimates quoted above, or as much, in round numbers, as 60,000,000,000 barrels in all. Mr. Stebinger's estimate of the oil may be roughly distinguished as oil in sight; that of 60,000,000,000 as total recoverable oil. This estimate of the world's total recoverable petroleum resources, in which Mr. Stebinger concurs, may differ very widely from estimates by other geologists, but we regard it as fairly conservative. It will, we believe, fall considerably within the ultimate recovery of natural petroleum now remaining in the world's underground storage.

England and her nationals own a tremendous interest in Mexican fields, in oil fields in the United States, in German fields, in Russian fields, in Chinese fields, in East Indian fields, and West Indian fields. These, together with the supply mentioned in the foregoing figures, will give her control of nearly one-half of the world's resources. The oil wealth of America, as compared with the rest of the world, is small. On the other hand, the oil industry or production in America is tremendous, and at the present time she is supplying the rest of the world with 70 per cent of what it uses.

Since the war England, both through her Government and her nationals, has been taking energetic steps to secure as large a part of the oil supply of the world as possible. She has, indeed, gone into the oil business herself. She has obtained large grants in Persia, has taken over mandatories containing oil fields, has organized companies in England, and, above all, has prohibited the nationals from any other country acquiring oil rights in any lands over which she has control. Contemplating our own tremendous production, it is evident that our Government should likewise take steps to guarantee our future oil supply. Our nationals should have the right to acquire oil lands and produce oil wherever it may be found, and if they are not given these rights, then we should shut off from our own supply the Governments and their nationals refusing to give us those rights.

In a statement made by Mr. George Otis Smith, Director of the United States Geological Survey, of November 18, 1920, he said:

Accepting the Stebinger-White distribution of the oil reserves, we may roughly set down the continents in order of wealth in oil as North America, Asia, South America, Europe, Oceanica, and Africa. In terms of regional distribution more than half the world's oil reserves are believed to be concentrated in two intercontinental areas. One of these oil-rich provinces includes the North American and South American countries bordering the Caribbean Sea and the other includes the countries of west Asia and southeastern Europe, with the Caucasus as an axis. On these two areas, comprising about 2 per cent of the earth's surface, and each containing about 30 per cent of the world's future supply, is focused the attention of the great nations most in need of oil.

Mr. President, at this point I offer also, and ask unanimous consent to have included in my remarks, another statement by Mr. Smith, which I shall not read.

There being no objection, the matter referred to was ordered to be printed in the RECORD, as follows:

Our present knowledge of the facts of the world's supply and demand is amply sufficient to warrant us in continuing to advocate the open-door policy. Much can be gained for all nations by pooling the world's resources of so essential a raw material as petroleum. With about 60 per cent of the world's future supply concentrated in two regions, while by far the greater part of the demand arises outside those oil-rich regions, there must be a world's commerce in oil. The United States has given to all comers, whatever their nationality, opportunity to acquire oil lands within its territory, and the new leasing law puts no limit upon foreign participation in operating public oil lands unless there is absence of reciprocal treatment. Of course, any nation realizes that the adoption of the open-door policy need not involve throwing away the key. Not only has the United States been generous in welcoming foreign capital to our domestic fields, but it has been prodigal in marketing the products of American wells and refineries. Whatever our motive has been in winning so large a share of the world's oil trade, the record of the past fully justifies the United States in asking for reciprocity in the future from all other nations.

Mr. McKELLAR. I have given the oil supply. I want to give the production, to show the way in which we are going in our use of oil, and what we are doing with it. The United States comes first. I give the production of petroleum from 1857, about which time it became a commercial commodity, down to 1918, as follows:

	Barrels of 42 gallons.	Per-centage of total.
United States	4,608,571,719	61.42
Mexico	285,182,489	3.80
Russia	1,873,039,199	24.96
Dutch East Indies	188,388,513	2.51
Rumania	159,332,023	2.02
India	188,143,000	1.41
Persia	14,036,063	.19
Galicia	154,051,273	2.05
Peru	23,587,000	.33
Japan and Formosa	38,498,247	.51
Trinidad	7,482,391	.10
Egypt	4,848,435	.07
Argentina	78,600	.06
Germany	16,664,121	.22
Canada	24,425,770	.33
Venezuela	475,546	.02
Italy	973,002	.02
Cuba	19,167	.02
Other countries	240,000	.02
Total	7,503,147,138	100.00

I call attention to the fact that the United States has produced 61.42 per cent of all the oil that has been produced. She is producing to-day 70 per cent of all the oil that is being produced, and she is producing it here in the United States, and she is being excluded from producing it anywhere else in the world except Mexico.

By the way, in that connection let me say that I was talking about this matter to a gentleman who had recently been to South America. He had been to the Republic of Venezuela. He said that while there he learned of vast oil deposits and he undertook to buy some oil lands in Venezuela. He soon found that he was competing with the English Government in buying those lands. He said that he had spent large sums of money for Liberty bonds, the money from the sale of which had been loaned to England, and he found by his actual experience in Venezuela that he was coming into competition with the very money that he had paid out for those Liberty bonds to help England win the war.

That was one of the reasons why I thought we ought to collect our interest from England. If she has money to go into the markets of the world and buy up the oil supply of the world, surely she has the money to pay the interest on her debts, on loans that were made to her for the purpose of protecting and defending and preserving her empire. It is wrong, morally wrong and governmentally wrong, for her to be permitted to use the money that is rightfully due our Government for any such purpose as this.

The figures I have given show the oil production of the world. I come now to the oil production of the United States.

OIL PRODUCTION IN THE UNITED STATES.

Formerly, Pennsylvania, New York, and Ohio produced the greater portion of oil mined in the United States, but the production in New York and Pennsylvania has fallen off from 30,053,500 barrels in 1882 to 8,726,483 barrels in 1915. In Ohio the yield has fallen from 23,941,069 barrels in 1896 to 7,825,326 barrels in 1915. On the other hand, the production of oil in California and Oklahoma has tremendously increased. In 1909 California produced 8,786,330 barrels and in 1915 produced 86,591,535 barrels, while Oklahoma produced 10,000 barrels in 1909 and 97,915,243 barrels in 1915.

By the way, companies in which the English Government is the largest stockholder own 33⅓ per cent of this enormous production in California, and probably quite as much in the State of Oklahoma and in the State of Texas.

Mr. J. Ellis Barker, writing in the Contemporary Review, has the following to say about the production of petroleum in the United States:

The petroleum industry is one of the glories of the United States. It has developed from insignificant beginnings and has become a world-dominating force. American petroleum production has increased in the following extraordinary manner:

	Gallons.
1860	21, 000, 000
1870	220, 951, 290
1880	1, 104, 017, 166
1890	1, 194, 590, 024
1900	2, 672, 062, 218
1910	8, 801, 404, 416
1917	14, 083, 255, 242
1918	16, 000, 000, 000
1919	17, 500, 000, 000
1920	18, 900, 000, 000

That is an enormous increase. England got nearly one-third of the production from those fields, shutting us out at the same time from acquiring oil properties not only in her kingdom but in every dominion, in every mandatory, in every sphere of influence in the world that she controlled.

Mr. Barker continues:

The full significance of these figures becomes apparent only if we endeavor to convert them into more understandable measures. The mind can not easily grasp the meaning of millions and billions. The United States produce at present more than 50,000,000 tons (now 70,000,000) of oil per year. To transport it simultaneously in oil tankers, taking on an average 5,000 tons, a fleet of 10,000 ships (now 14,000) would be required. If the entire British merchant marine consisted of oil ships, it could not transport the yearly output of oil of the United States on a single journey. As a matter of fact, the yearly oil tonnage of the United States is considerably greater than the tonnage of the merchant marine of the entire world. If we convert the yearly oil production of the United States into carloads of, let us say, 10 tons, or into trainloads of 200 tons, and if we imagine all these oil trains standing on a single line of rails stretching over an incredible distance, we shall be able to realize the gigantic yearly production of the great Republic.

American petroleum production has expanded prodigiously since 1860. Its vastness may be gauged by the fact that entire forests were cut down merely to provide the barrels needed for transporting the oil.

In the United States there are over 100,000 miles of main pipe lines alone. They vary in diameter from 8 inches to 12 inches. The main pipe lines have a mileage which is fully four times as great as the entire mileage of the British railways and about four times as great as the circumference of the globe.

In a bulletin from the United States Geological Survey of date December 11, 1920, it is said, on the subject of production:

During the first 11 months of the year 409,000,000 barrels of petroleum were produced in the United States, as compared with 345,000,000 barrels during corresponding months of 1919. It seems assured, therefore, that 450,000,000 barrels will have been produced in the United States during 1920, an increase of over 70,000,000 barrels in the output of 1919. The figures for 1918, 1919, and 1920 are as follows:

1918	356, 000, 000
1919	377, 000, 000
1920	450, 000, 000

It is just a question of about 15 years of that kind of production when the United States will be going, with her hat in her hand, to England to get the necessary oil to lubricate her engines, if we continue this production without getting any more of the world's supply.

I digress long enough to say that we have been talking in the Senate to-day about the Russian situation. The statement has been made that England is now dealing with the Russian Government, and I have no doubt she is. She entered into an agreement with France last summer by which it is provided that whatever oil England or France is able to get in Russia, or whatever property they are able jointly to acquire, shall be used on a fifty-fifty basis to the exclusion of other nations. Russia is one of the greatest oil fields in all the world. She has quite as much oil in her boundaries as the United States has in hers and England has set out to obtain it.

While we are quibbling over trifles in this country England is looking after the main chance. She is entering into agreements to-day to acquire the lion's share of the oil in Russia—one of the richest oil fields in all the world. She has already acquired the rich fields of Persia. She has already acquired an immense interest in the oil fields of Rumania. She has already put everybody else out of the rich oil fields of Mesopotamia and Palestine. She has the largest holding in Mexico. She had Lord Cowdray there for years acquiring these holdings. She has the richest holdings, except one, in this country. She is acquiring oil lands in all the world and whenever and wherever she does get them it is to the exclusion of the United States. Wherever she gets it she has got control of the trade and commerce of the world for all time. No nation can take it away from her with her holding the oil supply.

I call attention to the fact that since the war was over, British statesmen in Parliament have said that she was going to control the supply of oil by 1922.

These enormous acquisitions show that they know what they are talking about, and that they mean what they say. We can not blame them. If we, the richest oil people in the world, sit idly by and let her take charge of them, what excuse can we offer? If we had been a member of the League of Nations, we could have prevented the San Remo agreement, we could have prevented the exploitation of oil in Persia; but we were not willing to take our place in that body, so what is left to us? There is but one way to do it and that is, before letting England take our oil, to require her to open to our Government and to our nationals the oil fields that she controls. It is time that vigorous measures were being taken to conserve our supply of oil.

I wish now to call attention to a very wonderful statement of the oil situation by Mr. Franklin K. Lane, former Secretary of the Interior, and a great oil expert, as to the importance of the uses of oil:

It draws railroad trains and drives street cars. It pumps water, lifts heavy loads, has taken the place of millions of horses, and in 20 years has become a farming, industrial, business, and social necessity. The naval and the merchant ships of this country and of England are fitted and being fitted to use it either under steam boilers as fuel or directly in the Diesel engine. The airplane has been made possible by it. It propels the modern juggernaut, the tank. In the air it has no rival, while on land and sea it threatens the supremacy of its rivals whenever it appears. There has been no such magician since the day of Aladdin as this drop of mineral oil. Medicines and dyes and high explosives are distilled from it. No one knows whence it cometh or whither it goeth. Men search for it with the passion of the early Argonauts, and the promise now is that nations will yet fight to gain the fitful bed in which it lies.

In the report of 1919 Mr. Lane further says:

In 1908 the country's production of oil was 178,500,000 barrels, and there was a surplus above consumption of more than 20,000,000 barrels available to go into storage. In 1918, 10 years later, the oil wells of the United States yielded 356,000,000 barrels—nearly twice the yield of 1908—but to meet the demands of the increased consumption more than 24,000,000 barrels had to be drawn from storage. The annual fuel-oil consumption of the railroads alone has increased from sixteen and two-thirds to thirty-six and three-fourths million barrels; the annual gasoline production from 540,000,000 gallons in 1909 to 3,500,000,000 gallons in 1918.

Fuel oil, gasoline, lubricating oil—for these three essentials are there no practical substitutes or other adequate sources? The obvious answer is in terms of cost; the real answer is in terms of man power. Whether on land or sea, fuel oil is preferred to coal, because it requires fewer firemen, and, back of that, in the man power required in its mining, preparation, and transportation the advantage on the side of oil is even greater. So, too, the substitute for gasoline in internal-combustion engines, whether alcohol or benzol, means higher cost and larger expenditure of labor in its production.

WHY THIS DISCUSSION OF OUR OIL?

But, Mr. President, it may be asked, why this discussion about oil? What interest has the United States in it other than glorying in her marvelous production of it? Why should we concern ourselves in the supply and production of oil in other countries when we produce three-fourths of all the oil used in the world? Why should we worry about it?

There are two main answers and many less ones. First, our supply at our present rate of production will be gone, according to the experts, within 15 years, certainly within 30 years; and, secondly, Great Britain, while obtaining almost unlimited supplies of oil from the United States for her own use, prohibits the United States or its nationals from buying oil lands or producing oil in her own dominions or those of any of her protectorates or mandatories. What is the proof for these two statements?

I have already given the proof that our supply is being rapidly diminished by tremendous production. I now offer the proof that Great Britain is excluding America from obtaining oil in her dominions.

I have already given the reasons why this is an important matter for us to determine at this time. We have just built a stupendous merchant marine all at once, so to speak. It has been built during the war. It will be useless, almost, if we permit Great Britain to acquire control of the oil supply of the world and shut us out. There is no reason why this should be done. There is every reason why it should not be done.

BRITISH DISCRIMINATION.

I wish now to show something about Great Britain's discrimination. It is an interesting fact that the price paid by English companies and other nationals for fuel oil averages from $1.75 to $2.50 per barrel at Atlantic and Gulf ports and from $1.80 to $2.50 per barrel on Pacific ports. As more than 75 per cent of the oil produced in the United States is produced in the mid-west field, it means transportation to either the Pacific or the Atlantic ports, in excess of 1,500 miles. Of course, that is done by pipe lines.

This should be considered in dealing with this question when we consider the price paid by English companies for fuel oil at American seaboards.

On the other hand, oil produced by the British nationals in Persia and other foreign countries and transported a similar distance is sold to the United States Shipping Board, Navy, and other American shipowners at prices ranging from $7 to $12 per barrel, or more than four times the price charged in the United States to British shippers for fuel oil.

Mr. President, I have taken from an oil publication in London a statement showing what the British Government is doing in

the matter of oil. The Royal Dutch Shell Co. and its subsidiaries, in which the British Government has the controlling interest, are capitalized as shown in the statement which I desire to insert in the RECORD. There is therein given the capital both of the parent company itself and its subsidiary companies. It is second only to the Standard Oil Co. in this country. Its largest holdings are in this country and in Mexico, and if we permit it to go on it will control the oil supply of the world.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

ROYAL DUTCH AND SHELL.

An interesting list of subsidiary companies of the Royal Dutch and Shell group, as well as of companies controlled by that group which are not, strictly speaking, subsidiaries, has been issued by a stock exchange firm; and as this is a matter upon which we receive numerous inquiries from time to time, we append the list, which our readers will probably find useful to keep as a reference:

Subsidiary companies.	Capital.
Anglo-Saxon Petroleum Co	£16,000,000
Asiatic Petroleum	£4,000,000
Asiatic Petroleum (Ceylon)	£300,000
Asiatic Petroleum (Egypt)	£1,000,000
Asiatic Petroleum (F. M. States)	£150,000
Asiatic Petroleum (India)	£2,000,000
Asiatic Petroleum (north China)	£2,000,000
Asiatic Petroleum (Philippines)	£200,000
Asiatic Petroleum (Siam)	£200,000
Asiatic Petroleum (south China)	£1,000,000
Asiatic Petroleum (Straits Settlements)	£750,000
Batnafsche Petroleum Maatschappij	Fl. 300,000,000
British Imperial (Australia)	£1,000,000
British Imperial (New Zealand)	£100,000
British Imperial (South Africa)	£400,000
Curaçoa Petroleum Co	Fl. 7,500,000
Curaçoa Shipping Co	Fl. 2,000,000
Dordtsche Petroleum Maatschappij	Fl. 2,000,000
La Corona Petroleum	Fl. 25,000,000
Nederlandsch Indische Tank Steamboat Mij	Fl. 10,000,000
New Orleans Refining	$2,000,000
Nouvelle Société du Standard Russe de Grozny	Rs. 120,00,000
Panama Canal Storage	$77,000
Shell Co. of California	$33,535,575
Shell Co. of Canada	$50,000
Shell Marketing Co	£3,000,000
Société Commerciale et Industrielle de Naphte Caspiénne et de la Mer Noire (B'nito)	Rs. 100,00,000
Société de Mazout	Rs. 180,00,000
Tampico-Panuco Petroleum Maatschappij	Fl. 7,200,000
Ozark Pipe Line Corporation of Maryland	$10,400,000
Roxana Petroleum Co. of Virginia	$15,000,000
Matador Petroleum Corporation	$1,000,000
Mexican Eagle Oil Co. (England)	£100

Companies controlled.	
Anglo-Egyptian Oilfields	£1,808,000
Astra Romana	Lei. 135,000,000
Ceram Oil Syndicate	£200,000
Caribbean Petroleum Co	$2,100,000
Colon Development Co	£100,000
Grozny Sundja Oilfields	£300,000
Soc. Ano. pour L'Ind. de Naphte "Grozny-Sunja"	Rs. 30,00,000
Mexican Eagle Oil Co	Mex. $83,335,185
New Schibaieff Petroleum	£1,160,000
North Caucasian Oilfields	£1,000,000
United British of Trinidad	£1,250,000
Ural Caspian Oil Corporation	£1,100,000
Venezuelan Oil Concessions	£500,000

Mr. MCKELLAR. I also ask to insert in the RECORD a statement of the petroleum imports into the United Kingdom taken from the Oil News of November 13, 1920. It shows that somewhere between 80 and 90 per cent of the oil which England is to-day using is obtained from the United States.

The PRESIDING OFFICER. Without objection, leave is granted.

The statement referred to is as follows:

Petroleum imports into the United Kingdom, supplied by order of His Majesty's commissioners of customs and excise for the week ended Nov. 8, 1920, excluding any imports that may not be disclosed.

[Oil News, Nov. 13, 1920.]

Date.	Port and importers.	Ship.	Barrels.	Description.	Gallons.	Port whence.
	LONDON.					
Nov. 3	J. Kendall & Co	Anglo-Egyptian	Drs. 212	Lubricating	7,250	New York
3	Produce Brokers Co	do	200	do	9,500	Do
3	W. B. Dick & Co	do	50	do	2,000	Do.
3	do	Wynoxne	200	do	8,000	Do.
3	T. H. Pearce	Wanbesa	623	do	24,920	Cleveland.
1	H. P. Wheatley & Co	Narragansett	Bulk.	Lamp	1,146,040	New York.
1	Anglo-American Oil Co	do	Bulk.	do	20,550	Do.
1	do	do	Bulk.	Lubricating	20,500	Do.
1	British Petroleum Co	British Ensign	Bulk.	Lamp	2,270,000	Port Arthur.
1	do	British Fern	Bulk.	Gas	1,911,000	Do.
1	Anglo-American Oil Co	Maryland	692	Lubricating	27,680	New York.
1	London Oil Storage Co	Jolly George	1	do	30	Danzic.
4	Langley, Smith & Co	Caronia	430	do	13,320	New York.
4	A. C. Jacobs	Wynoochee	200	do	8,000	Do.
4	Vacuum Oil Co	do	1,683	do	72,520	Do.
4	Anglo-American Co	Anglo-Egyptian	774	do	30,960	Do.
4	do	Tuscarora	Bulk.	Lamp	2,091,670	Port Arthur and Baton Rouge.
2	Shell Marketing Co	Caronia	250	Lubricating	10,000	New York.
2	Anglo-American Oil Co	West Waunoke	120	do	4,800	Philadelphia.
2	Produce Brokers Co	Caronia	354	do	4,000	New York.
5	London Oil Storage Co	West Tacook	130	do	5,750	Philadelphia.
5	Anglo-American Oil Co	Wynooche	3,239	do	129,560	New York.
6	Moxon Salt Co	Panhandle State	Bulk.	Fuel	36,800	Do.
8	Anglo-Mexican Petroleum Co	San Silvestre	Bulk.	Lubricating	678,160	Port Mexico.
8	do	do	Bulk.	Lamp	1,482,990	Do.
8	Anglo-American Oil Co	Waubesa	1,119	Lubricating	44,760	Philadelphia.
June 9	do	Appalachee	Bulk.	Lamp	1,020	Baton Rouge.
Aug. 13	British Petroleum Co	British Baron	Bulk.	do	7,460	Port Arthur.
Nov. 2	do	British Marshal	Bulk.	Benzine	1,602,000	Do.
	LIVERPOOL.					
1	C. C. Wakefield & Co	Navarino	100	Lubricating	4,000	New York.
1	Vacuum Oil Co	Alexandrian	545	do	21,800	Do.
1	Shell Marketing Co	Carmania	600	do	24,000	Do.
3	Anglo-American Oil Co	Calcutta	Bulk.	Gas	566,940	Paulsboro.
3	do	do	1,610	Lubricating	66,010	Do.
3	do	Alexandrian	1,513	do	62,030	New York.
3	Valvoline Oil Co	Armania	435	do	18,270	Do.
4	Allison Bros	Nile	600	do	24,000	Do.
4	Shell Marketing Co	Haverford	325	do	13,000	Do.
4	All's Well Oil Co	Carmania	300	do	12,000	Do.
4	Burnaby & Chantrell	do	103	do	4,000	Do.
4	R. Park & Co	Alexandrian	30	do	1,200	Do.
5	Vacuum Oil Co	Haverford	550	do	22,000	Philadelphia.
5	Haddock, Parker & Co	do	500	do	20,640	Do.
5	E. Vaughan & Co	do	139	do	5,560	Do.
5	Anglo-American Oil Co	do	1,180	do	47,200	Do.
5	All's Well Oil Co	do	850	do	34,000	Do.
5	A. Hopps & Sons	do	75	do	3,000	Do.
5	do	Nile	450	do	18,000	New York.
5	Dee Oil Co	do	200	do	8,000	Do.
5	Haddock, Parker & Co	do	600	do	24,540	Philadelphia.
5	Anglo-American Oil Co	do	1,550	do	63,550	New York.
5	Shell Marketing Co	Yomachichi	2,797	do	147,880	New Orleans.
6	Vacuum Oil Co	Cornishman	819	do	332,760	Philadelphia.
6	Anglo-American Oil Co	Alexandrian	21	do	880	New York.
6	Meade-King, Robinson	Haverford	778	do	31,120	Philadelphia.
6	Crew, Levick & Co	Nile	618	do	25,800	New York.
8	Vacuum Oil Co	Cornishman	99	Lubricating gr	3,960	Philadelphia.
8	Anglo-American Oil Co	Tonewanda	Bulk.	Fuel	353,530	Do.

Petroleum imports into the United Kingdom, supplied by order of His Majesty's commissioners of customs and excise for the week ended Nov. 8, 1920, excluding any imports that may not be disclosed—Continued.

Date.	Port and importers.	Ship.	Barrels.	Description.	Gallons.	Port whence.
	LIVERPOOL—continued.					
Nov. 8	Crew, Levick & Co	Haverford	608	Lubricating	24,540	Philadelphia.
8	do	do	162	Mineral Colza	7,140	Do.
8	All's Well Oil Co	Nile	100	Lubricating	4,370	New York.
8	J. H. Burns	Baltic	5	Other sorts	200	Do.
	BARROW.					
5	Anglo-American Oil Co	Ottawa	Bulk.	Fuel	192,200	New Orleans.
6	Shell Marketing Co	Maroonomo	Bulk.	Benzine	713,389	Balik Pappan.
	BRISTOL.					
1	British Petroleum Co	British Earl	Bulk.	Gas	1,006,000	Port Arthur.
1	J. Arnott & Sons	Bristol City	75	Lubricating	3,000	New York.
1	F. Schofield & Co	do	250	do	10,000	Do.
1	Anglo-American Oil Co	do	532	do	21,280	Do.
3	do	Elmac	735	do	29,400	Philadelphia.
6	do	Lake Elsah	836	do	33,440	New York.
5	do	Ottawa	Bulk.	Fuel	705,420	Avondale.
5	Anglo-Mexican Petroleum Co	Bloomfield	Bulk.	do	1,298,000	Tampico.
3	Anglo-American Oil Co	Bristol City	521	Lubricating	20,840	New York.
	NEWCASTLE.					
6	Crew, Levick & Co	Elmac	120	Lubricating	4,800	Philadelphia.
6	Reesoils (Ltd.)	do	80	do	3,640	Do.
6	Anglo-American Oil Co	do	1,825	do	89,300	Do.
	SOUTH SHIELDS.					
5	British-Mexican Petroleum Co	W. L. Steed	Bulk.	Fuel	2,064,000	Tampico.
	NORTH SHIELDS.					
1	Anglo-American Oil Co	Kennebec	Bulk.	Fuel	932,090	New Orleans.
	GLASGOW.					
2	Wm. Houston	Alpine Range	100	Lubricating	4,320	Philadelphia.
3	J. & D. Hamilton (Ltd.)	do	100	do	4,000	Do.
4	R. S. Chalmers & Co	East Chicago	200	do	8,000	Baltic.
	GRANGEMOUTH.					
4	Scottish Oils (Ltd.)	British Major	Bulk.	Motor spirit	165,550	New Orleans.
	DUBLIN.					
6	Anglo-American Oil Co	Milwaukee Bridge	605	Lubricating	25,410	New York.
	BELFAST.					
3	Anglo-American Oil Co	Lord Downshire	750	Lubricating	37,490	Baltic.
3	Kennedy & Morrison	Milwaukee Bridge	c/s 16	Lubricating gr	170	New York.
4	Vacuum Oil Co	do	150	Lubricating	6,190	Do.
Oct. 14	do	Pontia	198	do	74,900	Do.
18	Anglo-American Oil Co	do	1,234	do	61,970	Do.
18	do	do	20	Mineral colza	1,010	Do.
18	do	do	30	Lubricating gr	1,480	Do.
	Total				21,195,389	
	AMENDMENTS—DEDUCT.					
	LONDON.					
14	British Petroleum Co	British Marshal	Bulk.	Lamp	20,530	Port Arthur.
Aug. 25	do	British Peer	Bulk.	Gas	51,600	Houston.
Sept. 18	Anglo-Mexican Petroleum Co	San Silvestre	Bulk.	Lamp	16,420	Tampico.
Aug. 27	H. P. Wheatley & Co	Calillac	Bulk.	do	248,910	New York.
4	Anglo-American Oil Co	Saranac	Bulk.	do	2,060	Baton Rouge and Avondale.
23	British Petroleum Co	Birchleaf	Bulk.	Fuel	28,180	Abadan.
May 11	Anglo-American Oil Co	Mackinaw	289	Lubricating	11,500	Philadelphia.

Mr. McKELLAR. What evidence have we that England is discriminating against us? A resolution passed the Senate on March 19, 1920, requesting the President to give the Senate information as to the restrictions on American petroleum prospectors in certain foreign countries. On May 17, 1920, the President furnished a report as to those restrictions, and I want to read very briefly from that report:

In general each dominion and colony has its own legislation on the subject of the petroleum industry.

The policy of the British Empire is reported to be to bring about the exclusion of aliens from the control of the petroleum supplies of the Empire and to endeavor to secure some measure of control over oil properties in foreign countries. This policy appears to be developing along the following lines, which are directly or indirectly restrictive on citizens of the United States:

1. By debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, and protectorates.

2. By direct participation in ownership and control of petroleum companies.

3. By arrangements to prevent British oil companies from selling their properties to foreign owned or controlled companies.

4. By orders in council that prohibit the transfer of shares in British oil companies to other than British subjects or nationals.

It is understood that the British Government has a controlling interest in the Anglo-Persian Oil Co., and that it has also assisted in the development of the Papuan oil fields by bearing one-half of the expense and contributing experts.

It may be of some significance that by general license of September 1, 1919, prohibited transactions under the regulations of the defense of the realm act were again permitted, except as such transactions might relate to oil-mining property. (Cablegram from London, Oct. 18, 1919; consular reports from London, Oct. 21, 1919, Nov. 8, 1919.)

According to recent reports, prospecting for petroleum is lawful in the United Kingdom only by the board of trade or the minister of munitions or persons authorized by them. Similar regulations apply to working a petroleum property. The only drilling now going on in the United Kingdom for petroleum is being done by S. Pearson & Son (Ltd.), as petroleum development managers to the Government.

It is said to be unlawful for a British citizen, without the consent of the board of trade, to transfer to an alien or to a foreign-controlled company any interest in a company controlling an oil field in the United Kingdom. (Defense of the realm act of 1915, as amended Oct. 23, 1917, regulation No. 30BB.)

The message of the President shows that the United States and its nationals are excluded in the following British possessions: Australia, British East Africa, Uganda, German East Africa (occupied), British West Africa, Canada, British Guiana, British Honduras, India, British West India, Barbados, and Trinidad.

Great Britain already owns and is operating the Anglo-Persian Co., which controls the entire Persian supply. She has already made her arrangements to take over the Mesopotamian and Palestine fields. Of course, she owns the Egyptian fields and large interests in the Mexican fields. She owns the Canadian and Indian fields and the East Indian and West Indian fields. She now controls the Royal Dutch Shell Co., which has acquired large producing properties in California

and in the mid-continent field. She also controls the Mexican Eagle Oil Co. In 1917 she bought from her alien property custodian the British Petroleum Co., the Homelight Oil Co., and the Petroleum Steamship Co., which had been previously held by the Deutsche Bank, of Germany. It is claimed by no less a person than Sir Charles Greenway that by 1922 the Anglo-Persian Oil Co. will be in position to supply 80 per cent of Great Britain's present requirements for gasoline. She now gets 80 per cent of her gasoline from the United States. If it was not for the oil fields of the United States and Mexico, England could not run a ship.

Practically all of the two Americas, northern Europe, and northern Asia, with the exception of Japan, is open to oil prospectors of the United States, but all the British fields, including those in dependencies and mandatories, are closed to the United States and its nationals.

It is quite marvelous that England, which does not produce any oil, is trying to control the oil of the world.

THE SAN REMO AGREEMENT.

Last summer at San Remo, in Italy, representatives of the French and British Governments entered into an agreement with reference to Mesopotamian oil fields, a part of which agreement is as follows :

Mesopotamia: The British Government binds itself to concede to the French Government, or the representative appointed by same, 25 per cent of the net production of crude oil at the current market price which his British Majesty's Government may draw from the Mesopotamian petroleum regions in the event of those regions being made productive by virtue of Government exploitation; or in the event the Government has recourse to a private company to exploit the Mesopotamian petroleum regions the British Government will place at the disposal of the French Government a participation of 25 per cent in the same company. The amount to be paid for a participation of this kind should not exceed the amount paid by any other participant in the said petroleum company. It is also agreed that the said petroleum company is to be under the permanent control of Great Britain.

Showing Great Britain's designs upon the Russian oil fields, it is further provided in the San Remo agreement:

In the territories belonging to the former Russian Empire the two Governments will give their joint support to their respective dependents in their common efforts with the view to obtain petroleum concessions and facilities for export and to assure the delivery of petroleum supplies.

It must be remembered that Russia has about one-eighth of the oil supply of the world, and perhaps more. The agreement further provides as to the Rumanian fields, which are the largest known oil deposits in Europe west of the Black Sea, as follows:

Great Britain and France will lend their aid to their respective dependents in all negotiations which are to be started with the Rumanian Government for:

(a) The purchase of oil and petroleum concessions, shares, or other interests owned by former subjects or companies (of enemy origin) in Rumania which have been sequestered—for instance, the Steaua Romana, Concordia, Vega, etc., who constituted in said country the petroleum group of the Deutsche Bank and the Disconto Gesellschaft—at the same time as all other interests which it may be possible to take over.

(b) The concession of petroleum fields owned by the Rumanian State.

In the House of Parliament the Right Hon. Walter Runciman, president of the British Board of Trade, as early as January, 1916, stated that the future policy of Great Britain would be not only to control the coal of the world but the supply of oil as well, and recently Mr. Walter Hume Long, first lord of the Admiralty, in an address in London, stated that England must acquire all available oil lands, and that the nation must "take care to occupy the house or others would take it and with it the key to future success."

The Anglo-Persian Oil Co. now has a capital of $100,000,000, and the British Government itself owns two-thirds of the voting stock. For a number of years Lord Cowdry, formerly Sir Weetman Pearson, has been at the head of the English oil interests in Mexico and has accomplished wonders there. Recently the British Government appropriated $5,000,000 and turned it over to Lord Cowdry to prospect for oil in the British Isles.

BRITAIN'S PRESENT DEPENDENCE UPON AMERICA FOR OIL.

But while Great Britain is thus trying to gobble up as much of the oil territory of the world as possible and at the same time excluding American oil prospectors from her territory, what is her situation relative to American production of oil? It is one of almost absolute dependence upon the American supply. Thirty-four per cent of her naval ships are oil-burning ships, and 54 per cent burn oil and coal. This does not include 140 oil-burning submarines. It is believed that half of her merchant marine also burns oil. She is dependent upon America for at least 80 per cent of her supply. Under these circumstances, what is our remedy?

Of course, if we had been in the League of Nations, we could have vetoed the agreement between France and England dividing up the Mesopotamian and Palestine fields and shutting out American prospectors who were already on the ground, but not being in the league, have we any remedy left?

Some time ago Secretary Lane, who is an expert on the subject of oil, presented to a board of geologists, engineers, and economists in his own department the question of what was to be done. I ask permission to print in my remarks his remedy, which is the same as that which I have already proposed.

The PRESIDING OFFICER. Without objection, it is so ordered.

The matter referred to is as follows:

This board recommended the following program of action:

First. To secure the removal of all discriminations, to the end that our nationals may enjoy in other countries all the privileges now enjoyed by other nationals in ours: (a) by appropriate diplomatic and trade measures; (b) by securing equal rights to our nationals in countries newly organized as mandatories.

Second. To encourage our nationals to acquire, develop, and market oil in foreign countries (a) by sure, adequate protection of our citizens engaged in securing and developing foreign oil fields; (b) by promotion of syndication of our nationals engaged in foreign business in order to effectually conduct oil development and distribution of petroleum and its products abroad.

Third. Governmental action through special agency or board, (a) through the organization of a subsidiary governmental corporation with power to produce, purchase, refine, transport, store, and market oil and oil products; (b) through the formation of a permanent petroleum administration.

Fourth. To assure to our nationals the exclusive opportunity to explore, develop, and market the oil resources of the Philippine Islands, provided discriminatory policies of other nations against our nationals are not abandoned or satisfactorily modified. (Report of Secretary of the Interior, 1919, p. 23.)

Mr. McKELLAR. Mr. President, the program herein stated is an excellent one, and in furtherance of that program I have offered the following bill:

Be it enacted, etc., That deposits of oil or oil shale, or the manufactures or refined products thereof, in the United States or its Territories or dependencies, or any land containing such deposits, or any stock or bond interest in corporations owning such land or deposits, or contracts for the purchase and development of the same, when the purpose is to export such products or otherwise to use them in foreign commerce, shall hereafter not be acquired or owned by any foreign Government or by the nationals of any foreign Government whenever the United States or its nationals having a like purpose are prohibited from acquiring such lands or rights or deposits or manufactured or refined products thereof owned or controlled by the Governments of such foreign countries, directly or by their dominions, dependencies, mandatories, spheres of influence, or otherwise, or the nationals of such Government or foreign countries: *Provided*, That in all cases where the Government of the United States or its nationals is permitted to acquire such lands or deposits, or manufactured or refined products of same, or contracts for the purchase or development of the same, under foreign Governments or their dominions, mandatories, or dependencies, a like privilege to such foreign Governments or their nationals shall be accorded by the Government of the United States.

SEC. 2. That oil or oil shale and the manufactured or refined products of same shall not hereafter be exported to any foreign Government or to the nationals of any foreign Government in any case where such foreign Government, its dominions, dependencies, or mandatories refuse to permit the United States or its nationals to acquire and ship the said deposits or the manufactured or refined products to the United States or otherwise to use the same in foreign commerce; or where the vessels of the United States or the vessels of the nationals of the United States are discriminated against by any foreign Government or its nationals in the furnishing of oil or oil facilities or in the acquiring of oil supply stations in the territory of such foreign Government, or its dominions, dependencies, protectorates, mandatories, or spheres of influence.

SEC. 3. The Shipping Board of the United States is hereby required to report on or before July 1, 1921, what foreign Governments, dominions, dependencies, protectorates, or mandatories, if any, are violating this act, and thereafter no oil or oil shale or the manufactured or refined products of same shall be exported to any foreign Government or its nationals so reported by the Shipping Board to be violating said act. Should said Shipping Board by resolution of its members duly spread upon the minutes report any Government, dominion, mandatory, or dependency as violating said act, the President, under and by virtue of this act, shall at once issue his proclamation declaring an embargo against shipping any of said products to such foreign Government or its dependencies, mandatories, or nationals; nor shall any of said products be exported to any foreign Government or its nationals until the Shipping Board reports that such Government or its dominions, protectorates, or mandatories are no longer violating this act, in which case the President shall issue his proclamation removing the embargo.

SEC. 4. Whenever an attempt is made to export or ship or take out of the United States any oil or oil shale or the manufactured or refined products of same in contravention of this act, and after the President has issued his proclamation as aforesaid, the provisions hereof shall be enforced by the same officers with like forfeitures and penalties and under like proceedings provided in title 6 of the act of Congress approved June 15, 1917, being an act to punish acts of interference with the foreign relations, the neutrality, and the foreign commerce of the United States, etc., and known as the espionage act

REASON FOR THE BILL.

Mr. President, my reason for introducing this bill is that apparently diplomatic measures have failed. As I have already stated, Mr. Polk protested against the San Remo agreement last spring and Mr. Colby has recently even more vigorously protested against it, and all without effect. In my judgment, there is but one way to bring about an adjustment of this matter, and that is along the lines set forth in this bill. If Great Britain is not permitted to get oil from this country, her

navy will be severely handicapped and many of the ships of her merchant marine will be put out of commission. She will be obliged to come to terms. We have the power. It lies within our hands. We ask for nothing but what is right. We seek no advantage. We simply desire that our nationals shall be treated by Great Britain in the same way that we treat hers. We want them to enjoy the same privileges in our country that we want in theirs, but in justice to ourselves we must deny to Great Britain and her nationals just what she denies to the United States and our nationals. My bill is a reciprocal agreement. It is absolutely fair. If it is not fair, we must make it fair, but American rights in oil must be upheld.

Mr. President, the people of Great Britain themselves do not believe in this oil-gobbling scheme of their Government. The Oil News of November 27, 1920, representing the oil interests of Great Britain, protests against the San Remo agreement. They say it must be abrogated, and that Americans should have the right to prospect for oil in Mesopotamia and Palestine just as the subjects of Great Britain have in this country. At this point I will print in the RECORD, as a part of my remarks, a quotation from the Journal referred to, if there be no objection.

The matter referred to is as follows:

THAT "BLESSED WORD" AGAIN.

The Mesopotamian position appears to be the source not only of friction between the United States and Great Britain but of an obscurity which is in some respects even more to be deplored. The first ray of light let in on this subject during the past few months was Mr. Lloyd-George's statement in the House of Commons (reported in last week's Oil News) to the effect that the Allies were awaiting the establishment of an Arab government in Mesopotamia which would deal with the very troublesome subject of the oil prospecting concessions in that country. Nevertheless, the public in general have not grasped the position fully, as is evident by the visits we have had from representatives of well-known daily papers who were in search of some elucidation of the present obscure position.

LATEST AMERICAN NOTE.

Another aspect of this matter is indicated by the Exchange Telegraph message from Washington of November 20 stating that the United States has sent a note to Great Britain protesting against secret agreements between the Allies for the exploitation of former Turkish territories. This is stated to be the second of a series of notes on this matter; and it is evident that the United States, at the instance of the Standard and possibly other important groups, are not going to take the Mesopotamian situation lying down.

NOT WORTH A DISPUTE.

Where the rights and wrongs lie in this case we are not prepared to say. We are a British oil journal, but there are wider aspects of the Mesopotamian oil problem than are indicated by a dispute between John Bull and Uncle Sam as to who is to develop the potential oil fields of this remarkable district. Our own view, for what it is worth, is that the possibilities are here so vast that Great Britain, even with the help of France as a 25 per cent partner, is not able herself to prospect and exploit them fully.

A NEW WAY OUT.

Consequently it would be well to consider how far the European Allies can legitimately go in satisfying the aspirations of United States capital to a share in the risks and possible eventual profits of the Mesopotamian oil region. Good will, peace, and harmony are assets worth paying a long price for, even if the purchase consideration is payable in undeveloped oil lands.

Mr. McKELLAR. Mr. President, in conclusion I desire to answer a question which was raised by a Senator in discussing the matter as to whether or not a bill of this kind would be constitutional. I do not think there can be a particle of doubt about that, since the decision in Field against Clark, in 143 United States Reports, 650, excerpts from that opinion which sustain the constitutionality of an act of this kind I have prepared, and I ask unanimous consent that they may be printed in the RECORD as a part of my remarks.

The PRESIDING OFFICER. Without objection, leave to do so will be granted. The Chair hears no objection.

The matter referred to is as follows:

CONSTITUTIONAL.

Repeated decisions of this court have determined that Congress has the power to exclude aliens from the United States; to prescribe the terms and conditions on which they may come in; to establish regulations for sending out of the country such aliens as have entered in violation of law; and to commit the enforcement of such conditions and regulations to executive officers; that the deportation of an alien who is found to be here in violation of law is not a deprivation of liberty without due process of law and that the provisions of the Constitution securing the right of trial by jury have no application. (Chae Chan Ping *v.* United States, 130 U. S., 581; Nishimura Ekin *v.* United States, 142 U. S., 651; Fong Yue Ting *v.* United States, 149 U. S., 698; Lem Moon Sing *v.* United States, 158 U. S., 538; Wong Wing *v.* United States, 163 U. S., 228; Fok Yung Yo *v.* United States, 158 U. S., 296; Japanese Immigrant case, 189 U. S., 86; Chin Bak Kan *v.* United States, 186 U. S., 193; United States *v.* Sing Tuk, 194 U. S., 161; Turner *v.* Williams, 194 U. S., 289.)

The authority conferred upon the President by section 3 of the act of October 1, 1890, to reduce the revenue and equalize duties on imports, and for other purposes (26 Stat., ch. 1244, pp. 567, 612), to suspend by proclamation the free introduction of sugar, molasses, coffee, tea, and hides when he is satisfied that any country producing such articles imposes duties or other exactions upon the agricultural or other products of the United States which he may deem to be reciprocally unequal or unreasonable, is not open to the objection that it unconstitutionally transfers legislative power to the President. (Field *v.* Clark, 143 U. S., 650.)

The plaintiffs in error contend that this section, so far as it authorizes the President to suspend the provisions of the act relating to the free introduction of sugar, molasses, coffee, tea, and hides, is unconstitutional, as delegating to him both legislative and treaty-making powers, and, being an essential part of the system established by Congress, the entire act must be declared null and void. On behalf of the United States it is insisted that legislation of this character is sustained by an early decision of this court and by the practice of the Government for nearly a century, and that, even if the third section were unconstitutional, the remaining parts of the act would stand.

The decision referred to is the brig *Aurora*. (7 Cranch, 383, 388.) What was that case? The nonintercourse act of March 1, 1809 (c. 24, secs. 4, 11), forbidding the importation, after May 20, 1809, of goods, wares, or merchandise from any port or place in Great Britain or France, provided that "the President of the United States be, and he hereby is, authorized, in case either France or Great Britain shall so revoke or modify her edicts as that they shall cease to violate the neutral commerce of the United States, to declare the same by proclamation"; after which the trade suspended by that act and the act laying an embargo could "be renewed with the nation so doing." (2 Stat., 538.) The act of 1809 expired on the 1st of May, 1810, on which day Congress passed another act (c. 39, sec. 4) declaring that in case either Great Britain or France, before a named day, so revoked or modified her edicts "as that they shall cease to violate the neutral commerce of the United States, which fact the President of the United States shall declare by proclamation, and if the other nation shall not" within a given time revoke or modify her edicts in like manner, then certain sections of the act of 1809 "shall from and after the expiration of three months from the date of the proclamation aforesaid be revived and have full force and effect, so far as relates to the dominions, colonies, and dependencies, and to the articles the growth, produce, or manufacture of the dominions, colonies, and dependencies of the nation thus refusing or neglecting to revoke or modify her edicts in the manner aforesaid. And the restrictions imposed by this act shall, from the date of such proclamation, cease and be discontinued in relation to the nation revoking or modifying her decrees in the manner aforesaid." (2 Stat., 605, 606.) On the 2d of November, 1810, President Madison issued his proclamation declaring that France had so revoked or modified her edicts as that they ceased to violate the neutral commerce of the United States. In the argument of that case it was contended by Mr. Joseph R. Ingersoll that Congress could not transfer legislative power to the President, and that to make the revival of a law depend upon the President's proclamation was to give that proclamation the force of a law. To this it was replied that the legislature did not transfer any power of legislation to the President; that they only prescribed the evidence which should be admitted of a fact, upon which the law should go into effect. Mr. Justice Johnson, speaking for the whole court, said: "We can see no sufficient reason why the legislature should not exercise its discretion in reviving the act of March 1, 1809, either expressly or conditionally, as their judgment should direct. The nineteenth section of that act, declaring that it should continue in force to a certain time and no longer, could not restrict their power of extending its operation without limitation upon the occurrence of any subsequent combination of events." This certainly is a decision that it was competent for Congress to make the revival of an act depend upon the proclamation of the President, showing the ascertainment by him of the fact that the edicts of certain nations had been so revoked or modified that they did not violate the neutral commerce of the United States. The same principle would apply in the case of the suspension of an act upon a contingency to be ascertained by the President and made known by his proclamation.

To what extent do precedents in legislation sustain the validity of the section under consideration, so far as it makes the suspension of certain provisions and the going into operation of other provisions of an act of Congress depend upon the action of the President based upon the occurrence of subsequent events, or the ascertainment by him of certain facts, to be made known by his proclamation? If we find that Congress has frequently, from the organization of the Government to the present time, conferred upon the President powers with reference to trade and commerce like those conferred by the third section of the act of October 1, 1890, that fact is entitled to great weight in determining the question before us.

During the administration of Washington Congress, by an act approved June 4, 1794, chapter 41, authorized the President, when Congress was not in session and for a prescribed period, "whenever, in his opinion, the public safety shall so require, to lay an embargo on all ships and vessels in the ports of the United States, or upon the ships and vessels of the United States, or the ships and vessels of any foreign nation, under such regulations as the circumstances may require, and to continue or revoke the same whenever he shall think proper." (1 Stat., 372.)

Congress passed and President Adams approved the act of June 13, 1798 (ch. 53, sec. 5), suspending commercial intercourse between the United States and France and its dependencies, and providing that if the Government of France, and all persons acting by or under its authority, before the then next session of Congress, "shall clearly disavow and shall be found to refrain from the aggressions, depredations, and hostilities which have been and are by them encouraged and maintained against the vessels and other property of the citizens of the United States and against their national rights and sovereignty, in violation of the faith of treaties and the laws of nations, and shall thereby acknowledge the just claims of the United States to be considered as in all respects neutral and unconnected in the present European war if the same shall be continued, then and thereupon it shall be lawful for the President of the United States, being well ascertained of the premises, to remit and discontinue the prohibitions and restraints hereby enacted and declared; and he shall be, and is hereby, authorized to make proclamation thereof accordingly." (1 Stat., 565, 566.) A subsequent act, approved February 9, 1799 (ch. 2, sec. 4), further suspending commercial intercourse with France and its dependencies, contained this section: "That at any time after the passing of this act it shall be lawful for the President of the United States, if he shall deem it expedient and consistent with the interest of the United States, by his order, to remit and discontinue, for the time being, the restraints and prohibitions aforesaid, either with respect to the French Republic or to any island, port, or place belonging to the said Republic with which a commercial intercourse may safely be renewed; and also to

revoke such order whenever, in his opinion, the interest of the United States shall require; and he shall be, and hereby is, authorized to make proclamation thereof accordingly." (1 Stat., 613, 615.) Under the latter act the President issued, June 26, 1799, and May 21, 1800, proclamations declaring it lawful for vessels departing from the United States to enter certain ports of San Domingo. (Works of John Adams, vol. 9, pp. 176, 177.)

By an act of Congress, approved April 18, 1806 (ch. 29), it was made lawful to import, after November 15, 1806, into the United States from any port or place in Great Britain or Ireland, or in any of the colonies or dependencies of Great Britain, articles of which leather, silk, hemp, flax, tin, or brass was the material of chief value; woolen cloths, whose invoice prices exceeded 5 shillings sterling per square yard; woolen hosiery, manufactures of glass, silver, and plated wares, hats, nails, spikes, ready-made clothing, millinery, beer, ale, porter, pictures, and prints. (2 Stat., 379.) The operation of this act was suspended by the subsequent act of December 19, 1806 (ch. 1, sec. 3), until July 1, 1807. But the last act contained this section: "That the President of the United States be, and he is hereby, authorized further to suspend the operation of the aforesaid act, if in his judgment the public interest should require it: *Provided*, That such suspension shall not extend beyond the second Monday in December next." (2 Stat., 411.) Both of these acts received the approval of President Jefferson.

An act of March 3, 1815 (ch. 77), approved by President Madison, provided that so much of the several acts imposing duties on the tonnage of ships and vessels, and on goods, wares, and merchandise imported into the United States as imposed a discriminating duty on tonnage between foreign vessels and vessels of the United States, and between goods imported into the United States in foreign vessels and vessels of the United States, be repealed, so far as the same respected the produce or manufacture of the nation to which such foreign ships or vessels belonged, such repeal to take effect in favor of any foreign nation "whenever the President of the United States shall be satisfied that the discriminating or countervailing duties of such foreign nation, so far as they operate to the disadvantage of the United States," had been abolished. (3 Stat., 224.) Satisfactory proof having been received by President Monroe from the free city of Bremen that from and after the 12th of May, 1815, all discriminating or countervailing duties of the said city, "so far as they operated to the disadvantage of the United States," had been abolished, he issued July 24, 1818, his proclamation, stating that the acts of Congress upon that subject were repealed so far as the same related to the produce and manufactures of that city. Similar proclamations were issued by him in respect to the produce and manufactures of Hamburg, Lubec, Norway, and the Dukedom of Oldenburg. (3 Stat., App. I, pp. 792, 793, 794, 795.)

By an act approved March 3, 1817 (ch. 39), prohibiting the importation into the United States, in any foreign vessel, from and after July 4 of that year, of plaster of Paris, the production of any country or its dependencies, from which the vessels of the United States were not permitted to bring the same article, it was provided that the act should continue in force five years from January 31, 1817, provided "that if any foreign nation or its dependencies which have now in force regulations on the subject of the trade in plaster of Paris, prohibiting the exportation thereof to certain ports of the United States, shall discontinue such regulations, the President of the United States is hereby authorized to declare that fact by his proclamation, and the restrictions imposed by this act shall, from the date of such proclamation, cease and be discontinued in relation to the nation or its dependencies discontinuing such regulations." (3 Stat., 361.) Proclamations in execution of this act were issued by President Monroe relating to our trade with Nova Scotia and New Brunswick. (3 Stat. App., pp. 791, 792.)

By an act concerning discriminating duties of tonnage and impost, approved January 7, 1824 (ch. 4, sec. 4), it was provided that "upon satisfactory evidence being given to the President of the United States by the Government of any foreign nation that no discriminating duties of tonnage or impost are imposed or levied within the ports of the said nation upon vessels wholly belonging to citizens of the United States, or upon merchandise, the produce or manufacture thereof, imported in the same, the President is hereby authorized to issue his proclamation, declaring that the foreign discriminating duties of tonnage and impost within the United States are and shall be suspended and discontinued, so far as respects the vessels of the said Nation, and the merchandise of its produce or manufacture, imported into the United States in the same; the said suspension to take effect from the time of such notification being given to the President of the United States, and to continue so long as the reciprocal exemption of vessels belonging to citizens of the United States, and merchandise as aforesaid, thereon laden shall be continued, and no longer." (4 Stat., 3.) A similar section was embodied in the act of May 24, 1828 (ch. 111), relating to the same subject, which is substantially preserved in section 4228 of the Revised Statutes. (4 Stat., 308.) In execution of these acts, proclamations were issued by the Presidents of the United States, as follows: Adams, July 1, 1828 (4 Stat. App., 815); Jackson, May 11, 1828, June 3, 1829, September 18, 1830, April 28, 1835, and September 1, 1836 (4 Stat. App., 814, 815, 816; 11 Stat. App., 781, 782); Polk, November 4, 1847 (9 Stat. App., 1001); Fillmore, November 1, 1850 (9 Stat. App., 1004); Buchanan, February 25, 1858 (11 Stat. App., 795); Lincoln, December 16, 1863 (13 Stat. App., 739); Johnson, December 28, 1866, and January 29, 1867 (14 Stat. App., 818, 819); Grant, June 12, 1869, November 20, 1869, February 25, 1871, December 19, 1871, September 4, 1872, and October 30, 1872 (16 Stat. App., 1127, 1130 to 1137; 17 Stat. App., 954, 956, 957); and Hayes, November 30, 1880 (21 Stat., 800).

A subsequent statute of May 31, 1830 (ch. 219), repealed all acts and parts of acts which imposed duties upon the tonnage of ships and vessels of foreign nations, provided the President of the United States should be satisfied that the discriminating or countervailing duties of such foreign nations, "so far as they operate to the disadvantage of the United States," had been abolished. (4 Stat., 425.) This provision is preserved in section 4219 of the Revised Statutes.

Pursuant to the act of Congress of August 5, 1854 (ch. 269, sec. 2), carrying into effect the treaty between the United States and Great Britain of June 5, 1884, President Pierce issued his proclamation, December 12, 1855, declaring that grain, flour, breadstuffs of all kinds, and numerous other specified articles, should be admitted free of duty from Newfoundland, he having received satisfactory evidence that that Province had consented, "in a due and proper manner," to have the provisions of the above treaty extended to it, and to allow the United States the full benefits of all its stipulations, so far as they were applicable to Newfoundland. (10 Stat., 587; 11 Stat., 790.)

By an act of Congress approved March 6, 1866 (ch. 12), the importation of neat cattle and the hides of neat cattle from any foreign country into the United States was prohibited, the operation of the act, however, to be suspended as to any foreign country or countries, or any parts of such country or countries, whenever the Secretary of the Treasury should officially determine, and give public notice thereof, that such importation would not tend to the introduction or spread of contagious or infectious diseases among the cattle of the United States. The same act provided that "the President of the United States, whenever in his judgment the importation of neat cattle and the hides of neat cattle may be made without danger of the introduction or spread of contagious or infectious diseases among the cattle of the United States, may, by proclamation, declare the provisions of this act to be inoperative, and the same shall be afterwards inoperative and of no effect from and after 30 days from the date of said proclamation." (14 Stat., 3.) These provisions constituted sections 2493 and 2494 of the Revised Statutes until the passage of the act of March 3, 1883 (22 Stat., 489, ch. 121, sec. 6). And by the tariff act of 1890 the importation of neat cattle and the hides of neat cattle from foreign countries was prohibited; but authority is given to the Secretary of the Treasury to suspend the operation of the act as to any country whenever he determines that such importation will not lead to the introduction or spread of contagious or infectious diseases among the cattle of the United States. (26 Stat., 610, ch. 1244, sec. 20).

"In execution of section 4228 of the Revised Statutes, President Arthur issued a proclamation declaring that on and after the 1st day of March, 1884, so long as the products of and articles proceeding from the United States, imported into the islands of Cuba and Porto Rico, should be exempt from discriminating customs duties, any such duties on the products of and articles proceeding from Cuba and Porto Rico under the Spanish flag should be suspended and discontinued. (23 Stat., 835.) President Cleveland, by proclamation of October 13, 1886, revoked this suspension upon the ground that higher and discriminating duties continued to be imposed and levied in the ports named upon certain produce, manufactures, or merchandise imported into them from the United States and from foreign countries in vessels of the United States than were imposed and levied on the like produce, manufactures, or merchandise carried to those ports in Spanish vessels. (24 Stat., 1028.)

By the fourteenth section of the act of June 26, 1884 (ch. 121), removing certain burdens on the American merchant marine and encouraging the American foreign carrying trade, certain tonnage duties were imposed upon vessels entering the United States from any foreign port or place in North America, Central America, the West India Islands, Bahama Islands, Bermuda Islands, Sandwich Islands, or Newfoundland; and the President was authorized to suspend the collection of so much of those duties on vessels entering from certain ports as might be in excess of the tonnage and lighthouse dues, or other equivalent tax or taxes imposed on American vessels by the Government of the foreign country in which such port was situated, and should, upon the passage of the act, "and from time to time thereafter as often as it may become necessary by reason of changes in the laws of the foreign countries above mentioned, indicate by proclamation the ports to which such suspension shall apply, and the rate or rates of tonnage duty, if any, to be collected under such suspension." (23 Stat., 57.) In execution of that act Presidents Arthur and Cleveland issued proclamations suspending the collection of duties on goods arriving from certain designated ports. (23 Stat., 841, 842, 844.)

It would seem to be unnecessary to make further reference to acts of Congress to show that the authority conferred upon the President by the third section of the act of October 1, 1890, is not an entirely new feature in the legislation of Congress, but has the sanction of many precedents in legislation. While some of these precedents are stronger than others in their application to the case before us, they all show that, in the judgment of the legislative branch of the Government, it is often desirable, if not essential, for the protection of the interests of our people against the unfriendly or discriminating regulations established by foreign Governments in the interests of their people to invest the President with large discretion in matters arising out of the execution of statutes relating to trade and commerce with other nations. If the decision in the case of the brig *Aurora*, as given by so many acts of Congress and embracing almost the entire period of our national existence, should not be overruled, unless upon a conviction that such legislation was clearly incompatible with the supreme law of the land. (Stuart *v.* Laird, 1 Cranch., 299, 309; Martin *v.* Hunter, 1 Wheat., 304, 351; Coolen *v.* Port Wardens, 12 How., 299, 315; Lithographic Co. *v.* Sarony, 111 U. S., 53, 57; the *Laura*, 114 U. S., 411, 416.)

The authority given to the President by the act of June 4, 1794, to lay an embargo on all ships and vessels in the ports of the United States "whenever, in his opinion, the public safety shall so require," and under regulations, to be continued or revoked "whenever he shall think proper"; by the act of February 9, 1799, to remit and discontinue, for the time being, the restraints and prohibitions which Congress had prescribed with respect to commercial intercourse with the French Republic, "if he shall deem it expedient and consistent with the interest of the United States," and "to revoke such order whenever, in his opinion, the interest of the United States shall require"; by the act of December 19, 1806, to suspend, for a named time, the operation of the nonimportation act of the same year "if in his judgment the public interest should require it"; by the act of May 1, 1810, to revive a former act as to Great Britain or France, if either country had not, by a named day, so revoked or modified its edicts as not "to violate the neutral commerce of the United States"; by the acts of March 3, 1815, and May 31, 1830, to declare the repeal, as to any foreign nation, of the several acts imposing duties on the tonnage of ships and vessels, and on goods, wares, and merchandise imported into the United States, when he should be "satisfied" that the discriminating duties of such foreign nations, "so far as they operate to the disadvantage of the United States," had been abolished; by the act of March 6, 1866, to declare the provisions of the act forbidding the importation into this country of neat cattle and the hides of neat cattle, to be inoperative "whenever in his judgment" their importation "may be made without danger of the introduction or spread of contagious or infectious disease among the cattle of the United States," must be regarded as unwarranted by the Constitution if the contention of the appellants in respect to the third section of the act of October 1, 1890, be sustained.

That Congress can not delegate legislative power to the President is a principle universally recognized as vital to the integrity and maintenance of the system of government ordained by the Constitution. The act of October 1, 1890, in the particular case under consideration, is not inconsistent with that principle. It does not, in any real sense,

invest the President with the power of legislation. For the purpose of securing reciprocal trade with countries producing and exporting sugar, molasses, coffee, tea, and hides, Congress itself determined that the provisions of the act of October 1, 1890, permitting the free introduction of such articles, should be suspended as to any country producing and exporting them that imposed exactions and duties on the agricultural and other products of the United States which the President deemed—that is, which he found to be—reciprocally unequal and unreasonable. Congress itself prescribed, in advance, the duties to be levied, collected, and paid on sugar, molasses, coffee, tea, or hides produced by or exported from such designated country while the suspension lasted. Nothing involving the expediency or the just operation of such legislation was left to the determination of the President. The words "he may deem" in the third section, of course, implied that the President would examine the commercial regulations of other countries producing and exporting sugar, molasses, coffee, tea, and hides and form a judgment as to whether they were reciprocally equal and reasonable, or the contrary, in their effect upon American products. But when he ascertained the fact that duties and exactions reciprocally unequal and unreasonable were imposed upon the agricultural or other products of the United States by a country producing and exporting sugar, molasses, coffee, tea, or hides, it became his duty to issue a proclamation declaring the suspension as to that country which Congress had determined should occur. He had no discretion in the premises except in respect to the duration of the suspension so ordered. But that related only to the enforcement of the policy established by Congress. As the suspension was absolutely required when the President ascertained the existence of a particular fact, it can not be said that in ascertaining that fact and in issuing the proclamation, in obedience to the legislative will, he exercised the function of making laws. Legislative power was exercised when Congress declared that the suspension should take effect upon a named contingency. What the President was required to do was simply in execution of the act of Congress. It was not the making of law. He was the mere agent of the lawmaking department to ascertain and declare the event upon which its expressed will was to take effect. It was a part of the law itself as it left the hands of Congress that the provisions, full and complete in themselves, permitting the free introduction of sugars, molasses, coffee, tea, and hides from particular countries should be suspended in a given contingency, and that in case of such suspension certain duties should be imposed. (Field *v.* Clark, 143 U. S., 681–693.)

Mr. PHELAN. Mr. President, I have been very much interested in hearing the Senator from Tennessee discuss the oil situation with respect to British monopolistic tendencies. I may repeat what he has said, that I have great admiration for many of the characteristic traits of the British people. The British Government in the minds of most Americans seems to be something apart, however, from the British people. The situation might be described as being another case of Dr. Jekyll and Mr. Hyde. The British people in their amiable and sympathetic views of American aspirations, their love of freedom and personal liberty appeal to us, whereas when matters of policy become practical questions before the British Government the sentiments of the British people evidently are lost sight of. We are now dealing with the policy of the British Government, to which the Senator from Tennessee has referred.

It is the policy of the British Government to acquire the oil supply of the world. I had the pleasure and satisfaction of showing that to the Senate more than a year ago in presenting the report of Mr. Van Manning, the Director of the Bureau of Mines of the Interior Department, which report I had elicited by submitting to him a questionnaire. It was a very valuable report, and I had much difficulty in getting it from the department to which it was first submitted, although the report was made at my instance; and when I submitted it to the Senate I found a reluctance on the part of the Committee on Printing to print it as a Senate document, and it was not printed in its entirety as a Senate document—for what reason I know not—but I managed under the rules to read it into the RECORD at that time, so that it is in the possession of the Senate. In that report the Director of the Bureau of Mines of the United States showed very clearly by citing facts that the British Government was acquiring oil in all the countries of the world, and at the same time was ignoring the claims of the United States and United States nationals everywhere, denying them participation and access to the soil.

They went so far as to dismiss from their service American citizens. I believe they were taught a lesson by the Germans, who prior to the war were in possession of very valuable natural resources of Great Britain in Australia and her other colonies, and even had great plants in the "tight little island" itself; and they, taking that page from the German book, decided to invade other countries and get their natural resources, in addition to holding strenuously on to their own. I consider it a very good policy for Great Britain if it will work. But it will not work.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. PHELAN. I do.

Mr. McKELLAR. Right there, I omitted to state that while England was utterly unable to pay the interest on the debts that she owed the United States, she had enough money to appropriate this last year $5,000,000 to be turned over to her agent, Lord Cowdray, for the purpose of prospecting for oil in England itself; and they found one little well that, I think, produces about 32 barrels a month, or a year, I have forgotten which. They can throw away their money for the purpose of even prospecting for oil, but they are entirely too poor to pay the interest on their debts to this country; and, by the way, England is buying those oil rights in every nation at the same time. She has spent countless millions of dollars upon acquiring oil property to be used to the disadvantage of American commerce, while declining to pay the interest on the debts that she owes America, and when we are taxing our people to the utmost by reason of those loans.

Mr. PHELAN. Mr. President, the Senator is quite correct, so far as the information which I possess on this subject would lead me to believe, that Great Britain on the one hand wears the Mr. Hyde aspect, putting on the poor mouth of national necessity and excessive taxation and tremendous cost of the war, by reason of which she can not pay her debts, and at the same time she takes that money which the United States supplied her with for the purpose of prosecuting the war—because otherwise her own money would have gone for that purpose—and uses it for the acquisition of oil fields throughout the world, in fear of the commercial and naval rivalry of the United States.

They have taken a feather from the pinion of the American eagle and turned it against that noble bird.

> So the struck eagle, stretch'd upon the plain,
> No more through rolling clouds to soar again,
> View'd his own feather on the fatal dart,
> Which wing'd the shaft that quiver'd in his heart.

It is hardly as bad as that. So far their dart has not been fatal; but England, being a "tight little island," with a large colonial empire, has to assert itself upon the seas. The United States is a great producing country, and in pursuit of its national prosperity must prosecute business upon the seas, because a country's wealth and a country's happiness is derived primarily from the exchange of commodities, which is trade and commerce. Therefore, in pursuance of our policy, we created a great merchant marine, and our ships are now restored to the seas, which has caused great alarm in the commercial circles of Great Britain, which does not interest us, nor should it interest us very much. I believe there is room enough in the world for both Great Britain and the United States, as I believed there was room enough for Germany and Great Britain in their commercial enterprises; but Germany made the fatal mistake of trying to subjugate the world by arms when she was on the way of doing it by trade.

Great Britain, therefore, is taking the oil supply of the world. The Senator has referred to subjects which I did not intend to bring up at this moment; but he says that at the very time we loaned them $4,000,000,000—an inconceivably large amount—they were taking their own money, or our money—it is immaterial; it was all turned into their treasury—for the purpose of acquiring the oils of the world, because, as he well explained, oil is necessary in the operation of ships.

It is an economical use. It gives a wider steaming radius, gives economy in consumption, gives economy in space, and no coal burner can compete with an oil burner in the merchant marine nor in the Navy. The nation that is in possession of the oil is in possession of the trade and in possession of the seas, and that is the thing we have to keep in mind. If there were enough oil for all, we might not resent Great Britain's greed; but there is not enough oil for all, and we are now consuming much more than we produce in this country.

I am not speaking idly when I say that Great Britain has pursued that policy diligently, even at a period of time during the war when she had her back, as she said, against the wall, and she would have been impaled to that wall had it not been for the American Expeditionary Forces. At that time so strong was her trade instinct—almost as strong in her as the instinct of life—that she was acquiring oil then, looking forward to the day when she would have to meet competition upon the seas. Mr. William Denman, who was then head of the American Shipping Board as its first chairman, has given very valuable testimony recently to that effect; and I submit here a letter from Mr. Denman, of which I will read a part, in which he describes the conditions in the spring of 1917, when the Balfour mission came to the United States. The Balfour mission was in the United States for the purpose of wheedling, by those diplomatic graces in which the British are skilled and trained, four billions of dollars from the Treasury of the United States; and at that time, Mr. Denman being a part of the conference at which sat not only Mr. Balfour and Mr. Denman but Secretary Lansing and Mr. Polk, this colloquy occurred:

Mr. Denman, speaking to Mr. Balfour, said substantially:

"I trust you will not misunderstand my frankness about certain conditions prevailing in Congress. Much of your public life has been spent as a parliamentarian, and I may feel assured of your sympathetic appreciation of the difficulties under which I am laboring in attempting to procure drastic war legislation. There is a strong anti-British sentiment in certain groups in the Congress. I believe I can help hold this in check if I have your assurance that there will be a full disclosure of all the agreements between the Allies affecting the interests of the United States and general world shipping conditions. I will not disclose any of these matters to them, but my position will be strengthened if I can assure them that we know all."

Mr. Balfour replied to this that that was the very purpose of the conference, and that all such matters would be fully disclosed to the American conferees.

He never redeemed his promise.

Mr. President, I ask that this entire letter may be printed as a part of my remarks.

There being no objection, the letter referred to was ordered to be printed in the RECORD, as follows:

FOUR BILLION DOLLARS TO THOSE WHO SECRETLY HELPED DESTROY GUAM.

WASHINGTON, D. C., *January 1, 1920.*

DEAR SIR: In the spring of 1917 the Balfour mission to the United States secured for Great Britain a loan of upward of four billions of dollars. It was a willing transaction between liberal America and liberal Britain. Had the deceptions used in procuring it been known to our Government, the consideration for the loan probably would have had less of good will and more of substantial security for our national interest in the Pacific.

Great Britain is now seeking to renew this loan and substitute distant payment notes for its maturing obligation. This seems a timely opportunity to point out a typical case of that duplicity and lack of candor in Britain's foreign representatives, which have placed a barrier between the liberals of both countries. They have partly destroyed the sympathetic relationship toward the creation of which Mr. Bryce and men of his spirit have so much contributed. They have gravely hampered the similar task of Ambassador Geddes and our quiet but ever-helpful friend Mr. Broderick. The attempt to defeat the Diesel motorship project and the Cunard ship incident, disclosed before the Walsh committee, are similar links in an almost continuous chain.

It is perhaps well that the testimony, which is here offered concerning the negotiation of this loan, comes from one of English antecedents and not sustaining any blood relationship to those now suffering under the atrocities in Ireland.

Mr. Balfour arranged for these moneys in the month of May, 1917. His protestations of deep friendship for the interest of the United States filled our press and warmed his auditors in the Halls of Congress and at the tables, where our hospitality was extended to him. While he was making them the ink was scarcely dry on the last of the three notes constituting the so-called secret Shantung treaties, which, from a naval standpoint, destroyed the island of Guam, probably our most valuable naval base in the Pacific. By their terms Japan, our rival in the Pacific, was, by agreement with Great Britain, confirmed in the possession of the Marienne group of islands, which placed an unsurmountable barrier between us and the North Asiatic coast and the Japanese islands. Great Britain's price for this was the British control of the islands of the South Pacific, which, in the event of the hostilities to which such diplomacy inevitably tends, isolates Guam from the Philippines.

Britain's action is comparable to a treaty between America and Germany, say 30 years ago, whereby, for a price, we agreed secretly to assist her secure the island of Helgoland.

It is obvious that Mr. Balfour owed to us the disclosure of the existence of these agreements. Why he did not requires no further explanation than his quest of the four billions of dollars.

It will help liberal England to understand the growing mistrust of America toward her to know that there was active deception, in addition to suppression of the facts, at the time the loan was negotiated.

At the first session of the conference between the Balfour mission and the American conferees the latter consisted of Secretary Lansing, Mr. Polk, and the writer. On that occasion the following colloquy occurred between Mr. Balfour and the latter. This came after Mr. Lansing had, in a general statement, outlined the scope of our deliberations, when the writer addressed Mr. Balfour substantially as follows:

"I trust you will not misunderstand my frankness about certain conditions prevailing in Congress. Much of your public life has been spent as a parliamentarian, and I may feel assured of your sympathetic appreciation of the difficulties under which I am laboring in attempting to procure drastic war legislation. There is a strong anti-British sentiment in certain groups in the Congress. I believe I can help hold this in check if I have your assurance that there will be a full disclosure of all the agreements between the Allies affecting the interests of the United States and general world-shipping conditions. I will not disclose any of these matters to them, but my position will be strengthened if I can assure them that we know all."

Mr. Balfour replied to this that that was the very purpose of the conference, and that all such matters would be fully disclosed to the American conferees.

He never redeemed his promise, and our faith in him led us to believe we knew all. Instead he continued his protestations of friendship, which, with his great personal charm and rhetorical gifts, created a confidence so warm and so profound that it strains our imagination to believe the underlying deception.

The testimony on this, so far as Americans are concerned, is irrefutable. Our President has told us that it was not until months after that he learned of these secret treaties, which not only destroyed the value of our Pacific naval base but at the same time inserted her bitterest enemy into the heart of China, America's real friend in the Orient. Mr. Lansing made a similar statement to the press many months after Mr. Balfour's departure. My own experience, which related to the ship provisions of the secret treaties, is equally clear on the issue.

Liberal America should permit the renewal of the loan of the four billions, for we should be generous with liberal England in spite of her diplomats' methods. However, it should not be with that naïve trustfulness which makes so painful the disclosure of its simplicity.

Very faithfully, yours,

WILLIAM DENMAN.

Mr. McKELLAR. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Tennessee?

Mr. PHELAN. I do.

Mr. McKELLAR. In this connection I call the Senator's attention to the fact that when Mr. Balfour was here in this Chamber, in speaking with him he said that England's position in the war was extremely perilous, and that the entry of the United States into the war had saved England; and now they are not even paying the interest on the loans we made them!

Mr. PHELAN. So much for duplicity; so much for Dr. Jekyll and Mr. Hyde; and so much for the traditional reputation of Great Britain, "perfidious Albion," that she denies her own faith; that she makes promises which she never redeems; and that she is treating little Ireland to-day with greater rigor and severity than ever Cuba was treated by Spanish conquestadores or Belgium by the hated Hun.

Until that is understood by the American people, England will be allowed to slaughter men, women, and children in Ireland for the purpose of exterminating a race which they can not subjugate; and even then the Irish dead seem to have a way of rising even from the grave, as is evidenced by their long history, in order to meet again their powerful foe. An Irish martyr fights eternally!

I must confess to a little feeling in the matter. I love liberty and justice. I hate to see my country made the victim of British blandishments. These gentlemen come over here, are feted and dined, and they tell the conference, which the Secretary of State himself attended, that they will hold nothing back. At that very time they had in their pockets secret treaties which destroyed the powerful and strategic position the United States possessed in the ownership of Guam in the Pacific. They bartered the Mariana, the Caroline, and the Marshall Islands to Japan by secret treaties, and the United States, surrounded by Japanese territory by the grace of Great Britain, something which had been consummated practically at that time, was, having been left in ignorance of this duplicity, led to contribute $4,000,000,000 to save "Merrie England" from the wrath of the Hun. The English are not a humorous people, but this is the time when they must have laughed.

It was not a brotherly or a neighborly act, but in these transactions of state that side of England which is barbarous and cruel and perfidious developed itself again, and the United States is the victim. Now they ask that the interest on their debt be remitted or that the payment be deferred.

Mr. KING. Mr. President, does the Senator say that England is asking for a remission of interest, and by that does he mean that she is asking to be excused entirely or relieved from the payment of interest?

Mr. PHELAN. No. I understand that at her instance the United States Government has deferred, for a period of three years, the payment of interest.

Mr. McKELLAR. In view of the legislation under which these loans were made, acts of Congress of 1917 and 1918, does the Senator know of any authority in the executive officers of the United States to defer the payment of interest for three years?

Mr. PHELAN. Mr. President, I am not aware that there is any authority in the State Department or the Treasury Department, or in any other department of the United States, to defer the payment of interest. Perhaps the Senator is better informed. It seems to me there have been very many loose methods introduced into the departments by reason of the laxities which have sprung from the war conditions.

Mr. McKELLAR. Mr. President, I will just say that the acts under which these loans were made are very specific. They direct that long-time bonds, not for a longer time than American bonds issued at the same time, and at the same rate of interest, be taken for these loans, and that these are to be interest-bearing bonds, in the same way that our bonds are issued and in the same way that our bonds bear interest, and with like periods of payment. There is no rule better settled in law than that a legislative authority must be strictly carried out by the executive officers of the Government. They can not proceed beyond and they can not make agreements that are not authorized by the act.

My reading of those acts leads me to believe that there is not a sign of authority for the Secretary of the Treasury to do anything except to take long-time bonds, with interest-bearing coupons, such as are provided in the act. He has no authority whatsoever in that act, or any other act that I have been acquainted with, to defer payments or to extend the time of payments.

I wrote the Secretary of the Treasury just before Congress convened, asking him to furnish me information as to what had been done about these loans. He wrote me a letter, in which he stated that the information would be in his report, which came out December 8 last. When the report came out there was no such information in it, and I am rather surprised at the Senator's statement that an agreement has been entered into between our Government and England by which the payment of these debts is postponed for a period of three years, because the acts do not provide for any such postponement.

Mr. PHELAN. The payment of interest.

Mr. McKELLAR. There is no such provision made about the interest, and the Secretary of the Treasury can not go beyond the acts under the law.

Mr. PHELAN. It was my information, which I derived only from the newspapers, that there was an understanding by which the payment of interest should be deferred for three years.

The papers are the great source of all our information, exhibiting a certain degree of accuracy, possessing information which should be in the possession of the legislative bodies, but which only seeps to the legislative bodies through the press; so I am not apologetic for quoting the press. They say that there is now on the way here from Great Britain a gentleman, whose name they give, not associated with the British Government, coming for the purpose of negotiating for a settlement of the debt due to us by Great Britain, intimating that there may be some obligations which we owe to British subjects growing out of the war which might be used in part as an offset, and intimating further that the money was given for the purpose of prosecuting the war in which we were all interested, and that it might be pleasing to the gracious Secretary of the Treasury to make the payment of the English debt to us dependent upon the collection by England of debts due her by France; and there are a great many points which might be debated over a dinner table by which American rights might be bartered away in order that a better understanding should remain between "the great English-speaking nations, which have so much in common," a sentiment that has been worn threadbare by abuse.

I should say it would be the duty of the Treasury under the law to require the payment of the debt, making such terms as would be advantageous, if you please, not in the oppressive sense, but advantageous to American interests; and one effect would be to require her to pay her debts, and at the same time abandon her world policy, emulating the Hun, of corraling and monopolizing the natural resources of the world, especially oils. Our diplomatists would see that that was no hardship in requiring a rich country to pay her debts, as it merely means a burden of taxation a little heavier upon her people; and if they were wise they would see that by requiring her to pay her debts they would accomplish in a most gentlemanly and courteous way the great purpose which American statesmen should have in mind, of preventing British aggression and of protecting our interests upon land and sea, of protecting the merchant marine and the Navy, whereby the merchant marine and the Navy may get oil supplies at stations anywhere throughout the world; or American nationals may, under the full protection and without the opposition of this world empire, develop oil to be sold in the markets of the world and not withheld from American ships.

In my own State, one of the great oil-producing States of the country—which makes me more or less familiar with this oil situation—Great Britain has quietly purchased our oil lands after they had been developed—the proven oil lands—and Great Britain, as ought to be well known by this time, is operating under the name of the Royal Dutch Shell Co. The Shell Oil Co. of California, a branch of the Shell Trading & Transportation Co., and the bigger Royal Dutch Shell Syndicate, is one of the British owners, while another is the Alexander Wier Syndicate, of London, which owns a large block of stock in the Union Oil Co., of California, and which at one time actively controlled the General Petroleum Co. of the State.

Now, they are acquiring the stock of the Union Oil Co., and I noticed recently that they have transferred some English properties to that California corporation, which they in turn own, and that grows out of the fact that there is proposed in the California Legislature a bill barring from ownership of the land any alien person or corporation; that Great Britain having taken the oil of Mexico, Syria, Belgium, Palestine, and Mesopotamia, California is attempting to protect herself. Talking about sovereignty, the Federal Government has limited sovereignty except when it abandons the constitutional means and declares a war emergency. But the Federal Government was asked to impose an export tax. It was said that it could not be done, because the Constitution barred it. It was asked to impose an embargo, but it was said by some that was not tolerated by our law in time of peace. What can the Federal Government do to prevent Great Britain from taking the oil of California?

Mr. McKELLAR. Mr. President, if I may be allowed to interrupt the Senator, there is no inhibition in our Federal Constitution against an embargo, and under the uniform practice of this body, beginning with President Washington's administration and coming on down to President Wilson's administration, embargoes have been uniformly placed whenever this Government saw fit; and since the *Aurora* case, in 7 Cranch, I believe, one of the early reports of the United States Supreme Court, it has been held constitutional. There is no reason in the world why an embargo can not be placed upon the export of our oil whenever Congress desires that it be done.

Mr. PHELAN. I am very glad to have that assurance from the distinguished lawyer from Tennessee. I remember only last year moving that the President be given power to impose an embargo upon the shipment of oil from this country, as an amendment to the leasing bill, and some Senators observed that there was no authority, as I understood, for Congress conferring that power upon the President, except as a war measure; and, on the other hand, it was objected to on the ground that it might provoke retaliation. We are the persons who are being discriminated against in the world, and the party of the other part is the aggressor. They have denied Americans the privileges of exploration and development in other lands, and if we impose an embargo, or put that power in the hands of the President, we are simply retaliating for injuries that have been done us.

Mr. KING. Mr. President——

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Utah?

Mr. PHELAN. I yield.

Mr. KING. I was interested in the statement made by the Senator that his State is contemplating, as I understood him, the passage of a law to prevent aliens from acquiring lands within the State of California. I hope the Senator will not give his support, by any implications to be derived from his statement to-day, to that proposition. I invite the Senator's attention to the fact that we are a creditor nation, and it is obvious that we will be compelled to acquire holdings both real and personal in other countries by way of capital investments if we do any considerable trade with other nations. When we were a debtor nation other nations acquired large

holdings in the United States and our commerce was extended by foreign investments. Railroads in the Senator's own State were built in part with money which came from across the seas, and many of our industries were developed with capital which was furnished by foreigners. We were benefited by the transactions, and other nations were benefited. I should be glad to see our trade and commerce extended and markets opened for our surplus products. Congress recognizes the vital necessity of finding foreign markets for our products, and is seeking to furnish credits to Europe in order that the surplus agricultural products of the United States may find markets. But if we develop our commerce to the extent essential for the highest prosperity we will be compelled to make some capital investments, whether we will or no, in the nations which buy our commodities. Our citizens will enter other lands and acquire property. They will in the future more than in the past become the owners of real and personal property in foreign countries.

Americans have farms and ranches and sugar plantations and mines and smelters and railroads and electric plants in our neighboring Republic, Mexico. American holdings there amount to more than $500,000,000. We have holdings in Central America and in South America. Thousands of Americans are visiting the Republics to the south of us, and also Canada and its various Provinces. Many are establishing homes in those countries and becoming interested in the industrial life of the people.

In my own State a number of corporations have been formed for the purpose of making investments in Colombia and Panama, and I am sure that a profitable trade will be developed between the United States and Colombia as the result of investments which are being made by Americans in Colombia. I am afraid that if the Senator's State passes legislation of the character referred to and that example should be generally followed by the other States of the Union, we would be met by reprisals from other nations and they would enact legislation forbidding Americans from acquiring property therein. If this resulted, might we not lose more than we would gain by prohibiting all aliens from acquiring property in the United States?

Mr. McKELLAR. Mr. President——

Mr. PHELAN. I yield to the Senator from Tennessee to answer the question of the Senator from Utah. His resolution provides for reciprocity, I believe.

Mr. McKELLAR. I do not want to answer so much as I wish to ask a question of the Senator from Utah.

Mr. KING. By the courtesy of the Senator from California?

Mr. PHELAN. Certainly.

Mr. McKELLAR. The Senator holding these views, I ask if he would not be in favor of a law establishing reciprocal relations between Governments; in other words, permitting other Governments and the nationals of other Governments to acquire oil in this country, provided that the United States and her nationals are permitted by such other Governments to acquire oil in the territories of such other Governments. Is not that a perfectly fair reciprocal agreement, and ought it not to be made in the interest of Americans and American rights?

Mr. KING. If I apprehend the question of the Senator, I would respond affirmatively. I believe in reciprocal trade relations between our Government and other nations.

Mr. McKELLAR. That is what I thought the Senator believed.

Mr. KING. The Senator will recall, without having, of course, in mind the subject now under discussion, the last speech delivered by President McKinley. He pleaded for reciprocity and advised his own party indirectly and the American people that the permanence of prosperity in our own country depended upon our trade with other nations. He recognized that the time had come for the modification of the tariff policies advocated by the Republican Party and for larger and freer trade relations between all the nations of the world.

I shall be glad to see reciprocal relations or agreements entered into between the United States and other nations owning oil property, by the terms of which, if they acquire oil possessions here, American citizens shall be permitted to acquire oil possessions there. At any rate, I think I should favor a policy which would preclude the nationals of any country from acquiring oil holdings in the United States if such country denied the right of Americans to secure similar rights in such country.

Of course, we have always to keep in mind the proposition that we have a dual form of government, and the rights of States, as suggested by the Senator from California, are not to be overborne by the Federal Government. There are certain powers which the States possess under our form of government that may not be abridged by the Federal Government. I would not favor the Federal Government taking any step, no matter how advantageous it might be generally, that might result in the abridgment of the rights of the States or the destruction of the prerogatives and powers reserved by the people to themselves or to the States, respectively.

Mr. McKELLAR. If the Senator from California will permit me to interject an answer to the Senator from Utah, I will call the Senator's attention to the constitutional situation in the case of Field *v.* Clark (143 U. S.), in which all the authorities are gone over.

Mr. KING. I am familiar with that case.

Mr. McKELLAR. I am sure the Senator is. It is one of the most famous cases in our books. I suggest to the Senator that I have put in the RECORD so much of that opinion as bears upon the particular bill now under consideration by the Senate.

I will say to him also that in obedience to a Senate resolution of last March, in May of last year the President of the United States reported that certain countries excluded America and American nationals from acquiring oil properties, and those countries were virtually coextensive with the British Empire.

Those countries were given by name. There is a report to the Senate, which the Senator can examine, giving the laws by which Americans are excluded. I am sure, in view of the Senator's statement, that when he comes to examine the law in the case of Field against Clark and the report of the President, which I have mentioned, that he will support the bill which has been introduced.

Mr. KING. Will the Senator from California pardon me a moment?

Mr. PHELAN. Certainly.

Mr. KING. Did the Senator from Tennessee state that England has attempted legislation which would exclude Americans from acquiring holdings, for instance, in Australia, or Canada, or South Africa, or New Zealand?

Mr. McKELLAR. England herself, and in each one of those countries that has been done. It has been done in England and each dominion has taken a like step. She has done it by what are known as orders in council, as the Senator will find.

Mr. KING. May I inquire of the Senator whether those orders in council are operative now and have been continued beyond the time when Great Britain became a party to the peace treaty with Germany?

Mr. McKELLAR. Yes. The President's report of the 17th of May last, as I recall, gives a detailed statement. I do not have it before me at this moment. I shall secure a copy of it and present it to the Senator, because I am sure he will find it interesting in view of the situation.

Mr. KING. Let me say in conclusion, if I may further trespass upon the time of the Senator from California, that if any nation, whether it shall be a dominion of Great Britain or Great Britain herself, or any other nation, enacts legislation that prevents Americans from acquiring holdings, whether they be oil holdings or any other form of property, within the limits of her territory, I would support any legitimate and proper measure that would place their nationals in a like situation in the United States.

We are entitled to fair treatment at the hands of every government, and if they seek to interdict our trade or seek to prevent Americans from making investments, capital or otherwise, in those lands, I see no reason why we should not apply the lex talionis and protect the rights of American citizens everywhere under the shining sun.

But I wish to add this: I am somewhat surprised at the statement of the Senator. I will not challenge its correctness, but it had not been called to my attention that Great Britain, which owes so much of her prosperity to her foreign trade and investments, should now adopt a policy which inevitably, if she shall long pursue it, will bring reprisals and will strike at the very foundation of her national prosperity and her commercial activity in the world. She will bring down upon her head the wrath of offended nations and her crown of primacy will be stripped from her, if it has not already been done by our Nation, the giant of the New World.

Mr. McKELLAR. If I may interject again, I will say that the same view that the Senator has just expressed was, as late as November 27 last, expressed by one of the leading oil journals of London, in which it was said that the policy which the British Government had undertaken in regard to oil, especially so far as its agreement to exclude Americans and others from Mesopotamia and Palestine, was a mistaken policy, and that the British Government ought to revoke it. It will be seen that even in England all of them do not approve—at least this particular journal, which is an organ of the trade—of the English policy.

Mr. KING. Of course, the Senator knows that Great Britain has no control over Canada or New Zealand or South Africa or Australia—I mean control for the purpose of determining the landed policy which they shall adopt, and those dominions may enact such legislation as they please, the effect of which might exclude Americans or Germans, or any other nationals, for that matter, from acquiring oil holdings or other property within their boundaries.

Mr. McKELLAR. Of course, I understand that, but it is a little remarkable, and I think the Senator will admit that the President's report shows—there may be one or two exceptions to the rule—that practically only English dominions have barred Americans and others from obtaining oil lands in their territory.

Mr. PHELAN. Mr. President, the Senator from Utah asked me a question concerning the law proposed to be enacted by the Legislature of California forbidding the ownership of any part of its soil by foreign nationals or foreign corporations. At first he deprecated the idea, but in the course of the debate, when better informed by the learned Senator from Tennessee [Mr. McKELLAR], saw the necessity of protecting American interests, because it is well known that Great Britain has practically forbidden the nationals of the United States from operating in British territory oil wells, either the exploitation or the development of them, and also, as I understand it, in the mandatory countries, mandates for which she has recently assumed in the Near East.

Mr. KING. Will the Senator from California pardon me further?

Mr. PHELAN. Certainly.

Mr. KING. In anything which I said subsequently to the expression that I hoped that the Senator's State would not enact the legislation referred to, I did not intend to qualify or modify that general statement. I repeat that at the present time and in the light of present world conditions I would regard it as a mistake if the State of California or any other State should enact a general statute which in terms forbade the nationals of any other country from acquiring or holding property within that particular State or any State. I am not discussing the policy which should be adopted by any State or by the United States if a nation should prohibit Americans from acquiring or owning property within its borders. But as a general proposition, if the State of California or any State should now pass a broad statute forbidding the acquisition of property by an alien in that State, I would regard it as an unwise policy. Of course, I am speaking only of the present and have in mind the picture of the world's affairs at the present time and our relationship to such affairs.

Mr. PHELAN. Mr. President, before answering the Senator I desire to call the attention of the Senate again to the message of the President of May 17, 1920, in response to the Senate's resolution of March 10, 1920, requesting the President, if not incompatible with public interest, to inform the Senate as to the restrictions, if any, imposed either directly or indirectly by France, Great Britain, Holland, Japan, or any other foreign country or dependencies upon the citizens of the United States in the matter of prospecting for petroleum, and so forth.

Referring to the British Empire, the President said:

> In general each dominion and colony has its own legislation on the subject of the petroleum industry.
>
> The policy of the British Empire is reported to be to bring about the exclusion of aliens from the control of the petroleum supplies of the Empire and to endeavor to secure some measure of control over oil properties in foreign countries. This policy appears to be developing along the following lines, which are directly or indirectly restrictive on citizens of the United States:
>
> 1. By debarring foreigners and foreign nationals from owning or operating oil-producing properties in the British Isles, colonies, and protectorates.
>
> 2. By direct participation in ownership and control of petroleum companies.
>
> 3. By arrangements to prevent British oil companies from selling their properties to foreign owned or controlled companies.
>
> 4. By orders in council that prohibit the transfer of shares in British oil companies to other than British subjects or nationals.
>
> It is understood that the British Government has a controlling interest in the Anglo-Persian Oil Co. and that it has also assisted in the development of the Papuan oil fields by bearing one-half of the expense and contributing experts.
>
> It may be of some significance that by general license of September 1, 1919, prohibited transactions under the regulations of the defense of the realm act were again permitted except as such transactions might relate to oil-mining property.

They excepted oil-mining property from the liberal exceptions of their war legislation; oil-mining property would not be released; and foreigners should be debarred from interfering in anything that affected the development and the production of petroleum oil. We must bear in mind the importance of petroleum oil in order to understand the significance of the action of the British Government. The President continues:

> According to recent reports prospecting for petroleum is lawful in the United Kingdom only by the board of trade or the minister of munitions or persons authorized by them. Similar regulations apply to working a petroleum property. The only drilling now going on in the United Kingdom for petroleum is being done by S. Pearson & Son (Ltd.), as petroleum development managers to the Government.
>
> It is said to be unlawful for a British citizen, without the consent of the board of trade, to transfer to an alien or to a foreign-controlled company any interest in a company controlling an oil field in the United Kingdom. (Defense of the realm act of 1915 as amended Oct. 23, 1917, regulation No. 30, BB.)

That simply confirms what I have said, that the British Government is monopolizing the oil of the world and debarring foreigners from participation not only in Great Britain but in her dependencies, protectorates, and mandatories. So the fight is on. Shall we respond in the spirit of retaliation, or shall we submit to the injury without protest? California proposes to retaliate. Because the Federal Government has no power, California comes to the aid of the Federal Government. The Federal Government can not pass a statute by which the nationals of Great Britain can be barred from ownership of American soil. What is the poor United States going to do? The United States must appeal, in the spirit of reciprocity and reprisal, to the States of the Union severally to enact through their legislatures laws barring Great Britain or any other country that adopts such an attitude toward our Nation and our nationals. So California proposes to pass an alien land law, barring all aliens from the ownership of land, whether it be agricultural or mineral.

Last November California passed by popular vote an initiative law barring from the ownership of the soil those aliens who were ineligible to citizenship, which included the Japanese, the Hindus, and the Chinese. So now we have a good law upon the statute books, barring certain aliens from the ownership of our soil. It was intended by that act to protect the agricultural lands of the State from being monopolized by persons who were racially incapable of becoming citizens because they can not assimilate and make a homogeneous people. If I should analyze the question, it would be seen that to permit them to enjoy citizenship would be to plant the seeds of democratic dissolution, and we should have no democracy, for we can have none where we do not have real equality among our people, with the right to intermarry and to grow up as one family. We can not grow up as two families without having a divided house, and "if a house be divided against itself, that house can not stand."

Mr. KING. Mr. President, will the Senator yield to me?

Mr. PHELAN. I yield.

Mr. KING. I understand the Senator's statement to be that his State proposes now to enact a law which will prohibit all aliens from acquiring land, either mineral or agricultural, or any real estate holdings, I presume, within the State. Would he go so far as to prevent aliens from holding personal property?

Mr. PHELAN. No.

Mr. KING. The prohibition, then, will apply merely to real estate?

Mr. PHELAN. Yes.

Mr. KING. The Senator knows that there are many people from his State who have large holdings in Mexico, and those holdings are not limited to personal property, but consist very largely of real estate. There are a number of people from my State who have real estate as well as personal property in Mexico and also in South American Republics. And at the present time there are billions of dollars worth of property owned by American citizens in other countries, and in order to sell our surplus products Americans have extended to Europe during the past two years nearly four billions of credits. In some cases they have obtained European securities and perhaps in some instances have taken property—situate in Europe—in part payment.

I desire to ask the Senator as one who desires the welfare not only of his own State but of all the States and of all the people within the States whether at the present moment he justifies legislation of the character just referred to; and whether he does not think that such legislation may be seized upon by Obregon or by foreign Governments as the basis of a policy that will prevent Americans from acquiring property within such countries?

The Senator knows that in South America and in Central America to-day there are some people who distrust the United States. They think that we have sinister designs not only upon their Governments but upon their property; that we are now maintaining in the Panama Canal Zone a large number of soldiers not for the purpose of protecting the Panama Canal but as a sort of menace to and threat against Latin America. Does not the Senator think that if his State and other States in the Union should enact legislation of the character referred

to it would provoke hostility from our neighbors to the south, whose friendship we so much desire, as well as the hostility of people in Europe and elsewhere; and that they might be led to legislate along the same lines, so that we should be precluded from making capital investments in other lands for the purpose of aiding our trade as well as for other legitimate and proper purposes?

Mr. PHELAN. The Senator from Utah does not, of course, include Great Britain, for I have just demonstrated to him that Great Britain has already barred Americans.

Mr. KING. Mr. President, if the Senator will pardon me, I was speaking of a general statute; I am not speaking now of a State passing a law by way of retaliation against some other nation that has precluded Americans from acquiring property within its borders. If the legislation to which he refers is leveled against Great Britain alone, and Great Britain has prevented Americans from acquiring real estate within her colonies and dominions and within Great Britain herself, another question is presented, and I might very heartily concur in legislation of that character; but a broad statute, aimed at the whole world, I think, would be a mistake, and we would suffer more, perhaps, than other nations.

Mr. PHELAN. The Senator is aware that Great Britain is not the only offending country. I refer him to the President's letter and I also refer him to the report of the Bureau of Mines, where each country in turn is mentioned, and most of them have imposed either prohibitions or restrictions. It seems the policy of all these countries is to hold the oil—this newfound precious mineral—tight in their own possession. For that I am not disposed to blame them, but I want the same privilege for the United States. The Senator admits that there is no power in Congress to protect the United States; so the protection given to this country must be given by the several States themselves to prevent the depletion of our supply.

Mr. KING. Mr. President, I hope the Senator will pardon me, but I do not wish him to misinterpret anything that I have said. I have said nothing to indicate impotency on the part of the Federal Government to protect itself. I merely stated that the Federal Government could not interfere with the prerogatives and rights of the States; there are some things in which the States are supreme; there are some things in which the Federal Government is supreme. I agree with the Senator from Tennessee as to the power of the Government to lay an embargo. I discussed that question to some extent in 1917, when the question of embargo was under consideration here, and called attention to some of the acts that were passed by Congress in the time of Thomas Jefferson.

Mr. PHELAN. As to the embargo, I again remind the Senator that I proposed such a provision as an amendment to the leasing bill, but received no support in the Senate. I considered at that time that it was the only Federal remedy possible. Granted that the power reposes in the United States to impose an embargo, then such action should be taken at once by Congress, because, as I stated at that time, by giving the President power to impose an embargo the foreigner would be deterred from acquiring American oil lands, for if he could not export the oil he would not seek the land. However, that remedy was denied, and since then large tracts have been acquired.

Mr. President, a very curious thing happened in Washington the other day. During the conversations between the Japanese ambassador and the State Department, I learn from the newspapers again, it was suggested as a measure of pacification to the Japanese that California, having by plebiscite denied them the ownership of land, it was now proposed by the legislature to enlarge that prohibition to include all other nations, and therefore the Japanese might go back to their people and say there is no discrimination against them; that the law is universal in its application. The Japanese took time to consider it, and after a day or two came back—having been visibly pleased, I am told, by the proposal—to say that they could not consider it at all; and I am again informed by the mysterious and underground sources of information, as well as by the public press, that there was some sort of a conference between British interests and Japanese interests, and that Japan was told not to accept that as a compromise because it would bear too hard upon her distinguished ally, Great Britain, which was trying to hold onto her oil lands in California and even to acquire more.

We are diplomatically unwise. We are foolish in our generosity. What has happened within the last two months in California? The Shell Oil Co., the British company, has sold to Japanese tankers, three of them—I think there is one in the harbor now—which have come all the way from Japan to take our oil, our California oil, of which there is an insufficient supply for our needs, and carry it over, I am told, to their great storage plants in Formosa. Two tankers took away, I am told, 86,000 barrels of oil, and I have since been advised that they paid for that oil to the British company operating in California and taking that fluid out of our soil $1.80 a barrel, whereas American industries in California, if they are permitted to buy it at all, have to pay $2.40 a barrel, and on top of that it is being rationed. They say who shall and who shall not have the privilege of buying it.

They are making little pretense of serving local interests, and it seems to me almost beyond belief that a foreign corporation could in any Government, even as loosely organized as our own and as generous as our own, be permitted to take out of the soil the essential fluid which can never be returned and give it to a possible enemy, who is storing it away against the day when it shall need that oil for the propulsion of its war craft.

Why, if we had that system, which is thought admirable in England, of issuing orders in council, the first act of a wise administration would be simply to interdict the exportation of any more oil from this country without a license or a permit, knowing its destination and ultimate use. But there we are. California, this fair land that produces everything in such abundance, is bleeding to death and losing its vital fluid; and where is it going? To support rivals in trade. Whether they be English-speaking or Japanese-speaking, they are rivals in trade; and certainly by no law are we obliged to facilitate the business of our rivals in trade or to build up an enemy which might ultimately destroy us.

Mr. KELLOGG. Mr. President——

The PRESIDING OFFICER (Mr. ROBINSON in the chair). Does the Senator from California yield to the Senator from Minnesota?

Mr. PHELAN. I yield.

Mr. KELLOGG. I think it is true that the British Government and other Governments are trying to exclude American citizens from developing oil lands in their possessions. Is this Government taking any steps to protect American citizens or to procure by treaty rights for American citizens the same privilege to develop oil lands in foreign countries which foreigners have in this country?

Mr. PHELAN. I am not well advised as to that; but I read in the press again that the State Department had protested to England against the barring of Americans from participation in the development of the oil fields in the mandatory countries, in the Near East, Mesopotamia, Palestine, Syria, and also in Persia. That is the only step that I know that has been taken, and that is a matter of public knowledge.

Mr. KELLOGG. We have the power to retaliate and prevent them from doing so.

Mr. PHELAN. We have the power.

Mr. McKELLAR. Of course. I will say to the Senator that that is the purpose of my bill.

Mr. PHELAN. Did I understand the Senator from Tennessee to say that he had written the State Department for information on that subject?

Mr. McKELLAR. No; but I saw the protest of Mr. Polk, the Undersecretary of State, last March or April——

Mr. PHELAN. That is the one to which I refer.

Mr. McKELLAR. And then a letter of protest of Secretary Colby, four or five weeks ago. These protests seem to have been futile. As I understand the situation, an American oil company before the war—before we entered the war, at all events—secured permits from Turkey to prospect for oil in Mesopotamia, and probably built a railroad to carry the oil-digging machinery and supplies; but the war came on and stopped that, and when the American company proposed to continue under the Turkish permit England stepped in and said: "No; we are a mandatory for Mesopotamia, and you can not go in now," and the matter has been held up for some months.

That is the situation practically with all the English colonies, protectorates, mandatories, and even spheres of influence; and I will say to the Senator that the purpose of my bill is to require all countries that obtain oil rights here, or that obtain our oil in this country, to give American citizens exactly the same right to obtain and own and mine oil in their countries, and I think it is a perfectly fair proposition. It is in a measure retaliatory, of course, but it ought to become the law, and I hope it will become the law, and I hope the Senator will vote for it.

Mr. PHELAN. If there is no such resolution on the table, I shall introduce to-morrow a resolution asking the State Department what it has done in the matter of protecting the rights of Americans abroad in respect to the exploitation and

development of oil; but whereas, as the Senator from Minnesota says, the remedy may be in the negotiation of treaties, still there is no such protection given American citizens, as I understand, in these matters, and we must, therefore, fall back upon statute law.

Mr. KELLOGG. I did not say that that is the only remedy.

Mr. PHELAN. It is one of the remedies.

Mr. KELLOGG. It is one of the remedies, and the trouble might be that if the Federal Government should enter into a treaty which was contrary to the law of the State the treaty would be superior.

Therefore the Federal Government ought to try to protect American citizens by treaty rights.

Mr. PHELAN. That is another constitutional question; and I shall not enter into a discussion of the power of the Federal Government by treaty to override the act of a State acting within its legitimate jurisdiction on a subject which is not international in character. I do not know but that the ownership of land, the control of the land, the succession to the land, as we have always claimed in the discussion of the League of Nations, is a domestic question, and it is an impertinence for a foreigner either to demand admission to the country, which is our country, or to own its lands; and therefore these subjects are not international. It is an invasion by a foreigner into our domestic affairs, and, not being international, it might not be competent for the President and two-thirds of the Senate to set aside a statute of a State. That is a nice question.

Mr. KELLOGG. Mr. President, I do not want to interfere with the Senator's argument. I quite agree with the Senator that we ought not to admit foreigners to become citizens of this country who will not amalgamate and make a homogeneous people. I think it is a vital question to the national life of this country. But the status as a legal proposition of a foreign citizen in any State, and his rights in those States as to ownership of property, is a Federal question which may be regulated by treaty; and when the treaty is made, if such a one should be made, it is superior to the laws and the constitutions of the States. The Supreme Court has settled that question. So I think it is important that such foreigners should be excluded by treaty, and that the Government at least ought to exercise all vigilance possible by treaty to protect the rights of American citizens in foreign countries.

Mr. KING. Mr. President, will the Senator yield?

Mr. PHELAN. I yield.

Mr. KING. I think one statement of the Senator from Minnesota may be construed a little too broadly, and I ask for information. The Senator indicated, as I understood, that there ought to be a treaty for the purpose of determining the rights of aliens in the United States, and I agree with him; but I understood him to indicate that unless that were done it might lead to very serious complications. I did not quite understand the point of the Senator.

Mr. KELLOGG. No; I did not say that. I said simply that if the Federal Government did by treaty provide what rights foreigners should have in this country, it was the supreme law of the land. That is all I said.

Mr. PHELAN. Mr. President, I have been turned from a discussion of oil to immigration—a subject which I should like to discuss by itself, because I am intensely interested in the solution of the immigration question. The Senator from Minnesota states, however, that by treaty a State may be deprived of the power which in the absence of a treaty it would be entitled to enjoy, or that as against a State law the treaty would prevail. Doubtless in many instances that is so; but there is one consideration to which I will refer, and then I shall discontinue that part of the discussion.

The theory of that power—the power of the President, by and with the consent of two-thirds of the Senate, to make treaties—must have been based, in the minds of the Constitution makers, upon the fact that the States composing the Federal Union, being represented in the Senate, would be able to look after their own interests, and that there would be some comity between the representatives of the several States by which injury would be prevented which would apply to one State by reason of its peculiar resources and which would not apply to another State; and that is our condition in California. We come to the States of the Union, represented in the Senate, to protect us either by treaty or by statute against any danger which may affect the substantial interests of the people of the State, such statutes or such treaties not affecting at all the other States, because in the one instance they may not have among their resources oil, or in the other instance they may not be exposed to oriental immigration. So we are quite willing to come to the Senate for our protection; but the Senator from Utah says, as though it were a new matter, that we would excite the animosity of the world if we passed any laws barring as a general proposition foreigners from ownership of the soil. I call his attention to the Federal statutes which apply to the District of Columbia and the Territories. Here is a statute which apparently has been forgotten, by which no alien can own land in the District of Columbia:

CHAPTER VII.—ALIENS.

SEC. 396. Real estate: It shall be unlawful for any person not a citizen of the United States or who has not lawfully declared his intention to become such citizen, or for any corporation not created by or under the laws of the United States or of some State or Territory of the United States, to hereafter acquire and own real estate, or any interest therein, in the District of Columbia, except such as may be acquired by inheritance: *Provided*, That the prohibition of this section shall not apply to cases in which the right to hold and dispose of lands in the United States is secured by existing treaties to the citizens or subjects of foreign countries, which rights, so far as they exist by force of any such treaties, shall continue to exist so long as such treaties are in force, and no longer, and shall not apply to the ownership of foreign legations or the ownership of residences by representatives of foreign governments or attachés thereof.

SEC. 397. Corporations: No corporation or association of which over 50 per cent of the stock is or may be owned by any person or persons, corporation or corporations, association or associations not citizens of the United States shall hereafter acquire or own any real estate hereafter acquired in the District of Columbia.

SEC. 398. Forfeiture: All property acquired or held or owned in violation of the provisions of this chapter shall be forfeited to the United States, and it shall be the duty of the United States attorney for the district to enforce every such forfeiture by bill in equity or other proper process. And in every such suit or proceeding that may be commenced to enforce the provisions of this chapter it shall be the duty of the court to determine the very right of the matter, without regard to matters of form, joinder of parties, multifariousness, or other matters not affecting the substantial rights either of the United States or of the other parties concerned.

The United States, you will observe, has set the pace.

I understand that there is an act on this subject applying to and including the Territories of the United States, and I know that the State of Oklahoma, and the State of Arizona, and the State of Illinois, and the State of Washington have statutes barring foreigners from ownership of the soil, and that there are restrictions in other States, such as Indiana, Pennsylvania, and Minnesota.

So it is a matter of Federal policy, as well as in many States State policy, to bar foreigners from the ownership of the soil. It is established law. What injury can it possibly do? The injury might be in retaliation. But we find the world has already taken an aggressive stand against us. So our act will be retaliation.

We depend upon Mexico for oil. Is there the least danger of Mexico in good faith retaliating? No; because Mexico, having an abundance of oil of her own, is not seeking California oil. She does not bar anybody from the development of oil, so far as I know, but there have recently been imposed some restrictions, which have been rather burdensome to the oil operators, more in the nature of excess taxes, I should say, or legislation affecting the absolute ownership of the soil. But it is not done, certainly, in the spirit of retaliation, because Mexico is not barred through her nationals from coming into most of the States of the United States, and if barred, by a prohibitory statute, it would not affect Mexicans, because it is well known that they do not develop foreign countries; they do not develop their own country. Living in a poor country, without any capital, they are not going out into strange lands to explore for oil.

So, as a practical proposition, I do not see how the proposed law in California, if it is enacted, would operate except as retaliation against the countries which have already barred Americans.

But the advantages and benefits must be weighed by legislators. California has a great field of oil. We produce probably 280,000 barrels a day. That in itself is not large, but there is a great deal of oil land there which has not been developed and which should be tightly held, economically operated, and not wastefully used, because, after all, there is a limit. I am told that we have not exhausted more than 1 per cent of the estimated coal resources of the United States, but as to oil the experts say we have already used perhaps 60 per cent of the entire stored oil of the United States. So it is only a matter comparatively of a short time until we shall have exhausted our oil, and how, in the face of that, can the State legislature, conserving the interests of California and of the country, permit foreigners to come in there under any circumstances and take out this fluid and send it away to foreign lands for their use and benefit?

Mr. MCKELLAR. Mr. President, I will say to the Senator that the experts say that it will all be exhausted in this country, at the present rate of production, in 15 years.

Mr. PHELAN. At the present rate of consumption.

Mr. McKELLAR. Of production, too. Of course, the production and the consumption are practically the same.

Mr. PHELAN. We can regulate both.

Mr. McKELLAR. At all events, at the present rate of production, or the present rate of consumption, it will be all gone in about that time.

Mr. PHELAN. If I were a member of the Legislature of the State of California, the question raised by the Senator from Utah [Mr. KING] would have to be very carefully considered. But reading the President's message and reading the report of the Bureau of Mines, and finding that as an actual fact Americans are barred now from operating oil wells and owning property in foreign lands, it would appeal to me as very good statesmanship to pass a blanket law barring nationals of these other countries from owning and controlling our California oil wells. As a matter of fact, it affects only Great Britain; but it would be better, I think, to make it general in its terms than to single out Great Britain as the one country because Great Britain is the one enterprising country that is going around the world looking for oil, with a view of perpetuating her primacy upon the sea.

So really this general law would affect in California only Great Britain. So it is a question of international courtesy, whether we should name the culprit, or whether we should make the law so general that it would include the culprit; and I am in favor of causing the least offense while accomplishing the greatest good. If it is true that the Federal Government has barred foreigners from owning real estate in the District of Columbia and, I believe, in the Territories, and that the States of Arizona, Illinois, Oklahoma, and Washington have such laws, the fact that California proposes to pass such a law, with such an excellent precedent, should not cause any surprise. But California has the precious fluid—that is the point—and a law there would be of some service. Furthermore, when we were liberal in giving these rights to foreigners, where we might have barred them from owning and developing the soil, it was at a time when we needed the foreign money, and the foreigner wanted a field for investment. Now, the scepter has passed from London to New York, and nobody is asking London for money, unless it be the Secretary of the Treasury, and he can not get it.

Everybody who has an enterprise goes to New York, the great money center. Therefore there is no reason—and when the reason ceases the law ceases—why we should have practically a law on the statute books of California giving Great Britain the very valuable privilege of taking our property away from us, property which we can ill afford either to sell or to give away, vital for our interests and our industries, by land and by sea.

Therefore I am of the opinion that the California statute should be enacted, and I will say that the California delegation day before yesterday in conference expressed as its opinion the desirability of enacting that statute. It will serve a double purpose there; first of giving a face to Japan. She can tell her people at home, who are clamoring in the market places for equality, that this law of California, passed by a wicked people, barring the Japanese from ownership of the soil, has now been broadened to embrace all people, and therefore Japan has been treated in terms of equality, because her disabilities are the common disadvantages of all.

The second reason is that Great Britain is under our very nose taking our oil and, which adds insult to injury, is actually shipping it in Japanese tankers to Japan. Must we tie our hands while this is going on? If the Federal Government had the power to help us, I would appeal to the Federal Government. I would be very glad, following the suggestions made here to-day, to submit a resolution to give the President power to impose an embargo, and I think that any President would, in these circumstances, impose an embargo. But in the absence of an embargo, there is no other remedy than that remedy which is possessed by the State of California, and which California proposes to use.

This is a period of international good will. We have been our brother's keeper, and the brother, having regained his freedom, is exercising it to the limit, and in the exercise of his freedom he has not exercised a very nice discrimination in serving friend as against foe. He trades with Germany, his hated enemy, in order to get in ahead of the American agents. We have been slow in concluding formally a state of peace, which should exist between this country and the nations of the world.

But our brother has not been neglectful of taking advantage of our absence from the council board. Because we did not sit in the council of the League of Nations, after having created it by our sword, the fruit of the prowess and the courage of our men, at a critical moment, they have denied us equal privileges in Mesopotamia and other mandatory countries, and they have, pursuant to the covenant of the League of Nations giving discretion, allocated to Japan and to Great Britain the mandates for the Marshall, Mariana, and Caroline Islands north of the Equator and German Samoa south of the Equator, from which they have turned our ships by preferential treatment of their own. There has been imposed a discriminatory duty of 7½ per cent by New Zealand against our merchantmen on the value of their cargoes, and in favor of British merchantmen, in German Samoa, when, during the 16 years of the occupation by the hated Hun, Americans enjoyed equal privileges with all other nations, as they did in the Marshall and the Caroline and Mariana groups.

The good President said, in his conference with the Committee on Foreign Relations of the Senate, that there was an island over there—he did not recall the name of the island—that he would certainly get as a favor to an old servant. He would get for the United States the island of Jap—or, rather, Yap; there is a horrible significance in the similarity of "Jap" and "Yap." The island of Yap, it was testified by officials of the Government at the time, was vital for our communication between continental United States and our island possessions and Asia, a most important strategic point, a little island through which we could send our radios and lay our cables; but that, too, has gone the way of all flesh. Greed knows no friendship. The President has been undeceived. The Senate by resolution has asked in vain what has become of Yap.

Now, we have not been treated by these nations, bound in fraternal bonds, with any degree of consideration whatever, and, of course, it is reopening an old question, but the Senate of the United States is blamed for it. If the Senate had so provided, we would have had a representative on the council of the League of Nations, and we would have imposed conditions in the awarding of mandates, or we would have prevented an awarding of mandates as we saw fit, as it required unanimous action by the council, and we would have had our share of the rich oil fields of the countries in the Near East, which were disposed of by the council under the terms of the treaty. So, if it is any gratification to this side of the Chamber to know, the fault lies with the other side of the Chamber in refusing to give us representation in good season.

Now there is a change of administration, and I gather very clearly that there is going to be an international understanding by which we will participate in the settlement of Old World affairs, in the interest of justice, democracy, and humanity, and it will be a modification of the League of Nations.

Mr. McKELLAR. After the division of the spoils has been made.

Mr. PHELAN. I was going to add, we will come on there lagging, lagging superfluous upon the stage after the show is over and the doors are closed.

Mr. KELLOGG. Mr. President, for the information of Senators if they should care to look into it, the Senator from Montana [Mr. WALSH] placed in the CONGRESSIONAL RECORD on July 14, 1919, volume 58, Part 3, at page 2526, an address which I made when I was president of the American Bar Association, reviewing all the authorities upon the question of the supremacy of the treaty-making power. I did not attempt to discuss the question as to whether Japan had any treaty rights as to her citizens or not, but assuming such treaty rights, I discussed the question of the supremacy of any treaty to the laws of the States and the constitutions of the States respecting a foreign citizen's status in this country.

Mr. KING. Mr. President, in a brief colloquy between Senators during the discussion of important questions one runs the risk of being misunderstood in respect to matters under discussion. I am not sure that I made my position plain when I interrupted the Senator from California and propounded a few questions and submitted a few observations. With much of what the Senator says I am in accord.

I did not intend to convey the idea in anything stated by me that I denied the power of the States to prohibit by legislation aliens from acquiring lands or other property within their borders. I do not question the right or the power of States, subject to the treaty-making power of the Federal Government, and perhaps other limitations, to enact legislation denying aliens the right to own real or personal property within their respective borders.

The Senator has directed attention to a law of Congress relating to the District of Columbia. I am familiar with that law and recall that a number of years ago, when I was in the House, I participated in framing a statute which imposed

limitations upon the right of aliens to hold real estate within the District of Columbia. Nor am I unmindful of the acts of Congress which prohibit aliens from locating mineral lands of the United States; and I know that it has been the policy in the Territories to deny to aliens the same rights to own real estate as those enjoyed by citizens of the United States. I also am familiar with the fact that a few States have enacted similar legislation.

I repeat, it is not the question of the power of the States that I am discussing, nor am I challenging their inherent right to deal with their domestic questions, including the terms under which aliens may hold and enjoy property within the boundaries of the States. What I am questioning at the present moment is the wisdom of the policy of California, or any State, to pass laws which deny aliens the right to acquire and enjoy property, real or personal, or both, within their borders.

We can not be oblivious to the fact that the world is in an unsettled and unstable condition. Jealousies, suspicions, and profound distrust exist throughout the world. The failure of the United States to enter the League of Nations has unquestionably led some of the peoples of the world to question the sincerity of our Nation in its protestations of disinterested friendship for the oppressed peoples throughout the earth. Undoubtedly there are some nations jealous of the power and wealth and prestige of our country, and our every act, particularly if it is impressed with an international character, or affects directly or indirectly international matters, receives the most careful scrutiny in the chancellories of many nations and by many peoples throughout the world.

We insist that our Nation has given unmistakable evidence of its friendly interest in the welfare of humanity, and that it is now desirous of promoting the peace and happiness of the people of every land. The people of our Nation have rejoiced when freedom and prosperity have come to any part of the world. We have been glad when democracy supplanted autocracy, and when artificial barriers, erected at the demands of empirical statesmen or selfish groups to isolate nations and separate peoples, and interrupt legitimate trade and commerce, have been removed. We had believed that the peace of the world would be prompted by friendly commercial relations between the nations of the world. We have encouraged aliens to come to our shores and have welcomed them into the citizenship of our land. We have been glad, at a time when we were a debtor Nation, to have our creditors beyond the seas aid us in settling trade balances by acquiring property within the United States.

We not only offered no objections but earnestly sought for foreign investments in industrial enterprises and in various forms of property in our country. Billions of dollars of European capital found its way to the United States. At the time we entered the World War citizens of Germany owned property in the United States to the extent of approximately $1,000,000,000. The subjects of Great Britain had large investments in the United States, and the investments of citizens of Holland and France and Belgium and other nations of the world reached immense proportions. While there is a feeling upon the part of many in our country that we have sufficient resources here to absorb the interest of Americans, and that there is no occasion for them to seek homes or investments under other flags or in other lands, the fact still remains that thousands of our citizens have gone to other lands and by their thrift and industry have acquired homes and property of great value. I stated a few moments ago that Americans had invested in Mexico to the extent of more than $500,000,000. Indeed, the amount is very greatly in excess of the figures just stated. Thousands of Americans have gone into Mexico not to exploit Mexico but to aid in its development. They have contributed, by their efforts and their energies, to the wealth of Mexico, and have been benefactors of the Mexican people.

The American people realize that their prosperity is dependent upon the prosperity of the people of other nations. Efforts are being made to increase our foreign trade, and corporations are being organized for export trade. These corporations will operate in many foreign countries. American citizens will go to these countries, and thousands of them will acquire temporary, if not permanent, residences in foreign lands. The world is small, and nations and peoples are being brought into apposition, and the provincialisms, the cruel rivalries, and the crude and narrow and bigoted policies which obtained in past ages are yielding to a higher civilization and to nobler conceptions as to the relations which should exist between the children of men. International law is being rewritten, and higher standards of international justice are governing the world. This Republic now and in the future must be an example to the world. Our policies must be those of an enlightened and progressive nation. While America and her interests and the rights of American citizens must be protected and regarded as paramount, nevertheless this Republic must pursue a course in its dealings with other nations such as to command the respect and admiration and confidence and affection of all fair-minded and liberty-loving people throughout the world.

The world has not recovered from the Great War. The nerves of the people everywhere are on edge. People are jealous and suspicious of each other and nations view with distrust and alarm nearly every step taken by one another. The great work of the hour is the restoration of peace and confidence in the world. Any policy, even though it is justifiable and under most circumstances would be proper, but which may promote unfriendly criticism or dissension or suspicion, should, if possible, be avoided at this time. Efforts are made by misguided persons here and in other lands to provoke animosities and jealousies and bitter rivalries between nations. Harsh criticisms are indulged in against Japan and Great Britain, as well as other countries, and citizens and high officials in those countries undoubtedly indulge in denunciation of the United States as well as other countries. This is a time for toleration and friendliness and broad charity. I doubt the wisdom of a policy which announces at this time to the nationals of other countries that they can not acquire property within California and other States of the United States. I am afraid the psychology of it would be bad. The object of such legislation will be misinterpreted and a broader meaning will be attributed to it, and the belief will perhaps arise that such legislation was prompted by sinister and selfish and narrow nationalistic policies.

A little later, if there is manifest danger to our institutions or if there is any injury resulting from aliens acquiring and owning property in the United States, undoubtedly the States would take proper action, and their course would meet with universal approval in our country. My fear is, as I have suggested, that legislation of the character in question, if it should be at all general in the United States, would arouse antipathies and fears and antagonisms which might be lasting among peoples whose friendship we desire and for whose welfare we have a very deep concern.

It is human nature to act upon the evidences immediately before us and to deal with questions with which we come in contact, forgetting, or at least not fully appreciating that the contacts and apprehensions of the day disappear in the sunlight and the broader vision of the morrow. Our own interest should prompt a course that will be promotive of world friendship and such as will increase our foreign trade. There were many Americans whose distempered judgment led them to denounce the League of Nations and all forms of cooperation with our Allies and with the nations of the world. There was a demand upon the part of millions of Americans for national isolation. They did not see that our prosperity and welfare were inseparably bound up in the prosperity and welfare of the nations of Europe as well as those of the rest of the world.

But now the eyes of the people are being opened, and from all parts of our land demands are made that the avenues for international trade and commerce shall be created. Upon the other side of the Chamber, and among those who opposed the League of Nations, there has arisen a demand for legislation that will aid our export trade. They have insisted that the War Finance Corporation be revived, and that we extend credits to Europe to the extent of billions of dollars, in order that the people of Europe may purchase our surplus products. Europe is unable to pay for our products because of a lack of gold and because her production is so limited that she does not possess commodities in sufficient quantities for export in payment for the commodities which she desires to purchase. I am told that Americans have, since the armistice, acquired holdings in European nations, and that even in Germany the capital stock in corporations was acquired to such an extent as to arouse a fear upon the part of Germany that America would acquire control of many German factories as well as a great amount of German property.

As I suggested, there are many Americans who deprecate capital investments in foreign lands, but so long as we have commercial relations with other peoples, and as long as we are a vigorous and adventuresome people, we will engage in business in other lands and will acquire property therein.

Mr. WILLIAMS. Mr. President, I suppose if there be one man on the floor who is pretty nearly a free trader and who believes thoroughly in untrammeled commercial relations be-

tween all the peoples of all the countries of the world, that person is I. I think with the Senator from Utah [Mr. KING] that we ought to cultivate world trade, foreign trade, as an extension of our own trade, to take care of our surplus products which are the result of our surplus labor.

But the reason which the Senator has just given for his opposition to this immediate legislation seems to me to be thoroughly irrelevant to that thought. In the first place, denying to aliens the right to own your own soil or to own anything upon your own soil, is not an interference with international commerce or with international trade, or with any commerce, call it by what name you choose.

Then the Senator tells us that if we deny to aliens the right to own property and to be capitalists, owning corporations in America, we thereby incite them to legislation which will deny us the same right within their several boundaries. As for myself, I should welcome that. I would be glad to see it. I do not approve of American capital seeking employment in Germany at this time, or anywhere else with a foundation upon the soil of other countries. While I am glad to see absolute, untrammeled trade between Jan Schmid, of Germany, and John Smith, of England or of America, I am not glad to see American capital seeking other shores for the purpose of giving employment to foreign labor upon foreign soil, whereas we have a great country of our own needing capitalistic exploitation to the highest degree and needing the exploitation of American labor to the utmost ability of American capital to employ American labor.

Nor do I see that legislation passed by any country against another to prevent the ownership of lands within the boundaries of the country passing the legislation is in contravention of any right of any people from any other country may have. From the very beginning of time that has been with the States of this Union a principle, more or less deserted of late years. Very early in our history Virginia denied the right of aliens to own land, and that was followed up in very many of the States, though after a while there came an absurd worship of immigrants and immigration and an absurd kow-towing of politicians to the immigrant vote, and as a consequence of that most of those laws were repealed with the idea of flattering the resident voters of foreign countries, so as to get their votes for political purposes by extending privileges and favors to the foreigners of their nationality that were not justified upon any ground of our own ultimate good.

I believe it would be very well if American capital would stay at home, and very well if American capital would devote itself to the employment of American labor for the purpose of building up the American commonwealth and of making American labor and American capital close and fast friends. I believe that any man who puts his money in Germany when he could put it in America is just that far lacking in a certain spirit of patriotism and devotion to his own people. I believe that a man who does it because he can make a half per cent or 1 per cent more money is absolutely lacking in patriotism. He ought to be willing to suffer a loss of a half per cent or 1 per cent rather than build up those who have but recently been the enemies of our country, if he has to do it at our expense by diverting capital whose use we need.

Not that I would desire that the enemies of our country in the late war should be held in shackles by any means. I think we have gone, if anything, too far in that direction. We ought not to go any further certainly. We ought to remember that the natural state of man is peace and not war, and, looking toward his natural state, that our duty now is to cultivate friendship and not to keep alive enmity. But at the same time, when you talk about the right of controlling your own soil and buildings upon your own soil, or about your own schools, and those other things which are peculiarly of your own soil, that is a different matter. I may love you very much, I may have the very highest regard for your character, and the highest hope for your welfare, yet at the same time I may be absolutely opposed to making you a member of my family or to allowing you to set up a mill in my back yard or to run any other works of your own over which I do not possess full control, but which you put upon my land. I do not see the analogy between the two thoughts, both of which to a large extent I represent—certainly to the very largest possible extent in America, consonant with having a revenue for the Government—the idea of untrammeled free commerce between all the peoples of the earth. I place it in my own mind upon an equality almost with freedom of thought, freedom of expression, freedom of religion, and all the other forms of freedom which are generally attacked in days of emergency, or whose temporary weakening is always afterwards regretted.

RECESS.

Mr. CURTIS. I move that the Senate take a recess until 12 o'clock to-morrow.

The motion was agreed to; and (at 5 o'clock and 10 minutes p. m.) the Senate took a recess until to-morrow, Friday, January 7, 1921, at 12 o'clock meridian.

HOUSE OF REPRESENTATIVES.

THURSDAY, *January 6, 1921.*

The House met at 12 o'clock noon.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We bless Thee, Infinite Spirit, our Heavenly Father, for the blessed promise that good shall at last overcome evil and Thy will be done. History and observation confirm the truth—

Oh, sometimes gleams upon our sight,
Through present wrong, the eternal right,
And step by step, since time began,
We see the steady gain of man.

That all of good the past has had
Remains to make our own time glad,
Our common daily life divine,
And every land a Palestine.

Let this hope comfort us and in a common faith move forward to the glorious consummation through the promises and incomparable life of the Master. Amen.

The Journal of the proceedings of yesterday was read and approved.

LEGISLATIVE, EXECUTIVE, AND JUDICIAL APPROPRIATIONS.

By direction of the Committee on Appropriations, Mr. WOOD of Indiana presented the bill (H. R. 15543) making appropriations for the legislative, executive and judicial expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, which was read a first and second time, and, together with the accompanying report thereon, referred to the Committee of the Whole House on the state of the Union and ordered printed.

Mr. BYRNS of Tennessee. Mr. Speaker, I reserve all points of order.

The SPEAKER. The gentleman from Tennessee reserves all points of order.

CONFERENCE REPORT—OMNIBUS PENSION BILLS.

Mr. SELLS. Mr. Speaker, I present for printing under the rule conference reports on the bills (H. R. 7775, 9281, 10515, and 11554) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors.

The conference reports are, as follows:

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H. R. 9281) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 4, 22, 28, 30, 34, 35, 40, 50, 55, 57, 61, 66, 79, 83, 85, 92, 98, 99, 102, 106, 112, 113, 127, 130, 142, and 148.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 29, 31, 32, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 51, 52, 53, 54, 56, 58, 59, 60, 62, 63, 64, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 80, 81, 82, 84, 86, 87, 88, 89, 90, 91, 93, 95, 96, 97, 100, 101, 103, 104, 105, 107, 108, 109, 110, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 128, 129, 132, 133, 134, 135, 136, 137, 139, 140, 141, 143, 144, 145, 146, 147, 149, 150, 151, 152, 153, 154, 156, 157, 158, 159, 160, 161, and agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Jason Adkins, late of Company D, Fourteenth Regiment United States Infantry, Regular Establishment, and pay him a pension at the rate of $17 per month."

And the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Martha E. Waldsmith, widow of William A. Waldsmith, late of Twenty-first Company, United States Coast Artillery Corps, Regular Establishment, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of said William A. Waldsmith until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Ethel A. Kane, widow of William M. Kane, late of the United States Navy, Regular Establishment, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of said William M. Kane until she reaches the age of 16 years."

And the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Fanny Weill, widow of Julius Weill, late of Battery M, Fifth Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Julius Weill until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 33: That the House recede from its disagreement to the amendment of the Senate numbered 33, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Susan J. Purcell, widow of John J. Purcell, late of Company F, Twenty-first Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said John J. Purcell until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Katherine G. Manning, widow of Michael Manning, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Michael Manning until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 94: That the House recede from its disagreement to the amendment of the Senate numbered 94, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Sarah J. Holley, widow of Charles W. Holley, late of Tenth Company, United States Coast Artillery, and Company M, First Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Charles W. Holley until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 111: That the House recede from its disagreement to the amendment of the Senate numbered 111, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Alice F. Travis, widow of Charles T. Travis, late of the United States Navy, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Charles T. Travis until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 114: That the House recede from its disagreement to the amendment of the Senate numbered 114, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Christine E. Geiger, widow of Austin Geiger, late of the Fortieth and Eighty-fifth Companies, United States Coast Artillery Corps, Regular Establishment, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of the minor child of said Austin Geiger until she reaches the age of 16 years."

And the Senate agree to the same.

Amendment numbered 131: That the House recede from its disagreement to the amendment of the Senate numbered 131, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Mary Michel, widow of John N. Michel, late of Company A, Twelfth United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of the minor child of said John N. Michel until she reaches the age of 16 years."

And the Senate agree to the same.

Amendment numbered 138: That the House recede from its disagreement to the amendment of the Senate numbered 138, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Anna M. Neill, widow of Jesse A. Neill, late of Company E, Eleventh Regiment United States Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 additional on account of each of the minor children of said Jesse A. Neill until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 155: That the House recede from its disagreement to the amendment of the Senate numbered 155, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Bridget Reynolds, widow of James C. Reynolds, late of Company F, Thirty-fifth Regiment Michigan Infantry, and Company H, Forty-second Regiment United States Volunteer Infantry, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said James C. Reynolds until they reach the age of 16 years."

And the Senate agree to the same.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.
P. J. MCCUMBER,
REED SMOOT,
Managers on the part of the Senate.

STATEMENT.

The House recedes from amendments Nos. 1, 3, 5, 6, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 23, 24, 25, 26, 27, 29, 31, 32, 36, 37, 38, 39, 41, 42, 43, 44, 45, 46, 47, 48, 49, 51, 52, 53, 54, 56, 58, 59, 60, 62, 63, 64, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 80, 81, 82, 84, 86, 87, 88, 89, 90, 91, 93, 95, 96, 97, 100, 101, 103, 104, 105, 107, 108, 109, 110, 115, 116, 117, 118, 119, 120 121, 122, 123, 124, 125, 126, 128, 129, 132, 133, 134, 135, 136, 137, 139, 140, 141, 143, 144, 145, 146, 147, 149, 150, 151, 152, 153, 154, 156, 157, 158, 159, 160, and 161.

These are cases in which it is believed that either the provision of the act of May 1, 1920 (commonly known as the Fuller bill), and the act of June 5, 1920 (commonly known as the Sells bill), will give relief, or where they were simply corrections made by the Senate committee, except amendment No. 116, which the House conferees agreed to, the beneficiary having been pensioned by special act less than a year ago.

The items stricken from the bill in the above amendments are as follows:

H. R. 601, David S. Williams; H. R. 628, Joseph McClure; H. R. 656, Jesse A. R. Forbes; H. R. 668, Patrick H. Madigan; H. R. 672, Frank Shaw; H. R. 779, Otto M. Payton; H. R. 951, John McGinley; H. R. 970, George W. Turner; H. R. 971, George W. Oblisk; H. R. 982, Mary J. Pack; H. R. 986, David M. Allen; H. R. 1022, Chester E. Green; H. R. 1257, Eddie E. Sterrett; H. R. 1298, Bernard M. Stanton; H. R. 1783, Horace G. Pope; H. R. 1793, Annie M. Wood; H. R. 1832, Claude H. Dean; H. R. 1884, John Coffey; H. R. 1931, Edward S. Coffin; H. R. 2016, Brother Buis; H. R. 2773, Louis B. Smith; H. R. 2817, Philip E. Hartman; H. R. 3026, James W. Duty; H. R. 3069, Isaac N. Troutman; H. R. 3221, Elmer Wagar; H. R. 3269, George C. Hazeltine; H. R. 4018, Michael Mulvey; H. R. 4361, Charles Brubaker; H. R. 4537, John A. Kennepohl; H. R. 4710, James F. Mitchell; H. R. 4905, Howard H. Long; H. R. 4918, John W. Paulus; H. R. 4961, Simon P. Kieffer; H. R. 5056, Charley Douthitt; H. R. 5071, Casey A. Cox; H. R. 5088, James L. Doris; H. R. 5091, Frank A. Morton; H. R. 5192, Anson B. Countryman; H. R. 5351, Eugene E. Clark; H. R. 5379, Thomas H. Ivers; H. R. 5388, Robert A. Carnegie; H. R. 5488, Eugene Johnson; H. R. 5689, August J. Griesbach; H. R. 5969, Thomas L. Feyen; H. R. 5974, Otto O. Yaap; H. R. 6072, Martin Tepper; H. R. 6084, Robert Noble; H. R. 6194, James Prosek; H. R. 6195, George H. Haverkate; H. R. 6199, Samuel M. Deets; H. R. 6259, George H. Bruckner; H. R. 6262, Michael Long; H. R. 6387, Nathaniel J. Stonecipher; H. R. 6406, Maria Louise Richardson;

H. R. 6607, John E. Tingley; H. R. 6609, Floyd B. Daugherty; H. R. 6693, David U. Denind; H. R. 6723, William E. Warren; H. R. 6831, George W. Malin; H. R. 6844, John Moloney; H. R. 6900, Simeon D. Morrison; H. R. 6984, James F. Romines; H. R. 6985, Jesse W. Beam; H. R. 7032, Harry Patterson; H. R. 7078, John H. Page; H. R. 7131, Leroy F. Moore; H. R. 7136, Isaac M. Conley; H. R. 7223, James T. Brown; H. R. 7313, Adam E. Haughn; H. R. 7330, Joseph W. Nolen; H. R. 7334, Daniel J. Bresnahan; H. R. 7339, Edward J. Davis; H. R. 7454, Dalbert Gray; H. R. 7503, Annie E. Arnold; H. R. 7512, Edward E. Henton; H. R. 7513, Charles W. Lanaham; H. R. 7518, John J. Mitchell; H. R. 7524, Carl C. Dunham; H. R. 7525, Andrew Kravets; H. R. 7549, Robert H. Roberts; H. R. 7550, Daniel B. Yeaple; H. R. 7556, Pierre L. Carmouche; H. R. 7568, John B. Peters; H. R. 7570, Emma S. Norton; H. R. 7603, William D. Craft; H. R. 7604, Thomas J. Reynolds; H. R. 7728, Charles W. Streeter; H. R. 7806, Joseph Flewelling; H. R. 7848, William Seybold; H. R. 7873, Walter E. Harris; H. R. 8008, Frances T. Denton; H. R. 8057, Elizabeth C. Bell; H. R. 8097, Simon P. Parrish; H. R. 8150, Daniel P. Myers; H. R. 8295, Noel M. Pursley; H. R. 8307, William Edwards; H. R. 8321, John F. Mulhall; H. R. 8332, Lester D. Parkton; H. R. 8368, William C. Shaffer; H. R. 8563, Michael W. Hurley; H. R. 8602, Benjamin F. Lamkin; H. R. 8644, Fritz Hintermeier; H. R. 8713, Donald E. Leslie; H. R. 8788, Peter W. Weber; H. R. 8814, Jefferson C. Smith; H. R. 8830, Walter L. Jewell; H. R. 8982, Edward J. Oeding; H. R. 8983, Robert S. Peterson.

The Senate recedes from its amendments striking out the following cases:

No. 4, John F. Campbell (H. R. 641): The beneficiary was allowed $17 per month by special act in 1910. The increase to $24 appears justifiable.

No. 22, Orville G. Willett (H. R. 1763): This man has leprosy. He was exposed to it in the Philippines. He is in quarantine now on account of the disease. The doubts are resolved in his favor and the pension of $50 per month recommended by the House is approved.

No. 28, Irving Wohl (H. R. 1963): The increase in this case from $8 to $12 per month appears justifiable in view of the fact that disease of lungs has been accepted by the Bureau of Pensions as due to service.

No. 30, Sarah E. Kiplinger (H. R. 2765): The claimant's husband served during the time of the early Indian wars and she is 80 years of age. A pension of $12 per month appears to be justifiable.

No. 34, Charles T. Durand (H. R. 2990): This man had the required service during certain Indian campaigns, and if he had reached the age of 62 years he would get $20 per month at the Pension Bureau. It is believed the committee is justified in waiving the few years in the age requirements.

No. 35, Charles P. Michener (H. R. 3008): The evidence fairly well shows that part of claimant's disabilities are due to his service. A pension of $12 per month appears to be justifiable.

No. 40, Pleasant D. Cooper (H. R. 3599): The beneficiary is over 70 years of age and was treated in service for malaria and still has malarial symptoms. The proposed pension of $12 per month appears to be warranted.

No. 50, Schuyler C. Pool (H. R. 5058): The beneficiary has to use a wheel chair in going from place to place, and in order to walk has to use two canes. The increase of pension to $36 per month appears to be justifiable.

No. 55, Robert S. Parker (H. R. 5197): The Fuller bill enacted May 1, 1920, will probably allow this soldier a rate of $50 per month, but there may be a question, and as he was wounded during the War with Spain, besides serving in the Civil War, the rate of $50 per month recommended by the House is approved.

No. 57, Harry Noel (H. R. 5366): The beneficiary was treated in service for headache and facial neuralgia. This was followed since service by disease of eyes. The small pension of $12 per month appears to be justifiable.

No. 61, James W. Mitchell (H. R. 5595): The soldier had almost seven years' service in Signal Corps, United States Army, before serving in the War with Spain. His disabilities, when considered with the record of treatment in service, appear to be largely due to his Army service, and the rate of $24 per month proposed is approved.

No. 66, Thomas D. O'Shea (H. R. 5976): The beneficiary might receive relief at the Pension Office under the act of June 5, 1920, but there is some doubt, so the case is approved.

No. 79, Charles M. Fink (H. R. 6480): The soldier served nearly three years and was then discharged on account of neurasthenia or nervousness, which, it was stated, existed prior to enlistment. It is believed the Government should be held to account in part for enlisting the man, as his condition appears to have been aggravated, so the pension of $12 per month is approved.

No. 83, Edward Hinman (H. R. 6713): The beneficiary is 79 years of age. He is pensioned as an Indian war soldier at $20 per month. The proposed increase to $30 per month is justifiable.

No. 85, William A. Waggoner (H. R. 6733): The beneficiary might be able to obtain relief at the Bureau of Pensions under act of June 5, 1920. There is some doubt, however, and the bill as passed by the House is approved.

No. 92, John T. Griggs (H. R. 6884): The son of the beneficiary died in the service of his country. The father has four small, motherless children to rear. It is believed that the small pension of $12 per month is proper, notwithstanding the income from the beneficiary's labor.

No. 98, Jane C. A. Porter (H. R. 7060): It is believed to be proper to waive the required 60 days' service for the allowance of this Mexican War widow's pension at the rate of $25 per month, in view of the fact that soldier only lacked 1 day of having the necessary 60 days.

No. 99, James I. Sloan (H. R. 7061): It appears that this soldier should never have been enlisted, but as he was accepted for service the small pension of $12 per month appears justifiable.

No. 102, Kate B. Horan (H. R. 7129): The beneficiary is afflicted with asthma, disease of heart, vericose veins of both legs, and is unable to work. She is pensioned as the widow of an Indian war soldier. An increase of pension to $20 per month seems to be warranted.

No. 106, Lillie P. Hinman (H. R. 7284): In this case the beneficiary is pensioned at the rate of $12 per month as a contract nurse in the War with Spain. She is in poor financial condition and afflicted with malaria, contracted in Cuba. The increase to $20 per month appears to be justified.

No. 112, Anna O'Brien (H. R. 7389): If the husband of beneficiary were living, he would now have a pensionable status under the act of June 5, 1920. His widow would appear to be entitled to similar treatment, so the pension in this case of $12 per month is approved.

No. 113, William E. Gault (H. R. 7420): This man will probably receive $30 per month at the Bureau of Pensions under act of June 5, 1920, but of this there is some doubt, so the increase of pension to $24 per month, as recommended by the House, is approved.

No. 127, Tebitha E. Cummings (H. R. 7579): The soldier's service as cavalryman probably had to do with subduing hostile Indians. He was pensioned in his lifetime for deafness, contracted in service. A pension of $12 per month to the widow is warranted.

No. 130, John H. Henry (H. R. 7668): The soldier had only 77 days' service during the War with Spain. He was discharged for disability. His present condition may be in part due to his service, so the rate of $12 per month proposed appears justifiable.

No. 142, William O'Bryan (H. R. 8046): The beneficiary is pensioned under the general law for malarial poisoning. He is unable to earn a living for his family, which consists of a wife and six children. An increase of pension to $24 per month appears to be warranted.

No. 148, Elizabeth A. Shull (H. R. 8309): The late husband of the beneficiary served in the early Indian wars. She is nearly 70 years of age and badly afflicted with rheumatism and other infirmities and has no property. An increase of pension to $20 per month, as proposed, appears to be warranted.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 7775) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 1, 8, 12, 16, 18, 19, 26, 28, 29, 30, 42, 43, 48, 67, and 73.

That the House recede from its disagreement to the amendments of the Senate numbered 2, 3, 4, 6, 7, 9, 10, 11, 13, 14, 15, 17, 20, 21, 22, 23, 24, 25, 27, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 44, 45, 46, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 64, 65, 66, 68, 69, 70, 71, 72, and 74, and agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Sophie Reimuller, widow of George Reimuller, late of Company C, Forty-seventh Regiment New York Infantry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of the minor child of the said George Reimuller until he reaches the age of 16 years."

And the Senate agree to the same.

Amendment numbered 63: That the House recede from its disagreement to the amendment of the Senate numbered 63, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Jean N. Roach, widow of Ernest S. Roach, late first lieutenant of Company A, First Regiment Oklahoma Infantry, National Guard, border defense, and pay her a pension at the rate of $17 per month and $2 per month additional on account of each of the minor children of the said Ernest S. Roach until they reach the age of 16 years."

And the Senate agree to the same.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.
P. J. MCCUMBER,
REED SMOOT,
Managers on the part of the Senate.

STATEMENT.

The House recedes from amendments Nos. 2, 3, 4, 6, 7, 9, 10, 11, 13, 14, 15, 17, 20, 21, 22, 23, 24, 25, 27, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 44, 45, 46, 47, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 64, 65, 66, 68, 69, 70, 71, 72, and 74.

These are cases in which it is believed that either the provisions of the act of June 5, 1920 (commonly known as the Sells bill), will give relief or where they were simply corrections made by the Senate committee, except amendment No. 47, where the amount was increased by the Senate from $17 to $24, and amendment No. 50, which the House conferees agreed to, the case being considered of very doubtful merit.

The items stricken from the bill in the above amendments are as follows:

H. R. 611, James L. Buckler; H. R. 675, Charles W. Van Scoyk; H. R. 920, Carson Rummel; H. R. 921, John Bohntinsky; H. R. 1306, Charles Voos; H. R. 1732, Ernest Meyer; H. R. 1842, Marion P. Barnett; H. R. 1844, Joseph Roddy; H. R. 1847, John C. Graves; H. R. 1849, Schuyler Van Tassell; H. R. 1980, John J. Burke; H. R. 1998, John C. Koepplinger; H. R. 1999, Albert Beehler; H. R. 2447, William McBride; H. R. 2457, Wynn M. Mays; H. R. 2459, George W. Chandler; H. R. 2465, Walter Scott McQuaide; H. R. 2743, Barton E. Connor; H. R. 2751, Peter Beebe; H. R. 2826, Floyd J. Gaines; H. R. 2830, Joseph A. Beckmeyer; H. R. 2833, George F. Swob; H. R. 3071, Andrew J. Pohlman; H. R. 3208, Robert G. Phinney; H. R. 3266, Ulysus G. Hunt; H. R. 3268, Filen Whalin; H. R. 3582, Clem S. Kirkham; H. R. 3600, Howard M. Blakenship; H. R. 3606, James J. Shortell; H. R. 4015, John E. Schilling; H. R. 4021, Miller Kincaid; H. R. 4535, Fred J. Jahrries; H. R. 4536, George E. Lovin; H. R. 4544, Daniel B. Reddecks; H. R. 4734, William Mendenhall; H. R. 4960, Louis N. Hickey; H. R. 5075, Gilbert E. Donnells; H. R. 5106, Willard Kolp; H. R. 5396, Nathaniel Singletary; H. R. 5371, John Alford; H. R. 5776, William J. Linn; H. R. 6382, Cosam Julian Bartlett; H. R. 6482, Clemson Underwood; H. R. 6488, James E. Householder; H. R. 6734, George W. Willets; and H. R. 7515, Starling N. Caron.

The Senate recedes from its amendments, striking out the following cases:

No. 1. Hannah J. Clark (H. R. 574). The evidence filed shows that claimant is over 72 years of age, owns no property, is physically unable to work, and has no income but her pension, and it is believed the increase of pension to $20 per month is warranted.

No. 8. Rebecca Strouther (H. R. 949). This claimant is pensioned as a dependent mother of a soldier who served as a volunteer in the War with Spain at the rate of $12 per month. The evidence shows she is about 78 years of age, almost helpless physically, and has no income but her pension and what neighbors give her. An increase of pension to $20 per month appears to be warranted.

No. 12. Maria Kuehn (H. R. 1839). Pensioner is receiving $12 per month as the widow of an Indian war soldier. Evidence shows that she is over 75 years of age, very feeble, and has no income but her pension. An increase of pension to $20 per month appears to be justifiable.

No. 16. William E. Sloane (H. R. 1848). The son of claimant served during the entire period of the War with Spain, Philippine insurrection, and Chinese Boxer uprising. While his death from disease of lungs was not accepted as due to service by the Bureau of Pensions, the evidence may be accepted by the committee as showing such to be a fact. The claimant is shown to be deaf and dumb and nearly 70 years of age. The facts presented appear to warrant a pension of $20 per month.

No. 18. Samuel W. Van Riper (H. R. 1858). The soldier served during certain Indian campaigns, but not in the zone of hostilities. He claims to have been wounded while in a skirmish with Indians. He is 84 years of age, and a pension of $12 per month appears to be justifiable.

No. 19. Reinhard Anschuets, alias Charles Reinhard (H. R. 1908). Soldier is pensioned as an Indian war soldier at the rate of $20 per month. Evidence submitted shows that he requires the personal aid and attendance of another person. An increase of pension to $30 per month appears to be justified.

No. 26. Martha Tyler (H. R. 2460). Claimant's first husband served in the early Indian wars, but as she remarried she has no title to pension in the Bureau of Pensions. She is 80 years of age, owns no property, and has no income. A pension of $20 per month does not appear to be excessive in this case.

No. 28. Narcissa A. Grant (H. R. 2474). This claimant is a remarried widow of a Mexican War soldier, whose last husband is dead. She is over 80 years of age and owns no property. Many precedents warrant the allowance of $20 per month.

No. 29. Lizzie Eaton Webster (H. R. 2475). As soldiers who served during the War with Spain are pensioned for disabilities not due to service by the act of June 5, 1920, it appears justifiable to now pension their widows, so a pension of $12 per month in this case is deemed justifiable.

No. 30. Thomas S. Garen (H. R. 2476). It is believed that a part of claimant's disabilities were contracted in service on the evidence submitted and a pension of $12 per month appears to be warranted.

No. 42. Caroline M. Anthony (H. R. 3270). Claimant contracted malaria in the service as a contract nurse. She is highly commended by Surg. Gen. Gorgas for services she performed. She is in a pitiable condition physically and financially. An increase of pension to $30 per month appears justifiable.

No. 43. William H. Brane (H. R. 3503). The evidence in the case is sufficiently strong to show that at least part of claimant's disabilities are due to his Army service, and the pension recommended by the House appears to be warranted.

No. 48. William B. Hendrick (H. R. 3841). This claimant now has status for pension under act of June 5, 1920, but there are reasons for believing that he might not be pensioned on technical grounds, hence aproval of the bill is acceded to.

No. 67. Mary Kirk (H. R. 6408). This is a case of a remarried widow of a Mexican War soldier. Her last husband is dead. She is 86 years of age, owns no property, and has no income. There are many precedents for the allowance of $20 per month, as recommended in this case.

No. 73. George S. Jenkins (H. R. 6986). Soldier is about 70 years of age and by reason of general infirmities is wholly unable to perform labor and has no income but his pension of $20 per month as an Indian war soldier. The increase to $30 per month seems justifiable.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 10515) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 5, 6, 12, 21, 22, 34, 53, 64, 66, 91, 94, 104, and 107.

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 92, 93, 95, 96,

97, 98, 99, 100, 101, 102, 103, 105, 106, 108, 109, 110, and 111, and agree to the same.

Amendment numbered 39: That the House recede from its disagreement to the amendment of the Senate numbered 39, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Islay T. Pittman, widow of George L. Pittman, late first lieutenant, Second Regiment, North Carolina National Guard Infantry, border defense, and pay her a pension at the rate of $17 per month and $2 per month additional on account of each of the minor children of said George L. Pittman, until they reach the age of 16 years."

And the Senate agree to the same.

Amendment numbered 78: That the House recede from its disagreement to the amendment of the Senate numbered 78, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Mary Furfey, widow of Edward A, Furfey, late Battery I, Seventh Regiment United States Artillery, War with Spain, and pay her a pension at the rate of $12 per month, and $2 per month additional on account of each of the minor children of said Edward A, Furfey, until they reach the age of 16 years."

And the Senate agree to the same.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.
P. J. MCCUMBER,
REED SMOOT,
Managers on the part of the Senate.

STATEMENT.

The House recedes from amendments Nos. 1, 2, 3, 4, 7, 8, 9, 10, 11, 13, 14, 15, 16, 17, 18, 19, 20, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 65, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 79, 80. 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 92, 93, 95, 96, 97, 98, 99, 100, 101, 102, 103, 105, 106, 108, 109, 110, and 111.

These are cases in which it is believed that either the provisions of the act of May 1, 1920 (commonly known as the Fuller bill), and the act of June 5, 1920 (commonly known as the Sells bill), will give relief or where they were simply corrections made by the Senate committee, except amendment No. 32, where the beneficiary had only recently been pensioned under the act of March 4, 1917; No. 44, where soldier has no title at the Bureau of Pensions under existing law; No. 59, where the dependent mother's claim was rejected at the bureau; No. 72, where claimant is deceased; No. 90. where claimant possesses property valued at $6,500; No. 95, where the beneficiary is receiving $12 per month by special act and is not shown to be more than one-half disabled; and No. 106, where the beneficiary has no title at the Bureau of Pensions.

The items stricken from the bill in the above amendments are as follows:

H. R. 770, James W. Hendrickson; H. R. 790, Charles E. Kingsley; H. R. 798, William H. Brooks; H. R. 801, Michael W. Murphy; H. R. 1333, William H. Miller; H. R. 1922, Philip Owen; H. R. 1933, Walter C. Tharp; H. R. 2736, Joseph E. Bivans; H. R. 2739, Eliza L. Ellis; H. R. 2836, William B. Stroope; H. R. 3506, Fred F. Bennett; H. R. 4055, John E. Root; H. R. 4935, Peter L. Johnson; H. R. 5786, John D. Andrews; H. R. 5856, William F. W. Gordon; H. R. 5892, Nellie L. Benton; H. R. 6394, George J. Cox; H. R. 6534, Joseph F. Smith; H. R. 6608, Alfred M. Graham; H. R. 6785, Mary J. Beard; H. R. 6817, David J. Hanger; H. R. 7048, Bert B. Hughes; H. R. 7080, Stephen Harder; H. R. 7178, Robert E. McCormick; H. R. 7179, Isabel Bertrand; H. R. 7274, Walter Sewell; H. R. 7276, William Olday; H. R. 7325, Nathaniel J. Smith; H. R. 7438, Everett A. Dibble; H. R. 7516, Samuel A. Berry; H. R. 7552, Robert Wilks; H. R. 7731, Martin K. Wright; H. R. 7761, John C. McDowell; H. R. 7818, Benjamin W. Clark; H. R. 7862, Harry W. Miller; H. R. 7956, Elmer S. Baker; H. R. 8129, Sarah E. Walker; H. R. 8270, Anton Casper; H. R. 8347, Lee Toms; H. R. 8411, Albert F. Knight; H. R. 8412, Thomas H. Coxe; H. R. 8517, Albert Yoder; H. R. 8569, Jacob Hicks; H. R. 8633, Roscoe Schutt; H. R. 8685, John J. Robinson; H. R. 8849, Pearl C. Holt; H. R. 9058, John M. Sexton; H. R. 9084, Margaret A. Storie; H. R. 9088, Charles H. V. Wiggin; H. R. 9104, Edmund W. Roderick; H. R. 9184, Sarah Adaline Youngblood; H. R. 9188, Mary Kinne; H. R. 9191, George T. Keith; H. R. 9260, James Duffy; H. R. 9329, Lafe Strickland; H. R. 9332, William E. McGee; H. R. 9334, Fred A. Safford; H. R. 9344, George V. M. Sommerhauser; H. R. 9429, John A. Shaw; H. R. 9455, Zadok K. Basden; H. R. 9460, Theodore L. Shaffer; H. R. 9482, Anna Kendrick; H. R. 9507, Charles I. Meck; H. R. 9518, Theresa Cloyd; H. R. 9576, Murray R. Marshall; H. R. 9588, Stanford Holmes; H. R. 9597, Harry L. Vance; H. R. 9685, Andrew H. Wegman; H. R. 10016, Abe Erlich; H. R. 10244, Sarah R. Fuller; and H. R. 10361, Emily E. McKee.

The Senate recedes from its amendments striking out the following cases:

No. 5. Peter Black, H. R. 999. This soldier had service during the War with Mexico not accepted by the Bureau of Pensions as having any connection with that war, but Congress recognized the validity of his claim and granted him a pension at the rate of $20 per month. He is now 91 years of age, and the proposed increase to $40 per month appears equitable.

No. 6. Dora F. Wilson, H. R. 1267. The soldier was discharged from the service on account of disability. He appears to have had some Indian war service not pensionable under existing law. It appears proper to grant his widow $12 per month.

No. 12. Peter F. Van Auken, H. R. 2446. The soldier was discharged on a surgeon's certificate of disability after serving 59 days. The evidence indicates that at least part of his disability is due to his Army service, so a pension of $12 per month appears proper.

No. 21. Gus H. Weber, H. R. 5239. The beneficiary is pensioned for hernia, contracted in service, at the rate of $10 per month. His hernia becomes strangulated at times, so the increase of pension to $24 per month appears to be justified.

No. 22. Helen Cecilia Schaarman, H. R. 5319. The claimant's son had service in the Philippines, and his death may have been due to his service. The claimant is 83 years of age and dependent, so a pension at the rate of $20 per month appears proper.

No. 34. James C. Claxton, H. R. 6983. The beneficiary might secure relief under act of June 5, 1920, but in this there is some doubt, so the bill granting a pension at the rate of $17 per month is approved.

No. 53. Charles L. C. Sherwin, H. R. 7866. The beneficiary had no Indian war service pensionable under existing law, but he did serve on the Texas frontier, having the same duties as volunteers who are pensioned under existing law, so to pension him as an Indian war soldier at the rate of $20 per month appears justifiable.

No. 64. Mary Jane Graham, H. R. 8552. The beneficiary is the remarried widow of a soldier who served in the War with Mexico. Her last husband is dead. She is 90 years of age. A pension of $25 per month appears proper.

No. 66. Leroy Dunn, H. R. 8571. The soldier had seven months' service in the Regular Army. He was mustered into the service in time of peace, when the Government makes careful examination of those who enlist. His discharge on account of disease of lungs became necessary. The weight of the evidence is to the effect that he was sound at enlistment, so the pension of $17 per month is approved.

No. 91. Emma A. Esarey, H. R. 9496. The beneficiary in this case is 74 years of age. The evidence fairly well shows that her son's death was due to his Army service, so the pension of $12 per month is apparently justified.

No. 94. Teddy Sexton, H. R. 9547. The beneficiary's condition is in part due to his service, and his pitiable condition appears to justify the allowance of $30 per month.

No. 104. Mary A. Baldridge, H. R. 9739. This claimant is the former widow of a Mexican War soldier and is 86 years old. Her last husband is dead. In conformity with the law relative to widows of Civil War soldiers, the passage of the bill is believed to be proper.

No. 107. Martha Ann Welch, H. R. 9961. Claimant is former widow of a Mexican War soldier. She was remarried and her pension terminated. She secured a divorce from her last husband by reason of desertion, and is now 85 years of age. A restoration of pension appears to be justifiable.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

CONFERENCE REPORT.

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 11554) granting pensions and increase of pensions to certain soldiers and sailors of the Regular Army and Navy, and certain soldiers and sailors of wars other than the Civil War, and to widows of such soldiers and sailors, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recedes from its amendments Nos. 8, 9, 12, 14, 16, 39, 66, 67, 71, 76, 80, 85, 87, 91, 96, 97, 101, 111, 140, 151, 152, 156, 172, 192, 194, 196, and 197.

That the House recedes from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 10, 11, 13, 15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 68, 69, 70, 72, 73, 74, 75, 77, 78, 79, 81, 83, 84, 86, 88, 89, 90, 92, 93, 94, 95, 98, 100, 102, 103, 104, 105, 106, 107, 108, 109, 110, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 131, 132, 133, 134, 135, 136, 137, 138, 139, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 153, 154, 155, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 193, 195, and 198, and agree to the same.

Amendment numbered 82: That the House recede from its disagreement to the amendment of the Senate numbered 82, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Emma R. Foster, widow of Benjamin Foster, late of Company I, Eighteenth Regiment United States Infantry, Indian war, and pay her a pension at the rate of $20 per month in lieu of that she is now receiving."

And the Senate agree to the same.

Amendment numbered 99: That the House recede from its disagreement to the amendment of the Senate numbered 99, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of Charles H. Heimlich, alias Charles H. Henderson, late of Company E, Third Regiment United States Infantry, Indian war, and pay him a pension at the rate of $30 per month in lieu of that he is now receiving."

And the Senate agree to the same.

Amendment numbered 130: That the House recede from its disagreement to the amendment of the Senate numbered 130, and agree to the same with an amendment as follows: In lieu of the matter stricken out insert:

"The name of May A. Sanders, widow of William J. Sanders, late of Company F, Thirty-fourth Regiment Michigan Infantry, War with Spain, and pay her a pension at the rate of $12 per month and $2 per month additional on account of each of the minor children of the said William J. Sanders until they reach the age of 16 years."

And the Senate agree to the same.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.
P. J. MCCUMBER,
REED SMOOT,
Managers on the part of the Senate.

STATEMENT.

The House recedes from amendments Nos. 1, 2, 3, 4, 5, 6, 7, 10, 11, 13, 15, 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27, 28, 29, 30, 31, 32, 33, 34, 35, 36, 37, 38, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 68, 69, 70, 72, 73, 74, 75, 77, 78, 79, 81, 83, 84, 86, 88, 89, 90, 92, 93, 94, 95, 98, 100, 102, 103, 104, 105, 106, 107, 108, 109, 110, 112, 113, 114, 115, 116, 117, 118, 119, 120, 121, 122, 123, 124, 125, 126, 127, 128, 129, 131, 132, 133, 134, 135, 136, 137, 138, 139, 141, 142, 143, 144, 145, 146, 147, 148, 149, 150, 153, 154, 155, 157, 158, 159, 160, 161, 162, 163, 164, 165, 166, 167, 168, 169, 170, 171, 173, 174, 175, 176, 177, 178, 179, 180, 181, 182, 183, 184, 185, 186, 187, 188, 189, 190, 191, 193, 195, and 198.

These are cases in which it is believed that either the provisions of the act of June 5, 1920 (commonly known as the Sells bill), will give relief or where they were simply corrections made by the Senate committee, except amendment No. 52, where the amount was reduced by the Senate from $17 to $12; amendment No. 88, where the Senate reduced the amount from $17 to $12; amendment No. 90, where the Senate reduced the amount from $30 to $20; amendment No. 104, where the Senate reduced the amount from $17 to $12; and amendment No. 190, where the Senate reduced the amount from $25 to $20.

The items stricken from the bill in the above amendments are as follows:

H. R. 604, John Whitington; H. R. 620, Asa C. Pieratt; H. R. 631, George W. Lambert; H. R. 654, John C. Ferneding; H. R. 658, John A. Gaut; H. R. 670, Joseph B. Ohr; H. R. 805, James Cunningham; H. R. 1798, Walter S. Stewart; H. R. 2747, Oliver P. Jackson; H. R. 2762, William H. Culler; H. R. 2767, George B. Locke; H. R. 2768, Christopher C. Ogden; H. R. 2769, Peter Poirier; H. R. 2802, Peter F. O'Brien; H. R. 2803, Frank Lynch; H. R. 2829, Alva C. Foster; H. R. 3052, Andrew B. Erb; H. R. 3063, Joseph D. Blackwell; H. R. 3203, Augustus W. Connor; H. R. 3272, Thomas C. Nation; H. R. 3514, Gustave Stellar; H. R. 4001, Harry Weinheimer; H. R. 4012, Alfred Rivers; H. R. 4040, John W. Oldfield; H. R. 4721, William A. Zinn; H. R. 4967, John L. Dick; H. R. 5054, John W. Warman; H. R. 5066, James E. Yeager; H. R. 5069, Miner N. Howard; H. R. 5090, Amel G. Johnson; H. R. 5364, David A. Turner; H. R. 6181, Simon T. Hickman; H. R. 6615, John Scott; H. R. 6618, John Sullivan; H. R. 6619, Raleigh J. Stanberry; H. R. 6694, Edward Schrum; H. R. 6696, Charles T. Pickens; H. R. 6727, Bascum M. Meyers; H. R. 6784, George W. Bales; H. R. 6942, Louis H. Trayser; H. R. 7072, Jacob Imhoff; H. R. 7076, Robert H. Sheaffer; H. R. 7285, John H. Franklin; H. R. 7329, James M. Taylor; H. R. 7364, John E. Harris; H. R. 7430, Daniel B. Klingensmith; H. R. 7511, William Fussnecker; H. R. 7730, William Constable; H. R. 7772, Nicholas Sharp; H. R. 7851, Otis O. Milliken; H. R. 8001, Albert Beiro; H. R. 8017, James K. Vance; H. R. 8361, Samuel C. Braden; H. R. 8373, Thomas A. Puyear; H. R. 8879, Oliver Hull; H. R. 9187, William Wade; H. R. 9347, Rachel Ann Tooill; H. R. 9400, Harry H. Rockey; H. R. 9535, James E. Johnson; H. R. 9545, Oliver M. McRoberts; H. R. 9585, Albert O. McNulty; H. R. 9622, Philipp Ausmus; H. R. 9674, Earl Sanders; H. R. 9741, Richard M. Gilbert; H. R. 9743, Cary M. Carlton; H. R. 9771, William C. Jacobs; H. R. 9828, James H. St. Clair; H. R. 9884, Henry Blankenship; H. R. 9885, Alfred N. Oakleaf; H. R. 9920, Hugh Hoch; H. R. 9962, Augustus Thompson; H. R. 9970, Frank F. Pittman; H. R. 9993, Brice Selby; H. R. 9994, Albert A. Lyke; H. R. 9995, Corwin W. Holibaugh; H. R. 10017, James N. Davis; H. R. 10030, Robert W. Koontz; H. R. 10040, James Renshall; H. R. 10090, Albert M. Kuppel; H. R. 10097, Peter Kankiewicz; H. R. 10141, John C. Kulpman; H. R. 10153, Lewis A. Boone; H. R. 10173, Mike Cattarini; H. R. 10178, Ralph Erwin; H. R. 10199, George Crago; H. R. 10217, David R. Locke; H. R. 10275, William Holt; H. R. 10294, Frank Godar; H. R. 10298, Jacob Cain; H. R. 10314, John O. McMahon; H. R. 10319, Conrad H. Rowe; H. R. 10320, Alice Barkley; H. R. 10342, Walter G. Smith; H. R. 10387, George W. Rabel; H. R. 10389, William H. Brown; H. R. 10391, Charles C. Chilson; H. R. 10415, Edward C. Wait; H. R. 10429, Bert M. Dorton; H. R. 10445, Hans R. Jacobson; H. R. 10468, Wesley Priest; H. R. 10474, Harry S. Stahl; H. R. 10496, Frank M. Preston; H. R. 10500, Frank S. Schmidt; H. R. 10503, Walter C. Hathaway; H. R. 10602, Thomas Flinchum; H. R. 10624, Mary S. Wilson; H. R. 10659, Jane Polsgrove; H. R. 10724, Eugene P. Williams; H. R. 10751, Daniel Burkey; H. R. 10754, James S. Haggard; H. R. 10755, Joseph Tewell; H. R. 10766, Ivar A. Amell; H. R. 10767, Jean B. Kopf; H. R. 10768, Robert Hand; H. R. 10777, John B. A. Richard; H. R. 10791, Alvias F. Ritter; H. R. 10814, Harvey L. Williams; H. R. 10815, Simeon H. Johnston; H. R. 10816, La Barron T. Marshall; H. R. 10865, Charles S. Kinman; H. R. 10894, William H. Fish; H. R. 10927, Walter Barbo; H. R. 10944, Edward C. Crawford; H. R. 10949, Joseph Phillips; H. R. 10956, Charles A. Heiland; H. R. 10982, Leonidas Duncan; H. R. 10995, Joseph Dole; H. R. 11007, Mary M. Newman; H. R. 11043, Mary Brown; H. R. 11062, Hector H. Bryant; H. R. 11073, Charles Knight; H. R. 11095, Thereasa Brisbois; H. R. 11138, John E. Collins; H. R. 11167, Charles Grunert; H. R. 11171, Hugh O. Neville; H. R. 11184, Samuel G. Dinsmore; H. R. 11242, George A. Cooper; H. R. 11287, Charles A. Rogers; H. R. 11415, Mary Stewart.

The other amendments in which the House receded from its disagreements are the two cases of Emma R. Foster (H. R. 9544) and Charles H. Heimlich, alias Charles H. Henderson (H. R. 9852), which were stricken out by the Senate, but after due consideration by the conferees were allowed to remain in the bill at a different rate as provided for when the bill passed the House. In the case of May A. Sanders (H. R. 10295) the same was restored to the bill by the conferees as it passed the House, but with change of provision providing for the payment of $2 per month additional to the minor children.

The Senate recedes from its amendments striking out the following cases:

No. 8. George W. Doney (H. R. 693), believing from the testimony shown that the rate allowed is warranted under the circumstances as set forth in the report.

No. 9. Julius A. Fuhrman (H. R. 763). It is believed that, giving the claimant the benefit of the doubt, a pension of $12 a month is warranted by the evidence shown in the report.

No. 12. David Dixon (H. R. 1808). Further evidence submitted to your conferees to the effect that this man is now almost totally helpless, requiring the aid and attendance of another person, warrants the increase.

No. 14. Jonas Bolen, alias James Bolen (H. R. 2759). This man served in the zone of Indian hostilities and took part in numerous engagements with Indians at different times, and while he may possibly not have served the 30 days required by law, yet his service for five years was connected with the Indian disturbances.

No. 16. Edward Gaines (H. R. 2764). This man was in the Regular Army and served in numerous Indian engagements. In conformity to practice in other cases, it is believed a pension of $20 a month is warranted.

No. 39. Charles H. Ricker (H. R. 5367). It is believed in this case that while the soldier might possibly secure relief by filing claim at the bureau, there might be some question, and his deplorable condition warrants the rate allowed.

No. 66. Charles A. Bills (H. R. 7853). The aged and helpless condition of this man and the fact that he served in the zone of Indian warfare, it is believed, warrants the granting of increase allowed in this case.

No. 67. Jacob Lyons (H. R. 7896). Additional evidence filed since the bill passed the Senate shows the man to be in an almost helpless condition at the present time, and it is believed that the Senate should recede and allow the $20 provided.

No. 71. John Kerns (H. R. 8135). Since the bill passed the House evidence has been filed showing the man to be almost blind, and in view of his age and helpless condition it is believed he should have the pension of $20 provided.

No. 76. Jerry Fitzpatrick (H. R. 9071). This man is now entirely helpless, requiring aid and attendance of another person, and it is believed that the increase to $30 is warranted.

No. 80. Walker Anderson (H. R. 9427). This man was discharged for disability incurred in the service in Indian wars, and if he had reached the age of 62 he could get $20 per month at the Pension Bureau. It is believed the committee is justified in waiving the few years in the age requirement.

No. 85. Nancy G. West (H. R. 9599). On account of the extreme age and present almost helpless condition of this nurse it is believed the amount of $12 should be allowed.

No. 87. Clara J. Sitton (H. R. 9658). In this case the service of the soldier was recognized by Congress and he was granted the pension allowed other Mexican War veterans, and it is believed similar recognition should be given his widow.

No. 91. Johanna Murphy (H. R. 9681). Giving the beneficiary the benefit of the doubt, it is believed that the pension of $12 per month, which she could have received had she been able to prove the death of her husband due to service, is warranted.

No. 96. James D. Smith, alias James Smith (H. R. 9829). The greater part of the soldier's service was in the zone of hostilities with Indians, and your committee believe they are justified in recommending he be given the rate allowed others who served in similar capacity.

No. 97. Thomas E. Sutton, alias Birt Sutton (H. R. 9842). This soldier is now helpless, and it is believed that the increase provided is warranted.

No. 101. Minnie Nordyke (H. R. 9892). The conferees are advised that the beneficiary is now in an almost helpless condition, and while Congress only recently gave her a pension of $12 per month the increase to $20 is recommended.

No. 111. Edith Payne Trimm (H. R. 10015). On account of helpless child in this case and the fact that part of her income comes from a church bounty fund, the committee recommend the allowance of $12, the amount provided for in the bill.

No. 140. Margaret Huling (H. R. 10392). After due consideration it is believed that the strict rule as to actual service should not be enforced, and therefore it is recommended that the usual widow's pension be allowed in this case.

No. 151. Louise Shoat (H. R. 10569). In this case there is an invalid daughter to be taken care of, and it is believed that the rate of $20 is warranted.

No. 152. Rhoda M. Gates (H. R. 10577). In this case she forfeited her pension by remarriage, which was shortly afterwards terminated on her own motion, and your committee recommend that she be granted the pension she would have received had it not been for her unfortunate marriage of short duration.

No. 156. Christopher L. Einkopf (H. R. 10633). The soldier served almost wholly in the Indian country and he was engaged in several Indian battles. On account of his extreme age it is believed that the $20 allowed is warranted.

No. 172. Horace B. Case (H. R. 10910). The man is now totally blind, and it is believed the increase is warranted.

No. 192. Susana Raines (H. R. 11285). Since the passage of the bill evidence has been filed showing that claimant is almost helpless from rheumatism and also the soldier was her main support. It is believed that the $12 recommended is warranted.

No. 194. Lewis W. Taft (H. R. 11288). Soldier is now totally helpless and bedridden, and the increase is believed justified.

No. 196. Guy Robison (H. R. 11374). It is believed that report will show that part of his disability at least was due to service and it is believed the amount of $17 per month is justified.

No. 197. Lucy E. Blue (H. R. 11402). The beneficiary is aged and destitute and, giving her the benefit of the doubt as to death of son being due to service, the $12 provided for in the bill is believed to be warranted.

SAM R. SELLS,
EDGAR R. KIESS,
Managers on the part of the House.

Mr. GARRETT. Mr. Speaker, may I ask the gentleman from Tennessee whether any of these conference reports has any legislation in it?

Mr. SELLS. None whatever.

EXTENSION OF REMARKS.

Mr. WALSH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing the address of the senior Senator from Massachusetts [Mr. LODGE] delivered at the three hundredth anniversary of the landing of the Pilgrims at Plymouth, December 21 last. The Senator from Massachusetts is the chairman of the United States Tercentenary Commission and it is for that reason that I make the request.

The SPEAKER. The gentleman from Massachusetts asks unanimous consent to extend his remarks in the RECORD in the manner indicated. Is there objection?

Mr. GARD. Mr. Speaker, reserving the right to object, has there been any printing of this address on the other side of the Capitol?

Mr. WALSH. There has not been, and I do not think it will be arranged for over there.

The SPEAKER. Is there objection?

There was no objection.

ELIZABETH R. MORSE.

Mr. IRELAND. Mr. Speaker, by direction of the Committee on Accounts I present the following privileged resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 618.

Resolved, That there shall be paid, out of the contingent fund of the House, to Elizabeth R. Morse, widow of Bryan H. Morse, late an employee of the House of Representatives, a sum equal to six months of his compensation as such employee, and an additional amount not exceeding $250 to defray the expenses of the funeral of said Bryan H. Morse.

Mr. IRELAND. Mr. Speaker, this is the usual resolution passed on behalf of the widow of a deceased employee. Mr. Morse had been in the employ of the House since 1885 and died on December 5 last.

The SPEAKER. The question is on agreeing to the resolution.

The resolution was agreed to.

REV. HENRY N. COUDEN, D. D.

Mr. IRELAND. Mr. Speaker, by direction of the Committee on Accounts I present the following privileged resolution, which I send to the desk and ask to have read.

The Clerk read as follows:

House resolution 631.

Resolved, That immediately following his resignation as Chaplain of the House of Representatives, Henry N. Couden be, and he is hereby, appointed Chaplain emeritus of the House of Representatives, with salary at the rate of $1,500 per annum, payable monthly, to be paid out of the contingent fund of the House until otherwise provided by law.

Mr. GARRETT. Mr. Speaker, did the gentleman present that as a privileged resolution?

Mr. IRELAND. Yes.

Mr. MANN of Illinois. It is privileged.

Mr. IRELAND. It involves a payment out of the contingent fund of the House.

Mr. GARNER. It makes a permanent charge.

Mr. GARRETT. I am not going to oppose the resolution, but the matter of privilege is——

Mr. MANN of Illinois. It is clearly privileged. It is like all resolutions for the appointment of House employees to be paid out of the contingent fund of the House.

Mr. GARRETT. Does it just provide for the remainder of this Congress or does it reach over?

Mr. MANN of Illinois. Of course, the effect of it would reach over, if Congress makes an appropriation, which I apprehend it will.

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Mr. IRELAND. In all probability it will be taken up by the Committee on Appropriations henceforth.

Mr. GARRETT. I wish the gentleman would ask unanimous consent for its present consideration.

Mr. MANN of Illinois. It is clearly privileged, although I have no objection to that course being taken.

Mr. CAMPBELL of Kansas. Mr. Speaker, as I understood the reading of the resolution, it provides for the creation of a new office, that of chaplain emeritus of the House of Representatives.

Mr. MANN of Illinois. It is like all of the resolutions for the special employees of the House. They are provided for under resolutions of this sort.

Mr. IRELAND. Admitting that to be true, would it not still be privileged? It is our opinion that it is.

Mr. GARRETT. I have not looked into that with any great care to determine whether it is privileged or not. I do not want any precedent set here. There is no objection to unanimous consent, as far as I am concerned.

Mr. IRELAND. I am willing to ask unanimous consent, if the gentleman prefers.

Mr. GARRETT. I wish the gentleman would. It really would make the act appear more gracious anyway.

The SPEAKER. The gentleman from Illinois asks unanimous consent for the present consideration of the resolution. Is there objection?

Mr. BLANTON. Mr. Speaker, reserving the right to object, and I shall not object, I rise for the purpose of saying that it is not so very often that we are called upon to send many documents of one particular kind out of Washington to constituents in our own districts. We are called upon to respond to very few cases respecting one kind, while we do send a number of various kinds, but with respect to our Chaplain I want to say that I have had more calls from my district, from preachers and other people, for copies of his prayers——

Mr. GALLIVAN. Mr. Speaker, I demand the regular order.

The SPEAKER. The gentleman from Massachusetts demands the regular order. Is there objection to the request of the gentleman from Illinois?

Mr. BLANTON. I ask unanimous consent to ask the gentleman a question.

The SPEAKER. The regular order has been demanded, which prohibits that, of course.

Mr. BLANTON. I want to ask a question with respect to the reprinting of these prayers.

The SPEAKER. After the consent is given the gentleman from Illinois [Mr. IRELAND] will have the floor. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. IRELAND rose.

Mr. GARNER. Mr. Speaker, before the gentleman from Illinois begins, if he has the data I wish he would put it into the RECORD to show just what Dr. Couden is receiving from the Government, or will receive if this resolution should pass, in addition to what it will carry.

Mr. IRELAND. I shall ask unanimous consent to extend my remarks in the RECORD and prepare that data.

Mr. MANN of Illinois. Dr. Couden receives a pension of $100 a month.

Mr. GARNER. And this will give him $225 a month?

Mr. MANN of Illinois. One hundred and twenty-five dollars a month additional, the same as he is receiving now.

Mr. GARNER. That record ought to show just how much he is getting from the Government.

Mr. IRELAND. Is that satisfactory?

Mr. BLANTON. Will the gentleman yield for a question?

Mr. IRELAND. Certainly.

Mr. BLANTON. May I ask the gentleman whether or not any steps have been taken to have additional copies printed of the prayers which have been delivered by the Chaplain in the House? In other words, my supply is exhausted. I have demands for them frequently. Does not the gentleman think the matter is of sufficient merit and worth while to have additional copies printed?

Mr. IRELAND. Quite so.

Mr. MANN of Illinois. That would come through the Committee on Printing. I suggest to my friend to introduce a resolution.

Mr. BLANTON. There has already been a resolution introduced by my friend here, and pending for months and no action taken on it. That is the reason I was inquiring.

Mr. IRELAND. I do not want to impose upon the time of the Committee on Appropriations; therefore I refuse to yield further. [Cries of "Vote!"] I may state that the much-abused important Committee on Accounts, to whom is directed much overconsiderate attention and penny-wise and pound-foolish criticism, finds itself in unanimous happy accord in presenting this resolution to the House. Dr. Couden has served the House of Representatives for something over 25 years, and I am now told desires retirement. Mr. Speaker, I ask for the adoption of the resolution.

The question was taken, and the resolution was agreed to.

SUNDRY CIVIL BILL.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committeee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, the sundry civil bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, with Mr. WALSH in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to return to page 31, line 19. An amendment was adopted with regard to employees' compensation fund.

The CHAIRMAN. When the House rose there was an amendment pending. Does the gentleman desire to return before that is disposed of?

Mr. GOOD. No; I had overlooked that.

The CHAIRMAN. The Clerk will report the pending amendment.

The Clerk read as follows:

Amendment by Mr. VOLSTEAD: Page 117, line 23, after the word "cases," insert "including $200,000 for assistant attorneys to enforce the national prohibition act."

Mr. GALLIVAN. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The Chair will state that debate upon this amendment is exhausted. The question had been put, the point of no quorum was raised, and the committee rose.

Mr. GALLIVAN. Mr. Chairman, I ask unanimous consent to address the committee for two minutes.

The CHAIRMAN. The gentleman from Massachusetts asks unanimous consent to address the committee for two minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. GALLIVAN. Mr. Chairman, I simply desire to call the attention of the members of the committee who were not present when this amendment was under discussion last night that the only argument made in my hearing for the adoption of the amendment was made by the gentleman from Texas [Mr. BLANTON], who stated that he was well aware that every drug store in his State held prescriptions on file from doctors who were not present in person when these prescriptions were handed out; that the casual customer could go and buy what he wanted if he secured one of these prescriptions. Such conditions do not prevail in Massachusetts, may I add——

Mr. BLANTON. Oh, no; I did not go that far in my statement.

Mr. GALLIVAN. Furthermore, the chairman of the committee, in my judgment, has gone back on his bill in accepting this amendment. I simply wanted that to go in the RECORD; that is the real reason I have asked for this short two minutes.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Minnesota.

The question was taken, and the Chair announced the ayes appeared to have it.

On a division (demanded by Mr. GALLIVAN) there were— ayes 51, noes 11.

Mr. GALLIVAN. Mr. Chairman, I make the point of order that there is no quorum present.

The CHAIRMAN. The gentleman from Massachusetts makes the point of order that there is no quorum present. The Chair will count. [After counting.] One hundred and seven Members are present, a quorum.

So the amendment was agreed to.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to return to page 31, line 19. Is there objection?

Mr. BLANTON. May I ask for what purpose?

Mr. GOOD. I ask to reconsider the motion to strike out certain language. At the time there seemed to be no objection, but since that time the department has called my attention to the fact that when the bill providing for compensation to injured

Government employees was being considered by the Judiciary Committee point was made of the fact that the money would have to remain available or otherwise it would cost a great deal more to administer the law.

Mr. BLANTON. The gentleman is not going to add any more appropriation or any more legislation?

Mr. GOOD. No; but I understand it would save a great deal in the administration of the law to make the appropriation in accordance with law.

The CHAIRMAN. Is there objection to returning to page 31, line 19?

Mr. GARD. What is the amendment the gentleman desires?

Mr. GOOD. I ask to reconsider an amendment which was offered on page 31, line 19, which reads as follows:

To remain available until expended.

Those words were stricken out. The law provides that the appropriations made for making payment of compensation to Federal employees who are injured shall remain available until expended. Not only appropriations carried in the original act but all other appropriations. They state that the making of appropriations for the fiscal year will add very greatly to their work and make the administration of the law very difficult in keeping track of persons injured, and that matter, as I understand, at the hearings before the Committee on the Judiciary, was fully gone into when the law was passed, and for that reason I ask that the language be restored.

Mr. MANN of Illinois. I offered the amendment——

The CHAIRMAN. The gentleman from Iowa asks unanimous consent——

Mr. MANN of Illinois (continuing). And I suggest, instead of asking to reconsider, the gentleman ask to reinsert the language that was stricken out by the amendment.

Mr. GOOD. Mr. Chairman, I so modify my request.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to reinsert certain language in line 19, page 31, previously stricken out by way of amendment, which language the Clerk will report.

The Clerk read as follows:

Page 31, line 19, reinsert the language stricken out, as follows: "to remain available until expended."

The CHAIRMAN. Is there objection to the reinsertion of that language? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

For salaries of clerks of United States district courts, their deputies, and other assistants, expenses of travel and subsistence, and other expenses of conducting their respective offices, in accordance with the provisions of the act approved February 26, 1919, $1,050,000: *Provided*, That provisions of the act entitled "An act to fix the salaries of the clerks of the United States district courts and to provide for their office expenses, and for other purposes," approved February 26, 1919, shall be applicable on and after July 1, 1921, to the clerk of the Supreme Court of the District of Columbia, excepting that said clerk shall be appointed as heretofore by said court in general term, and to the clerks of the district courts of the United States for Hawaii and Porto Rico: *Provided further*, That no clerk or deputy clerk or assistant in the office of the clerk of a United States district court shall receive any compensation or emoluments through any office or position to which he may be appointed by the court, other than that received as such clerk, deputy clerk, or assistant, whether from the United States or from private litigants.

Mr. MANN of Illinois. Mr. Chairman, I reserve a point of order on the paragraph in order to inquire whether the change in the provision in reference to the appointment of the clerk to the Supreme Court of the District of Columbia, carried in the current law, by the chief justice to appointment by the general term is a change desired by the court?

Mr. GOOD. Yes; Chief Justice McCoy called attention to the fact that by the provisions of the current law the clerk was to be appointed by the chief justice, when the law provided that he should be appointed by the court, and he felt that it might look that he had asked for a change in the law. He did not desire to appoint in violation of the law, and this is to conform with the law.

Mr. MANN of Illinois. I withdraw the point of order.

Mr. GARD. Further reserving the point of order, the first proviso, beginning on line 9 and following, I was unable to understand, and therefore beg the indulgence of the gentleman who is chairman of the committee to ask just what difference this makes in the appointment of clerks in the Supreme Court of the District of Columbia?

Mr. GOOD. In the District of Columbia?

Mr. GARD. Yes.

Mr. GOOD. The last sundry civil bill provided that the clerk in the Supreme Court of the District of Columbia should be appointed by the chief justice of that court, while the general law provides that the clerk should be appointed by the court. Justice McCoy called attention to the fact that he did not as chief justice ask for that change in the law, and suggested that in this bill we provide for the appointment so as to conform with the provisions of the law, which we have done.

Mr. GARD. That is, appointment by the court?

Mr. GOOD. By the court instead of by the chief justice.

Mr. GARD. In general term?

Mr. GOOD. Yes. It will include the entire court as having a voice in the selection.

Mr. GARD. I withdraw my reservation of the point of order.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For fees of jurors, $1,150,000.

Mr. JONES of Texas. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 119, line 4, after the word "jurors," strike out the figures "$1,150,000" and insert in lieu thereof the following: "$575,000: *Provided*, That hereafter until otherwise provided by law all petit juries for the trial of cases in the district courts of the United States, in both civil and criminal matters, shall be composed of 6 instead of 12 persons, as now provided by law, and the jury panels and the number of peremptory challenges which each party is entitled to in any criminal or civil case is hereby reduced by one-half the number now provided, except that in all cases in which the United States is a party the United States shall be entitled to three peremptory challenges."

The CHAIRMAN. The gentleman from Texas offers an amendment reducing the amount appropriated for fees of jurors, by inserting a smaller amount, and couples with it a proviso changing permanent law with reference to the number of jurors who shall hereafter constitute a petit jury, and also providing that the panel shall be reduced one-half, and other changes.

The Chair assumes that the gentleman from Texas contends that under the so-called Holman rule the amendment is in order.

The Chair finds that a somewhat similar question arose on January 16, 1912, when the Chairman of the Committee of the Whole, the gentleman from Tennessee [Mr. GARRETT], ruled as follows:

The Chair is of opinion that the Committee on Appropriations may not, under the rule, bring in as an integral part of an appropriation bill substantive legislation that, if introduced in the ordinary way in the House—that is, by bill or joint resolution presented by a Member—would go to another standing committee of the House for consideration and action; nor does the Chair think that any Member of the House may offer from his place on the floor any amendment carrying such substantive legislation, even though that legislation would retrench expenditures, unless that Member offer it as the report of a committee or as a member of a joint commission which would have jurisdiction of the subject matter under the rules of the House.

This amendment clearly reduces expenditures in this bill, but it provides for a very important change in the substantive law, which does not appear to be germane to the paragraph under consideration—that is, it seeks to amend existing law, and, furthermore, would seem to involve a proposition which the Committee on Appropriations might not itself have reported, nor the gentleman from Texas have offered, unless authorized by a committee. The Chair therefore feels constrained to sustain the point of order.

Mr. JONES of Texas. I desire to ask a question for information. If the matter applied simply to the current fiscal year, that rule would not apply, as I understand it. I am familiar with the precedent cited by the Chair, but that was where it was permanent legislation, was it not?

The CHAIRMAN. The gentleman's amendment proposes permanent legislation.

Mr. JONES of Texas. I am going to offer one not in that form.

The CHAIRMAN. The gentleman from Texas offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. JONES of Texas: Page 119, line 4, after the word "jurors," strike out the figures "$1,150,000" and insert in lieu thereof the following: "$575,000: *Provided*, That for the current fiscal year all petit juries for the trial of cases in the district courts of the United States in civil matters shall be composed of 6 instead of 12 persons, as now provided by law, and the jury panels and the number of peremptory challenges which each party is entitled to in any civil case is hereby reduced by one-half the number now provided."

Mr. GOOD. I make the point of order that the amendment proposes legislation on an appropriation bill, and is not authorized by law.

The CHAIRMAN. Does the gentleman from Texas desire to be heard on the point of order?

Mr. JONES of Texas. As I understand the decision of the Chair and the precedents in matters of this kind, it is not legitimate to offer as an amendment a provision, even though it retrenches expenditures, which makes a change in the per-

manent law or makes a permanent change in the law; but that where it does retrench expenditures it may be offered as applying simply to the appropriation in question. Now, as I understand, this appropriation is for the current fiscal year. The amendment which I have now offered is limited in its application to the current fiscal year; in other words, is limited to this appropriation and to the disbursement of the very fund that is provided in this paragraph.

Mr. BARKLEY. Will the gentleman yield for a question?

Mr. JONES of Texas. Yes.

Mr. BARKLEY. I understand the rule to be that if the amendment changes existing law, it is not germane and not permissible. Would not the gentleman think his amendment limiting juries to six during the current year changes the existing law, which provides that they shall for the current year and all other years consist of twelve?

Mr. JONES of Texas. My amendment does not provide for all other years, but simply for the current fiscal year.

Mr. BARKLEY. I understand that.

Mr. JONES of Texas. As far as the question of germaneness is concerned, the question of whether it changes existing law or otherwise does not affect that question. Even though it should change existing law, it is germane to the paragraph and to the appropriation, for it is directed to the specific point and purpose mentioned in the appropriation.

Mr. BARKLEY. It does change existing law, does it not?

Mr. JONES of Texas. It is perfectly proper under the Holman rule to change existing law, as I understand it, if you reduce or curtail expenditures. In fact, that is the very object and purpose of the Holman rule, and that is what the rule consists of. In other words, the Holman rule——

Mr. GOOD. Does the gentleman think the Committee on Appropriations would have had jurisdiction of this, and could have offered it as a matter of substantive law and have escaped the point of order?

Mr. JONES of Texas. No; I do not think they could have done that, but that proposition applies to permanent legislation, or to legislation which is not specifically limited to the particular appropriation.

Mr. GOOD. Yes; but the decision of Mr. GARRETT when he occupied the chair, which decision has been read by the present Chairman, was bottomed upon that very principle.

Mr. JONES of Texas. No; it was permanent legislation that was offered. He may have mentioned that in the course of his remarks, but that was not the point involved in the decision. The point involved in the decision and the burden of it was that it was changing existing law and making permanent legislation. He might have made some such remark in the course of his decision, but that was not necessary to the decision and was not the point at issue.

Mr. GOOD. It was the only point in the decision.

Mr. JONES of Texas. No; that is what we call obiter dicta in the law, and it does not affect the decision in any way.

The CHAIRMAN. The Chair has examined the amendment offered, and while it does reduce expenditures and provide for legislation to make effectual the reduction of expenditures, it also embraces other legislation, which is a change of existing law, and it is not germane to the paragraph inasmuch as it affects the number of peremptory challenges to which the Government is entitled. The Chair, therefore, sustains the point of order.

The Clerk read as follows:

For bailiffs and criers, not exceeding three bailiffs and one crier in each court, except in the southern district of New York and the northern district of Illinois: *Provided*, That all persons employed under section 715 of the Revised Statutes shall be deemed to be in actual attendance when they attend upon the order of the courts: *Provided further*, That no such person shall be employed during vacation; expenses of circuit and district judges of the United States and the judges of the district courts of the United States in Alaska, Porto Rico, and Hawaii, as provided by section 259 of the act entitled "An act to codify, revise, and amend the laws relating to the judiciary," approved March 3, 1911; meals and lodging for jurors in United States cases, and of bailiffs in attendance upon the same, when ordered by the court, and meals and lodging for jurors in Alaska, as provided by section 193, Title II, of the act of June 6, 1900; and compensation for jury commissioners, $5 per day, not exceeding three days for any one term of court, $240,000.

Mr. GARD. Mr. Chairman, I move to amend, on page 119, line 13, by striking out the figures "715" and inserting in lieu thereof the figures "765." I do that because I think there has been a possible error. I have verified the number of the section from the Revised Statutes. Section 765 seems to be the one that is meant.

Mr. GOOD. I assume that if the gentleman has looked it up he is right about it.

The CHAIRMAN. The gentleman from Ohio offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. GARD: Page 119, line 13, strike out the figures "715" and insert in lieu thereof the figures "765."

Mr. MANN of Illinois. Mr. Chairman, I heard the amendment to change the number of the section of the Revised Statutes with reference to the employment of persons to serve in the Federal courts, but I did not hear the explanation for the amendment. Section 715 is the number of the section now in the current law. Whether that was an error or not I do not know, but people are being paid under the appropriation made under that number. I think we ought to know whether we are changing it here so that they will not be paid.

Mr. GARD. I have before me Barnes's Federal Code, which I hold in my hand, the revised code, and it designates section 765 as being the section which authorizes the employment of deputy clerks who may be assigned as bailiffs. I may be in error about it.

Mr. MANN of Illinois. I do not know. There is a copy of the Revised Statutes at hand.

Mr. GOOD. Mr. Chairman, I will say to the gentleman that section 715 of the Revised Statutes reads as follows:

Circuit and district courts may appoint criers for their courts, to be allowed the sum of $2 per day, and marshals may appoint such number of persons not exceeding five——

And so forth.

Mr. GARD. If that is the proper section, then my amendment is not necessary, and I ask unanimous consent to withdraw it.

The CHAIRMAN. The gentleman from Ohio asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The Clerk read as follows:

For such miscellaneous expenses as may be authorized by the Attorney General, for the United States courts and their officers, including so much as may be necessary in the discretion of the Attorney General for such expenses in the District of Alaska, and in courts other than Federal courts, $550,000.

Mr. MANN of Illinois. Mr. Chairman, I reserve the point of order on the paragraph. Why should this appropriation now provide for the payment of miscellaneous expenses in courts other than the United States courts?

Mr. GOOD. The committee went into that matter at the hearings, and Mr. Kennard, of the department, said that frequently cases in which the United States are involved are instituted in State courts, and that although they are subsequently removed to Federal courts the expenses already incurred must be paid to the officials of the State courts. He was asked out of what fund they were paid, and he replied that they were paid out of this fund, but only after it had been fixed by the Federal court and approved by the President. They are doing this now. They are paying the expenses when a case is remanded from the State court.

Mr. MANN of Illinois. Mr. Chairman, I withdraw the reservation of the point of order.

MESSAGE FROM THE SENATE.

The committee informally rose; and the Speaker having taken the chair, a message from the Senate, by Mr. Crockett, one of its clerks, announced that the Senate had passed joint resolution of the following title, in which the concurrence of the House of Representatives was requested:

S. J. Res. 237. Joint resolution to enable the Secretary of the Senate and the Clerk of the House of Representatives to pay the necessary expenses of the inaugural ceremonies of the President of the United States on March 4, 1921.

SUNDRY CIVIL APPROPRIATIONS.

The committee resumed its session.

The Clerk read as follows:

LIGHTHOUSES, BEACONS, FOG SIGNALS, LIGHT VESSELS, AND OTHER WORKS UNDER THE LIGHTHOUSE SERVICE.

Lighthouse vessels, general service: Constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $1,000,000.

Mr. BRIGGS rose.

Mr. MANN of Illinois. Mr. Chairman, I reserve the point of order on the paragraph. I believe it is subject to the point of order. What is the reason for now bringing in a lump sum of $1,000,000 for constructing lighthouse vessels which have not been authorized by law?

Mr. GOOD. A great many vessels have been authorized by law for which we have made no appropriation.

Mr. MANN of Illinois. An appropriation to construct vessels which have been authorized by law would be in order.

Mr. GOOD. Yes.

Mr. MANN of Illinois. This appropriation would not have to be used for that purpose at all. This has nothing to do with vessels heretofore authorized by law.

Mr. GOOD. Oh, yes; it has. The estimate was made for $5,000,000 to construct vessels that have been authorized by law.

Mr. MANN of Illinois. Very well, and if that was the way the appropriation reads it would be in order and it would have to be used for that purpose, but there is no such limitation in this appropriation. This is for constructing lighthouse vessels, absolutely regardless of any which have heretofore been authorized by law. An appropriation would then be in order to construct those which have been authorized by law.

Mr. GOOD. My understanding is that this is the same form in which appropriations have always been carried for lighthouse vessels when more than one was carried in the bill.

Mr. MANN of Illinois. The gentleman's understanding may be correct. I have watched the subject of lighthouse vessels very closely, and I think the gentleman is in error.

Mr. GOOD. The estimate was made for the construction or purchase and equipping of lighthouse tenders and light vessels of the Lighthouse Service, $5,000,000.

Mr. MANN of Illinois. But that is the estimate. The Lighthouse Service asks for from five to fifteen million almost any time for anything. They used to think that they were niggardly if they asked for anything less than $15,000,000 for new lighthouses—until I got hold of them. I told them that we would not report anything unless they themselves scanned their own estimates.

Mr. GOOD. If the gentleman wants the date of the acts when vessels have been authorized that have not been built, I can give him those dates.

Mr. MANN of Illinois. If we are going to make an appropriation for lighthouse vessels, I want it so that it is confined to those vessels which have been authorized, so that the lighthouse board may not then construct vessels not authorized by law, and afterwards come in and ask for an appropriation for those which have been authorized.

Mr. GOOD. Of course, I can put the provision as authorized by law. I have no objection to that.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. I do not believe the item is subject to the point of order.

The CHAIRMAN. The point of order has not been made.

Mr. MANN of Illinois. I will make the point of order, and we will let the Chair rule upon it.

The CHAIRMAN. Will the gentleman state his point of order?

Mr. MANN of Illinois. The point of order is that this appropriation is not authorized by law. There is no limitation here. It is an appropriation "for constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $1,000,000." If the appropriation be made in that way, it is an authorization for the expenditure of $1,000,000 for the purchase or construction and equipment of lighthouse tenders and vessels. It does not refer in any way whatever that this appropriation shall be for vessels heretofore authorized. Of course, if the gentleman wants to offer an amendment providing an appropriation for vessels authorized that is one thing, but that is not this. This is an authorization for new vessels to the extent of $1,000,000.

Mr. GOOD. The appropriation is to carry out in part the provisions of an act approved June 5, 1920, which authorized the construction of this kind of craft. There is only one-fifth of the amount here authorized. The committee did not think it was necessary here to give the date of the authorization, inasmuch as it was for a work that was authorized by law.

Mr. MANN of Illinois. Well, the gentleman, I think, confuses the intent of the committee with the language of the committee. The accounting officers know nothing about the intent of the committee except as it is expressed. This language is not for the purpose of carrying out anything that has been authorized by law, but it is a clean new appropriation, and the officers must take it as it reads, without regard to what the intent might have been in the minds of the committee, which is not expressed in the language.

Now, we have been very careful in the past about authorization for revenue cutters, lighthouse tenders, which authorization came from the Committee on Interstate and Foreign Commerce and the appropriations therefor coming from the Committee on Appropriations. Here is no limitation as to what has been authorized.

Mr. GOOD. Of course, the limitation has been found in the act of June 5, 1920, and that, as I recall, has a limitation of $5,000,000 for this construction; at least that was the impression we gained from the hearings.

Mr. MANN of Illinois. The fact is, formerly when the Committee on Interstate and Foreign Commerce was not so very active in following its jurisdiction, it was the custom whenever they wanted a new lighthouse tender or a new revenue cutter to get an item inserted in the Senate and agreed to in conference, without regard to any authorization of law. This follows that same old practice, except here the committee comes in with an original item in a bill in the House without being limited in the authorization.

Mr. GOOD. There are a great many of these vessels, and it is impossible for the committee to tell which one of the vessels authorized by Congress is in the poorest state of repair or where the greatest need lies. It seems to the committee there was a question of administration. They claimed it was necessary to have four new ones.

Mr. MANN of Illinois. This is not for the repair of vessels.

Mr. GOOD. It is to replace.

Mr. MANN of Illinois. This is for new vessels.

Mr. GOOD. Certainly; this is to replace obsolete vessels.

Mr. MANN of Illinois. You do not have to specify what vessels are to be replaced.

Mr. GOOD. No; you have to specify where the vessels are to be stationed; if it is a light vessel or a lightship. We did it last year down at Cape Hatteras.

The CHAIRMAN. The Chair is ready to rule. The Chair will state that on June 5, 1920, the House passed an act to authorize aids to navigation and other work of the Lighthouse Service. It carried an authorization "for constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $5,000,000." Then, there was a proviso that the Secretary of War and the Secretary of the Navy and the Shipping Board shall report to the Secretary of Commerce such vessels as they might have which they were willing to dispose of, and which, with reasonable alteration, could be restored and utilized for the purpose of the Lighthouse Service in the Department of Commerce, and the sum authorized shall be available for such repairs and reduced by the sum saved by the use of such vessels. The language of the paragraph to which the gentleman from Illinois makes the point of order is a new authorization, apparently. It is not confined to the authorization contained in the provisions of the previous act, nor does it refer to it in any way. In the view of the Chair it permits the expenditure of this $1,000,000 for the construction, equipment, or purchase of lighthouse tenders outside of the authorization contained in the act of June 5, 1920, and the Chair sustains the point of order.

Mr. GOOD. Mr. Chairman, I offer an amendment as follows: At the end of line 3, page 127, insert: "Lighthouse vessels, general service: Constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $1,000,000, as authorized by the act of June 5, 1920."

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 127, after line 3, insert: "Lighthouse vessels, general service: Constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, $1,000,000, as authorized by the act of June 5, 1920."

Mr. GOOD. Mr. Chairman, I ask unanimous consent to modify that by putting in immediately before the figures "$1,000,000" "as authorized by the act to authorize aids to navigation and for other work in the Lighthouse Service, and for other purposes, approved June 5, 1920, $1,000,000."

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment in the manner indicated. Is there objection? [After a pause.] The Clerk will report the amendment.

The Clerk read as follows:

Page 127, after line 3, insert: "Lighthouse vessels, general service: Constructing or purchasing and equipping lighthouse tenders and light vessels for the Lighthouse Service, as authorized by the act entitled 'An act to authorize aids to navigation and for other works of the Lighthouse Service, and for other purposes, approved June 5, 1920, $1,000,000.'"

The question was taken, and the amendment was agreed to.

Mr. BRIGGS. Mr. Chairman, I offer the following amendment.

The Clerk read as follows:

Amendment offered by Mr. BRIGGS: Page 127, between lines 6 and 7, insert a new paragraph, as follows:

"Improving Galveston jetty light station, Tex., including fog-signal station, $6,500."

Mr. BRIGGS. Mr. Chairman, this item was authorized in the lighthouse bill passed at the last session of Congress. It

was then regarded as an emergency item by reason of being a very badly needed aid to navigation in Galveston Harbor. While it was then very greatly needed, it is even more needed now. The commerce through that great harbor has increased almost 100 per cent. Passing through there this year will be over 1,700 ocean vessels without fog-signal aid. It is an emergency proposition, and this is the only means of getting it. I do not understand that there will be any serious opposition from the Committee on Appropriations.

The two great rock jetties at Galveston project far out into the ocean—a distance of between 6 and 7 miles; and in times of heavy fogs, which are particularly frequent and dense in the spring and fall of each year, the vessels passing in and out of that harbor are endangered by the absence of such signal and are frequently prevented for periods of from 24 to 48 hours from sailing or entering such harbor by reason of the absence of such warning.

It may not be known to the Members of the House that the coastwise and foreign commerce through the harbor at Galveston in 1919 aggregated in value over $888,000,000, with 695 foreign and American ships engaged in the foreign trade alone; this does not include coastwise liners between Galveston and New York, which will average between three and five hundred throughout the year, or at least more than 360 additional ships, making over 1,000 ocean-going vessels passing in and out of this harbor in the year 1919.

According to the Bureau of Foreign and Domestic Commerce, for the first 10 months of 1920, 975 American and foreign ocean-going ships, engaged in the foreign trade, passed in and out of Galveston Harbor, and, according to the custom records, 243 ships in November and December, 1920, making over 1,200 in all, being an increase of about 550 steamships over the number in the year of 1919, irrespective of the regular liner vessels in the coastwise trade heretofore referred to and which in 1920 will equal, if not exceed, 500 steamers, bringing the number of ocean-going ships using Galveston Harbor in 1920 to over 1,700 vessels.

The figures show that American steamships engaged in the foreign trade alone outnumbered foreign vessels by nearly 5 to 1. Of course, the ships engaged in the coastwise trade are all under American register.

The increase of net tonnage of vessels engaged in the foreign trade for the first 10 months of 1920 exceeds by 793,098 tons the net tonnage of the vessels engaged in such trade for 1919, the total net tonnage in foreign trade for 1919 being 1,420,635 tons, while the net tonnage in the foreign trade for the first 10 months of 1920 amounts to 2,213,733 tons.

The total value of foreign exports for all of the year 1919 passing through the harbor of Galveston amounted to $469,699,216, while such exports for the first 11 months of 1920, according to the records of the Bureau of Foreign and Domestic Commerce and customs house, already show exports amounting to $618,318,169, with an estimate of $61,000,000 for December, making the total value of foreign exports during 1920 the great sum of $679,319,169, an increase over 1919 of over $200,000,000. It will be borne in mind that the value of the coastwise commerce during the same year is not yet obtainable, but when based upon the amount of same for 1919 will undoubtedly bring the total commerce through the harbor of Galveston for 1920 up to more than $1,000,000,000.

All the commerce of the ports of Galveston, Texas City, Houston, and Bolivar passes through these jetties to the sea. A commerce that has given Galveston again her former rank as the greatest export cotton port in the world and the second greatest export port generally in the United States; that has also developed the splendid port of Texas City so that in 1920 526 vessels were dispatched, an increase of more than double the number of ships clearing from such port over those of the year 1919, when there were only 226, the increase in tonnage being over 1,000,000 tons. Houston and Bolivar have also enjoyed great growth and are continuing along with the other two ports to even further expansion and development.

These figures will, therefore, give you some idea of the importance and value to the whole country of this great channel and the immediate emergency need for the establishment at the light station on the end of the south jetty at Galveston, without delay, of this compressed-air fog signal to protect the great number of ocean-going ships, with their commerce, constantly entering and clearing through Galveston Harbor. Unless this amendment is adopted the money can not be obtained and the signal constructed.

The CHAIRMAN. The question is on the amendment of the gentleman from Texas [Mr. BRIGGS].

The question was taken, and the amendment was agreed to.

Mr. BRIGGS. Mr. Chairman, I ask unanimous consent to revise and extend my remarks.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to revise and extend his remarks. Is there objection? [After a pause.] The Chair hears none. The Clerk will read.

The Clerk read as follows:

For retired pay of officers and employees engaged in the field service or on vessels of the Lighthouse Service, except persons continuously employed in district offices and shops, $75,000.

Mr. HICKS. Mr. Chairman, I move to strike out the last word for the purpose of asking the chairman of the Committee on Appropriations if under this item, which I presume it does, comes the experimental work now being carried on by the Department of Commerce in regard to the electrical buoying of channels by cables? What I mean by that is this: The chairman undoubtedly knows that in Ambrose Channel, leading into New York Harbor, there has been installed a sound-emitting device, consisting of an electrically charged cable lying at the bottom of that channel. This cable sends out signals at stated intervals, which are caught by a wireless apparatus on shipboard, so that a vessel can enter the port of New York in the thickest fog or in a blinding snowstorm, without depending on light or sound signals of any kind, by taking its bearings by a listening-in device installed on the bridge, by which the pilot can keep the vessel directly over the cable at the bottom of the channel, and so make all the turns without seeing a buoy or consulting a compass. I understand they are contemplating the installation of the same device through Long Island Sound and are also considering laying down the system in Boston Harbor and in Philadelphia Harbor and in other great harbors. Installing this device means much to the navigation of those important channels, and is, of course, costly. Does this appropriation take care of a matter of this kind?

Mr. GOOD. Not the item that was just read by the Clerk. That is the item for retired pay.

Mr. HICKS. I mean the whole section.

Mr. GOOD. Yes; the Lighthouse Service has an appropriation of $4,200,000 that is available for doing work of that kind, but my understanding is that it is the policy of that service, where the expenditure is a large item, they do not feel that they can take their appropriation and make an expenditure out of it, but they usually come and ask for it as a separate item. Now, as to the item in regard to Galveston Harbor that just went in, when the committee refused to give that item, both last year and this year, there was some objection on the part of the Lighthouse Service that we had perhaps subjected navigation in the harbor to unusual chances and it might mean the loss of vessels and probably of human life unless something was done. And they said they could not take an item as large as that out of the general appropriation.

Mr. HICKS. I understand from the gentleman from Iowa that if the Department of Commerce wants to install this new listening device for the purpose of navigation of a channel, costing, of course, may thousands of dollars, they have to come before the Appropriations Committee and get a specific appropriation? They can not take it out of this item?

Mr. GOOD. If it costs more than $10,000, they will have to do that, because that is the limitation of law.

Mr. HICKS. That is the answer.

The CHAIRMAN. Without objection, the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Commissioner's office: Commissioner, $6,000; deputy commissioner, $3,500; assistants in charge of divisions—fish culture $2,700, inquiry respecting food fishes $2,700, fishery industries $2,500; assistants—1 in charge of office $2,500, 1 $2,500, 1 $2,400, 1 for developing fisheries and for saving and use of fishery products $2,460, 1 $2,220, 1 for fishery food laboratory $2,000, 1 $2,000, 1 $1,800, 1 $1,600, 2 at $1,200 each; fish pathologist, $2,500; architect and engineer, $2,200; assistant architect, $1,600; draftsman, $1,200; accountant, $2,100; librarian, $1,500; superintendent of fish distribution, $1,600; clerks—4 of class 4, 6 of class 3, 1 to commissioner $1,600, 7 of class 2, 12 of class 1, 2 at $900 each (including 1 for Seattle office); statistical agents—1 $1,600, 2 at $1,400 each, 2 at $1,000 each; local agents—1 at Boston $600, 1 at Gloucester $600, 1 at Seattle $600; engineer, $1,080; 3 firemen, at $720 each; 2 watchmen, at $720 each; 5 janitors and messengers, at $720 each; janitress, $480; messenger boy, $360; 5 charwomen, at $240 each; in all, $114,840.

Mr. RAKER. Mr. Chairman, I desire to offer the following amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 137, line 4: After the end of line 4, on page 137, insert the following as a new paragraph:

"For the conduct of demonstrations and imparting of instruction in correct, cheap, and wholesome methods of preparing and cooking fish, including the payment of salaries and traveling expenses and the purchase of materials and supplies, $15,000."

Mr. GOOD. Mr. Chairman, I make a point of order on that.

Mr. RAKER. Will the gentleman reserve it a moment?

Mr. GOOD. I will reserve it.

Mr. RAKER. I desire to offer the following amendment, so that the two may be considered together. The latter is on the same subject.

The CHAIRMAN. For what purpose does the gentleman from California rise?

Mr. RAKER. I ask unanimous consent that this latter amendment may be read and the two considered together.

The CHAIRMAN. Is there objection?

Mr. GOOD. I have no objection, but a point of order will be reserved as to both.

The CHAIRMAN. The Clerk will report the second amendment offered by the gentleman from California [Mr. RAKER].

The Clerk read as follows:

Amendment offered by Mr. RAKER: Page 137, line 4, after the end of line 4, on page 137, insert the following as a new paragraph:

"For the conduct of investigations in the development and standardization of methods of preservation of Pacific coast fishes, including the payment of salaries and traveling expenses and the purchase of material and supplies, $10,000."

Mr. GOOD. Mr. Chairman, I reserve a point of order on that.

The CHAIRMAN. Is the last amendment for the information of the House?

Mr. RAKER. Yes. The two go together. I just want to say this on the question of a point of order, and then I want to discuss the merits for a moment. I believe that they are in order under the law creating the Bureau of Fisheries. It is not as clear as it might be, but still it is in the same line as the law creating the work that the bureau has been doing. It conserves fish life, and, in addition to that, it provides for its use. Now, if you can get the proper use by getting less fish, you necessarily conserve fish life. So, to my mind, it is in order. But I will not take too much time on that, but will call the committee's attention to the hearings on page 1408 of volume 2.

I ask that I may insert those statements in my remarks.

The CHAIRMAN. The gentleman from California asks unanimous consent to insert in his remarks certain statements. Is there objection?

There was no objection.

Following are the statements referred to:

FOR DEVELOPMENT, ETC., OF PACIFIC COAST FISHES.

The CHAIRMAN. Your next item is, "For the conduct of investigations in the development and standardization of methods of preservation of Pacific coast fishes, including the payment of salaries and traveling expenses and the purchase of materials and supplies, $10,000."

Mr. RADCLIFFE. I made reference in my previous talk to the work we have done in regard to the canning and preserving of west coast fishes. Prior to the present fiscal year we operated a small plant at San Pedro, temporary in character, where we have tried to give the fishing industry material aid in solving the problems with which they are contending, but for which we have not adequate funds at present. The California State Fish and Game Commission, feeling that the work we had started ought to be carried on, undertook to carry that work through during the present fiscal year. We would like to take that work up again, to render the industry much needed aid. The canning industry in southern California is a tremendously large one. It has grown up very quickly, and you will find there some 50 or 60 canneries. If you go to them and study their methods, you will not find the same practices in any two of the canneries in the State. Much material has been wasted. They are having difficulty with the fry bath oil and the honey-combing of the fish. Those are problems that only trained scientific men can expect to solve. It is for this purpose of preserving and utilizing all their fishes and for the improvement of methods and standardization of methods that will yield a standard pack that we are asking this appropriation.

The CHAIRMAN. Will this be used entirely for field investigations?

Mr. RADCLIFFE. We really need it in the same way that the agriculturist would. Agriculture in each region has its own problems, and we feel that the California fisheries have certain problems which can only be solved there. We can do certain work here in Washington, but a good deal of the work has to be done upon the scene of the operations of an industry of this kind. We may want to continue this work for some time.

The CHAIRMAN. You would have to continue it for more than a year in order to get results, would you not?

Mr. RADCLIFFE. Yes, sir. Certain problems would be completed in a year, and others initiated but not completed.

FOR DEMONSTRATIONS OF METHODS OF PREPARING AND COOKING FISH.

The CHAIRMAN. Then, you are asking $15,000 "for the conduct of demonstrations and the imparting of instruction in correct, cheap, and wholesome methods of preparing and cooking fish, including the payment of salaries and traveling expenses, and the purchase of materials and supplies."

Mr. RADCLIFFE. During the period of the war the production and consumption of fishery products received considerable encouragement from governmental and other agencies as a war measure. That resulted in the expansion of the production or taking of fishes and the facilities for preserving and marketing of fish. Even though that expansion was continued during the year 1919, we found an actual curtailment in the catch.

It is unlike the conditions in agriculture. To cite specific illustrations, in the vessel fisheries centering at Boston, Gloucester, and Portland, there was a reduction in the catch last year of over 9,000,000 pounds, or some 4 per cent, and a reduction of about $3,000,000, or 28 per cent, in the price received by the fishermen. This year, during the first 10 months, there has been a further reduction of some 16,000,000 pounds, and a reduction of $600,000 to the fishermen. Out in the Puget Sound and Alaska region, in the salmon-canning industry, the pack this year is estimated at about 5,000,000 cases, which represents a falling off of about 3,500,000 cases, as compared with 1917. In the case of the cheaper grades of salmon, such as the pink and chum, the pack amounts to about 2,500,000 cases. In the case of the New England sardine industry, the pack of sardines last year amounted to 2,250,000 cases, and it is estimated that this year it will amount to only 1,500,000 cases. We found a very similar curtailment of production in southern California in the tuna and sardine packing industry, and also on the Gulf coast in production of groupers. During this period there has been a tremendous increase in the cost of materials and labor, but at the same time there has been this curtailment in production and reduction in the prices received. The real cause seems to be underconsumption.

Since the war period, when the people were encouraged to eat more fish and save meat, there has been a decided falling off in consumption, and even in spite of the curtailment of production, the falling off in consumption has been so great that the producers are hard hit. The solution of the difficulty seems to us to be to bring back the consumption by calling the attention of housewives to the value of fish, and it is for this purpose that we are asking this $15,000.

The CHAIRMAN. If the price of those things did not go up so abnormally, would not that do more than anything else to bring about greater consumption?

Mr. RADCLIFFE. The prices, as I tried to point out, have been reduced. The prices received by New England fisheries last year were $3,000,000 less than they were in the previous year, and during the first 10 months of this year there has been a still further falling off of $600,000.

Mr. BYRNS. Is that due to a reduction in the actual price or value of the fish, or is it due to the fact that there is less production?

Mr. RADCLIFFE. There has been a falling off in production. The producers have not been able to find satisfactory markets. I was in New England this year and was told that they were selling haddock off the trawlers at 1½ cents per pound. I was told that some were sold to the salteries for 1 cent per pound, and that some were sold at even as low as three-fourths of a cent per pound.

Dr. MOORE. There has been a reduction in the unit price of some of those fishes, haddock especially.

The CHAIRMAN. Has there been much reduction in the price of the retailer for the better quality of salmon and tuna fish?

Dr. MOORE. Not so very much reduction in the price of the retailer, because the consumer is asking for the more expensive kinds of fish. The consumer is not utilizing the fish that are available at low prices, like the haddock and pink and chum salmon. The whole purpose of this appropriation is to conduct demonstrations that will bring the usefulness and availability of these cheaper fishes to the attention of the consumer.

Mr. BYRNS. $15,000 would not go very far in an extensive propaganda of that sort.

Mr. RADCLIFFE. It is surprising how far it will go. During the war period we carried such demonstrations with only one unit, and that unit reached some 15,000 housewives directly. It is surprising how fast these things travel and how fast they are passed on to their neighbors. With the Government taking hold of it, we get a tremendous amount of advertising, such as no other organization can get.

Dr. MOORE. It got the very widest publicity, so that when the demonstration team visited a city it became immediately known throughout the city. One retail dealer in St. Louis told me that immediately after the demonstrations were undertaken there his sales of fish doubled, was it not, Mr. Radcliffe?

Mr. RADCLIFFE. I think it was an increase of 25 per cent, and the increase stayed at that figure. One of the things we try to do is that our field men, when we go into these places, go around and visit the dealers and inform them that we are going to give demonstrations and take the matter of prices up with them, so that our work shall not be used as an excuse to suddenly raise prices. We are very anxious to see the prices kept at as low a level as possible.

Dr. SMITH. A very serious condition is confronting the salmon-canning industry on the Pacific coast owing to a large production of the cheap grades of salmon, which in the early days were neglected. These fish are entirely wholesome and nourishing, and their use is to be encouraged, because they relieve the drain on the better grades, and something like $30,000,000 worth of canned salmon is now in warehouses in Seattle awaiting a market. This consists mostly of the cheaper grades, which can be put on the market at a price that will appeal to the retail consumer if he knows about the merits of the product.

Mr. VARE. The Government would have to take steps toward breaking up some of the combinations if they are being held in warehouses for extraordinarily high prices.

Mr. RADCLIFFE. The producers are willing to sell them at less than cost. They are being offered for sale, according to a recent trade paper, at such a figure that pink salmon ought to retail with profit to the wholesaler and the retailer for 25 cents a can and chum at 20 cents.

Dr. MOORE. The difficulty with those fish is that they are not red in color like the ordinary salmon, and the average consumer when he opens a can of these cheaper grades, which have practically the same nutritive value, thinks there is something wrong with them because they are not red. They have been accustomed to the use of the deep red-colored fish.

The CHAIRMAN. If you go to work and demonstrate that they are just as good, then the canner will put the price up on the same level with the red-colored fish.

Dr. MOORE. I suppose when he gets the same sort of demand for them that he has for the red-colored fish he will do that; that is human nature.

Mr. RADCLIFFE. I want to make one point in the case of the fishermen, unless they are able to market their product, most of them are not fitted for other employment and they have a rather hard time of it as it is. It is about as precarious and dangerous an occupation as we have.

Dr. MOORE. This would benefit not only the fisherman but it ought to benefit the consumer.

The CHAIRMAN. I did not understand just how you would expend the money. Would you have a demonstrator go into the stores?

Mr. RADCLIFFE. No, sir; the way we would do that is that we would have a demonstration unit, a demonstrator and an assistant and usually a publicity man. They would come here, say, to the city of Washington and would get in touch with the heads of the women's organiza-

tions, the housewives' leagues and that sort of thing, and get them interested in this work. They would arrange for a place in which to hold these demonstrations, which would be advertised in the papers, and the housewives would come there.

They are taught how to prepare the fish, and as the lecturer talks to them they are shown just how she prepares the fish for the oven, while telling them about these cheaper fishes with which most of the housewives are unacquainted, and teaches them to use the parts which they frequently throw away, the tails and the fins, and the heads which can be used to make soups and gravy. At the close of that demonstration she passes around these new fishes, which are really new to many of the housewives, and gives them a chance to try them out. She teaches the housewives how to prepare the fish in the home without so much of the fishy odor that so many of them complain about. In these ways we reach the home directly. I have attended some of these demonstrations and have seen the housewives, 100 or more of them, sitting there with a notebook in hand trying to jot down every bit of information that the demonstrator gave them, and it is really very interesting.

Mr. RAKER. Now, I have two letters here, and it is a misfortune that the whole matter was not presented to the Committee on Appropriations. The letters came too late for me to get them before the committee. The letters are from the executive officer of the California Fish and Game Association, Mr. Charles A. Vogelsang. These men have had varied and extensive experience in the culture and handling of fish and in the use of them for food. The first of these items, in particular, is necessary. It reads:

For the conduct of investigations in the development and standardization of methods of preservation of Pacific coast fishes.

They have had an experimental work carried on down at San Pedro in the preservation laboratory of the Bureau of Fisheries. They have done a wonderful work. They have demontrated the proper method of handling and canning these fish and the cooking of them and the use of them. As to the second item, the demonstration work has been such that good results have been obtained by that work. It is a cheap food. It shows the people how to use the white salmon, which is as nutritious as the red, and at the same time by its use we get a cheaper food product for our people than they have at the present time.

I would like to read this letter for the edification of the chairman of the committee, and on hearing it read I believe he will let this item go in. This letter is from Mr. Charles A. Vogelsang, and reads as follows:

FISH AND GAME COMMISSION OF CALIFORNIA,
San Francisco, December 18, 1920.

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

DEAR SIR: It is our feeling that the fishing industry in California is experiencing an extreme crisis; this is especially true of the 1-pound oval sardine. There has been packed in the State since last July 1, approximately 525,000 cases of 1-pound oval sardines, and now with the season just ready to open practically no sardine canneries are operating. This condition is brought about by the general depression in the business world, by the prohibitive rates of foreign exchange, by the lack of knowledge of fishes and fishing products on the part of the people of the United States. The high rates of foreign exchange are stimulating production abroad and canned sardines from Norway, France, Portugal, Spain, and Italy can be laid down in the United States for prices a good deal less than they can be produced in the United States. It seems logical to think that Europe may be supplying sardines and other fish to American markets after the rate of foreign exchange has adjusted itself because of the advertising that these foreign goods receive at this time.

What can be done to create a market for our oval sardines? A tariff will probably raise foreign products to a comparative figure. There is no doubt that the California sardine is equal to and possibly a great deal better than the European fish, but on account of its size, particularly, the American housewife does not recognize it as a sardine. It will take practical demonstrations to teach the American housewife the way to prepare sardines as well as other fishes and consistent advertising to create a market within the United States for this particular product.

At this time there are over $35,000,000 worth of the cheaper grades (pinks and chums) of salmon held by Seattle warehouses, a great amount of east-coast fishes, including the fine fishes of New England, and a large quantity of California tuna and sardines on hand. The United States Bureau of Fisheries is seeking an especial appropriation for funds to conduct a demonstration in fish cookery on these species of fish. The amount sought by the Bureau of Fisheries is small, but a great deal can be done with this amount. The advertising will not be for to-day only but will be lasting.

This commission is very much impressed with the proposed demonstration work of the Bureau of Fisheries, and we would appreciate your support of their request. It would be very helpful, indeed, if you would appear before the House Appropriations Committee in the interest of this item.

We are inclosing a copy of the item requested of the Secretary of Commerce by the Commissioner of Fisheries.

Very truly, yours,

FISH AND GAME COMMISSION,
CHAS. A. VOGELSANG,
Executive Officer.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. RAKER. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. RAKER. Mr. Chairman, I ask unanimous consent that I may insert that letter in the RECORD, and also another letter, of date December 30, 1920.

The CHAIRMAN. The gentleman from California asks unanimous consent to insert in the RECORD the letters referred to. Is there objection?

Mr. GARD. Reserving the right to object, the gentleman does not mean to insert it in addition to what he has already read?

Mr. RAKER. Oh, no. I left out a little of the head and a little of the tail.

Mr. GARD. The gentleman should be particular about not doing that. [Laughter.]

Mr. RAKER. That is what they have been throwing away, and it is valuable. It is what these people have been doing and will continue to do to save the American people if they are allowed to demonstrate how the full use can be got from the fish instead of throwing away a third of it or two-fifths of it. I read:

FISH AND GAME COMMISSION OF CALIFORNIA,
San Francisco, December 30, 1920.

Hon. JOHN E. RAKER,
House of Representatives, Washington, D. C.

DEAR SIR: The fish and game commission is much interested in some of the 1920 estimates, as submitted to Congress by the United States Bureau of Fisheries. There is included in the estimates of the Bureau of Fisheries an item of $10,000 "for the conduct of investigation in the development and standardization of methods of preservation of the Pacific coast fishes." This money, we are advised, would be expended by the Bureau of Fisheries preservation laboratory at San Pedro.

This laboratory, you will recall, was established in 1919 for the purpose of directly aiding the fishing industry of California. Grave mistakes, due to ignorance and inexperience, were made by the packers of tuna and sardines. In the beginning it was thought that albacore was poisonous and unfit for food and it was unmerchantable. As late as four years ago albacore was offered in San Diego for $4 a ton. Then just before the war the public began to learn of the value of the albacore and tuna fish. A number of tuna canneries were opened and a large amount of money invested.

Less than four years ago, under stimulus of the war, when most any food product was salable, the sardine-canning industry was started. It was in the canning of sardines that many mistakes were made. You no doubt recall that some of the packers attempted to pack sardines in round cans, with the result that a most repulsive and indescribable mess was offered for sale. Many of the processes employed by the canneries were costly, and it is believed that no two canneries in the State, even at this time, are packing fish by the same method. Recently our attention has been called to the fact that retorting temperatures and times vary from one and one-half hours at 240° F. to three hours at 212° F.

It was seen at the outset, when the Bureau of Fisheries established its laboratory at San Pedro to help the industry work out some of its problems, that if the industry continued packing sardines and tuna by the methods that had been developed that a crisis would be met. The Bureau of Fisheries undertook in 1919 to develop methods for canning unused species of fish, hoping to find a product on which the canneries might center their efforts while the technique of tuna and sardine canning was being refined. It was also expected that methods would be developed for canning fish that were running when sardines and tuna were not available. At the same time the laboratory was studying the methods employed by the canneries in the canning of sardines and tuna, hoping to develop new methods for these species and to improve and reduce the cost of the methods that were being employed.

Most of the outlined work on the development of new methods of new species and the refining of technique has been completed, and much valuable data will soon be released.

The laboratory is now undertaking a most intensive study of each of the individual processes employed in the canning of sardines and tuna. At present a study of the fry-bath oils is under way, in which the laboratory is seeking to find a way of reclaiming the oil and to establish proper procedure to follow when frying.

We have dealt at length on the activities of this laboratory for we are thoroughly acquainted with all the work that they are doing. We feel that this work will be very valuable, indeed, to the fisheries of California, and that much will be contributed toward the development and standardization of their product. This commission and the Bureau of Fisheries have often cooperated on a number of things in this State, and we are very much concerned that the San Pedro laboratory be continued.

The Bureau of Fisheries is a conservation bureau, and the fish and game commission is directly interested in the conservation of fish. On the Sacramento River the Bureau of Fisheries and this commission have often cooperated on salmon investigations. The fish and game commission was so much interested in the laboratory of the Bureau of Fisheries in San Pedro and the work that it had done that in June, 1920, when Congress failed to provide funds for the laboratory, which would have meant the total loss of the work done and the money expended, this commission volunteered to finance the laboratory and cooperate with the Bureau of Fisheries until Congress would again provide funds for the continuance of the laboratory. The Bureau of Fisheries up until last July 1 had spent in San Pedro some $20,000, and it had under way some very valuable experiments in the canning of mackerel, bonita, barracuda, sardines, tuna, yellowtail, and smelt. The money expended and the work under way would have been a total loss had this commission not interceded.

The financing of this laboratory by the fish and game commission meant sacrificing some very important work that this commission had under way, the curtailment of some of the regular work of the commission, and serious financial embarrassment. The commission's revenue is planned to answer the immediate needs of the commission and no more, the program of the commission expanding as the revenue increases. This year, when unexpectedly the pack was very much reduced, our revenue is far below our own requirements. Our obligation to the Bureau of Fisheries will be met, but we can not do more for the support of the bureau's praiseworthy undertaking. We are particularly

interested, therefore, that the Congressmen and Senators from California support the Bureau of Fisheries' request for $10,000 for the continuance of the San Pedro laboratory.

The fish and game commission could not agree to cooperate with the Bureau of Chemistry, which maintains a laboratory in San Diego, for the Bureau of Chemistry is interested in the exploitation of the fisheries without regard to the supply.

The fishing industry in California can, with sufficient Federal assistance, supply to the markets of the United States and to the markets of the world over 2,000,000 cases, forty-eight 1-pound cans each of sardines, which can be sold to the public at 20 cents per can. To-day 1-pound cans of fish are selling in the East for 35 cents each. The oceans hold a great, practically untouched, food supply that can by revised methods be brought to the American public for a nominal sum.

A few days ago we wrote you requesting your support of the supplemental appropriation of $20,000 requested by the Bureau of Fisheries for the conduct of a demonstration of fish cookery in the bureau's 1922 estimates; an item of $15,000 is included for the continuance during the fiscal year of 1922 of the demonstration work. The fish and game commission is interested that the proposed demonstration work be continued during the fiscal year 1922.

We would appreciate it very much, indeed, if you would get behind the Bureau of Fisheries' appropriation for the year 1922 and use your influence in the passage of these items.

Very truly, yours,

FISH AND GAME COMMISSION,
CHAS. A. VOGELSANG,
Executive Officer.

Estimates, 1922.

1. Divisional appropriation	$25,000
2. For the conduct of investigations in the development and standardization of methods of preservation of Pacific coast fishes, including the payment of salaries and traveling expenses and the purchase of material and supplies (submitted)	10,000
3. For the conduct of demonstration and the issuing of instruction in correct, cheap, and wholesome methods of preparing and cooking fish, including the payment of salaries and traveling expenses and the purchase of materials and supplies	15,000
4. Additional personnel:	
Chief fishery technologist	3,000
Assistant fishery technologist, increased from $2,400 to	3,000
Assistant fishery technologist, increased from $2,000 to	2,500
Laboratory aid	1,600
Station agent, from $1,600 to	1,800
Station agent, from $1,400 to	1,800
Station agent, from $1,400 to	1,600
2 station agents, from $1,000 to	1,400

Supplemental estimate of appropriations required by the Department of Commerce for the fiscal year ending June 30, 1921.

Miscellaneous expenses, Bureau of Fisheries: For conducting demonstrations and imparting instruction in correct, cheap, and wholesome methods of preparing and cooking fish, especially kinds available in large quantities and at comparatively low prices, including the payment of salaries in the District of Columbia and elsewhere, traveling expenses, and the purchase of material and supplies, to be immediately available (submitted)	$20,000

I hope the chairman of the committee has absorbed the real meat of this letter, and I hope the gentleman will withdraw his point of order and let this go in.

The CHAIRMAN. The time of the gentleman from California has again expired.

Mr. GOOD. Mr. Chairman, I make the point of order.

The CHAIRMAN. Upon what ground?

Mr. GOOD. On the ground that it is for work not authorized by law; that it is legislation on an appropriation bill.

The CHAIRMAN. Does the gentleman from California want to be heard on the point of order?

Mr. RAKER. Yes. I was looking the matter up last night and spent considerable time on it, and I want to say that I offered this amendment at the beginning of this section, so as to test the remainder of the amendment. There are other items in the bill like this, and unless this provision is included, those other items ought to go out. I hope nobody will object to it. I thought possibly the committee would construe it as I have construed it for the Chair, under section 699 of the Revised Statutes, which is found on page 165 of Barnes's Federal Code, which reads as follows—and that is the only thing I can find on it:

> The Commissioner of Fish and Fisheries shall prosecute investigations and inquiries on the subject with a view of ascertaining whether any and what diminution of the number of food fishes of the coasts and of the lakes of the United States has taken place; and if so, to what cause the same is due, and also whether any and what protective, prohibitory, or precautionary measures should be adopted in the premises, and shall report upon the same to Congress.

Now, it seemed to me a nice, easy construction would be permissible under this law, and particularly under the clause, "and if so, to what causes the same is due," and that it would be permitted to obtain as to this first item in particular, regrading the standardization and development of the fish industry, because by virtue of that you save the catching of the fish, because they have been destroyed in the way they have been handled, and by knowing their life and conditions we are in a position to continue proper fish culture.

Mr. GOOD. Mr. Chairman, if we adopted that "nice, easy construction" for the first amendment, then the gentleman from California could very properly hang the second amendment on the "nice, easy construction" by which the first amendment was adopted.

Mr. RAKER. To be perfectly fair, that was my idea. [Laughter.]

The CHAIRMAN. Does the gentleman from Iowa make a point of order on the amendment?

Mr. GOOD. I do.

The CHAIRMAN. The point of order is sustained. The Clerk will read.

The Clerk read as follows:

Steamer *Albatross:* Naturalist, $2,750; general assistant, $1,400; fishery expert, $1,400; clerk, $1,200; in all, $6,750.

Mr. GOOD. Mr. Chairman, I am not sure what Congress ought to do with regard to this item. The steamer *Albatross* carries 80 men and 8 officers. It is a naval vessel, and that steamer is used for some scientific investigations in regard to deep-sea fish. That vessel has been tied up for over a year, with 80 men aboard and 8 officers aboard, because they could not get the naturalists, and we have carried here an increase in the appropriation from $2,200 to $2,500 for the naturalist. The committee is in doubt as to what the best policy would be. I am not an expert on the subject of the Bureau of Fisheries. We feel that the bureau is costing more than ought to be expended for the purpose for which the appropriation is made, and we have tried to cut it down.

Here was an item for a boat with 80 men aboard, stationed there all the year, tied up to the wharf. I thought I ought to bring the matter to the attention of the House, so that the committee might determine whether we should cut out the item entirely and let the vessel go back into the Navy, where they might use it, or increase the appropriation for the pay of the naturalist to a point where one could be secured, and put the men to work. Now, we have assumed that it was one of the items that perhaps the committee might want to act upon. I am frank to say that I do not know enough about the results of investigations of this kind to say whether or not it is justifiable to go to the great expense of maintaining this project with 80 men and 8 officers to make these deep-sea investigations.

Mr. EDMONDS. I understand it is a naval boat?

Mr. GOOD. It is a naval boat.

Mr. EDMONDS. Would it be in commission anyhow, whether it was doing this work or other work?

Mr. GOOD. I have said it was a naval boat. I am not sure about how the boat was acquired. I know that it is officered by naval officers and manned by men who are paid out of naval appropriations.

Mr. EDMONDS. It probably would stay in commission anyhow, whether it was put on this work or other work.

Mr. GOOD. I am not sure as to that.

Mr. FESS. Will the gentleman yield?

Mr. GOOD. I yield to the gentleman from Ohio.

Mr. FESS. I am not acquainted with the particular item, but the gentleman is satisfied that the Bureau of Fisheries are doing a very important work generally speaking, is he not?

Mr. GOOD. Oh, yes; I have no doubt about that.

Mr. FESS. I do not know about this particular item.

Mr. GOOD. I do not know just exactly what results have been accomplished by this deep-sea investigation. It must be very expensive, with 80 men and 8 officers, requiring a large expenditure from the naval appropriation bill to carry on this work. That is where the pay comes from.

Mr. HICKS. Will the gentleman yield?

Mr. GOOD. Yes.

Mr. HICKS. Does not the gentleman think the Bureau of Fisheries are devoting a large amount of time and perhaps an unduly large amount of their time to the investigation of purely theoretical questions and not to the practical side of the fisheries industry? Representing a marine district I have had that complaint from the fishermen of my district. While they realize the benefits of this bureau, they feel that there is not enough practical work being done, that too much of it is theoretical. I want the gentleman's opinion about that.

Mr. GOOD. The gentleman can get all kinds of opinion with regard to the Bureau of Fisheries. In some of the places where they are engaged in fish culture, as at Woods Hole——

Mr. HICKS. Where is that?

Mr. GOOD. That is up in the State of Massachusetts. Some very great men have come from that section of the country. It is a noted place.

Mr. HICKS. The gentleman is joking, is he not?

Mr. GOOD. No; it is a noted place.

Mr. FESS. One of the most important research stations in the world.

Mr. GOOD. Some people claim that the money ought to be expended for fish culture, in order that the young fish may be placed in the streams and lakes, and thereby the food supply of the country increased. Others, who are more interested in the scientific side of the question, say that too much money is being expended for fish culture, and that we ought to have more for the scientific side. Now, the gentleman has the two sides of the argument. Congress has been quite liberal and has appropriated very generously for both.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARD. I desire to ask the chairman of the committee if the steamer *Albatross* is ready now to resume service, or whether it is still tied up to the dock?

Mr. GOOD. It is tied up to the dock, because they have no naturalist. They can not get a naturalist for $2,200 a year, and because they have no naturalist the steamer is tied up there, and 80 men and 8 officers are loafing and drawing pay out of the naval appropriations.

Mr. GARD. Under this appropriation of $2,750, will it be possible to get a naturalist for that salary?

Mr. GOOD. I think that is what they claim. That was what they said it would require.

Mr. GARD. Is not that the answer, that if they get the naturalist they will put the boat into service?

Mr. GOOD. They will put the boat into service, and it seemed to the chairman of the committee that the matter ought to be submitted to the House and to the judgment of gentlemen who know more about the value of this work, whether it was of a character that would warrant the tremendous expenditure. It was a matter that the Naval Committee have investigated, I suppose, because for years they have appropriated the money for the officers and men.

Mr. GARD. Of course, this is not a contribution from any master mind, but it seems to me that if this boat is ready to resume service, why not give them the appropriation which will enable them to secure a naturalist and go to work?

Mr. GOOD. That is what the committee have done.

Mr. BLANTON. Mr. Chairman, I move pro forma to strike out the last two words. In answer to the question propounded by the gentleman from New York [Mr. HICKS], I want to call the attention of my colleagues who live along the coast, where they can get a plentiful supply of fish and oysters, to the disadvantage which many people in the United States labor under who live away from the water, and who are not able to get fish except through this very institution of the United States Bureau of Fisheries. Many towns in the State of Texas situated away from streams have built artificial lakes, and they have stocked these reservoirs with fish which they have obtained from the United States Bureau of Fisheries, and now their people are able to go out there and enjoy the lucrative sport of catching a plentiful supply of good bass and trout and crappie and various other kinds of fish. I want to say that such privilege means a great deal to the people who live away from the ocean and from rivers which contain fish.

Mr. HICKS. Will the gentleman yield?

Mr. BLANTON. I will.

Mr. HICKS. I did not intend to condemn the Bureau of Fisheries. I am a great believer in it. I believe in the practical work which the gentleman from Texas is now explaining. That is what counts. What I was criticizing was that, in my opinion, too much of the work is theoretical and not practical. I represent a big oyster industry, one of the most important activities of my district. The Blue Point oysters, among others, come from Long Island. For the last two or three years there has been some disease affecting oysters, so that they do not now propagate as freely as formerly, and do not mature as rapidly as they did. Our oyster fishermen tried to get the Bureau of Fisheries to detail a vessel to make an investigation of the matter; to go out over the oyster beds and endeavor to ascertain what was the cause of the diminution in the supply of oysters. The answer was that they had not money enough because they were using it for other work. That kind of practical investigation would have been in line with what the gentleman speaks of, because it would have increased the oyster supply if we could have determined the nature of the disease affecting the oyster.

Mr. BLANTON. Certainly; but I want to repeat that this particular institution is of great benefit to the people of the country.

Mr. HICKS. Oh, I agree with the gentleman about that.

Mr. BLANTON. And there is hardly a week passes that I do not get applications for fish from my district.

Mr. BOWERS. Mr. Chairman, I move to strike out the last two words. I do not know for what purpose the steamer *Albatross* has been used during the past two years, but I do not think it is proper that the next administration should be jeopardized because of the fact that it has not been used to good advantage. The *Albatross* years ago was used in deep-sea explorations. That vessel has rendered valuable service to this country. It is officered and manned by the Navy, and in years gone by the naturalist on the *Albatross* received a salary of $1,800 a year. I notice in this item that it is $2,750. There is no good reason for striking out the item simply because one administration has not been able to secure the services of an effective individual at this salary. The *Albatross* could be used in a great many ways to good advantage, but in days gone by the appropriations have not been sufficiently large to enable it to always be used to advantage. The cost to the Fisheries Bureau has been slight. The *Albatross* was pressed into the service during the war. As I say, I hope the next administration will not be jeopardized on account of the fact that some other administration has not utilized that vessel to its best advantage, and that the item will be permitted to continue.

The CHAIRMAN. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For developing by the Bureau of Fisheries in cooperation with the Bureau of Standards new aquatic sources of supply of leather, including personal services in the District of Columbia and in the field, the unexpended balance of the appropriation for the fiscal year 1921 is reappropriated and made available for the fiscal year 1922.

Mr. BLACK. Mr. Chairman, I offer the following amendment which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. BLACK: Page 144, lines 18 to 23, inclusive, strike out all of the language from the beginning of line 18 to line 23, inclusive.

Mr. BLACK. Mr. Chairman, this appropriation to authorize the Bureau of Fisheries in the Department of Commerce to experiment with the development of leather from aquatic animals was made at a time when green hides were selling freely around 30 and 35 cents a pound, and when, of course, leather was also very high. At the present time those Members of us who come from the live-stock districts know that the best green hides are selling freely at 4, 5, and 6 cents a pound, and, while there is general complaint at the high price of shoes and harness leather and all leather products, it is certainly not because of the high price of raw materials. I happen to know a little about the hide situation, because in the business in which I am interested we have handled hides for 20 years. Green hides are now selling lower than I have seen them sell in the last 20 years, except at one time. It would be a useless thing for us to continue an appropriation to enable the Bureau of Fisheries to experiment with the development of leather from shark fish, to compete with the hides from our live stock, when we are at this very time seriously concerned in doing what we can to protect the live-stock industry from collapse and ruin because of the conditions that face it. High leather can certainly be no longer attributed to high-priced hides. The supply of cowhides is overwhelmingly abundant, and the price of them is ruinously low to the producer.

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Certainly.

Mr. BLANTON. My colleague stated that we have been doing what we could to safeguard that interest, and yet I call his attention to the fact that by the emergency tariff bill which we lately passed and which one of the great Senators has to-day agreed to permit to pass in the Senate, we left hides on the free list, as well as frozen beef.

Mr. BLACK. I am glad to state to my colleague that I have never thought that hides ought to be on the free list. I stated my attitude on the tariff question when we had the bill under consideration. I believe that on all of these products there ought to be paid a reasonable duty at the customhouse, but on the other hand, of course, without elaborating on that phase of the matter, I would not at any time vote for a tariff duty that I think would amount to an embargo.

Mr. CLARK of Missouri. Mr. Chairman, will the gentleman yield?

Mr. BLACK. Yes.

Mr. CLARK of Missouri. What connection is there between the low price of green hides and the high price of shoes?

Mr. BLACK. I was just coming to that, and shall read from a letter that I received to-day, which calls my attention to the situation that does exist. The writer of this letter wrote it to a large printing concern in my district, and they call attention especially to this leather situation. I agree with the gentleman from Missouri [Mr. CLARK] that either the price of shoes and harness leather and other leather products

ought to come down to the consumer or else the producer ought to receive more for his hides, and it is up to us if we do not already have legislation to deal with this subject to provide legislation that does deal with it. As I say, this letter was written to a constituent of mine by a wholesale house that has a business at Shawnee, Okla., and I quote from the letter:

When a cow dies in this western country to-day the owner hauls it off and buries it hide and all.

That is true. All of us who live in the live-stock sections know that fallen hides are hides that are taken off animals that die without being slaughtered. There are very few fallen hides being sold to-day, because, as a matter of fact, the owner of the dead animal can not get pay for his labor in removing the hide, and the writer of this letter states the correct fact when he says that if a cow dies now they just haul it off and bury it, hide and all.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BLACK. Mr. Chairman, I ask unanimous consent to proceed for five minutes more.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. BLACK. I continue to quote from the letter:

Ask him why he does not skin the animal and sell the hide, and his answer is there is no market for green hides at any price.
A cowhide usually brings now 75 cents to $1.50, if you can find a man who will buy them at all.
Yet the bookbinder pays 55 cents a square foot for a hide that brings the farmer about 2 cents a square foot.
It costs 3 cents a foot to cure and treat a hide, and leaves 50 cents a foot profit for the jobber and manufacturer.
Are you not tired of these profiteering prices?
Reasonable profit and profiteering are not one and the same thing.

Mr. Chairman, as I stated a while ago, I realize that in the cost of the manufactured product the cost of the raw material is by no means all of the cost, but it is undoubtedly true that either these leather products ought to come down to a reasonable price to the consumer or else the producer ought to receive a larger price for his hides. There is a disparity between the two which simply must be corrected. It is not a holding movement that our farmers and live-stock men need at the present time, it is a "moving movement"; and the reason that wool and hides are piled up in warehouses, and the reason that shoes and clothing are piled up in warehouses, is because the prices to the consumer have been made so high that he has withdrawn from the market and we have had what has been in effect a buyer's strike, and the articles of manufacture instead of moving out into channels of trade have been stacked up in warehouses and retail houses. We are encouraged to believe that retailers and wholesalers are now beginning to realize the unsoundness, not to say unfairness, of the position which they have sought to occupy, and are placing their goods on the market within the range of prices which the public is willing to pay. This movement is making the condition of trade much healthier and is bound to start the wheels of commerce going again, and consequently will revive the markets for the farmer's raw products and therefore will stimulate his price. It is in that way that the law of supply and demand will get into proper functioning again.

Mr. KING. Will the gentleman yield?

Mr. BLACK. I will.

Mr. KING. Is it not a fact that the 4,000,000 pounds of wool that are now in storage in and around New York is not the fault of the buyers, but due to the fact the Federal Reserve Board, through its administration, has financed that wool and they are able to hold it?

Mr. BLACK. Most of the criticism against the Federal Reserve Board which I have heard lately has been because of its restricting credits. Of course——

Mr. KING. And have refused to extend to the farmer the same courtesy they have extended to the speculator?

Mr. BLACK. No; I do not admit the correctness of that statement. I do not profess to have any personal knowledge of the facts about wool, and would therefore not volunteer any information of my own, but I can not accept that criticism of the Federal reserve banks because I have no idea it would be a just one. But now without carrying forward any further my remarks, I think with the knowledge that we all have that green hides are now selling at ruinously low prices, that it would be folly for the Congress to go ahead and continue an appropriation even in the small amount of $5,000 to develop leather from shark fish and put that into competition with hides which are not bringing anything like the cost of production.

Mr. MAYS. Does that include leather from the sharks who are profiteering on shoes?

Mr. BLACK. No; I do not think they would be included. Something must be done, however, to get after them, if shoes and leather products do not get within a price range more comparable to the price of the raw hides.

Mr. JONES of Texas. Mr. Chairman, I just want to add a word in behalf of my colleague's amendment on this proposition. I represent a district that has a great many cattle, and last year thousands of carcasses went unskinned simply because the carcasses were not worth the skinning; these hides would not bring enough to justify the skinning of the carcass. So that it seems to me that it would not be worth while to spend money on the part of the Government to develop the making of leather from some other sources even though the leather were needed and even though this kind of an experiment were worth while. But in this instance the work has actually been completed, and it is just another of those instances where more money is appropriated than is needed and the people seem to feel they are under obligation to spend all the money that has been appropriated. It seems under the hearings that last year $10,000 was appropriated for this experiment. They have only spent $5,000 of it, and now they ask a reappropriation of the other $5,000; in other words, to make it available. If you read the hearings, pages 1393 and 1394, with reference to this appropriation, you will find that the department has already developed this process and has shown that it is practical and that there are a number of firms which are now using it. They simply want to continue the experiment further and see how long it will wear. Well, it seems to me if firms are already using this leather made of sharks' hides, and a number of companies have been organized to fish for sharks in order to use this leather, that there is little use of the Government spending $5,000 more to show whether or not the leather will wear. It does not seem to me that it is necessary to have an expert to find out whether leather will wear.

Those people desiring to enter the business, having gotten the benefit of the Government's experiment in such leather, showing that it can be used, can conduct their own experiments after this. The department wants to use $5,000 more of the sum appropriated last year. They do not want to turn anything back into the Treasury. The entire hearings on this particular item, covering just about one page, 1393 and 1394, show that there are some 23 companies who use this method of making leather, and so aside from the question of there being plenty of hides already that are practically worthless—not worth using—the experiment has been completed, and the appropriation carried from last year would be simply for the purpose of continuing a man in a job; that is all. For that reason the amendment ought to be carried, and the appropriation denied.

Mr. EDMONDS. Mr. Chairman, I rise to oppose the amendment. Mr. Chairman, during the war we found ourselves in the position in the cities where we do not have any live stock that we had to pay enormous prices for leather. We were very glad, indeed, when we found the United States Government would investigate some other sources of leather to enter into competition with the leather we had gotten in the past from cattle on the western ranges. The department has succeeded in producing a very fine quality of leather from certain skins, like the shark, the whale, or the porpoise, and they desire further to experiment to find out the wearing qualities of this leather and also to find out how to remove certain oils, certain ingredients in the leather that do not seem to belong there if they are going to be used commercially.

Mr. BLANTON. Will the gentleman yield?

Mr. EDMONDS. Not right now.

The CHAIRMAN. The gentleman declines to yield.

Mr. EDMONDS. There is one thing certain, and that is it is a good thing to have in this country competition between commodities that are used generally by the people. I believe we would make a mistake in trying to disturb this experiment. I believe the results will guarantee a competitive market in leather in the future that will prevent any such profiteering as has gone on during the past two years.

Mr. CLARK, of Missouri. Will the gentleman yield?

Mr. EDMONDS. I will.

Mr. CLARK of Missouri. I would like to ask the gentleman or some other eminent dermatologist whether the making of shark's leather, porpoise leather, and so forth, is going to reduce the price of shoes?

Mr. EDMONDS. I hope so.

Mr. BLANTON. Will the gentleman now yield?

Mr. EDMONDS. Certainly.

Mr. BLANTON. Why should not this be done by private capital and private enterprise?

Mr. EDMONDS. Because it is only since the Government has carried out these experiments that private enterprise has attempted to come in.

Mr. BLANTON. Well, after we do this will the gentleman's friends—will not they monopolize and be still profiteering on the people with respect to the new kind of leather?

Mr. EDMONDS. I object to the remark of the "gentleman's friends," because I know nobody in the business; but I have seen the leather.

Mr. BLANTON. I mean up in his country?

Mr. EDMONDS. I have seen the leather coming from the Bureau of Standards, and I am very glad, indeed, to hear they are making a good quality of leather, and I think for the benefit of the people at large it is a good thing to have competition in a matter of this kind.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas [Mr. BLACK].

The question was taken, and the amendment was agreed to.

Mr. OSBORNE. Mr. Chairman, I offer the following amendment.

The CHAIRMAN. The gentleman from California offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. OSBORNE: Page 144, after line 23, insert the following paragraph:

"Preservation laboratory at San Pedro, Calif., for the conduct of investigations in the development and standardization of methods of preservation of Pacific coast fishes, including the payment of salaries and traveling expenses and the purchase of material and supplies, $10,000."

Mr. GOOD. Mr. Chairman, I reserve a point of order on that.

Mr. OSBORNE. Mr. Chairman and gentlemen, this is practically the same amendment that was offered by my colleague [Mr. RAKER] except that it specifies the location of the laboratory. The work that has been done there at this San Pedro laboratory, which is in my district, has been most valuable and has contributed very considerably to the increase in the amount of fish food that is produced. The fisheries there in the Santa Barbara Channel are comparatively new. They have learned only within the last four or five years that certain fish, which are abundant there, are really valuable for food. The albacore is one of them. Within the last 35 years I have caught, perhaps, tons of albacore just for fun, and have thrown them all away. It has been demonstrated that they are extremely valuable food, and this laboratory has done good work in demonstrating that fact and in respect to the packing of sardines.

In regard to the sardines, in a communication which I have from the California Fish and Game Commission, it is stated that the fishing industry in California can supply to the markets of the United States and to the markets of the world over 2,000,000 cases of 48 one-pound oval cans each of sardines which can be sold to the public for 20 cents. To-day the one-pound oval cans are sold in the East for 35 cents. This work is extremely valuable, and I am greatly in hopes that the chairman of the committee and the committee will find it consistent to allow this small item of $10,000 for this work. I think they would be consenting to a very valuable public service.

The CHAIRMAN. Does the gentleman from Iowa [Mr. GOOD] insist on his point of order?

Mr. GOOD. I insist on it.

The CHAIRMAN. Does the gentleman from California [Mr. OSBORNE] wish to be heard on the point of order?

Mr. OSBORNE. I do not.

The CHAIRMAN. The Chair sustains the point of order.

Mr. OSBORNE. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. The gentleman from California asks unanimous consent to extend his remarks in the RECORD. Is there objection? [After a pause.] The Chair hears none.

Mr. CANNON. Mr. Chairman, where are we reading now?

The CHAIRMAN. On line 24, page 144.

Mr. CANNON. That has not yet been read?

The CHAIRMAN. The Clerk is about to read that. The Clerk will read.

The Clerk read as follows:

Maintenance of vessels: For maintenance of vessels and launches, including purchase and repair of boats, apparatus, machinery, and other facilities required for use with the same, hire of vessels, and all other necessary expenses in connection therewith, and money accruing from commutation of rations and provisions on board vessels may be paid on proper vouchers to the persons having charge of the mess of such vessels, $120,000.

Mr. CANNON. Mr. Chairman, I move to strike out the last word. I ought to have asked for recognition when lines 10 to 17 were being considered. I listened to the two gentlemen from Texas, and I listened to our friend as to the language in lines 19 to 23. The maintenance of vessels is related to the fishing industry. It seems to me that the same argument that is made to increase the price of hides, as in the next item also, would apply to this. When you seek to cut off the appropriation because meat is cheap in Texas and hides are worthless in Texas, and do cut it off, why should we have any vessels in order that we may handle more fish? There should be competition right along the line. I do not think the two former amendments ought to have been agreed to. But I am not going to make any motion about the paragraph that is under consideration now. Logically we ought to go out of the fishery business, because of the production of oysters, to please my friend from New York, and on account of the disease there. And we ought to cut off the production of leather in order to aid Texas and to aid Illinois. We have got a good cattle industry in Illinois. Why not let everything be utilized that can be practically utilized that brings food or clothing to the human family?

Mr. BLANTON. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. BLANTON. The main argument in favor of the amendment of my colleague from Texas was to prevent these leather profiteers from using the money of the United States Government to do their experimenting with.

Mr. CANNON. Now then, in reply to that, I wish to say that I listened to the distinguished gentleman when he spoke about the great demand for fish to be planted down in the inland waters of Texas, and I thought that appropriation ought to be increased. Well, it seems to me they all ought to stand or fall together, because as the sun comes up and the sun goes down, everything that is useful to clothe the human family or to feed the human family, it seems to me, ought to be encouraged and not discouraged.

Mr. BLANTON. Right there, if the gentleman will yield further.

Mr. CANNON. Oh, certainly.

Mr. BLANTON. The people get the benefit of the fish, but the people do not get the benefit of this experimentation made by the money of the United States.

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. CANNON. Mr. Chairman, I ask for one additional minute.

The CHAIRMAN. Is there objection? [After a pause.] The Chair hears none.

Mr. CANNON. That is, people best go without shoes, and you might as well say they should go without food. That is all I have to say.

The CHAIRMAN. Without objection the pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

Sponge fisheries: For protecting the sponge fisheries, including employment of inspectors, watchmen, and temporary assistants, hire of boats, rental of office and storage, care of seized sponges and other property, travel, and all other expenses necessary to carry out the provisions of the act of August 15, 1914, to regulate the sponge fisheries, $3,000.

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

I wish to say to my friends from Texas and New York, in their zeal to serve their constituencies, that down in Mississippi and in Texas, and in all of the cotton States, I am informed, last year's cotton crop and this year's cotton crop will not begin to be sold for enough money to pay for the cost of production.

Mr. JOHNSON of Mississippi. Will the gentleman yield?

Mr. CANNON. Certainly.

Mr. JOHNSON of Mississippi. The very best grade of short staple cotton is selling at 11 cents, and other grades are being sold for as low as 5½ cents.

Mr. CANNON. Then I am right about it. It will not pay for the cost of production, and the two crops are unsold. Now, this is for sponges. The cotton industry also ought to be protected. It is a great industry. Cotton is used for towels, and for all kinds of underclothing, and that kind of thing. Now, the towels are used to wipe the face after washing it in water, and sponges are useful for the same thing. But here——

Mr. BLANTON. Mr. Chairman, will the gentleman yield?

Mr. CANNON. Certainly.

Mr. BLANTON. We want to leave these sponges in here, because they are needed by the legislators above us just after they have taken those magnificent baths which they have lately provided themselves with.

Mr. CANNON. Does not that affect the cotton industry? They would use the cotton towels, you know. Let us be consistent. I am not going to make any motions about it.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

BUREAU OF STANDARDS.

Testing of large scales: For investigation and testing of railroad track scales, elevator scales, and other scales used in weighing commodities for interstate shipments and to secure equipment and assistance for testing the scales used by the Government in its transactions with the public, such as post office, navy yard, and customhouse scales, and for the purpose of cooperating with the States in securing uniformity in the weights and measures laws and in the methods of inspection, including personal services in the District of Columbia and in the field, $40,000.

Mr. BRIGGS. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BRIGGS. I do not observe in these items for the Department of Commerce any provision made for the Bureau of Foreign and Domestic Commerce.

Mr. GOOD. That is not carried in this bill. That is carried in the legislative, executive, and judicial appropriation bill.

Mr. FOCHT. Mr. Chairman, I move to strike out the last two words.

The CHAIRMAN. The gentleman from Pennsylvania moves to strike out the last two words.

Mr. FOCHT. Mr. Chairman, before leaving this division of the bill and passing on to this Department of Labor I would like, if possible, to correct a misapprehension that I think may be entertained here in regard to this leather business. The gentleman from Missouri [Mr. CLARK], the ex-Speaker, suggested something that is perhaps more pertinent than anything else connected with this whole bill. That was his suggestion with reference to the distance between the raw hides of Texas or any other State and the finished product in the shape of shoes to the people of the East and North and West, or anywhere else.

Now, it is well known that the process of tanning—and there are many tanneries in my district—requires something like a year. I know of tanners in my district who made great fortunes during the war out of stocks that had been bought and put into process of tanning before the war. One man in particular I know who, having ceased operations, retained his fortune, less the excess-profits tax, if he did not commit suicide after he had made out his excess-profits tax return to the Government. [Laughter.] Another man that I know proceeded to stock up at the prevailing high prices, and he lost several hundred thousand dollars that he made. At least, he stands for a paper loss to-day.

Now, what actually stares us in the face is the utter absence now, about two years after the war, of the operation of the law of supply and demand. Some years ago I saw with great joy on an occasion the Wright brothers at Fort Myer overcome, temporarily at least, the action of the law of gravitation; and yet we sit here with definite knowledge of the ruination of the farmers of the West, so far as the raising of cattle is concerned, and of the enormous profits that the retailer is getting, and the disaster that has been wrought to so many tanners, and yet do nothing to bring about relief.

Mr. MURPHY. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. With great pleasure.

Mr. MURPHY. I have heard the statements made on this floor about the great profits that the retailers are making.

Mr. FOCHT. Is the gentleman a retailer? He is, is he not?

Mr. MURPHY. Yes.

Mr. FOCHT. I thought so.

Mr. MURPHY. I want to say now that your tanners made a great profit on their hides before they ever reached the retailer.

Mr. FOCHT. Very well. We will take a noted instance of a man in Washington who appeared before a committee here and admitted that before the war his profits were something like $15,000 a year, but as the European war progressed they doubled each year, until in the last year of the war in which we were involved he made a profit of $125,000. He is a retailer, and he admitted that he received as much as $12 and $14 a pair for shoes that cost him less than $6.

That is not a general statement, I will say to my friend from Ohio. That was under oath from a shoe dealer in Washington who appeared before a committee.

Now, there is no use in trying to get away from these facts. They are right up in Pennsylvania, they are here in Washington, they are everywhere, and it is a crime that ought to have been punished with something only a little less than hanging, this unconscionable profiteering in food and clothing. It is all a cruel outrage against the people who put up their money to prosecute the war and saw their resources and savings taken from them by these profiteers who charge these enormous prices for shoes and other necessaries.

Mr. McCLINTIC. Mr. Chairman, will the gentleman yield?

Mr. FOCHT. Certainly.

Mr. McCLINTIC. I filed with the Committee on Agriculture a copy of a price list from the Edwin Clapp Shoe Co., showing that the trade paid $16.25 a pair for shoes. How does that square with that statement which the gentleman has just made as to the retailer?

Mr. FOCHT. That would depend upon the kind of business the gentleman is in.

Mr. McCLINTIC. I will say to the gentleman that I have been in the retail business.

Mr. FOCHT. Yes. We want to get the viewpoint and the standpoint of each man, and get a broader vision as to these things. I am a purchaser of shoes. I see men wearing patched shoes. My own shoes are half-soled. I can not afford to wear those $20 shoes we once bought for $7.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FOCHT. Mr. Chairman, I ask for five minutes to further discuss this question of the shoe business.

Mr. McCLINTIC. What business is the gentleman in?

Mr. FOCHT. I am a publisher; also generally a Congressman.

Mr. MURPHY. And you deal in advertising, too?

Mr. FOCHT. Yes; but we never attempted to raise the price 800 per cent.

Mr. McCLINTIC. Does not the gentleman have something to do with the coal prices that are charged to the people of the country?

Mr. FOCHT. No; but I have a lot to do in paying them, and I want to see any coal profiteers pilloried, the same as the shoe fellows. [Applause.]

Mr. GOOD. Mr. Chairman, I make the point of order that the gentleman is not speaking to the item in the bill.

Mr. FOCHT. Well, I will submit the question to the House as to whether I shall proceed for five minutes or not. But I have already received the consent of the House, and therefore I want to say, gentlemen, that——

Mr. GOOD. I make the point of order, Mr. Chairman, that the gentleman is not speaking to the item.

The CHAIRMAN. The gentleman from Iowa will state his point of order.

Mr. GOOD. The gentleman is not speaking to the item of the bill which is under discussion.

Mr. FOCHT. Let us see if I am not. May I make a statement to the Chair?

The CHAIRMAN. The gentleman from Pennsylvania made a motion to strike out the last two words, and discussed that motion for five minutes, and then got unanimous consent to continue for five additional minutes.

Mr. FOCHT. Yes; and I insist on my rights.

Mr. BANKHEAD. I ask that the gentleman be allowed to proceed for five minutes out of order.

The CHAIRMAN. The gentleman from Alabama asks unanimous consent that the gentleman from Pennsylvania may be permitted to continue during the remainder of his five minutes out of order. Is there objection?

Mr. GOOD. Reserving the right to object, I stated to gentlemen on the other side of the House that I would make points of order on matters of this kind. My attention was not called to what the gentleman was discussing until we got into this uproar.

Mr. FOCHT. No uproar at all.

Mr. GOOD. I must object.

Mr. KING. If the gentleman objects, I make the point of no quorum present.

The CHAIRMAN. The gentleman from Illinois makes the point of no quorum present. The Chair will count. [After counting.] Eighty-nine Members present; not a quorum. The Clerk will call the roll.

The Clerk called the roll, when the following Members failed to answer to their names:

Anthony	Cantrill	Davis, Tenn.	Fairfield
Babka	Carew	Dempsey	Ferris
Baer	Carss	Dewalt	Fields
Bell	Casey	Donovan	Fish, jr.
Benson	Collier	Dooling	Flood
Bland, Ind.	Copley	Drewry	Fordney
Bland, Mo.	Costello	Dunn	Frear
Booher	Crisp	Ellsworth	Gallagher
Britten	Currie, Mich.	Elston	Gandy
Brumbaugh	Dale	Emerson	Ganly
Burke	Davey	Esch	Glynn
Candler	Davis, Minn.	Evans, Nev.	Godwin

Goldfogle	Kennedy, Iowa	Mott	Smith, N. Y.
Goodall	Kettner	Nelson, Wis.	Steele
Goodwin, Ark.	Kincheloe	Nicholls	Stephens, Ohio
Gould	Kitchin	Nolan	Stevenson
Graham, Pa.	Kleczka	O'Connell	Stiness
Green, Iowa	Kreider	Oldfield	Strong, Pa.
Hadley	Langley	Oliver	Sullivan
Hamill	Lehlbach	Olney	Swope
Hamilton	Little	Padgett	Taylor, Colo.
Harreld	Lonergan	Parker	Timberlake
Hawley	Longworth	Porter	Towner
Hays	McCulloch	Rainey, Ala.	Vare
Hersman	McDuffie	Rainey, H. T.	Voigt
Hicks	McKenzie	Riordan	Walters
Hill	McKeown	Robinson, N. C.	Ward
Hudspeth	McKinley	Rogers	Watkins
Hulings	McLane	Rowan	Welling
Hull, Tenn.	Maher	Sanders, La.	Welty
Igoe	Major	Sanford	White, Me.
James, Mich.	Mann, S. C.	Scully	Williams
Johnson, S. Dak.	Martin	Sears	Wilson, Ill.
Johnston, N. Y.	Mason	Sims	Wilson, Pa.
Jones, Tex.	Mead	Sinnott	Winslow
Juul	Minahan, N. J.	Small	Wise
Keller	Monahan, Wis.	Smith, Idaho	Wood, Ind.
Kelley, Mich.	Moon	Smith, Ill.	Wright
Kelly, Pa.	Mooney	Smith, Mich.	Young, Tex.

The committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee having had under consideration the sundry civil appropriation bill, H. R. 15422, found itself without a quorum, whereupon he caused the roll to be called, when 279 Members, a quorum, answered to their names, and he handed in the list of absentees for printing in the Journal and RECORD.

The SPEAKER. The committee will resume its session.

The CHAIRMAN. The gentleman from Pennsylvania [Mr. FOCHT] has three minutes remaining.

Mr. FOCHT. Mr. Chairman, I might properly proceed strictly in order under this section and continue my observations concerning the high cost of shoes, by dwelling upon the interstate commerce traffic, but I appreciate the fact that the day has been set apart for this bill, and that it is of vast importance. I appreciate the indulgence of the House, and I am satisfied that on a yea and nay vote of the gentlemen present they would give me 15 or 20 minutes to finish what I had started to say; but I appreciate the ability of the gentleman in charge of this bill, and his tireless and ceaseless work, and the remarkable results which he has accomplished here as chairman of the Committee on Appropriations. Therefore I will say nothing further on this subject to-day, although I believe it transcends every other question in importance, that it is paramount, that we find here a unanimity and harmony of spirit that has not manifested itself before since I came here more than 14 years ago. Finding the House agreed upon the great emergency measure to relieve the farmers, to which all opposition, I believe, has been withdrawn in the Senate, at least as far as Pennsylvania is concerned [laughter], we are all united, I am glad to say, and I know that the Pennsylvania Senator's approval means its passage, and I hope that you Democrats will see that the President signs the bill.

Now, just one thought and I am through, and will leave this matter to my good friend ex-Speaker CLARK to dwell upon at some time again. I only regret that our distinguished former Speaker of this House, the gentleman from Missouri [Mr. CLARK], who made the suggestion a while ago, did not amplify into a long speech on this question of highway robbery on the part of these shoe dealers and coal dealers and market men and storekeepers in Washington, that in the days of Charles III there would have been a long string of these merciless fellows hanging to the trees and lampposts along the highway. [Applause.] Now, my friends, I just want to conclude by expressing my high appreciation of the suggestion made by my old friend, former Speaker CLARK, and to say that he has a statesmanlike apprehension and vision and foresight, and I hope that some day he may take the floor and give us one of his exalting and illuminating and statesmanlike speeches on this subject. [Applause.]

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For an elevator in administration building, contagious diseases hospital group, including installation, $12,500.

In all, $55,000.

Mr. SABATH. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Illinois offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. SABATH: Page 147, strike out all of line 13 and insert in lieu thereof the following:

"And for other needed work and improvements; in all, $250,000."

Mr. BLANTON. I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Texas reserves a point of order.

Mr. SABATH. Mr. Chairman, the department has requested an appropriation of $560,000 for this purpose. The Committee on Appropriations, in the desire to show a spirit of economy, has eliminated all of the appropriation asked for, except $55,000, in lieu of the $560,000 requested.

About two weeks ago, on the floor of this House, the Immigration Committee that investigated conditions at Ellis Island reported conditions existing there that were indeed deplorable. They reported that hundreds upon hundreds of unfortunate immigrants who under our law are permitted to come have been obliged to be detained for several days at Ellis Island under most distressing conditions because of lack of officials to conduct the inspection. These poor people have no place to sleep, no place to eat. Notwithstanding that report and notwithstanding the request of the department for relief to bring about a better condition, to improve conditions at Ellis Island, the Committee on Appropriations have refused to listen to those appeals and have refused to appropriate a sum large enough to enable the officials at Ellis Island to bring about such improvements and to provide such facilities as shall result in giving these unfortunate people humane treatment.

A little while ago we increased the appropriation by $200,000 to enforce the prohibition act. I did not vote against it. Any appropriation that is needed for enforcement of the law I am for. At the same time I believe we should not practice false economy, especially in view of the fact that the moneys that are being collected from these immigrants far exceed the appropriations requested. It is for that reason that I offer this amendment to increase the appropriation by $200,000 to enable the officials to provide such additional space as is needed for these men and women and children who are obliged to remain upon this island for two or three days at a time, so that it will not be charged that we have no feeling whatever for these unfortunates whom we permit to come under our present immigration law. It is for that reason that I offer the amendment, hoping that the amount will be appropriated.

Mr. BLANTON. Mr. Chairman, I make the point of order.

The CHAIRMAN. The gentleman will state it.

Mr. BLANTON. The gentleman's amendment has this language in it—

and for other needed work and improvement.

That would call into play the discretion that might be entertained by one officer as against that of another. There is no law which authorizes the department to spend money according to their idea of what is needed in work and improvement. This is attempted legislation on an appropriation bill.

The CHAIRMAN. The Chair thinks that the language—

and for other needed work and improvement—

would mean that within previous authorizations or within the provisions of existing law, and that it would not permit anything that is unauthorized by law. The Chair, therefore, overrules the point of order.

Mr. GOOD. Mr. Chairman, there were a great many items at Ellis Island that were estimated for originally. At the hearings a great many of the items estimated were withdrawn or waived. It is true that they asked originally for a very large sum. For example, they asked for a granite-faced sea wall, $250,000. That is one of the necessary improvements that could be paid for out of the gentleman's appropriation. Then they proposed to make some change down there with regard to the heating of the building, through the substitution of oil burners for coal burners. One of the great menaces in New York Harbor to-day is through the pollution of the waters there by the emptying of the oil tanks on steamers that use oil for fuel. They empty thousands and millions of gallons of refuse oil into the harbor, and it is becoming one of the great menaces to the harbor. It is proposed here to have a Government oil-burning apparatus, at an estimated cost of $100,000. The committee felt that so far as some of these things were concerned that service could be cared for and work postponed to a later date without injury.

Mr. BYRNS of Tennessee. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BYRNS of Tennessee. I understood the gentleman from Illinois to make some reference to the fact that they had not a place to sleep or to eat there.

Mr. SABATH. That is what I said.

Mr. BYRNS of Tennessee. And that this was intended to provide additional accommodations for that purpose.

Mr. GOOD. If that is the case the amendment is surely subject to the point of order.

Mr. BYRNS of Tennessee. Is it not a fact that they made no estimate for any such purpose as that?

Mr. GOOD. There was absolutely no suggestion for anything of that kind. There was serious complaint with regard to some of these buildings. They do not have elevator facilities. There is an elevator shaft in one building, and I think two elevator shafts in another building and an elevator in one.

We have provided here funds to install an elevator in the other building. We have taken care of the things which we believe are essential, perhaps not so generously as we should, but I am satisfied that there is no use at this time of agreeing to any such amendment as this, unless the gentleman wants to build that sea wall with a granite face, costing $250,000, to put in oil tanks costing $100,000, and to fill one of the spaces between the buildings, estimated to cost $100,000 more. Four hundred and fifty thousand dollars of the estimates have been eliminated.

Mr. SABATH. Mr. Chairman, I am not interested in building the granite sea wall, but I am interested in giving the people a larger number of beds and mattresses, so that when they are obliged to remain there for two or three days they will not be compelled to sleep on the floor, as has been charged by the House committee which has investigated conditions at Ellis Island during the summer months.

The CHAIRMAN. The time of the gentleman from Iowa has expired. The question is on agreeing to the amendment offered by the gentleman from Illinois.

The amendment was rejected.

The Clerk read as follows:

IMMIGRATION SERVICE.

For enforcement of the laws regulating immigration of aliens into the United States, including the contract-labor laws; cost of reports of decisions of the Federal courts, and digests thereof, for the use of the Commissioner General of Immigration; salaries and expenses of all officers, clerks, and employees appointed to enforce said laws, including per diem in lieu of subsistence when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914; enforcement of the provisions of the act of February 5, 1917, entitled "An act to regulate the immigration of aliens to and the residence of aliens in the United States," and acts amendatory thereof; necessary supplies, including exchange of typewriting machines, alterations, and repairs, and for all other expenses authorized by said act; preventing the unlawful entry of Chinese into the United States by the appointment of suitable officers to enforce the laws in relation thereto; expenses of returning to China all Chinese persons found to be unlawfully in the United States, including the cost of imprisonment and actual expenses of conveyance of Chinese persons to the frontier or seaboard for deportation; refunding of head tax and maintenance bills upon presentation of evidence showing conclusively that collection was made through error of Government officers; all to be expended under the direction of the Secretary of Labor, $3,000,000: *Provided*, That the purchase, use, maintenance, and operation of horse and motor vehicles required in the enforcement of the immigration and Chinese-exclusion laws outside of the District of Columbia may be contracted for and the cost thereof paid from the appropriation for the enforcement of those laws, under such terms and conditions as the Secretary of Labor may prescribe: *Provided further*, That not more than $12,000 of the sum appropriated herein may be expended in the purchase and maintenance of such motor vehicles: *Provided further*, That the appropriation herein made for the enforcement of the immigration laws shall be available for carrying out the provisions of the act entitled "An act to exclude and expel from the United States aliens who are members of the anarchistic and similar classes," approved October 16, 1918, and acts amendatory thereof.

Mr. SIEGEL. Mr. Chairman, I offer the following amendment which I send to the desk and ask to have read.

The Clerk read as follows:

Amendment offered by Mr. SIEGEL: Page 148, line 13, strike out "$3,000,000" and insert "$3,500,000."

Mr. SIEGEL. Mr. Chairman, 87 per cent of all the immigrants arriving in America pass through Ellis Island. We have 1,800 employees for the entire service for the whole country. At Ellis Island we have just 300 of these 1,800 employees. The total number of inspectors on duty daily to examine the aliens arriving at Ellis Island and the ships' crews at the port of New York is 85. Up to six months ago we did not examine the crews. Eighteen thousand seamen, who arrive at the port of New York, have to be examined every week. The importance of examining these seamen is patent. Many arrived who deserted their ships and never returned to them. In that way they evaded the visé law or the immigration law. Examinations were, therefore, commenced of all these seamen on board these ships. This leaves practically only 42 inspectors to examine seventeen to eighteen thousand immigrants arriving weekly, and you ask these inspectors to do what? To examine the passports which have been viséed on the other side, to pass on the literacy tests of these aliens, to sit as special courts of inquiry, and to work seven days a week in very numerous cases for the great big sum of $1,200 a year up to $1,900 and $2,000 a year.

What is the condition along the Canadian border? You have 76 ports of entry and 23 doctors to examine aliens who propose to come into America. Twelve million people are passing annually across that border. The condition on the Mexican border is far worse. The department is unable to keep the force that it had five years ago or three years ago or two years ago, and I will tell you why. Up in Montreal the few inspectors whom we have there can not get along on the money which we pay them, and they are compelled to accept meals gratuitously given by the railroad company. This morning I was called outside here by a young lady whose husband is our inspector at Quebec. He can not manage to get along there on account of the same conditions.

Let me illustrate the distinctions existing in treatment and pay of Government employees. In the same building in Montreal the United States Public Health doctor who examines the arriving immigrants receives board and lodging at the expense of the Government plus the regular salary given him. The immigrant inspector is supposed to live on the munificent sum of $1,400 a year. Complaint is made that we can not retain competent men to enforce the immigration laws. You never will be able to enforce present or future immigration laws unless you provide a sufficient force and give the employees of that service a living salary. Mr. Chairman, because I believe in the enforcement of the laws as we pass them, I am asking for this increase from $3,000,000 to $3,500,000.

The CHAIRMAN. The time of the gentleman has expired.

Mr. SIEGEL. I ask unanimous consent that my time be extended five minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that his time be extended for five minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. HUSTED. Will the gentleman yield?

Mr. SIEGEL. Yes.

Mr. HUSTED. Under the gentleman's amendment, would the inspectors actually obtain any more salary? The only effect of it would be to provide for more inspectors.

Mr. SIEGEL. It would have a double effect. It would remedy this disgraceful condition which I found in Canada and which the House committee found at Ellis Island and at the other places. I will add that the House committee is unanimous in stating what these conditions are; it is not merely my own views.

Mr. HUSTED. Are not the salaries fixed by law?

Mr. SIEGEL. No; they are not. If we were to proceed and provide that the inspectors shall receive a certain amount and that there shall be so many inspectors, then the men who have been in the service 18, 20, and more years would know what the increased amount would be. We have not got such a budget system, however. We appropriate a lump sum and go to work and say that Ellis Island, where 87 per cent of all the arrivals come, shall have one-sixth of the entire force of men. A few moments ago there was some discussion here in regard to these conditions. If you could have seen the ceiling practically falling in, rooms which have not been painted for years; if you knew that there was not a towel for a single immigrant, and you do not even provide paper towels of any description whatever for the immigrant, you would wake up to what the conditions are. They speak of the amount of money coming in from immigration. Yes. Immigration more than pays for itself. Immigration has paid more than $5,000,000 during the last nine years above all the appropriations which Congress has made, and this Congress and no future Congress should try to make a revenue proposition out of immigrants coming into America. Yesterday before the Senate Immigration Committee the commissioner at New York, Mr. Wallis, described conditions at the island. He frankly confessed that unless he got an additional appropriation, unless something was done to retain the men who knew the work, you might say the men who guard America against anarchists and criminals who may desire to come in, men who are trained in determining swiftly who comes within the law and who does not, his whole machinery would fall and break down. And when he understood that $3,000,000 was the total amount estimated for the whole country he said, "You might as well get ready for some one else to take control and run things at the island."

At this very moment on account of the lack of inspectors you have ships in New York having thousands of passengers kept in the bay. I say it is unfair to the inspectors and other employees to work seven days a week, and it is unjust to work them 12 hours a day on the kind of a salary which we pay.

Mr. BLANTON. Will the gentleman yield?

Mr. SIEGEL. I will.

Mr. BLANTON. If the Senate will pass that bill which they have had for such a long time we would not need so much of this.

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Mr. SIEGEL. Yes, we would. I say unless you have more help we will be unable to properly guard the Canadian border. Why, it is the easiest thing in the world to slip across that border, and what is more, it is not taken seriously. A smuggler who was indicted the other day for bringing a number of people across the border was brought to trial and was fined $25 and sent to jail for five days. I am pointing out these things here to-day because it is only right and proper that the Nation at large may know where the responsibility lies. Congress should not complain about conditions if it neglects to act. Congress should not be overcritical and expect too much without providing the machinery and dealing fairly and squarely with the men who have been in the Government employ for 25, 30, and 35 years. [Applause.]

Mr. GOOD. Mr. Chairman, the situation with reference to this appropriation is this: For a number of years there was appropriated about $2,450,000. This year there was an appropriation of $2,600,000, and on December 1 they had expended a little more than one-half that amount. The committee therefore thought it was wise at the present rate of expenditure to increase the appropriation, and we have recommended an increase of $400,000 for this service. Now, the gentleman says they propose to patrol the Canadian border. We now have 225 inspectors patrolling the Canadian border, and it is only proposed to add 50 additional inspectors to patrol that border, and they can do that with the increase granted. It is proposed, however, greatly to increase the salaries of this force. That may be necessary. I stated the other day that in all services there was a demand for increase in salaries and increase in wages.

Mr. SIEGEL. Will the gentleman yield?

Mr. GOOD. I did not bother the gentleman. I have only five minutes, and I hope to conclude in that time.

Mr. SIEGEL. Will the gentleman yield?

Mr. GOOD. I will.

Mr. SIEGEL. Will the gentleman kindly tell why a separate budget is not proposed to be carried out for Ellis Island, where 87 per cent of all immigrants arrive, when even under this amendment of $3,000,000 they will not add a single——

Mr. GOOD. The gentleman knows why it is not. The gentleman is on the committee which can provide by law what the salaries shall be and what the appropriation shall be for an immigration station. It is within the province of the committee to bring in that kind of legislation.

What we have done here is to appropriate so that we can compare the appropriations and expenditures with the previous year. This year we are increasing the appropriation $400,000. The gentleman complains about this. The bill also carries a provision out of which it is proposed to take in a lump sum $100,000 from the Health Service and use it for the Immigration Service. So next year they will have $3,100,000 for the service. I submit to the membership of this committee, if we do this, we should give an increase to all the Government employees in the small cities of the country as well in all parts of the country, and that we do not limit the increase to Ellis Island alone. If we were going to make an increase, let the committee of the House that has jurisdiction of the subject bring in a legislative bill readjusting the salaries in the Immigration Service and every other service, so that men who are employed in the North and the South, in the East as well as the West, will have their salaries measured by the same yardstick. When we came to this service we did what we had done with every other service, which was to provide for additional service where needed, but not for increases of salaries. More than that, I think it is unquestionably true there will be legislation, and there ought to be legislation, shutting off some of this immigration that is pouring into the country. [Applause.] And if we have that kind of legislation, if we have the kind of legislation that is needed, the amount we have given here is ample to administer this great service.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

Mr. SIEGEL. Mr. Chairman, I ask unanimous consent that the gentleman have five more minutes.

The CHAIRMAN. The gentleman from New York asks unanimous consent that the gentleman from Iowa may proceed for five minutes more. Is there objection? [After a pause.] The Chair hears none. Does the gentleman from Iowa [Mr. Good] yield?

Mr. GOOD. I do.

Mr. SIEGEL. I want to know if the gentleman knows of any other service in the country where men are working seven days in the week with the hours that these men are working?

Mr. GOOD. Oh, yes. I know of no service that is conducted by individuals or corporations in the country where the hours of service are as short as in the Government service, if that is what the gentleman wants to know.

Mr. SIEGEL. As to the hours in the Government service, I want to call the gentleman's attention to the fact that these clerks, stenographers, and inspectors are working seven days in the week and 12 hours a day.

Mr. GOOD. On the Canadian border?

Mr. SIEGEL. On the Canadian border and at Ellis Island. They are entitled not only to an increase but they should work only six days a week.

Mr. NEWTON of Minnesota. Mr. Chairman, I move to strike out the last word. I would like to ask the chairman of the committee if in the event of the passage of this amendment could any portion of the amount be used for the purpose of increasing the salary of some of these inspectors?

Mr. GOOD. Oh, yes; that is what was asked for. That is the reason the gentleman is offering it. He says it is to correct the deplorable condition with regard to the service, and that is what was understood when the estimate was under consideration, a very large increase.

Mr. SIEGEL. There are two reasons for it, one to increase the inspectors, which you have got to have immediately, and the other is to increase the salary of simply a few men, and relieve conditions that now exist.

Mr. NEWTON of Minnesota. And this question also. The committee increased the current appropriation $400,000?

Mr. GOOD. It did.

Mr. NEWTON of Minnesota. Is it proposed by those in charge to use any part of that for increasing the force at Ellis Island?

Mr. GOOD. That was the object of the committee, namely, not to increase the salary but to give them the increased force necessary to take care of the service.

Mr. NEWTON of Minnesota. Mr. Chairman, I find myself agreeing in great measure with the gentleman from New York [Mr. SIEGEL]. It was my privilege some few days ago to visit Ellis Island and to spend two days there. I never have seen a more conscientious, hard-working lot of Government employees than the employees at Ellis Island and in the barge office at the Battery. I know from my own observation something of the number of hours they repeatedly spend there under the new régime. I was told that men in the Customs Service, for example, when it is necessary to stay on board a ship to complete the examination long after the customary day's work is done, are permitted overtime allowance, to be paid by the steamship companies through the Government to the customs employees. I was told, also, that right alongside of the customs employees immigration inspectors will be found working in order to clear the ship. This is for the benefit of the immigrants and the steamship companies. Not one of the immigration inspectors is permitted this additional pay. Now, it seems to me that is wholly unjust, and that there is much that can be said for the position of the gentleman from New York in reference to the way the Immigration Service has been treated.

I went out into the bay and boarded an incoming liner and watched our inspectors, the medical and immigration inspectors, examine the immigrants as they filed into the room from the first and second cabins. I know how efficiently they tried to do their work, how conscientious and humane they were in the treatment of those immigrants. I later saw steerage passengers examined on the island. One thousand two hundred dollars a year to $2,000 a year is certainly not enough for men in that kind of Government service who have to live in the city of New York. It is outrageous that we should ask men to do that kind of work at the pay they receive. I marvel at their efficiency.

On account of the very few men employed and that are available in the physical examination of the second cabin on board ship and of the steerage at the island, they put the immigrants through just like that [indicating]. Now, they are all skilled, and, considering the speed with which they must work, they make a minimum of mistakes. With the time allowed them, I do not see how they can make a more efficient examination. And I believe that if the emergency immigration bill is not passed during this Congress we will have to increase materially the appropriation for the Immigration Service.

Mr. SNELL. Mr. Chairman, will the gentleman yield?

Mr. NEWTON of Minnesota. Yes.

Mr. SNELL. Are there very many of these men who are receiving only $1,200 a year?

Mr. NEWTON of Minnesota. I was told there were several hundred employees there on the island.

Mr. SNELL. I understand there are only 300.

Mr. SIEGEL. If the gentleman will permit, there are 85 inspectors there doing the work that years ago was done by the same number, 85. They have to do the same kind of work. Since the literacy test came in and the examinations and visés of passports additional work has been put upon them, and they have to examine all these crews now, which was not done six months ago.

Mr. SNELL. How much do these inspectors get?

Mr. SIEGEL. From $1,200 up, and they work seven days a week.

The CHAIRMAN. The time of the gentleman from Minnesota has expired.

Mr. BOX. Mr. Chairman, I find myself in full accord with the statement made by the gentleman from New York [Mr. SIEGEL] as to the inadequacy of the force of inspectors there. I, with other members of the committee, have given considerable attention to the conditions at Ellis Island. We have seen the work there. The force is inadequate. The work is not being properly done. They tell us they have not sufficient funds. I know that the public welfare requires that a proper inspection of immigrants be made.

Mr. GOOD. Mr. Chairman, will the gentleman yield?

Mr. BOX. Yes.

Mr. GOOD. Concerning these inspectors, about whom such a noise has been made, the gentleman is aware of the fact that there are 8 inspectors at $4,500; there are a number of others at $4,500 and at $4,800; quite a number at from $3,000 to $3,500; there are 6 at $3,000, 6 at $2,800, 12 at $2,500, 25 at $2,400, 5 at $2,340, 12 at $2,220, 96 at $1,980. They all get the bonus up to $2,700, and there are very few that get less than $1,200, and all of these get the bonus of $240.

Mr. SNELL. How many of them get $1,200?

Mr. GOOD. There are only 145 at present.

Mr. SNELL. I mean at Ellis Island and New York.

Mr. GOOD. These are not given in that way.

Mr. SIEGEL. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Texas yield to the gentleman from New York?

Mr. BOX. I can not yield further at this time.

Answering to the questions propounded by the gentleman from Iowa [Mr. GOOD], I do not know about the salaries paid to individual members of that force, but I, with other members of the committee, saw them at work. We saw that there were not enough men there to do the work. We learned from many sources that they worked long hours, seven days in the week. We were convinced—and I think the judgment was unanimous on the part of the committee—that the force is inadequate, and we also understood that many of them were not sufficiently paid. I think there is no mistake about it.

Mr. GOOD. Mr. Chairman, will the gentleman yield again?

Mr. BOX. Yes.

Mr. GOOD. I was mistaken. In looking through the estimates I find the lowest salary paid to inspectors is $1,380, who get, with the bonus, $1,620.

Mr. SIEGEL. The inspectors in charge that the gentleman from Iowa mentioned are scattered through the various cities of the country and on the Mexican and Canadian borders. They are called "inspectors in charge."

Mr. GOOD. Those are not inspectors in charge. The $2,500 and $3,000 inspectors are.

Mr. SIEGEL. They are in charge at a particular place, because we have all those places of entry in the United States. But at Ellis Island—and I am referring particularly to Ellis Island—the gentleman can not point out inspectors in charge. We have a Commissioner of Immigration at Ellis Island, who is receiving $6,000 a year. Some of these inspectors do not do one-fiftieth of the work that is done by the inspectors at Ellis Island. Eighty per cent of all the aliens that come to this country are handled there by 85 inspectors.

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. BOX. Mr. Chairman, I ask unanimous consent that I may have three additional minutes.

The CHAIRMAN. Is there objection to the gentleman's request?

There was no objection.

Mr. BOX. The matter which concerns the Committee on Immigration and Naturalization, and especially that which concerns me in this connection, is the fact that the force is inadequate, that they work 7 days in the week and 12 hours in a day, and all the evidence and the facts disclosed by a personal inspection there during several visits indicated that this very important business, affecting the welfare of the whole country, is not receiving proper attention and is not being provided for as it should be.

I do not know exactly where the fault lies. I usually vote for a policy of the strictest economy, but I hope the Congress will make the necessary provision for Ellis Island and other places like it, and thereby secure proper protection against the incoming of people who should be kept out.

Mr. CANNON. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. Does the gentleman from Texas yield to the gentleman from Illinois?

Mr. BOX. Yes.

Mr. CANNON. Is the gentleman a member of the Committee on Immigration?

Mr. BOX. Yes.

Mr. CANNON. Has that committee reported legislation or asked for legislation by bill for consideration fixing the salaries of these inspectors?

Mr. BOX. Not within the knowledge of the gentleman from Texas.

Mr. CANNON. Very well, then. In a great committee like this, where there is contradiction back and forth, can you fix with certainty how much they ought to have, when the committee having jurisdiction has not reported a bill fixing the salaries?

Mr. BOX. The gentleman from Texas is not a member of the party controlling the committee.

Mr. CANNON. Oh, well, he is on the committee and favors this legislation. It seems to me that the committee itself should say how many inspectors there should be, and what they should have at Ellis Island and along the Canadian and Mexican borders. They should say what they should have by legislation.

Mr. BOX. Without dealing with the details as to salaries, I think the gentleman from Texas has made himself plain that he is not concerned with the schedule of salaries paid individuals. The point which impresses me and to which I ask the serious attention of the Members of the House is the question of the inadequacy of the force, the time they have to work, and the kind of work they are thereby caused to do. I am sure every one of my colleagues on that committee knows, as I know, that the immigration inspection work at Ellis Island and other points is not being properly done. They tell us that it is because adequate provision is not made. [Applause.]

Mr. BYRNS of Tennessee. I move to strike out the last two words. Mr. Chairman, of course, if the House desires to increase this particular item in the bill by the sum of $500,000 for the purpose of increasing the salaries of the inspectors, that is its privilege; but the Committee on Appropriations have endeavored to act consistently in these matters. We have refrained from increasing salaries, feeling that no salaries should be increased in the appropriation bills until after the Congress has considered the reclassification bill. [Applause.]

As was suggested a while ago, if the salaries of these inspectors are too low, then the committee which has legislative jurisdiction of this subject, the Committee on Immigration, should report a bill and have it considered in accordance with proper legislative procedure. As the gentleman from Iowa [Mr. GOOD] states, the committee have recommended an increase of $400,000 in this item. The current appropriation under this head carries $2,600,000. That item has been increased in this bill to $3,000,000, or an increase of $400,000, which, it should be stated, includes the former appropriation for deportation of anarchists; but which should be sufficient to take care of the objection urged by the gentleman from Texas [Mr. BOX] and others with reference to the inadequacy of the force, if there be such an inadequacy. But I wish to submit to you this proposition: This House passed a bill the other day which undertook to limit or practically to restrict immigration for a certain period of time. That bill is now pending in the Senate. If it passes that body and becomes a law, then I submit in all reason that the Government will not require that great force of inspectors to which the gentleman refers, and therefore I think this matter should be permitted to go over, and that we should wait and see just what the Senate is going to do with that immigration bill. But whether they pass it or not, I for my part want to protest against this attempted action here upon the floor of this House to increase the salaries of some of these inspectors by a lump-sum arrangement, giving the administrative authority the right to increase them without taking into consideration the salaries of other inspectors and other employees who are not increased in this bill, and estimates for whose increases were refused by the committee. I think we should be consistent in our action.

Mr. WILSON of Louisiana. Will the gentleman yield?

Mr. BYRNS of Tennessee. Yes.

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Mr. WILSON of Louisiana. I will ask the gentleman from Tennessee if this increase in this bill, of $400,000, is for the purpose of increasing the force at Ellis Island?

Mr. BYRNS of Tennessee. Oh, no; it is not for the specific purpose of increasing the force at Ellis Island, but it is appropriated in a lump sum for the use of the Bureau of Immigration.

Mr. WILSON of Louisiana. Not for the purpose of increasing salaries?

Mr. BYRNS of Tennessee. This increase was allowed by the committee for the purpose of giving them an opportunity, if they saw fit, to increase their force. As a matter of fact, so far as their salaries are concerned, it has been stated that there is no man who receives less than $1,380, and he receives, in addition, the $240 bonus, and will receive it during the next fiscal year.

Mr. WILSON of Louisiana. Is it the understanding of the gentleman from Tennessee that the increase provided in the amendment of the gentleman from New York [Mr. SIEGEL] would be for the purpose of increasing salaries?

Mr. BYRNS of Tennessee. I do not know for what it might be used; but the gentleman from New York stated that he introduced it for that purpose, and I assume that it would be so used, because, of course, it would be available for that purpose if they saw fit to use it in that way.

Mr. WILSON of Louisiana. There is no question but what this additional force is needed at Ellis Island. If it is for the purpose of increasing the force, I am in favor of the amendment.

Mr. SABATH. Mr. Chairman, I do not agree with the gentleman from Tennessee [Mr. BYRNS] that the Committee on Immigration would have jurisdiction to bring in a bill providing for the salaries of the various employees in that department. He will remember that about 10 years ago the power was taken away from the committee as well as the separate fund which up to that time was used by the department to carry on the work at Ellis Island. In other words, up to 10 years ago the head tax collected at Ellis Island and other ports was permitted to be used by the Commissioner of Immigration for the purpose of defraying the expenses of that service; but in the Sixty-second Congress, by an amendment to an appropriation bill, that was changed, and the appropriative power was taken away from the Immigration Committee, and the department was required by the act to turn over the head tax to the general fund, and ever since the appropriations were made for the service by the Appropriation Committee. Since that time I believe that more than $5,000,000 has been collected through the head tax over and above the amount expended by the Immigration Service. During the last four years there was no immigration, and consequently the amount appropriated was sufficient; but in the last six months—because prior to that, due to the war, the naturalized United States citizens have been unable to bring their families over to this country—immigration has increased, but the appropriation has not, and nothing has been done to enable the officials of Ellis Island to cope with the situation. I think it is manifestly unfair that we should make money out of these unfortunate men, women, and children who are coming to our shores. There should be no desire to make money out of them. The amount which we exact from them should be utilized to give them the proper accommodations and facilities when they arrive, so that they shall not be obliged to remain at Ellis Island for two or three days under the deplorable conditions that have been described by the committee.

Mr. Chairman, I am not interested in any of the employees, but I believe they have done their duty. Invariably when anyone asks for fair treatment of Government employees residing in New York or Chicago, some people are always ready to insinuate that those employees are being overpaid. Some gentlemen who live in the rural districts do not know that it costs from 50 to 100 per cent more to live in the large cities than it does to live in the country, and consequently they must of necessity receive larger compensation if they are expected to live, and not merely to exist.

It is not only because I believe that these men are entitled to fair compensation that I think this amendment should prevail. The main reason why I favor this amendment is because if we give the department a sufficient number of inspectors, examiners, and other needed help it will enable them to properly and efficiently enforce the present immigration laws. I am satisfied there would be no possible excuse for the present pending immigration legislation. I maintain that the present immigration laws are stringent enough and if proper inspection were had that no undesirables could possibly come into the United States. It is for that reason I am asking that this amendment prevail, so that the department shall have a sum large enough to properly enforce the present laws.

The CHAIRMAN. The time of the gentleman from Illinois has expired. All time has expired. Without objection, the pro forma amendment will be withdrawn.

There was no objection.

Mr. MAGEE rose.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that all debate upon this paragraph and all amendments thereto close in five minutes.

The CHAIRMAN. Is there objection?

There was no objection.

Mr. MAGEE. Mr. Chairman, I move to strike out the last word in order to say that as a member of the subcommittee which drafted this bill I think that the committee has been eminently fair and reasonable in what it has done in respect to Ellis Island and in respect to the immigration stations and Immigration Service generally. It will be apparent to all that we could not go into the question of increasing salaries here and there. In the first place, we have no authority to do so, and, in the next place, it would not be just and equitable to the employees in the other departments. My observation has been that the poorest paid Government employees are the custodian employees who are paid from the appropriations made for the Treasury Department, and who work side by side in Federal buildings with other employees paid from appropriations for the Post Office Department who severally receive from five to seven hundred dollars per year more.

Mr. HUSTED. Mr. Chairman, will the gentleman yield?

Mr. MAGEE. Yes.

Mr. HUSTED. Will the gentleman state whether the committee in this appropriation made provision for increasing the force of inspectors?

Mr. MAGEE. That is the reason we appropriated an additional $400,000.

Mr. HUSTED. It is intended by the committee that that shall be used to increase the number of these inspectors, so that there will be adequate provision made?

Mr. MAGEE. We endeavored to provide for reasonable increases to meet their demands. The other poorest-paid employees of the Government called to my attention are the employees of the National Training School for Boys. The custodian employees in Federal buildings and the employees of the National Training School for Boys are, in my judgment, discreditably underpaid. But we can not relieve them as members of the Committee on Appropriations. You have had a commission appointed on reclassification of salaries. That commission has made a report. The thing for Congress to do is to act reasonably, justly, and equitably on that report and readjust salaries. We can not do it.

So far as the upkeep of immigrant stations is concerned, numerous items were presented to the committee. Those items we may designate as A, B, and C, A comprising the items that are most pressing. We took up the most pressing items. On page 147 of the bill there is an appropriation for new service pumps for water supply, including installation, $11,000.

Mr. SABATH. Mr. Chairman, will the gentleman yield?

Mr. MAGEE. I have not the time. The gentleman, I think, misrepresented the attitude of the committee, and it is my intention to set the committee right. I am not going to stand for that from anybody. The committee has been fair and reasonable, and it deserves fair treatment. There is another item which we allowed, of the class A kind, for the renewal of plumbing equipment, Island No. 1, including installation, $20,000. They claimed that this item is pressing, and we allowed it. Then there is the item for an elevator in the administration building, contagious diseases hospital group, including installation, $12,500, which we allowed as a pressing item, and we gave them, as has been suggested, $400,000 additional to take care of additional employees if they choose to get them.

I want to say to my colleagues in the House that, in my opinion, the committee has been fair, and it has done the best it could under the circumstances. Of course, all of these employees would like to get more money. I have not seen any employees in any department who are satisfied with the salaries which they are receiving. I do not believe the Government could satisfy them. If you increase their salaries to-day, they will be back here next year and demand further increases. That is human, and I do not complain about that; but the point I make is that the Committee on Appropriations can not go into this question of increasing salaries. That must be determined in some other way. You must treat all the employees in all these different departments alike. You can not increase the

salaries in one department and then pay no attention to the demands of the employees in some other department. You have the machinery with which to do it, and in my judgment Congress ought to act. I think that the employees of the Government ought to be reasonably paid, but the salaries of the different employees in the different departments should be fixed and determined along the lines of justice, fairness, and equality to all.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired. The question is on agreeing to the amendment.

The question was taken; and on a division (demanded by Mr. SIEGEL) there were—ayes 21, noes 62.

So the amendment was rejected.

The Clerk read as follows:

Nothing in the proviso contained in the legislative, executive, and judicial appropriation act of March 3, 1917, relative to augmenting salaries of Government officials from outside sources shall prevent receiving reimbursements for services of immigration officials incident to the inspection of aliens in foreign contiguous territory, and such reimbursement shall be credited to the appropriation, "Expenses of regulating immigration."

Mr. SIEGEL. I agree with my able and distinguished colleague [Mr. MAGEE] that the salaries of all of the employees doing the same kind of work should be equalized, but Congress does not seem to think so because it passed a law by which the customs employees working side by side with the immigration employees may receive from the steamship companies an amount for overwork and overhours, and, therefore, despite what my colleague may say upon the subject, we have those two sets of employees working side by side receiving different kinds of salaries. I know that he is by temperament and judgment always endeavoring to do what is right and fair.

The Committee on Appropriations has been repeatedly urged to take a trip to New York and go over to Ellis Island and look over the buildings and see the conditions under which not only employees are compelled to work but the condition of the building in which we are keeping each night approximately 3,000 immigrants. That condition is aggravated and made worse by the fact that when so-called anarchists and those who might become a public charge are brought from all over the country for deportation, they are sent to Ellis Island and not to the other ports from which they might just as well be sent back to Europe. They occupy the space which they never should be permitted to occupy, and for which Ellis Island was never equipped.

On account of these indescribable conditions and because of the fact that inspectors do resign and get salaries of $3,000, $3,500, and $4,000 a year from private concerns, such as occurred the other day in New York, we urge changes in this condition and will continue to urge them until Congress wakes up from the trance in which it appears to be. We are repeatedly told that the men who work in this service are receiving a decent living wage when such is not the fact. They are not receiving a decent living wage and you will lose the most competent men in the service, and by the action which we have taken to-day we are bound to lose those who have been in the service rendering a service which has been efficient and conscientious. They deserve the thanks of every good citizen who appreciates hard working, Government employees.

The CHAIRMAN. The time of the gentleman has expired. The pro forma amendment is withdrawn, and the Clerk will read.

The Clerk read as follows:

For compensation, to be fixed by the Secretary of Labor, of examiners, interpreters, clerks, and stenographers, for the purpose of carrying on the work of the Bureau of Naturalization, provided for by the act approved June 29, 1906, as amended by the act approved March 4, 1913 (Stat. L., vol. 37, p. 736), and May 9, 1918 (Stat. L., vol. 40, pp. 542–548, inclusive), including not to exceed $50,000 for personal services in the District of Columbia, and for their actual necessary traveling expenses while absent from their official stations, including street car fare on official business at official stations, together with per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, and for such per diem together with actual necessary traveling expenses of officers and employees of the Bureau of Naturalization in Washington while absent on official duty outside of the District of Columbia; telegrams, verifications of legal papers, telephone service in offices outside of the District of Columbia; not to exceed $13,400 for rent of offices outside of the District of Columbia where suitable quarters can not be obtained in public buildings; carrying into effect section 13 of the act of June 29, 1906 (34 Stat., p. 600), as amended by the act approved June 25, 1910 (36 Stat., p. 765), and in accordance with the provisions of the sundry civil act of June 12, 1917; and for mileage and fees to witnesses subpœnaed on behalf of the United States, the expenditures from this appropriation shall be made in the manner and under such regulations as the Secretary of Labor may prescribe, $525,000: *Provided*, That no part of this appropriation shall be available for the compensation of assistants to clerks of United States courts.

Mr. SIEGEL. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The Clerk will report the amendment.

The Clerk read as follows:

Page 150, line 25, after the word "prescribe" strike out "$525,000" and insert "$550,000."

Mr. SIEGEL. Mr. Chairman, the conditions in regard to naturalization in the city of New York, as far as providing sufficient efficient machinery for aliens to become either declarants or citizens, has reached a point where it is most highly deplorable. Only a week ago the clerk of the supreme court and of the county of New York had to announce that he had to shut down for over a week accepting applications, because the Government of the United States, through its Naturalization Bureau, had failed to provide sufficient money. The responsibility rests upon Congress and not upon that bureau, however. It may be of some interest to the House to learn what the Naturalization Bureau has been doing. Let me read the following statistics:

Declarations of intention and petitions for naturalization filed in Greater New York during the fiscal year 1920.

	Declarations.	Petitions.
United States district court, Brooklyn	3,584	2,098
Supreme court, Brooklyn	11,032	8,688
United States district court, New York City	8,745	4,271
Supreme court, Bronx County	6,460	5,060
Supreme court, New York County	28,202	12,124
	58,023	32,241
Supreme court, Richmond County	612	355
	58,635	32,596

Declarations of intention and petitions for naturalization filed in Greater New York for first quarter, fiscal year 1921.

	Declarations.	Petitions.
United States district court, Brooklyn	879	590
Supreme court, Brooklyn	3,065	1,981
United States district court, New York	2,186	1,023
Supreme court, Bronx County	1,564	1,218
Supreme court, New York County	6,900	2,678
	14,594	7,490
Supreme court, Richmond County	191	80
	14,785	7,480

Declarations of intention and petitions for naturalization filed in Greater New York for first quarter, 1920.

	Declarations.	Petitions.
United States district court, Brooklyn	609	401
Supreme court, Brooklyn	1,829	1,467
United States district court, New York	1,973	675
Supreme court, Bronx County	1,149	777
Supreme court, New York County	5,133	2,035
	10,693	5,355
Supreme court, Richmond County	165	63
	10,858	5,418

Declaration of intention and petitions for naturalization filed in United States during fiscal year 1920, exclusive of soldier petitions.

Declarations of intention	300,106
Petitions for naturalization	166,925
Total filings	467,031

Declaration of intention and petitions for naturalization filed in United States during fiscal year 1919, exclusive of soldier petitions.

Declarations of intention	346,827
Petitions for naturalization	107,559
Total filings	454,386

Recapitulation sheet.

Declarations of intention filed in United States, fiscal year 1919	346,827
Petitions for naturalization filed in United States, fiscal year 1919	107,559
	454,386
Declarations of intention filed in United States, fiscal year 1920	300,106
Petitions for naturalization filed in United States, fiscal year 1920	166,925
	467,031

Declarations of intention filed in Greater New York during fiscal year 1920	58,635
Petitions for naturalization filed in Greater New York during fiscal year 1920	32,596
	91,231
Declarations of intention filed in Greater New York during first quarter fiscal year 1921	14,785
Petitions for naturalization filed in Greater New York during fiscal year 1921	7,480
	22,265

Now, I am asking for an increase here of $25,000. This is another branch of the service which pays for itself. In other words, the Treasury has profited above all appropriations close to $800,000. Now, it seems to me that it is useless for us here to complain that aliens are not becoming citizens and constantly condemn them when we do not provide sufficient clerks and judges for that purpose. Now, I am referring particularly to the problem as it is in New York City; the problem in other places probably can be adequately handled by the amount which is to be appropriated here, but the New York newspapers, in editorials and news columns, have repeatedly called attention to the condition which I am describing here. I would like the House to bear in mind also that when every additional person becomes a citizen $4 additional goes into the Treasury of the United States. It is not a losing venture financially if we are to look at it from that angle, but we should look at it from a greater and bigger angle—namely, from the angle of incorporating into our citizenship those who desire and are fit to become citizens. I do not know of any more disgraceful sight than to see a large number of people who are applying either as declarants or for final papers being turned away and having to come back again and again because we do not provide sufficient clerks and judges. I recognize that there can not be permanent relief had in New York City until a distinct and separate court to deal exclusively with naturalization is provided for the metropolis. My amendment would help to relieve matters for the present.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. SIEGEL. I will yield, with pleasure.

Mr. GREENE of Vermont. Are we to understand from the gentleman's very clear statement that immigration is coming in so fast it entails more clerical work than can be accomplished by the force now maintained?

Mr. SIEGEL. There is a difference between immigration and naturalization, as the two are managed by separate bureaus.

Mr. GREENE of Vermont. The gentleman did not make that distinction. But is it a fact that in New York City you have a great body of men who have enjoyed the privileges of this country for years without taking out their first papers?

Mr. SIEGEL. No; that is incorrect. This takes in all classes, people who have arrived in recent years and filed a declaration of intention and those who have filed applications for final papers——

Mr. GREENE of Vermont. Taking that statement with the other it means aliens or persons who have filed their intention papers are now seeking to complete or to begin the process of citizenship. Is it possible that Manhattan Island would have so many of these people that the clerks of the courts could not possibly handle them——

Mr. SIEGEL. The gentleman must remember that our judges are busy with other litigation. In addition, I refer simply to New York City, which means 6,000,000 of people, or one-seventeenth of the country.

Mr. GREENE of Vermont. Is there such an enormous population in that situation now applying for citizenship that the ordinary clerical service of the courts can not accommodate them?

Mr. SIEGEL. Yes; the truth of the matter is this complaint has been going on for several years. During the war period we naturalized a large number of men from New York City and other places in camps and which the courts of New York did not handle. This condition of affairs is not new. It is useless to urge alien men and women to become American citizens when Members in Congress, who know the necessity for additional clerks and judges, can not get favorable action by an additional appropriation of the small sum of $25,000. To say the least, it is highly discouraging to those who are doing their utmost to have men and women become real American citizens.

The CHAIRMAN. The time of the gentleman has expired.

Mr. WILSON of Louisiana. Mr. Chairman, I rise in opposition to the amendment. I will say to the gentleman from New York that an increase of $25,000 would do very little toward improving the naturalization situation in the courts of New York City, and before that can be done, in my judgment, some legislation will have to be enacted—a bill will have to be brought in by the Committee on Immigration. This is a very deplorable situation. While on a trip to Ellis Island I sat in one division of the Supreme Court of New York on what was known as naturalization day, and I saw there 126 final judgments rendered in naturalization cases in 94 minutes.

Here is a man receiving the most important judgment that can be rendered in his favor, one making him an American citizen, in less than one minute, and that which should be a solemn judicial process becomes a farce.

Mr. HUSTED. Is it not fair to say that a very thorough investigation of all the circumstances of each individual case has been made by an official duly appointed for that purpose before these men come into court?

Mr. WILSON of Louisiana. That investigation is supposed to have been made, but the facts developed through this proceeding convinced me that it had not been thorough. And, besides that, this process of naturalization ought to be something more like a solemn court proceeding. The applicants file in, the witnesses that are necessary are with them, and often judgment is rendered before they are through with the witnesses. The court was doing the best it could under the circumstances, but I do not believe that can be remedied until additional naturalization courts are established at the central points, like Chicago, New York, and other places where there are large numbers to be naturalized.

Mr. BLANTON. I will state to the gentleman that I have had a good deal of experience in trying naturalization cases in my own State, and although the preliminary examination would show the applicant could speak the English language and understood our institutions, I found on examination they did not understand the English language and did not know what a single institution of this Government meant to them.

Mr. WILSON of Louisiana. The situation in New York is that the courts are overwhelmed, and it is impossible for a judge to even make any kind of an investigation as to whether the examination by the inspectors has been thorough.

Mr. GREENE of Vermont. Does that indicate to you anything with regard to the rate with which people were coming into the country originally? Is there not sometimes a back up and fill that we are trying to get rid of that shows that there has been an undue immigration?

Mr. WILSON of Louisiana. I do not think there is any question, but there is, too, a greater volume of immigrants coming into this country now, and that for a number of years such has been the case. That is a question the House has acted upon, and the bill is now in the Senate. But this question of naturalization is one of great importance, and I do not believe it can be handled until there is some comprehensive legislation upon the question.

Mr. CALDWELL. Has the gentleman compared the number of people going away from the country with the number going away before the war?

Mr. WILSON of Louisiana. Yes; I have made the comparison. I was not discussing the question of immigration, but the question of naturalization. That situation is very serious, and I do not believe $25,000 will add anything to the efficiency of that service.

The CHAIRMAN. The time of the gentleman from Louisiana has expired.

Mr. GOOD. Mr. Chairman, I ask unanimous consent that debate on this paragraph and all amendments thereto close in 12 minutes.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent that debate on this paragraph and all amendments thereto close in 12 minutes. Is there objection? [After a pause.] The Chair hears none.

Mr. BOX. Mr. Chairman, relative to the naturalization branch of the work done in New York, I wish to concur in the opinion expressed by my colleague on the committee, the gentleman from Louisiana [Mr. WILSON]. In line with the remarks made by him as to the manner in which aliens are naturalized or granted the rights of citizenship, a personal observation of that work, coupled with an investigation of the matter inquired about by the gentleman from New York [Mr. HUSTED], will convince any thoughtful citizen that the work is not being properly done. When I saw those 125 men and the 250 witnesses accompanying them march past the judge in 90 minutes I saw that no investigation was being made, or, at least, no substantial one. My hope then turned to the investigation that had been made prior to that. I went to the naturalization offices and talked with the inspectors. I went into the extent of their investigation, and found that the gentleman from

Louisiana does not overstate the case when he says that that is wholly insufficient.

Often the applicant reports to the naturalization officer, brings two witnesses, and the most formal inquiry is made, a very brief one—something almost as brief as that in the court. The naturalization rooms are crowded. There is not sufficient room for men to sit. A perfect throng keeps coming, there is disorder, lack of dignity, and a lack of thoroughness. Everything speaks of haste and a disregard of the importance of that solemn proceeding. The oath is administered in a hurried, muttered whisper that few understand and apparently nobody takes seriously.

Mr. CHINDBLOM. Is not that due mostly to the manner in which the law is administered by the officers of the Government rather than in the law itself? I have seen the law administered in a manner that made it impressive and where it was a thorough examination.

Mr. BOX. The gentleman is perhaps correct about that. I have had connection with some such cases myself. I am speaking particularly of the situation as it exists in New York, and so far as my limited study and observation have gone there is a breakdown there, due partly, perhaps chiefly, to congested conditions and partly to a general disposition to regard the whole matter slightly. The force of inspectors is insufficient and the number of men to be investigated is too large. The work can not be properly done when ten times as much of it is being offered as can be performed by the force available. Then, I fear few concerned take the situation or proceeding seriously. I am afraid the aliens acquiring the rights of citizenship do not. I fear the officers administering the law do not. It does not appear that the Congress realizes the magnitude or the importance of the work. I wish I could feel that the American people knew the situation and realized what momentous issues depend on what is now so lightly regarded.

I am inclined to think that an increase of $25,000 in the appropriation, without a realization of the seriousness of the situation and a corresponding resolution to correct it, would do no good. Whatever Congress may do with the proposition now before the House, I sincerely hope that Congress will give its attention to two things: First, to an arrangement providing for the proper inspection of immigrants upon their admission. It is not now being done, and no Member of this House will think so when he observes it. And, next, the proceeding by which men are granted the rights of citizenship, including the preliminary investigation inquired about, is almost a farce. It is formal; it is perfunctory; it is hasty; it is not at all in keeping with the very great importance of what is involved. [Applause.]

Mr. SABATH. Mr. Chairman, I am obliged to admit that it is absolutely impossible for the department to carry out such investigation that might meet with the approval of the gentleman from Texas [Mr. BOX] or the gentleman from Louisiana [Mr. WILSON]. But that is not the fault of the department. I know that in the city of Chicago and in the entire district the officials there do investigate and examine every applicant, but it is absolutely impossible, with the few inspectors and examiners which they have, to give each and every applicant such investigation and examination that they should have. Nevertheless they are endeavoring to do the best they can. I believe the committee has erred again in cutting down the appropriation requested by the department.

Mr. Chairman, let me read the statement of Mr. Shoemaker in the hearings at the time he testified before the Appropriation Committee, when he urged that the appropriation for that bureau should be increased:

> During the fiscal year there were 166,925 civilian petitions filed in the various courts throughout the country. That is an increase of approximately 65 per cent over the civilian petitions filed in the preceding year, which totaled 107,000. That does not include the soldiers or the cases where alien soldiers in the Army were naturalized under the act of May, 1918. There were over 51,000 of those certificates issued to alien soldiers, from the figures I have been able to obtain. There was an increase this year in the filing of petitions anywhere from 20 to 36 per cent.

Mr. Chairman, this will disprove the charge that the aliens do not desire to become American citizens. They do desire to become American citizens, and when they go day by day into our courts and plead that they should be admitted to citizenship, they are obliged to come there with their witnesses twice and three times, and four times even, before an opportunity is given them to be heard.

I think it is manifestly unfair that we should profit or make money out of these applicants. I think that the fees that are being collected are sufficiently large to warrant this House in being liberal and appropriating the funds needed to properly investigate and examine and naturalize these aliens who are very anxious and desirous to become American citizens.

Now, as to the legislation, the gentleman from Louisiana [Mr. WILSON] knows that we have prepared a bill, a naturalization bill, which is now on the calendar. It has been amended, and I believe the committee will have a chance and opportunity to bring it on the floor of the House and pass it; and if we do so, as I expect we will, it will be absolutely necessary to have additional help to eliminate these deplorable conditions that exist in the large cities in order that an opportunity may be given these men to become American citizens. [Applause.]

The CHAIRMAN. The time of the gentleman from Illinois has expired.

Mr. GOOD. Mr. Chairman, the amount usually appropriated before for this service was from $250,000 to $275,000 for a number of years. This year we have recommended $525,000. Here again there was a demand for increased pay, and there was a demand for a service that I think Congress ought to pass upon and upon which there ought to be legislation that more clearly defines the right to carry on educational work. I doubt the wisdom of the National Government carrying on schools at various places, stuffing people overnight in order that they can pass the examinations and become citizens. At least before I want to vote for a large appropriation for that purpose I would want to hear the discussion on the legislative need of it.

Now, what are the facts? When the officer came before us he said, "We are running within our appropriation this year." They have all the money that is necessary. If they are slowing down, it is not because they do not have sufficient funds. The officer who came asking for an increase in the appropriation said they were running within their appropriation, and they have had $525,000 for this service this year, and we have given them the same amount in the bill for the next year, which, it seems to me, is liberal. Until we enlarge the scope of that work, if Congress desires to enlarge that scope, I think it is ample, and therefore I hope that the amendment will not be agreed to.

The CHAIRMAN. The question is on the amendment of the gentleman from New York [Mr. SIEGEL].

The question being taken; on a division (demanded by Mr. SIEGEL) there were—ayes 5, noes 36.

Accordingly the amendment was rejected.

The Clerk read as follows:

UNITED STATES HOUSING CORPORATION.

Salaries: For officers, clerks, and other employees in the District of Columbia necessary to collect and account for the receipts from the sale of properties and the receipts from the operation of unsold properties of the United States Housing Corporation, the Bureau of Industrial Housing and Transportation, property commandeered by the United States through the Department of Labor, and to collect the amounts advanced to transportation facilities and others, $70,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $5,000 per annum, and only one person may be employed at that rate.

Mr. BLANTON. Mr. Chairman, I move to strike out the figures "$70,000" in line 12, page 151.

The CHAIRMAN. The gentleman from Texas offers an amendment which the Clerk will report.

The Clerk read as follows:

Amendment by Mr. BLANTON: Page 151, line 12, strike out "$70,000."

Mr. BLANTON. Mr. Chairman, during the last session of this Congress this House passed a bill to wind up the business of the Housing Corporation. At that time the gentleman from Kentucky [Mr. LANGLEY] filed a report reciting that all that this institution had been doing lately was to raise salaries, and cited one it raised from $5,000 to $9,996 a year. That bill passed the House and went to the Senate, where no action was taken upon it. The Senate, however, passed a similar measure, practically identical with the House bill so far as winding up the business of the United States Housing Corporation was concerned, and stopping the expense of it. That measure came to the House, but the House has never done anything with it. So we find the House and the Senate practically agreed in trying to wind up the business of this Housing Corporation, and each passing a bill of its own to do so, and yet no agreement reached between the two, and the extravagant Housing Corporation still exists. In the face of this we find the Committee on Appropriations providing for $1,040,000 more expense for this Housing Corporation for the next fiscal year.

In other words, they recommend appropriations amounting to $70,000, $15,000, $10,000, $35,000, $960,000, and $10,000, making a total of $1,040,000. The committee seem to have been almost as extravagant in their computation as the Housing Corporation has been in spending money, because in computing these sums they have made an error of $60,000 by saying, "in all, $1,100,000"; when, as a matter of fact, all of the items aggregate a total of only $1,040,000. The proviso in this paragraph seeks to limit the highest salary to be paid to $5,000 and

states that only one such salary shall be paid. Well, why make that limitation unless they go further, because under the same authority that has been exercised heretofore by this Housing Corporation they could raise the salary of every other employee up to $4,999 under the provisions of this act, and it is shown that they have done such things heretofore, because in the report filed by the gentleman from Kentucky [Mr. LANGLEY] on the 30th day of July, 1919, committee report No. 181, it is shown that this Housing Corporation raised the salary of H. M. Webster from $5,000 a year at one fell swoop to $9,996 a year.

Mr. GOOD. Not out of this appropriation.

Mr. BLANTON. But out of other appropriations; and if they can do it out of one appropriation they can carry on the same kind of procedure in another appropriation to which they have access. That is the reason I want to call your attention to the fact that it is a continual waste to keep up this matter. Why on earth can we not get rid of it if we want to do it? The House has voted to get rid of it, the Senate has voted to get rid of it, and yet we permit it to go on year after year. We continue to appropriate $1,000,000 for handling this business. I think if gentlemen are going to carry out their promises they should get rid of this institution and save this million dollars annually for the people.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GOOD. I ask unanimous consent that all debate on this paragraph and all amendments thereto close in five minutes.

Mr. BLANTON. I withdraw the pro forma amendment.

The CHAIRMAN. The gentleman's amendment is not a pro forma amendment. It is a substantive amendment.

Mr. BLANTON. I ask unanimous consent to withdraw my amendment. It was intended as a pro forma amendment.

The CHAIRMAN. The gentleman from Texas asks unanimous consent to withdraw his amendment. Is there objection?

There was no objection.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

Washington, D. C., Government hotel for Government workers: For maintenance, operation, and management of the hotel and restaurants therein, including replacement of equipment, personal services, and printing, $960,000: *Provided*, That no person shall be employed hereunder at a rate of compensation exceeding $5,000 per annum, and only one person may be employed at that rate.

Mr. CHINDBLOM. Mr. Chairman, I move to strike out the last word. I should like to ask the chairman of the committee what revenues have been received from these Government hotels for Government workers during the last year, if he knows.

Mr. GOOD. The receipts will a little more than equal the expenses. It was necessary a while back to increase the charges, and now, because of a decline in the cost of supplies, they have reduced the price and the hotel is running a little ahead of the actual expenditure.

Mr. CHINDBLOM. That is, of this sum of $910,000?

Mr. GOOD. Yes.

Mr. CHINDBLOM. Of course, it does not cover the overhead expense?

Mr. GOOD. Yes; it covers everything but a return on the investment. I think the Committee on Public Buildings and Grounds brought in a resolution providing that it should not be run at a profit, and the receipts are just about enough to pay the expenses.

Mr. MACGREGOR. According to the testimony it was costing them $100,000 more than the income.

Mr. CHINDBLOM. Of course, that is immaterial in a big Government affair.

Mr. GOOD. That was not the testimony.

Mr. MACGREGOR. Why is it necessary to have so many employees—500 employees to take care of 1,875 occupants of these houses over there?

Mr. SIEGEL. That is not many in comparison with other hotels with which the gentleman is familiar. [Laughter.]

Mr. GOOD. We are trying to get rid of these hotels and trying to get rid of all these Government activities of this kind.

Mr. MACGREGOR. One person to take care of three people.

Mr. GOOD. The committee called attention to that fact and criticized it, and I understand they have made a change in the management. How much they are increasing the efficiency there and reducing the cost I can not state, except they said that they had been running behind and had run behind at one time about $100,000—and the gentleman is correct in that respect—but they have increased the rates enough to make that up, and they say that with that increase of rates they are able to break even.

Mr. CAMPBELL of Kansas. After all, does not the gentleman think that this experiment has been worth about what it has cost, for it shows that even in running a hotel the Government can not do it as economically as a private individual?

Mr. GOOD. Yes; I think it was worth something to explode that socialistic dream.

Mr. CAMPBELL of Kansas. It takes 500 employees to accommodate 1,800 guests.

Mr. FESS. Can not we safely reduce that number?

Mr. GOOD. If they can reduce it, then, of course, there would be a corresponding reduction in the charges down there. A year or two ago we had to appropriate a large sum for a deficiency for this very hotel, and we criticized the large number of employees. I think the criticism was beneficial in bringing about some reduction.

Mr. BROOKS of Illinois. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. BROOKS of Illinois. Down by the navy yard we have about 14 buildings equipped with a splendid restaurant, all equipped. What is being done with those?

Mr. GOOD. I supposed that those had been sold. At least they attempted to sell them. They are not operating and never have operated that restaurant.

Mr. BLANTON. And they never have had an occupant in them since they were built.

Mr. GOOD. No; they were not completed when the armistice was signed.

Mr. MACGREGOR. They sold the furniture and then refurnished them.

Mr. GOOD. They did some foolish things, but I do not think they did that.

Mr. BROOKS of Illinois. Yes, they did.

Mr. GOOD. We wanted to close this hotel, but there was a great deal of criticism on behalf of a good many good women throughout the country, and I understand that the department decided that the hotel should be continued for the present.

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

The CHAIRMAN. The time of the gentleman from Illinois [Mr. CHINDBLOM] has expired. The pro forma amendment is withdrawn and the Clerk will read.

The Clerk read as follows:

Maintenance, unsold property: To maintain and repair houses, buildings, and improvements which are unsold, $10,000.

Mr. GOOD. Mr. Chairman, I offer the following amendment, which I send to the desk.

The Clerk read as follows:

Miscellaneous expenses account of property sold: To pay taxes, fire insurance, special assessments, and other utility, municipal, State, and county charges or assessments unpaid by purchasers and which have been assessed against property in which the United States Housing Corporation has an interest, and to defray expenses incident to foreclosing mortgages, conducting sales under deeds of trust, or reacquiring title or possession of real property under default proceedings, including attorney fees, witness fees, court costs, charges, and other miscellaneous expenses, $20,000.

Mr. GOOD. Mr. Chairman, I ask unanimous consent to modify the amendment by striking out the words "fire insurance," which were inadvertently inserted.

The CHAIRMAN. The gentleman from Iowa asks unanimous consent to modify his amendment in the manner indicated. Is there objection?

There was no objection.

Mr. GOOD. Mr. Chairman, this item is offered to recover several hundred thousands of dollars that can be recovered by making this change in the law. It is subject to a point of order. Nobody has made it, and I shall not raise the point myself that the point of order comes too late if it be now made. I think I ought to bring this matter before the committee. The situation is this: During the war the Housing Corporation was authorized to use a part of the $60,000,000 appropriated for housing to extend street railway lines, electric lines, and to extend sewers, gas mains, water mains, and everything of that kind. There was a great deal of extension of sewers and of water mains and gas mains, under a contract with certain cities, that the cities would pay the amount back. Property was acquired by the United States Housing Corporation, and in a great many instances the cities commenced to levy taxes on such property. It is true that they have no right to levy taxes on property belonging to the United States, even though the legal title be in a corporation, but the cities now refuse to take over the water mains and the sewers and gas mains in which we have a very large investment unless the Government pays the taxes that have been assessed. In one case the investment for sewers, and so forth, is very large, whereas the taxes amount to only a few thousand dollars. By paying the taxes in the settlement we will make a large collection of a questionable asset. It seemed to the committee that by permitting the payment of these taxes, which, as I recall, amount

in all to less than $50,000, scattered throughout many cities, the Government can recoup something over a million dollars. Therefore it seemed that we ought to bring the matter before the Committee of the Whole and let that committee decide.

Mr. GARD. Mr. Chairman, will the gentleman yield?

Mr. GOOD. Yes.

Mr. GARD. What is the amount carried in the amendment proposed by the gentleman?

Mr. GOOD. Twenty thousand dollars. I think the Housing Corporation did a very foolish thing. For example, in my State where they had some houses at or near Davenport, they sold the properties on a basis of a cash payment of 10 per cent and took a mortgage, but parted with possession to the title. Under the laws of Iowa it is very difficult to dispossess a person in a foreclosure proceeding respecting real property for a period of much less than three years, and usually more time is required. Before the deeds can pass the court costs must be paid, and this is to take care of instances of that kind.

Mr. GARD. I gathered from the reading of the amendment that this had to do with certain expenses for foreclosing mortgages and things of that kind.

Mr. GOOD. Yes; largely sheriff and court costs in foreclosure proceedings, where the Government foreclosed mortgages.

Mr. GARD. I was wondering if that was not taken care of in the first paragraph where $70,000 is appropriated for salaries of officers and clerks and employees.

Mr. GOOD. That is for the District of Columbia expenses.

Mr. GARD. Oh, this is for property outside of the District.

Mr. GOOD. Yes.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Iowa.

The question was taken, and the amendment was agreed to.

The Clerk read as follows:

The appropriations made herein under the title "United States Housing Corporation" shall be available for expenditure by the agency or agencies of the public service having jurisdiction of the affairs of the said corporation;

In all, $1,100,000: *Provided*, That no part of the appropriations heretofore made and available for expenditure by the United States Housing Corporation shall be expended for the purposes for which appropriations are made herein.

Mr. BLANTON. Mr. Chairman, I ask unanimous consent that the Clerk be instructed to correct——

The CHAIRMAN. The Clerk has already been authorized to correct all totals.

Mr. BLANTON. The total here is incorrect.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

EMPLOYMENT SERVICE.

To enable the Secretary of Labor to foster, promote, to develop the welfare of the wage earners of the United States, to improve their working conditions, to advance their opportunities for profitable employment by maintaining a national system of employment offices and to coordinate the public employment offices throughout the country by furnishing and publishing information as to opportunities for employment and by maintaining a system for clearing labor between the several States, including personal services in the District of Columbia and elsewhere, and for their actual necessary traveling expenses while absent from their official station, together with their per diem in lieu of subsistence, when allowed pursuant to section 13 of the sundry civil appropriation act approved August 1, 1914, supplies and equipment, telegraph and telephone service, and printing and binding, $250,000.

Mr. BLANTON. Mr. Chairman, I make the point of order against the paragraph that it is unauthorized by law, and it is new legislation.

The CHAIRMAN. Does the gentleman from Iowa desire to be heard on the point of order?

Mr. GOOD. I realize what has been done in regard to a similar item, but the language has been recast, and I want to call the attention of the Chair to the language, stated briefly, of the act creating the Department of Labor where it provides, among other things:

The purpose of the Department of Labor shall be to foster, promote, and develop the welfare of the wage earners of the United States; to improve their working conditions; to advance their opportunities for profitable employment.

The language of this section provides:

To enable the Secretary of Labor to foster, promote, to develop the welfare of the wage earners of the United States; to improve their working conditions; to advance their opportunities for profitable employment by maintaining a national system of employment offices; and to coordinate the public employment offices—

And so forth.

I realize there is some question in regard to cooperation with States and State institutions and other employment offices throughout the country. It is a question that was passed upon by the gentleman from Tennessee [Mr. GARRETT] two years ago, but the language has been changed since that time. The committee a year ago, in framing this language, tried to bring the matter within the provisions of the act creating the department.

Mr. HUMPHREYS. Will the gentleman yield for a question?

Mr. GOOD. I will.

Mr. HUMPHREYS. Does the gentleman think there is no limitation on the power to appropriate at all, that any appropriation would be in order just so it was preceded by the words of the organic act? Now, this provides for sending men down in the various States, establish offices down there, gather up information, gather up the employees, and send them from one State to the other.

Mr. GOOD. We do that under this act. For instance, the department collects information with regard to prices, and so forth, and that is all hinged on the provision of the organic act. The Department of Labor has a good many men traveling over the country, more of them, I think, in all the departments than we ought to have. I am largely in sympathy with the gentleman, but this amount of $250,000 is a reduction of the amount asked, because the committee did not feel that we could grant the appropriation asked for, that that would be clearly subject to the point of order, but that possibly this would get by.

Mr. HUMPHREYS. Why would the $14,000,000 asked for some years ago——

Mr. GOOD. A couple of years ago.

Mr. HUMPHREYS. Be subject to a point of order any more than $250,000?

Mr. GOOD. Well, there was a scheme then much broader than this, and held out of order by the Chair. We tried to narrow it both in scope and in the amount carried in the bill.

Mr. BLANTON. Mr. Chairman, I am sure the Chair will pay some attention to the precedents of the House. The Chair will remember three years ago——

The CHAIRMAN. The Chair is ready to rule.

Mr. BLANTON. When practically the same amendment was offered, the same provision was offered by the gentleman from Massachusetts [Mr. GALLIVAN] in practically the same language——

The CHAIRMAN. To save the time of the committee, the Chair is ready to rule.

Mr. GALLIVAN. Did I understand the Chair was ready to rule?

The CHAIRMAN. The Chair is ready to rule.

Mr. GALLIVAN. With a very short debate?

The CHAIRMAN. Does the gentleman desire to be heard against the point of order?

Mr. GALLIVAN. Not if the Chair is ready to rule; not if the Chair has made up his mind. I do not want to take up the time of any man, but the Chair has made up his mind pretty quickly.

Mr. BLANTON. He is a parliamentarian.

The CHAIRMAN. The Chair appreciates that some points of order can be determined a little quicker than others, especially when the precedents are immediately at hand and the Chair has had his attention directed to the fact that this identical language was in the bill which was under consideration on the 11th day of May, 1920, when the gentleman from Minnesota [Mr. ANDERSON] was Chairman of the committee and a point of order was made. The point of order was sustained on the ground that the language of the paragraph went beyond the authority of the act creating the Department of Labor, and that previously a similar paragraph, somewhat broader in scope, however, was included in a bill under consideration in a previous Congress and was held out of order by the gentleman from Tennessee [Mr. GARRETT], at that time Chairman of the Committee of the Whole House on the state of the Union, and in view of those precedents the Chair sustains the point of order.

Mr. GALLIVAN. Mr. Chairman, I move that the committee do now rise.

The CHAIRMAN. The gentleman from Massachusetts moves that the committee do now rise.

The question was taken, and the Chair announced the noes seemed to have it.

On a division (demanded by Mr. GALLIVAN) there were—ayes 4, noes 52.

So the motion was rejected.

Mr. GALLIVAN. Mr. Chairman, I make the point of order there is no quorum present.

The CHAIRMAN. The gentleman makes the point of order there is no quorum present. The Chair will count. [After counting.] Eighty-one Members are present, not a quorum.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee, having had under consideration the bill H. R. 15422, the sundry civil appropriation bill, had come to no resolution thereon.

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. LANGLEY, for three days, on account of sickness in family.

To Mr. DENISON, for one week, on account of important business.

EXTENSION OF REMARKS.

Mr. SIEGEL. Mr. Speaker, I ask unanimous consent to revise and extend my remarks made this afternoon.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. SABATH. I make the same request.

Mr. BOX. I make the same request.

The SPEAKER. Is there objection? [After a pause.] The Chair hears none.

Mr. MONDELL. Mr. Speaker, I ask unanimous consent that when the House adjourns to-day it adjourn to meet at 11 o'clock a. m. to-morrow.

The SPEAKER. The gentleman from Wyoming moves that when the House adjourns to-night it adjourn to meet at 11 o'clock a. m. to-morrow. Is there objection?

Mr. GARD. Reserving the right to object, what is the necessity for meeting at 11 o'clock?

Mr. MONDELL. I think it may take the entire day to dispose of this bill, and I am in hopes we will dispose of it to-morrow.

Mr. GARD. Do I understand that there is a rule to be brought out to-morrow which will take some additional time for consideration?

Mr. CAMPBELL of Kansas. There probably will be. The rule has been asked for by the committee, and the request has been concurred in by the members of the Committee on the Merchant Marine and Fisheries.

Mr. GARD. If there is to be time given to the presentation of the rule, I am not constrained to object. If there is not, I do not think we gain anything by meeting at 11 o'clock. There is never anyone here at 11 o'clock. I do not desire to stand in the way.

Mr. ALMON. It is not the purpose of the Committee on Rules to vote on the rule until this bill is disposed of?

Mr. CAMPBELL of Kansas. Until the bill has been completed, and then go back to the item.

Mr. GARRETT. The gentleman says that they are going to wait until the completion of the bill before presenting the rule?

Mr. CAMPBELL of Kansas. That is my understanding of the request; that is, that the reading of the bill shall be concluded and then to rise and go back to the item. I have no idea when the rule will be considered.

Mr. WINGO. If the gentleman will yield, there is this situation, and I shall not object. But there are some important hearings in the morning, and I should feel inclined to object, although I should not take that responsibility, unless we were assured we would not be interrupted in those hearings until later on in the day. The gentleman suggests he will bring in the rule later.

Mr. MONDELL. The rule will come later.

Mr. GARRETT. If the gentleman will permit, the rule will come later, but we do not know how much later. The question of how long it will take to consider this bill renders the hour the rule will come up rather uncertain.

Mr. MONDELL. I know the gentleman will be in reach, as will all the other gentlemen.

Mr. GARD. Owing to the uncertainty, I shall have to object.

SUNDRY CIVIL APPROPRIATIONS.

Mr. GOOD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 15422, the sundry civil appropriation bill.

The question was taken, and the Speaker announced that the ayes seemed to have it.

Mr. BLANTON. Division, Mr. Speaker.

The House divided; and there were—ayes 47, noes 8.

Mr. BLANTON. Mr. Speaker, I made the point of no quorum.

The SPEAKER. It is clear there is no quorum present. The Doorkeeper will close the doors, the Sergeant at Arms will notify the absent Members. Those in favor of the motion that the House resolve itself into Committee of the Whole House on the state of the Union will, as their names are called, answer "yea" and those opposed will answer "nay," and the Clerk will call the roll.

The question was taken; and there were—yeas 244, nays 14, not voting 172, as follows:

YEAS—244.

Ackerman	Good	McClintic	Rubey
Almon	Goodall	McFadden	Sanders, Ind.
Anderson	Goodykoontz	McLaughlin, Mich.	Sanders, La.
Andrews, Md.	Graham, Ill.	McLaughlin, Nebr.	Sanders, N. Y.
Andrews, Nebr.	Greene, Mass.	McLeod	Schall
Ashbrook	Greene, Vt.	McPherson	Sears
Bacharach	Griest	MacGregor	Shreve
Barbour	Hadley	Madden	Siegel
Bee	Hardy, Colo.	Magee	Sinclair
Benham	Harrison	Mansfield	Sinnott
Blackmon	Hastings	Mapes	Sisson
Blanton	Haugen	Martin	Slemp
Bowling	Hawley	Merritt	Smith, Idaho
Box	Hayden	Michener	Smithwick
Brand	Hays	Miller	Snell
Briggs	Hernandez	Minahan, N. J.	Steagall
Brinson	Hersman	Mondell	Stedman
Britten	Hickey	Montague	Steenerson
Brooks, Pa.	Hoch	Moore, Ohio	Stephens, Miss.
Burdick	Holland	Moores, Ind.	Stephens, Ohio
Burroughs	Houghton	Morin	Stevenson
Butler	Hudspeth	Mott	Stoll
Byrns, Tenn.	Hull, Iowa	Murphy	Strong, Kans.
Caldwell	Hull, Tenn.	Neely	Summers, Wash.
Campbell, Pa.	Humphreys	Nelson, Mo.	Sumners, Tex.
Cannon	Husted	Newton, Mo.	Sweet
Caraway	Hutchinson	O'Connor	Swindall
Carter	Ireland	Ogden	Taylor, Ark.
Casey	Jacoway	Oldfield	Taylor, Colo.
Chindblom	James, Va.	Oliver	Temple
Christopherson	Jefferis	Osborne	Thompson
Collier	Johnson, Ky.	Paige	Tilson
Connally	Johnson, Wash.	Park	Timberlake
Cramton	Jones, Pa.	Parrish	Tincher
Curry, Calif.	Jones, Tex.	Patterson	Tinkham
Dallinger	Kearns	Peters	Towner
Darrow	Keller	Phelan	Treadway
Davis, Minn.	Kelly, Pa.	Purnell	Upshaw
Dempsey	Kendall	Quin	Vaile
Dent	Kennedy, R. I.	Radcliffe	Venable
Dickinson, Mo.	Kettner	Rainey, H. T.	Vestal
Dickinson, Iowa	Kiess	Rainey, J. W.	Vinson
Dowell	King	Raker	Voigt
Dunbar	Kinkaid	Ramsey	Volk
Dupré	Knutson	Ramseyer	Volstead
Dyer	Kraus	Randall, Calif.	Walsh
Eagan	Lampert	Randall, Wis.	Wason
Edmonds	Langley	Ransley	Watkins
Elliott	Lanham	Rayburn	Watson
Esch	Lankford	Reavis	Weaver
Evans, Nebr.	Larsen	Reber	Webster
Fess	Layton	Reed, N. Y.	Welling
Fish	Lazaro	Reed, W. Va.	Welty
Fisher	Lea, Calif.	Rhodes	Wheeler
Focht	Lee, Ga.	Ricketts	White, Kans.
Fordney	Lesher	Robsion, Ky.	Wilson, La.
Foster	Little	Rogers	Wingo
Freeman	Longworth	Romjue	Winslow
French	Luce	Rose	Woods, Va.
Garner	Lufkin	Rouse	Woodyard
Garrett	Luhring	Rowe	Young, N. Dak.

NAYS—14.

Black	Eagle	Huddleston	Sherwood
Bland, Va.	Evans, Mont.	McGlennon	Tague
Cullen	Gallivan	Pell	
Drane	Gard	Sabath	

NOT VOTING—172.

Anthony	Copley	Godwin, N. C.	McAndrews
Aswell	Costello	Goldfogle	McArthur
Ayres	Crago	Goodwin, Ark.	McCulloch
Babka	Crisp	Gould	McDuffie
Baer	Crowther	Graham, Pa.	McKenzie
Bankhead	Currie, Mich.	Green, Iowa	McKeown
Barkley	Dale	Griffin	McKinley
Begg	Davey	Hamill	McKinley
Bell	Davis, Tenn.	Hamilton	McLane
Benson	Denison	Hardy, Tex.	Maher
Bland, Ind.	Dewalt	Harreld	Major
Bland, Mo.	Dominick	Hersey	Mann, Ill.
Boies	Donovan	Hicks	Mann, S. C.
Booher	Dooling	Hill	Mason
Bowers	Doremus	Hoey	Mays
Brooks, Ill.	Doughton	Howard	Mead
Browne	Drewry	Hulings	Milligan
Brumbaugh	Dunn	Igoe	Monahan, Wis.
Buchanan	Echols	James, Mich.	Moon
Burke	Ellsworth	Johnson, Miss.	Mooney
Byrnes, S. C.	Elston	Johnson, S. Dak.	Moore, Va.
Campbell, Kans.	Emerson	Johnston, N. Y.	Mudd
Candler	Evans, Nev.	Juul	Nelson, Wis.
Cantrill	Fairfield	Kahn	Newton, Minn.
Carew	Ferris	Kelley, Mich.	Nicholls
Carss	Fields	Kennedy, Iowa	Nolan
Clark, Fla.	Flood	Kincheloe	O'Connell
Clark, Mo.	Frear	Kitchin	Olney
Classon	Fuller	Kleczka	Overstreet
Cleary	Gallagher	Kreider	Padgett
Coady	Gandy	Lehlbach	Parker
Cole	Ganly	Linthicum	Perlman
Cooper	Glynn	Lonergan	Porter

Pou	Scully	Strong, Pa.	White, Me.
Rainey, Ala.	Sells	Sullivan	Williams
Riddick	Sims	Swope	Wilson, Ill.
Riordan	Small	Taylor, Tenn.	Wilson, Pa.
Robinson, N. C.	Smith, Ill.	Thomas	Wise
Rodenberg	Smith, Mich.	Tillman	Wood, Ind.
Rowan	Smith, N. Y.	Vare	Wright
Rucker	Snyder	Walters	Yates
Sanford	Steele	Ward	Young, Tex.
Scott	Stiness	Whaley	Zihlman

So the motion was agreed to.

The Clerk announced the following pairs:

Until further notice:

Mr. HARRELD with Mr. WRIGHT.

Mr. BLAND of Indiana with Mr. MCKEOWN.

Mr. MONAHAN of Wisconsin with Mr. BRUMBAUGH.

Mr. JUUL with Mr. CRISP.

Mr. ECHOLS with Mr. FLOOD.

Mr. FULLER with Mr. CANTRILL.

Mr. SANFORD with Mr. MAHER.

Mr. ZIHLMAN with Mr. ASWELL.

Mr. ANTHONY with Mr. AYRES.

Mr. GREEN of Iowa with Mr. HOEY.

Mr. YATES with Mr. BABKA.

Mr. BAER with Mr. ROWAN.

Mr. WOOD of Indiana with Mr. SIMS.

Mr. RIDDICK with Mr. HOWARD.

Mr. ELSTON with Mr. BYRNES of South Carolina.

Mr. SMITH of Illinois with Mr. MCLANE.

Mr. DUNN with Mr. WHALEY.

Mr. WILSON of Illinois with Mr. GODWIN of North Carolina.

Mr. RODENBERG with Mr. RUCKER.

Mr. PARKER with Mr. CANDLER.

Mr. BEGG with Mr. FERRIS.

Mr. WILLIAMS with Mr. THOMAS.

Mr. HUTCHINSON with Mr. YOUNG of Texas.

Mr. NELSON of Wisconsin with Mr. DONOVAN.

Mr. MANN of Illinois with Mr. CLARK of Missouri.

Mr. DAVIS of Tennessee with Mr. BANKHEAD.

Mr. PORTER with Mr. TILLMAN.

Mr. SELLS with Mr. GOODWIN of Arkansas.

Mr. NOLAN with Mr. MAYS.

Mr. SNYDER with Mr. CLARK of Florida.

Mr. BOIES with Mr. WISE.

Mr. MASON with Mr. FIELDS.

Mr. MCCULLOCH with Mr. STEDMAN.

Mr. STRONG of Pennsylvania with Mr. WILSON of Pennsylvania.

Mr. TAYLOR of Tennessee with Mr. GRIFFIN.

Mr. BOWERS with Mr. NICHOLLS.

Mr. SWOPE with Mr. GALLAGHER.

Mr. WALTERS with Mr. SULLIVAN.

Mr. MCKINLEY with Mr. SMALL.

Mr. EMERSON with Mr. CAREW.

Mr. BROOKS of Illinois with Mr. KINCHELOE.

Mr. SMITH of Michigan with Mr. MILLIGAN.

Mr. VARE with Mr. STEELE.

Mr. STINESS with Mr. LINTHICUM.

Mr. KELLEY of Michigan with Mr. MCKINIRY.

Mr. SCOTT with Mr. MAJOR.

Mr. GOULD with Mr. SCULLY.

Mr. CLASSON with Mr. HARDY of Texas.

Mr. KLECZKA with Mr. GOLDFOGLE.

Mr. PERLMAN with Mr. MOON.

Mr. WHITE of Maine with Mr. OLNEY.

Mr. NEWTON of Minnesota with Mr. DOUGHTON.

Mr. FAIRFIELD with Mr. CARSS.

Mr. COLE with Mr. BARKLEY.

Mr. WARD with Mr. MOONEY.

Mr. DENISON with Mr. CLEARY.

Mr. GLYNN with Mr. BELL.

Mr. COSTELLO with Mr. BENSON.

Mr. FREAR with Mr. DOMINICK.

Mr. MCKENZIE with Mr. BLAND of Missouri.

Mr. MUDD with Mr. MCDUFFIE.

Mr. JAMES of Michigan with Mr. DOOLING.

Mr. CROWTHER with Mr. DREWRY.

Mr. KREIDER with Mr. MANN of South Carolina.

Mr. KAHN with Mr. MOORE of Virginia.

Mr. ELLSWORTH with Mr. DAVEY.

Mr. COPLEY with Mr. MCANDREWS.

Mr. JOHNSON of South Dakota with Mr. KITCHIN.

Mr. GRAHAM of Pennsylvania with Mr. COADY.

Mr. CURRIE of Michigan with Mr. MEAD.

Mr. DALE with Mr. GANDY.

Mr. HICKS with Mr. PADGETT.

Mr. CRAGO with Mr. RAINEY of Alabama.

Mr. HULINGS with Mr. GANLY.

Mr. HERSEY with Mr. EVANS of Nevada.

Mr. COOPER with Mr. RIORDAN.

Mr. LEHLBACH with Mr. ROBINSON of North Carolina.

Mr. HILL with Mr. JOHNSON of Mississippi.

Mr. MCARTHUR with Mr. O'CONNELL.

Mr. KENNEDY of Iowa with Mr. OVERSTREET.

Mr. HAMILTON with Mr. POU.

Mr. BROWNE with Mr. BUCHANAN.

The result of the vote was announced as above recorded.

The SPEAKER. A quorum is present. The Doorkeeper will open the doors. The gentleman from Massachusetts [Mr. WALSH] will please resume the chair.

Thereupon the House resolved itself into Committee of the Whole House on the state of the Union, with Mr. WALSH in the chair.

The CHAIRMAN. The House is in Committee of the Whole House on the state of the Union for the further consideration of the bill which the Clerk will report by title.

The Clerk read as follows:

A bill (H. R. 15422) making appropriations for sundry civil expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

PUBLIC PRINTING AND BINDING.

Office of Public Printer: Public Printer, $6,000; purchasing agent, $3,600; chief clerk, $2,750; accountant, $2,500; assistant purchasing agent, $2,500; cashier and paymaster, $2,500; clerk in charge of CONGRESSIONAL RECORD at the Capitol, $2,500; private secretary, $2,500; assistant accountant, $2,250; chief timekeeper, $2,000; paying teller, $2,000; clerks—4 at $2,000 each, 10 of class 4, 13 of class 3, 12 of class 2, 10 of class 1, 15 at $1,000 each, 6 at $900 each; paymaster's guard, $1,000; doorkeeper—chief $1,200, 1 $1,200, 5 assistants at $1,000 each; 2 messengers, at $840 each; delivery men—chief $1,200, 5 at $950 each; telephone switchboard operator, $720; 3 assistant telephone switchboard operators, at $600 each; 7 messenger boys, at $420 each; in all, $148,590.

Mr. BLANTON. Mr. Chairman, I offer an amendment. On page 156, line 9, after the word "Capitol," strike out "$2,500" and insert "$3,500."

The CHAIRMAN. The Clerk will report the amendment offered by the gentleman from Texas.

The Clerk read as follows:

Amendment offered by Mr. BLANTON: Page 156, line 9, after the word "Capitol," strike out the figures "$2,500" and insert in lieu thereof the figures "$3,500."

Mr. BLANTON. Mr. Chairman, in all of the force of employees in this Government there is not anyone more faithful and efficient than this clerk, and while other salaries have been raised according to deserts in many cases, and not so much so in others, his has not been made commensurate with the value of the service he gives to the country.

I submit the matter without further argument. I think his salary ought to be increased.

The CHAIRMAN. The question is on agreeing to the amendment offered by the gentleman from Texas.

The question was taken, and the Chair announced that the noes appeared to have it.

Mr. BLANTON. A division, Mr. Chairman.

The CHAIRMAN. A division is demanded.

The committee divided; and there were—ayes 8, noes 93.

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

For the Patent Office: For printing the weekly issue of patents, designs, trade-marks, prints, and labels, exclusive of illustrations; and for printing, engraving illustrations, and binding the Official Gazette, including weekly, monthly, bimonthly, and annual indices, $585,000.

Mr. BLANTON. Mr. Chairman, I move to strike out the last word, in order to ask a question.

The CHAIRMAN. The gentleman from Texas moves to strike out the last word.

Mr. BLANTON. I would like to ask the chairman if there is any law authorizing the appropriation of $585,000 for printing this weekly?

Mr. GOOD. Oh, yes. There is law for printing the weekly issues of patents.

Mr. BLANTON. And the provisions of this paragraph come within the provisions of that law and are authorized by it?

Mr. GOOD. Out of this they print not only the patents but the designs, and they sell a great many copies.

Mr. BLANTON. All of that is in addition to the original law?

Mr. GOOD. Oh, no. It is all authorized by law.

Mr. BLANTON. In other words, all this paragraph is authorized by law?

Mr. GOOD. Absolutely.

Mr. BLANTON. Mr. Chairman, I withdraw the pro forma amendment.

The CHAIRMAN. The pro forma amendment is withdrawn. The Clerk will read.

The Clerk read as follows:

For furniture and fixtures, typewriters, carpets, labor-saving machines and accessories, time stamps, adding and numbering machines, awnings, curtains, books of reference, directories, books, miscellaneous office and desk supplies; paper; twine, glue, envelopes, postage, car fares, soap, towels, disinfectants, and ice; drayage, express, freight, telephone and telegraph service; repairs to building, elevators, and machinery; preserving sanitary condition of building, light, heat, and power; stationery and office printing, including blanks, price lists, and bibliographies, $39,000; for catalogues and indexes, not exceeding $16,000; for binding reserve remainders, and for supplying books to depository libraries, $90,000; equipment, material, and supplies for distribution of public documents, $35,000; in all, $180,000.

Mr. KIESS. Mr. Chairman, I offer an amendment.

The CHAIRMAN. The gentleman from Pennsylvania offers an amendment, which the Clerk will report.

The Clerk read as follows:

Amendment offered by Mr. KIESS: On page 166, after line 8, insert: "The duty of preparing, publishing, and distributing the semimonthly and session indexes of the CONGRESSIONAL RECORD shall be performed, beginning with the 1st day of July, 1921, and thereafter, by the superintendent of documents of the Government Printing Office, under direction of the Joint Committee on Printing. For the performance of this work the superintendent of documents shall assign from time to time from among the persons appropriated for in his office such of them as he may deem competent and necessary.

Mr. BLANTON. Mr. Chairman, I reserve the point of order on the amendment.

The CHAIRMAN. The gentleman from Texas reserves a point of order on the amendment.

Mr. KIESS. Mr. Chairman, in explanation of this amendment I merely want to say that it puts into effect a joint resolution which was introduced by me and favorably reported by the Committee on Printing at the beginning of this session.

For more than 40 years the indexing of the CONGRESSIONAL RECORD has been done by contract, due to the fact that the printing law of 1881, which was reenacted in 1895, provided that it should be done by an indexer. Now, it takes from five to seven people to do this work, and the Joint Committee on Printing, not having authority to employ more than one person, had to have it done by contract.

We have been trying for a number of years to change this method. In the Sixty-third Congress, the first Congress of which I was a Member, a printing bill was introduced and passed which provided that indexers should be appointed, which would have made it possible to employ a number of persons, and in the Sixty-sixth Congress, on the 13th of August, 1919, a printing bill introduced by me and carrying this provision passed the House. This bill has not passed the Senate as yet, and in order to make this legislation effective, beginning with the new fiscal year, we decided to report joint resolution No. 384. It will not be possible to reach it on the calendar at this session, and for that reason I am offering this as an amendment to the sundry civil bill, believing that it is in the interest of economy. The men who will be employed will be under civil service, and when they are not employed on this work, when Congress is not in session, the superintendent of documents can use them for indexing other publications of the Government.

Mr. BLANTON. Will the gentleman yield?

Mr. KIESS. I will.

Mr. BLANTON. As I understand the gentleman there are now seven employees under the civil service engaged in this work.

Mr. KIESS. Oh, no; not under the civil service. It is done by contract. One man has the contract, and he employs the others.

Mr. BLANTON. And they are not under the civil service?

Mr. KIESS. No.

Mr. BLANTON. They are entirely outside of it?

Mr. KIESS. Yes.

Mr. BLANTON. So when we change this plan of indexing we will not leave seven idle civil-service employees in any other department with nothing to do?

Mr. KIESS. No.

Mr. BLANTON. I withdraw the reservation of the point of order.

Mr. GARD. I renew it.

Mr. KING. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. KING. Will this remove any of the employees from the pay roll of the House?

Mr. KIESS. No.

Mr. TILSON. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. TILSON. How much does it cost at the present time to do this indexing?

Mr. KIESS. It is paid for by the page, and depends on the number of pages. For the eight Congresses prior to the Sixty-first Congress the average number of pages of the CONGRESSIONAL RECORD for a Congress amounted to 12,851. We all know that in recent years Congress has been in session the greater part of the time.

Mr. TILSON. Unfortunately so.

Mr. KIESS. And there is a large increase in the number of pages; so that no one can tell what it will cost.

Mr. TILSON. Does the gentleman have any idea that this change will save money?

Mr. KIESS. I am sure it will save money; and anyone who will read the report of the Committee on Printing which accompanied House joint resolution No. 384 will get a very fair statement of the situation.

Mr. GOOD. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. GOOD. I will say to the gentleman that we carry in this bill six clerks to do this work, and their total compensation is $8,400. One year it cost nearly $20,000 to do this work under the contract; and unquestionably this will save from $5,000 to $10,000 a year. When the Committee on Appropriations learned that the gentleman's Committee on Printing intended to report out this joint resolution, the gentleman from Pennsylvania came and asked us to put it on the bill. We declined to do that, but we did put on the number of clerks necessary to do the work, and they are carried in the bill, and the gentleman said he would offer the amendment. I have no objection to it, because it will effect a real saving.

Mr. GREENE of Vermont. Will the gentleman yield?

Mr. KIESS. Yes.

Mr. GREENE of Vermont. A question for information. It seems to me that six or eight clerks are a quite sufficient force to index a publication like the CONGRESSIONAL RECORD, which follows certain definite lines of matter, and whose system of indexing was long ago established in a uniform way.

Mr. KIESS. I do not understand what the gentleman is getting at, but at the present time there are no clerks employed by the House.

Mr. GREENE of Vermont. I understand that. What I mean to say is that it does not seem to me, from such knowledge as I have, that such a number of clerks would be required.

The CHAIRMAN. The time of the gentleman has expired. Does the gentleman from Ohio insist on his point of order?

Mr. GARD. Still reserving the point of order for the purpose of making an inquiry, do I understand that legislation from the gentleman's committee has passed the House covering this matter?

Mr. KIESS. Not with this exact provision. I said that the committee had reported out a joint resolution at the beginning of this session which they realize can not be reached in the ordinary course of business, and for that reason we have asked to have this attached to the sundry civil bill. I stated that in the first session of the Sixty-sixth Congress a general bill revising the printing law passed the House, but has not passed the Senate.

Mr. GARD. Is that which the gentleman now asks contained in the general printing bill which passed the House and is awaiting action on the part of the Senate?

Mr. KIESS. Does the gentleman mean what we are asking to pass now?

Mr. GARD. Yes.

Mr. KIESS. No; the general printing bill provided that the Joint Committee on Printing should employ indexers instead of an indexer, which would have made it possible for us to get away from the contract system. The committee believe that this amendment is a better proposition, for the reason that no one knows how long Congress will be in session, and that with these people employed by the year the superintendent of documents can make use of them for other work when Congress is not in session.

Mr. GARD. How many more people will be employed under your amendment?

Mr. KIESS. Not any more.

Mr. YOUNG of North Dakota. Mr. Chairman, I demand the regular order.

The CHAIRMAN. The gentleman from North Dakota demands the regular order. Does the gentleman from Ohio insist upon his point of order?

Mr. GARD. If the regular order is demanded before I can secure information I shall have to insist upon it.

Mr. YOUNG of North Dakota. Mr. Chairman, I withdraw the demand.

Mr. GARD. I have no desire to take up the time of the committee unduly. How many men will be added to the pay roll by the gentleman's amendment?

Mr. KIESS. No one will be added, in one sense. At the present time the work is done by contract, and the man who has the contract employs six men. Under this proposition the work will be done under the supervision of the superintendent of documents, and the employees will naturally come under the civil service, the same as the other employees of the Government Printing Office.

Mr. GARNER. And the saving will be about $10,000 a year?

Mr. GARD. Under the contract it is not necessary to have them under the civil service?

Mr. KIESS. No. This is a private contract. It has been going on for 40 years. We are trying to correct something and save the Government money. As a member of the Joint Committee on Printing for eight years I am familiar with it. We have been trying to correct it in a revision of the general printing laws.

Mr. GARD. What is the gentleman's estimate of the saving per year?

Mr. KIESS. The saving per year will probably be from $2,500 to $5,000. It will vary with the years, depending upon whether Congress is in session continuously or whether the RECORD is large or small.

Mr. GARD. Mr. Chairman, I withdraw the reservation of the point of order.

The CHAIRMAN. The question is on agreeing to the amendment.

The amendment was agreed to.

The Clerk read as follows:

In addition there is appropriated for the operation, maintenance, and extension of waterworks, sewers, and pavements in the cities of Panama and Colon during the fiscal year 1922 the necessary portions of such sums as shall be paid as water rentals or directly by the Government of Panama for such expenses.

Mr. GOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and the Speaker having resumed the chair, Mr. WALSH, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 15422, the sundry civil appropriation bill, and had come to no resolution thereon.

ADJOURNMENT.

Mr. GOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; and accordingly (at 6 o'clock and 9 minutes p. m.) the House adjourned until to-morrow, Friday, January 7, 1921, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of Rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

299. A letter from the Secretary of the Navy, transmitting proposed item of legislation to appropriate certain sums to further educational facilities for enlisted men in the Navy; to the Committee on Naval Affairs.

300. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Darby River, Pa.; to the Committee on Rivers and Harbors.

301. A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report on preliminary examination of Hudson River, N. Y., approaches to Troy Dam; to the Committee on Rivers and Harbors.

302. A letter from the Secretary of the Treasury, transmitting a list of judgments rendered by the Court of Claims, which have been presented to this department and require an appropriation for their payment (H. Doc. No. 956); to the Committee on Appropriations and ordered to be printed.

303. A letter from the Acting Secretary of the Treasury, transmitting copy of a communication from the Secretary of the Interior submitting a deficiency estimate of appropriation required by the Bureau of Indian Affairs to pay amounts found due by the accounting officer of the Treasury for the fiscal year 1920 and for prior years (H. Doc. No. 957); to the Committee on Appropriations and ordered to be printed.

304. A letter from the Secretary of the Treasury, transmitting a list of judgments rendered against the Government by the district courts of the United States, as submitted by the Attorney General, and which require an appropriation for their payment (H. Doc. No. 958); to the Committee on Appropriations and ordered to be printed.

305. A letter from the Secretary of the Treasury, transmitting schedules of claims allowed by the several accounting officers of the Treasury Department under appropriations the balances of which have been exhausted or carried to the surplus fund (H. Doc. No. 955); to the Committee on Appropriations and ordered to be printed.

REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS.

Under clause 2 of Rule XIII, bills and resolutions were severally reported from committees, delivered to the Clerk, and referred to the several calendars therein named, as follows:

Mr. WOOD of Indiana, from the Committee on Appropriations, to which was referred the bill (H. R. 15543) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes, reported the same without amendment, accompanied by a report (No. 1165), which said bill and report were referred to the Committee of the Whole House on the state of the Union.

Mr. KAHN, from the Committee on Military Affairs, to which was referred the joint resolution (H. J. Res. 440) directing the Secretary of War to cease enlisting men in the Regular Army of the United States, except in the case of those men who have already served two or more enlistments therein, reported the same with amendments, accompanied by a report (No. 1168), which said bill and report were referred to the House Calendar.

Mr. WALSH, from the Committee on the Judiciary, to which was referred the bill (S. 4682) to amend section 74 of the Judicial Code as amended, reported the same without amendment, accompanied by a report (No. 1169), which said bill and report were referred to the House Calendar.

CHANGE OF REFERENCE.

Under clause 2 of Rule XXII, committees were discharged from the consideration of the following bills, which were referred as follows:

A bill (H. R. 15349) granting a pension to Thomas A. De Berry; Committee on Pensions discharged, and referred to the Committee on Interstate and Foreign Commerce.

A bill (H. R. 15529) granting a pension to Charles W. F. Hamilton; Committee on Pensions discharged, and referred to Committee on Invalid Pensions.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. WOOD of Indiana: A bill (H. R. 15543) making appropriations for the legislative, executive, and judicial expenses of the Government for the fiscal year ending June 30, 1922, and for other purposes; committed to the Committee of the Whole House on the state of the Union.

By Mr. DARROW: A bill (H. R. 15544) to consent to the construction, maintenance, and operation of a bridge across the Delaware River from the city of Philadelphia, Pa., to the city of Camden, N. J., and also to consent to an agreement between the States of Pennsylvania and New Jersey and the city of Philadelphia for the construction, maintenance, and operation of such bridge; to the Committee on Interstate and Foreign Commerce.

By Mr. BURROUGHS: A bill (H. R. 15545) to amend an act entitled "An act to revise and equalize rates of pension to certain soldiers, sailors, and marines of the Civil War and the War with Mexico; to certain widows, including widows of the War of 1812, former widows, dependent parents, and children of such soldiers, sailors, and marines; and to certain Army nurses; and granting pensions and increase of pensions in certain cases"; to the Committee on Invalid Pensions.

By Mr. FULLER: A bill (H. R. 15546) to repeal certain portions of an act entitled "An act granting pensions and increase of pensions to certain soldiers and sailors of the Civil War and certain widows and dependent children of soldiers and sailors of said war," approved June 5, 1920; to the Committee on Invalid Pensions.

By Mr. BYRNES of South Carolina: A bill (H. R. 15547) to authorize the President in certain cases to relieve former members of the naval service of the disabilities now provided

by law for conviction upon the charge of desertion; to the Committee on Naval Affairs.

By Mr. TOWNER: A bill (H. R. 15548) to confer jurisdiction on the Supreme Court of the Philippine Islands to naturalize as citizens those who after having made a declaration of intention to become citizens of the United States have removed to the Philippine Islands before becoming naturalized in the United States, and to make applicable thereto the proceedings employed in such cases in courts of the United States in the naturalization of aliens; to the Committee on Insular Affairs.

By Mr. FISH: A bill (H. R. 15549) making Armistice Day a legal holiday; to the Committee on the Judiciary.

By Mr. BRITTEN: A bill (H. R. 15550) to establish a mint of the United States in the city of Chicago; to the Committee on Coinage, Weights, and Measures.

By Mr. WINSLOW: A bill (H. R. 15551) to amend and reenact subdivision (g) of section 204 and subdivision (g) of section 209 of the transportation act, 1920; to the Committee on Interstate and Foreign Commerce.

By Mr. BRITTEN: Joint resolution (H. J. Res. 441) confirming the action of past Congresses for the establishment of an American Navy capable of affording the greatest measure of protection to American commerce, American life, and American principles, and to maintain our national independence within our own control; to the Committee on Naval Affairs.

By Mr. GOOD: Resolution (H. Res. 634) providing that the consideration of certain amendments to House bill 15422 shall be in order; to the Committee on Rules.

By Mr. DALLINGER: Resolution (H. Res. 635) requesting the Secretary of State to furnish the House of Representatives certain information as to conditions in Russia; to the Committee on Foreign Affairs.

By Mr. DOWELL: Resolution (H. Res. 636) requesting the War Department to furnish information to the Committee on Military Affairs regarding the abandonment of Camp Dodge, and providing that pending the furnishment of such information and action thereon that no action toward the wrecking and abandonment of said camp be taken; to the Committee on Military Affairs.

By Mr. HUTCHINSON: Resolution (H. Res. 637) directing the Secretary of War to furnish to the House of Representatives, not later than February 1, 1921, the amount of nitrate of soda on hand in the War Department and the price paid for same per ton; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ASHBROOK: A bill (H. R. 15552) granting an increase of pension to Anne E. Black; to the Committee on Invalid Pensions.

By Mr. BROOKS of Pennsylvania: A bill (H. R. 15553) granting an increase of pension to Edward Miller, alias Frank Smith; to the Committee on Pensions.

By Mr. CRAGO: A bill (H. R. 15554) to carry out the findings of the United States Court of Claims in the case of Benjamin F. Hasson; to the Committee on War Claims.

By Mr. CURRY of California: A bill (H. R. 15555) for the relief of the Six Minute Ferry Co., of Vallejo, Calif.; to the Committee on Claims.

By Mr. FESS: A bill (H. R. 15556) granting a pension to Clara Daughters; to the Committee on Invalid Pensions.

By Mr. FIELDS: A bill (H. R. 15557) granting an increase of pension to Charles Duerson, sr.; to the Committee on Invalid Pensions.

By Mr. KING: A bill (H. R. 15558) granting a pension to Sarah Haddiman; to the Committee on Invalid Pensions.

By Mr. LAMPERT: A bill (H. R. 15559) granting a pension to Emma Hotchkiss; to the Committee on Pensions.

By Mr. MACGREGOR: A bill (H. R. 15560) to authorize the refund of a part of the purchase price of Camp Mills to the Buffalo House Wrecking & Salvage Co.; to the Committee on Claims.

By Mr. OVERSTREET: A bill (H. R. 15561) for the relief of the Gadsden Contracting Co.; to the Committee on Claims.

By Mr. PURNELL: A bill (H. R. 15562) granting a pension to Susie La Baw; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15563) granting a pension to Mary J. Landes; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15564) granting a pension to Marshall E. Shutters; to the Committee on Invalid Pensions.

By Mr. RAMSEYER: A bill (H. R. 15565) granting a pension to Estelle E. Knight; to the Committee on Invalid Pensions.

By Mr. ROBSION of Kentucky: A bill (H. R. 15566) granting a pension to Eliza P. Cook; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15567) granting an increase of pension to Sharlett Farmer; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15568) granting a pension to Lilly Guffey; to the Committee on Pensions.

By Mr. RUBEY: A bill (H. R. 15569) granting a pension to Clara Blunt; to the Committee on Invalid Pensions.

By Mr. SNELL: A bill (H. R. 15570) granting a pension to Delia E. Nelson; to the Committee on Invalid Pensions.

By Mr. TAYLOR of Tennessee: A bill (H. R. 15571) granting a pension to Julia Hollingsworth; to the Committee on Invalid Pensions.

Also, a bill (H. R. 15572) granting a pension to Polly E. Thompson; to the Committee on Pensions.

Also, a bill (H. R. 15573) granting an increase of pension to Earle W. Brown; to the Committee on Pensions.

Also, a bill (H. R. 15574) for the relief of Virgie Young; to the Committee on Claims.

By Mr. WHALEY: A bill (H. R. 15575) for the relief of Dampskibsselskabet Dannebrog, owner of the Danish steamship *Flynderborg;* to the Committee on Claims.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

4833. By the SPEAKER (by request): Petition of E. N. Nockels, secretary Chicago Federation of Labor, urging immediate steps to resume trade with Russia; to the Committee on Foreign Affairs.

4834. By Mr. BURROUGHS: Petition of Storer Relief Corps, No. 6, Women's Relief Corps Auxiliary, Grand Army of the Republic, Portsmouth, N. H., indorsing Smith-Towner bill; to the Committee on Education.

4835. By Mr. CAREW: Petition of Hon. William D. Stephens, governor of the State of California, regarding the Japanese race problem in California; to the Committee on Immigration and Naturalization.

4836. By Mr. CULLEN: Petition of citizens of the State of New York, regarding a comprehensive waterways plan; to the Committee on Rivers and Harbors.

4837. Also, petition of board of managers of the Silk Association of America, favoring a daylight saving law; to the Committee on Interstate and Foreign Commerce.

4838. Also, petition of Brooklyn Chamber of Commerce, urging the immediate passage of the budget bill; to the Committee on Budget.

4839. By Mr. DYER: Petition of Henry C. Moriarity, of Camp Grant, Ill., requesting review of his discharge and disability claim; to the Committee on Interstate and Foreign Commerce.

4840. By Mr. O'CONNELL: Petition of League of Women Voters, Borough of Brooklyn, N. Y., indorsing the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4841. Also, petition of J. Francis Boorae, M. E., E. E., industrial engineer, New York, urging the immediate passage of the Nolan Patent Office force and salaries bill; to the Committee on Patents.

4842. Also, petition of Brooklyn Chamber of Commerce, Brooklyn, N. Y., urging the early installment of a modern budget system for the Federal Government; to the Committee on Budget.

4843. By Mr. SINCLAIR: Petitions of the congregations of the Evangelical First Congregational Church, First German Baptist Church, St. Ann's Catholic Church, First German Congregational Church, and St. John's Congregational Church, all of Hebron, N. Dak., protesting against the retention of French colored troops in the occupied area of Germany; also, letters from Hon. Fred Maser, county judge, and Viola E. Maser, clerk of county court, Dickinson, N. Dak., making similar protest; to the Committee on Foreign Affairs.

4844. By Mr. SNYDER: Petition of Utica (N. Y.) Drop Forge & Tool Co., manufacturers of nippers and pliers, for a revision of the tariff on such goods to 15 cents per pound and 50 per cent ad valorem, in lieu of the present rate of 30 per cent ad valorem; to the Committee on Ways and Means.

4845. By Mr. YATES: Petition of East St. Louis Lumber Co., East St. Louis, Ill., urging the passage of legislation providing 1-cent drop-letter postage; to the Committee on the Post Office and Post Roads.

4846. Also, petition of Marathon Underwear Co., Chicago, Ill., urging a sales tax; to the Committee on Ways and Means.

4847. Also, petition of Miss Vera H. Wertheim, 1424 East Sixty-fifth Street, Chicago, Ill., in re legislation pertaining to national parks; to the Committee on the Public Lands.

4848. Also, petition of Miss Grace G. Fraser, the Prairie Club, 1541 Monadnock Block, Chicago, Ill., in re legislation pertaining to national parks; to the Committee on the Public Lands.

4849. Also, petition of Edward Davieson, 1541 Monadnock Block, Chicago, Ill., in re legislation pertaining to national parks; to the Committee on the Public Lands.

4850. Also, petition of Rex W. Reeve, 3934 Prairie Avenue, Chicago, Ill., in re legislation pertaining to national parks; to the Committee on the Public Lands.

4851. Also, petition of Fort Armstrong Chapter, Daughters of the American Revolution, Rock Island, Ill., by Mrs. Ann Delia Yellman, secretary, protesting against the granting of water-power rights in national parks and protesting against use of the national parks for commercial purposes; to the Committee on the Public Lands.

4852. Also, petition of Messrs. Leroy G. Denman and Alexander Joske, San Antonio, Tex., in re legislation pertaining to Liberty bonds; to the Committee on Ways and Means.

4853. Also, petition of Sanford Manufacturing Co., Congress and Peoria Streets, Chicago, Ill., in re legislation pertaining to undeveloped commercial fields in Alaska; to the Committee on the Territories.

4854. Also, petition of Mrs. W. B. Cornwell, 3825 Alta Vista Terrace, Chicago, Ill., urging passage of the Sheppard-Towner bill; to the Committee on Interstate and Foreign Commerce.

4855. Also, petition of Mr. Harry L. Smith, Springfield, Ill., urging passage of legislation revising the provisions in sections 204, 214, and 234 of the revenue law of 1918 so as to make the privileges granted thereby apply to the years 1919 and 1920; to the Committee on Ways and Means.

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